

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session — Seventeenth Legislature
18th Day

Friday, March 14, 1975

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

WELCOME TO STUDENTS

Mr. B.M. Dyck (Saskatoon City Park): — I am very pleased to introduce to you and to this Chamber 27 Grade Seven students from Wilson School in Saskatoon. They are accompanied here by their teacher, Mrs. Robson. I should like to welcome them to this Chamber and I want to apologize to them for not being able to meet them before the sitting, but I was detained at a meeting. I understand, however, that they were met by my colleague from Saskatoon, the Member for Hanley (Mr. Mostoway). I hope that they have an informative and worthwhile afternoon in the Legislature.

Hon. Members: — Hear, hear!

Hon. E.L. Tchorzewski (Humboldt): — Mr. Speaker, it is my pleasure to introduce to you and through you to the Members of this House a group of 44 Grade Eight students from Bruno who are here visiting the Legislature on this very important day, which is the Budget day for the Province of Saskatchewan. The students have toured various places in the city and I am looking forward to seeing them later on in the day when they leave the Chamber.

I should like to ask the Members to join with me in extending to the students from Bruno a welcome to the Legislative Assembly.

Hon. Members: — Hear, hear!

Mr. J.A. Pepper (Weyburn): — Mr. Speaker, I should like to take this opportunity to welcome and to introduce to you and through you to the Members of this Assembly a group of Grade Five students who are sitting in the Speaker's Gallery. They are from the Lake Alma public school, accompanied by their teacher, Mr. Larry Sloan. We are happy that they were able to come on this very important day when our Budget is being presented. This to my knowledge is the first time a group of students from Lake Alma have had the opportunity of visiting our Legislature.

I am sure I am speaking for all Members, Mr. Speaker, when I express the wish that their visit with us this afternoon proves beneficial to them and adds to their knowledge the rules and the regulations and procedures governing the Provincial Legislature within their province. I am certain that we all wish them a very safe journey home.

Hon. Members: — Hear, hear!

Mr. F. Meakes (Touchwood): — Mr. Speaker, I too should like to introduce a group of 35 Grade Eight students from Ituna School. This is a regular custom that the Grade Eight group from Ituna visit the Legislature sometime during the sitting of the Legislature. They are under the guidance of their teacher, Mr. William Hudema and the bus driver is Mr. Falarchuk.

They have been touring the city this morning and seeing some of the sights. I know they are going to enjoy their short stay in the Legislature this afternoon. I had a moment or two to spend with them before they entered the House. We wish that they may have a good lesson here today and may they have a good journey home.

Hon. Members: — Hear, hear!

Hon. J.R. Kowalchuk (Melville): — Mr. Speaker, I too should like to extend greetings through you to the 35 Grade Eight students from Ituna. As the former chairman of the School Unit Board that was involved in the doings in Ituna I know many of these people very well, including the teacher, Mr. Hudema, and Mr. Falarchuk. I want to say good luck to them, I wish them well here today and I am sure that they will benefit in their Social Studies classes in the events that are going to be taken up here today.

Hon. Members: — Hear, hear!

QUESTIONS

PAMPHLET — SASKATCHEWAN PROGRESS

Mr. A.R. Guy (Athabasca): — Before the Orders of the Day I should like to direct a question to the Premier of the Province. I have in my hand here a pamphlet that is being put out by the New Democratic Party, “Saskatchewan Progress”. It has been made very clear in this pamphlet, as it should be, that it is not printed or mailed at public expense which we wouldn’t expect to be done by the political party. It says it is authorized by the Saskatchewan New Democratic Party, which is as it should be. Then, in this box in the back there is a list of all the New Democratic candidates who have been elected. Then it goes on to say:

For further information or assistance contact your candidate or some of the numbers below.

Now some of these numbers are the Provincial Ombudsman, the Saskatchewan Human Rights Commission. Mr. Speaker, I should like to ask the Premier, when did the Provincial Ombudsman and the Saskatchewan Human Rights Commission become the arm of the political party known as the NDP?

Some Hon. Members: — Hear, hear!

Hon. A.E. Blakeney (Premier): — Mr. Speaker, I do not have the pamphlet in front of me, but I am sure it is designed to outline the progress made in this province since 1971.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — It further is designed to indicate that there may be people who are aggrieved by their government . . .

An Hon. Member: — 70 per cent . . .

Mr. Blakeney: — Whether or not that number will be 70 per cent will be determined later this year and I think your figures will prove to be wrong.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — But my point is this. If anyone feels aggrieved with his government we ask him to get in touch with, yes, his MLA, yes, his candidate, or yes, the Ombudsman, or yes, the Human Rights Commission. We published the numbers, we see nothing wrong with publishing those numbers in a party pamphlet. The people can call and if there is a grievance they can get it remedied. This may be a new thought to the Member for Athabasca but I think it is a good thought, a good idea, and will be accepted by the Members of the House.

Some Hon. Members: — Hear, hear!

Mr. Guy: — A supplementary question, Mr. Speaker. Of course the Premier never answered the question of when the Ombudsman or the Human Rights Commission became an arm of the political party, the NDP political party. But I am surprised and I am sure the people of Saskatchewan will be surprised when they see that the Premier condones this type of action of asking civil servants . . .

Mr. Speaker: — What is the question?

Mr. Guy: — I am asking if he believes that it is right to have civil servants, the Provincial Ombudsman and the Human Rights Commission being forced to participate in what is clearly the activity, not of the Government of Saskatchewan, but of the New Democratic Party? In other words he is taking the civil servants and forcing them to become involved in the activities of the New Democratic Party prior to a provincial election campaign. I think this is contempt of the political process and I am sure the people of Saskatchewan will agree to that.

Mr. Blakeney: — Mr. Speaker, I think I've got the import of the question.

Mr. Steuart: — Give us a brief answer.

Mr. Blakeney: — Equally as brief as the question. The Member for Athabasca feels apparently that there is something wrong with a political party inviting the public to get in touch with the Human Rights Commission or Ombudsman if a citizen feels that he had a grievance. We are not ashamed of that, we feel that it is entirely proper. We feel that to publish the number of the Ombudsman is not to involve him in party work. I further think that the Member for Athabasca, I am sure unwittingly, casts

an unfair reflection on both the Human Rights Commission and the Ombudsman to think that any answer that either might give to any inquiry by phone would involve them in political activities rather than in their proper activities, which heretofore they have carried out with distinction and which I am sure they will continue to do in the future.

Some Hon. Members: — Hear, hear!

