

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Fourth Session — Seventeenth Legislature**  
**26th Day**

**Monday, March 11, 1974.**

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

**WELCOME TO STUDENTS**

**MR. A. W. ENGEL:** (Notukeu-Willow Bunch): — Mr. Speaker, it gives me a great deal of pleasure today to introduce to you and through you to this House, 16 Grade Twelve students from Glentworth, Saskatchewan. They are sitting in the top row of the Speaker's Gallery. They are accompanied by their teacher, Mr. Klink and their drivers, Mr. Nelson and Mr. & Mrs. Mitchell of McCord. Mr. Nelson is from Glentworth. They picked a good day to come here, I am sure the process of this Chamber isn't new to them because one of their teachers is a former Member, Mr. Klein, whom many of you remember. So today I should like to welcome them here and I am sure the Members will join me as well.

**HON. MEMBERS:** — Hear, hear!

**MR. A. OLIVER:** (Shaunavon): — Mr. Speaker, I, too, would like to extend greetings and welcome the Glentworth students. As you are probably aware the Shaunavon constituency has grown considerably in size and now takes in the village of Glentworth. I am sure they are quite aware that spring has arrived in the southwest. The gophers are out and the crows are back, so it's nice to see you folks out.

**HON. MEMBERS:** — Hear, hear!

**MR. J. A. PEPPER:** (Weyburn): — Mr. Speaker, I should like to introduce to you and through you to the Members of this House a group of students sitting, I believe in the west gallery from Weyburn. They are under the guidance of their teachers, Mr. Phil Kohlenberg and Mr. Jim Nedlecove and their bus drivers, Mr. Faris Lawrence and Mr. Calvin Young. These students are a portion of the Grade Eight students from the Weyburn Junior High School. This is the eighth consecutive year, I believe, that Grade Eight students of Weyburn Junior High have availed themselves of the opportunity of visiting our Legislative Building during the Session. I am sure that I am speaking for all Members of the House in welcoming these students and it is our wish that their visit here is pleasant and educational and that they have a safe journey home.

**HON. MEMBERS:** — Hear, hear!

**HON. R. ROMANOW:** (Saskatoon Riversdale): — Mr. Speaker, I should like to introduce to you, Sir, and the Members of the Legislative Assembly students from Bedford Road Collegiate Institute in Saskatoon. I am advised that there are approximately 40 students in Grade Twelve who are sitting in the Speaker's Gallery. They are accompanied by their teacher. There might be more than one but the only name

that I have is Mr. Hughes from Bedford Road. I don't know if this speaks badly of Bedford Road or well of Bedford Road but that is the school that I graduated from in high school. I certainly want to welcome BRCI and the Grade Twelve students here to the Chamber, not only on behalf of myself but on behalf of the Hon. Member for Saskatoon Mayfair, Mr. Brockelbank, who is unfortunately not able to be with us today.

I wish them a safe journey home back to Saskatoon.

**HON. MEMBERS:** — Hear, hear!

## **ANNOUNCEMENTS**

### **SASKATCHEWAN WINTER GAMES**

**MR. H. H. ROLFES:** (Saskatoon Nutana South): — Mr. Speaker, today I wish to inform the House and you, Sir, that Saskatoon again made the headlines over the weekend when the Saskatchewan Winter Games came to a close. I think it is an opportune time to congratulate all the coaches and the trainers and the athletes who participated in the Saskatchewan Winter Games. Zone 6 beat out Zone 2 which is Regina, very, very closely in the point system. I, at this time on behalf of the other Members of Saskatoon, would like to congratulate everybody who participated in the games and also at this time to congratulate the Government and the Minister responsible for putting on the Saskatchewan Winter Games.

**HON. MEMBERS:** — Hear, hear!

### **HOCKEY - GRENFELL - INTERMEDIATE B FINALS**

**HON. G.R. BOWERMAN:** (Shellbrook): — Mr. Speaker, I am sure that you and the Member for Milestone (Mr. MacDonald) as well as all other Members of this House will want me to congratulate the Shellbrook Elks Hockey Club for winning for the sixth consecutive year, at Grenfell, the Intermediate B Finals in the Saskatchewan hockey series.

I am reminded by the comment of the Member for Milestone that they could never get that Wilcox Club to the point where they could defeat the Shellbrook Elks and they finally took to heart the old adage, if you can't beat them you join them. We welcome to our Shellbrook Club a couple of good players from the Wilcox area who have indeed made a contribution to winning this year.

I know that all Members of the House, Mr. Speaker, will indeed want to commend this Club who have moved into an unequalled record in the history of Saskatchewan hockey and that is they have won for six consecutive years the Provincial championship in the Intermediate B Hockey Series.

**HON. MEMBERS:** — Hear, hear!

## **QUESTIONS**

### **SASKATCHEWAN LAND BANK COMMISSION**

**MR. T. M. WEATHERALD:** (Cannington): — Mr. Speaker, before the Orders of the Day I should

**March 11, 1974**

like to direct a question to the Minister of Finance (Mr. Robbins). Before directing the question, Mr. Speaker, I should like to direct it to the Minister of Agriculture (Mr. Messer) but the Cabinet's attendance at the question period since this Session started has been utterly deplorable.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. WEATHERALD:** — Today we have nine Ministers here, three of whom came late, out of 18. However, the question I wish to ask of the Minister of Finance is, two years ago \$10 million was appropriated for the Land Bank Commission. Last year \$20 million was appropriated and in the Budget Friday another \$20 million was appropriated for the Land Bank Commission. We will not be receiving a report until the 31st of March this year on how much money has now been spent in the purchase of land. For the purposes of debating the Budget, therefore, it is now necessary that the Opposition know how much of the \$50 million appropriated has been spent up until now. I don't expect him to tell me to the last dollar but he should be able to tell me within \$1 million.

**HON. W.A. ROBBINS:** (Minister of Finance): — Mr. Speaker, it is my understanding that the \$30 million has been used. The \$20 million, of course, voted for next year will be used within the next fiscal year. I know that Members opposite are quite critical of the fact that moneys are allotted the Land Bank. The total to date is \$50 million. I looked up the statistics with regard to the total value of land in Saskatchewan and find that it exceeds \$5 billion. So \$50 million on the basis of the \$5 billion isn't a large amount, about 1 per cent of the total.

**MR. GRANT:** — What's \$50 million.

#### **STUDY SESSION BY SASKATCHEWAN GOVERNMENT EMPLOYEES' ASSOCIATION**

**MR. P. P. MacDONALD:** (Moose Jaw North): — Mr. Speaker, I should like to inform the House that some Members of the Saskatchewan Government Employees' Association are conducting a study session today, namely the labor service employees of this Government. Study sessions or strike threats by Government employees seem to be the only practical method of getting this Government to the bargaining table to bargain in good faith.

My question is, these workers are asking for the right to work only 40 hours a week and has the Minister of Labour taken the side of these workers in demanding that Government employees be given the right to work only a normal 40 hour week?

**HON. G. SNYDER:** (Minister of Labour) Mr. Speaker, in just a word or two, I think the Member for Moose Jaw North appreciates the fact that negotiations are in progress and he would appreciate also that those employees who are presently working in excess of 40 hours were workers that were not covered by the hours of work at a time when the 40-hour week became effective. This has caused some of the difficulties in dovetailing those who work in excess of 40 hours and bringing them down to the required 40. The Minister in charge of the Public Service Commission may want to add something

to this but I think those are some of the basic problems that still rest with the Saskatchewan Government Employees' Association and the Public Service Commission.

**MR. MacDONALD:** (Moose Jaw North): — Mr. Speaker, a supplementary question. My question wasn't put to the Minister in charge of Government employees; it was put to the Minister of Labour asking him if he is supporting the workers. By his answer I understand that he is not supporting the workers in their demand and, therefore, I would ask him, is it the policy of the Department of Labour to discriminate against the Government's own employees while forcing other employers to comply with the law as set down by this Government. In other words, are there two different standards?

**MR. SNYDER:** — Well, I should prefer first of all that the Member didn't attempt to put words in my mouth. I am in favor of the collective bargaining process and the collective bargaining processes presently working and the difficulties that I mentioned are in the process of being worked out. Under those circumstances I certainly support the whole process that is being used in order to reach a conclusion that will be mutually satisfactory to both the Saskatchewan Government Employees' Association and the Public Service Commission.

### IMPORTANT LEGISLATION STILL TO BE INTRODUCED

**MR. C. P. MacDONALD:** (Milestone): — Mr. Speaker, I should like to direct a question to the Minister of Education (Mr. MacMurchy). I was wondering if members of the Executive Council had joined with the other members of the Saskatchewan Government Employees' Association on a work stoppage or at least have they been working to rule. There has been a singular absence of any introduction of Bills on the Order Paper for almost a week or ten days and there is some very important legislation and I wish particularly to refer to The University Bill. Could the Minister indicate to the House when The University Bill will be introduced and of course other important legislation, or is it their intention to throw them all on the table the last three or four days of the Session?

**HON. G. MacMURCHY:** (Minister of Education): — Mr. Speaker, in reply to the Member for Milestone, I might say that the legislation will be appearing on the Order Paper in due course but certainly in time for ample debate before the Session adjourns.

**MR. MacDONALD:** — Mr. Speaker, a supplementary question. Last year the Minister introduced Bill 90 at a time when university students were writing exams and when members of the faculty were busy with examinations and after the school term had finished. There was no opportunity for student input or faculty input in Bill 90. Would the Minister assure the Members of the House that The University Bill will be introduced in time so the student bodies of both campuses and the faculties of both campuses will have an opportunity to have an input in public discussion on The University Act?

**MR. MacMURCHY:** — Mr. Speaker, the Hall Commission Report has been

**March 11, 1974**

available to the public for at least three months now. There has been ample time for student and faculty to have input into the legislation.

## **ADJOURNED DEBATES**

### **BUDGET DEBATE**

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

**MR. J.C. McISAAC:** (Financial Critic): — Mr. Speaker, Friday last when I asked for adjournment of this debate I had at that time reviewed some of the points and some of the direction that was apparent from the Budget delivered by the Hon. Provincial Treasurer (Mr. Robbins) earlier last Friday afternoon. I touched on a few of the areas that the Budget had neglected to deal with, that they neglected to handle in any way possible and I want to spend some more time on some of those points as well as other aspects of the Budget that become very clear and very apparent when one takes a little more time to review some of the figures that are there and some of the figures that aren't there.

One thing becomes very clear, Mr. Speaker. The Minister himself called this Budget a 'go-for-broke' Budget. There is very little doubt that he meant that word because last Friday's Budget represents, I say to you Sir, the greatest rip-off we have ever seen in this country..

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — . . . and that is the rip-off of the Saskatchewan taxpayer being taken to the cleaners in a style and a manner never before perpetrated by any government in this country. I propose this afternoon, Mr. Speaker, to demonstrate to you and to the people of the province the truth of that statement that this indeed is a rip-off Budget by the greatest rip-off artist of them all, the NDP Government opposite. In the course of the remaining days of this debate, in the course of the balance of this week my colleagues in the Liberal Opposition will further substantiate that fact.

Let me outline some of the basic criticisms of this Budget. On Friday last, Mr. Speaker, on the basis of an apparent 25 per cent increase in spending over last year, I termed this Budget an inflationary Budget. Showing an estimated increase in spending of 25 per cent over last year's Estimates, Mr. Speaker, is setting a trend and a pattern that clearly tells everyone the NDP Government opposite is in no way interested in acting to stem inflation but rather instead is intent on promoting inflation.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Mr. Speaker, last year the Government's Supplementary Estimates, which were not tabled until after the House adjourned or about that time, shows that they overspent their budget of last year by \$94.5 million. Now have we any reason to believe that they will act differently this year? Have we any reason to

believe that this Budget before us is indeed a factual budget at all and a factual plan of proposed spending? Mr. Speaker, I suggest to you the Budget may well be incomplete in one major respect. The estimated revenue of \$900 million in the Budget leaves out millions of dollars of revenue that the province will derive from both federal and provincial surcharges on oil exports. I recognize the difficulties of including a figure but the fact still remains we all know very well that millions of dollars will be accruing to the province as budgetary revenue. In short, Mr. Speaker, if this Government follows the same pattern of overspending that they did last year, the year before, instead of a 25 per cent increase we are probably looking at more like a 30 or 35 per cent increase in spending.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — I suggest to you also, Mr. Speaker, that instead of looking at a \$900 million Budget, when one considers the possible oil revenues that will be here, we are looking at instead a billion dollar Budget and I submit to you, Mr. Speaker, that the Hon. Finance Minister opposite is even afraid to admit that, to admit the kind of revenue that this Government will be in receipt of in the year ahead. Especially when in the meantime pensioners, low wage earners and all others on fixed incomes will be left further behind as the NDP inflationary band wagon travels on.

Mr. Speaker, I believe this Budget is very definitely discriminatory against the low income wage earner.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — For the one who is hardest hit by inflation there is no relief whatever. There are no tax cuts. there is no raising of exemptions for provincial income tax and we can still share the honor this year along with one or two of the Maritime Provinces as being one of the highest taxed provinces in Canada.

