

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Fourth Session — Seventeenth Legislature**  
**25th Day**

**Friday, March 8, 1974.**

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

**WELCOME TO STUDENTS**

**HON. D. W. CODY:** (Watrous): — Mr. Speaker, it gives me a great deal of pleasure to introduce to you and to this Assembly, 50 students from the Bruno Central High School. Bruno, as you know, is in the heart of the Watrous constituency now known as the Humboldt constituency. It is certainly a great pleasure to see them here today on this very special occasion. They are accompanied by their teacher, Mr. Lepage. I hope that the Assembly joins with me in wishing them a warm welcome here today and a safe journey home.

**HON. E. L. TCHORZEWSKI:** (Humboldt): — Mr. Speaker, I should like to add my words of welcome to those of the Member for Watrous to the students from Bruno. Bruno is a very short distance away from my present constituency of Humboldt as it is and the Member is right that it is now a part of the new constituency which will be of Humboldt. I hope that they will enjoy themselves during this visit. They are here on a very important day and a very significant day.

**MR. T. M. WEATHERALD:** (Cannington): — Mr. Speaker, before Orders of the Day I should like to introduce to you a group of Grade Seven students from the Carlyle School in southeast Saskatchewan. This is the first group that has come from Carlyle for some time and I am sure they are enjoying their trip to the Legislature and they have come on one of the most important days in our province.

**MR. D. W. MICHAYLUK:** (Redberry): — Mr. Speaker, in the absence of the Hon. Member for Kinistino (Mr. Thibault) who is away this afternoon to attend a funeral in the immediate family, I deem it a privilege, Mr. Speaker, to welcome on his behalf a group of 30 High School students from the Alvena High School, seated in the west gallery. They are accompanied by their teacher, Mr. Walter Kyliuk, who is also the bus driver.

The community of Alvena and the high school, although currently in the Rosthern constituency, is of special interest to the Hon. Member for Kinistino, for a special reason as this area will, in the next provincial election, be in the Kinistino constituency. It is with a great deal of pleasure that I welcome this group here this afternoon. I trust and hope, as I am sure all Hon. Members do, that their trip to the Capital City and the Legislature is educational and informative. And just in passing Alvena district is of special interest to me as

**March 8, 1974**

both of my grandparents came to this area from their homeland and both of my parents spent their childhood days in the Fish Creek area which is in the immediate area of the village. Mr. Speaker, I trust that their stay here is pleasant and that their trip back home is safe.

**HON. MEMBERS:** — Hear, hear!

### **MOTION FOR COMMITTEE OF FINANCE**

**MR. SPEAKER:** — The Lieutenant-Governor transmits estimates of certain sums required for the service of the Province for the 12 months ending March 31, 1975, the Supplementary Estimates of certain sums required for the service of the Province for the 12 months ending March 31, 1974, and recommends the same to the Legislative Assembly.

**HON. W. A. ROBBINS:** (Minister of Finance): — Mr. Speaker, I move, seconded by my colleague, Mr. Cody,

That His Honour's message, the Estimates and Supplementary Estimates be referred to the Committee of Finance.

Motion agreed to.

### **BUDGET DEBATE**

**HON. W. A. ROBBINS:** (Minister of Finance): — Mr. Speaker, I understand that it has long been a tradition in this Assembly that the Finance Minister wear a new and special tie for Budget day. Although I am not hidebound by tradition I assure you, I think this is a rather harmless tradition and I am pleased to continue it. My tie for today is a Scots tie, a Scots plaid, a plain and simple tie. I believe in simplicity. I purchased it at a sale.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — I was informed that it was worth \$4 but the item was on sale for \$1.66. I liked it and I bought it. If it should turn out to be misrepresentation, I shall report it to my colleague, the Hon. Member of Consumer Affairs (Mr. Tchorzewski) who is seated on my right. I do not believe I will have any difficulty. My colleague on my left, the Minister of Co-ops (Mr. Cody) will be pleased to know that I bought it in my local co-op store . . .

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — . . . where, incidentally, I purchase most of my goods and most of my needs and where, as a consumer, I have every confidence I will be treated fairly and properly. I may even please the Leader of the Opposition (Mr. Steuart) as he is worried about inflationary tendencies and so am I, so should we all be. My co-op had a special cash rebate on last week for all members' purchases. The \$1.66 had a 20 per cent cash discount, reducing the price to \$1.33, that plus tax resulted in a net

cost of \$1.40. Members will realize that in this case I am spending very limited sums to prepare for my Budget presentation, thus reducing inflationary tendencies.

Mr. Speaker, it is with a sense of honor and responsibility that I present to you and to Members of this House the third Budget of the current term of this New Democratic Government.

In so doing I am conscious of the remarkable contributions made by my predecessors in this administration.

In presenting our first Budget two years ago, Premier Allan Blakeney reminded the House of the four-year program pledged during the election campaign of 1971—the well known New Deal for People.

You will recall that the party opposite said that those promises could never be fulfilled. If they were, they said, the Province would be bankrupt. The Premier stood in this House in 1972 and invited—nay urged—the people of the province to keep a box score on our election platform, to compare our record of performance in honoring our pledges with the record of the party that sits opposite following their election victories in 1964 and 1967.

Today, Mr. Speaker, I repeat that invitation.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Because, Mr. Speaker, when I resume my seat this afternoon, it will be clear to everyone that this New Democratic Government has kept its faith with the people of Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — This Budget brings to fruition the New Deal for People, virtually complete. Not in five years, Mr. Speaker, not in four years, but in three.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — This would be reason enough for my pride in presenting this Budget today. But this Budget is not only the fulfilment of a promise, it is a keystone for the future. With it we are building a solid foundation for a more exciting, more secure and more democratic future in Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — If I were to attempt to capture in a single word the essence of the Budget I will lay before you today, that word would be 'development': development of our economy and our resources; development of our people through progressive social reforms and programs; and development of local autonomy through an imaginative new plan of assistance to local governments.

This Budget contains progressive programs designed to establish a base for continuing economic prosperity. Our goal is to see that this prosperity is not merely a peak in a

**March 8, 1974**

recurring cycle of booms and busts, but that it forms the basis for a solid and secure future.

We will propose, Mr. Speaker, important new development programs to diversify the economy. We will make a major effort to provide stability to the agricultural sector, to use our renewable and non-renewable resources fully and effectively, to encourage secondary industry, to develop tourism and to create economic opportunity in Northern Saskatchewan.

Coupled with the strong emphasis which this Budget places on economic and social development are major steps towards achieving equity in taxation and a fair redistribution of income.

Mr. Speaker, I could with justification use more superlatives in introducing this Budget. But let me summarize it this way.

Budgets are sometimes reputed to have some relationship to that recurring Canadian phenomenon—the election year. I can say nothing more eloquent than this: Were this an election year, I would stand in this House today fully confident that the New Democratic Party would be returned with a larger majority than we received in 1971.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Before turning to our expenditure proposals, let me outline the national and provincial economic framework in which this Budget is set.

In general, the Canadian economy in 1973 was marked by high inflation combined with high unemployment. We seem to have the worst of both worlds. Consumer prices increased by 9.1 per cent over 1972, the largest annual jump in over 20 years. Saskatchewan's increase was lower than the Canadian average; nevertheless it created a real hardship for those in lower income groups and for those on fixed incomes. Across Canada, the high rate of inflation in 1973 was not matched by a reduction in unemployment to acceptable levels. The Canadian unemployment rate averaged 5.6 per cent over the year. The Federal Government points again and again, to increased labor force participation as the main cause of high unemployment over the last few years.

The plain fact is that Canada has not created enough new jobs quickly enough to provide work for all the people who want to work. Today's high unemployment problem began in 1970. It all started when the Federal Government deliberately introduced policies to reduce the demand for goods and services. Those policies were all too effective. They resulted in high unemployment and unused productive capacity. But they had little effect on rising prices.

Society is paying a high price for the shortsighted policies of the Federal Liberals.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Too high a price, I submit, particularly for the youth of Canada who want to lead productive lives, who want to work but can't find challenging jobs. Indeed, many can find no jobs

at all. Furthermore, Mr. Speaker, some are paying a much higher price than others. Since 1970, corporate profits have been increasing as a percentage of national income. At the same time, the percentage share of wages peaked in 1971 and has been declining ever since. In other words, corporations are getting a larger slice of the pie; wage earners are getting less. And this was no minor shift. It was so large that in 1973 there was an actual decline in the real value of the average worker's weekly pay cheque in this country. That means, Mr. Speaker, the average worker could not buy as much with his wages in 1973 as he could in the prior year.

We keep hearing, Mr. Speaker, that these increases in profits are necessary incentives if we are to have full employment. There is nothing in the experience of the past three years to support this contention. The Government of Canada must find a better way to achieve full employment—one which works, and one which does not produce soaring corporate profits at the expense of the average wage earner.

Let me now, Mr. Speaker, comment on the economic conditions which will likely prevail in 1974.

Early indications suggested that Canada might expect to achieve a 4.75-5.25 per cent increase in real gross national product over 1973. However, a number of factors, including a marked slowdown in the American economy, may hold back the Canadian growth rate. As a consequence, a real growth rate in the four to five per cent bracket appears to be the most optimistic we can expect. Slower economic growth, coupled with a significant growth in the size of our labor force, can only mean a continuation of high unemployment unless substantial and effective changes are made in federal policy. We urge the Federal Government to take up the banner of full employment.

The future of the markets for primary products appears bright for 1974. However, it is essential that the Federal Government take steps to stabilize markets and incomes for all primary producers, especially farmers.

We have previously expressed our disagreement with the Federal Government's intention to maintain and extend the role of the open market in the disposal of specialty and feed grains. Such a shortsighted policy can only hurt the western Canadian farmer and the economy of this province.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, let me now turn to the Saskatchewan scene.