REASON FOR DELAY IN DRUG PLAN

Mr. D.F. Macdonald (Moose Jaw North): — Mr. Speaker, a question to the Minister of Health (Mr. Smishek). Yesterday and at various times this morning, for example, on CKCK the Minister of Health has indicated that the reason for delay in the drug plan was in most part due to the pharmacists wanting more money. I would ask him, is it not true that one of the overwhelming reasons that your plan was rejected by the pharmacists is because they unanimously object to the deterrent fee? Are you at this time willing to delete this discriminatory deterrent fee from your plan?

Some Hon. Members: — Hear, hear!

Hon. W.E. Smishek (Regina North East): — Mr. Speaker, it is pretty obvious that the Liberals are very sensitive about the deterrent fees, they know a lot about this topic. After all they charged the people to the extent of \$7.5 million per year in deterrent fees on hospital and medical care. We were glad to remove them.

Mr. Speaker, as far as the prescription charge is concerned I should like to invite the Member to check with the Pharmaceutical Association, prior to making any decisions about the Prescription Drug Plan. We invited the Pharmaceutical Association to present their views to us. One of the things that they proposed was that any plan that is introduced should have a prescription charge, that the consumer pay part or all of the prescription fee. That was the recommendation made to us by the pharmacists. Mr. Speaker, we accepted part of that recommendation and we agreed with their negotiating committee and with the endorsement of their Council, to have a small prescription charge as an initial start of the program. Whether that will be carried on in the future is something to be determined.

Mr. Speaker, we made no apology for the proposal that we have made to the pharmacists. We are hoping that next week when they meet with us they will reconsider their position. If they do the plan will go into effect as soon as possible.

Some Hon. Members: — Hear, hear!

Mr. MacDonald (Moose Jaw North): — A supplementary question, Mr. Minister of Health, you did not answer my question. Is not one of the overwhelming reasons they rejected the plan because they rejected, as I understand it, unanimously 300 to 0? As to your statement about deterrent fees, the ones that were imposed before, would the Minister not agree that a garlic onion no matter what you call it still stinks?

Some Hon. Members: — Hear, hear!

Mr. Smishek: — Mr. Speaker, there were four issues they took exception to. I don't know whether their decision was unanimous, I was not at their meetings.

An Hon. Member: — Weren't you invited?

Mr. Smishek: — Maybe they invited the Liberal Party, they did not invite me. I doubt very much whether they invited them. I am sure that the pharmacists can speak for themselves. We have some differences at the present time but I am expecting that they will be ironed out and I can assure the people of Saskatchewan that we will have a prescription drug plan introduced long before another Liberal Government is elected.

Some Hon. Members: — Hear, hear!

ADVERTISEMENTS RE LAND BANK

Mr. E.C. Malone (Regina Lakeview): — Mr. Speaker, before Orders of the Day, I wish to direct a question to the Premier. According to recent news reports the Premier has taken exception to certain ads that have been run by the Liberal Party in connection with the Land Bank operation in Saskatchewan. He apparently has complained about these ads saying that they are misleading and that the ads proclaim that the tenants of those pieces of property are not allowed to buy the land as of right after five years. The Premier has also said in numerous speeches that the Land Bank Act and the Land Bank Lease have provisions for tenants as a matter of right to be guaranteed the right to buy that land after five years. I should now like to send over to the Premier, Mr. Speaker, a copy of the Land Bank Act and the Land Bank Lease and ask him to show this House and the people of Saskatchewan just where this is contained, that is the guarantee for the tenants to buy the land after five years?

Mr. Blakeney: — Mr. Speaker, I appreciate the Member for Lakeview tendering this legal advice. I know that he would, perhaps as I would when I was in private practice, prefer to have a client who is likely to pay him more for it. His advice is free and I am sure it is worth every penny of it.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I have not had an opportunity to review this provision of the Act as the Hon. Member will perfectly well know when he sends it to me in this way. I have stated before and state again that the policy of the Land Bank Commission is to provide people who lease land from the Land Bank the right to buy the land after five years. That is the stated policy of the Land Bank Commission and will continue to be the stated policy of the Land Bank Commission.

Some Hon. Members: — Hear, hear!

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Mr. Malone: — A supplementary question, Mr. Speaker. May I point out firstly that the Premier did not . . .

Mr. Speaker: — Just ask the question, don't make a statement on it.

Mr. Malone: — A supplementary question then. Would the Premier then agree with me when I say that anyone who says that the Land Bank Act provides as a right that the tenant can buy the land after five years is not telling the truth, that he is misrepresenting the provisions of the Land Bank Act and of the Land Bank Lease?

Mr. Blakeney: — Mr. Speaker, I would not agree with the Hon. Member. I have not studied this, I cannot state emphatically whether or not the Member is correctly stating the law or incorrectly stating the law. I say it is a policy of the Land Bank Commission and if the Hon. Members opposite wish me to state it again, I will. The policy is that the people who lease from the Land Bank Commission have the right to purchase after five years.

Some Hon. Members: — Hear, hear!

MOTION FOR COMMITTEE OF FINANCE

Hon. W.A. Robbins (Minister of Finance): — Mr. Speaker, I have a message from His Honour, the Lieutenant-Governor.

Mr. Speaker: — The Lieutenant-Governor transmits Estimates of Certain Sums Required for the service of the Province for the 12 months ending March 31st, 1976, the Supplementary Estimates of Certain Sums Required for the service of the Province for the 12 months ending March 31, 1975, and recommends the same to the consideration of the Assembly.

Mr. Robbins: — Mr. Speaker, I move, seconded by my seatmate, the Hon. Don Cody:

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

Motion agreed to.

BUDGET DEBATE

Hon. W.A. Robbins (Minister of Finance): — Mr. Speaker, I rise to present to you and to the Members of this House the fourth Budget of this New Democratic Government.

In introducing our first Budget in 1972, Premier Allan Blakeney set out the priorities in our four-year program. In 1973, my colleague Elwood Cowley presented chapter two in the orderly achievement of that program. Our third Budget which I had the privilege to present last year, emphasized

development — the balanced development of Saskatchewan and its people.

Mr. Speaker, this — our fourth budget — is a budget of fulfillment.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In 1971 the New Democratic Party sought the support of the people of Saskatchewan to set a new course in this province. Not in generalities nor in high-flown empty phrases. No, Mr. Speaker, the course we proposed was set out point by point, commitment by commitment. In an unprecedented move, well in advance of the 1971 election, we stated our commitments in the New Deal for People. Never before in the history of Canada had any party set out its program as clearly or as comprehensively.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — As the Premier said in delivering our first Budget:

Those were our policies when we were out of office and those are our policies now that we are in office.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — The New Deal charted new directions: to develop our resources and our economy for the benefit of Saskatchewan people; to stem the tide of rural depopulation and rejuvenate our farming communities; to rebuild our social programs so that every individual might live in dignity and security.

