

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Fifth Session — Seventeenth Legislature**  
**5th Day**

**Wednesday, December 4, 1974.**

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

**WELCOME TO STUDENTS**

**HON. E.I. WOOD** (Swift Current): — Mr. Speaker, I should like at this time to take the opportunity to introduce to the House through you, Sir, the 47 Grade Seven students from Central School in Swift Current who are sitting in the west gallery. They are accompanied by their principal, Mr. Ron Meyers and teachers, Miss Nancy Clark, Mr. Keith Ahrens, Mr. Ralph Carnrike also their bus driver Mr. Ron Simons.

We sincerely hope that these young people have a very interesting time with us. They are extremely privileged as I understand that they will have the opportunity of hearing the Premier today and we know that their visit will be both pleasant and instructional. We wish to them a very good visit in Regina and a safe journey home.

**HON. MEMBERS:** — Hear, hear!

**MR. E. KAEDING** (Saltcoats): — Mr. Speaker, due to the absence of the Member for Melville (Mr. Kowalchuk) it is my pleasure to introduce this afternoon, a group of 65 students in the Speaker's gallery from the St. Henry school at Melville. They are accompanied by their teacher Mr. Wihlidal and will also have the opportunity this afternoon to listen to the Premier. I trust they will enjoy their stay here this afternoon and I am sure that all of you will join with me in welcoming them here.

**HON. MEMBERS:** — Hear, hear!

**QUESTIONS**

**MEDICARE AND HOSPITALIZATION CARDS**

**MR. J. WIEBE** (Morse): — Mr. Speaker, before the orders of the day I should like to direct a question either to Mr. Wood, the Minister of Municipal Affairs or the Premier in the absence of the Minister of Health (Mr. Smishek). It is my understanding from advertising which has been placed in the Swift Current Sun, other newspapers and over T.V. and radio in Swift Current that medicare and hospitalization cards and coverages are free to everyone in the Province of Saskatchewan, with the exception of those of us who happen to reside in the Swift Current Health Region. It is my understanding now that before anyone can obtain these benefits free of charge, he must now pick up his card, either at the RM office or at the city of Swift Current office and pay a fee of \$14. Is this correct?

**HON. E.I. WOOD** (Minister of Municipal Affairs): — Mr. Speaker, it would give me a great deal of pleasure to answer the Hon. Member for Morse.

December 4, 1974

I should like to say that both the Minister of Public Health and I have had fairly long discussions with the Swift Current Health Region Board on this very topic. It is indeed true that medical care and hospitalization services are free to all members of the province, including those people in the Swift Current Health Region.

The Swift Current Health Region though, as you know, is providing a service that is not carried in other portions of the province, namely, the Dental Care Program and for this they find it necessary to charge an extra amount.

**MR. LANE:** — A deterrent fee!

**MR. WOOD:** — It is not a deterrent fee, it has nothing to do with anything that would even smell like a deterrent fee - and I use the word 'smell' advisedly. But it is necessary for them to collect this money. They asked us to make the cards available in the municipal offices so that when people called to pick up their cards they would have an opportunity also to pay the fee that is due the Swift Current Region in view of the dental services which is provided. But the medical card is free and if a person were to insist upon it, which I don't think very many people would, they could receive the card without the payment but they would still be owing the payment to the Swift Current Health Region in regard to the dental charges.

**MR. WIEBE:** — A supplementary question, Mr. Speaker. I would sincerely hope then that the Minister would instruct both Mr. Belbeck and the Swift Current Health Region to advertise accordingly. A number of people are under the impression that the only way that they can now pick up their medicare card is if they pay the \$14. They are very upset about this. It is my understanding that last year people were even refused . . .

**MR. SPEAKER:** — Order! I don't think we want to debate this thing. The Member can ask for information but we can't have statements on it.

**MR. WIEBE:** — The question that I am asking then is: — Will Mr. Wood talk to the powers that be in the Swift Current Health Region and ask them to correct their advertising?

**MR. WOOD:** — Mr. Speaker, as I have already said we have had extensive discussions with the Swift Current Health Region. I think that they understand the situation quite clearly. So far as I am concerned I do subscribe to the Swift Current Sun and I read it quite avidly, quite a few things in there by Mr. Wiebe which I read with interest.

**MR. SPEAKER:** — Order!

**MR. WOOD:** — Excuse me, Sir, but do want to say that I haven't as yet seen this advertisement to which he refers and am afraid that I can't answer in regard to what the Swift Current Health Region may have put in there. I just don't know about it.

## INVESTIGATION INTO THE MEAT PACKING INDUSTRY

**MB. J.G. LANE** (Lumsden): — Mr. Speaker, I should like to direct a question to the Minister of Consumer Affairs (Mr. Tchorzewski).

We note that in the Throne Speech that there was no mention of the word 'inflation' so I gather that it is no longer an issue according to the approach that the Government opposite has taken on issues. However, we note from some press statements that the price of food and the price of basic staples has increased.

We have forwarded, today, a telegram which I am asking the Page to take a copy, to Mrs. A.F. Plumptre, Chairman of the Food Prices Review Board. The telegram, if I may beg the indulgence of the House, Mr. Speaker . . .

**MR. SPEAKER:** — I don't think that telegrams should be read to the House. Members should ask their questions and they should seek information and not to give it.

**MR. LANE:** — Thanks, Mr. Speaker. The telegram in sum is demanding and asking for an investigation of the meat packing industry in Canada and in Saskatchewan . . .

**MR. SPEAKER:** — Order, order! I think the Hon. Member realizes he is attempting to give information instead of asking for information and that is not permitted.

**MR. LANE:** — The telegram I am just stating, Mr. Speaker, is asking for an investigation into the meat packing industry . . .

**MR. SPEAKER:** — Order, order!

**MR. LANE:** — In light of the fact that the Government opposite owns 45 per cent of Intercontinental Packers, through SEDCO, are they prepared now to co-operate fully in an investigation of the meat packing industry and turn over all records and all books of Intercontinental Packers to the Food Prices Review Board, so that we may determine as to why both consumers and producers are not getting a fair deal at the present time through that industry.

**HON. E.L. TCHORZEWSKI** (Minister of Consumer Affairs): — Well, Mr. Speaker, the Member asked more than one question. First of all he asked whether the Government was no longer concerned about inflation.

I want to reply to the Member by indicating that we certainly are, and have been, and that is why this Government has taken a number of positive actions in assisting consumers in Saskatchewan, particularly those on fixed and low incomes, to be able to absorb the increased cost of living.

I could itemize a long list of programs such as the Family Income Plan, the increase of the minimum wage, the reduction of the tax on gasoline and farm fuels, just to name three,

December 4, 1974

which have been of considerable assistance to consumers in Saskatchewan in a period of time when inflation has certainly been very severe. I could also throw in there, Mr. Speaker, the removal of medicare premiums which have been of assistance to every one as well as the abolition of deterrent fees, which Members opposite know very well and a great deal about. We have taken positive action as a Government of this province . . .

**MR. SPEAKER:** — Order! I wonder if the Minister would just answer the question as shortly as possible and not make a statement.

**MR. TCHORZEWSKI:** — Mr. Speaker, the Member asked whether the Government of Saskatchewan was concerned about inflation and I think that we certainly are and have done things to meet that problem as it arose.

With regard to his second question, and that is a matter of an investigation into the meat packing industry, yes, we are certainly interested in the matter of the meat packing industry and I am surprised that it has taken the Member opposite this long to become interested in it. I wrote as early as June to the Federal Minister of Consumer and Corporate Affairs, indicating our concern at the time and the need for an inquiry into the meat marketing industry, in all aspects of it from advertising, to processing to retailing the kind of techniques that are being used.

I have been in communication with Mr. Ouelette, the new Minister of Corporate and Consumer Affairs, who has expressed an interest and agrees that there is a need for such a national inquiry to determine where the problem areas are because if that is not identified, both the consumer and the producer are very likely going to be hurt in the long run. The producer is being hurt right now and the consumer is being hurt also because of the way the prices are, very high compared to the low prices that the producer is getting.

Yes, we agree that there needs to be an inquiry into the meat marketing industry. We have indicated that we would support such an inquiry and we are very pleased that the Minister of Agriculture in Ottawa has indicated, as the Press quotes him, that they are considering establishing one and we will certainly support it.

**MR. LANE:** — A supplementary question, Mr. Speaker. We can talk about fighting inflation and the \$3 a month to the old age pensioners . . .

**MR. SPEAKER:** — Order, order! State your question, please.

**MR. LANE:** — I am wondering, Mr. Speaker, if we could get back down to the question. The telegram was specific whether you are prepared to co-operate with the Food Prices Review Board in its investigation and if you are prepared to turn over all the records of the Government-owned meat packing plant in Saskatoon. We know that you have refused to give them to the Food Prices Review Board. Are you now prepared to open the books of Intercontinental Packers and tell the truth about your deal? And

give the inquiry that you have asked for, fill records, full disclosure, full information immediately so that we can find out who is gouging the public if it exists, or find out . . .

**MR. SPEAKER:** — Order! I have asked Members when they rise to state the question and not make a speech because we get a speech back in the answer.

**MR. TCHORZEWSKI:** — Mr. Speaker, I am sure that we, as are Intercontinental Packers, are just as willing to co-operate into such an inquiry as any other meat packing industry in Canada, be it Burns or any of the other meat packing industries that we have in this country.

### **GAS RATES**

**MR. J.G. RICHARDS** (Saskatoon University): — Mr. Speaker, I should like to address a question to the Minister responsible for the Saskatchewan Power Corporation concerning gas rates and I shall be brief.

The question is: — I understand that the Power Corporation has to pay about 28 cents per 1000 cubic feet whereas Kalium winds up paying approximately 25 cents per 1000 cubic feet, that amounts to a subsidy of approximately three cents per 1000 cubic feet, or in the order of \$200,000 a year, a subsidy by the Power Corporation to Kalium. This is due to various contract changes. Are my figures . . .

**MR. SPEAKER:** — Order! What is the question?

**MR. RICHARDS:** — My question is: — Are these figures approximately correct, 20 million a day consumption by Kalium, three cents per 1000 cubic feet subsidy and what that means is an annual subsidy?

**HON. K. THORSON** (Minister of Industry and Commerce): — Mr. Speaker, the Hon. Member's conclusions are incorrect, whether or not his figures are correct I don't know. I will have to take notice of them as he has given them today and I will have them checked and have an answer for him later.

**MR. RICHARDS:** — Mr. Speaker, a supplementary to that . . .

**MR. SPEAKER:** — Order! I think the Hon. Minister indicated that he can't give an answer until he checks, so you can't ask a supplementary on something he doesn't have the information for.

**MR. RICHARDS:** — The Minister, I trust, is aware that there does exist such a situation since the Premier has discussed it publicly.

**MR. SPEAKER:** — Order, order! That is a statement, not a question.

**MR. RICHARDS:** — I don't think the Hon.

December 4, 1974

Minister can avoid the questions by claiming to be completely ignorant of the matter we are discussing.

**MR. SPEAKER:** — Order, order! You cannot ask a supplementary question when the Minister says he will take it as notice. If you want further information send it in writing.

**MR. RICHARDS:** — Do I have the assurance of the Minister that he will report to the House when he does have this information?

**MR. THORSON:** — Let me make it clear, I am fully aware of the situation. I say the Member's conclusions are wrong, whether it is because he has the wrong facts or because of some errors in reasoning. I will check the figures that he has presented.

**MR. RICHARDS:** — Mr. Speaker . . .

**MR. SPEAKER:** — Order, order!

### **ADJOURNED DEBATES**

#### **ADDRESS-IN-REPLY**

The Assembly resumed the adjourned debate on the proposed motion by Mr. J.K. Comer (Nipawin) and the amendment thereto by Mr. Steuart (Leader of the Opposition).

**HON. A.E. BLAKENEY** (Premier): — Mr. Speaker, we listened yesterday to the Leader of the Opposition who set out the position of his party. I think Hon. Members on this side of the House gave to the Leader of the Opposition careful listening with an absolute minimum of interruptions and I would ask for the same courtesy, because I think that the speech from the Hon. Leader of the Opposition was an important speech, outlining as it did the philosophy of the Liberal Party, outlining as it did the belief of the Liberal Party in what I would call unrestricted private enterprise, what I would call free enterprise for the few.

Just to recall what he said to this House, that he opposes telling people of this province who are financing his political party. He wants freedom for the big corporations to make secret contributions, but he does not want to give the public freedom to know who is financing their political party.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — He opposes the Land Bank, but I will come to that a little more fully later. The Land Bank gives to small people, to people without money, a chance to get into farming.

The Opposition wants freedom for people with money to buy all the available land, but they don't want freedom for people without money to get into farming at all.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — The Land Bank, they say is the Government taking

over farming, taking over farming from people who have got all the money to buy up the land so that young people can't get into farming.

He opposed the Bill restricting the foreign and corporate ownership of farm land and I want to underline 'restricting' because this does not prohibit the foreign and corporate ownership of farm land, but only prohibits the ownership of large blocks. He wants freedom for people outside this country and big farm corporations to own all the farm land they want. He doesn't want freedom for our local people to be able to compete freely and fairly for the land available. He opposes marketing boards. He said that each farmer must be free to market his produce as he sees fit. Now that sounds good, that sounds reasonable but what does it mean? It means freedom for the Grain Exchange to exploit, freedom for the packers to exploit. He thinks that the Grain Exchange should be perfectly free but farmers should not have the freedom to band together to protect themselves from exploitation. They should not have compulsory marketing boards, he wouldn't like a compulsory marketing board like the Canadian Wheat Board and he opposes compulsory marketing boards as he opposes the Canadian Wheat Board.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — He came forward opposing a by-law in Saskatoon and in Regina which would limit the right of slum landlords to have houses of poor quality. The proposal was that there be a standard of occupancy and maintenance and he called this an invasion of freedom. He wants the landlords to have full freedom to charge whatever they like for premises of whatever quality they like. But as for tenants they are not to have the freedom of laws which protect them from unsanitary and unsafe conditions.