The favourable performance of the Saskatchewan economy, to which my colleague, the Hon. Elwood Cowley, referred last year, continued throughout 1973. We have seen substantial improvements in all areas, by agriculture and other primary industries. The result has been healthy increases in investment and construction, and expansion in service and manufacturing industries. Our own economic strength has made a sizeable contribution to national economic stability and growth.

Mr. Speaker, I should like to review some of Saskatchewan's major economic indicators.

**March 8, 1974**

Cash receipts from farming operations reached an estimated all time high in 1973 of approximately \$1.5 billion. This reflects higher receipts from grain and a 30 per cent increase in receipts from livestock. Realized net income of farmers is estimated to be in the neighborhood of \$884 million, substantially up from the \$649 million level of 1972.

Personal income for 1973 is estimated at \$3.4 billion, up 25 per cent from the previous year. The large increase is explained almost entirely by the significant increase in farm income and an estimated 10.1 per cent increase in labor income which rose to \$1.6 billion. Per capita personal income rose by \$776 to \$3,744 per annum, an increase of 26.2 per cent.

The mid-year review of private and public investment in Saskatchewan recorded \$1.2 billion for 1973, an increase of 9.3 per cent. Housing starts were 6,300 in 1974 compared to 4,845 in 1972. Mr. Speaker, I would remind the House there were some 1,500 housing starts in the last full year of Liberal administration in 1970.

Retail trade increased by 13.3 per cent and manufacturing shipments rose by a healthy 23 per cent to a level of \$763 million. An important offshoot of the increase in retail trade was the creation of 7,000 jobs in the trade sector.

Our labor force increased by 6,000 in 1973 to 358,000. Due to the strength of the economy, Mr. Speaker, this increase was absorbed and our average annual rate of unemployment was lowered to 3.6 per cent from 4.3 per cent in 1972.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — The number of people with jobs increased by 8,000.

What about 1974? What are our hopes and expectations for the year ahead?

The outlook for agriculture is optimistic, at least until the end of 1974. Although this year's world wheat production is expected to be a record, demand for wheat and feed grains by importing countries will likely remain strong. Most observers agree that prices for grains and livestock will hold up reasonably well. If this proves true, agriculture will continue to provide a sound base for increased economic activity during the year.

Demand and prices for the products of forests and mines (including petroleum) are also expected to remain strong during the coming year.

We are generally optimistic, Mr. Speaker, about the state of the economy in 1974. Personal income may be expected to rise dramatically to \$3.9 billion, a 15 per cent increase. Private and public investment should increase at a similar rate.

However, I must caution the Members of this Assembly that we must always remember that the Saskatchewan economy has moved up and down in the past because of its heavy dependence on agriculture and other primary products. As a result our long run level of personal income has been below the national average and we have continued to lose population.

For this reason, we have pressed the Federal Government to provide greater stability for grain and livestock producers.

A federal contribution to farm income stability would, ideally, take the form of a grains income stabilization program which takes into account inflation and the increasing cost of farm inputs. Other necessary measures include a livestock returns stabilization plan, the establishment of a National Feed Grain Bank and improved import controls to prevent agricultural surpluses in other parts of the world from undercutting prices for Canadian producers.

I commented earlier on the effects of Saskatchewan's dependence on primary industries. Canadian industrial development policies have resulted in the concentration of secondary industry in Central Canada. The other regions have been left to supply raw materials to the industrial heartland and buy its manufactured goods. The assumed 'natural' advantage of the East which attracts industry is by no means natural. Rather it is the result of the discriminatory national policies which have been pursued over the past 100 years.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — We need a transportation policy which is fair to all regions of Canada and will permit each to exploit its natural advantages. We need a national development policy which neutralizes the historic advantages awarded by successive old-line party governments to Central Canada.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — In short, Mr. Speaker, what we need is a new national policy, redirected towards balanced regional development, to provide equal opportunity for all Canadians no matter where they may live.

Mr. Speaker, moving more directly to budgetary matters, let me comment briefly on the results of the 1972-73 fiscal year and on changes for 1973-74.

The Public Accounts for the year ended March 31, 1973, reflect for the first time, statements prepared in accordance with the concept of long-term fiscal accounting. This concept was introduced last year in order to report more fully the fiscal position of the province both on an annual and a cumulative basis. These Public Accounts indicate that budgetary cash inflows of \$543.3 million and budgetary cash outflows of \$512.5 million yielded a net cash increase for 1972-73. As a result, the cash carry-forward at the end of the fiscal year stood at \$30.8 million.

Total revenues exceeded the budgetary estimate by \$29.3 million, and expenditures were \$700,000 below the estimate.

One year ago, this Government introduced, for the first time, the gross budgeting concept. This practice indicates the total cost of government programs so that their full impact can be properly assessed. The 1973-74 Budget called for cash outflows of \$722.8 million and inflows of \$723.7 million. Since that Budget was approved, additional expenditure proposals have been introduced which will bring total expenditures for the year

**March 8, 1974**

to approximately \$793 million.

We expect budgetary revenues for the 1973-74 fiscal year to reach \$808 million.

Mr. Speaker, in the main, two revenue sources accounted for the increase. First a higher general income level will result in an additional \$13 million in consumption taxes, and second, equalization receipts will exceed the estimated amounts by some \$43 million. This will mean that an estimated \$15 million will be added to the cumulative cash carry-forward of \$30.8 million. At the end of the 1973-74 fiscal year, we will have therefore, the cumulative cash carry-forward of about \$45.8 million.

Mr. Speaker, I should like to give you a general rundown of the major additions to the 1973-74 budgetary proposals which the Legislature will be asked to approve in the Supplementary Estimates.

These would include:

Increases in the grants to the Saskatchewan Medical Care Insurance Commission and the Saskatchewan Hospital Services Plan of \$4.8 million and \$5.8 million, respectively, resulting from the abolition of Hospital and Medicare premiums.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — A payment of \$6.6 million to the Workman's Compensation Accident Fund to assist in capitalizing the cost of increases granted in pension benefits.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Approximately \$1.1 million for payments to hog producers under the Interim Hog Price Stabilization Plan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Additional expenditures by the Department of Northern Saskatchewan.

Creation of a fund to provide capital assistance to local governments which will be dealt with in detail later in my address.

Mr. Speaker, for a brief few moments I should like to talk about the province's capital financing. During 1973 Saskatchewan borrowed \$108.3 million by way of debentures. \$60 million came from the Canadian Bond Market; \$45.2 million from the Canada Pension Plan Fund; and \$3.1 million from the Receiver General for Canada.

The public issues of \$60 million were well received and sold quickly at favourable prices.

We also realized substantial savings by taking advantage of all funds made available by the Canada Pension Plan. The average interest rate cost of 7.46 per cent. Mr. Speaker, I am sure



that House Members are aware of the fact that the province as all provinces have the right to take up in the form of loans all contributions of employees and employers to the Canada Pension Plan within their jurisdiction each year at the long-term Canada Bond rate. This is distinctly advantageous to the province in their borrowing programs.

In 1974 we expect a substantial growth in our capital financing. A total of approximately \$178 million will be required. Of this total approximately \$60 million will be obtained from the Canada Pension Fund, the Federal Government and internal sources. The balance of approximately \$118 million will be borrowed from the public market.

I think that it should be pointed out that the demand for Province of Saskatchewan debentures by investors all across Canada is strong and the credit of the province is equal to the best provincial credit in this country.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, I have been setting the scene for the meat of my remarks today—our Government's budgetary proposals for 1974-75. I have reviewed the fiscal results of the past and current budget years. I have noted our improved economic performance and I have commented on the problems and the opportunities which lie ahead.

In its first two budgets, Mr. Speaker, this New Democratic Government firmly established its ability to deal with problems and seize opportunities for the benefit of the people of this province.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — There were a number of reasons we were able to do so. But perhaps more important than any other was the fact that we assumed office with a comprehensive plan and a solid mandate to carry it out.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — I refer, of course, Mr. Speaker, to the New Deal for People. In the New Deal we laid out the kind and style of economic development which we would pursue in the interests of the people of this province. In the New Deal we pledged to shift the burden of supporting local governments away from the regressive property tax and toward taxes which better reflect ability to pay. In the New Deal, Mr. Speaker, we promised to end provincial neglect of urban problems and to strengthen the ability of local governments and to improve the quality of urban life.

In the New Deal we undertook to restore to government a concern for people and to systematically improve and expand our services to people. In the New Deal, Mr. Speaker, we promised to work toward a minimum income floor for families at the lower end of the economic ladder.

Mr. Speaker, we have already taken a number of steps toward these goals. But in the budgetary proposals which I will outline

**March 8, 1974**

today, those steps are lengthened—long strides toward a better more stable, more secure Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — There is nothing novel, Mr. Speaker, in saying that diversification is the key to stabilizing Saskatchewan's economy. Diversification within our number one industry of agriculture; diversification through the development of more processing of primary products; diversification of economic opportunity in our northern area.

No, there is nothing novel in that idea. Indeed when the Hon. Members opposite were in power they talked about diversification at great length. But they couldn't get a handle on the problem. They talked and talked but little happened.

Mr. Speaker, with this Budget we are taking concrete steps towards diversifying our economy. Right now, Saskatchewan is negotiating a number of cost-shared development agreements with the federal authority. In conjunction with the Department of Regional Economic Expansion and other federal agencies, we are embarked on a concerted effort to develop Saskatchewan's economic opportunities in a realistic way.

The recent signing of the General Development Agreement marks the first step in that process. This agreement established the general direction and principles to be followed by the two governments .