Now, there were skeptics in 1971, Mr. Speaker. A scattered few of them survived to sit on the benches opposite. It was pie in the sky, they said; it would bankrupt the province, they said; it could never be done, they said. But it has been done.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — And, Mr. Speaker, if Saskatchewan is bankrupt we are enjoying the most prosperous ‘bankruptcy’ ever heard of.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — On the contrary, the health of our economy is the envy of most of North America.

I invite you, Mr. Speaker, and the skeptics opposite, to check off this Government’s commitments as I speak today. I called this Budget a budget of fulfilment — fulfilment of the New Deal for People. It is more than that. It lays the foundation on which this province can continue to build in the second half of this decade.

I have every confidence, Mr. Speaker, that the Budget that I present to you today will gain, not only the support of this Assembly, but the overwhelming support of the people of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Before presenting our detailed spending proposals, I want to comment on the national and provincial economic setting in which this Budget is cast.

It would be an understatement to say that 1974 was a year of uncertainty and economic difficulty for Canadians. We faced rising unemployment and record increases in prices. In December of 1974, prices were 12.4 per cent higher than the previous year and 22.7 per cent higher than two years ago. The rate of increase in prices has shown little sign of slackening.

Unemployment in Canada has remained at unacceptably high levels since 1971. The unemployment rate, which had finally fallen below the six per cent mark in early 1973, climbed back to that level late last year as the Canadian economy slowed appreciably. Early this year the unemployment rate jumped to 6.7 per cent, reminding us how quickly an economic downturn can bring hardship to many thousands of Canadians.

Real growth in the Canadian economy ceased at the end of the first quarter of 1974, partly as a result of the recession that gripped many industrial countries and partly because of what in our view are misguided policies of the federal authority.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — We do not pretend to have all the answers, but we have urged the Federal Government to adopt certain measures to help curb inflation. Many times we have called for decisive action to protect the house-building industry from the erratic swing in funds available for mortgages and from high interests rates. We have recommended that the Federal Government require private lending institutions to earmark a specific amount of their loan funds for the mortgage market. The amount would be determined by the volume and type of housing required to meet our needs. As part of this policy, mortgage funds should be made available to lower and moderate income families at fixed, reasonable interest rates, not tied to the rate established by the money market. These recommendations have fallen on deaf ears, Mr. Speaker.

We have urged the federal authority to bring in an agricultural income stabilization plan that would truly serve the interests of Canadian farmers. We hope that this program is finally on its way. We are prepared to co-operate fully in seeing that the program becomes successful in stabilizing farm income. It is our fear, Mr. Speaker, that any possible benefits from a farm income stabilization plan will be more than offset by other federal policies in the agricultural field.

Foremost among these is the policy to turn over the disposal of feed grains to the Winnipeg Commodity Exchange and the private grain trade. To those of us who recall the struggle to achieve orderly marketing in the prairies, this is a backward step.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, it's a step towards chaos, a step deplored by the majority of primary producers of this province. Mr. Speaker, the farmer will be the real loser from open market operations.

One could mention other areas where Federal Government action may impair Saskatchewan's development. Rail line abandonment and the threat to remove the Crow's Nest rates represents a total disregard for the needs and interests of western Canada. We are astounded at the Cavalier attitude taken by federal ministers responsible for so vital a part of our transportation system.

Mr. Speaker, this Government is committed to work for changes that are in the interest of all of the people of this province, rather than those which will benefit the railways and grain companies at the expense of farmers and rural communities.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, let me now turn to the economic situation in Saskatchewan during 1974, and the likely prospect for us in the year ahead.

Unlike the national economy, Saskatchewan continued to improve its economic performance in 1974. Our economic strength can be traced to a healthy expansion in almost all sectors, but particularly in agriculture and other primary resource industries. Like other provinces, Saskatchewan has suffered from the consequences of uncontrolled price increases. No area of Canada has escaped the impact of inflation.

Solid improvements in farm income have been partly offset by rapid increases in production costs. Wage and salary increases have been rapidly eroded by the spiraling cost of living. Those on low and fixed incomes have suffered severely. On balance, however, Mr. Speaker, the economy of Saskatchewan continues to fare much better than the overall Canadian economy. The Saskatchewan economy in 1974 matched the rapid pace of the previous year in terms of new jobs created.

Indeed, Mr. Speaker, job opportunities are now expanding fast enough that large numbers of young people are able to find jobs in this province, rather than leave the province in search of employment elsewhere.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Our population stabilized at 909,000 in 1974 and there is every indication that we shall add to this total during the current year. The number of people with jobs increased by 8,000 in 1974 and our unemployment rate dropped to 2.8 per cent from 3.6 per cent in 1973, the lowest in Canada.

I want to point out another breakthrough in 1974. For the first time in many years there was no decline in the number of persons employed in agriculture. Through the impact of programs such as FarmStart and the Land Bank, our young people are finding rural Saskatchewan a satisfying place in which to earn a living and raise their families.

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Some Hon. Members: — Hear, hear!

Mr. Robbins: — Cash receipts from farming reached a new high of about \$2 billion in 1974, an increase of 36 per cent over the previous year. This was primarily due to higher returns for grain in response to strong international demand. Over the same period, realized net farm income grew by almost 50 per cent to reach a level of \$1.2 billion. Personal income for 1974 increased by 19 per cent to \$4.1 billion. Farm income accounted for more than 25 per cent of this total. Labor contributed about \$1.9 billion, a 16 per cent increase over 1973.

Saskatchewan again made real progress towards a more balanced and diversified economy. Investment in new manufacturing capacity reached \$47.9 million, 74 per cent higher than in 1973. People employed in manufacturing now number 24,000, a gain of 1,000 over the previous year.

Another bright spot in Saskatchewan was the construction of new housing. While housing starts in other provinces were dropping sharply, Saskatchewan achieved 7,684 starts in 1974, an increase over 1973 of more than 20 per cent.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Retail trade continued its strong upward climb in 1974. Strong primary and secondary industrial activity helped increase retail sales by 20 per cent to about \$1.76 billion.

Mr. Speaker, these are but a few of the figures which illustrate the strong economic position of this province. As we move into the new year, I think Saskatchewan people can look to the future with a good measure of optimism.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — So far we have avoided the major effects of the downturn in the Canadian and world economies. We can look to continued strength in all important areas of our own economy. Nevertheless, should the decline in the rest of the world continue, Saskatchewan will begin to feel its effects and our rate of growth will slow down. Despite this possibility, national and international demand for our food and resource products should remain strong.

The farm cash income in 1975 should remain high as farmers benefit from deferred payments and large final payments for grain delivered during the 1973-74 crop year, although payments for the 1974 crop will certainly be lower. Spending on consumer goods and farm machinery should again be strong in 1975.

The construction industry, Mr. Speaker, should enjoy another good year. Investment in new plant facilities is expected to be 14 per cent higher than in 1974. We expect the total of private and public investment to surpass the 1974 figures by approximately \$200 million.