Mr. Speaker, I submit to you that this Budget is also wasteful. I want to cite just two brief examples to demonstrate that and I will expand on them later on. In the Department of Northern Saskatchewan where the Government last year estimated expenditures of \$15.6 million, this Budget proposes to nearly double that to \$28.8 million. Now that, Mr. Speaker, is almost a doubling, an increase of about \$13 million.

Second, this Budget contains, I would suggest to you, upwards of \$15 million for new Government employees alone in this particular year. When one considers the salaries of 1,100 people, the cars they will be driving, the road expenses, personal expenses, office expense aid other costs of establishing new programs, renting new space downtown in Regina and elsewhere in the province, would, I think, make that \$15 million a very reasonable figure and a reasonable estimate.

There is nothing new about this, Mr. Speaker, it is a pattern that was established by the NDP when they came to power three years ago, about 1,100 to 1,200 new staff have been added annually to the Government payroll. This year will see the taxpayer carrying an additional annual cost of \$40-50 million each and every year as one part of the price for this Government's

**March 11, 1974**

growing intrusion and involvement in our daily lives in this province.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — The Budget is also discriminatory, Mr. Speaker, because it is discriminating against every taxpayer in this province. Surely to goodness in this year of what must be termed windfall revenue increases the people of Saskatchewan have every right to expect and demand some reduction in tax levies. Provincial income tax exemptions should have been raised, secondly, at least some exemptions from E & H Tax should have been provided for . . .

**SOME HON. MEMBERS:** — Hear, hear!:

**MR. McISAAC:** — . . . but instead, Mr. Speaker, what do we see? We see and we listened on Friday to the Finance Minister bemoaning some federal tax measures which provided relief to the low income wage earner, by virtue of the indexing system, and he is very critical of that system. Mr. Speaker, very critical of that system for the very simple reason that it affects their greedy policies of getting every cent they can.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — There was another term and phrase applied to the Budget by the Minister, he called it a 'development budget' and, Mr. Speaker, if there is any misnomer that could be applied, that certainly is it, because this Budget is not a development budget, it is a non-productive budget, it is a giveaway budget.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — It completely fails in any way to take advantage of the opportunity for this Government, Mr. Speaker, in prosperous times to take some real forward steps in genuine development of our province. Instead, what we have seen in Friday's Budget is another large step forward toward more government control, toward greater government involvement and more bureaucracy for all of our citizens to contend with.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — You know, Mr. Speaker, the Budget itself, the little booklet gives the tip-off to the kind of contents that are contained therein. It is printed on expensive paper and is bound by a fancy cover. I suggest that the decor of the booklet itself is indicative of the contents and one word describes them and that word is 'lavish'.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Let me say, Mr. Speaker, here of the programs provided for increased aid to municipalities in the province. Let me say too that the Liberal Opposition welcomes the improved prosperity

that is enjoyed by Saskatchewan and that is resulting in the kind of revenue increases we are seeing here in this Budget.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — What we object to is the manner and the method that the NDP is spending that increased revenue.

Let's take a brief look just to demonstrate how the revenues of the province' have grown. Let's take a brief look at the growth of two or three of the provincial tax sources, over a five-year period. I think that will indicate the kind of growth that has taken place in tax revenues to the treasury. I want to quote from two sources, Mr. Speaker, the Public Accounts for the year ending March 31, 1973 and the booklet of Estimates that everybody received on Friday last.

From E & H Tax, sales tax or the 5 per cent tax, in the year ending March 31, 1970, five years ago, the province received \$63 million from that source, but this year, five years later for an estimated return on that tax for March 31, 1975, the year coming up in the Budget before us, the figure is \$107 million. From the gasoline tax which was 19 cents a gallon in 1970 - I believe it will be or is projected at that for the forthcoming year - the revenue derived from that tax was \$46.8 million as of March 31, 1970; for the forthcoming year it is estimated to be \$63 million. I submit, Mr. Speaker, that may even be an underestimate. Again a dramatic increase. One other source from the liquor tax, in the year ending March 31, 1970, the province received \$20 million by way of liquor mark- ups; the estimated revenue for the year before us March 31, 1975, the figure is not \$20 million, or \$30 million or even \$40 million, but it is \$41 million.

I think, Mr. Speaker, everyone will agree these increases are dramatic. I think when we explore them a little bit further we can easily see that they represent nothing that the Government opposite has done, but rather basically, two main facts: (1) The continuing decline in the value of the dollar, in other words inflation and (2) The increased consumer spending as a result of our much improved economic picture resulting again from greater sales for grain and higher prices for wheat and other farm products.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — It should be noted here, Mr. Speaker, that world food shortages combined with the successful effort of the Federal Government particularly the Hon. Otto Lang and Prime Minister Trudeau in expanding credit terms to countries buying our wheat, in general strengthening the Wheat Board and the provision of hopper cars to carry grain are certainly the key factors in the welcome prosperity that our grain farmers are enjoying today.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — The efficiency and the abilities and the capabilities of the Saskatchewan farmer are second to none in the world. He deserves every cent of his present prosperity and we are all happy for him in that respect.



**March 11, 1974**

Mr. Speaker, turning for a moment to the picture on the back of the Budget booklet we saw a picture of wheat. On the front of the booklet it showed a picture of an oil rig. When you get inside there is very scant mention made of oil or oil rigs, very little wonder because Bill 42 last December has already told the people what the NDP Government opposite think about the oil industry. This Budget tells us that the Government intends to place all of the revenue accruing from the 100 per cent tax on oil price increases into a special fund, called the Oil and Gas Stabilization and Development Fund.

Mr. Speaker, I am sure you will remember the many great speeches made by Members opposite earlier in the Session and in previous sessions of this House the so-called windfall profits due to higher prices would go to the people of Saskatchewan and for the benefit of all. We don't know and I presume the Minister himself doesn't know exactly how many millions of dollars are already in that fund. We don't know how many millions the Provincial Government may be receiving by way of the federal export tax on oil, which I might point out was imposed last fall by federal authorities back in September long before the NDP Members opposite cooked up their little scheme to confiscate oil leases and get their hands on the tap.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — That money is sitting there gathering up and accruing to and on behalf of the Government of Saskatchewan. I think we can estimate roughly what that sum may add up to. It would appear if we get 50 per cent of the export tax collected since last September we will likely be in receipt of \$20 – 25 million. I don't know how accurate that is but I think it is a reasonable estimate. I would hope later in this debate, Mr. Speaker, that either the Premier or the Minister of Mineral Resources will take some time and deal with this entire question. Because it is very clearly a factor which must be considered in any debate on budgetary revenues and budgetary expenditures in this province and particularly in this Budget. As I say, I recognize that accurate figures are difficult for the Government to come up with.

Now we know that we have upwards of \$20-\$25 million that will be coming to that oil fund from and as a result of the federal tax imposed last fall. One more key question that will determine the size of that fund for the forthcoming year and it again I know, is difficult to predict and project what money will accrue to the fund as a result of our passage of Bill 42 last December. For example will the Government continue to receive the \$1 a barrel levy that is now on as I understand for all of the oil leaving the province? Will the \$1 change. But again let us assume that dollar does stay on for all of the oil leaving Saskatchewan this year, it would run to \$70 or 80 million that we might see from this particular source. In short, Mr. Speaker, when you add that to what is already there from the federal export tax I think we are looking at a minimum of \$100 million and perhaps even double or triple that, that could accrue, and I say could, to the people of the province in the next budgetary year! I recognize again that accurate figures are difficult here. But in the question that is a key one, two things we know about. There are two levels of tax now imposed, the federal and the provincial. Money is accruing to this fund, how much we don't know, but we know it is going to be millions. The

one question we don't know, Mr. Speaker, where is that money going? Is it indeed going to the people of Saskatchewan? Is it being used or planned for use in easing the tax load on individual citizens? I suggest to you, Mr. Speaker, the answer to both those questions is, No.

**SOME HON. MEMBER:** — Hear, hear!

**MR. McISAAC:** — It is going into an NDP fund, it is going into an NDP fund and we have no real idea how that money will be spent.

This Budget, Mr. Speaker, asks us to approve of the establishment of a multimillion dollar fund designed not necessarily for the relief of the individual taxpayer in this province, but as a giant tax kitty for the Government opposite.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — I know that included in the estimates is a \$15 million vote for Saskoil. Will more tax dollars be passed on to Saskoil out of this new fund, we don't know? Mr. Speaker, two things with respect to oil is becoming clearer. First, that the NDP is doing all in its power to ensure that private development of oil and other energy sources will be at a minimum, Bill 42 looked after that. Secondly, of course, they have said the Government intends to get into the field of exploration and development themselves. They have no expertise, they have very little knowledge, but they have at least \$100 million to experiment with.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Mr. Speaker, I say to you this kind of socialist experimentation we can do without, because the cost is too high.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Pointing in another way when the Minister of Finance speaks of development in this Budget, it is obvious to me, Mr. Speaker, he is talking only about the development of his NDP and their philosophy and not any other kind.

Mr. Speaker, this Budget, I think represents a betrayal of the people of Saskatchewan and the taxpayers in that there are no plans outlined or laid out whatever to utilize these resource revenues for the direct benefit of all Saskatchewan citizens.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — I should like to take just a moment or two to refer to potash, and potash was referred to in paragraph 6, page 37 of the Minister's written remarks. I want to quote from that particular page. He states:

Increase in potash production coupled with higher fees are expected to return \$16.1 million to the people of Saskatchewan from this non-renewable resource.

**March 11, 1974**

For comparison, Mr. Speaker, last year's figure was \$7.4 million. You may say, all well and good, we and the people of Saskatchewan should be getting more revenue from potash. The potash industry is on the way back and the future outlook today is a good deal improved over just a few short years ago. In short that industry is starting to get up off the floor. Yet they are just getting to their knees when the NDP Government opposite throws them this little reminder of who's boss in the form of a doubling of royalty rates.

Now we turn to another page of the Minister's remarks, Mr. Speaker, to demonstrate their attitude to industry. On page 16 of his speech, I quote again:

We have revitalized the Department of Industry and Commerce as an important element in encouraging industrial development.

Mr. Speaker, just a note of explanation here. Revitalizing according to the NDP definition means two things: increasing the staff and spending more money on advertising.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — There are certainly a few other basic elements required that the NDP really don't understand. Not only is fair treatment necessary to initiate the development of industry and I am not talking about large industries or mining industries only, I am talking about business be it small or large. But not only is fair treatment necessary to begin with, but fair treatment once the industry is established is essential. Industry and business again whether it be small or large has not been getting that kind of treatment from the NDP.

We only have to think of the forest industry takeover that was brought about last year by some changes in The Forest Act, the oil industry in December, the five day shutdown that the Minister of Consumer Affairs can impose on any business any size, and then I think we only need to look at this Government's record of new industries and new jobs in industry to see how they are getting along in that respect. The record - as someone says, Mr. Speaker, there are no new industries - there is no record, it is a non-record.

In this respect, Mr. Speaker, they have certainly failed the young people of this province.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Just ask the graduates of our universities today. Last year in a year when 400,000 new jobs were created in Canada, this Government's contribution was the addition of more socialist planners to the public payroll.

Mr. Speaker, what are the young people of this province saying with respect to the approach this Government has taken towards attracting industry, creating jobs and retaining people in the province. I have here a clipping taken from the Star- Phoenix, January 17, 1974. It is an advertisement paid for by the students of the College of Commerce Students Society, University of Saskatchewan, Saskatoon. I want to quote very

briefly, two or three of the paragraphs contained in this well written advertisement paid for by the students themselves. They go on to say:

We have absolutely no confidence in the present or indeed any government who barely is able to manage their own departments suddenly decide they are oil experts. We have no confidence in the ability of any government to operate economic enterprises when they are too busy filling managerial positions with nothing more than political hacks and hangers-on.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — We have seen some examples of this in the present Government, Mr. Speaker.

We have no confidence in governments who refuse to risk their own capital on uncertain ventures, but are ready and willing to swallow up all the winners. This message was paid for entirely by members of our society who are fed up with increased intrusion by government into the operation of business. We say regulate us, control us, tell us how to act responsibly, but leave the task of managing economic enterprises to those best suited for the task; to those who have spent some time training for such tasks, and not local clowns or buffoons whose only claim to fame is a lifetime party membership and a well paid laid out collection of bumper stickers.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — There are many other points, Mr. Speaker, made in this particular statement and that's not a Liberal Party statement. That again is a statement by university students who are today getting ready for graduation at the Saskatoon campus.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — This entire Budget, I suggest, Mr. Speaker, represents the complete failure of this Government to do anything for our young people or indeed our old people.

It is a betrayal also I say to you of every working man in the province and every taxpayer.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — I say that very simply because the Government while enjoying windfall revenues continues to go on a spending spree and spending every cent of it.

Mr. Speaker, they are initiating a level of public spending that may well be impossible to maintain in a year of average prosperity for Saskatchewan. We are going to be locked into spending programs and NDP schemes that can't be supported in the future unless there is some redirection of emphasis by this Government opposite.

**March 11, 1974**

There is no plan whatever in this Budget of any basic development or basic expansion of our provincial economy. I submit to you, Mr. Speaker, this is the time when the Government should be encouraging expansion of the potash industry. It takes several years to build and develop a mine and bring it into production. They should be encouraging the oil industry and mineral development generally in order to assure continued return from those resources if and when the agricultural base of our economy slackens for any reason as we well know it can do.