The stage, Mr. Speaker, is now being set for the early signing of a series of specific agreements which will launch action on a number of development opportunities—iron and steel, forestry, the Qu'Appelle Valley, mineral exploration, agriculture, tourism and urban and rural development.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — In addition, we are producing a joint development program for Northern Saskatchewan in an effort to improve social and economic conditions for northern people.

Substantial funds, Mr. Speaker, have been allocated in this Budget for these development programs.

For example, with respect to forest developments, this Budget provides funds for an inventory of forest resources as a basis for planning future development and for improved reforestation and forest protection programs.

We are also working on a mineral agreement. Under it we expect to speed up discovery and development of base metals and uranium. Rising prices for these metals could mean greatly improved employment opportunities for northern residents.

But quite apart from joint federal-provincial plans, this Budget contains proposals for new or expanded development projects. Let me review the highlights beginning with the Department of Agriculture.

Mr. Speaker, we will continue to direct our agricultural

programs towards more production per acre rather than more acres per farm. In other words development within the line fence. We know all too well the effect of farm consolidation on our small communities. In 1963 the farm labor force numbered 126,000. In 1972 that number had shrunk to 91,000. It was obvious that without concerted action rural Saskatchewan would soon consist of huge farms operated with heavy machinery and a minimum number of people.

What did the Liberal Government offer farmers during those years when so many people were leaving their farms, when the dependence on one crop caused farm incomes to shrink? Little, Mr. Speaker, but talk. Their lack of success in diversifying agriculture, and in providing capital to young farmers, allowed the problem to become an extremely acute one.

Two years ago we took action to preserve the family farm by establishing the Land Bank.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — The Land Bank is a program which provides new options for the retiring farmer and for the young man entering farming. To complement the Land Bank, we established FarmStart to help small farmers begin or expand livestock enterprises.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — In 1974-75, Mr. Speaker, we will expand FarmStart. Twelve hundred farmers will receive assistance in the next fiscal year.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — We expect to make a total of 1,200 loans and 700 grants averaging \$20,000 and \$4,000 respectively. This represents an increase of 500 loans and 300 grants over the current year.

Mr. Speaker, I am pleased to announce that in 1974-75 the Saskatchewan Land Bank Commission will be allocated an additional \$20 million for the purchase of farm land.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — The Commission will also expand its counselling services to provide more assistance to the individual farmer.

In addition we will continue to press for federal-provincial livestock returns stabilization plan to replace our present interim plan on hogs which ends July 15. Such a program is absolutely essential if we are to create a healthy economic climate for the Saskatchewan livestock industry and end the situation whereby Saskatchewan producers subsidize consumers of meat in eastern Canada.

A grant of \$50,000 will be made to the hog production committee to promote the Saskatchewan hog industry.

In 1974-75, we will provide a sum of \$50,000 for the

**March 8, 1974**

development of a Sheep Marketing Commission. We look to such a commission to improve returns to sheep producers and encourage farmers to enter sheep production.

Mr. Speaker, anyone familiar with farming is aware of the high cost of the things farmers must buy. This is especially true of machinery. To investigate farmers complaints more thoroughly, we will expand the services of the Agricultural Implements Board.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Inspection services will cover most provincial distributor and vendor facilities. In addition farmers will be eligible for compensation if a manufacturer fails to fulfil his warranty obligation.

Mr. Speaker, the House is already aware of a joint project of the three prairie provinces aimed at improving the design, selection and use of agricultural machinery. The 1974-75 estimates provide \$323,000 as a grant to the Prairie Agricultural Machinery Institute.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — This Institute will be established in Saskatchewan and will create nearly 50 new jobs.

This was promised in the New Deal for People, Mr. Speaker. That promise will be fulfilled this year.

Mr. Speaker, let me say a word about Saskatchewan's Crop Insurance program. For 1974-75, two additional crops will be insured: utility wheat and mustard. Coverage will also be extended to losses resulting from farmers' inability to seed because of flooding.

In the coming year, we will open fifteen new crop insurance area offices. We expect 35,000 farmers to insure their crops with insured acreage more than double that of 1973-74.

I want to stress, Mr. Speaker, that this year the combined capital and ordinary budget for the Department of Agriculture will be \$30.2 million, an increase of 46 per cent over 1973-74. This budget underlines, Mr. Speaker, the importance we attach to the agricultural sector: it provides nearly twice the \$16 million offered during the last year of Liberal administration.

**MR. ROBBINS:** — Mr. Speaker, tourism is an expanding industry with a strong potential for creating new jobs. Its development is closely tied to the wise use of our natural resources—particularly our forest and wilderness areas. To give new emphasis to tourism, and to provide a balance between tourist promotion and conservation, we will introduce legislation at this Session to create a new Department of Tourism and Renewable Resources.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — In 1974-75, Mr. Speaker, our Government will give new impetus to restoring and preserving Saskatchewan's heritage. In Regina, we will renovate two of Saskatchewan's most significant early buildings to create an attractive new museum park complex. The Territorial Government Building on Dewdney Avenue will be restored as a museum of early government. Saskatchewan House will also be renewed. The two buildings will be operated jointly as a museum of prairie history. The grounds of both buildings will be landscaped and maintained by the Wascana Centre Authority, creating attractive small parks for that area of the City.

In addition, a new program to cost \$138,000 will assist interested communities to preserve their own local historic resources. The Government will provide 60 per cent of costs, including technical assistance for restoration of historic buildings.

Mr. Speaker, transportation plays a major part in making historic sites accessible to our citizens and visitors. In the coming year we will spend over \$1 million to construct convenient access roads to the historic locations of Fort Walsh, Fort Carlton and Cannington Manor.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, this Government will greatly increase activity in reforestation, forest inventory, and forest protection. A start will be made on a third forest nursery to supply additional seedlings for the reforestation program, and production at the Big River Nursery will be increased. The Department of the Environment will co-ordinate a study of the forest industry, to ensure that forest management will reflect environmental as well as economic concerns.

Mr. Speaker, I referred earlier to the need to diversify Saskatchewan's industrial base. To move effectively in this area, we must have the capacity to identify opportunities, research their potential and promote development packages. To meet this challenge the development and promotional capabilities of the Industry Development Branch will be significantly expanded in the coming fiscal year.

In the area of trade, our Government will continue to promote Saskatchewan products in the European Common Market and the Pacific Rim countries.

Mr. Speaker, small business plays an essential role in the economic and service structure of Saskatchewan, especially in smaller centres and in our rural communities. In 1971, we promised to create a new division of government to promote the interests of small businessmen and to provide them with access to technical advice in specialized areas. We launched our business assistance program in 1972. In the coming year, two additional field offices will be established.

Mr. Speaker, we have revitalized the Department of Industry and Commerce as an important element in encouraging industrial development.

What did our Liberal predecessors do? They starved that Department and they moved all major negotiations in the

**March 8, 1974**

ministerial offices then occupied by the present Leader of the Opposition and his colleagues.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, I do not have to comment on the failure of that approach. The people of Saskatchewan and our former residents now living in the provinces of Alberta and British Columbia well know those results. That approach to industrial development was successful only in selling out our resources for a minimum of jobs.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — In summary, Mr. Speaker, our Government has done a good deal to assist the business sector, and intends to do much more. I am pleased to announce a budget of \$4.1 million for the Department of Industry and Commerce for 1974-75, an increase of more than 50 per cent in one year.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, when we assumed office we found the Department of Co-operatives in a state of suspended animation — a victim of deliberate neglect by the previous administration.

Our Government supports the philosophy of co-operatives and is taking new action in this Budget to encourage their development.

Mr. Speaker, in sharp contrast to the lethargic Liberal years, we have placed strong emphasis on the development of northern Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Substantial additional sums will be provided for this purpose in 1974-75.

We will undertake a new \$2.2 million sewer and water program in the communities of La Loche, Cumberland House, Buffalo Narrows and Weyakwin.

We will build new airstrips and improve existing strips at various locations in the North. This program will be a boon to isolated and semi-isolated communities which have limited access to major centres. Further, the improved airstrips will accommodate large aircraft to be used in fire suppression. We estimate that this program will cost \$900,000.

To improve ground transportation, a sum of \$1.5 million is proposed to construct new roads and extend others.

Mr. Speaker, we expect the hard surfacing of Highway No. 2 from Waskesiu to La Ronge to be completed during 1974.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — This vital artery will

provide dust-free, high-speed access to La Ronge—a necessity not only to move freight from the railhead at Prince Albert, but also to accommodate our growing tourist traffic. The road will be constructed to a high standard at a cost of approximately \$6 million.

We will launch a number of significant improvements in northern communities, including fire halls, community halls and docking facilities.

For the construction and improvement of public camping and recreation sites we will spend about \$150,000—three times the level approved for 1973-74.

We are allocating \$1 million to enlarge and improve educational facilities in northern communities to bring them closer to southern standards.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Perhaps most significant, Mr. Speaker, we have budgeted funds to encourage northerners to develop viable business activities through a new Northern Economic Development program. This program will provide successful applicants with direct loans and/or the guarantee of loans in co-operation with existing financial institutions. A further sum of \$500,000 will be provided as grants to assist northern residents to develop business enterprises.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — To extend local government in the North, \$850,000 will be allocated to the Northern Municipal Council. In the Council's first full year of operation, it will focus on local improvements within communities.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Grants to northern schools will be increased to nearly \$3.9 million, an increase of \$700,000 over 1973-74.

The community college in La Ronge will receive a grant of \$200,000 to enable it to expand its program.

Mr. Speaker, these are only a few of the highlights of our northern program. I believe they clearly demonstrate our sincere determination to tackle the problems of the North head on.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — I should like now, Mr. Speaker, to turn to our proposals respecting transportation.