Job creation and employment should both be high in 1975. In fact, Mr. Speaker, we expect our rate of unemployment to continue to be the lowest in Canada.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — However, Mr. Speaker, if employment begins to sag as a result of the slowdown elsewhere, we are prepared to step up public spending on job-creating activities such as construction.

Mr. Speaker, we fully expect the Saskatchewan economy to outpace the national economy from almost every point of view. Canada as a whole is faced with the task of pulling itself out of a major economic slowdown. Saskatchewan, I am certain, will make a positive and significant contribution to that effort.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, in the Budget presented one year ago, I estimated cash inflows of \$901 million and cash outflows of \$898.8 million. Further estimates later approved by this House raised the estimate of cash outflows to \$914.6 million.

Since that time, inflation has pushed up the cost of those budgetary proposals by approximately \$46 million. We currently estimate expenditures in the 1974-75 fiscal year, ending March 31 next, at \$985 million.

Major additions to the 1974-75 budgetary proposals which you will be asked to approve in the supplementary estimates include: payments of \$4.3 million to hog producers under the Hog Price Stabilization Plan; a further grant of \$4 million to FarmStart; a \$1 million addition to the Youth Employment Services program; additional grants of \$2.7 million under The Senior Citizens Home Repair Assistance Act to finance projects carried forward from last winter; \$2 million in special grants to municipalities for snow removal assistance, expenditures under the Farm Cost Reduction Program to cushion farmers from higher fuel costs, estimated in the range of \$11 or \$12 million.

Budgetary revenues are expected to reach \$990 million. An additional \$45 million in potash revenues and higher personal and corporate income tax receipts contributed to the higher cash inflows. As a result, the 1974-75 fiscal year will yield a net cash increase of an estimated \$5 million.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — The cumulative cash carry-forward at the close of the 1974-75 fiscal year is expected to reach \$70.3 million.

Mr. Speaker, in the printed text of my address I have dealt extensively with our capital financial proposals. The only point I should like to make at this time is that as a borrower for capital projects, the Province of Saskatchewan is in an excellent position. We are confident that our capital financing program in 1975 will be successful at interest rates comparable to any province in this country.

Mr. Speaker, on March 10th, 1972 Premier Allan Blakeney stood in this House to present the first Budget of this New Democratic Government. It was a unique budget in that it not only revealed the government's spending proposals for that fiscal year, but it

also provided a blueprint for the future.

In successive years we have built on the foundation of that first Budget. We have introduced important new programs; we have modified and improved and expanded existing programs to serve the people of this province.

Economic development has proceeded at an unprecedented rate and our population has shown an increase on an annual basis for the first time in several years. We have provided direct financial assistance to local governments to help them maintain and improve services to their ratepayers and meet rising costs. We have developed new programs to revitalize our rural communities and to enrich the lives of Saskatchewan people.

And how has this been accomplished, Mr. Speaker? It has been accomplished through careful and responsible financial management. As a result, I am please to announce that for the fourth successive year we are presenting a balanced budget and expect a modest increase in our cumulative cash carry-forward.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, for the past three years this Government has focused much of its attention on economic development. This is understandable because imaginative programs for people cost money. Prudent management requires the establishment of a strong economic base to support these programs. But this does not mean that programs for people have been forgotten.

This Government has restored Saskatchewan to its position of leadership in health services.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In Education, we have dramatically reduced the share of school costs borne by the property tax and at the same time introduced a series of new programs from kindergarten to the community colleges.

In Social Services we have attacked the problem and not the people. Improving services while restoring hundreds upon hundreds of employable persons to the work force. These things, Mr. Speaker, and many others we promised to do in the New Deal for People. Let me review some of the promises fulfilled, Mr. Speaker, For our senior citizens, deterrent fees abolished. More level IV beds for chronically ill, about 400 more. A new senior citizens home repair program. Hundreds of new low housing units in smaller centres.

In Health, medicare premiums abolished. A new Dental Care plan for children, the first of its kind in North America. A new Saskatchewan Hearing Aid Program. Saskatchewan Aids to Independent Living to provide artificial limbs and other appliances at no cost to the handicapped. Chiropractic services included under medicare.

To fulfil our pledge to Education, Mr. Speaker, a new Department of Continuing Education, new Community Colleges, funds for kindergartens on a province wide basis, massive increases in school grants, a new student bursary program, more summer employment opportunities for students.

In the area of Social Services, Canada's first Family Income Plan.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — A plan which provides financial support to low income working families. A new and expanded Day Care program.

And, Mr. Speaker, what is our record in housing? A new housing corporation to develop housing programs based on the needs of Saskatchewan people. House Building Assistance Grants broadened and enriched. New public housing for the elderly, and for lower income groups in both small and larger centres.

To protect the consumer, Mr. Speaker, we set up a new Department of Consumer Affairs. An additional measure of, among a number of such measures to reduce the impact of inflation, we reduced gasoline tax seven cents a gallon and instituted a comparable rebate being paid to farmers on farm fuels.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — To protect the rights of the individual, we set up Saskatchewan's first Ombudsman. We set up a Legal Aid Plan. We set up a Provincial Inquiry Centre to give people access to Government Departments and Programs. We also set up an independent Electoral Boundaries Commission to end the gerrymander.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — And to guarantee representation by population in this Assembly.

These are a few examples, Mr. Speaker. An examination of the record will show that one after another, the pledges made in the 1971 Election Program can be checked off as done.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — But this budget contains more, Mr. Speaker. We recognize that our senior citizens have special needs and that rising prices have put an unfair burden upon them. We propose to take action to improve service and living standards for these persons who have played such an important part in the development of our society. We are establishing a Provincial Senior Citizens Council with representation from every region of the province. This Council will develop, support and represent local organizations concerned with the needs of senior citizens. To make sure that this Council is broadly based, some 40 to 50 local Senior Citizens Councils will be established to represent the views at the community level. They will develop information, coordination and referral services and provide an effective avenue of local representation. This Council's structure will provide a way for the special needs and interest for the senior citizens to be discussed, heard and acted upon. A Senior Citizens Branch will be set up by the Department of Social Services. It will work closely with the provincial and local councils in planning and coordinating a wide range of programs for senior citizens.

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Mr. Speaker, during the coming year we will take a major step to improve the income security of our senior citizens. This Government will guarantee every resident of Saskatchewan 65 years of age or over an income level of \$224 per month for single persons and \$425 per month for married couples.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — These levels will be provided through supplements of \$20 per month for single individuals and \$36 for married couples who are receiving full OAS-GIS benefits. The estimated annual cost of this program when fully implemented will be over \$7 million.