Mr. Speaker, I want to suggest to you and to other Members of this House that the NDP Government opposite are getting carried away with their own rhetoric. They speak glowingly of their fulfilment of the New Deal for People. I want to remind them now that 43 per cent of Saskatchewan people voted against that New Deal in 1971 and that figure is much larger today because people now know what some of those promises mean. They now have had time to see the translation of some of those NDP New Deal promises.

For example, Saskatchewan farmers now know that the Land Bank means state ownership of farm land. It means tenant farming. Saskatchewan citizens now know that encouragement of business means buying up plants like IPSCO, Intercontinental, spending \$15 million of taxpayers' money with the creation of absolutely no new jobs. They now know that encouragement of business is spending \$6 million taxpayers' dollars to cancel out a pulp mill project in northern Saskatchewan. It means the cancellation of such projects as the iron ore development at Choiceland and I am sure they regret their hasty action in regard to these two developments now, Mr. Speaker. They must.

You know, Mr. Speaker, it is time for the Government opposite to widen their thinking and broaden their vision a bit to include long-term basic development programs for all of Saskatchewan and not just the NDP and the NDP hierarchy.

**SOME HON. MEMBERS:** Hear, hear!

**MR. McISAAC:** — There is one other theme, if you want to call it that, Mr. Speaker, or a thread that runs throughout the entire Budget address presented on Friday and I suggest to you that it is a very negative misleading theme. I refer here to the critical disparaging remarks directed to the Federal Government on almost every page of that booklet.

Most people in this Province of Saskatchewan and the great majority of Canadians everywhere have a basic sense of fair play. They are prepared to give credit where credit is due but not the Saskatchewan NDP.

Let us look for just a moment at the kind of money and the kind of increases this province has been receiving on behalf of various Federal Government fiscal transfers and other policies.

I am sure it will surprise many people in this province to realize that of all the money collected last year and spent by the Saskatchewan Government, 46 per cent of it, almost half came from the Federal Liberal Government in Ottawa. Now it happens to be a Liberal Government, Mr. Speaker, but I am sure had the Conservatives been in power, we in Saskatchewan would

have been equally well treated.

This year's Budget - the Federal contribution to the \$900 million being proposed to be spent, this year's contribution from Ottawa will likely run around \$350 million. I believe the Treasurer in his Budget shows a figure of 38.9 per cent. It is likely underestimated, it will likely be higher. In terms of actual dollars coming directly from Ottawa to the Treasurer in Regina, I would like to look for a moment at some of the equalization grant figures over the past few years. There are perhaps better figures that could demonstrate this but I think these do very clearly show the kind of increase in revenues that the province has been receiving from federal sources.

A look at the Public Accounts for the province for the year ending 1972-73, will show the following:

In the fiscal year ending March 31, 1968 by way of equalization grants the province received \$47 million. Pardon me, that figure is \$26.7 million. In 1969 the figure was \$14, 1970 it was \$10, 1971 it was \$42.1 million. In 1973 the figure was \$134.4 million and 1974 the figure grew again \$136.2 million and I see by the Supplementaries - by the Minister's remarks another \$46 million were received here bringing that up to about \$178 million. This year the figure is estimated to be \$153.9 million.

So it seems the equalization grant which is not the only means and method by which Ottawa transfers funds to the province, we have seen that grow from \$26 million to \$153 million this year. We have seen a similar growth - similar increase in other federally cost-shared programs, Manpower, university support and so on.

We suggest, Mr. Speaker, that this fantastic increase coming from a Government and a party that Members opposite continually label as being anti the West - it has got to be some- thing really to tell the people at home about. Where do they get them from? They did collect their share of revenues from the Province of Saskatchewan, the taxpayers of Saskatchewan.

I might point out to Members opposite when they are sitting down and calculating their 1973 income tax return let them just remember that all of that money going to Ottawa this year by way of federal income tax, almost every penny of it will be coming back to the Province of Saskatchewan and more. In short, Mr. Speaker, the income tax that is paid by Saskatchewan residents is going to Ottawa only for rerouting and remailing back to the Provincial Treasurer in Saskatchewan.

Mr. Speaker, that is fine. I have no objection, I am glad and I am happy. These increases came about because of expanded federal policies designed to do two things essentially, (1) to close the gap in regional disparities in Canada to promote greater Canadian unity at the same time; and (2) to allow the provinces to hold or lower their tax rates.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Mr. Speaker, Canadian unity of course is something that doesn't concern the Government opposite. Their efforts are much better devoted to Canadian divisiveness rather than

**March 11, 1974**

Canadian unity.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — One particular improvement that was made to the Federal Equalization Grant formula I want to take a few minutes to deal with. And that is with respect to a measure adopted last year, in last year's Budget by the Hon. John Turner. I want to take some time to discuss it, Mr. Speaker, because the NDP opposite have never mentioned it and they don't want to talk about it. And that change was the inclusion of an additional \$26 million paid to the province last year on behalf of education. I am not talking about university costs or other post-secondary education, I am talking of a grant made on behalf of the property taxpayer for the primary and secondary education.

I want to quote directly from the remarks of the Hon. John Turner in his federal budget of last year, February 1973.

The Government therefore proposes that beginning in the next fiscal year, the general equalization system should be substantially broadened to include new grants on account of municipal taxes imposed for school purposes.

He goes on to talk a little further about it and the concluding sentences in that paragraph read as follows:

Indeed the increase in equalization grants involved in this measure, about \$190 million in the next fiscal year, amounts to as much as 28 per cent of the local school taxes collected in the provinces. I would hope therefore, to see significant benefits passed on to the local ratepayers.

Mr. Speaker, Saskatchewan as I understand received approximately \$26 million last year as a result of that new federal policy. This year we will presumably be getting a somewhat similar amount. But were these benefits indeed passed on to the Saskatchewan property taxpayer? No, Mr. Speaker, they were not. It didn't happen last year, it didn't happen this year and I suggest to you it won't happen.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Let me say that grant increases to school boards have been good and they are sizable in this year's Budget. But they are not large enough in consideration of this new and additional source of federal funds which could have put school mill rates down around 25 mills where this Government said they would get them back in the New Deal for People.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — You know that 25 mill school tax promise is one they have somehow forgotten about, Mr. Speaker. It is a promise they could have kept. It's a promise they could have kept last year and they could have kept this year had they carried out the intent and the principle of that new and additional federal grant money which was aimed directly at reducing mill rates

across the province. But it didn't happen.

I wish to say at this time that I welcome the increased money that the Budget provides for both urban and rural municipalities. I am sure municipal people themselves will welcome it too.

The former Liberal administration had initiated a host of programs designed to aid municipalities in this province. Equalization grants to rural municipalities, a feeder road program, grid road maintenance, police grants and snow removal, are only a few that I could mention.

For three years, Mr. Speaker, the NDP did nothing to improve or expand these Liberal policies.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — At the same time there has been no level of government harder hit by inflation than the municipal people. I suggest to you the grants to rural municipalities this year will not likely be enough to enable them to hold down their mill rates, the grants are too small. The grand increase of .5 million dollars in equalization grants is too small in comparison to the kind of increases we see in the Land Bank and a dozen other government schemes.

It would appear that urban municipalities should be able to avoid the eight to ten mill increases that were bound to come had the Government not belatedly come up with some help.

Mr. Speaker, I wish to deal with three or four more items that were referred to and contained in Friday's Budget.

1. The tax penalty that is paid by Saskatchewan citizens because this Government refuses to implement even basic tax reform.
2. I want to deal briefly with the Department of Northern Saskatchewan.
3. I want to refer again to the agriculture budget.

Let us look just for a moment at what the Federal Liberal Government did last year and a couple of years ago insofar as providing tax relief to Canadians is concerned. And then look briefly at this Government, the NDP Government opposite.

I want to review just for a moment the federal income tax proposals in effect for 1973 that were outlined by the Hon. John Turner in that budget of last February. I quote here:

In 1973 we see an increase of basic exemptions from \$1,500 to \$1,600. An increase of exemptions for a married couple from \$2,850 to \$3,000. A reduction of basic federal tax for 1973 by 5 per cent with a maximum of \$500 and a minimum of \$100.

These measures, Mr. Speaker, designed to give relief to the people whose need is the greatest because three-quarters of a million Canadians were dropped from the federal income tax rolls in the year 1973 and that includes thousands of Saskatchewan people. But does it? We will get to that in a few moments.



**March 11, 1974**

There was one other measure that was introduced in that 1973 budget and that is a measure known as the indexing of personal income tax. Very briefly here, Mr. Speaker, this provision which some people tell me was proposed first by the Tory party works simply as follows: A wage earner's income may rise by 10 per cent by virtue of a negotiated contract. Due to a cost of living increase which last year was close to 9 per cent that individual winds up with no real increase in purchasing power of those new dollars. In the meantime his higher wage puts him in a higher tax bracket and the result is he may well find himself a net loser. The effort and the effect of the federal indexing proposal was to try and solve that problem of the unfairness of that fellow finding himself in a higher tax bracket due to inflation and paying that much more.

I suggest, Mr. Speaker, that the indexing provision of the Federal Government to raise the basic exemptions about 5 or 6 per cent a year or roughly equivalent to the degree of inflation, is a fair measure. It is an approach that is particularly helpful to the low income wage earner.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — It is an approach that has won pretty wide acceptance by Canadians at large. There may be better approaches but no one has yet come up with them. In fact, Mr. Speaker, that approach has been accepted by just about everyone in this country except the Saskatchewan Minister of Finance.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — He chooses instead to attack this federal scheme because his NDP Government will then no longer enjoy the windfall tax increases that are due entirely to inflation. Mr. Speaker, they don't want to see anyone escape, they don't want to see anyone get away. In order to keep up these spending habits they have to get money wherever they can.

The Federal Government has made reductions aimed at providing relief primarily to the low income wage earner. The Saskatchewan NDP over the last three years, their moves have consisted of two things in income tax, two increases in provincial income tax - 34 to 37, 37 to 40 per cent. It is odd how their policy in this respect has changed. I want to quote briefly from the budget reply of the present Premier in Hansard of March 4, 1970. I will make a direct quote from the Premier's remarks. He says and I quote:

In general I agree that an income tax is a fairer basis of taxation than say property tax or per capita tax levied on an individual or a family. But I believe with the income tax exemptions so low that there is a tax on a family of four with an income of under \$3,000, a tax is no longer then a fair tax. We believe, Mr. Speaker, in much higher exemptions for lower incomes. We say it is a scandal to extract money from among the poorest of our citizens who may well be below the recognized poverty line.

That is a good statement. I am sure he meant it then, I would like to see him do something to put it into practice now that

he is the Government.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Compare that thought expressed by the Premier so well in that paragraph to the facts contained in this year's Budget presented to us by his Treasurer on Friday last. Oddly enough our Minister of Finance has widened the tax inequities so loudly condemned by the Premier only four years ago.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Mr. Speaker, I should like Hon. Members to look at a little booklet called "Your Guide to the 1973 Income Tax Return". I am sure that many will or have had the opportunity of filling out their income tax form for this year. You then turn to page 30, 31 and see a real graphic demonstration of the unfairness and the greed of this Government.

I mentioned that the federal indexing system provides for an increase in exemptions of 5 per cent for the year 1973 and it further provides the minimum exemption shall be \$100. This little booklet, I think, demonstrates very clearly the unfairness that results to Saskatchewan taxpayers from their inaction, inaction of the NDP Government opposite.

If we take an individual with a taxable income of \$500, be it a student, a pensioner or a part-time wage earner, the federal tax payable on that \$500 taxable income is zero, no dollars at all. The provincial income tax \$30.40. Take again, an individual, student or whoever it may be with a taxable income of \$590, federal tax payable zero, provincial tax \$36.80. Does that ring a bell with anyone, Mr. Speaker, that \$36. It seems to me that we were told about having been given back \$36 some time ago, now they are taking it off everybody who is paying income tax - there is your \$36 - by the fact that they didn't adjust their income tax rates in line with the pattern set out by the Federal Government in this respect.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — You know, Mr. Speaker, with these facts in mind you wonder how the Minister could stand up here last Friday, in his Budget, and talk about "his sense of pride beyond measure" and talk about "narrowing the gap between rich and poor". And then he goes on to talk about another plan, which we have had no details of yet and of which I am sure we will, and that is the multimillion dollar family income program.

Mr. Speaker, I want to suggest to you here and now that before we ever see that plan they could scrap the scheme, he could scrap the expense of setting up a new government structure, a new agency to operate it, by the very simple expedient of leaving people with their own money in the first place.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — I want to remind you, Mr. Speaker, that this little attempt at extracting provincial income tax, where there

**March 11, 1974**

is no federal tax payable, the taxing of low income people certainly wasn't a part of the New Deal for People.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — The Department of Northern Saskatchewan, I don't think I have mentioned earlier in my remarks - and the Minister is obviously still proud of his non-accomplishments in that Department. People all across this province, both living in the North and in the South are well aware of the obvious fact that the Government and the Minister opposite have failed completely to come to grips with the real problems of the North.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — We have watched as hundreds of planners and bureaucrats moved from southern Saskatchewan and other parts of Canada up to La Ronge to launch this new Department. We have asked for an inquiry into the proceedings up there, Mr. Speaker, time and again. Why has the Métis Society of the province so whole- heartedly condemned the operations of this Department? Why did we see a sit-in and an occupation of DNS offices in Buffalo Narrows? Why did a group of northern Saskatchewan residents come to Regina and stage a little sit-in just outside our own doors? Mr. Speaker, we still don't know. This Budget, however, gives us the answer of the Government.