I have already dealt at some length with the importance we attach to improving transportation in the North. Last year, Mr. Speaker, our Government gave priority to repairing and up- grading sub-regional highways. Why did these roads need this kind of attention? Because the former government virtually

**March 8, 1974**

ignored them while lavishing expenditures on four-lane highways. The emphasis on sub-regional routes must continue if we are to restore balance to our highway system. Next year, nearly \$46.5 million will be spent for this purpose.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — We will also continue to assist smaller centres to improve their streets. It is expected that \$1.5 million will be spent in 1974-75. We will extend Operation Open Roads and Operation Mainstreet, and assist municipalities in improving access roads.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, we recognize the problem of urban transportation as well, and will take steps to help meet those problems. For fiscal 1974-75, this assistance to cities, towns and villages will total more than \$3.6 million. I will have more to say about urban transit assistance in a few moments.

Mr. Speaker, during the coming year we will also increase our level of aid to rural municipalities for road building activity. The Main Farm Access Road program will be accelerated. An additional \$2 million will enable rural municipalities to increase the rate of construction from 1,300 per annum to 1,850 miles per year.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — A total of \$500,000 will be allocated to a program of surfacing highway extensions.

Roads, of course, are only one component of a total system to meet the transportation needs of this province. Therefore, our Government will spend \$150,000 to upgrade the standards of southern airport facilities.

Further, we will start an expanded bridge program during the coming year.

Mr. Speaker, I have outlined an ambitious transportation program. It will tax our private and public construction capacity to complete it in a single year.

Mr. Speaker, this Government recognizes the need to strike a balance between economic development and environmental protection. We are committed to so guide the development of Saskatchewan that the quality of our soil, air and water is maintained.

We are currently conducting negotiations with the Government of Canada which we hope will lead to cost-sharing of the programs needed to revitalize the Qu'Appelle system for recreation, tourism and other uses.

In this Budget, we are providing funds to begin a major program to arrest deterioration of water quality in the Qu'Appelle system as recommended in the Qu'Appelle Basin Study. Once an agreement is signed with the Federal Government these



funds will go into action. A special board will oversee a broad range of projects, including treatment works for municipal wastes and flood protection and water conveyance works. This board will also co-ordinate preparation of land use development plans, and properly planned recreation facilities and road systems.

The Department of the Environment will purchase a second mobile water testing laboratory, "Aqualab II", which will enable the department to provide better service to smaller communities with water sewage problems, and to improve the water quality monitoring network in the province.

Mr. Speaker, I have outlined a comprehensive group of programs to move Saskatchewan towards balanced economic development. Let me summarize:

- joint federal-provincial action to lay the groundwork for expansion of our steel, forest and mineral industries;
- a 46 per cent increase in the Department of Agriculture budget to strengthen and diversify the agricultural industry;
- new emphasis on tourism and historic sites;
- a 50 per cent increase in the budget for the Department of Industry and Commerce;
- more money for highway and airstrip improvement;
- a northern development package;
- provision for preserving and restoring the Qu'Appelle system.

These are not just dollars, Mr. Speaker, they are plans—tested and ready to go. They fit together in a balanced program which gives substance to our New Deal promise to develop this province—not for the benefit of non-resident stockholders—but for the people of Saskatchewan, now and in the future.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — A promise made, Mr. Speaker, and a promise kept.

Mr. Speaker, I now approach my next announcement with great anticipation. It concerns all local governments, but particularly urban municipalities.

Our urban centres, like cities and towns everywhere, are facing serious difficulties. On the one hand, they face the problems of sharply rising costs, of increasing demand for better services, and of growing populations. On the other hand they have a limited tax base which is inadequate to the demands for better urban living in a pollution-free environment.]

Provincial aid to urban governments have been substantial. But it has been packaged for the most part conditionally – in ways which provide so much for this purpose and so much for that purpose.

**March 8, 1974**

Our Government believes that urban governments should have more assistance and we believe they should have a greater say in determining their own spending priorities.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Accordingly, Mr. Speaker, with this budget, we introduce a new era in provincial assistance to urban municipalities. Our proposal constitutes a major realignment of both the form and the amount of such assistance.

Firstly, an equalization grant program to urban municipalities will be established at a level of \$4.3 million.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Grants under this program will be made on the basis of two yardsticks: (1) the community's ability to raise revenue, relative to the average per capita equalized assessment of cities, towns and villages throughout the Province; and (2) the level of costs incurred by the community for the provision of police services. This program will replace the existing \$1.50 per capita police grant with a more sensitive cost-sharing formula which recognizes local problems of a special nature.

Secondly, an unconditional per capita grant of \$10 will be made to all cities, towns and villages.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — We believe, Mr. Speaker, these funds will be used to reduce the property tax burden and to lower municipal borrowing for capital projects. These new funds will also improve the ability of Saskatchewan communities to participate in provincial and federal cost-shared programs. A total of \$6.1 million is provided for this purpose.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Third, as a means of directly assisting urban governments in the development of capital works, legislation will be introduced at this Session to establish a Community Capital Fund.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — This fund, Mr. Speaker, will enable the provincial government, over a five-year period, to participate in the funding of municipal capital works as follows:

- for communities above a population of 500, payments at 60 per cent of the cost of projects, as outlined in a five-year capital works plan prepared by the community, to a maximum contribution of \$75 per capita over the five-year life of the program.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, for communities

below a population of 500, payments at 60 per cent of the cost of projects as detailed in an annual capital works plan, to a maximum contribution of \$15 per capita annually.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, I want to stress that this assistance can be applied to any capital project a community considers desirable, subject to the preparation and approval of a community capital works plan. The level of funding assistance available will enable a community, for example, to develop an urban park system, surface its streets, or create new recreational facilities.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, over the five- year period of the program a total of \$45.75 million will be available..

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — . . . will be available to urban governments to assist in the development of capital works.

Fourth, we will provide additional provincial support for the preparation of development plans for urban centres, together with funds to assist major urban areas in assessing their short and long term transportation requirements.

Finally, we will, this coming year launch a \$1 million program of provincial assistance for urban transit.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, under this program, existing urban transit systems will be assisted in relation to costs associated with the operation, upgrading and expansion of those systems.

Mr. Speaker, regardless of the size of a centre, this comprehensive package of programs will enable local governments to undertake significant improvements in the quality of urban life.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — In all, Mr. Speaker, this new urban assistance package will cost more than \$100 million over the next five years. It presents a vivid contrast to the nickel and dime increases in funding provided to urban governments under the previous administration.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — I have been speaking of cities, towns and villages, Mr. Speaker. But there will also be more help for rural municipalities.

Equalization grants to rural municipalities will rise to

**March 8, 1974**

\$3 million, an increase of 20 per cent over the current year. The largest part of this increase will go to municipalities which have a weakened revenue base.

In addition, the Municipal Road Assistance Authority will step up activity in the Main Farm Access Road Program and will launch a program to provide cost-sharing on the hard surfacing of market grid roads.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, our new urban assistance package represents an important milestone for our citizens. In the New Deal we promised to give substance to a better quality of life in centres small and large. We promised unconditional grants. We promised more local decision making.

We are delivering over \$100 million in the next five years. Another promise kept, Mr. Speaker.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Let me now, Mr. Speaker, turn briefly to our plans for improving services to people.

We propose, a major innovation in the administration of justice in the Province: the Saskatchewan Legal Aid Plan. Equality before the law is a basic democratic right. Unfortunately this right is often denied the poor because they cannot afford legal services. The new Legal Aid Plan will make essential legal services available to those who need them when they need them. We expect the cost to be \$1.1 million in 1974-75.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — In 1973-74, the Attorney General entered into an agreement with various Indian and Métis Friendship Centres to provide for the establishment of a Court Worker Service. The purpose of the Court Worker is to bridge the differences in culture and language which create problems for Indians and others in our judicial system. This program will be fully operational in 1974-75.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Last year, Mr. Speaker, we introduced a Police Training program designed to promote a minimum standard of policing throughout the province. This program will continue in the year ahead.

Mr. Speaker, in 1974-75, the Department of Consumer Affairs will launch a program of education designed to create public awareness of the rights of consumers.

That awareness is growing. To meet a sharp increase in the problems confronting consumers in the market place this budget provides additional resources.

During the coming year, Mr. Speaker, we have assigned \$4.7 million for cultural and youth activities within the province. One million dollars will be made available to continue the youth and student employment program, and \$1.7 million for the Western Canada Games to be hosted in Saskatchewan in 1975.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Grants for a program which will provide a travelling showcase for the performing arts and enhance appreciation of Saskatchewan's cultural mosaic through the sponsorship of a multicultural festival and other events will be provided.

Mr. Speaker, I am particularly pleased to announce that the grant to the Saskatoon Centennial Auditorium will be increased to \$125,000.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, I now turn to Education. This Government gives high priority to education. It is an opportunity that must be accessible to all residents, young or old, in every part of the province.

We recognized this in 1971, Mr. Speaker, when we pledged to expand educational opportunities to adults in both urban and rural areas. This we have done.

The Department of Continuing Education and the University have introduced programs which assist people to develop occupational skills as well as those designed to enable people to lead fuller, and more meaningful lives. Approximately \$76.5 million is allocated for these programs in 1974-75.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, we are pleased to note that university enrolments appear to have stabilized. Indeed there are some indications of small increases over the next few years. Our government will provide an operating grant to the University of \$44.75 million, which is \$6 million more than last year—an increase, Mr. Speaker, of 15 per cent. While a good part of the increase will go towards meeting increased costs of existing programs, there will be funds for programs to meet new demands.

Mr. Speaker, may I say that I take a good deal of personal satisfaction from this very significant increase. Not only because we are all proud of our University but because I think we all realize the central and important role that universities can play in our society.

The capital grant to the University of \$5.9 million for 1974-75 will be used primarily for renovations to existing facilities.