He then went on to talk a little about foreign aid and I would just like to say one or two words about that, because he suggested that somehow Saskatchewan should carry on a foreign aid plan. Now it is my submission that Saskatchewan cannot nor should it carry on as a government a foreign aid plan of its own. We believe that outside Canada one government speaks for Canada, and that is the Government of Canada. This battle was fought some years ago when another province in this country sought in effect to have ambassadors abroad. We took the position, side by side, with the Federal Government that the Federal Government should be the voice of Canada abroad.

We do say, however, that a province like Saskatchewan could, can and should suggest policies that we can implement here at home to make our effort abroad more effective. And if a fertilizer aid program is such a policy and if CIDA or any other federal government agency asks us to co-operate with that - certainly potash is one element of fertilizer - we would be happy to co-operate in that as we have co-operated in other ways.

We have done everything we can to encourage our private citizens to take some of our affluence and some of our abundance to countries less favoured than ourselves. We have provided provincial government money to match private money so that this will happen. Something that the Liberal Party from 1964 to 1971 did not do.

**SOME HON. MEMBERS:** — Hear, hear!

December 4, 1974

**MR. BLAKENEY:** — We have suggested that there be a Canadian Food Bank, I underline that, a Canadian Food Bank, as part of a World Food Bank. We have suggested that we ought to take the excess food that we have in Canada, put it in a form whereby it can be stored and it can be used to alleviate hunger throughout the world. We have suggested this and we have offered money from the Government of Saskatchewan to do that and that is something that Members opposite when they were the Government for seven years did not do. I think we ought to recall just what their record is in this regard.

I remember when I was going about this province in 1970 opposing a particular program and they were supporting the program. And that program was the infamous LIFT program, the LIFT program which took food out of the mouths of the people all across this hungry world - and hunger isn't something that has just arrived - hundreds of millions of bushels of wheat.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Now I say that we in Canada should be assisting the hungry people of the world. I say the provinces should be trying to do what they can with suggestions for action in Canada, with suggestions for assisting their citizens to act through private agencies. I say that it would be inappropriate for the Government of Saskatchewan to have dealings with the Government of Bangladesh or the Government of Ethiopia. We are willing and we stand willing to co-operate, we stand willing to put forward ideas such as we have for a Canadian Food Bank, ideas which could assist Canada to support and assist the hungry nations of the world.

Now let me talk about one other thing. If you were leaning back and trying to figure out what the Leader of the Opposition was saying yesterday about federal-provincial relations, he was saying two things. He was saying that we were bad bargainers that we did a bad job at Ottawa and we do a bad job at Ottawa in bargaining to get from the Government at Ottawa concessions for the Province of Saskatchewan. That's one thing he said. The other thing he said, we are getting far too much money from Ottawa and that we in fact are virtually financing the Treasury of this province from Ottawa. Now that, in some mouths, would be a difficult argument. How come if we are such bad bargainers are we getting these vast sums which he referred to from Ottawa. That would be a difficult argument for almost anybody, anybody but a member of the Liberal Party. Not in the past and not now have they ever let facts get in the way of political arguments.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — I don't expect that they are going to change now. So I think that we, who are looking at the picture, seeing all the elements, have reached the conclusion that the Government of Saskatchewan has done a creditable job in representing the people of Saskatchewan at Ottawa.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Now I said a moment ago that I would talk a little



bit about the Land Bank. In 1971 we promised to set up the Land Bank Commission, a commission which would buy land at fair prices and lease it to farmers wishing to establish economic units. We said that our idea was to have the largest possible number of viable family farms and we set up that Land Bank Commission. We set it up over the bitter opposition of the Liberal Party and the bitter opposition of the liberal Members of this Legislature. They tried to delay it, they tried to defeat it and in the words of the Member for Moose Jaw North, (Mr. MacDonald), "The whole idea of a land bank is bad." But in spite of them the Land Bank is a fact and it has done a job for hundreds of farmers in Saskatchewan. Liberals opposite opposed it, not I think because they felt basically that the Land Bank was a bad idea but because it conflicts with their narrow, ideological position, the ideology which says that if a man doesn't have the money to buy land he shouldn't be in farming, that farming should be left to men of substance not for young men who don't have money.

Now what's their alternative? They have said in this House on a number of occasions that they would bring in a loan program. That they wouldn't have a land bank but rather they would have a loan program whereby people could borrow money to buy land. I want to say to young farmers of Saskatchewan, don't you believe it. In 1964 these same people said the same thing. In 1964 the Member for Prince Albert West (Mr. Steuart) and the Member for Rosthern (Mr. Boldt) were saying the same thing. Here is what they promised in 1964 and I want to quote right from their brochure:

A new Liberal Government will immediately revise the present legislation on farm credit to give a square deal to young people wishing to start farming and to small farmers wishing to enlarge and improve their farm operations. It will make loans to these people at a low rate of interest covering 80 per cent of the farm's value with 50 years to repay.

Now let me repeat, "A new Liberal Government will make loans to young farmers at a low rate of interest covering 80 per cent of the farm's value with 50 years to repay."

That's what they promised in 1964, their very words. They had seven years to deliver, seven years to honour their promise and so far as I am aware other than the sale of a few acres of Crown-owned lease land, not one farmer ever got \$1 to buy one acre of land under that program.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Not one acre in those seven lean, long years. Now after that sorry record they still attack the Land Bank. They want it done away with. They say the Farm Credit Corporation offers a loan program and so it does and it is a good program, but it doesn't do the whole job. Particularly it doesn't do the job for young farmers with few assets. The Land Bank will serve him and it's not some pie-in-the-sky Liberal promise like their promise of 1964. It is an operating program which is putting hundreds of young men on the land.

**SOME HON. MEMBERS:** — Hear, hear!

December 4, 1974

**MR. BLAKENEY:** — The Liberals opposed it and they opposed it because their record of failure is so bad. During those seven years they had money for pulp companies and money for mining companies but no money for young farmers. Young farmers know that, they know that the Land Bank gets young men into farming and that Liberal promises don't.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Another way that the NDP has given young people a real chance to get a boost and get a start in farming is through FarmStart. Add up all the empty Liberal promises over seven long years and very few young farmers got a break. In less than two years FarmStart has approved loans for over 1800 applicants. Interest rates are low and for the most part, part of the loan is forgivable. Do you know the average age of these 1800 young farmers? Twenty-seven. And if that doesn't hold out some future for farming in Saskatchewan, then I am very, very disappointed.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — In just 14 months more than \$50 million has been committed to the proposition that young farmers should have a chance in this country and these young farmers know it. They know that that is action and they know that Liberal talk means bitter disappointment.

What about crop insurance? Members opposite in 1964 and in 1967 would tell us what they were going to do to stabilize agriculture in this province. I would have thought one of the first places they would have started was to provide a workable crop insurance program. So what happened to crop insurance? In 1971 under the Liberal version of that program, four crops were insurable, less than 8,000 farmers were insured and the total value of coverage was less than \$15 million.

The NDP has steadily improved the crop insurance and in 1974, three short years later, not four but ten crops are insurable. Not 8,000 but 31,000 farmers are insured and the coverage is not \$15 million but \$290 million.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Even this year when crops were not good but by no means a total failure, the claims including hail will approach \$25 million; that is more than the total coverage under the best Liberal year and that is far more than a drop in the bucket in compensating farmers. The NDP promised a comprehensive crop insurance program and we delivered and the farmers are the winners.

I want to say a few words about the Canadian Wheat Board. Some time ago I did a little research on the Canadian Wheat Board and I want to tell you about some of it. I have heard Members opposite from time to time say that they are friends of the Wheat Board and in the course of so doing claimed that the

Wheat Board was set up under a Liberal Government. Well, the Wheat Board was set up under the Bennett Government and I am not aware that Richard Bedford Bennett was a Liberal.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — It was authorized at that time to buy grain from farmers, to set floor prices and to operate elevators. But at that time it was still possible for a farmer to sell either through the Wheat Board or through the Grain Exchange. It was an alternative program, dual marketing. Then in 1955 the Liberals were elected and in about two years after the Liberals were elected a funny thing happened. Out of the woodwork came the friends of the Grain Exchange pretending to be the friends of the farmers and they told us what was wrong with the Wheat Board. Oh, the Wheat Board was doing a bad job, it had to be changed and change it they did. They passed an Act that said that the Wheat Board couldn't buy more than 5,000 bushels from any producer and to the rest of the farmers they said, "Back to the Grain Exchange."

Then along came the war and not even the Liberals could stomach the inefficiency of the Grain Exchange during the war and we got the compulsory board as we now know it. And when the war was won, there was an election in 1949 and the Liberals got a good majority. Then a couple of years went by and a funny thing happened - surpluses began to pile up and the Wheat Board couldn't sell our wheat. Then out of the woodwork came the friends of the Grain Exchange in all sorts of disguises, usually pretending to be friends of the farmers telling us what was wrong with the Wheat Board. Oh, it didn't do its job, something has got to be done. Fortunately before the Liberals could dismember the Wheat Board they were defeated in 1957.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Then the Conservatives were elected. Then a funny thing happened, all of a sudden the Wheat Board could sell wheat. All of a sudden hundreds of millions of bushels of wheat were sold to customers that the Liberals didn't even know existed. And this continued right up to 1965. Then in 1965 the federal Liberals were elected and in 1964 the provincial Liberals were elected. Then a few years went by and a funny thing happened to the Wheat Board. Surpluses began to pile up and all of a sudden it couldn't sell our wheat. Once again out of the woodwork came the friends of the Grain Exchange in all sorts of disguises, usually pretending to be friends of the farmers and telling us what was wrong with the Wheat Board. "It isn't aggressive enough. All the officials are sitting in their plush offices and smirking." That's the Member for Rosthern (Mr. Boldt), right out of Hansard.

**AN HON. MEMBER:** — I heard it that day. I heard that, Mr. Speaker!

**MR. BLAKENEY:** — "The Wheat Board wasn't doing a good job." But in spite of the best efforts of these friends of the Grain Exchange, a world wide shortage of wheat developed and the Wheat Board couldn't help but sell our wheat and farmers liked the Wheat Board. They wanted the Wheat Board to sell all their wheat and

December 4, 1974

all their feed grains. But once again out of the woodwork came the friends of the Grain Exchange, in all sorts of disguises, usually pretending to be friends of the farmers. And they said that the feed grains shouldn't be marketed through the Wheat Board. The Wheat Board takes away your freedom. And then it convinced the Liberals (not a very hard job) to undercut the Wheat Board, and the Liberals said once again, back to the Grain Exchange. The implications of this move are just now being appreciated by the farmers of this province. They see the private grain trade blossoming, they see the international giant the Cargills and the Continentals at work again, and these people are enemies of the Wheat Board. Is there anybody in this House who believes that Cargill Grain or Continental are friends of the Wheat Board? Farmers are beginning to realise that they have a fight on their hands, a fight to retain the Wheat Board, a fight to retain the whole principle of orderly marketing. This is a fight on which everyone in public life in this province is going to have to take a stand.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — And it's going to be very interesting to see just who stands where. Where do the Liberals stand? Where does the Member for Rosthern (Mr. Boldt) stand? Where does the Member for Athabasca (Mr. Guy) stand? Where does the Member for Prince Albert West (Mr. Steuart) stand? Well, the Leader of the Opposition told us. They oppose any compulsory marketing boards. They believe the farmers should have the right to sell their wheat anywhere they like and they believe that the Grain Exchange ought to have the right to exploit any farmer they like.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — They stand where they always stood - with their corporate friends and against the Wheat Board.

Mr. Speaker, we of the NDP, we know where we stand. We stand for the Wheat Board and we stand for orderly marketing, and we stand beside the farmers of this province, we will stand, and we will fight.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Let me refer to one other very brief matter in the field of agriculture - an agricultural success story - Canadian Western Agribition.

The idea of Agribition was well along in the planning stage when we took office in 1971, and we freely admit this as I have said on a good number of occasions. For this, Mr. Chris Sutter and others who worked with him deserve full credit. I had the pleasure of opening the first Canadian Western Agribition in November of 1971. Our Government has given the show full and unstinting support in the hope that it would prosper and give new impetus to our growing livestock industry.

Since the beginning, the Government of Saskatchewan has given grants (capital and operating) of over \$800,000. Now this year's show could, I think be fairly termed as an unbelievable success. Most people expected a successful show but

there were some pretty formidable obstacles. There were falling markets for breeding cattle; there was the United States embargo; there was a recession in the United States; recession in other countries; uncertainty here in Canada. A solid hold-the-line show would have been a real accomplishment. But in almost every department, it wasn't a hold-the-line show, new records were broken, attendance was up, estimated at 160,000. The number of livestock exhibited was up to over 4,000 animals. The total value of livestock sales exceeded even last year's total of \$3 million - it was up to \$3.8 million.

As General Manager Alex McTaggart said, "This is an undisputed world record for any sale of exotic or purebred cattle."

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Foreign visitors were more numerous, they came from 14 countries beside Canada, and many commented using superlatives. The head of the Irish delegation is quoted as saying that, "Agribition is easily the greatest beef show in the world." The outstanding success of Agribition means that the livestock industry in Saskatchewan has achieved world stature. We are among the world leaders as breeders of fine cattle.

Many people made this 1974 Agribition the success it was, the exhibitors, the Pure Bred Livestock Associations, many Regina people who opened their homes when hotel accommodation ran out, and of course, the board and staff of Canadian Western Agribition. The province owes these people a debt of thanks, and I want to pay a tribute to them.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Now, Mr. Speaker, I want to take a bit of time this afternoon to review in some detail matters with respect to energy.

One year ago I spoke to this House on Canada's energy policy. At that time we called for a new national energy policy, and I reviewed the history of federal energy policies, policies which left Canada heavily dependent upon supplies of foreign crude vulnerable to interruption of supply because of international strife or the whim of a particular foreign oil producer. I said this over and over again, for more than ten years, New Democrats in Ottawa had called for a national energy policy. I asked three specific questions:

1. Are we to have a national oil corporation?
2. Are we to have a pipeline to Montreal? If so, when?
3. Steps to be taken to have a national electric power grid?