Many of our senior citizens require specialized care. They are specially vulnerable to rising costs and many are on fixed incomes. Inflation is impairing their ability to pay for the quality and care they need. Therefore the provincial subsidy to private paying residents in special care homes will be substantially increased in 1975. My colleague, the Hon. Alex Taylor, will announce the details of this increase later in the debate.

Community Social Service grants will be increased to \$1,200,000 to expand community programs for the elderly such as meals-on-wheels. The Department of Public Health will also introduce a number of new programs to assist our senior citizens. In addition to home care, a start will be made on a chiropody program to improve the availability of foot care which is often vital for elderly persons.

Senior citizens will also benefit from an expansion of the respiratory disease unit of the University Hospital, Saskatoon. This will include new positions and other resources, at a total cost of some \$170,500. This expansion will help meet a growing need for specialized respiratory care, particularly among the elderly.

Mr. Speaker, the Saskatchewan Prescription Drug Plan will begin its operation in 1975-76 . . .

Some Hon. Members: — Hear, hear!

Mr. Robbins: — . . . fulfilling another promise in the New Deal for People. The plan will substantially reduce the cost of prescription drugs to the consumer and will improve the quality of drugs sold in the province.

Mr. Speaker, Saskatchewan's developing children's dental service will, we believe, become a model for North America.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In 1974-75, it began its first phase, offering preventative, diagnostic and restorative services to all six-year-olds enrolled by their parents. In the next fiscal year coverage will be extended to include all children aged five to seven. By 1977-78 the Saskatchewan Dental Plan will achieve its goal of providing service for all children between three and twelve years of age.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — This foundation of dental health will benefit children throughout their lives.

Mr. Speaker, it is true that this program costs money — almost \$4.9 million in 1975-76 — and that it requires a good sized staff, 342 persons in 1975-76. But we believe that health is one of our most precious resources. We know that without a dental plan many of our children simply will not get adequate dental care.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — The Saskatchewan Dental Plan will be of particular help to families with low incomes and in rural areas. It will prove that even with our great distances and scattered population, we can provide people with first-class health service.

Mr. Speaker, the abuse of alcohol is one of the major problems confronting society today. We will continue our efforts to combat problems related to alcohol consumption. Additional financial resources and personnel will be provided for the Alcoholism Commission. Funds for AWARE — a preventative educational program concerning the use and abuse of alcohol — will be increased by about 50 per cent because of positive public response to this pioneering program.

The coming fiscal year will also mark the first full year of operation for another program — Saskatchewan Aids to Independent Living or SAIL. In the New Deal for People we promised to provide wheelchairs and other needed equipment for handicapped persons at a greatly reduced cost. SAIL goes far beyond that promise. We recognize and applaud the desire of the handicapped to make a useful and satisfying contribution to society. SAIL extends tangible assistance to these persons by providing wheelchairs, walkers, artificial limbs, braces and other aids to independent living at no cost to the user.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, modern intensive care facilities are needed to provide specialized care for high-risk newborn infants. The neonatal intensive care unit at the University Hospital in Saskatoon will become the referral centre for all high-risk newborn infant and their mothers in the northern part of the province. We have provided almost \$250,000 in this Budget for expansion of that facility.

This Government supports the provision of care in the home and the community wherever possible, rather than in institutions. Just as we have supported the establishment of community health and social centres, which were developed to replace the hospitals closed by the Liberals, we will now expand home care programs in the coming year.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In 1975-76 we will provide funds to establish a

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satellite to the Saskatoon Community Clinic. This new facility in Riversdale will serve a community which does not now have ready access to health services.

I wish now, Mr. Speaker, to turn to the field of education. Once again the New Democratic Party has demonstrated its commitment to improve educational opportunities for the young people in this province. This Budget contains an increase of \$26.2 million for operating grants to schools — the largest increase in any one year in the history of this province.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Capital grants for school construction have been increased by \$2.9 million to \$8.35 million for 1975-76. This increase in funding will help to maintain the current level of school construction in spite of escalating costs.

In 1971-72, the last budget of the previous administration, the province's operating grants provided about 47 per cent of total school costs. This Government has continued to pick up an ever larger share. In 1975-76, provincial grants will provide 58 per cent of all operating expenditures of school boards in Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — When these grants are combined with the reduction in school property taxes represented by Property Improvement Grants, the province is contributing nearly 67 per cent of total school costs.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — We are developing a many-sided approach to Consumer Education which will be directed towards problems of today and will help to equip our young people to meet the challenge of tomorrow.

Recommendations of the Committee for the Education of the Deaf are being implemented at the School for the Deaf where a new program of total communication is being enthusiastically received. Resource personnel are being provided to assist community-based programs for persons with impaired hearing.

Mr. Speaker, in 1971 we promised to assist in the establishment of regional centres to bring education opportunities closer to the people of Saskatchewan. We have fulfilled that promise. Our Community College program will be fully operational in 1975-76.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — I should now like to turn to the universities. The two-university system, recommended by the Commission headed by Mr. Justice Emmett Hall, appears to be working well. The University of Saskatchewan and the University of Regina are now fully autonomous bodies each with jurisdiction over academic policies, programs and staff.

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The new Saskatchewan Universities Commission is currently establishing itself and shows promise of fulfilling the important role of allocating resources between the universities and avoiding needless duplication.

Mr. Speaker, in 1975-76 operating grants to the universities will total \$56 million, an increase of \$11.25 million or 25 per cent over last year. The capital grant will total \$6 million.

In 1971 we introduced the Saskatchewan Student Bursary program to provide non-repayable financial assistance to university students and students enrolled at the institutes. Each year the funds available under this program have been increased.

Mr. Speaker, I am pleased to announce a further increase of \$260,000 in assistance under the Student Bursary program to more than \$2 million. The maximum assistance per student has also been increased by \$150 to \$1,000. We will provide \$602,000 to the universities for graduate scholarships – an increase of \$157,000. The maximum scholarship will now be \$4,500 per year, which will help our universities to attract top students into graduate programs.

Mr. Speaker, two years ago we established the Palliser Regional Library which completed the provincial regional library system. Since that time we have directed our attention to the improvement of services and facilities. We recognize that some municipal and regional library costs bear little direct relation to the population base. I am pleased to announce that grants to municipal and regional libraries will be made this year on the basis of new formulas that will more closely reflect the needs of these libraries. Grants to regional libraries in 1975-76 will amount to more than \$1.9 million, an increase of some \$550,000 over last year.

Grants to municipal libraries, which includes the cities of Regina and Saskatoon, will total \$387,000, an increase of almost 40 per cent over the preceding year.