Mr. Speaker, I am pleased to announce that this year we will increase the non-repayable financial assistance under the Student Bursary Program by \$500,000 to a total of \$1.8 million.

**SOME HON. MEMBERS:** — Hear, hear!

**March 8, 1974**

**MR. ROBBINS:** — This year at the Wascana Institute a Certified Dental Assistant Program will be offered. These graduates and those from the two-year dental nursing program, initiated in 1973, will provide many of the skilled personnel required for the new Denticare program.

Mr. Speaker, Community Colleges have been enthusiastically received by people in the pilot regions. Building on their success, we propose to establish four new Community Colleges during 1974-75.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — I turn now, Mr. Speaker, to the elementary and secondary school system.

Operating grants to schools will be increased from \$96.2 million in 1973-74 to \$114 million in 1974-75.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Part, Mr. Speaker, of this substantial increase is designed to enable local boards to launch kindergarten programs commencing in the fall of 1974.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — The opportunity to provide kindergarten experience will now be universally available throughout the organized school system.

This attention to early childhood education is a significant addition to our system of educating our children.

Mr. Speaker, this government recognizes that good physical education is essential to the rounded development of our young people. Funds provided in this budget will help improve the quality of physical education programs throughout our schools.

We are providing the funds to extend Driver Education universally throughout our school system.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, the substantial increase in school grants will allow local school boards to finance recognized expenditures with no increase in property taxes. Once again we have met our commitment to hold the average mill rate for basic school purposes to 43 mills across the province.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — This is the third successive budget in which our Government has provided 100 per cent of the increase in recognized school board expenditures. At the same time, new programs have been added. What a difference between this approach and the "war on education" waged by the Liberal party when it held office.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, I want to stress that the war is over and the people of Saskatchewan are the victors.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, New Democrats believe that housing is one of the critical issues of public policy. In 1971 we said that housing should be the centrepiece of an official overall social policy. We have moved to make it so.

Last year we established the Saskatchewan Housing Corporation. Since its formation, it has launched or expanded a variety of housing assistance programs, particularly programs to improve living accommodation for the aged and those of limited incomes. The Corporation will maintain a high level of activity in 1974-75.

During 1973, a total of 680 acres of land was assembled for current and future residential development; in 1974 an additional 1,150 acres will be acquired.

In 1973, the Housing Corporation provided sewer and water services to 348 residential building lots; the servicing target for 1974 is nearly five times that number—1,650 lots.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Preliminary construction approval was given on 1,125 public housing units in 1973 at a cost of \$16.9 million, of which the provincial share was \$3.4 million. Some 1,500 units will be constructed in 1974 at a cost of \$24 million, and a provincial input of \$4 million.

Under the senior citizens home repair program, 5,862 projects were approved in 1973 at a cost of \$2.4 million. A similar level of activity is anticipated in 1974.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — In 1973, 1,765 house building assistance grants totalling \$1.2 million were provided to persons of limited income for the purchase of new homes. In 1974, funds for this program will be increased by \$500,000, providing an additional 1,000 grants and subsidies.

One million dollars will be made available in 1974-75 as the provincial share of the federal Neighborhood Improvement Program. Residential rehabilitation assistance will be available to persons of low and moderate income within designated Neighborhood Improvement areas in cities and towns.

Mr. Speaker, Saskatchewan has been a leader in the delivery of health care programs for the last three decades. We intend to maintain that leadership.

**SOME HON. MEMBERS:** — Hear, hear!

**March 8, 1974**

**MR. ROBBINS:** — In the New Deal for People we promised to launch an insured dental care service for children up to 12 years of age. The first phase of Denticare will start in September, 1974, providing dental care services to all children six years of age. Denticare will be phased in over the next five years so that by 1978 all children between the ages of three and 12 will be covered.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, in this Budget additional funds are provided for out-patient treatment through home care programs, Community Health and Social Centres, and Nurse Practitioner demonstration projects. Out-patient services will provide health care at less than one-half the cost of in-patient facilities.

Our government continues to recognize the urgent need for extended care for our senior and chronically disabled citizens. In the coming year, we will provide for an additional 28 Level IV beds in Moose Jaw and 88 Level IV beds in Saskatoon.

I think everyone is aware of our actions to stem drug abuse and control venereal disease. Information programs on these serious problems, recently expanded, will receive new impetus in 1974-75.

Mr. Speaker, of all our drug problems, alcohol is the most serious. I am pleased to announce that this budget provides more than \$1 million in additional funds to attempt to reduce the social and individual damage related to alcohol use.

We intend to combat this problem in three ways: first, we will expand the existing programs of the Alcoholism Commission; second, we will introduce a public education program, new in both concept and magnitude; and third, we will establish a rehabilitation centre in northern Saskatchewan, where the problem is particularly acute.

Continued concern for highway safety has prompted us to establish four "Driving while Impaired" pilot programs to help rehabilitate the drinking driver. These will be developed by the Department of Education.

Mr. Speaker, we are taking steps to combat the problem of the unemployed and the unemployable. Through the Employment Support Program established in 1973, over 300 temporary jobs were created. Other individuals took advantage of the combined Social Services and Natural Resources Work Projects.

In 1974, the existing programs will be maintained and new programs initiated. Seasonal Employment Grants of \$612,000 will create up to 200 more jobs.

Because of employment support programs and improved employment opportunities in the province, the caseload of the Saskatchewan Assistance Plan has been dramatically reduced in 1973.

**SOME HON. MEMBERS:** — Hear, hear!



**MR. ROBBINS:** — There were, Mr. Speaker, 2,231 fewer cases than in 1972—a reduction of 10 per cent.

Mr. Speaker, let me turn now to day care briefly. The \$2 million program will enable groups to provide both family and neighborhood day care homes. This should assist the operation of 4,500 day care spaces in the coming fiscal year. We estimate that the program will be fully operational in five years at an estimated annual cost of \$6 million and will provide 13,500 spaces for children in day care centres. Mr. Speaker, this fulfils yet another pledge in the New Deal for People.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — In 1974 there will be an increase of over \$500,000 in grants for expanded community services. These grants will support the development of services primarily to promote the physical, mental and social well-being of our senior citizens.

In 1971 we promised to take steps to involve native organizations in setting programs which affect Indian and Métis people. This was not an idle promise, Mr. Speaker, two family service projects under provincial leadership will be established on the Poorman and Cote Indian Reserves in 1974.

Mr. Speaker, during the past year, subsidies were paid to residents of special care homes for the first time in our history. In the coming year, those subsidies will be substantially increased to offset the rapidly rising costs of operating the homes and to provide even better care for our senior and chronically disabled citizens.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — These, Mr. Speaker, are some of the budgetary highlights of our new and expanded services to people in the coming fiscal year. Taken with our broad new moves in economic development and our unprecedented urban assistance package, I submit that this is the most significant budget to be presented to this House, at least in the past decade.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, there is yet more. But before turning to that I want to comment on the question of how a budget is translated into programs and benefits which serve the people of the province.

A budget expresses in financial terms the plans and programs of a government. But a budget does nothing by itself. It takes people—skilled people—to turn it into something real. We depend heavily on an able and dedicated public service.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — This is something, Mr. Speaker, our friends opposite would never admit during their term of office. They decimated the public service. One need only look at the long

**March 8, 1974**

list of former Saskatchewan Government employees now among the top civil servants in Ottawa and other provinces to confirm this statement.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — I recall some of the budget speeches of the now Leader of the Opposition. Even they occasionally contained some good ideas. But very few of those ideas ever got off the ground. Why? Because that government wouldn't hire people with skills to turn dollars into useful programs. New programs and new directions require new people. For this and other reasons, this budget provides for an increase in public service staff.

Our plans for 1974-75 call for about 1,100 new positions, if you include 300 supernumeraries who were previously on a temporary basis and heretofore classified as temporary employees. Of this total over 500 are for new programs, including 200 directly related to economic development and over 200 for Denticare.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — As I previously stated, Mr. Speaker, we have brought into the public service a large group of temporary, contractual and supernumerary employees left out in the cold by the former government. Nearly 300 of these people had been held in a kind of 'full-time temporary' limbo, denied many normal benefits by their peculiar status.

These were the employees who reported to work every day but were not shown in the Estimates. They were not given the right to participate in pension or insurance plans. Some of them had no claim to sick leave or vacation leave. We believe this was a deceptive practice. Therefore, we are bringing these employees into the permanent service and we are showing them in the printed record as employees for the first time.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, the remaining new positions are required to carry out programs which were launched or expanded during the last two years and which are proving to be successful. We believe the vast majority of Saskatchewan people will welcome our proposals and share our pride in this budget. We are in earnest, Mr. Speaker, we intend to see that we have capable staff to put into action the far-reaching proposals which I am placing before you today.

Mr. Speaker, I said there was more and there is more.

I am pleased to announce that in the coming year we will launch a new multimillion dollar family income program to supplement the incomes of those families who are hardest hit by the increased cost of living, working families in the lower income bracket.

The family income program will provide substantial monthly payments to Saskatchewan families depending on the number of children. Size of the payments will depend on family income,

with the largest benefits going to those at the low end of the scale. As the family's income rises, payments will be reduced.

Families on Social Assistance will be eligible for family income payments, but their Social Assistance Allowances will be reduced accordingly. They will receive no net increase in total income.

Mr. Speaker, this program will be a major benefit to low income working families. It will go a long way to overcoming the problems of raising a family for those not fortunate enough to have a high paying job. It will give these people a chance to break out of the recurring cycle of poverty and at the same time will provide an incentive to work rather than receiving Saskatchewan Assistance payments.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Later in this Session, Mr. Speaker, the details of the program will be announced by the Minister of Social Services. When you hear them, I think you will agree that the government which first introduced Medicare has again established itself as the leader in Canadian social policy.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — I wish now to comment on the Federal Government's decision to index our personal income tax system. Indexing is a system which applies changes in the cost of living index to the exemptions and tax brackets under the personal income tax. As the cost of living rises, the exemptions and tax brackets go up.