One year later these questions remain in doubt.

Apparently we have a national oil corporation but what job it is to do nobody knows. As for the pipeline to Montreal, who can say when it will be built, or indeed, whether it will be built. And a national electric power grid, we know no more now than we did a year ago.

I said a year ago that Canada needs a national energy policy, and I can say exactly the same thing today - Canada needs a national energy policy.

December 4, 1974

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — A year ago it said that the time had come for us to put our mind to an electric power grid, and I say that again today, I think we should not wait five or ten years until regional shortages appear. We should act now.

Now the Federal Government has taken steps to establish a national price for oil, a price below the world market price. The Government of Saskatchewan agrees with this. Indeed, we suggested it before the energy conference in January. We advocated a national pricing policy, not only for oil, but for other basic elements in our economy - lumber, iron ore, chemicals, wood pulp, electric power. But the Federal Government is very selective in applying the principle of a two-price system, a lower Canadian price and higher world price. We have this two-price system on two commodities - wheat and oil. Why do we have it for wheat and oil, but not for iron ore? We have it for wheat, for oil, but not for steel, not for chemicals. Why not? You and I know the answer. Because oil is produced in western Canada, but iron ore is not. Because most of our wheat is produced in western Canada, but most of our chemicals are not. This two-price system is a selective two-price system aimed at western Canada.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Western Canadians cannot be expected to accept willingly a two-price system which discriminates against them in each commodity covered by the system.

We in Saskatchewan support a two-price system for oil, but we say again, why just oil? Why not the other commodities which are produced elsewhere?

The Speech from the Throne referred in detail to the Federal Budget. As I have said elsewhere, that Budget will have profound consequences for Saskatchewan, and I believe for Canada.

I want to deal with three aspects of the Budget: — (1) the deductibility of royalties; (2) equalization and (3) the SPC and its natural gas supply. I apologize to the house because some aspects of the matter are quite complicated but the issues are of grave importance for all the people of Saskatchewan.

The Budget says that if a company develops a mineral resource in Saskatchewan, oil or potash for example, the company pays a royalty to the Provincial Government and then when it pays its corporation income tax it cannot count the royalty paid to the Provincial Government as a business expense. Every accountant would call the royalty a proper business expense and ever since companies have paid corporation taxes these have been allowed as a proper business expense. If the royalty is paid to a private mineral owner, like the CPR or Hudson's Bay Company, the Federal Government will allow it as a proper business expense. If the royalty is paid to the state of Montana, or the state of Texas, the Federal Government will allow it as a proper business expense, but not if that royalty is paid to the Government of Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Let me try to illustrate just what the Budget does.

What the Federal Government is saying in the Budget to companies involved in resource industries is that if they buy a resource from a provincial government they cannot claim that proper business expense on their tax return.

This is the same as telling a farmer who rents land that he can't deduct the rental payments he pays to the land owner when he calculates his income tax. It's the same as telling a farmer that when he's totalling up his taxable income at the end of the year he can't deduct as an expense the municipal taxes paid to his RM.

You may ask why the Provincial Government should be so concerned about the amount of taxes corporations pay. It's clear that the proposals in the Budget are not designed only to raise money for the Federal Government. The Federal Government freely admits that there are dozens of ways that they could raise money from corporations, other than making provincial royalties not deductible.

The Budget shows that they tax provincial royalties because the Federal Government wishes to force provincial governments to lower their royalties - to be easier on the potash companies, to be easier on the oil companies, to be easier on the corporate friends and paymasters of the Liberal Party.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — The Federal Minister of Energy, Mines and Resources Mr. Donald Macdonald, made that clear. In the Leader-Post of November 30, he is quoted as saying "some oil companies broke a promise to the Federal Government by not pressing the provinces for a reduction in royalties." Now isn't that a cosy arrangement? The Federal Government and the oil companies getting together to put the squeeze on the provinces to lower royalties. And the cut in royalties will be divided between them, with well over half going to the company and something under half going to the Federal Government.

Well the Federal Government did its part. The Budget is tailored to put the squeeze on the provinces. And it does. It is designed to force the provinces to give the oil companies even fatter profits. The profits of major oil companies are already very, very high. Almost every major oil company has seen profits soar 100 per cent, 200 per cent, or more during the last three or four years. But Ottawa says the provinces must cut their royalties so that the profits will go still higher. The Budget is a clear attempt by the Federal Government to take away from Saskatchewan the benefit of ownership and control of our resources. It's a violation of the spirit of Confederation and an attempt to ensure that the major benefit from Saskatchewan resources goes, not to the people of this province, but to the resource companies and to people in other parts of Canada.

This Budget poses a major issue for Canada. As Mr. Trudeau said in the House of Commons last Wednesday, "The issue is one of an equitable pattern of revenue sharing." How should the gross

December 4, 1974

yield from resources be divided between the developing companies and the resource owner and governments? Clearly, if resources are developed by private companies these companies should have enough to cover their reasonable and proper costs with a fair return. Our government believes that and I'm sure that every government in Canada believes that private companies developing resources should have a fair and reasonable return. Just as clearly there should be corporate profits which can be taxed and they should be taxed. There should be corporate profits which the Federal Government can tax. And what should a provincial government get as the resource owner? What should a provincial government get for resources it is selling? The answer, I think, is clear. The best price possible. Certainly, if an oil company is leasing oil rights from the CPR, the CPR will charge them in royalties and bonus payments all that they can and still leave the company an attractive and reasonable return. Certainly they will. Surely a provincial government should not accept less for the people of Saskatchewan than the CPR gets for itself.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — The Prime Minister seemed surprised that a government which owns a resource should charge royalties and bonus payments which leaves the companies a fair return but not an excessive return. Saskatchewan has always tried to do this. I've noticed some remarks attributed to the Minister of Finance (Mr. Turner) suggesting that in the past royalties have always been on the basis of so many cents a barrel, or so many cents a ton, and that now they are different. For decades Saskatchewan has had royalties which depended upon the sale price of the commodity and frankly, I am surprised that anyone else would be surprised that a government tries to get for its people the best price it can. Does the Prime Minister mean that when the Federal Government leases minerals in, say the Yukon, it knowingly charges a low royalty so as to leave the company with an unfair high return? Does he mean that if mineral rights on an Indian Reserve are leased to a private company, the royalty payments are deliberately kept low so that the company will make unreasonably high profits, so that the Federal Government will high profits to tax and that the Indian Band will be short changed? If he does mean that, he should make his policy clear. In our judgment such a policy would be unacceptable to the people of Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — The people of Saskatchewan expect their government to get for them the best possible price for any part of the public domain they sell. The best possible price for surplus typewriters, the best possible price for timber, the best possible price for Crown land sold and the best possible price for mineral rights sold or leased.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — And I am surprised that any prime minister of Canada would expect any provincial government to get less for its citizens.

Now in his speech in the House of Commons last Wednesday,



which I read with care, Mr. Trudeau gives his account of the meeting among first ministers on March 27. In dealing with the question of whether he had indicated that the Federal Government intended to disallow provincial royalties as a corporate tax expense, he quotes his letter of March 12 to Premier Lougheed and to me. In that letter he said:

I must make clear that any action that you may decide to take in respect of royalties would have to be without prejudice to our freedom of action as regard to federal taxation.

He goes on to say that he felt that this was clear warning that the Federal Government was considering changes in the long standing treatment of provincial royalties and whether they would be deductible. In his words, from his speech, "the warning was about as clear as we could make it."

When I received that letter last March I felt that the sentence I have just quoted was far from being clear. It was particularly obscure. Accordingly in a letter to Mr. Trudeau dated March 22, 1974, a copy of which Mr. Trudeau at my insistence tabled in the House of Commons, but to which he did not refer in his speech, I put the question to him point blank.

Do you have in mind not allowing provincial royalties as deductions from taxable income?

Now he did not reply in writing nor did he give any indication verbally that he intended to take the unprecedented action of disallowing royalties as an expense. If indeed he wished the warning to be, "as clear as he could make it," would it not have been simple for him to answer my question with a direct, "Yes," or, "perhaps we reserve the right to do so." But this was not done

We then went to the meeting of March 27th and bargained long and hard and there were many, many issues. I left the meeting of March 27th with a clear understanding that the price of oil was to be \$6.50, that all proceeds over \$6.50 would go to the Federal Government through the export tax and that the \$6.50 included the gross revenue to be taxed and was to be divided between the producers and the provinces as the provinces might determine. I did not understand that the Federal Government proposed to attempt to get a part of the \$6.50 by taxing royalties. If I understand Premier Lougheed's letter of November 22nd to the Prime Minister he did not understand it either. Insofar as I am aware no other premier so understood it.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Keep in mind that the federal action concerning royalties affects not only oil in Alberta and Saskatchewan but minerals of all kinds in all provinces. If indeed the Prime Minister made his position clear, is it not surprising that not one of the ten Premiers understands his position? Is it not surprising that so far as I am aware not one Premier in reporting to his Legislature mentioned this rather important federal qualification respecting mineral resources? Is it not surprising if the position was understood and presumably agreed or at least acquiesced that all ten Premiers should join in condemning the move at the Premiers' Conference in September.

December 4, 1974

The fact is that the bargain of March 27th was otherwise. There was and is no evidence of any understanding on the part of any premier that the Federal Government proposed to impose any tax on provincial royalties and in particular there is no evidence of any understanding on the part of any premier that the Federal Government proposed to tax any part of the \$6.50 oil price other than through ordinary corporate taxation.

The Prime Minister in his speech asks whether anyone would really believe that the Federal Government would, "... have agreed to 100 per cent royalty rate adopted by Saskatchewan leaving no federal share through corporate taxes of the excess revenues involved in moving the price from about \$4.00 to \$6.50 a barrel." That is the crux of the matter. That is just what was agreed to.

A few points need to be noted. The Saskatchewan price including royalties was not \$4.00 but \$5.00. Nothing wrong with that, he was referring to the Alberta price which was the important one. Saskatchewan's royalty rate was at that time 100 per cent and to the full knowledge of the Federal Government had been 100 per cent since January 1. And as is set out in my letter of March 22nd, at the time of the March 27th Conference, Saskatchewan was receiving in producer's share in royalties including the surcharge and our share of the export tax just about \$6.60 a barrel. That's what we were getting on March 27th. We agreed to take substantially no increase in our share. We agreed that the price would be \$6.50, that the division of the \$6.50 was a matter between the industry and the provinces leaving us freedom to apply our 100 per cent royalty and that we would forego our share of the export tax. That left us with \$6.50 where we were then getting \$6.60. The Prime Minister will recall that the small amount over \$6.50 we were receiving was to be compensated for over a 15-month period by the payment of a special transportation fund of \$25 million.

In the light of the position of the parties on March 27th it is clear that the Federal Government would have every reason to agree to leave the full \$6.50 with the provinces and the producers subject only to normal corporation tax in exchange for 100 per cent of the export tax, to which I remind you the provinces then had a statutory right to 50 per cent. That would have been a prudent deal on the part of the Federal Government. It was a reasonable deal on the part of the provinces and in fact was the deal that was made.

When the May 6th Budget proposed to tax royalties, I said that this was a breach of the spirit of the March agreement and I say the same today.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — I now turn to equalization. The arrangement respecting equalization is well set out in the Prime Minister's letter tabled in the House of Commons. I will quote rather extensively.

Consequently in the Saskatchewan situation I gather that all the additional royalty revenues stemming from higher prices is being treated as capital to be paid into a special capital fund rather than as revenue to be taken into the regular budget stream. I understand that it is intended that that fund should be used to develop sources of energy to replace the diminishing oil reserves. Under

such circumstances we would propose that these capitol amounts would not be included in the revenue base for equalization.

In essence the arrangement called for Saskatchewan and Alberta to put the oil royalty surcharge money into a special capital fund to be used to develop energy resources. Because of the peculiar nature of the equalization formula it was possible for Saskatchewan to lose equalization even if Saskatchewan put every penny of the royalty surcharge money into the capital fund if Alberta did not do so. Accordingly in my letter to the Prime Minister of March 22nd, I stated:

I would also want assurances that Saskatchewan would not lose equalization payments because of any decision by Alberta to take part of the additional oil revenues into general provincial revenues.

Now on March 27th we had our meeting and it was agreed that Saskatchewan would put 100 per cent of its extra revenue into capital fund and would not lose any equalization as a result of receiving these funds. It was also agreed that Alberta would put all or most of such revenues into a capital fund. I understood that the Prime Minister had given me the assurance I asked for in my letter of March 22nd. However I concede that he might have understood that his commitment respecting Alberta was more general in nature and did not cover a full 100 per cent of the protection which I requested. I concede that. I reported differently to this House. He reported somewhat differently in his press conference and at such a meeting there is always a possibility of some confusion over that. I concede that a portion of the Alberta funds, a small portion of the Alberta funds could enter into the equalization calculations.

On equalization, my arguments with the Prime Minister are threefold. First, with respect to Saskatchewan's royalty receipts the deal was clear and unequivocal. I have quoted from the letter and there was clear agreement on that. The Prime Minister's own correspondence and my following letter put this issue beyond doubt, that that deal should not have been departed from as the Budget did by counting one-third of Saskatchewan's royalty surcharge money for equalization purposes. That is a clear breach of the deal.

Now it may be argued that the Prime Minister meant the substance of his commitment by including only one-third of the combined oil revenues of Alberta and Saskatchewan for equalization calculations. That reading his speech in a charitable way is I think his argument, to which I say, firstly that there is no justification for including one penny, let alone one-third of the Saskatchewan royalties. As for the Alberta royalties he is assuming that they would have taken nearly 40 per cent into general revenues. That is much too high. In principle I think that he has departed from the deal and if he is arguing that he meant the substance of the deal I say that a calculation which involves Alberta taking nearly 40 per cent of its oil royalties into general revenues doesn't meet the substance of the deal, on the figures it doesn't meet it.