They propose to spend another \$13 million to try to spend their way out of problems. The staff increase for this year alone in DNS is another 100 people. Their only answer, Mr. Speaker, apparently is they intend to buy their way out of trouble. I want to suggest to you, Mr. Speaker, and to other ^ Members of the House, money will solve a lot of problems in this life but I always recall the words of the former Premier, who worked very hard at trying to rectify some of the problems and injustices in northern Saskatchewan.

I recall him saying one time that money alone would not solve all of the problems of northern Saskatchewan. I submit to you, Mr. Speaker, that the Budget of northern Saskatchewan should not be increased by one penny and no new employees hired until this Government is prepared to admit they made mistakes, to make a thorough review..

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — . . . of their programs and policies of the North that have certainly failed to date.

Mr. Speaker, there is one final area, and it should have perhaps been first as far as importance is concerned, but I want to comment on it and that is the field of agriculture, because if there is one place that this Government has failed it is in providing some assistance for some of the farmers of this province who are in need and I refer to the livestock industry.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — I refer to the livestock industry in particular.

Oddly enough in the Estimates and a headline in the Leader-Post on Saturday shows a 46 per cent increase in spending. The Estimates also show another \$20 million to the Land Bank, bringing the total money to date being spent by this Government to buy land up to \$50 million.

Mr. Speaker, remember the 1971 speeches, the ones made before the election and immediately thereafter? The Land Bank was going to make it easy to transfer land from the old generation to the younger generation. Well, Mr. Speaker, what are the facts?

After spending \$50 million and after buying hundreds of quarter sections of farm land, that land has been transferred from the old generation all right, but did it go to the young farmer? Not by a long shot, it was transferred instead to the Provincial Government.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — If there is any doubt in the minds of Saskatchewan people as to the intent of the NDP in this regard, I invite all Members to examine the NDP policy statement on agriculture and they will certainly see the virtues of being a tenant farmers extolled in that little booklet.

**SOME HON. MEMBERS::** — Hear, hear!

**MR. McISAAC:** — Mr. Speaker, I want to say that the Liberal Party and, indeed, the vast majority of Saskatchewan people and that includes a lot of NDP supporters, oppose this principle of state ownership of land.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — And we will continue to oppose it and we will reverse that direction the day after our return to power come the next election.

**SOME HON. MEMBERS::** — Hear, hear!

**MR. McISAAC:** — You know, Mr. Speaker, I said before the Budget contains no mention or no money for one major sector of Saskatchewan agriculture who are facing real problems today. I refer here to the livestock industry which is bucking dramatic increases in the cost of feed and other production costs on the one hand, and decreased cash returns on the other.

Mr. Speaker, they have been in trouble before, in the past, but I don't believe ever in our history have they been faced with absorbing the kind of huge financial losses that they are having to absorb this year, in particular the cattle feeders. Surely, Mr. Speaker, this Government and the Minister of Agriculture, the NDP Government, could have provided in this Budget even token recognition of that problem.

**SOME HON. MEMBERS:** — Hear, hear!

**March 11, 1974**

**MR. McISAAC:** — There could have been freight assistance for hay and straw as well as assistance on the hauling of feed grain to cite only two examples that would have showed that they were at least concerned. Never mind the provision of subsidy on feed grain or any other kind of subsidy, but some recognition was to have been expected and should certainly have been forthcoming.

We realize, Mr. Speaker, that the Minister and his officials have been devoting their energy and their time talking about cheap grain, doing their outmost to prevent the development of a national feed grains policy. At the same time the Federal Government had been putting millions of dollars into Saskatchewan agriculture through PFRA, through ARDA and other agencies and this year's Budget contains some examples that the Federal Government is pressing forward with an oil seed research centre in the city of Saskatoon.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — Another crop research centre is going forward and these are only a couple of projects, some of which were announced by the Federal Government at the Western Opportunities Conference, and they are now under way.

You know, Mr. Speaker, the NDP the best they can come up with for Saskatchewan agriculture is to continue to, first of all, reorganize the Department and increase the size of the staff. That has been their big contribution to agriculture to date, an expanded Department with new agencies, new commissions, such as the Land Bank and so on. In this year's Budget alone, Mr. Speaker, 102 new positions are provided for in the budget for Agriculture. That, very clearly, explains the 46 per cent increase that was heralded in the paper. It is not going to the farmers, it is going to staff increases.

The Government opposite need not attempt to tell anybody that that increased budget in Agriculture is going to the farmers because it isn't, it is going, as I say, to new staff members, to new commissions.

There was one real gem of a paragraph, page 14 of the Budget, paragraph 3. The following statement appears and I want to quote:

The commission will also expand its counselling services to provide more assistance to individual farmers.

Mr. Speaker, can you see those happy counsellors as they go out trying to encourage Saskatchewan farmers to continue to diversify, to expand their cattle operation and carry on even though they are losing up to \$100 per head on every steer that is going to market.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — How out of touch and how ridiculous can a government get in missing the real problems of the people of this province, instead of priding itself on fulfilling that document known as the New Deal for People.

This Budget, Mr. Speaker, is a rip-off for rural Saskatchewan, it is a rip-off for our old people, it is a rip-off for our university students who are hoping to seek jobs here in the province . . .

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McISAAC:** — . . . it is a rip-off for the low income wage earner and all others who have been hardest hit by the inflationary trends going across this country.

Mr. Speaker, I wish now to move an amendment.

That all the words after the word "that" in the motion be deleted and the following substituted therefore:

That this Assembly regrets the Government of Saskatchewan has failed to demonstrate any concern or leadership in stemming rising prices, rather is continuing extravagant spending practices and unnecessary expansion of many Government agencies; and has failed in a year of buoyant revenues to provide any tax reduction to low income wage earners.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. K. R. MacLEOD:** (Regina Albert Park): — Mr. Speaker, first I should like to congratulate the new Minister upon his appointment of the Cabinet and for his presentation of the Budget dealing with the financial affairs of our province from April 1, 1974 to the end of March 1975. I should like to congratulate the Hon. Member for Wilkie with whose remarks I totally concur in his assessment of the Budget.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — The Budget does contain some good news and some bad news.

First, the bad news.

Despite record contributions from the Federal Government we are not going to get any tax reductions in Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — Saskatchewan taxpayers and consumers will continue to pay taxes of every kind at one of the highest rates in Canada. The tables on page 40 of the Budget show clearly that our wage earners pay less Federal income tax in every income tax category, but pay more provincial income tax in every income tax category, including those earning less than \$4,000 per year.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — This is a particular hardship to those people who live in rented accommodation and therefore get no benefit whatsoever from the Homeowner Grant. Apparently this Government proposes to rob the rich and the poor, the poor more frequently than the rich.

**March 11, 1974**

I should like to talk for a moment about the case of the missing Homeowner Grant. This Government has the practice of doing two things; first of all it skims off federal funds so that very little of it goes to the purposes intended by the Federal Government, and, secondly it heaps abuse upon the Federal Government.

Last year we saw an excellent example of this in the case of the missing Homeowner Grant. I wonder how many people of Saskatchewan are aware that there are really two Homeowner Grants, one from the Provincial Government and one from the Federal Government.

The Provincial Homeowner Grant was started in 1966 by the Provincial Liberal Government; the Federal grant was started last year by the Federal Liberal Government in Ottawa.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — The federal grant was to be paid, as my worthy friend from Wilkie said, to the homeowners to cover 28 per cent of local school taxes. That was the purpose for which the federal grant was intended. This money was paid by the Federal Government to Saskatchewan, but not one cent was paid to the homeowners.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — Every cent of this was kept by the NDP Government of Saskatchewan. The NDP did not allow the Federal Homeowner Grant to be paid to Saskatchewan homeowners. If this money had been paid to them, the Homeowner Grant would have virtually doubled to the homeowners of Saskatchewan. This year the province can expect a further \$26 million from the Federal Government, which the province is expected to pay directly to the homeowners, but the Government, in the Budget, has taken \$2 million of the federal grant and has added it to the provincial grant and they have skimmed off the rest. I have heard of handling charges, Mr. Speaker, but this is ridiculous.

In his Budget Address the Minister of Finance made no mention whatsoever of the federal Homeowner Grant which the Provincial Government was handling for the Federal Government. He made no mention that in two years the Province of Saskatchewan has taken \$50 million out of the pockets of homeowners of Saskatchewan by keeping the federal grants from them.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — But the Hon. Minister did heap abuse on the Federal Government. He heaped abuse on the Federal Government, which he admits will pay at least \$352 million this year, covering more than 40 items that are mentioned in the Budget and about 20 that are not mentioned, items for which the NDP speakers take all the credit.

For an example, the Minister was critical of a Federal Liberal Government which pays \$5.5 million to Highways in the province; \$4.6 million under the Agricultural and Rural Development Act; \$40 million for social welfare, more than half the entire Budget for social welfare in Saskatchewan; almost the

entire cost of crop insurance. And when the Minister of Agriculture talks of improvements to the Crop Insurance program, he neglects to mention that the Federal Government and the farmers of Saskatchewan pay virtually all the costs.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — And the Federal Government in one single item alone pays about \$100 million to Saskatchewan for Medicare and hospitalization in the Department of Public Health. What the Minister did not show in the Budget is that there are millions more in dollars to come. Under the General Development Agreement, which the Federal Government has signed, with proper management by the Provincial Government we can receive millions more from the federal treasury for a group of major items, including development of our iron and steel industry, forestry, Qu'Appelle Valley, mineral resource development, agriculture, tourism, urban and rural development and for northern development. All this is if the Province of Saskatchewan can show that it can manage this money properly. If the New Democratic Party will not develop Saskatchewan then the Liberal Party will do it, even if we have to do it from Ottawa.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — I observe that the Minister carries on the practice of underestimating the money which is received from other governments. The Minister admits that the federal contributions were \$15 million more than the Blakeney Budget showed. Last year federal contributions, and he admitted, were \$43 million more than Mr. Cowley's budget. And he is doing the same thing. Mr. Speaker, do not be surprised if federal contributions this year approach the \$400 million mark for something between 40 and 50 per cent of Saskatchewan's entire Budget.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — With these massive payments it is virtually an embarrassment to the Provincial Government that it chooses not to reduce income taxes to our working people.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — The Provincial Government is getting to be a mere handling agency for federal funds for federal Liberal programs. When you consider that they have diverted the federal homeowner grant, then have failed to get money which the federal government is trying to pay to our old age pensioners, I suggest that the New Democratic Party Government is not doing a very good job in handling federal funds.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — The encouragement of western alienation by the New Democratic Party is inaccurate, unfair and a more serious threat to Canadian unity than the situation in Quebec and in fact the New Democratic Party is the spoiled brat of confederation.



**March 11, 1974**

Now Mr. Speaker, we have talked in huge sums. When you consider the tough times we had between 1968 and 1970 and that the equalization payments for the entire seven years of Liberal Government from 64 to '71 in total were \$178 million and we were able to balance the budget and keep our credit in good standing it should become apparent to all that our own Leader of the Opposition, the former Provincial Treasurer, must be something of a financial genius himself.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — Under the Qu'Appelle Basin Study a particular disappointment occurs. I am particularly disappointed at the failure of the Government to deal with pollution in the Qu'Appelle \_ system. The Government received the Qu'Appelle Basin Study in October of 1972. Since then the Provincial Government has done absolutely nothing. Eighteen months have gone by since the Government first received that report and now for the first time the Government makes a very modest allocation to the Qu'Appelle system but the Minister does not make any commitment to spend that money. He makes it very clear that not one cup of water is to be improved and no money is to be spent by the Provincial Government on the Qu'Appelle system until the Federal Government assumes a major share of the cost. The Qu'Appelle system is a major resource. It can be an outstanding beauty spot in North America. A Liberal government in Saskatchewan would give a high priority to helping the farmers, rural municipalities, towns and villages and cottage owners in the Qu'Appelle system. I deplore the continued delay by this Government in taking any action whatsoever to prevent further damage to the Qu'Appelle system. I hope an early deal can be made with the Federal Government. But with the experience that they have had with this Government and the practice of the New Democratic Party of skimming off monies which are intended for other purposes, I don't blame the federal Liberals at all for being cautious in dealing with this province.

The Minister criticized Liberals for, "lavishing expenditures on four lane highways". Those are the Minister's exact words. Well, I want to tell the Minister that I do not regard four lane highways in Saskatchewan as a lavish expenditure.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — It is very likely though that his words explain the slow down in completing the Trans Canada highway as a four lane highway and it may explain why it is taking so long to complete the four lane highway from Regina to Saskatoon, from Saskatoon to Lloydminster and other four lane work in the province. It may also explain the delay in balding good roads elsewhere. Highway 35, north of Wadena to Tisdale (my old home town) is taking forever to complete. I urge the Government to complete the La Ronge road - the hard surfacing - at a high standard.