Let me make it absolutely clear that our Government would enthusiastically support a system which fairly compensated tax-payers for inflationary changes. However, this should be done through a system of tax credits, not by raising the exemptions and tax brackets. A tax credit would apply a fixed reduction against tax due whether the tax itself was high or low. It would give maximum benefit to those on low and middle income brackets.

Increasing the exemptions works in quite the opposite way. The higher the income, the higher the marginal tax rate, and the greater the dollar benefit to the taxpayer. Indexing exemptions is a regressive tax adjustment and we oppose it on those grounds. Incidentally I might say that every province in Canada with the exception of Quebec, which is not in the federal-provincial agreement, also opposed it when we attended a Finance Ministers' meeting recently in Ottawa. Indexing was imposed without warning on all the provinces whose income taxes are collected under the federal-provincial agreement. We deplore this lack of consultation. We believe such action is contrary to the spirit of federal-provincial co-operation.

The indexing of personal income tax will reduce Saskatchewan's revenues by \$6.3 million in 1974. In 1975 our revenue loss will be \$13.1 million or about 9 per cent of all revenues from that source.

The Revenue Guarantee provision of The Fiscal Arrangements Act was designed to protect the provinces from any losses from

**March 8, 1974**

tax reform in 1972. Indexing, in the long run, represents a far more significant loss of revenues, but now we are told that we will not be compensated under that arrangement.

In our view the Federal Government has acted arbitrarily and unilaterally. It has applied the wrong remedy and has deprived the provinces of much needed revenue without compensation.

Further evidence of arbitrary action is apparent in the federal challenge to the constitutional right of the provinces to control their own resources.

Earlier in this Session, our Government acted through The Oil and Gas Conservation Stabilization and Development Act to take effective control of the province's oil resources and capture for the people of Saskatchewan future windfall profits from oil.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, at the meeting of First Ministers on energy in January, Premier Blakeney ably championed Saskatchewan's cause. Clearly, Mr. Speaker, he came first in that meeting.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — He took and held the position that the control and development of our resources and the revenues that flow from them belong to this Province. He was instrumental in turning aside the federal proposal. This proposal like so many other federal policies past and present, would have required the people of Saskatchewan to forego their right to oil revenues and would have denied us constitutional jurisdiction over our own resources.

We have urged that if there is to be a national energy policy it must be placed within the context of a new national development policy—one which equalizes economic opportunities across this nation. If, as part of this national development policy the domestic price of crude oil is to be held below its international value, we contend that the cost of this subsidy to consumers should be paid for by all Canadians on an equalized basis.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Certainly, Mr. Speaker, the people of Saskatchewan should not be asked to subsidize industry and consumers in Central Canada, for example, while their taxpayers get off scot-free. This new national development policy will require a serious commitment on the part of the Federal Authority to change its policies on agriculture, transportation and industrial development. I submit, Mr. Speaker, this is the only reasonable basis for federal-provincial discussions in the months to come.

Mr. Speaker, I am pleased to announce that in the coming year our Government will not increase any major provincial tax.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — As I have already announced the municipalities of the

province should be able to reduce their current property tax rates because of our much expanded urban assistance program.

Let me refer briefly to the new basis of premium coverage under AAIA, the compulsory automobile accident insurance plan. The details of this plan were announced earlier by the Minister in charge of the Saskatchewan Government Insurance office, the Hon. Roy Romanow. As he reported to you, insurance costs for motor vehicles in Saskatchewan have increased dramatically. When this happens, premiums must go up. And we have raised premiums—but I submit, Mr. Speaker, in a much more equitable way.

We have kept the normal licence plate premiums at or below last year's levels for nearly every kind of vehicle. The increase in premiums is being achieved by allocating three cents per gallon of the gasoline and diesel fuel taxes to the Automobile Accident Insurance Fund. Thus, the increase is being assessed against drivers in direct proportion to the miles each one drives. The driver who pays the larger share is the one who drives more and is therefore exposed to greater risks.

I know, Mr. Speaker, the Opposition isn't in favor of this, they call it a subsidy, three cents out of the last four pennies which they put on the gasoline tax when they were in power.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, there are a number of other changes in the insurance plan. I shall refer only to one—removal of the surcharge on drivers' licences for those under age 25. It is highly irrational, Mr. Speaker, in our view to levy a surcharge on a person simply because of that person's age. This is to be replaced by a greater emphasis on the system of surcharges on the licences of all drivers who are assessed points following traffic convictions. The removal of the surcharge and the shifting of a portion of the premium coverage to the gas tax were both promised, Mr. Speaker, in the New Deal for People.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Our overriding objective in the area of tax policy has been and will continue to be taxation according to the ability to pay. Our actions and accomplishments over the past two and one-half years clearly have moved us a long distance toward that goal.

In 1973 this Government increased the tax rate on our most progressive tax base—the personal income tax—by three per cent, and on the corporate income tax by one per cent. This made it possible for us in effect to reduce property tax through the Property Improvement Grant. Mr. Speaker, I am pleased to announce the benefits to property owners under our Property Improvement Grant will be increased in 1974 to an amount equivalent to a 20 mill tax reduction.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — This represents an increase of 2 mills over the 18 mill equivalent established in 1973, an increase which takes us one step beyond the commitment we made in the New Deal for People.

**March 8, 1974**

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — The maximum grants applicable under the 20 mill level are as follows: For farmers \$300, an increase of \$30; for the businessman \$200, an increase of \$20; for the householder \$160, an increase of \$16 over 1973.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — The maximum grant payable to an individual under any combination of these grants will be increased from \$270 to \$300.

I have described the elements of this Government's plan to assist municipalities in the financing of their important expenditure responsibilities. This \$21 million a year assistance plan, which includes the equalization and unconditional per capita grants along with the five year Community Capital Fund, will provide municipalities with revenues equivalent to approximately 20 mills.

Mr. Speaker, we expect that where municipalities find this large revenue increase to be more than they need, they will reduce local property taxes.

**MR. ROBBINS:** — In 1971 this Government eliminated medical and hospital premiums for Saskatchewan residents who were over 65 or who were on Social Assistance. In line with our commitment to the principle of ability to pay, we completely removed this regressive tax for all Saskatchewan residents on January 1, 1974.

Mr. Speaker, let me illustrate by example what has happened since 1971. Here I will include all changes, both federal and provincial, in the provincial personal income tax since 19/1, combined with the elimination of medical and hospital premiums, the establishment of the Property Improvement Grant, and the effective property tax reduction made possible by the unconditional per capita grant to municipalities.

A householder with two children under 16 and earning \$4,000 per year will pay \$251.54 less in provincial taxes in 1974 than he did in 1971.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — This represents a 6.3 increase in disposable income. For a farmer at the same level, the reduction in taxes is \$345.52. The tax reduction for a householder earning \$10,000 is \$217.20 and for a farmer, \$311.18.

Above the \$10,000 income level the tax reduction grows in dollar amount because of the regressive effects of tax reform and indexing at the federal level. In terms of the tax policies which the Saskatchewan Government has pursued, the effects have been both substantial and progressive.

Responsibility for regressive tax changes that have been brought into our tax system since 1971 clearly rests with the

Federal Government.

The total shift of taxes that this Government has instituted since 1971 has been an increase of some \$12 million in progressive personal and corporate income taxes and a decrease, Mr. Speaker, I hope Members of the House will pay particular attention to this, a decrease of \$41.6 million in regressive property taxes and health premiums.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — This, Mr. Speaker, clearly is application of the ability to pay principle.

Our forecasts for revenues in the next fiscal year have assumed the continued improvement of general economic conditions in this province. Increases in realized net farm income will help maintain the growth experienced in the current fiscal year.

Receipts from the education and health tax are expected to reflect the continued growth in retail sales. We anticipate the education and health tax revenues will reach \$107.3 million in 1974-75. Gasoline taxes are expected to reach \$62.5 in the next fiscal year. Revenues from the mineral tax are expected to yield \$9 million. The increase over the current year's estimate to \$6.2 million is due in part to the increase in the mineral acreage tax. Individual income taxes are expected to yield \$140.5 million while corporate income taxes are expected to produce \$31.6 million. The mineral income tax and the royalty surcharge are further examples of our pledge to obtain a fair share of the profits from resource production for the people of Saskatchewan. These measures ensure that windfall profits from high oil prices will accrue to the owners of the resource, the people of this province.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — Mr. Speaker, any funds arising out of these measures will be set aside in The Oil and Gas Stabilization and Development Fund.

The forecast of greater revenues for petroleum and natural gas reflect increases in oil and gas royalties. These are based on the increased value of production which has occurred since the last budget and without reference -to The Oil and Gas Conservation, Stabilization and Development Act of December, 1973.

In a further measure to obtain greater returns from resource production for the people of Saskatchewan, the potash pro-rationing fee was raised. Increases in potash production, coupled with higher fees, are expected to return \$16.1 million to the people of Saskatchewan from this non-renewable resource. That compares with \$7.4 million one year ago.

It is estimated that receipts from equalization will reach \$153.9 million in 1974-75.

Hon. Members, Mr. Speaker, will note that an additional revenue source has been added under the Federal-Provincial Fiscal Arrangements Act. The Revenue Guarantee is £ federal

**March 8, 1974**

payment to the province as compensation for the revenue lost due to changes in the tax system in 1972. \$3.6 million is an estimate of our entitlement with respect to personal income taxes. We may expect a further estimate in respect of corporate income taxes.