**SOME HON. MEMBERS:** — Hear, hear!

December 4, 1974

**MR. BLAKENEY:** — I don't want to argue this on a legalistic basis because this is not how these matters are going to be determined. I felt the guarantee was 100 per cent. The Prime Minister says he had some leeway. Fair enough. We were there in a position of getting substantial revenues and it was ungracious of Saskatchewan to insist on every single penny and furthermore, we were simply not in a position to insist on every single penny. The Prime Minister thinks he had some leeway, but at no time, not at the meeting of March 27th nor at his news conference called following, nor in his report to Parliament nor in my report to this Legislature nor at any time between then and November 18th did anyone suggest to us either publicly or privately a loss to Saskatchewan based upon Alberta taking nearly 40 per cent into general revenue.

Giving the Prime Minister the benefit of the doubt, the deal will not bear that interpretation.

Now I have one other quarrel on equalization. The well-established custom has been that changes in the equalization formula would be discussed with the provinces. Indeed a substantial part of both the January and March meetings of First Ministers was spent in discussing the impact of increased oil revenues on the equalization formula. The agreement reached was that extra oil revenues would not be part of the equalization formula. This agreement was acceptable because all provinces which would lose equalization under that deal were getting another benefit, were getting the benefit of reduced oil prices, were getting a massive benefit because in some instances they were paying \$10, \$11, and \$12 a barrel. It was a straight tradeoff, benefit for benefit. The Atlantic provinces and Quebec were losing equalization, they were getting the shelter. Manitoba was losing equalization they were getting the price shelter.

It was conceded too that Saskatchewan should not be asked to provide out of the export tax all these subsidies to keep prices in eastern Canada down and still lose their equalization. So the deal was agreed to. But the new Budget not only removes oil revenue from the equalization calculations it removes natural gas revenue as well. That was never agreed to, it was never discussed, as Mr. Turner frankly says, natural gas did not figure in the discussions last March. The reasons for removing the oil from the calculations do not apply to natural gas, because nobody was getting any price shelter on natural gas. But the Budget removes these revenues without discussion, without agreement, without rationale. That cost Saskatchewan an extra \$6 or \$7 million a year. Indeed it was because natural gas revenues were going to be equalized - and this was discussed at the official level - and we expected natural gas prices to go up in Alberta and British Columbia and we expected our equalization revenues to go up on that account, that we didn't wish to argue about small losses in equalization because Alberta might take some of their oil revenue into general revenue. We did not wish to 'nit-pick' then and we do not wish to 'nit-pick' now. But instead of increasing natural gas equalization revenue giving us some countervailing money for losses which might be suffered on oil, all the natural gas revenues are excluded. We not only lose what we might have got if natural gas prices went up, we lose what we are getting on account of natural gas now.

Taken together - the counting of the one-third of our royalty surcharge revenue, the calculation that Alberta is taking

nearly 40 per cent of its royalties into general revenue, the arbitrary exclusion of natural gas from the formula - costs Saskatchewan about \$40 million a year. Some loss was anticipated but not \$40 million nor anything near that; amount. The Budget changes the agreements on equalization reached in March. These changes do not affect Ontario, do not affect Alberta, do not affect British Columbia, they mean more money for Manitoba, Quebec and the four Atlantic provinces. Only one province loses by those changes, Saskatchewan.

Now let me turn to the third subject, Saskatchewan Power Corporation. There is a provision in the Budget respecting the Saskatchewan Power Corporation and it is almost unbelievable. Now let me sketch the background. The SPC buys natural gas produced in the province from a number of oil and gas companies. At present it pays an average of about 16 cents per thousand cubic feet. The SPC then distributes this gas and other gas we get from Alberta for our customers' use at low rates. The Federal Budget allows the Federal Government to tax these oil and gas companies as if they sold the gas to SPC at going market prices as set by the Federal Government, very possibly at more than 60 cents per thousand cubic feet. This means that in some cases these companies would have to pay in taxes very nearly the total price they get from SPC. These provisions affect primarily those provinces that have taken steps to keep natural gas rates down. The Federal Budget had designed to force customers in those provinces especially Saskatchewan to pay rates similar to those paid by customers in other parts of Canada. Now the excuse offered for this is that the Federal move is necessary in order to prevent provinces from getting around the new federal ruling respecting the taxing of provincial royalties. They don't want a provincial corporation to get around the taxing of oil royalties, for example, by agreeing with an oil company to buy the oil from them cheap then selling it at a high price and in effect converting what would have been a royalty into a profit. But that's got nothing to do with the SPC. Saskatchewan Power does not buy gas cheap to sell it at high prices. It buys gas cheap to sell it to Saskatchewan people at low prices. SPC applies to natural gas the same principle that it and power corporations in other provinces apply to electric power, the utility principle.

The November Budget is different in this way than the May Budget. While the May Budget appeared to give the Federal Government power to exempt a corporation like the SPC from the rule, the November Budget appears to make it mandatory, they've taken out a 'may' and put in a 'shall'. This November Budget is an attack on the whole concept of using Saskatchewan resources for the benefit of the people of Saskatchewan, it hurts one province above all the others, Saskatchewan. Canada's history contains no similar example of the Federal Government attempting to stop a provincial government from developing energy resources and providing them to the citizens of that province at the lowest possible cost.

For more than 50 years Ontario Hydro has been following that very policy without federal interference, has been providing electric power to the people of Ontario at low costs and for many, many of those years it was providing it at a fraction of the cost we paid in Saskatchewan.

Federal interference in SPC's attempts to provide low cost gas to the people of Saskatchewan is particularly reprehensible

December 4, 1974

and cannot be explained on any other basis than federal opposition to western Canada enjoying the benefit of our resources.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — I have not heard any criticism of that particular provision from Members of the federal Liberal Party, I'm not sure I've heard them from Members of the provincial Liberal Party, but the public will rightly ask why.

We will not willingly stand by and let the SPC gas division which has operated to serve Saskatchewan customers for almost 20 years be plundered and plundered with no possible justification.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — We will consider our course of action with care, necessary action may well involve a conflict with the federal court authorities. We will not court such a conflict but neither can we shun it at the expense of all natural gas customers in Saskatchewan

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Mr. Speaker, I don't wish to overemphasize the effect of the Turner Budget, no doubt Canada will survive without great visible harm. But let me say very seriously that actions like the Turner Budget add to the sharply growing discontent in western Canada, increases regional tensions and erode the deep and fundamental loyalty which most westerners feel to the Canadian Confederation. No nation can be sure that it will be free from serious internal strains therefore, no nation should squander its capital of loyalty to the union. The Turner Budget has left deep and, I fear, lasting scars of resentment in western Canada. That is not good for western Canada, that is not good for Canada.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Mr. Speaker, let me turn now to another matter mentioned in the Throne Speech debate, the astounding proposal that western farmers give up their statutory rights to have grain and flour hauled by rail to export points at low rates, the historic Crow's Nest rates. I say astounding, but it's not a new proposal. We've heard it for years from the CPR, we've heard it for years from others who, like the CPR would dearly love to increase their profits at the expense of the farmers. No, what makes this proposal astounding is not because it's been made, but because it's been made by a Federal Cabinet Minister supposedly representing western Canada.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — What he is proposing is crystal clear; that farmers give up the one solid security they have, statutory grain rates in exchange for some vague commitment to set up a fund which will be used in some equally vague way as compensation. With this move, with the Crow's Nest Pass rates gone the last piece

falls into place, in the Liberal scenario for rationalizing the grain-handling and transportation system of western Canada.

I say to you and I say to the farmers of Saskatchewan the Crow's Nest pass rates are the key to the future shape of the grain-handling system in western Canada.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — I say the Liberal scenario is now clear. Let me review a few facts. We had the proposals promoted by the Ottawa Liberals to reduce the number of delivery points. The favourite proposal is for inland terminals, perhaps 40 or 50 in the whole of Saskatchewan and I've even heard lower numbers than that. Some of their plans indicate that these should be built soon. We currently, I want to remind you, have more than 800 delivery points, that's their proposal with respect to delivery points. We have proposals from the railways to abandon over 3,000 miles of branch lines. The freeze on this abandonment comes off at the end of this month.

I believe that Saskatchewan farmers are reasonable men. I believe that most farmers agree that the number of delivery points can be reduced, that it makes sense to have fewer elevators, to have high through-put elevators spaced at 15 or 20 miles apart rather than seven or eight. Indeed that's already happening. The Pool for example has consolidated its system and between 1971 and 1974 it has reduced its elevators from 1,750 to 1,500, reduced its delivery points from 823 to 740 despite taking in the Federal Grain elevators. One could argue for a number of delivery points in the 350-400 range. I believe that most Saskatchewan farmers would agree that some rail lines could be abandoned without putting an undue burden on the system, perhaps several hundred miles but not 3,000. What the farmers want to know however, is not whether the number of delivery points should be reduced, not whether some rail lines should be abandoned, but who is going to be making the decisions, who is going to be making the decisions about elevator points and rail line abandonment. Is it going to be the people whose lives are at stake or is it going to be Cargill and Continental and the CPR?

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Well, let me return to the Liberal scenario. On the one hand we have proposals for massive abandonment of rail lines, massive reductions in the number of delivery points. On the other we have the assurance of the Prime Minister and the Minister in charge of the Wheat Board, no branch lines will be abandoned unless the farmers themselves make the choice. Now here is the crux, to persuade the farmers to make the 'choice'. If the Liberals are going to make the farmers make the choice they want, then the Crow's Nest Pass rates have got to go. They already had one go at this little operation by providing for so-called flexible tariffs as between delivery points. This was supposed to persuade farmers to choose to by-pass one elevator and go to another elevator to save a few cents a bushel, but that's peanuts.

Let's see what happens if the Crow's Nest rates go by the board. Today it costs the farmer 175 cents to ship a bushel of

December 4, 1974

wheat from Saskatoon to Thunder Bay but without the Crow's Nest rate the rate might be very much closer to what they pay in the United States. From Billings to Duluth, about the same distance, the price is not 13 cents but 67 cents, five times as much.

Now see how this picture will work out. What the railways can do with differential tariffs, new flexible tariffs, is to say this to the farmers, "You can deliver your grain anywhere you like. You can deliver it to Pangman, you can deliver it to Fillmore, you can deliver to Tribune, but the cost from those points is 70 cents a bushel. however, if you will truck it to Weyburn the price will be 35 cents a bushel." Now there is a differential tariff, there is a flexible tariff and what do you know, the farmers will 'choose' to haul to Weyburn, to abandon their branch lines and the Prime Minister is then off the hook. The railways get their way, our country elevator system goes down the drain and very soon the branch lines which serve it will go.

This is the Liberal Party's version of freedom of choice. Keep in mind that once the country elevator system is gone, tens of millions of dollars of the farmers' money tied up in the Pool, and the United Grain Growers is gone. These co-ops will have to build new inland terminals. The international grain traders, Cargill and Continental will also be building inland terminals. They will have much more money than the Pool and they won't have suffered the tens and hundreds of millions of dollars of loss because their country elevator system is gone. They will be in top shape to compete. The Pool, UGG will be on the ropes.

This is the Liberal scenario for what they choose to call "rationalization." This is what they call rationalization of the grain-handling and transportation system. I know Members opposite think this may be a fanciful tale, I ask any one of them who is chuckling now to stand up when he speaks in this debate and point out what is wrong with the logic of this tale.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — This is their proposal for the rationalization of grain handling and transportation and I ask, rationalization for whom? For the CPR, yes indeed, for Cargill, you bet, but for the Saskatchewan farmer, the implement dealer in Radville, the general store in Stoughton, for the people of Saskatchewan, completely irrational.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — That's why the Crow's Nest rates are so vitally important. Take them away now and there is no way of stopping the railways and the private grain trade from imposing their version of rationalization in this province. Take them, away now and we lose our last chance to bargain for a sensible approach to improving the service and performance of the railway and we lose our right to keep a sensible and rewarding system of rural service centres in Saskatchewan.

Nobody says no elevator should be phased out, nobody says that no branch line should be abandoned, nobody says even that Crow's Nest rates should continue into all time. A carefully worked out sensible system could well involve changes in all three, but if the Crow's Nest rates go now all chance of a



system planned with local needs in mind goes out the window.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — I say to the farmers of Saskatchewan and I say to the people of Saskatchewan that the fight for the Crow's Nest rates is a fight we must win. I say to the Liberal Government in Ottawa, to the Liberal friends opposite, that the NDP and this Government will do everything in its power at this time to keep the Crow's Nest rates enshrined in the law of the land.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — In any case, Mr. Speaker, what are we offered in exchange for removing the Crow's Nest rates? A commitment of the vaguest kind, and what is it worth? Well, let me consider some other commitments on freight rates. About a year and a half ago we had a conference in Calgary, the Western Economic Opportunities Conference, and it was a good conference. Some good things have come out of it, some more may yet come and, of course, some things we hoped for haven't come to pass. Last year the Leader of the Opposition (Mr. Steuart) was reviewing some of the results of this conference and the subsequent federal-provincial negotiations. I want to remind this House of some of the things he said. They are set out in Hansard, page 97 of December 4th and he was talking about federal action to eliminate freight rate discrimination. He was discussing the fact that freight rates hamstringing our livestock and meat packing industries here in the West. They set low rates for shipping out our feed grain, higher rates for shipping cattle and still higher rates for shipping processed meat. This makes it difficult to get a cattle feeding industry and more difficult to get a meat packing industry.

At the Western Economic Opportunities Conference we had pressed for some evening out of these rates. Then the Leader of the Opposition in talking about this went on to say - and I went you to listen to these words carefully:

Finally of course we have from Otto Lang and the Federal Government the commitment that by August 1, 1974 there will be a balance in the freight rates and the shipment of feed grains, meat and livestock across the country, West to East, we have a commitment. I will repeat it again, - from Otto Lang and the Federal Government by August 1, 1974 that there will be a balance in the freight rates on shipments of feed grains, meat and livestock across the country, West to East. To the people of Canada, to the people of western Canada, to the people of this province, that was what was said publicly and it will be done.