Two years ago the Government announced that it was building more roads at a lower standard. This is a short sighted policy. This policy will produce roads which will soon deteriorate and require continuous and costly repairs and maintenance and I hope the Government will abandon this policy immediately.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — And I urge them to build the La Ronge highway to the high standard which was planned by the Liberals. Liberal roads are good roads.

I notice that the public assistance for the aged in this province is being reduced by the NDP Government in the Budget. Of course, our senior citizens have not fared very well under the NDP. Old age pensions come entirely from the Federal Government. Senior citizens' homes are built almost entirely from federal funds. The Federal Government of Pierre Elliott Trudeau has promised to pay one-half of all extra monies paid to our old age pensioners. Other provinces have taken advantage of this, Saskatchewan has not.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — There is no reason why our old age pensioners should not receive at least a total supplementary and pension of at least \$200 a month, probably more.

By failing to take advantage of the Liberal plan, Saskatchewan is losing millions of dollars and what is worse our old age pensioners find it more difficult to handle inflation which is encouraged by this Budget of this Government. Saskatchewan is doing more to create inflation and is doing less to help those who suffer by it than any province in Canada.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — In the Budget the Government continues to starve the Opposition. The Government now spends ten times as much on executive assistants to the Cabinet Ministers than it allows the entire office of the Leader of the Opposition for an entire year.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — A mere \$24,000 is allowed to run the office of the Opposition. In the Premier's office alone the budget for photography this year is \$158,000. Talk about a gerrymander! The Government continues to pay money, of course, to the New Democratic Party by giving contracts to Service Printing and as everybody knows, Service Printing is a private company, owned by the NDP of Saskatchewan, the printing company owned by the Party that prints much of the election material of the NDP candidates. As of last year the Government had given about \$40,000 in illegal profits to Service Printing.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacLEOD:** — Recreation, too, suffers under this Budget. The Budget does not adequately provide for recreation in Saskatchewan. The city of Regina needs at least three more skating rinks and we could make use of six. Crocuses are out in Vancouver and the streets are dry in Ottawa, but we still have winter here and we need winter recreation activities and facilities.

If our nation is to develop the physical health of the 60

**March 11, 1974**

year old Swede, we must have recreation and health areas available at or near our work areas. And I recommend, for example, instead of a reduction in the hours of work that the Government consider making provision for, having a half hour a day period^ for employee recreation, providing incentives to make recreation areas and exercise equipment available at places of employment. At the moment and in this Budget, recreation in Saskatchewan \_ seems to be mostly a matter of juggling departments and changing names.

I wish to congratulate the Minister on some of the things in the Budget and I wish the Minister well in his stay in office. The people of Saskatchewan are very proud of our province and success for him is of course success for all of us. The Minister regards himself as a bit of a financial man. We in the Liberal Party have had a little experience with men who can add and subtract, but they sometimes get so involved with technicalities that they forget the overall picture and I urge the Minister not to get so involved with the trees that he fails to recognize the forest.\

I particularly want to congratulate Dr. Cliff McIsaac on his appointment as financial critic for our Opposition and his enlightened and devastating analysis of the Budget.

I am particularly pleased with the support the Government proposes to give to the Western Canada Games, which will come to Regina in 1975. The high quality personnel of the board, the co-operation of the city and the Government and the friendly people of Regina will ensure that the games will be successful.

Generally however, the Budget provides too much for the NDP, too little for democracy, too little for the people of Saskatchewan. As a result, Mr. Speaker, with considerable regret I cannot support the Budget, I do support the remarks and the motion of the Hon. Member for Wilkie (Mr. McIsaac).

**SOME HON. MEMBERS:** — Hear, hear!

**MR. E. C. MALONE:** (Regina Lakeview): — Mr. Speaker, if this Budget address does nothing else it serves as perhaps the finest example we have had in some time of the utter and complete hypocrisy of the New Democratic Party and the Members who sit opposite.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — And as well an illustration of their usual policy of saying one thing and doing another.

The Premier was reported in the media, I understand, a few days ago as saying that the effect of this Budget would be anti-inflationary, in that it would as far as possible for a province, come to grips with the problem of inflation. I had expected therefore, Mr. Speaker, that the Budget as presented would help and protect those people on fixed incomes such as pensioners and social security recipients to recover the standard of living that they are entitled to, but which has been slowly and subtly eroded by the ever increasing cost of living.

But did the Budget deal with this, Mr. Speaker? I suggest

that not only did the Budget deal with inflation, but the Minister of Finance on television on Saturday night admitted that the Government is powerless to deal with the increased cost of living and he once again confirmed in my opinion that the relationship between inflation and the New Democratic Party is the same as the relationship between typhoid and typhoid Mary. Where you find the latter it's always spreading the former and this Government is no exception.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — I must say, Mr. Speaker, that I agree to a certain extent with the Minister of Finance in his comments that the province can do little on its own to halt inflation, but what it can do and what this Budget fails to accomplish is to protect those on fixed incomes, such as the pensioner and deserving social welfare beneficiaries.

Mr. Speaker, perhaps the best example of hypocrisy of the NDP Government found in this Budget, among the many that I will point out in my remarks, is its use of the tax money raised through the sale of alcohol. This Government which portrays itself as the champion of those who cannot help themselves as the protectors of the sick, as the benefactors of the downtrodden, are going to spend a further \$1 million to attempt to reduce the damage related to the consumption of alcohol. This will mean probably a total of \$2 million of the tax money will be used for this purpose.

May I point out, Mr. Speaker, that according to the Estimates the Government profits from the sale of alcohol will be \$41 million. An increase of \$7.2 million over last year and of this huge sum which I suppose, to use the Minister of Health's usual line, can be regarded as a tax on the sick. The Government will spend the miserable amount of \$2 million, most of it . . .

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — . . . likely for education purposes and only very little to help directly the alcoholic and his family who are desperate for assistance and rehabilitation. Surely this is simply not good enough. Surely this tiny amount of money taken from \$41 million profits is not enough even to begin to scratch the surface of what is probably the greatest social evil of our day.

One can only imagine, Mr. Speaker, what the Members opposite would be saying if the profits were going to private enterprise. They would be literally screaming that the abuse be ended, but when the NDP can take these profits and spend them on the hiring of more civil servants or to buy more land for the Land Bank they are strangely silent. A curious set of priorities indeed for the people who are interested in the so called, New Deal for People.

Mr. Speaker, the Minister of Finance (Mr. Robbins) in his opening remarks indicated that the main purpose of the Budget was to increase the economic development of this province and to diversify our economy and thus stabilize it. With this then, Mr. Speaker, he has my full support, but I am unable to find

**March 11, 1974**

anywhere in this Budget anything that will accomplish this goal. Does the Minister intend on taking the same steps that were taken with the oil industry to bring about this end? Is this the way the Government intends to attract investment to the province for industry?

If so, I suggest that the Minister will not only fail to attract any more investment in the province, but he'll drive away the little that is already here, as the Government has already driven away the oil industry by the introduction of the infamous Bill 42.

You know, Mr. Speaker, when Bill 42 was introduced to the Legislature in the fall, it was stated by the Premier and the then Minister of Mineral Resources that the result of the Bill would be to use the so-called windfall profits for the use and benefit of the people of Saskatchewan. That these monies would not be drained away by the international oil companies. With that objective I do not take exception. However, I would have expected, Mr. Speaker, that the Budget would have told us where the monies were to be used. For an increase in old age pensions perhaps, for additional assistance for those deserving cases on welfare, for economic development of some kind that would attract more industry which would in turn create new and better jobs for the people of Saskatchewan. But we didn't hear anything about how the money would be used for the benefit of the people of Saskatchewan. What we did hear was that the money would be kept aside in a special fund to be used, among other things, to explore for more oil and natural gas. I think we can take this, Mr. Speaker, as an admission by the province that the people of Saskatchewan are not going to receive the benefits of the extra millions of dollars. At least not in the foreseeable future. The money will be used to finance the risky and expensive business of exploring for oil and natural gas.

I suggest, Mr. Speaker, that if the Government had not acted in the high handed and arbitrary manner that it did that these monies would be available for the people of Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — And that further oil exploration would be done by the private sector at no risk to the taxpayers of this province. The way the situation stands now, Mr. Speaker, is that instead of having the best of two worlds, we have the worst. We do not have any oil and gas exploration to speak of and we cannot use the extra tax money that has accrued and will continue to accrue for social programs to benefit the people of this province.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — Mr. Speaker, the only attempt at humor that I could find during the remarks of the Minister of Finance (Mr. Robbins) in his remarks on Friday, was his reference to the fact that the Premier came out first in his negotiations with Ottawa on the energy crisis. Well, if he came out first, I'd hate to see who came out last.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — I can only hope, Mr. Speaker, that future negotiations between the Premier and Ottawa will result in more benefit to the province than has been achieved to date.

I do not think that anything could be gained by being too critical of the Premier at this time while negotiations are still being carried on, as I and the Members on this side do not want to hamper him in any way, if he can use the lever of Saskatchewan oil to bring about the redress of long standing grievances of all of western Canada.

**MR. SPEAKER:** — Order, order!

**MR. MALONE:** — Thank you, Mr. Speaker. I now wish to make a few remarks in connection with the proposed family income program. In introducing this program the Minister said it would assist those who are hardest hit by the increased cost of living, the working family in the low income bracket. I suggest, Mr. Speaker, that the hardest hit by inflation are those who are existing on welfare and old age pensions. To not allow the pensioner or deserving welfare recipients the chance to share in this program I suggest, Mr. Speaker, is another act of hypocrisy of this Government. This is the third time that the welfare recipient has been denied an increase in his payment when funds were available. The first two times were when the Federal Government increased the family allowance and the Provincial Government did not allow the welfare recipient in Saskatchewan to receive the benefit of this increase.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — The Government merely adjusted the monthly payment to take it into account resulting in no gain whatsoever by the welfare recipient. They of course did raise the overall payment which was long overdue but we can only wonder how much of the raise was paid for by Ottawa and belonged as matter of right to the person on social aid anyway. Now we . . .

**MR. SMISHEK:** — In November or December . . .

**MR. MALONE:** — I am not saying anything different now Mr. Minister than I did in December. Now we find that the welfare recipient is again not receiving any benefit from this new program as announced which no doubt will be paid for to a great extent by the Federal Government.

Surely, Mr. Speaker, the deserving welfare recipient and old age pensioner has just as great a need for protection from the high cost of living as anyone else and surely we cannot relegate as second class citizens the old age pensioner and the welfare recipient who through usually no fault of their own is unable to find employment whether it be in the low income bracket or not.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — The Minister of course did not give any details of the program in his speech. And I can only assume that the Minister

**March 11, 1974**

of Social Services will be giving us an explanation of this program at a later date. Hopefully at that time he will be advising that the program is not as narrow as it appears and that the pensioner and those who are not working due either to age disability or temporary unemployment will also qualify for much needed assistance.

Mr. Speaker, I cannot help remarking that the total cost of this program as shown in the Estimates is \$10 million. This is the same amount that will be required to pay the salaries of the 1,100 new civil servants that are to be hired according to the Minister in a television interview on Saturday night. You said eight to ten, Mr. Minister. This again in my mind raises the question of priorities of this Government. Do we really need 1,100 new civil servants to administer the programs announced in this Budget? Is there not a greater need to use the \$10 million for more urgent things, such as a family income program or for increased payments to old age pensioners. I wonder as well how these extra 1,100 employees are to be placed. Are existing employees going to be ignored for new jobs that, become available? Will more NDP sympathizers be hired and placed in positions ahead of the existing public servants? Were senior civil servants consulted about the need to hire 1,100 more people. Do we really need more planners to add to our public service already too swollen with defeated NDP candidates and supporters?

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — Mr. Speaker, the last act of hypocrisy that I should like to deal with although there are many more is that the Government has again taken the opportunity to criticize the Federal Government. This is surely the ultimate in an example of someone bring the hand of the person who feeds it. Over one-third of the funds of this Government come from Ottawa through equalization and other payments. I believe approximately \$352 or \$353 million. By far the greatest contributor of funds to the People of Saskatchewan is the Federal Liberal Government through outright grants and through the sale of the agricultural products of this province it has been able to make over the last few years.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — But do you hear any acknowledgment from the Members opposite? No, we only hear the Minister of Agriculture and other Members whining and bleating how unfair Ottawa is to them. This NDP Government has implemented so few jobs, job producing and income gaining policies of its own that if the people of Saskatchewan were forced to rely on the economic planners and doctrinaire socialists that run this province for the NDP, the province would be on the verge of bankruptcy.

Mr. Speaker, I can think of few programs that have been introduced by the Government that have added anything significant to the economic well-being of Saskatchewan.

They cannot take credit for the grain sales of the last few years, although they try. This is the only reason that this province is experiencing the economic boom that it is. There has not been one single significant contribution by the NDP Government to date to diversify the economy and provide

for more and better jobs for its residents.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — The Budget acknowledges that this must be done, I fail to see anything in it that will result in a single new job in the private sector.

Mr. Speaker, this Budget to me is in many respects very innovative and encouraging. In other ways it is disappointing and irresponsible.