Mr. Speaker, the Government has decided not to take a dividend from the Saskatchewan Power Corporation in the next fiscal year. These earnings will remain in the corporation for its own use. Receipts from Government enterprises including the Saskatchewan Liquor Board and SaskTel are expected to reach \$53.1 million.

Mr. Speaker, I will now briefly summarize our fiscal position for 1974-75.

Cash inflows are estimated to amount to \$901 million. Cash outflows or budgetary expenditures are expected to reach \$898.8 million. This will leave an estimated \$2.2 million to be added to the cumulative cash carry-forward since the start of our fiscal period. At the end of 1974-75, the cumulative cash carry-forward will probably reach \$48 million.

Mr. Speaker, at the outset today I said I was proud and honored to present this Budget to you and to Members of this Assembly. Perhaps any freshman Minister of Finance could be expected to say something similar on the occasion of his first Budget speech. But I say to you, Sir, were I the most grizzled and jaded of veterans in this post, the opportunity to present these budgetary proposals in Saskatchewan in 1974 would fill me with a sense of pride . . .

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — . . . because, Mr. Speaker, it is a Budget of fulfilment. Further, Mr. Speaker, I submit that this is an historic Budget. In its new directions are the seeds from which will grow: a stronger and more diversified economy; a greater measure of control by Saskatchewan people over their own future; a narrowing of the gap between the rich and the poor . . .

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — . . . a better and more satisfying quality of life for all Saskatchewan citizens.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. ROBBINS:** — I am proud, Mr. Speaker, that this Budget virtually completes ahead of time, our election commitments made in the New Deal for People. Looking to the future, this Budget puts financial muscle into a whole series of realistic opportunities for development in Saskatchewan, from iron and steel to tourism.

In narrowing the gap between rich and poor, let me mention three items among many: the family income program; Denticare for children, as a right; taxation according to ability to pay.

In terms of quality of life, Mr. Speaker, what other Budget



in your long experience matches the proposals laid out today, ranging from the urban assistance package, to new cultural, recreational and educational opportunities, to environmental protection?

This is a balanced Budget in the important sense, Mr. Speaker. It is a charter for the balanced development of Saskatchewan and its people, now and in the years ahead.

I move that this Assembly do now resolve itself into the

Committee of Finance.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. J. C. McISAAC:** (Wilkie): — Mr. Speaker, toward the end of the remarks of the Hon. Minister, he gave a very serious presentation here this afternoon, a very capable one, one that those of us who know the Minister well have come to expect of any performance of his. But he had one line that I didn't think that he delivered with a straight face. He said, "Mr. Speaker, I am pleased to announce that in the coming year our Government will not increase any major provincial tax."

With a 24 1/2 per cent increase in spending, Mr. Speaker, from \$723 million last year to \$900 million this year, which is roughly an increase of \$170 to \$175 million, and that increase alone represents almost the entire Budget of this province 15 or 16 years ago.

Mr. Speaker, he talked about and made many references to the New Deal for People. There were a number of things that were not in that New Deal for People that have happened to the people of Saskatchewan in the last several years and which I think bear noting at this time.

The New Deal for People never told us that we would see at least two increases in the rate of income tax in Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — They never told us that we would see about 3,500 odd new civil servants, new employees of the Government.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — He was proud of that fact there are an additional I believe, 1,100 and some employees this year. I think the figure last year just based on the Estimates alone was over 1,100. We know that the first year was at least that much and we don't know how many extras that are buried in places like DNS and even the Minister doesn't know that.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — The New Deal for People never told us that there would be five additional Cabinet posts with all their executive assistants and all their salaries and supporting staff. The New Deal for People never told us that the Minister of Agriculture (Mr. Messer) would shut down the irrigation project east of Outlook.

**March 8, 1974**

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — It didn't tell us that they would put in a restrictive regressive kind of estate tax.

**SOME HON. MEMBERS:** — Hear, near;

**MR. McISAAC:** — Mr. Speaker, it didn't tell us that this Government opposite would, indeed, hire all of the defeated NDP candidates and every other kind of hanger-on that they have had.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Mind you, Mr. Speaker, many governments have certainly been guilty of that but we had an interesting twist on the business of hiring a defeated candidate, in last fall's Wascana by-election. We had a gentleman who was given a job first and then asked to run knowing that he would be defeated.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — That has to be carrying this practice to a new level, Mr. Speaker. Mr. Speaker, there is one other development that has taken place over the last two or three years that the new Deal for People didn't talk about and that is the takeover of ownership for farm lands in Saskatchewan . . .

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — . . . turning farmers into renters. Oddly enough the biggest item in the agricultural budget, Mr. Speaker, this year was \$20 million for buying up more farm land.

Another move they made that wasn't outlined in the New Deal for People of a few years ago was initiating marketing boards for the producers without any vote or without any recognition of the rights of the producer to decide for themselves.

Mr. Speaker, there are another one or two that I could mention, the institution of a tax—of, a 100 per cent tax, so-called windfall tax—on oil companies. We don't know who may be next, who this Government will next decide is enjoying windfall returns or windfall profits and it may farmers with \$5 wheat, I don't know. I don't know where the cutoff point is. If wheat goes above \$5 will they decide that it is farmers?

Mr. Speaker, it is interesting to note, in that regard with the treatment this Government has given the oil industry—I wonder is this picture on front of the Budget Speech is it there for the archives, for posterity, somebody drilling an oil well featured on the front page of the Budget Speech.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Mr. Speaker, one other word was used by the Minister when he spoke of development as being the key to this Budget. He said, I believe it was on page 13, that the stage is now set for

the early signing of a number of a series of agreements. We have been hearing this for the last two or three years. We have even heard the Premier say that he is prepared to go it alone, but interestingly enough, they like to be able to employ all of that federal money that they can get.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — I wonder, Mr. Speaker, is this development that they speak of, does it relate, and how does it relate, to the oil and gas industry? I wonder how the figure of 85 wells drilled in January and February of 1973, how that compared to 17 wells drilled in that same period this year? Is this their idea of development when it comes to industry?

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC::** — The Minister spoke in very glowing terms of a 50 per cent increase in the Department of Industry budget. Mr. Speaker, under this Government they will probably do two things with that, in keeping with the trend established last year and the year before. They will hire more staff and they will do more advertising. Last year they spent about \$20,000 on Dunskey Advertising trying to attract industry and they spent an almost equal amount—it was budgeted at least—how much they spent we don't know, in industry incentive grants. Mr. Speaker, with their record they are going to have to spend a good deal more than the 50 per cent increase in the budget of that Department in order to reverse the trend and reverse the attitude and atmosphere insofar as industry is concerned with this Government in Saskatchewan.

Mr. Speaker, this Budget represents a 24 1/2 per cent increase in spending over last year. I don't know what is a figure that we could say is an inflationary or non-inflationary trend in government spending, but there is no doubt in my mind that this 24 1/2 per cent is well above any reasonable line established by anybody.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — I was interested at the New Deal the Minister was able to make in purchasing a tie for today and I would be very much happier if he could translate his personal bargaining capabilities to provincial affairs.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — He spoke as if he would like to see this as the election year Budget. We will certainly be happy to make this an election year Budget anytime he wants.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Anytime that he wants, Mr. Speaker. Just let the Premier make another trip or two to Ottawa, he is moderating the tone a little bit lately, I think, judging by the reports. Oddly enough, Mr. Speaker, the Budget Speech and the remarks

**March 8, 1974**

begin, again, in a very familiar NDP pattern, blasting Ottawa, blasting the Federal Government for creating economic stagnation and any other problem that this province, or indeed this country has. He pointed out that the Federal Government and their policies did not create sufficient employment opportunities for the young people in this country. I think the Minister knows full well, facts are available to anyone, that more new jobs were created in Canada last year and the year before than any other industrial nation, than any other number of western industrial nations that you want to add up. The figures are available from many sources—Statistics Canada, they are available from OECD, which is an organization that studies the economic situation, not only of Canada, but of many other nations. No other country in the western world has a record equal to that of Canada when it comes to the creation of brand new jobs.

It was interesting to note too, Mr. Speaker, the 8,000 new jobs the Minister mentioned that were created in Saskatchewan. Now 7,000 of them were in the retail trade and that, of course, came about as a result of increased prosperity in the farm economy . . .

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — . . . due to the markets and due to the tremendous prices being received. When you add the 3,000 new civil servants that we have seen, that is 10,000 jobs so we had a net loss of 2,000 jobs last year under this Government.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Mr. Speaker, \$56 million of additional revenue came to the province last year, and I haven't yet seen the detailed estimates of the forthcoming year or the supplementary estimates—but it was most interesting to note that of the \$56 million coming to this province last year, over and above what was budgeted for, only \$1.1 million of that went to the livestock industry in Saskatchewan, went to agriculture.

Mr. Speaker, 46 per cent of last year's Budget in Saskatchewan, came directly from federal tax coffers. So it is pretty easy for this Government to be that much of an expert in spending funds when they are getting that amount from the Federal Government.

Mr. Speaker, just one other area that was touched upon by the Minister, and I will have a good deal more to say about it later, he mentioned Education and the amount of money that was going to Education. Nowhere in his remarks or at any other time this year or last year when the former Minister presented the Budget, was there any reference made to the fact that \$26 million came to this province last year, 'and presumably it is coming this year, by way of a brand new additional amount to the federal equalization grant formula. That was put in there by Hon. John Turner . . .

**MR. COWLEY:** — . . . negotiated that.

**MR. McISAAC:** — Negotiated yes, but you got it last year. They got \$26 million last year and they will get \$26 million approximately

this coming year, revenue money, federal money designed to go directly to the local property taxpayer.

Mr. Speaker, I only regret that last year they passed on none of that money to the local property taxpayer and based on this year's Budget, only part of it goes to the local property taxpayer.