I am continuing to quote, Mr. Steuart:

This move is coupled with the phasing out of feed freight assistance to most of eastern Canada and if you haven't heard of that commitment I am pleased to announce it today. Maybe you should have your Minister in charge of freight rates - if it is the Attorney General - show up at some of the meetings and attend them all. I understand the commitment has been given. I tell you that's a commitment that has been made.

December 4, 1974

Yes, it is on the record, it sure is. By August 1, 1974 discrimination between the rates to move feed grain, finished cattle and meat will be removed.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Well, you know what, well I heard that and I read it. I got the impression that there had been a commitment.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — I got the impression that there had been a commitment that by August 1, 1974 discrimination between the rates to move feed grain, finished cattle and meat would be removed. Now August 1st has come and August 1st has gone and the weather is warm out there but it's certainly not August 1st. And since the Leader of the Opposition spoke in this House a year ago and gave us, what I thought was a commitment, there has been absolutely no change. I repeat, absolutely no change in the discrimination between the rates to move feed grains, finished cattle and meat. So much for Liberal commitments. No commitment to act could have been more definite, it wouldn't have mattered whether I'd brought my lawyer with me or not, I couldn't have got it more definitely than that. No failure to act could have been more complete.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — So much for Liberal commitments on freight rates.

The Leader of the Opposition went on to give in his words a few more commitments that were made. He cites, and I'm quoting here and I just happen to have it with me:

A commitment by the Minister of Justice to intervene in the public interest in Canadian Transport Commission freight rate hearings.

A year has passed, the Minister of Justice has not so intervened in one single CTC freight rate hearing.

Do you wonder, Mr. Speaker, why we in western Canada are skeptical about Liberal commitments on freight rates? Do you wonder why farmers don't want to exchange the Crow's Nest rates law for any commitments however definite, however clear cut, however ironclad? Farmers have dealt with Ottawa too long to give up what they've got in exchange for some vague scheme for compensation.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Farmers know that they have to fight and I say fight they will.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Mr. Speaker, I want to say a word or two about Regina.

I'm proud to be the Member for Regina Centre and I'm proud of what's been accomplished in Regina in three years.

Liberals talked about assisting our urban government, New Democrats have acted and the ratepayers have been the winners.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Let me remind you just what that urban package of last year did for urban governments, particularly Regina. Operating grants of \$10 per Capita. Huge sums at equalization grants. Special urban transit grants. This has meant an extra \$2 million a year for Regina. In operating grants alone the saving to ratepayers of about 9 mills. And the capital money is on top of that. Yes, the capital money is on top of that. Seventy-five dollars per capita, \$10 million over a five-year period. And right now indeed Regina is talking about a new city hall and they are talking about an agridome.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — We're talking about a new city hall and we're talking about a new rink and I don't want to discuss the merits of a new city hall or a new rink, but I'm saying this that if they are needed now they were needed ten years ago and they were needed even more five years ago, but five years ago nobody in Regina talked about a new city hall. Five years ago nobody talked about a new rink and nobody talked about civic improvements like that because under the Liberals there was no money to do anything to provide.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — But now there is money and there is action.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — There is money to provide long-needed civic improvements, civic improvements which should have been provided years ago if the government of the day in the 1960s had been providing the funds needed.

There has been significant action on school grants. In 1971 the last year when the Liberals were doling out grants and basing them on their mandatory pupil-teacher ratio, our systems got just over \$9 million. This year they are getting \$15.6 million. That's up almost 70 per cent, almost 70 per cent in three years. I say that's performance.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — There's action too on a new \$2 million swimming pool for the Western Canada Games, a new track in Douglas Park, a new marina for sail boat and canoe enthusiasts, many new recreational opportunities for young people. These have been busy years for Regina. Busy years for its businessmen as well. We've established ourselves as a major distribution centre in western Canada. Simpson-Sears has its second largest Canadian

December 4, 1974

distribution centre here and it has undergone a major expansion. John Deere has set up one of the five North American distribution complexes here. Other major machinery companies are setting up major units and I heard the Leader of the Opposition yesterday talking about jobs that had disappeared. I wonder why he didn't mention some of the things where jobs have increased in large number, why does he sit there 'sucking' his sour sectarianism and never looking around?

**SOME HON. MEMBERS:** — Hear, hear!

**MR. STEUART:** — I can't even reach it!

**MR. BLAKENEY:** — I won't comment on that. I might have mentioned IPSCO, Westank, Intercontinental, he might have mentioned Degelman, which they had assured us was leaving this province, but which is blossoming and employing far more men than it ever did.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — I ask him and I ask the people of Regina to remember 1970 and 1971, remember the empty stores, we have some picture of them which we took for our campaign literature. The empty warehouses, the hundreds of people laid off work. I'm not say that the policies of this Government are responsible for all at Regina's prosperity, I'm not saying that. But what I aim say is that the hard cold facts give the lie to the Liberal claims that Liberal private enterprise means prosperity and NDP socialism means recession.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — I ask anybody in Regina about the Liberal prosperity of 1969, 1970 and 1971. They'll tell you they don't want it back, our ratepayers can't afford it, our working people can't afford it, our merchants can't afford it. The people of Regina know that NDP action means prosperity and that Liberal promises don't.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — They know and nothing that the Leader of the Opposition will tell them will dissuade them from believing the truth, that Regina is on the move.

Now, I want to mention a little bit about one other thing that the Leader of the Opposition was talking about. He was talking about jobs. I frankly wonder whether the Leader of the Opposition should ever talk about jobs. I've already dealt with some of the Steuart commitments, but let me recall one of the Steuart commitments of 1964 that they would, "Create 80,000 new jobs for Saskatchewan young people in four years." How well did they perform? I looked at the figures, not for four years but for seven years. I said, well, if they created their 80,000 jobs not in four years but in seven years I'd still compliment them. I looked at how our labour force got along between 1964 and 1971 and I found it didn't grow by 80,000 nor 70 nor 60, nor 50,000 nor 40 nor 30 nor 20, nor even 10,000; indeed in seven long years, the long lean gaunt Liberal years, the numbers of jobs grew by about 5,000. Not 80,000 in four years, but 5,000 in seven years!

The Speech from the Throne gives the facts about the last three years. In October 1971 the Saskatchewan work force was 347,000, in October 1974 it was 379,000 - 29,000 in three years.

Soon the people of Saskatchewan will have an opportunity to judge whether they want some more jobs or some more Liberal promises.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — They know whether they want some of these promised 80,000 jobs or just some good solid jobs like the 25,000 that have been created, 25,000 in three years, five times the Liberal performance in about half the time. Working people will know that these jobs mean opportunities and pay cheques and that the Liberal promises buy nothing but despair.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Mr. Speaker, times does not permit me to deal with some other items which I should very much have liked to deal with, the Steuart promise with respect to student scholarships . . .

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — I'll lay that one aside. I know you'll want to hear this one about the Steuart promise with respect to small hospitals. I know you'll want to hear that, because we've got a new word in the vocabulary of public life in Saskatchewan, there is a commitment and the 'Steuart commitment' and there is a promise and the 'Steuart promise' and they must be very, very carefully distinguished - because in 1964 in the election campaign the Liberals promised that no small hospitals would be closed. Then in 1965 the present Leader of the Opposition went on to say:

I don't think the Government has the moral right to use the power of the Saskatchewan Hospital Services Plan to force these hospitals to close.

Bow less than four years later, despite that promise, the Liberal Government arbitrarily closed 11 small hospitals, in Prelate, Qu'Appelle, Willowbunch, Frontier, Hodgeville, Leroy, Neudorf, Maryfield, Lashburn, Mossbank, Quill Lake. According to D.G. Steuart they didn't have the moral right to close these hospitals but they did just the same.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — They did it in December of 1967 after promising not to do it in 1964 and 1965 and 1966 and 1967. Here's what they said in September of 1967 during the election campaign, Star-Phoenix, September 30, 1967, Deputy Premier Steuart:

We said to the smaller communities that they could keep their hospitals.

"We said to the smaller communities they could keep their hospitals," September 30! There was an election in October and by December, less than three months later hospitals in Prelate, Qu'Appelle,

December 4, 1974

Willowbunch, Frontier, Hodgeville, Leroy and others had been told by the Liberals they had to close their doors. Close their doors with no alternative service offered to these smaller communities. Contrast that arbitrary action on the part of the former Liberal Government with the performance of this Government.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — I don't wonder that he would be upset. Since 1971 this Government has established community health and social centres in several communities, indeed in seven of those same communities in Willowbunch, Hodgeville, Leroy, Neudorf, Maryfield, Mossbank and Quill Lake.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Members opposite when they were in the Government said, "Close your hospitals there's nothing for you," and we said, "there are health and social centres for you if you live in Willowbunch and Hodgeville and Leroy and Neudorf and Maryfield and Mossbank and Quill Lake." And the community health and social centre is a community-based, community co-ordinated service. It provides out-patient services, 24-hour emergency home care and more important it goes a long way to helping them keep their doctor.

As a measure of success of these very new and innovative measures the communities of Delisle and Zenon Park when they found they couldn't maintain their hospitals have decided to switch to community service centres. Other communities are also in the process of developing such a program.

Liberals promised in 1964 that they would not close small hospitals, they promised it again in 1967, they broke that promise. That was a Steuart promise and they arbitrarily closed 11 small hospitals!

During our first term of office we've moved to remedy that lack of concern. We've assisted nine communities to open health and social centres. We believe that this offer to communities in rural Saskatchewan who cannot support a hospital or who have had their hospital arbitrarily closed, an alternative. From Liberals our citizens received yet another promise made, promise-broken performance. From our Government, Mr. Speaker, the citizens in our small communities received the kind of positive action designed to keep smaller Saskatchewan communities as good places to live.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — We recently announced and I know the Minister of Health (Mr. Smishek) will be dealing with this more fully that there will be new facilities in Elrose and Climax and Lampman with the same object in mind. People in smaller communities know that NDP action helps them keep their health facilities and they know that Liberal promises do not.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Mr. Speaker, I just want to touch on one or two other topics briefly.

In recent days there have been some comments directed at Saskatchewan by federal officials, comments in my judgment designed to intimidate. Federal Cabinet Ministers have been asserting that they will tax provincial Crown Corporations. An interesting proposition.

I don't want to deal with the legal aspects of it now, but I simply want to make this rather obvious point. Don't let anyone mislead you into believing that the Federal Government is primarily interested in taxing provincial Crown Corporations, far from it. They are interested in intimidating provinces to leaving resource exploitation in private hands.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — They are simply saying to the people of Saskatchewan, you must leave those resources to the multinational corporations. You cannot develop those resources yourselves. You, in Saskatchewan, you may think you own those resources, but in Ottawa we intend to tell you, not only what they can be sold for, not only what royalties you can charge, but who may develop them.

This is not a matter of getting more money for Ottawa from our resources, it's a clear attempt by Ottawa to take over total control and management of our resources. To see that exploitation of our resources stays safely in the hands of the multinational corporations.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — We have in the past two decades, we in Saskatchewan and we in Canada, seen the results of these policies and I say they are unacceptable. Saskatchewan people insist on their right to see that our resources are developed for the benefit at the people of Saskatchewan. They insist on that principle and they are ready to fight for that principle.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Mr. Speaker, I have dwelt in detail with many of the items raised in the Speech from the Throne. I've turned to the Opposition amendment, I've noted that part of the amendment has claimed that our Government has not provided leadership or acted in any way to cope with the problems facing Saskatchewan. I've contrasted our record of leadership and action with the sorry record of the Liberal Party during their seven years of office in Saskatchewan. I might have contrasted the record of the Liberal Party in Ottawa - for Saskatchewan people Liberal years mean, on the record, an erosion of the Wheat Board and orderly marketing.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — An erosion of the power of farmers to compete with the international grain giants.

December 4, 1974

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — A continuation of discrimination on freight rates.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — A continuation of the threat to bring in the whole Task Force approach to developing rural society.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — And now Liberal years mean a federal grab for provincial resources.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Provincial Liberal years mean, on the record, an assault on our health plans, no protection for working people, sky-rocketing municipal taxes, lower standards in education and a giveaway of our resources.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Mr. Speaker, the Opposition says we haven't acted and I agree we haven't acted the way they would have acted and we make no apology for that, but we've acted to defend the Wheat Board and we are proud of that.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — We've acted to go fight for lower freight rates and we're proud of that!

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — We've acted to attack the whole Task Force concept of rural Saskatchewan and we're proud of that.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — We've acted to preserve and improve our health plans, we've acted to protect working people with better wages and working conditions, we've acted to cut property taxes to 25 mills, Liberals said it couldn't be done, we've done it and we have acted.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Above all, Mr. Speaker, we've acted to stop the resource give-away and to see that Saskatchewan people get a fair return from their resources. We have acted to see that the value of our resources, the benefits from our resources, flows not only to Toronto and not only to New York, but to some people here in Saskatchewan.



**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — The Liberals in Ottawa don't like that. The Liberals in Regina don't like that, but I say the people of Saskatchewan like that.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — I say that when the people of Saskatchewan are asked to choose between the Liberal resource give-away policies which benefit the multinational giants or New Democratic resource policies which benefit the people of Saskatchewan, they will choose Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — Mr. Speaker, I too choose Saskatchewan and that's why I oppose the amendment and support the Motion.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. D.G. STEUART** (Leader of the Opposition): — Mr. Speaker, just one moment. I wonder if the Premier would table the correspondence from which he quoted, from the Prime Minister and he quoted from his own correspondence, would he table all the correspondence?

**MR. BLAKENEY:** — I would be delighted to, it's been tabled in the House of Commons and I would be delighted to table it here.

**MR. M. FEDUNIAK** (Turtleford): — Mr. Speaker, it is indeed a pleasure for me to have this opportunity again to participate in this Throne Speech Debate.

First of all, I should like to begin in congratulating the mover and the seconder for a job very well done. I am sure that in their addresses they have both expressed many of the facts the people of Saskatchewan are pleased with.

Mr. Speaker, before I comment on the present and future economic conditions in our province I should like to revert back to the dismal state and deplorable conditions that the Province of Saskatchewan was in under the Liberal administration prior to the June 23rd, 1971 election.