I welcome the proposed grant system to urban municipalities. Something that the Liberal Party urged during the Lakeview by-election.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — There would however seem to be an element of control still remaining with the Government as to how the money is to be spent as I note that the five year capital plan must be approved and presumably by Government officials.

I also tentatively welcome the family income program if it will help the low wage earner. However, I must reserve my final opinion on this until such a time as more details are provided.

In my opinion however, Mr. Speaker, both of these new programs by the Government could have been instituted and taxes cut at the same time. This to me is the most disappointing aspect of the Budget, that is the failure of the Government to cut any taxes at all.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — I would suggest, Mr. Speaker, that the people of the Province of Saskatchewan will need a tax cut more than they need \$10 million worth of civil servants. But I suppose the failure of the Government to cut taxes should come as no surprise to us especially when the Minister of Finance attacks Ottawa for the change in its tax system that resulted in many thousands of people across this country not having to pay any taxes whatsoever. It simply illustrates to me, Mr. Speaker, the arrogance of the NDP when it comes to your money and mine. They feel that they can spend it better than you or I can. They do not trust the people of this province enough to let them spend their own money on investments of their own choosing because it may result in the people of this province getting a profit using their own abilities and their own capacities to determine where their own money should be invested. This wouldn't do at all for it might show that the NDP planners might just be wrong.

Finally, Mr. Speaker, I would describe the Budget as being irresponsible in that it does not provide for tomorrow. It spends the money of today on many deserving projects but it does not take the profits of today and use them to ensure more and better profits for tomorrow.

**SOME HON. MEMBERS:** — Hear, hear!



**March 11, 1974**

**MR. MALONE:** — It does not provide jobs, does not develop the economy, agricultural or otherwise, notwithstanding the remarks of the Minister to the contrary. More is expected of a government than merely to spend the monies that have been earned as a result of a buoyant agricultural economy. An economy, I remind you once again that occurred not as a result of the policies of this Government but in spite of them. To spend the money in the manner that the Government does may in the short run be politically popular but in the long run will merely demonstrate and confirm once again the complete lack of productive new ideas of this Government that would attract investment to the province, that will halt the drain on our greatest natural resource, people, that will improve the standard of living of all people and not just a select few. And will make this province a place where our sons and daughters and grandsons and granddaughters can find a place and make worthwhile contributions of their own.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. F. MEAKES:** (Touchwood): — Mr. Speaker, in rising to take part in the Budget address, since the recess last year there have been three new Ministers appointed to the Treasury benches. The Member for Nutana Centre, Mr. Robbins, the Member for Melville, John Kowalchuk, the Member for Watrous, Don Cody. I personally want to congratulate the Premier on his choices. I am going to deal with each one of them.

I first met John Kowalchuk in 1956 and soon found him to be a man of his word. I met him during the campaign of 1956. He was then a school teacher at a school called Hardrock. It was one of those polls where my predecessor had never been able to break much ground. The vote used to be something like 100 Liberals and 10 CCFs. I went and talked to John and he promised to work and we won that poll. I learned at that time that John was a worker and a fighter. He was a fighter in the fact that he defeated Wilt Gardiner, a Cabinet Minister which was no easy thing to do. I sat with John in Opposition. I know how hard he worked as educational critic at that time. I served under him on the Foreign Ownership Committee and I know what a great chairman he was. I know that he will make a success out of the Department of Natural Resources.

To Don Cody, the Member for Watrous, I congratulate him. He is a co-operator, he is a logical choice for the position. He is associated with the movement himself. I want to say to him that I enjoyed the post, it was a challenge. Within the co-operative movement you find wonderful people. Dedicated not to themselves but to one another. There was never the need of the co-operative movement philosophy as there is in 1974.

To the Hon. Provincial Treasurer, I have known him through the co-operative movement and of course also through the Party. He is the most able man I have ever met when it comes to figures. He has a photographic memory and is well suited for the post for which he was chosen. The document he presented does him honor. It does honor to the New Democratic Party.

I should now like to turn to the Budget. The Hon. financial critic, the Member for Wilkie (Mr. McIsaac) in his opening remarks said that the Budget is inflationary and he said it again today.

I quote from the Leader-Post of March 9, and they quote him:

I don't know what could be considered as an inflationary figure but a 24 per cent increase is well above any reasonable line, Dr. McIsaac, Liberal Financial Critic said.

Mr. Speaker, I have a great deal of respect for the Hon. Member for Wilkie. I feel some sympathy for the Hon. Member for having been given the unenviable job of trying to criticize such a Budget as the Minister of Finance brought in. It was indeed next to an impossible job. It is interesting that on TV news that evening in Regina Orris Keehr, President of the Chamber of Commerce, and certainly I am sure that our hon. friends over there will not say that they are generally prone to be sympathetic to the New Democratic Party, made the statement that the Budget was not inflationary.

I wish to spend a minute or two dealing with his charge of inflation. I am very sorry that the financial critic is out of his seat, but I should like to have asked him a few questions such as; does he consider the family income program of assisting the working poor with large families already struggling with high prices as inflationary? Because if he does he had better start saying it. Does he consider the dental program for children for those same working people inflationary? If he does, he better start saying it.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MEAKES:** — Does he consider bringing a sewer and water program to La Loche in the Cumberland and Buffalo Narrows and Weyakwyn as inflationary? Let him go up to the North and tell them that—. Let the Leader of the Opposition do the same. Does he consider the 46 per cent increase in the vote for agriculture as inflationary? Because if he does let him go out and tell the farmers.

I understand, Mr. Speaker, that the Liberal Party are rushing around trying to hold some meetings. I believe there is going to be a meeting in Swift Current tonight. They are going to decide what to do about inflation in Saskatchewan. Does he consider the acceleration of the main farm access program as inflationary? Let him go down and tell the municipal councilors this week at the SARM convention that. Did he consider the unconditional grants of \$10 per capita to urban governments of the province as inflationary? Is it inflationary? I am asking the Leader of the Opposition now. I am sure when he rises he will answer my question. Does he consider the \$75 per capita five-year program to urban municipalities for capital as inflationary? Does he consider the extra \$18 million to the school system as inflationary? Does he consider the improvements in the property improvement grants as inflationary?

Mr. Speaker, if the Opposition dares answer yes to these questions, then I challenge them to go to their constituencies . . .

**MR. STEUART:** — Call an election.

**MR. MEAKES:** — You can't call one. You are so small you have no power to

**March 11, 1974**

call an election. I challenge them to go to the people of Saskatchewan and make all these things clear that these things are inflationary. Of course they won't. They would be booed out of every hall that they dared speak in. The reason is clear, Mr. Speaker, why he said it. The Budget is so good he could find nothing to constructively criticize.

I will say that he did a better job than his predecessor did but he still has my sympathy.

Let's look at the Leader-Post headlines of Saturday's paper. I am sure my hon. friends will not call the Leader-Post a socialist rag. But let's look at some of those headlines.

**MR. STEUART:** — Half socialist, half Conservative.

**MR. MEAKES:** — Well let's look at some of those headlines. "Forty-six Per Cent More for Farmers in 1974-75 Agriculture Budget". "Programs to Cost \$74 Million". "Municipal aid Unveiled". "Prairie Museum Plan". I suggest, Mr. Speaker, that they must make a spot in that prairie museum for the Liberals because after the next election they are going to vanish.

"Tax Reductions Predicted in the Budget". "Budget Holds an Election Look". "Working Poor to be Assisted". "Health Spending Increased About 20 Per Cent". "Highway Construction Costs \$57 Million". "Northern Department Emphasized".

I don't care what the Liberal Party, or the financial critic calls this, the people of Saskatchewan are going to call it a good Budget.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MEAKES:** — I call it a good Budget for a number of reasons – but above all it completes the New Deal for People, that I, along with all Members on this side of the House, went to the people of Saskatchewan with in 1971.

Let me say something, Mr. Speaker, about inflation. The greatest cause of inflation is the excessive profits of the large corporations, most of them multinational. All one has to do is pick up the Financial Times. Company after company declared profits over the year before of 50 per cent or 60 per cent. Even 100 per cent. Some of them as high as 650 per cent. These are the boys who are causing inflation, and who are causing the cost of products to go up, that the poor people can't buy. Let me quote, Mr. Speaker, some more, figures:

While the salaries and wages in Canada fell a full percentage point behind the cost of living during 1973, the Canadian family watched in awe the parade of profits that strutted shamelessly across the financial pages.

These figures speak for themselves. Resource industry profits in 1973 for Falconbridge Nickel Mines was 770 per cent; Abitibi Paper Company 260 per cent - this is over the year before in food processing and retailing - and this is really where the pinch comes on the poor people the area that hurts

the Canadian family most directly. George Weston, who incidentally just recently bought out Loblaw's and O. K. Economy and Shop Easy and a few others, was 86 per cent over the year before.

Let us look at the banks. Toronto-Dominion was up 25 per cent over the year before. The Canadian National Bank - 52 per cent.

These corporations, Mr. Speaker, hold \$4.7 billion in deferred taxes from the Federal Government, most of which will never be collected. Even a modest interest collected on this amount would reduce the taxpayer's burden by \$70 to \$80. — More than half, Mr. Speaker, of the Canadian families and individuals have no savings deposits, but 13 per cent hold 55 per cent of total deposit values; 80 per cent of Canadians do not even own Canadian Savings Bonds, but 4 per cent of the people own 65 per cent of the total bond issue; 86 per cent of Canadian families and individuals do not own stocks, while 2 per cent of the Canadians own 64 per cent of the total stock shares.

But as usual, the Liberal Party, mouthing the words of their masters, the large corporations, say labour is asking too much, governments are spending too much. I say 'hog-wash' Yes it is possible for governments to help inflation if they let these corporations get away with this robbery. But this Government is spending money to help people, poor people, working people, the ordinary citizens of our province, and they are grateful for this New Democratic Budget, and they won't call it inflationary.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MEAKES:** — One other subject that the financial critic, and again I'm sorry that he is not in his seat, dealt with were the derogatory remarks he made about a full-time Minister of Co-operation. Those remarks, in my mind, clearly indicate the difference of philosophy between the Liberal Opposition and this Government. The Liberal Party doesn't really believe in the co-operative movement at all. Their record in government proved it. They starved that Department until it was a skeleton and if they had been returned to power in 1971 it would have been done away with. The Attorney General of that day (Mr. Heald), told me personally that he saw no need for the Department of Co-operation.

Mr. Speaker, this Government has revived the Department. It now has a real Deputy Minister in Harry Gemmel and a good Minister in the Hon. Member for Watrous (Mr. Cody). I want to suggest there was never a time in history that the co-operative philosophy was as needed as it is today. It is a philosophy of sharing one another's burdens and triumphs. There are new fields in which the co-operative movement can prove the way to conquer the problem. There is no inflation in the co-operative movement, any savings are returned to the members.

Let me name just two or three. There is housing in our cities; co-op farming; there's a poor man's co-op - they have grown in some places across Canada. In fact, I believe co-op farming in varying degrees can help solve the advent of very large farms, farms like we saw two summers ago in southwestern Dakota, where they reached up to 125 quarter-sections. Co-op farms in varying degrees can bring back our young people to the

**March 11, 1974**

land and our neighborhoods need not be destroyed. Of course, the Minister of Co-ops has other responsibilities besides the Department. He is in charge of the Housing Corporation and I hope he encourages co-op housing. I know he will and I know that he will enjoy the post that he has taken.

The financial critic said we should have lowered taxes. Our hon. friend, the Member for Lakeview (Mr. Malone) said the same thing. I suggest to him too, that's 'hog-wash'. In fact, in my opinion, when money is moving that is when taxes are easiest collected and when times are hard taxes should be lowered.

Of course, I know that that is not Liberal philosophy. I want to remind the Members across the way that in 1968, during a recession, the Leader of the Opposition, the Provincial Treasurer (Mr. Steuart) raised taxes \$35 million in one swoop.

**MR. ROBBINS:** — \$38 million.

**MR. MEAKES:** — \$38 million, he says. I hate to be a liar, Mr. Speaker, for \$3 million.

That Budget day became known as "Black Friday". I suggest that people don't mind 'just' taxes and I call to witness a great American humorist, Will Rogers, once Mayor of Beverley Hills, but above all a student of human nature. Let me quote, Mr. Speaker, from one of his remarks; three of the different times he talked on taxation:

Taxation is about all there is to government. People don't want their taxes lowered, near as much as the politician tries to make you believe. People want 'just' taxes more than they want 'lower taxes'. They want to know that every man is paying his proportionate share according to his wealth.

Then he went on and he said:

I don't see why a man shouldn't pay inheritance tax. If a country is good enough to pay taxes to while you are living, it's good enough to pay to after you die. By the time you die, you should be so used to paying taxes that it would almost be second nature anyway.

Then he went on and he said at another time:

The big yell comes nowadays from the taxpayers. But I guess when the pilgrims landed at Plymouth Rock, and they had the whole American continent and all they had to do to get another 160 acres was to shoot another Indian, I bet you anything they kicked t the price of ammunition. I bet they said, "What's this country coming to that we have to spend a nickel on powder?" Of course they got the lead back when they dissected the Indian. No matter what you pay for taxes, high, low or medium, the yell is always the same, 100 per cent.