Mr. Speaker, there are a number of other points that I could illustrate to show how this Government is spending money, is squandering money in fact, because when it comes to spending money especially if it's someone else's money, there is no one, of course, the equal of this Government opposite.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — This is one area in which they excel. Even the federal Liberals who are pretty good can't even touch the boys opposite when it comes to spending money, and this, of course, is in keeping with their philosophy and we have heard it enunciated again this afternoon that Government knows best, that they know the needs of the citizens better than the people themselves do.

Mr. Speaker, it has been a year of windfall increases in revenues for the Government of Saskatchewan. This statement is certainly true for the fiscal year that we are now concluding and it is almost certain that it will prove true for the fiscal year that we are now entering. Why are there years of windfall increases in tax revenue, Mr. Speaker? It certainly isn't due to the policies or programs that the Government advocate. It certainly isn't due to the increased jobs in the industrial sector of Saskatchewan. And it isn't due to the new jobs in the manufacturing sector. As the former Minister of Oil and "Energy and Mineral Resources well knows, it is not going to be due to the new jobs that are being created in the oil industry this year. Rather there has been a loss in this respect. It certainly isn't due to NDP action in cancelling a major pulp mill project and wood project in Meadow Lake which washed out literally thousands of jobs, nor the Choiceland iron project.

Mr. Speaker, had the Government (and in retrospect I am sure most of them would agree in private), had they proceeded with those projects of three years ago our young people and our economy generally would be substantially better off today.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — The Government opposite, Mr. Speaker, as is well known by all, of course, really did nothing to bring about the improved economic situation that is enjoyed by the Provincial Treasury and enjoyed by many citizens of Saskatchewan today. There are two major factors responsible, both of which originate outside of our boundaries here in Saskatchewan. The world food shortage and the world confusion—I don't say shortage so much as confusion—with respect to energy and distribution. The food shortage has resulted in practically wide-open quotas for grain all across the prairies and in Saskatchewan. It has resulted in tremendous price increases in cash returns to producers. We have seen \$5 wheat, \$11 flax, it's been tremendous and it is very welcome. Oddly enough, Mr. Speaker, most

**March 8, 1974**

individuals are taking the opportunity to square off some of their past obligations. They know very well they perhaps never had it so good before in that sense and they realize too that maybe it is not going to continue and it may not happen again. So most people in that position are putting some cash away. The only group that is spending every cent of it is the Members opposite, Mr. Speaker, the NDP Government.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — In continuing their high spending spree they are setting the standard for the kind of runaway inflation that this country is now experiencing. You know, oddly enough, Mr. Speaker, the NDP are always ready to criticize and tear apart anything that the Prime Minister says in the National Liberal Party but this week early in the Press the Prime Minister made some statements to the effect that he believed our situation in Canada is somewhat unique and that we may be able to fight and handle inflation on a pretty good basis because of various factors. The NDP, while they don't believe anything else he says, Mr. Speaker, about oil or about freight rate improvement or about any other comment, but they like to believe that and they like to leave the problem of inflation entirely to the Federal Government because they are certainly making no effort on their part to deal with this insidious problem here that we are facing in Canada—the question of inflation.

Now, Mr. Speaker, I could cite a number of instances of this Government opposite squandering tax money. The cost of Government itself has gone up dramatically under the NDP. The cost of advertising has gone up, the growth of the Civil Service. We have such little things as the Saskatoon Cabinet office having been established. There is no real purpose to be served there, Mr. Speaker, except as party offices of the NDP candidates, the NDP Members up there.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — It can only be the prime purpose of the establishment of that office, Mr. Speaker. We have talked about the growth of the Cabinet. I made some reference to that, Mr. Speaker, but I think the most recent appointment there has to be the most interesting one in that respect. The appointment of Mr. Cody, the Member for Watrous, as the . . .

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Minister of Co-operatives. Now I would have to commend the Premier on a wise choice here because when you look over there who else would you appoint?.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Now you have some good men, the Member for Touchwood (Mr. Meakes) deserves an appointment but he is towards the end of his political career. There are some others that the Premier might think for a moment to look at but the list is pretty short. The counsellor up in Saskatoon (Mr. Rolfes), the difficulty there is he won't be around again next time. The Mayor

of Regina, but he has had his problems before and he has got other duties now and it might conflict there. But, Mr. Speaker, I welcomed and was glad to hear that the Member for Watrous was appointed to the Cabinet. But I thought it was a complete waste of this man's time to appoint him as Minister of a department that employs about 45 or 46 people. Now, Mr. Speaker, that department deserves the attention of the Minister for about two hours a week. There are dozens and dozens of similar sized agencies of government within the realm of various departments here now. All kinds of them, Mr. Speaker. There are dozens of school principals in the province who are handling similar sized staff and heavier responsibilities than he is without the benefit I might say of deputy ministers and executive assistants and \$27,500 salary.

Mr. Speaker, I suggest to you that the Co-operative Movement and the Credit Union Movement are very firmly established in the way of life in this province and the services of a full-fledged Government department and a full-time Minister certainly aren't necessary for their continued growth. I think, Mr. Speaker, that it has to be just a classic example of the kind of squandering of tax dollars that this Government has engaged in.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Mr. Speaker, there is one area where this Budget has to be a very sad failure and I will have a good deal to say about it later but I can't close for now without making some reference to their handling and their lack of funds in the field of agriculture.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — They all laugh, Mr. Speaker, this goes to show you how many rural Members they have over there. It goes to show you how many farm Members that they have anyway. You know, Mr. Speaker, farm leaders and political leaders, indeed all rural spokesmen, be it SARM people or others, have fought and fought for increased diversification in agriculture and expanded livestock programs for many years. The Federal Government through PFRA, ARDA and other agencies has poured in millions of dollars into this province. Now the NDP Government under the new Minister, Mr. Messer, has carried on sort of small backwoods programs and they have . . .

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — . . . spent 2 1/2 to 3 years. Mr. Speaker, if you set aside the Land Bank Program and I want to talk about what he is doing . . .

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — . . . in the department. Mr. Speaker, the Members opposite may have their list of their accomplishments but I want to say the biggest thing the Minister has done in agriculture in the last 2 1/2; to 3 years . . .

**AN HON. MEMBER:** — Grabbed the land.

**March 8, 1974**

**MR. McISAAC:** — . . . well, he has grabbed the land but I'm not even going to talk about that, that is well known and everybody is aware of that. But he has done nothing but reorganize the entire department and increase the staff by about double. Now this has been his big contribution and, of course, he has set up a number of commissions and committees. Mr. Speaker, the Minister who is a farmer himself with some personal experience himself should realize full well that he can fill as many offices with experts as he likes, but unless and until they begin to get out on the farm and offer any farmer who may want some help, some practical advice and suggestions right there on the farm, they will serve no purpose whatsoever other than as a tax burden to the taxpayers of this province.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — His inaction and his apparent of concern, Mr. Speaker, on the unsettling trends that have been going on in the cattle industry for the last few months in this province I think is nothing short of appalling.

Mr. Speaker, I recognize that he and his deputy and other Members of his Party have been pretty busy in the field of agriculture for the last number of months.

**AN HON. MEMBER:** — Touring the world.

**MR. McISAAC:** — Well, they have been touring the world a bit but they have been fighting and haggling and initiating confrontations with the Federal Government at every opportunity.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Mr. Speaker, I suggest that this just isn't good enough. While the Minister in charge of the Wheat Board and anybody else with his eyes open last fall was alerting farmers and alerting stockmen to the fact that barley prices were going to go up and go up high, this Minister over here (Mr. Messer) was talking about cheap grain, cheap prices. He was talking about give-aways in feed grains at the same time, as I say, employing their divisive tactics to prevent the development of an acceptable national feed grains policy, which is so necessary before we can tackle some of the other national problems such as marketing distribution and so on.

There was some reference again in the Budget Speech here, Mr. Speaker, I'll dig it up for later, another kind of snide reference to the prairies providing cheap beef for Ottawa, for Ontario and for Quebec, in the same vein as they have been implying that we have been supplying cheap feed over the last few years.

Mr. Speaker, during the past year they were able to provide some additional moneys for the operation of the Hog Marketing Board, they were able to provide new moneys for the establishment of a Feed Grains Marketing Board and they were able to find a subsidy of \$10 million from general revenue to the automobile drivers in the province but nothing whatsoever for the cattle industry in this province.



**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — You know they did initiate a support program for hogs and I support in principle, I certainly didn't support the way it happened, but I support in principle his efforts there. If there was a case to be made there, Mr. Speaker, and certainly there was for maintaining the hog industry, well surely there is a much greater case to be made for maintaining a strong cattle feeding industry in this province. Indeed, it is a better case.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — You know we are led to believe and we wonder whether the reason the Minister has adopted his hands-off policy on the problems of the cattle industry is a tactic designed to back them into a corner and seek some kind of a marketing board before he offers them any kind of help. Mr. Speaker, let me tell him and this Government opposite, a marketing board isn't necessary for the Minister to hold down the pasture rates in community pastures.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — A marketing board isn't necessary for the Minister to be developing some complementary and supplementary programs to the federal regrassing program as an example, in order to make sure that we do have adequate range land in years ahead. Mr. Speaker, surely the least we can expect from this Minister and this Government is to reverse their do-nothing policies of confusing and misleading statements and at least try and be helpful and try and co-operate with the stock raiser in this province and with the Federal Government in this regard.

Mr. Speaker, I was particularly dismayed that in today's Budget not even a token recognition of one sector of agriculture that is in real trouble here in Saskatchewan right now, it wasn't even mentioned.

Mr. Speaker, there are a good number of other points that I should like to deal with at greater length and I beg leave to adjourn debate at this time.

**SOME HON. MEMBERS:** — Hear, hear!

Debate adjourned.

The Assembly adjourned at 4:38 o'clock p.m.