On that great day the people of Saskatchewan rejected the Liberals in no uncertain terms. That is the reason why you see only the remnants of the Liberals left in this House.

The programs that our NDP Government promised and carried out has recovered the economic and living conditions in our province. Our province's future looks very bright. Mr. Speaker, the only dark clouds that are appearing are coming from the Liberals in Ottawa. In their new Budget they are imposing a tax on our natural resources, which has never been heard of before and is not in the Canadian constitution. Mr. Speaker, the provincial Liberals are in agreement with this action, they

December 4, 1974

are against the people of our province. The Liberals in Saskatchewan are in full support with the federal Liberals in taxing our non-renewable natural resources which rightfully belong to the people of Saskatchewan.

Mr. Speaker, practically all the programs we promised have been fulfilled, many more important programs have been added. All these programs have assisted and are being enjoyed by all our residents in our province.

Mr. Speaker, I will not repeat the many good programs already implemented and in effect. I should like to mention a few of the recent and current programs which will be very welcome by our citizens here, both in helping our people in providing more services, more jobs, more opportunities and prosperity for all.

Mr. Speaker, in the field of agriculture, three new veterinary clinics were opened in Saskatchewan, one in Carnduff, one in Redvers and one in Mankota. These units involve about \$82,000 invested in each. Our government grants were \$25,000 in each case. Livestock production is an important part of a diversified agricultural industry in Saskatchewan and requires a firm commitment to expand veterinary Services. These three recent additional clinics will greatly assist many livestock producers in their operations and add to their profits and successes.

Mr. Speaker, another new program is by the Saskatchewan Milk Control Board introducing a fluid milk pooling to provide all dairy producers an equal return for fluid milk which meets fluid milk standards. The Board has appointed the Saskatchewan Dairy Products Co-operative Limited to act as sole purchaser of all raw milk in the province. Another program available to between 600 and 700 dairy producers in Saskatchewan will be encouraged and have an opportunity to enter the Dairy Herd Improvement Program of the Department of Agriculture. This program will assist producers with feeding programs, housing, breeding, selection and culling.

Mr. Speaker, our Government of Saskatchewan will be providing grants to the 4-H programs in Saskatchewan. I believe this program has provided a significant contribution and guidance for young people. This program is very vital to develop high standards in the livestock industry which is very important to our economy.

Mr. Speaker, perhaps the most important one is the cow-calf cash advance program. This program should have been the responsibility of our Liberal Federal Government but they are not concerned about the difficulties the livestock producers are confronted with this fall, having to sell prime stock at prices below the cost of production. To save our producers who were at the mercy of this situation and were forced to sell the cow-calf cash advance program is available to all bonafide livestock producers in the amount of \$75 per calf on a maximum of 80 calves per producer with a maximum amount of \$6,000 per producer. There are also additional limits to apply to partnership operations and co-operatives.

Mr. Speaker, I was pleased to see that our Minister of Agriculture (Mr. Messer) attended the World Food Conference in Rome recently to express our concern and press a proposal that other types of foodstuffs in addition to grain be sent to the underdeveloped and starving countries.

While dealing with agriculture I note that because we are concerned, our Minister of Consumer Affairs (Mr. Tchorzewski) urged the Federal Liberal Government to take quick action to conduct an inquiry into all aspects of the meat marketing industry.

It is alarming and sad to see our Liberal Federal Government allowing the destruction of our young livestock and the rotting of millions of dozens of eggs in Canada this year because of overproduction, and the consumers have to pay exorbitant high prices for the meats they buy over the counter. Mr. Speaker, if Mr. Steuart is so concerned about the famine in the hungry world why didn't his Government in Ottawa send the surplus food to the starving nations rather than waste it?

Mr. Speaker, in the field of Industry and Commerce I am pleased to report that since we took office there has been a remarkable increase in new and expanding projects in Saskatchewan.

I shall give you an authentic record. We have 75 new projects and 79 expansion projects which involves \$79,026,000. It created 3,996 new jobs. During the seven lean years of Liberal rule they acquired only one project but they paid millions of dollars to bring it in to exploit the natural resources which belong to the people of Saskatchewan.

In the Mineral Resources Department for the fiscal year March 1, 1973 to March 1, 1974 the Report shows the value of production to be \$533,608,300. The industry yielded \$58,673,397 to this department. The Liberals say that we are not doing anything - quite a contrast from their seven lean years.

The new potash policy introduced by our Mineral Resources Minister (Mr. Cowley) effective July 1, 1974, will produce about \$87 million in revenue for the province in 1975. The major feature of this new potash policy will be a reserve tax. In the year ending June 30, 1974 potash tonnage sold from Saskatchewan grew by 36 per cent over the previous year, while the value of sales rose by 59 per cent. The outlook for the current year is even more promising.

It has been announced by our Minister in charge that SaskOil has reached an agreement with a Calgary based company's interest held by Canada Northwest Land Limited, all whose producing properties in Saskatchewan involve 37 oil wells. This purchase is part of our ongoing program of purchasing producing properties and will give Saskatchewan an immediate cash flow and a good return on its investment over a period of time.

Mr. Speaker, we are pleased with a recent Judge Hughes decision in the Saskatchewan Court of Queen's Bench upholding the validity of Bill 42 because the Provincial Government has always maintained that its natural resources are within the jurisdiction of the province according to the Canadian constitution. Mr. Speaker, the Liberals across to your left do not agree with Bill 42 as they do not agree with the Canadian constitution.

Mr. Speaker, now the Liberals in Saskatchewan and Ottawa decided to break this law. The legislation in Bill 42 was implemented in the last session and was in accordance with the Canadian constitution it was designed to conserve our resources and obtain a fair return for the people of this province and restrict exploitation of our resources.

December 4, 1974

Mr. Speaker, I should like to say a word about the new Department of Northern Saskatchewan. This Department is no doubt very difficult to administer with its many complexities such as the vast area, the long distances with very limited means of communications in transportation. But with our very able Minister of Northern Saskatchewan great achievements have been made in every field.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. FEDUNIAK:** — Airfields, public utilities, public buildings, housing, sewage and water installations and education, participation of the native people in as many projects as possible, privileges in their own decision making. The latest is the announcement of two sawmills - one for Carrot River at the cost of \$4.25 million. This complex will include a dry kiln saw mill and planer mill capacity of 30 million board feet a day. It will create 130 new jobs in the mill year round and 140 in the harvesting operation. The other complex will be at Big River. I assume it will replace that ill-fated one which was dropped there by the Liberals.

The third project will be built in Prince Albert. A treatment plant designed to treat fence posts, telephone poles, power poles, bridge timbers, piling and construction material such as lumber and plywood. The plant will have two treating cylinders each eight feet in diameter and 105 feet long allowing treatment of the longest required telephone and power poles. It will also have a dry kiln for drying materials prior to treating. An energex system will be used to convert waste materials such as bark and sawdust into steam for use in the treating process, thus, utilizing every part of a tree without any waste.

In the Department of Education, our Minister (Mr. MacMurchy) indicates that only a small minority of Saskatchewan university and technical school graduates are leaving the province to find jobs. The following table indicates the percentage of Saskatchewan graduates working in Saskatchewan: — Veterinarians - almost 100 per cent are working in Saskatchewan; nursing graduates - have their choice of jobs anywhere in the province; clinical laboratory and X-ray technicians - 93 per cent found positions here last spring; dentists - 90 per cent of the graduating class found positions in the province; lawyers and pharmacists - almost two-thirds are staying here and finding openings; library technicians, dental assistants, machinists, commercial cooks and secretarial science graduates - 100 per cent employed in the province; recreation technology students - 84 per cent of the 1974 graduating class employed; welfare worker graduates, auto body repair workers, stationary engineers, mechanics and carpenters - more than 90 per cent are employed in Saskatchewan; accounting staff, surveyors and administration graduates - employed in Saskatchewan over 80 per cent.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. FEDUNIAK:** — Mr. Speaker, the Liberals say we do not have any training programs - better pull your heads out of the sand and see what is really taking place in Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. FEDUNIAK:** — A new agricultural studies

program was announced by our Minister of Education (Mr. MacMurchy) which will commence in Saskatchewan high school in September 1975. Some areas of study in this new program include local agriculture, consumer affairs, farm business management, animal science, soil science, mechanics, Saskatchewan land resources, Saskatchewan horticulture, Saskatchewan crops and environmental management.

Mr. Speaker, another new venture introduced by our Government, the Saskatchewan Development Fund, which was strongly opposed by the Liberal Members here when it was implemented has proven to be a very good one. The net asset value per share remained at \$5 and the yield of the fund expressed in annual terms was approximately 11.5 per cent. Here is an opportunity for Saskatchewan residents to invest in a low risk investment fund.

Mr. Speaker, I am indeed happy that a request of many has been considered when the Finance Minister announced an increase in commissions for vehicle license issuers. This will certainly help to maintain and strengthen the rural communities.

Mr. Speaker, it is very satisfying to know that the new programs in our Department of Social Services is producing such remarkable results - The Family Income Plan. The number of people on social assistance in Saskatchewan has dropped by 5,873 since January to September this year.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. FEDUNIAK:** — In the Department of Northern Saskatchewan social -assistance dropped from 4,092 to 2,929 or 1,163 in the same period.

Mr. Speaker, the Liberals are saying that we are not doing anything. What did they do? What kind of a record did they have? The greatest increase of welfare recipients took place during their administration, in the seven Liberal lean years.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. FEDUNIAK:** — Mr. Speaker, it is regrettable to learn that the Federal Liberal Government has cut off funds for the assisted Home Ownership program. This means a loss of some \$12 million to Saskatchewan. This fund is a joint federal-provincial program which provides assistance to families of low and moderate income to enable them to acquire new homes. Again, Liberals against poor people.

Mr. Speaker, I am sure that the residents of Saskatchewan appreciate the Property Improvement Grants - \$24.9 million was paid out as of October 31, 1974, to 177,651 applicants.

Mr. Speaker, I should like to say a few words about the action moved by the Leader of the Opposition urging our Government of Saskatchewan to make potash available to countries which are experiencing food shortages and starvation.

It is a pity that a Leader of the Liberal Party does not know that this request should be directed to his Liberal friends in Ottawa who have the power and jurisdiction to deal with this important situation at once.

December 4, 1974

Mr. Speaker, I ask the Hon. Member why is it that hunger, poverty and starvation takes place in countries which have free enterprise capitalistic Liberal Governments? May I inform the House that a country like China with the largest population in the world has for years, lost millions of people due to poverty and starvation. Since the Government changed in China and the population increased to 850 million people, you do not hear of any starvation there.

Take India today with a much smaller population, with about the same size and with tremendous resources and possibilities, and a Liberal Government, are faced with millions of their people begging and thousands starving.

Mr. Speaker, I just had an opportunity of visiting a part of Africa a month ago. I saw some conditions that do not make sense to me. Women washing clothes in the sea and rivers using the stones for their washboards, and spreading their laundry flat on the sand or ground, anchored down with stones, to hold them down while drying in the sun.

I saw children and women with babies on their backs and men begging in the streets. In contrast, I saw the rich with the elaborate estates and riches. I saw two dog cemeteries where the rich bury their favourite dogs with expensive marble and granite monuments on them.

These conditions exist in a country which is very productive. Two and in some cases three crops can be harvested-annually. In the midst of all these riches, poverty thrives. Liberal Government again.

It is quoted that Haile Selassie of Ethiopia is worth \$15 billion, most of his assets are in Switzerland. Mr. Speaker, because his assets got so big is it any wonder or surprise that he neglected his job and his people. This year, thousands of people in Ethiopia starved and are still starving. From the reports I received I find that the main reason for the starvation in Ethiopia was the lack of water supply.

**MR. LANE:** — No potash!

**MR. FEDUNIAK:** — You better stick a bale of hay in your mouth!

**SOME HON. MEMBERS:** — Hear, hear!

**MR. FEDUNIAK:** — Yet, Mr. Speaker, water could have been available if the government would have taken some action and drilled some wells because the water is there. Mr. Speaker, think, \$15 billion dollars: — How many community wells could have been produced if Haile Selassie had given up \$1 million and saved the thousands of his people? The Leader of the Opposition says we should send some potash over. Mr. Speaker, I'm afraid this would be too late. I say, get rid of the Liberals in Ethiopia and we will save the people, not only there but all over the world.

Mr. Speaker, it seems to me that free enterprise, unemployment, poverty, starvation and Liberals go hand in hand every time all over the world.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. FEDUNIAK:** — Mr. Speaker, the Resolution put forth by the Member from Moosomin to provide an immediate option for farmers in Saskatchewan to purchase land presently held by the Land Bank - this one really takes the cake. The small percentage of land owned by the Land Bank in reality to the people of Saskatchewan does not restrict anyone buying land from anybody who offers his land for sale.

If the Hon. Member really believes what he is saying then he should be demanding that all the lands owned by the American speculators in Saskatchewan be made available for purchase to the Saskatchewan residents.

Mr. Speaker, I will be opposing the amendment, I will support the main Motion.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. H. OWENS (Elrose):** — Mr. Speaker, it is a privilege to take part in this Throne Speech Debate of the Fifth Session of the Seventeenth Legislature.

I congratulate the mover, the Member from Nipawin (Mr. Comer) and the seconder, the Member from Hanley (Mr. Mostoway) for so ably upholding the tradition of setting a high tone for the debate, which in all probability, could be the last one for this Legislature. They have amply proven their capability as orators and deserve the honour and respect of this Assembly.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. OWENS:** — The constituents of Nipawin and Hanley chose well when they elected these Members to represent them in this Legislature.

At this time, Mr. Speaker, I should like to make a short report to the Elrose constituents, the area I have the privilege to represent. Although no major projects have been undertaken, there has been considerable activity in minor programs. The winter works program has been used quite extensively and in so doing has provided many hours of labour resulting in community improvements that would otherwise have not been possible. The unconditional grant along with the Community Capital Fund has been very favourably received. These funds will assist in holding the mill rates down and provide for a substantial capital works program.