Now I suggest, Mr. Speaker, that the Saskatchewan people know the taxes that they will pay, under this Budget, are more just, based on more ability to pay, than they were when we had

those seven, long, dreary years of Liberal Government.

I want to turn to the Budget, Mr. Speaker. I have already congratulated the Minister on his appointment, but let me turn to congratulate him on the speech he delivered Friday last.

As the representative of Touchwood constituency, I have always made it my practice to judge it in the light of the people I represent. Judged in that light, it is an excellent document and I want to deal with it in several lights.

Let me first look at this Budget for our farmers. I am proud to see that FarmStart is to be expanded with expectation of 1,200 loans and 700 grants averaging \$20,000 for the loans and \$4,000 for grants. The Land Bank program is already proving itself by returning young people to the land and allowing our older farmers to retire in security. Here again they have been voted another \$20 million. One of the Hon. Members laughed about the fact that there were going to be more consultants to assist young farmers. I know, I spent my lifetime farming, and I so often regretted that the agricultural representative was too far away that I couldn't consult him. We need consultants, farmers need consultants, people whom they can turn to and I'm glad that it's there.

Touchwood people will be happy the Prairie Agricultural Institute is being set up. The old AMA was appreciated by farmers. I remember when I personally got a copy of their reports and how my neighbors and I would consult them and get] some information as to what kind of implement we might buy. ] in conjunction with the other two prairie provinces, a much better and detailed report will be done on farm machinery.

Let me tell you, Mr. Speaker, that this is needed. For long farmers have been sold a bill of goods only to find that the machinery they bought is not as represented by some high-priced salesman.

I note that the Agricultural Implements Board is to be strengthened, and the farmers will be eligible for compensation if a manufacturer fails to fulfil his warranty obligation. T farmers of Touchwood will appreciate this protection. Again, Co-op insurance will cover two additional crops - utility wheat and mustard. But even more important in my opinion, Mr. Speaker that it will cover a farmer's inability to seed because of flooding. All in all, increase of capital and ordinary expenditure will be over \$30 million. As I quoted a minute ago, the financial critic says, agriculture is forgotten.

I know that the improvement and the decentralization of the Department of Agriculture is appreciated by Saskatchewan farmers. Dozens of farmers give me their appreciation for this. This is especially true for those in the eastern areas of Touchwood. Yorkton is a city that they use. No longer do they have to go and make a special trip to Regina to get in touch the Government.

I do not like to mention previous Members of this Legislature, but during those years between 1964 and 1971, many times I told the then Minister of Agriculture (Mr. McFarlane) to get out of his ivory tower and find out what the people wanted. I congratulate the present Minister of Agriculture (Mr. Messer) for having done this. All over this province the name

**March 11, 1974**

Jack Messer is known, respected and appreciated for the revival and the stabilization of the Department of Agriculture. I personally lift my hat to him. He has gathered around him well-trained, well-experienced, dedicated civil servants with vision and ambition, dedication and public acceptability. Saskatchewan farmers and myself say thank you to them too.

I want to compliment the Minister also on the fight he has put up and continues to do against that only Federal Liberal Minister from Saskatchewan, and the Liberal Government at Ottawa. I am more and more convinced every day that Lang and Company are out to destroy orderly marketing.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MEAKES:** — Of all the traitors who have gone to Ottawa to sit in the House of Commons since 1905, the Hon. Minister for Saskatoon-Humboldt out-traitors them all. The present plan to take the ceiling off coarse grains, which will come into effect on the first of August and which takes it out of the power of the Canadian Wheat Board, is but the first step to the total destruction of the Wheat Board. Every time I hear them speak, I hear the voice of James Richardson and Sons and the Grain Exchange. The Hon. Mr. Lang is but the puppet and his colleague the Hon. Mr. Richardson is the voice of the puppeteer.

I am extremely pleased to hear the Minister of Finance say that there will be more money and attention applied to historic sites. I hope that it will go far beyond the cities. There are many historic buildings and sites all across this province. I think of a church which you, Mr. Speaker, and I have fought to get assistance for. The church, built of stone was erected in 1877, by members of three different faiths. Through the years there has been a lot of local input and pride in the upkeep of the cemetery and the church. Last year, again, steps were begun to save the building. I know there are many more like these. Presently that same church has hundreds of visitors every year, mainly people who return to see the graves of relatives. I congratulate the Government of Saskatchewan on expanding this program.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MEAKES:** — At this time I wish to congratulate the Minister of Northern Saskatchewan (Mr. Bowerman) on two points:

1. For his patience and the attitude he has taken in facing all the personal abuse while doing his job.
2. For the degree of achievement he has reached in the giant job he has taken.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MEAKES:** — This Government, and myself knew that this change would be hard to achieve and that there would be much resistance. One of the basic qualities of mankind is that they will always resist change. All of us are the same, yet change was needed. The Hon. Minister is capable and will list what has been achieved himself. If there had been only the no-action policies of previous government, there would have been grumbling, some

active resistance. This Government has followed the right course, it has given local power to the local people; has assisted native organizations to grow, and in turn has been criticized by those people, and that's the way it should be. It has been said that one grows more conservative with age. I am glad that in many ways I have become the opposite. I believe that there will have to be protest, active protest in the North, before the people themselves will find out what they want. Only through such a movement will democracy begin to come forth. Already there is local government, weak no doubt, but they were chosen by the local people. Certainly they will criticize the Provincial Government and the Minister. That is the way it should be. I am sure the Minister can stand this criticism. But the rabid, rotten attacks by Members to your left, sir, are not only not called for, but are despicable and regrettable, but they show the complete negativeness of the Liberal Party.

I am pleased to see that again great emphasis is being put on improvement in transportation. I was pleased last fall when No. 35 from Fort Qu'Appelle to Lipton was started, and some work done, and hope it will be continued north to Leross this year. I hope they will continue north to Elfros. There is need of upgrading No. 35 Highway from Weyburn right to Nipawin and the Hanson Lake Road. Our tourists from south of the border should have a good alternate route to the north rather than dragging them to Regina and No. 2 to Prince Albert.

The fact of another \$2 million for the farm access road program will be welcome news for our farmers. Again our farmers are being remembered.

If there was one thing that defeated the Liberal Party in 1971 it was their total neglect of local government, that neglect was reflected in the fact that local governments were forced to increase municipal taxes. I remember one year when every rural municipality, village, and town in Touchwood constituency had to raise their mill rate anywhere from 2 to 12 mills. Indeed Yorkton that year raised theirs by 17 mills. The record of this Government has been the opposite. We have promised to do something to relieve the tax burden on property. In particular over past years our villages and towns have suffered most.

Let me deal, Mr. Speaker, with the urban assistance package first, it is in three parts: equalization grants, unconditional per capita grant of \$10 and capital grants.

Mr. Speaker, for the villages and towns of Touchwood these grants will be a godsend, most of them have a small tax base and were so limited by their yearly taxes that they were unable to even share in many share programs the senior governments offered them.

What will this program mean to the village where I live, which has a population of about 450? At this moment I cannot say what the equalization grant will be, there will be a formula for that, but the \$10 per capita will mean an extra \$4,500, and at the wish of the council they can put it towards some community effort such as a skating rink or swimming pool. Also there is the capital works program based on population at \$75 per capita on a five-year program. This means that my village may now see its way clear to have a skating rink or a swimming pool and have all the streets dust free.



**March 11, 1974**

We in 1971, Mr. Speaker, promised to do something to save our towns and villages from dying, we have and are doing something not only to save but to revitalize our communities. If this is inflation, then our people welcome it. This means that in the next five years local urban governments will receive over \$45 million with no strings attached to it. This program takes a giant stride to restoring the fiscal decision making to local governments.

Mr. Speaker, our rural municipalities have not been forgotten. Equalization grants will rise by \$3 million, an increase of 'over 20 per cent over the year just passed. I am happy to say that the largest part of the increase will go to those rural municipalities which have the weakest tax base. Also the farm access road program will be stepped up and the Government will be starting a program to provide cost-sharing of hard surfacing of market grid roads. All this assistance to municipal governments was promised in our New Deal for People. Mr. Speaker, it totals over \$100 million over the five years. Another promise kept, Mr. Speaker.

I want to congratulate the Attorney General on the new legal aid plan. As much as we might not want to admit it, we do not have equality before the law. There is a law for the rich and a different one for the poor. If I had the money to hire the ablest lawyer I have a better chance of winning the case, than if I have no money. This legal aid program I believe is one more step towards justice for all. The program of hiring court workers to assist those who may be ignorant of their rights or lack of language understanding is another worthy program. First done on a trial basis, now it will be fully used. I am personally pleased. I have been told by some people who have been assisted by the court worker how much the assistance has meant for them.

Let me turn to the field of education and first to congratulate the Minister for his energies since taking over the portfolio. I remind this House of the confrontation of the trustees and the teachers fired on by the activities of the previous Liberal Government in 1971. Since that time we have seen things happen. Two agreements have been signed between the trustees, the teachers and the Government. Remember the abuse the Minister took from the Opposition last winter. Well we have a two-year agreement dated until 1975. Teachers and trustees can go on doing their important work, that of education and improving educational opportunity. The Minister has done a good job of running his new departments.

First I see in the Budget an increase of over \$18 million over the current year. Operating grants to schools have been increased from \$96.2 million in 1973-74 to \$114 million in 1974-75. The capital grants will be increased by \$400,000. I am personally pleased that driver education will be increased so that it may be used universally through the school system. In another debate in this House in this Session I will have much more to say on driver education. But I am pleased to see the department is thinking about it and beginning to act.

Mr. Speaker, I now refer to the family income program. Although the details are not spelled out, I believe this is a real step forward. One of the things that is raised again and again is that for many people it is economically better to take welfare than to work. As I see this new program it will

encourage those able to work who are on welfare to get out and find a job. I agree with the Budget Address that it will give the people in the low income area an opportunity to break out of the ever recurring cycle of poverty and at the same time will provide an incentive to work rather than receive Saskatchewan assistance payments.

Let me turn to the Property Improvement Grant which will be increased on the basis of a 20 mill reduction, two mills over our promise in our 1971 New Deal for People. This means maximum grants for farmers of \$300 an increase of \$30 over 1973. For businessmen, \$200, increase of \$20 over 1973. For the householder \$160, an increase of \$16 over 1973 and a maximum grant to an individual under a combination of the previous three from \$270 to \$300. The financial critic said there was no tax reduction.

Let me spend a few minutes discussing the elimination of the cost of our yearly premium for Medicare. I know when the Premier announced it the Leader of the Opposition squealed and squiggled and screamed. He screamed inflation, inflation. I say, Mr. Speaker, hog wash. Of course the Leader of the Opposition and I both can afford to pay it. His words again show the difference in philosophy of the two groups in this House. He was the Provincial Treasurer when deterrent fees were brought in so that someone who was sick could share in the costs of his or her recovery. He was the man who taxed the poor. It is easy to understand that the Leader of the Opposition if he had been the Premier would not have removed Medicare fees, that would have been against the interest of the groups that support the Liberal Party multcorporations and special interest. The New Democratic Party, Mr. Speaker, represents ordinary people, the farmers, the laborers, the teachers, the small businessmen. These ordinary citizens appreciated the actions of the Premier's announcement and whenever an election is called they will" show their appreciation to the NDP and their displeasure towards the Liberal leader by returning even a stronger NDP Government. They remember only too well the many actions against themselves during those seven long years of the Liberal administration.

Mr. Speaker, in conclusion I have, I believe, answered the charges of the financial critic in regard to the Budget that was brought down. I am dedicated to the democratic process. I have sat as a Government backbencher, as a Cabinet Minister, then as a Member of Her Majesty's Loyal Opposition, and now I am back to where I started, a Government back bencher even though I sit in the front row. I have enjoyed each position. I believe I understand the role of the Opposition. It is a group who would take over the government if this Government loses the confidence of the people of Saskatchewan. It has to try to prove that it is capable of governing. After reading this Budget and listening to the financial critic and to the other two gentlemen I see little chance of a change of government whenever the next election comes. I was proud to be part of the government that brought in the budgets of the 1972 and 1973 and 1973-74. I am even prouder to be part of the Government that has brought this Budget for 1974-75 before this Legislature. It is the icing on the cake. It fulfils our election promises spelled out in the New Deal for People in 1971.

So, Mr. Speaker, it gives me the greatest of pleasure when the vote comes for me to support the motion and oppose the amendment. It will be the fulfilment of one of my life's

**March 11, 1974**

dreams, I have been and am a democratic socialist. This Budget brings us one step closer to a society based on justice, fair play, a democratic socialist society.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. E. C. WHELAN:** (Regina North West): — Mr. Speaker, this Budget was planned and put together and delivered by a Minister who understands the socialist philosophy and the economics of Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. WHELAN:** — Mr. Speaker, he deserves warm commendation. To someone I have known since 1946, who is a close personal friend, and who is well known to members of my family, may I express to the Minister of Finance my personal appreciation and satisfaction for an excellent presentation of Saskatchewan's financial blueprint for the coming year.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. WHELAN:** — Before I participate further in the debate, Mr. Speaker, I should like also to congratulate John Kowalchuk who was named to the Cabinet recently. John who is a close friend of mine has been well known to me long before he was nominated. We worked together on many occasions and I remember particularly the 1967 election campaign. Not many Members in this House are as well qualified to represent Saskatchewan people - a farmer, a teacher a reeve, a school trustee, an individual who has come up through the community to the position that he now holds.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. WHELAN:** — Mr. Speaker, my congratulations, too, to Don Cody who rightly holds the honored family name of Dr. Moses Mathias Cody of co-operative fame. Personable and able, Don Cody will give a distinct co-operative prairie touch to the Cody name that has been so well known in the co-operative movement in Nova Scotia and beyond.