Mr. Speaker, in the last full year of Liberal administration the total budget for the Provincial Library was less than \$850,000, of which \$463,000 was allocated to municipal and regional libraries. I invite you and this House to compare that budget with this year's proposal to use more than \$2.28 million in grants to municipal and regional libraries out of a total budget of \$3.19 million for the Provincial Library.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, we are conscious of the need to involve native persons in the development of programs and the delivery of services to their own people. In this budget we have provided a grant of almost \$215,000 to the Federation of Saskatchewan Indians to provide probation and other correction services to persons living on reserves. Funds have also been provided for native educational and cultural activities which will be brought into the three provincial correctional centres.

Mr. Speaker, approximately 25 per cent of all children placed in foster homes have physical, mental or emotional disabilities. This Budget provides an additional \$400,000 for

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payments to foster parents in whose homes these children are placed.

Handicapped workshops and activity centres are important parts of community-based programs for the mentally handicapped. Grants to these centres will be increased by \$135,000 in the coming year so that handicapped workers will receive fair compensation for their labor.

We are also responding, Mr. Speaker, to the need for increased staff training for persons working with the mentally retarded. \$92,000 will be provided in this Budget to train 24 group activity aides at the Wascana Institute of Applied Arts and Sciences.

Mr. Speaker, in 1975-76 we will provide telecommunication aids to handicapped persons at no charge other than regular rates. We estimate that approximately 1,100 persons will use these aids, which are available through SaskTel, at a first year cost of some \$65,000.

Mr. Speaker, let me turn now to some of the new programs in the Department of the Attorney General.

The Native Court Worker program will be greatly expanded as the number of court workers is increased from 8 to 25. The province will have ten native Justices of the Peace in 1975-76.

Last year we introduced the Saskatchewan Legal Aid Plan to provide essential legal services to persons who could not otherwise afford them. Thirteen legal aid clinics will be in operation in 1975-76 at a cost of \$2.2 million.

To promote high police standards in Saskatchewan, we established a Provincial Police Commission. In 1975, an administrative staff will be provided to conduct evaluations and programs on a full time basis.

Mr. Speaker, opportunities for cultural development and recreation are of increasing importance in the lifestyles of the people of this province. Our young people are looking for ways to develop and display their talents and their skills.

The Department of Culture and Youth last year initiated the Saskatchewan Talent program to provide encouragement and recognition for Saskatchewan artists. The program will be expanded this year to include a travelling play and a musical tour, both of which will visit smaller centres this summer.

People of every cultural and ethnic origin make a valuable contribution to our province. In 1975 we will launch a new multi-cultural grant program aimed at preserving this rich heritage.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, I would very much like to introduce the next section of the Budget Speech related to the fact that we have regained our position of leadership in social policies and programs. This social concern should not be limited simply to the boundaries of our province. On the contrary, we believe we have a responsibility to share with others regardless of where they may live. In this Budget we will provide \$1.25 million in

matching grants to enable the people of Saskatchewan to take part in programs of international aid.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Each dollar contributed to approved development projects undertaken by participating groups in the Saskatchewan Council of International Agencies will be matched by the Government of this province. The projects in under-developed nations could include training programs for farmers, irrigation projects, construction of community schools and training of teachers. Individual contributions will be matched dollar for dollar by the Provincial Government. This combined contribution will then be matched by the Canadian International Development Agency. The end result will be a \$5 million contribution to peoples of the developing countries.

Mr. Speaker, 1975 has been officially designated as International Women's Year. We welcome this concerted effort to improve the status of women but I would point out that we did not wait for proclamation of a special year before taking action. The Women's Bureau of the Department of Labour, the Office of the Co-ordinator, Status of Women and the Saskatchewan Human Rights Commission are examples of a positive effort to achieve equal opportunities for women in this province.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, this Budget contains more than \$11.25 million to meet the housing needs of the people of this province.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Two years ago this Government established the Saskatchewan Housing Corporation. These years have been marked by an improvement in the existing program and new ways to provide better housing for the people of this province.

The response to the Senior Citizens Home Repair Program is an example of how well our new housing programs have been received. In the first two years more than 14,000 grants had been approved. This means that one-third of all eligible recipients have received a Home Repair Grant. This year we expect to receive a further 11,000 applications and have budgeted more than \$4.6 million for this purpose.

This Budget also contains almost \$3 million for House Building Assistance Grants. These grants serve a dual purpose. Not only do they provide better housing for the people of Saskatchewan, they also stimulate the construction industry. We expect to make 3,600 grants in 1975-76, an increase of about 50 per cent over the preceding year.

The Housing Corporation will continue to work for the present and plan for the future through its Land Assembly and Development program. I invite you to examine our record in the field of public housing. This Government's housing program is designed for small as well as for larger centres. In addition to more than 1,000 regular projects that will be under construction in 1975-76, 400 special units for rural people will be started.

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Mr. Speaker, let me now turn to economic development. Economic development is not an end in itself. This Government seeks development which will strengthen and diversify our economy; produce good jobs for our young people; conserve our resources; increase the processing of raw materials we produce; support and strengthen Saskatchewan communities; and yield benefits for all the people of Saskatchewan.

I referred earlier to the solid performance of the Saskatchewan economy. Let me review some of the things that have happened since 1971.

Take jobs. Our work force increased by 23,000 between January 1971-75.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In 1973, the number of people with jobs increased by 8,000; in 1974 we added another 8,000. That's 16,000 new jobs in two years, Mr. Speaker, and by far the largest number of them filled by young people.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — It is tempting, Mr. Speaker, to compare those figures with the performance with the late Liberal administration which labored on a rash promise of 80,000 jobs in four years and brought forth a mouse.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Only 7,000 in seven long years. However, I will resist that temptation.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — There are many new industries in both the private and public sector which give us a stronger economic base. Much of the credit for these developments can be taken by the Minister of Industry and Commerce, Mr. Kim Thorson.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — He will have more to say later in this debate on the subject of our industrial and commercial growth. I should like however to say a few words about the Forest Products Industry.

Mr. Speaker, our friends opposite like pulp mills and there is nothing wrong with pulp mills provided they use the resource wisely and protect the environment and yield a fair share of benefits to the people of this province. But rather than seek another pulp mill we look for better ways to use our timber resource. Under the Crown-owned Saskatchewan Forest Products Corporation we have on stream or under construction five new enterprises ranging from a plywood plant to modern lumber mills.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Collectively, Mr. Speaker, these five plants will create over 1,000 jobs — about the same number as a mill of the size we are familiar with. But they will create those jobs at less than one-third the capital investment per job and using half the number of cords of wood per job.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In addition, Mr. Speaker, I must point out that the Saskatchewan Forest Products is a wholly owned industry right here in the Province of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Resources are only one aspect of economic development. We have moved in many other areas to support industry, agriculture, business and working people. Let's look at the record. For agriculture, we set up the Land Bank, we introduced FarmStart, we established the Agricultural Implements Board to improve the quality of farm implements, we set up the Market Development Fund, we established the Hog Marketing Commission and pioneered a Hog Price Stabilization program.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In northern Saskatchewan, Mr. Speaker, we have established a new Department to bring government services closer to the people being served, provided new employment opportunities for residents of the North, we began to transfer responsibility and resources to local government. We improved educational opportunities, we have undertaken sewer and water programs, we have made substantial improvements in transportation and communication.