Most of the towns and villages have taken advantage of the Open Roads and MainStreet programs providing dust free access to the community and its services. Some of the larger centres have extended the street oiling to a major portion of the residential area for the benefit and enjoyment of the residents.

The town of Elrose attained prominence in the news during the past couple of years by being one of the three centres in Saskatchewan that was a part of the study of the rural hospitals committee chaired by Judge E.N. Hughes. The final outcome of the study, although not a definite recommendation of the Committee Report, will be the construction of a new hospital facility in Elrose, to be built in conjunction with the Golden Years Lodge Senior Citizens Residence. This will be a new

December 4, 1974

approach in the provision of health services in a new type of facility. Plans have not been completed as yet. The Government through the Department of Health will be providing the usual grant for this project. Here is an instance where the Government is taking positive action to retain the viability of a small town community.

The town of Elrose suffered the misfortune of losing its skating and curling rink complex by fire. Artificial ice equipment had only recently been installed and the service areas completely renovated. The total community, rural and urban are frantically working together to provide a replacement. Tentative plans are for a recreation complex to include skating and curling rinks and swimming pool. Assistance from senior government programs will be sought to ease the burden of financing the construction of the complex.

Highway improvement projects slated for 1974 season did not materialize as planned due to weather conditions and shortages of labour. Three contracts were tendered, namely: — resurfacing of Highway No. 44 from Snipe Lake to Plato and No. 30 from Eston to Brock (one contract); construction of No. 44 from No. 4 east to Forgan; and oiling No. 342 from Clearwater Lake to Beechy. The first two projects were not started while Highway No. 342 lacks a few miles of surfacing. All projects will be on stream for the 1975 season. Construction and oiling of the road from Highway No. 42 to Coldwell Park provides easy access to this popular family picnic park. Coldwell Park was donated to the Provincial Government by its owner, an early settler in the Macrorie district, Mr. Kvalle, a number of years ago as a memorial to Mr. Coldwell, with the understanding it remain in its native state. This park is a very fine memorial for a highly esteemed gentleman. It is located in the constituency Mr. Coldwell so ably represented for so many years as Member of Parliament.

Elrose constituency has suffered from major surgery resulting from the recommendations of the Independent Boundaries Commission. I firmly believe the adjustments will benefit the areas most affected, Rosetown-Elrose and Kindersley. It has been a privilege serving Elrose constituents and I thank them for the opportunity.

The Throne Speech outlining the Government's plans for this Session of the Legislature forecasts a continuation of a vigorous and active program designed to further enhance the livelihood and life style of the people of Saskatchewan. A continuing program, Mr. Speaker, tied to the 1971 New Deal For People that has been virtually completed.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. OWENS:** — Completed in spite of the determined effort of the Opposition to thwart its implementation. How often have we heard this cry, "It cannot be done!" over the years and how wrong they have been proven by CCF and NDP Governments who demonstrated their superior foresight, judgment and integrity and provided services of tremendous importance and benefit not only to Saskatchewan but to all Canada. These progressive programs and policies were never heard of a few short years ago. Programs are now enjoyed by Saskatchewan citizens, in fact taken for granted by many citizens as their inherent right, that would never have been our good fortune under old line party administration. Yes, Mr. Speaker, in spite of organized opposition from



not only the Saskatchewan Liberal Party and Members of the Liberal caucus opposite and their federal counterparts, but also from huge corporations and private industry from coast to coast and in some cases outside Canadian borders, social programs have been introduced that enhance the standard of living for Saskatchewan residents. Canadians living in many provinces in Canada are deprived of these programs mainly because their legislatures are dominated by big business interests.

Mr. Speaker, it was only by the dogged, determined efforts of great humanitarian, socialist statesmen, leaders of dedicated, demanding reformists that has caused a few pieces of socialist legislation to be written into the federal statutes. How much good fortune we have enjoyed in Saskatchewan where successive CCF and NDP governments have, since 1944 favoured us with socialist policies designed for the benefit of the people. Yes, we did digress for seven years under a Liberal administration, however, Mr. Speaker, thanks to the progressive policies and programs of past and present CCF and NDP governments we here in Saskatchewan have pioneered in social legislation in many and various departments and are enjoying some of life's amenities that would otherwise have been the preserve of a privileged few.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. OWENS:** — May I for a moment slip back a few years and mention a couple of outstanding examples.

Saskatchewan Power according to Liberals of the day should never have happened. When I consider the constituency of Elrose, and it is similar to all other areas of Saskatchewan, I cannot comprehend what kind of a life style the people would have to endure without Saskatchewan Power's distribution system, making electrical power available to everyone and natural gas to almost every urban centre. Most certainly, Mr. Speaker, private enterprise would never have undertaken such a task for the benefit and welfare of the people at a price they could afford.

Mr. Speaker, in the provision of health services, how can one measure the success of a program that has been so overwhelmingly accepted, that has eased the burden of financial strain and mental stress at a crucial time.

Mr. Speaker, our government has pioneered in health legislation and we are continuing to do so. Our health program is the envy of every province in Canada and every state in the USA, providing practically total health care at no direct cost to the patient. A few short years ago the government of the day decreed that a patient's health would improve more rapidly if the sick person shared in the cost of the service. Deterrent fees were an added bonus for becoming sick and requiring hospital or medical care.

Mr. Speaker, that infamous fee was abolished shortly after June 23, 1971. For the benefit of the elderly, those over 65 years the hospital and medicare premiums were abolished on January 1, 1972, and on January 1, 1974, were abolished for all eligible Saskatchewan citizens. Medical coverage has been broadened considerably by including such procedures as chiropractic services, a dental program for children, the provision of hearing aids at cost and will in the near future provide a formulary of prescription drugs at greatly reduced prices.

December 4, 1974

The amending, by this Government, of The Mental Health Act on August 1, 1971, restored the provision to exempt the estates of deceased mental patients for care received in a mental institution. I say restored, Mr. Speaker, because this exemption existed prior to April 15, 1968. At that time the then Liberal Government removed this exemption, much to their shame, which caused severe stress and financial problems to the families of the unfortunate patient.

Mr. Speaker, the record of this Government in the provision of health services cannot be matched by any administration anywhere.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. OWENS:** — This record amply proves the concern of this Government for the health care of Saskatchewan people. This Government will continue to show its concern until total health care is available to every citizen regardless of his ability to pay.

Closely associated with the provision of health services by the Department of Health is the Social Services Department providing a host of services for the less fortunate members of our society. We, as a society, accept the providing of services to the sick and ailing without reservation, although we are concerned about the ever increasing drain on our budgets. However, we are prone to criticize the providing of similar services to those unfortunate individuals, who, for reasons beyond their control, are unable to care for themselves, but who are in many cases, most deserving, still do not need hospitalization type of care.

Mr. Speaker, I am proud of the record of the Department of Social Services. The extension and expansion of earlier programs has been enhanced by the provision of many new programs and innovative improvements in others since 1971.

New programs such as child care, family planning the Family Income plan, the Employment Support program and the Core Services program are all aimed at making living more pleasant for those needing this service and care.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. OWENS:** — We hear, occasionally, charges of abuse in the Social Services programs. Very few rumoured cases of abuse are actually found to be factual. Mr. Speaker, the Social Services Department is concerned about the individual, the family and society. That concern is shown in action. Action resulting in more satisfying living for a large number of Saskatchewan's less fortunate people.

Mr. Speaker, the Throne Speech promises more action in many areas for the betterment of our society. I refer specifically to the needs of senior citizens, policies regarding the status of women and matrimonial property, to mention only three of the many areas. It is my hope that during this Session many of the problems that affect many people in Saskatchewan such as home building, senior citizens' accommodation, will receive priority consideration and see action taken by this Legislature.

The majority of the people of Saskatchewan are elated to know that our government has firmly and positively moved into the resource development field, even though it is a joint venture base, in some instances. They now feel assured that policies of development and conservation will be carried on in the best interests of the citizens of our province.

Mr. Speaker, I will not elaborate, at this time, on our government's policies and programs for agriculture. However, a question from the Opposition pertaining to the Matador Co-op farm deal prompts me to make a short statement.

The Matador and the Beechy Co-op farms are both situated in the Elrose constituency. They have both been sold, Matador to the Saskatchewan Land Bank and Beechy to a private interest. The two communities involved are responding in completely different manners. In the Matador area, the general public, or maybe I should say the other residents, are most happy to know that younger men and women will be moving in to take the place of the retiring members. It is quite probable there will be a larger number of people living on the farm than was the case before the farm was sold. The community has and will continue to profit as a result of this transaction.

In the Beechy area the opposite is true. The farm will be operated by a manager-owner with the help of a few hired men. The loss to the community will be eight to ten families. I leave it to you to judge, which was the better deal.

Just to set the record straight for the enlightenment of the Members opposite, Mr. Speaker, the Matador Co-op farm was not forced or coerced into selling to the Land Bank Commission. The original Matador Co-op farm members put their loyalty to co-operative principles and practices ahead of benefits to their pocket books.

Mr. Speaker, I voice my concern about the recent Federal Budget and the impact it may have on the people of Saskatchewan. Although many people have indicated in one way or another their fears, I feel it is our responsibility, as legislators, to alert the rank and file of our people of the implications of this Budget on the future of Saskatchewan, on our future now and our children's future in years to come. Too many people do not seriously consider the actions of governments until it is too late. I ask you, Mr. Speaker, are Saskatchewan's people prepared to sit back and allow the Federal Government to take control over our natural resources without stating, very emphatically stating, their opposition to such a move? Are we going to allow this sort of action without a conflict? Our Premier has very outspokenly let our stand be known. I support him, all the way.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. OWENS:** — I urge all people to rally behind him and save our province from the shambles Ottawa would shove us into. This is a serious matter. The Throne Speech reads in part:

. . . By undermining the relationships which have existed between federal and provincial governments for decades, it has set government against government, and region against region and in so doing has weakened the fabric of Confederation.

December 4, 1974

Mr. Speaker, this appears to be a David and Goliath battle, remember David won that one. With the support of our people we can win this one. I feel confident we will have their support, providing they fully understand our position.

Mr. Speaker, several other federal policies have devastating undertones for our agricultural industry and how well we know that any policy that affects agriculture most surely affects all other sectors of our economy. I refer specifically to the Crow Nest freight rates, lifting the freeze on freight rates, rail line abandonment, feed grains policy and inland grain terminals. All of these policies integrate one with another to the detriment of farmers, in particular, by having a direct bearing on their income. The major farmer organizations of Saskatchewan and western Canada have issued strong statements in opposition to these policies with apparently no avail. The leaders of our western provincial governments have tried and are continuously trying to persuade their Ottawa counterparts of the devastating effect such policies would have on the West, especially Saskatchewan. We are witnessing, Mr. Speaker, the actions and the attitudes of a true Liberal Government. With their smug majority in Ottawa they can no longer contain their arrogance. Western Canada has not been fertile ground for national Liberals, therefore we must be penalized for our lack of support. Saskatchewan will bear the major brunt of these devastating policies.

Mr. Speaker, the eastern bosses, big business, are seeking their pound of flesh.

Mr. Speaker, I am proud and happy to support the Motion. I cannot support the amendment.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. A.R. GUY** (Athabasca): — Mr. Speaker, first of all I only have one comment about my friend who just took his seat and that was about the battle of David and Goliath, and he said David won it last time and I say David's going to win it the next time.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. GUY:** — It's a privilege to participate in this debate which is probably going to be the last one before a general election. Mind you, after listening to the speeches of the Members opposite and particularly the Premier today I'm not sure we'll ever have another election. I'm not sure they're not going to follow the pattern that their friends have followed in countries east of the iron curtain, where if you haven't got any policies and you haven't got any program you don't have any election, because I'll tell you when you look at the Throne Speech and you listen to the mover and the seconder and above all you listen to the Premier today, I don't know why they would ever want an election because there is nothing in the Throne Speech that would ever take you into an election campaign.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. GUY:** — Today I want to make a few general comments about the election and about the Premier's speech and I hope he leaves because I know he won't be able to take it, but tomorrow I want

to go into more detail about the comments that the Premier made today after I've had time to analyse it. And believe you me it's going to take a lot of time to analyse it because if there was ever confusion rampant in the Legislature today it had to be in the speech of the Premier of this province.

You know, I remember back to the days of 1960 to 1964 when I first came into this Legislature and the galleries were full when the Premier spoke and well they should be, he's the first Minister of the province. They were full when Tommy Douglas spoke and from 1964 to 1971 the galleries were full when the late Premier Thatcher spoke and for the first couple of years of Premier Blakeney the galleries were full when he spoke. Did you look around today? There wasn't anybody in the east gallery except three or four, and after the students left the Speaker's Gallery there were three or four and then you looked up into the west gallery behind me, there were maybe twenty or thirty civil servants who wanted to hide from the Opposition, but they had to come in because their master told them to come. I'll tell you that's a sign of defeat for our friends opposite, that's a sign of defeat for them when not even the people that support their own party will come out and listen to their leader any more. After listening to his speech today, is it any wonder. He confused more people today than he satisfied with his answers as to how he's negotiating with Ottawa.

I was interested in the speech from my friend for, I think, it's Turtleford (Mr. Feduniak) and there's no question that it had to be written over in Morocco when he was over there with his friend because any speech that was written here in Saskatchewan wouldn't deal completely with Tunisia, Ethiopia and Indonesia.

**MR. FEDUNIAK:** — Probably you never heard of those places.

**MR. GUY:** — No, I'll tell you, they change a lot but I'll tell you one statement he made that surprised me. He said Saskatchewan has made a good deal through SaskOil, they have bought 17 producing oil wells from an Alberta firm. Well there's no way you would get them from a Saskatchewan firm because they have all left the province.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. GUY:** — I want to ask you, what contribution to jobs and development has purchasing producing oil wells in Alberta done? Why don't they get out and produce some oil wells of their own? I'll tell you why; they haven't got the expertise, the manager of the corporation, the cousin of our Minister, still living in Calgary, he couldn't produce an oil well in the middle of the Athabasca oil sands.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. GUY:** — As I said this was a most extraordinary day with the empty galleries and the Premier speaking.