Mr. Speaker, I should like to extend my sympathy to the financial critic of the Opposition - my friend the Hon. Member for Wilkie (Mr. McIsaac) for his efforts to criticize a budget designed and destined financially to rejuvenate Saskatchewan from the mismanagement by the Liberal 'Government. It must have shaken him with its scope, with its depth, with its planning and with its effectiveness. The task allocated was hardly fair for he was asked to speak on behalf of a Party that had been in power recently, a Party that by its economic practices, federally and provincially, had forbidden farmers to seed crops, had by legislation chained workers to their jobs, had harassed civil servants until they fled this province, had given natural resources to American financial interests, -had granted tax exemptions to the rich and to the privileged, had taxed senior citizens when they bought soup and crackers, had levied payment of a \$1.50 when a mother took her child to see the doctor, and finally, Mr. Speaker, in the most outrageous attempt to get money from those whom they thought had the ability to pay,

they levied a dastardly deterrent fee of \$2.50 per day on the sick and the dying.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. WHELAN:** — Mr. Speaker, when the time came to hand out these callous levies in the year 1971, faced with an election, they raised the levy for snow removal. They did! They raised it 50 cents per capita for the cities. Mr. Speaker, the provincial treasurer at the same time increased the levy for police protection 50 cents per capita, even though this represents only a fraction of the cost in the cities. Mr. Speaker, they increased in their most generous manner, with an election in the offing, the grant to the City Health Departments of Regina and Saskatoon the magnificent sum of 35 cents per capita in an election year!

Mr. Speaker, in respect to libraries, in spite of the fact that their own Royal Commission had recommended \$2 per capita for libraries, like Regina and Saskatoon, plus one-half of the capital cost, even though they were faced with an election campaign, in a moment of utmost generosity, these most thoughtful and kindly individuals raised the library grant in these two cities from 30 cents to 40 cents per capita. Yes, Mr. Speaker, they raised it 10 cents per capita.

Mr. Speaker, time will not permit me, nor do I want to remind the people of this province of the unfair, unrealistic taxes that were introduced by Members opposite in their last term of office. On that Friday, March 1, 1968, when they taxed everything that moved, Mr. Speaker, their performance is in the records of this House, as a sad day for the Province of Saskatchewan. Their most eloquent speaker, and that might be the Hon. Member for Wilkie, cannot dispute the facts, Mr. Speaker.

Mr. Speaker, since my election to this House in 1960, each year the Opposition Members in Regina City have spoken, urging assistance for the cities of this province. The cities, because of their rapid expansion, have been short of capital and unable to pay for much needed projects and are forced to borrow in order to expand. The construction of schools, the extension of sewer and water; the building of streets; the expansion of fire and police protection and other services, such as transit, have placed the urban municipalities in a desperate financial plight.

In 1964, Mr. Speaker, the other people were elected. They promised huge unconditional grants. They put-out a pamphlet that said exactly that. In seven years they failed to keep that promise. Mr. Speaker, they promised to give the people of the cities half the gasoline tax. Mr. Speaker, they failed to keep that promise. They promised many other services to the city of Regina and all of their promises "were forgotten and their promises were ignored.

Mr. Speaker, this Budget truly and accurately meets the needs of a city like Regina and other urban centres in Saskatchewan. True, in the cities there has been an influx of people. This has meant more money for services and it has brought about a higher mill rate. The \$10 unconditional grant in this Budget represents an effective, accurate attempt to meet that need, to solve the problem, to relieve the burden of the urban taxpayers.

The grant set aside for community development could help

**March 11, 1974**

areas such as the north half of Regina where there is a need for a community centre. The Equalization Grant set out in the Budget, based on the provision of police services in the urban areas, could develop a police program that has long been denied because of a shortage of funds. Urban transit has been an increasing problem, the financing has needed assistance and long term planning. The program for the urban areas will be appreciated by those who manage the transit systems.

The great need, Mr. Speaker, although we appreciate equalization grants - they will help the police, unconditional grants, assistance with urban transit - the need has been for capital. The proposed capital works program of \$45 million, over a five- year period will ease the great need, will ease the capital financial burden and offer the urban areas a chance to develop projects that have long been set aside, but which are absolutely necessary. Projects such as: Main thoroughfares for traffic routes; heated buildings for skating, swimming, curling; overpasses or underpasses for railways; recreation centres; fire halls.

At the present time, Mr. Speaker, there isn't a fire hall north of the CNR mainline in Regina, where more than 20 per cent of the people live.

Mr. Speaker, the Denticare Program, the increase in the Property Improvement Grant, the money to develop the steel industry at Ipsco, the Legal Aid program, the Senior Citizens' Home Improvement program are some of the projects in this Budget those in my area will applaud and appreciate.

But, Mr. Speaker, the one item that challenges the imagination, that pioneers a new program for all of Canada, that is a direct result of the work of a Legislative Committee chaired by the Hon. Member for Hanley, Paul Mostoway, is the Family Income program. This program will provide substantial monthly payments to Saskatchewan families. The size of the payments will depend on family income. As the family income rises payments will be reduced. Mr. Speaker this program will be a godsend to low income working families and could eventually remove thousands of people from the social assistance roll.

The Minister of Social Services and the committee that made this recommendation have put together another first for Saskatchewan. They deserve the warmest commendation.

Mr. Speaker, there is one program that I want to commend the Minister in charge of Government Insurance most highly for introducing, and that is the program to pay for part of the cost of automobile accident plate insurance by the purchase of gasoline.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. WHELAN:** — Mr. Speaker, of all the mistakes that the Liberal Opposition have made . . .

**MR. ROBBINS:** — . . . there have been a lot of them.

**MR. WHELAN:** — They have made numerous

mistakes and they have made them in criticizing this Government. None have been so far off the beam as the criticism of the new SGIO rates. None has indicated, so clearly, that they are completely out of touch and that they represent those who own huge cars that get eight miles to the gallon, and their representations are on their behalf.

Mr. Speaker, this proposal to reduce the automobile plate insurance was in the New Deal for People. A portion of the cost will be transferred to gasoline. What could be fairer? Look at the inequity now - hundreds of cars, thousands of vehicles owned by senior citizens, housewives who drive a second car because they live in a suburban area, low income people who buy plate insurance that often exceeds the market value of their automobile.

Yes, it is true that many pay \$60 to \$80 insurance for a vehicle that is worth \$50.

Mr. Speaker, since the collision insurance covers only these vehicles in this group that are worth \$200 or more, these people actually have no collision insurance. And what they are doing under the present rates, in effect, Mr. Speaker, is paying for the insurance on the late model Cadillacs and the New Yorkers and the Oldsmobiles, while they themselves have no collision coverage whatsoever on their vehicles. And everyone knows that 60 cents out of every dollar, out of every insurance dollar under the AAIA, goes to cover the cost of collision in the insurance dollar.

Mr. Speaker, this is unfair. Senior citizens who drive 1,000 miles, who have old cars, have no coverage for collision are paying insurance to cover collision for someone else's<sup>^</sup> expensive car. The housewife who has the second car to drive the children for music lessons or for Sunday School, has no coverage for collision, but pays more insurance than the car is worth. But not a peep, not a peep, from the Members opposite on their behalf!

A low income person who, because of his salary can't afford anything better, is driving an older car, with only plate insurance, has no coverage in the case of collision and yet, again, he is paying as much as the car is worth in insurance. Was this fair? We don't think so. Members on this side of the House didn't think it was fair.

Aside from calling their attention to the rates which are lower, Mr. Speaker, and they are lower and are at the right proportion across the board, it is my intention to tell everyone I know, who has an older car, who is on a middle or low income, who is a housewife or a senior citizen, that the Members opposite are not in favor of paying part of the plate insurance when they buy gasoline. I am, Mr. Speaker. I am of the opinion that if you buy a Camaro, a New Yorker or any kind of "growler" in the 1974 model, that uses up gas at the rate of eight miles to the gallon, and you drive 40,000 or 50,000 miles a year, if you take your car to the Coast, Toronto or wherever you want to go - and certainly older vehicles seldom go that far - then you should be prepared to pay the rate required to fix your own car by putting up part of the cost every time you stop at a gas pump, every time you take off the gas cap, and every time you pump a gallon of gas. And if you think that this is unfair, we are prepared to fight the next election on it.

**March 11, 1974**

And by golly, I say, the sooner the better.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. WHELAN:** — Compare the rates, compare the reductions, compare the equity of the rates. If you drive you increase the accident chances. You pay your insurance rate when you buy gasoline. What could be fairer, what could be more equitable?

Mr. Speaker, there are several areas that will be getting attention in the days ahead. These areas concern me and I should like to draw the attention of all Hon. Members to these particular items.

**MR. COUPLAND:** — . . . by stealing . . .

**MR. WHELAN:** — That's better than stealing from the senior citizens or the housewives, because everybody pays their share then. You didn't holler about stealing the medical care rates, did you, when everybody got their medical care rates free?

Mr. Speaker, there are several areas that concern me and I should like to draw the attention of Members to these particular items. First, Mr. Speaker, there is the whole area of municipal assistance to urban centres. With the increase in grants, and particularly capital funds, there is a need to make available technical know-how.

At present, the Department of Municipal Affairs is well staffed and does an excellent job in serving the rural areas in the province. The need to assist urban areas with technical know-how now becomes urgent and real. I hope that in closing debate the Minister gives details as to how urban municipalities will be provided with this type of assistance in certain areas of development.

Let me give some specific examples. This sort of assistance could be made available to every urban municipality in the province just as we have given assistance, in the past, to rural municipalities, for instance, in the organization of grid roads. Some of the areas where they will be breaking new ground and where technical assistance would be most helpful and valuable are in the areas of urban transit, the development of recreational areas, location of day care centres, traffic engineering, relocation of rail lines, business and commercial renewal, land use and assembly.

Technical know-how in a number of these areas made available to urban centres, particularly the smaller cities, would alleviate the necessity for each city hiring special staff at a great expense.

While I approve, Mr. Speaker, of the day care plan, I should like to see a study made so that community centres are included in land development. While I do not advocate that mothers of small children work unless they have to, I would suggest that day care centres be part of a recreational complex and would be developed in housing projects of a certain size. This sort of program has been followed in other parts of Canada to some degree but certainly successfully in Great Britain and in the United States.

The kind of community centre that would be built in newly developed areas, the method of financing and stages of construction would be a decision of local government. But the information and the background as to design and construction of such a project might be made available through a provincial agency.

Let me turn for one moment to the whole area of housing as well. In my constituency a great number of new homes have been built. Those constructed on a subsidy basis, particularly for the low-income group, in some instances are well constructed, while others have not met the standards. Letters from owners listing the defects have come to me, time and time again. A plan to make the contractor, through some kind of insurance, take care of defects and guarantee that they be corrected is necessary. In addition, Mr. Speaker, it is imperative that we get into the housing business and build our own homes to set a standard and present a yardstick for quality, for workmanship and for value.

There is one area that I should like to touch on and that is the area of working with co-operatives to manufacture food stuffs. Successively, governments of every political stripe have assisted co-ops to market grain and manufacture machinery and to develop several types of co-operatives. It seems to me, Mr. Speaker, that breakfast foods, cereals, macaroni, items manufactured from cereal crops, vegetables grown in Saskatchewan, should be processed, manufactured, packaged and marketed here.

Since the co-operatives have a large chain of outlets, it seems logical to enter into agreements with other prairie governments to finance these operations, to alleviate the freight problem.

Some years ago a survey undertaken by the government indicated a list of foods that were freighted out of the province and manufactured and freighted back to the province. The idea of the western provinces working as an economic unit strikes me as being an excellent one and I commend the Prairie governments for this action.

With the co-operatives covering all provinces, this seems a logical and proper way to establish the manufacturing of food items to dispense with the freight rates. I would urge the Minister of Trade and Commerce and the Co-operatives to bend every effort, to examine the possibility of working with the other provinces in the co-operative movement, to undertake this type of economic development.

Mr. Speaker, in closing, this Budget has given aid and assistance to the agricultural industry of the province. It has provided funds for the development of the North. It has set out sums of money to aid and operate educational facilities. It has laid plans for the development of the timber industry and the oil and steel industries. There is money for the development of the tourist industry, particularly for the reconstruction of the old Territorial Headquarters and the rebuilding of Saskatchewan House in Regina North West.

For the first time in 14 years there is a set and substantial financial allocation for the urban areas. There are a large number of social services for the people, particularly the Family Income program. All in all, Mr. Speaker, this is



**March 11, 1974**

probably the most imaginative, the most exciting and the most extensive, the most socially conscious Budget placed before the Legislature. It is a document for economic stability and charts a course for security.

I am going to support the Motion and I beg leave to adjourn debate.

Debate adjourned.

The Assembly adjourned at 5:20 o'clock p.m.