For small business, Mr. Speaker, we have set up a Business Assistance Branch in the Department of Industry and Commerce, we established eight regional offices staffed with specialists in various aspects of business operation, we expanded SEDCO's role to provide loans to small businesses.

For Labour, Mr. Speaker, we increased the minimum wage to \$2.50 an hour, the work week was reduced to 40 hours, three weeks annual vacation after one years of service, a Workers' Advocate appointed to ensure better worker protection, a revamped Workers' Compensation Board and substantially increased compensation and pension payments, an Occupational Health and Safety Division.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — To protect our environment, Mr. Speaker, we have established the Department of the Environment. We banned the use of non-returnable bottles and cans, we set up an Environmental Advisory Council, we established pollution standards.

To support the family farm and help smaller communities to improve life for the people they serve, we have launched a

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number of new programs and changed many more. Things like making it possible for more young people to start farming, helping to build new recreational facilities through winter works programs, changing the school grant formula to assist small schools, improving access to small communities through Operation Open Roads and making main streets dust free through Operation MainStreet.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — These, Mr. Speaker, are some of our achievements over the past three and one-half years. I should like to turn now to our proposals for economic development in 1975-76.

Mr. Speaker, no one can deny the continuing importance of agriculture in the economic future of this province. For many years the agricultural industry was concerned almost exclusively with the production of grain. As a result, our whole economy suffered with fluctuations in the grain market. Because we are convinced that agriculture must be diversified to provide a stable economic base for the province, the Minister of Agriculture has introduced new programs such as FarmStart, the Hog Price Stabilization Plan and the Cow-Calf Cash Advance program to provide assistance to livestock producers.

Since its inception FarmStart has provided assistance to more than 2,000 farmers entering the livestock industry. More than half of these are new farmers whose average age is under 24 years.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In the coming year we expect another 1,000 farmers to take advantage of the program and have budgeted roughly \$5 million in grants in addition to loans.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — The Land Bank has purchased nearly 1,200 parcels of land since it began in 1972. The Commission has made provision to acquire up to 500 more parcels in the coming year. Over 1,000 farmers are now leasing land under this program and by 1976 the number will exceed 1,500 at an average age under 30 years.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In the current year we will have spent more than \$13 million on the Hog Price Stabilization Plan in order to honor our commitment to the farmers in the hog industry.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — We introduced the Cow-Calf Cash Advance program to help the cow-calf operator to maintain his operation despite the problems caused by low-market prices. We are providing funds in this Budget to pay the interest charges on advances of nearly \$35 million.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, I am pleased to announce that construction has started on the Prairie Agricultural Machinery Institute at Humboldt.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — That Institute, which is a project jointly supported by Alberta, Manitoba and Saskatchewan, will render an invaluable service to farmers by a rigorous testing of agricultural machinery. In these estimates we are budgeting \$374,000 for capital costs and more than \$450,000 for operating expenses.

Mr. Speaker, time does not permit me to describe in detail all of the innovative programs that we have introduced for the benefit of farmers of Saskatchewan. The Farm Cost Reduction program to cushion the impact on increased prices of fuel used for agricultural purposes is one of them. We have a grant program to encourage cream producers to convert production to manufactured milk, and there are others.

Mr. Speaker, in this Budget we provide \$58 million for the Department of Agriculture, an increase of \$42 million over the last Liberal effort.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Saskatchewan has been endowed, Mr. Speaker, with a bountiful resource base. As the constitutional owner of that resource base, the province has a responsibility to see that the benefits from these resources flow to the people of Saskatchewan. This is true both as taxpayers and users of those resources.

Although our resources are bountiful, they are not limitless. Therefore we must strike a balance between immediate resource development accompanied by short-term gains and the need to conserve an adequate energy and resource base for future generations of Saskatchewan people. This is particularly true of the scarce energy resources — oil, natural gas and uranium.

To achieve maximum benefit from these resources, we must be aware of the costs of development. In the petroleum and mineral industry we are competing for footloose investment dollars which tend to settle wherever the rate of return is the highest. We want to have our resources developed but the cost of tax incentives for purely private development in the resource industry is too high.

In the past year we achieved a significant increase in the degree of public involvement in resource development. To date the Saskatchewan Mining Development Corporation has entered into a number of voluntary joint ventures — primarily exploring for uranium. Our minerals policy will make sure that the Crown has the option of participating in major mineral developments in the future on Crown lands in northern Saskatchewan. The people of Saskatchewan, Mr. Speaker, will thus share directly in both the costs and the benefits of those ventures.

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Some Hon. Members: — Hear, hear!

Mr. Robbins: — Having acquired a good land position in the province, SaskOil has started its drilling program. Public participation and ownership will give the province the ability to regulate, to accelerate and expand economic activity without sacrificing the economic benefit of our resources. Some preliminary work is necessary before intensive exploration can take place. Work is proceeding on an inventory of our coal reserves and their potential uses.

Mr. Guy: — They need some more . . .

Mr. Robbins: — Mr. Speaker, the Member for Athabasca should remember a bit of political whimsy known as the politician's prayer: Dear Lord, I thank you for my mind and my mouth; please try to help me keep the two connected.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In the allocation of coal reserves, priority will be given to supplying Saskatchewan needs. In exporting our excess production, preference will be given in those uses and projects that provide the greatest economic benefit to the people of this province.

Mr. Speaker, in 1971 we promised to raise the social and economic standard of the northern half of this province. The programs introduced in the past three years represent real progress toward fulfillment of that promise.

We will continue our efforts to give northern Saskatchewan a fully developed modern educational system. In addition to the La Ronge Community College grant of \$250,000, a further \$400,000 will be provided for the development of Community Colleges at Uranium City, Buffalo Narrows and Creighton.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Grants to northern schools will be increased by \$1 million to almost \$5 million. Capital construction of educational facilities will reach nearly \$4.25 million in the coming year.

This Budget contains \$2.75 million for road and airfield development. Better transportation facilities will benefit the people in the North by improving service and reducing costs and will make the area accessible for the recreational enjoyment of all the people of this province.

The emphasis on the improvement of public health will be stepped up. Sewer and water facilities will soon be in operation at La Loche, Buffalo Narrows and Cumberland House. We will also start construction of sewer and water facilities at Green Lake and Ile a la Crosse. \$2.3 million will be provided for sewer and water development.