I should like to say just one or two words about the Premier's speech today and I'll have a lot more to say about it tomorrow. Like the mover and the seconder he lived in the past.

December 4, 1974

He didn't provide any hope for the future of Saskatchewan. You know, we could have saved an hour and forty-five minutes today by just giving the people of Saskatchewan the Debates and Proceedings from last year because it's the same old speech. Twenty minutes on the Wheat Board. I went to last year a Debates and Proceedings to see whether he had anything new to say and I found on page 102 Mr. Blakeney opening the Throne Speech last year and he said, "The Wheat Board as a matter of fact was put in by the Conservative Government between 1930 and '35." When did you hear that last? You heard it about an hour and a half ago. Great new program for the people of Saskatchewan. The only thing that is different is that he is a day earlier. Today it is December 3rd and last year it was December 4th. Then he went on and he said, "I did a little research on the Wheat Board and I want to tell some people about it today." Well he did that again a year later and if he thinks he's going to win any votes on that, if that's the only thing he's got to talk about when we've got inflation and unemployment and people who need help and we've got school teachers, like the Member for Saskatoon (Mr. Rolfes) who's hanging on to his job barely because they feel sorry for him and they know that after next June, he's going to be back permanently. There's the Premiers speech of today. They could have picked up the Debates and Proceedings of last year and read the whole thing. There was nothing new.

I think the people of Saskatchewan wanted to know what you are going to do in the next election campaign, but it's obvious you are tired, you're worn out, you have got no new ideas. The old rut.

I thought it was kind of interesting some of the comments he made on the equalization payments to Saskatchewan. One week ago Premier Blakeney said, "I am adamant that the agreement with the Federal Government was 100 per cent of the oil revenues would be excluded from equalization payments." Today he said, "Well I am not really sure what I said to Prime Minister Trudeau, I maybe didn't say all of it, maybe most of it, or maybe some of it, but not all of it."

**SOME HON. MEMBERS:** — Hear, hear!

**MR. GUY:** — Today he backed off. There is only one answer to the people of Saskatchewan for the whole speech that he made today, and I am going to dwell on it more tomorrow, and that is that he is completely incapable of dealing with Ottawa. He has not got the capabilities of dealing with the Federal Government either because his Ministers give him bad advice, which is probably possible when you look at who is in charge of Industry and Commerce and the oil industry.

**MR. BOLDT:** — Too many lawyers!

**MR. GUY:** — Maybe as my friend, Mr. Boldt says there are too many lawyers involved. What is most astounding since the Throne Speech was read last Thursday was that in the Speech, the speeches of the mover and the seconder, the Premier last night and today, the Member for Turtleford, the Member for Elrose, not once mentioned the word inflation. Not once. But I remember last spring, less than nine months ago every speaker on that side of the House said the problem facing Saskatchewan today was inflation. But not one of them has mentioned it.

Has inflation disappeared from the world scene? I don't think so. It may have been slowed down a little, but it certainly is one of the major problems facing Saskatchewan people, Canadian people and the world community at large. I am going to have a lot more to say about that tomorrow. I know why you didn't mention the word inflation today for the very people whom you were talking about saving from inflation you have failed. You didn't have the courage to put your money where your mouth was nine months ago. That is your problem.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. GUY:** — I am going to spell it out to the people of Saskatchewan tomorrow, why you did not mention inflation today.

**MR. FEDUNIAK:** — We will!

**MR. GUY:** — You had your chance, you're not going to get another chance in this debate and it is just as well, you blew it.

Then the Premier said today when he started his speech that the Liberals are opposed to making public who finances their political party. But I want to ask you, Mr. Speaker, they passed an elections Act last year and it took care of this particular issue of who finances political parties. And they proclaimed that Act. And what part of the Act did they fail to proclaim? One section has not been proclaimed yet and that is the section that says the political contributions must be acknowledged and must be made public. Why? They want to fill their purses from the unions, from the businessmen, from the breweries before they proclaim that Act. They want to get their revenue, they want to cut off the Liberal and Conservative and Social Credit parties from getting any revenues, but they haven't got the courage to proclaim it now until they fill their coffers so that they can take advantage of it during the next election campaign.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. GUY:** — Then he went on to marketing boards. He said, the Liberal Party is opposed to marketing boards. I will tell you we are opposed to marketing boards that are forced down the producers' throats like the Hog Marketing Commission. I will tell you that we are in favour of marketing boards that producers vote in favour of, because that is their right to decide whether they have a producer controlled marketing board. You don't believe that you want a government controlled marketing commission where you pull the strings and you hire the party backs to run that particular commission. Liberals believe in freedom to decide for themselves. But there is no freedom in the NDP.

Then you know, I was surprised that Mr. Blakeney opposed a foreign aid policy financed by Saskatchewan. If he believes that one government speaks for Canada outside of Canada, why did he waste the taxpayers' money by sending the Minister of Agriculture (Mr. Messer) over to Rome? Was that a free trip for the Minister of Agriculture because he blew the Foreign Ownership Bill, the Land Bank and many other programs?

December 4, 1974

**MR. STEUART:** — Why didn't he go to the meetings?

**MR. GUY:** — When he got there why didn't he go to the meetings? A very valid question.

Well, Mr. Speaker, I want to say before I go any further that this is probably going to be the last Session regardless of what happens in the next election, that we will have the privilege of you chairing this Assembly. I think this is unfortunate. I want to take this time to wish you well in your retirement. I have only one regret, that it was a retirement brought about by the Premier and the Party that you served so long and faithfully, rather than through your own volition.

The only thing I can say about the mover and the seconder and I don't have to say much because neither one of them is in his seat, is that they read their speeches well but they never referred to the Throne Speech. Why were they chosen? Because they are going to lose their seats. In Nipawin if the Liberals don't get them, Collver will, and in Saskatoon Centre there is no question that the Member is going to finish fourth.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. GUY:** — But I want to say both the mover and the seconder were very loose in some of the statements that they made in regard to NDP programs. I want to look at some of the statements made by the Member for Nipawin. He said we've got a drug plan in effect. Well, I haven't seen it yet. The only drug plan that I have heard about in the last few months in Saskatchewan has been in an increased number of drug addicts and pushers as shown not from the Department of Health but from the Police Department, as a result of the NDP policy of going soft on soft drugs. That's the only drug policy we have today in Saskatchewan. And then he said, you know, people all over Canada came to look at the dental plan. I'll tell you I had a few people from outside the province ask me about the dental plan and they said, what's so special about six year olds? I said, I don't know, they are six years old, they are starting school, I don't know. Why do you ask that question? He said, well why are you looking after six year olds and letting the teeth of every other age group from zero to seventy rot. I said that's a good question, ask the Government, that's their policy. One year out of a potential life expectancy of seventy in Saskatchewan and you pick one year to provide a dental program. And you call that progress.

Then he said, we stopped the concentration of land into fewer and fewer hands. Oh, how true. Now there's only one concentration of land, in the hand of the Government.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. GUY:** — Then he said FarmStart helped 1,800 farmers. I want to tell you that if you cut that 36-page application down to three you wouldn't have helped 1,800 farmers, you would have helped 3,600 farmers because they would have had time to fill out the application and get some of the assistance.



Then he said the Carrot River sawmill is now under construction. You know, this is debatable as is the Big River plant in Prince Albert. But you know when I heard about this \$12 million of taxpayers' money being spent before the election, I didn't know whether to cry or to laugh. I thought about crying because I thought about what was happening to the lumber industry in British Columbia and the rest of North America, it's going down the drain. The Premier doesn't care, it's not company money he is spending, it's taxpayers' money. Well, then I thought maybe I could laugh because this may be the same thing we heard about the pulp mill in 1952 and 1956 and 1960. That we were going to get it before the election, but after the election it disappears into thin air. And that's why I don't know whether to cry or laugh because I think either way the taxpayers of Saskatchewan are going to get hurt.

Then we had an Operation Open Road. I call it Operation Open Hole. It's never been worse, the money has been voted, it's never been spent. There has been excuse after excuse from the Minister of Highways why he couldn't do it. Well, I'll tell you one thing the Minister of Highways has got ideas. Remember two years ago he said, we need the military of Canada to build our roads for us, he said we can't do it ourselves.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. GUY:** — But then the other day he came up with a dandy. He said, you know what we need, we need the Federal Government to fly workers in from the Maritime provinces for two or three weeks, let them work on the roads and then send them back home. This was a great idea and I'm sure it's going to receive a very favourable response from the Federal Government. Never has a Minister in the history of this province been so irresponsible and yet he got \$21.2 million from the Federal Government to help him build the roads that he didn't have the ability to build.

You know, then we got the seconder of the Motion and he said, the NDP have done more than the people of Saskatchewan ever dreamed of. Oh, again how true. I'll tell you the people of Saskatchewan have three years of seeing a nightmare that they'll never forget. Government control, loss of land, individual rights gone down the drain of the power hungry NDP Government.

Then both the mover and the seconder referred to the many promises that were made and kept, I think it was 133 out of 139. But they didn't tell us that those that were kept were not always kept in the same form that they were promised. Listen to this one: — They promised that they were going to establish a producer controlled Hog Marketing Board - and what did we get? The Government controlled Hog Marketing Commission and the promise that it will be the same for the cattle producers. He said we sharply reduced property tax mill rates and what has happened? They have gone up every year. He said they would remove the sales tax on children's clothing, soaps and cleansers. They haven't even removed it off the soap let alone the children's clothing. They said they were going to eliminate government waste and mismanagement. This was a dandy! Three thousand more civil servants, 25 per cent more space in one year, 247 more cars, \$2,200 given to the Commonwealth, the NDP newspaper, and hundreds of thousands of dollars given to Service Printers and that is how you get away from political propaganda and mismanagement.

December 4, 1974

They said we are going to give you purple gas through your service stations. How many Members opposite have driven up to the service station, and seen the farm Members with their trucks get purple gas? If there is one of you, please stand up as I want to see him. You are a rarity; you will be shot if you do. Then they said we are going to reduce the automobile insurance rates 25 per cent. They have gone up every year since 1971. And then they said no government interference in teacher bargaining and yet the Government now has control of the teachers and trustee boards in that particular area.

This was a good one We are going to put an end to the labour unrest and I am glad that our Minister of Labour (Mr. Snyder) isn't here, I guess he is out causing more unrest. But anyway they said they were going to put an end to it. 1974 has seen more labour unrest than any year in the history of this province. The construction strike was the longest on record and the most costly in jobs and revenues to the contractors and to the people. Hardly a day goes by that a union, directly or indirectly, associated with the Government doesn't threaten to go on strike. The SGEA are today taking a strike vote and they are going to go out against the Government. They have already gone out for a couple of days.

Teachers in Regina, students in Ile-a-la-Crosse are out of school. I thought we had that problem solved the other day when I picked up a newspaper clipping and on one side it said, "Regina teachers stage walkouts, schools closed." And on the other side it said, "Northern school dispute sees children kept home." And in the middle there was a picture of Mike Feschuk, which says, "Feschuk appointed Legislative Secretary." I was hoping it was to the Minister of Education, but I found it was to the Minister of Agriculture so there is no hope for the school teachers and the students in any settling of their disputes when you get Feschuk in the wrong field. I think Mike Feschuk would have been able to settle those disputes. He has more brains than the Ministers involved will ever have.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. GUY:** — Well then the Premier took the floor last night and do you know what he said? He wasn't going to shed much light on the plans on the future of Saskatchewan and I tell you, he didn't. Why? He was worried about the delegates to the Liberal convention and I want to tell you, and I will tell the Press, you are welcome to all aspects of our convention starting tomorrow and going onto Saturday. That wasn't true when the NDP and the Wafflers and the Conservatives had their party conventions. More than half of their proceedings were closed.

**AN HON. MEMBER:** — Parties!

**MR. GUY:** — I think they were parties because when you looked at the resolutions something had to be wrong with the candidates or they would never had passed the resolutions that they did.

Then the Premier said that the Liberals are against the Hearing Aid plan. Why? Because we said that the hearing aid dealers should be allowed back into the province. That is typical socialist thinking, there is no room for competition under the socialist act. Any time you have competition that means a failure of the NDP program.

Then he took exception to the Leader of the Opposition's reference to the Churchill project. Well I want to tell you when he said that this wasn't a project, that the people of Saskatchewan think differently. You spent \$2.5 million and if it is not a project the people of Saskatchewan are going to be pretty angry when they find that that much money has gone down the drain for nothing.

And then he said that we didn't have any public hearings on the Athabasca Pulp Mill. I want to ask the Minister of the Environment (Mr. Byers), and again he is not in his seat and I don't blame him, how many hearings did you have on the Carrot River, the Prince Albert and the Big River Forest Development? The answer is pretty clear! You never had any so what are you talking about! Then he made the same speech on DNS as he made last year and I don't blame him for making the same speech because the same problems exist.

The students are out at Ile-a-la-Crosse, the same as they were last spring; there is no northern involvement in decision-making in the Department of Northern Saskatchewan; employees are still being fired and quitting; the economic development is nil; the northern school board has not been elected yet. And then he said, what do you have to say about the northern municipal council? And I will tell you what I have to say about it and it speaks for itself.

Last Sunday one of the members of the northern municipal council was nominated as a candidate for the NDP. So you say he is not politically oriented! A second one is employed by the DNS as a co-ordinator. There is only one man that I trust in that municipal council and that is the chairman, because he is neutral. And do you know what he said? I will tell you what he said about the Government.

He said, "The pace is too slow." Mr. Yew said the response to the meeting that was held was not too favourable. He doesn't support the policies of the present Government.

Well, then they went on and they talked about community colleges. All that I want to say is that if those community colleges in northern Saskatchewan were doing their job, if they re preparing people for the jobs available, we wouldn't be reading in the paper today where we are bringing 50 people over from Spain, which may have been recruited by Mike Feduniak, don't know, but surely when we have Saskatchewan people unemployed we should have Saskatchewan jobs.

Mr. Speaker, I have a great deal more to say about the Throne Speech which I will continue tomorrow and I now beg a to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 5:32 o'clock p.m.