Economic development of the North remains a key objective of this Government. Through our program of assistance grants,

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more than \$1.5 million has been provided for the creation or expansion of northern enterprises. A further \$500,000 will be provided for this program in the coming year.

I am pleased to announce that one major program for 1974-75 was carried out at a much lower cost in the North than was anticipated. Saskatchewan Assistance Plan social payments estimated at \$3.5 million will reach only \$2.2 million in the current fiscal year.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, in the coming fiscal year we estimate a further reduction in the amount required for that purpose.

Last year we provided \$850,000 to the Northern Municipal Council in its first year of operation. As evidence of our commitment to extend local government in the North and local autonomy, we have budgeted \$1.25 million for the Council in 1975-76, an increase of \$400,000.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — I should like to say a brief word about the Department of Industry and Commerce. The response to the business assistance program of this Department has been excellent. In the coming year we will continue to explore new opportunities for development. \$900,000 has been budgeted to study the development of an integrated steel complex. We will also continue to promote Saskatchewan products in other parts of Canada and in foreign markets.

We will establish a new economic development program for the disadvantaged at a cost of nearly \$1.2 million. This program is designed to provide an opportunity for low income or disadvantaged groups to enter the mainstream of the province's economic activity.

Mr. Speaker, last year we established the Department of Tourism and Renewable Resources to provide greater coordination of tourist promotion and the use of our parks. In this Budget we are making further advances in tourism and recreation. Funds have been provided in this Budget to continue the development of the Moose Jaw Zoo-Park complex. When fully developed, this complex will be a major attraction for tourists and Saskatchewan residents. The existing Wild Animal Park will be operated by the province and redesigned to fit into the integrated complex.

Mr. Cowley: — Put the last Liberal in it.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, we will increase our capacity to protect our forests from fires through the use of water bombers. More than \$2.7 million has been provided for the purchase of aircraft and the construction of airstrips.

To complement the forest protection aspect of our resource development policies, we will establish satellite nurseries to supply seedlings used in reforestation.

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Mr. Speaker, we believe that the co-operative form of economic organization can play an important role in meeting the needs of our society. In this Budget \$1.25 million has been provided to enable the Department to expand its services to credit unions and co-operatives throughout the province.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — I am pleased to announce the establishment of a new environmental impact assessment unit within the Department of the Environment. Each project of any significance will require an assessment prior to its construction. This will ensure full consideration of environmental implications and public opinion in the decision-making process.

We are providing \$100,000 in the estimates for flood plains management. This program will substantially reduce flood risk and damage in the future through a series of flood adjustment measures.

In conjunction with the federal authority, we will continue the Qu'Appelle Implementation program. A new office has been opened in Fort Qu'Appelle and recruitment of staff is underway. In 1975-76 there will be a significant expansion of earlier programs designed to reduce flood risk and damage in the Qu'Appelle Valley.

More than \$1 million will be spent in 1975-76 for channel conveyance improvements and major flood protection work for Moose Jaw, Lumsden and Regina. In addition, we propose to provide \$1 million for the purchase of flood-prone agricultural land to reduce potential flood damage.

On the subject of flooding I should like to say a word about the floods in Saskatchewan in 1974. During the current year we have paid out approximately \$6.7 million in assistance to individuals, farmers, small businesses and local governments as a result of last year's flood. I am proud of the record of this Government in the excellent job done by my seatmate, Don Cody, the Minister in charge, in tackling this problem quickly.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In tackling this problem quickly and providing help when it was urgently needed. However I wish to add, Mr. Speaker, we expect to receive a considerable degree of cost sharing from the Federal Government. I should point out that every dollar that has been paid in claims to this date has come out of provincial coffers.

Mr. Speaker, transportation is of vital importance to the people of Saskatchewan.

It is not simply a matter of building roads. It is the kind of roads that you build, the areas and the purposes these roads are designed to serve. To develop our natural resources and to keep our economy buoyant, we must have good roads and they must be well maintained. If we wish to enrich the quality of life in our rural areas and develop our tourist potential, a safe and efficient highway system is a necessity.

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The capital budget for Highways in 1975-76 will be more than \$74.3 million and the total expenditures in Highways will reach almost \$110 million. Of this amount, \$8.2 million will be used to improve our highway system in the northern part of the province. \$25.5 million is budgeted for maintenance, an increase of some 40 per cent over the preceding year. Also included in the capital budget is \$800,000 to begin construction on a bridge at Maidstone and \$1.2 million for the bridge being built at Maymont.

To furnish good all-weather access and transportation for citizens who live in locations not directly served by the highway system, we will provide funds to begin the planning and construction of a designated system of hard-surfaced grid roads.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — This primary grid, Mr. Speaker, will complement our highway system and provide an integrated road network.

Mr. Speaker, an examination of accident statistics in this province is a sobering experience. While a large measure of responsibility must inevitably rest with the driver, governments must make every possible effort to reduce the number of accidents on our highways. This Budget contains \$1.5 million for highway accident counter measures — an amount almost double that spent in the current year.

We know, Mr. Speaker, that transportation, or the lack of it, makes it very difficult for the handicapped person to enjoy a full and productive life. \$555,000 is provided for a new program of transit assistance for the handicapped.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — We contend, Mr. Speaker, this is a well balanced transportation program. We are improving our capital investment in both roads and continuous sound maintenance policy. We are opening the northern part of the province with its abundant resources while undertaking major highway and rural road improvements in the South.

Last year we introduced a large, new Urban Assistance Package aimed at improving the quality of life for the people who live in urban areas. In addition we announced a major increase in grants to rural municipalities. These programs have had a substantial impact. They have helped local governments to discharge the responsibilities that have traditionally been theirs without infringing on their local autonomy.

In 1975-76, \$12.85 million will be allocated to programs of urban assistance in addition to the \$47 million already set aside for the Community Capital Fund.

Grants for police services, which absorbed a large part of rapidly rising police costs in the preceding year, will be funded at \$3.1 million in 1975-76.

An important new development is the designation of the Municipal Water Assistance Board as the responsible provincial agency in arranging aid for water and sewer facilities for towns

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and villages. The regulations under which the Board operates are being revised and the grant structure enriched; the appropriation will rise from the present level of \$250,000 to \$850,000 in the coming year.

Mr. Speaker, the past several years have witnessed spiraling costs in most parts of the economy. In no area has the impact of inflation been more obvious than in the construction industry. World price increases and labor shortages within the province have raised construction costs by almost one-third in a single year. The pressure for new construction has never been greater in Saskatchewan.

To reduce pressure on the construction industry, we will hold government capital construction to about the 1974-75 level. In this way we hope to ease the impact of inflation on capital works, both in the public and private sectors.

During this period of restraint we will proceed with the planning and design of future capital works projects. Included in these plans will be a major new provincial office complex, located in downtown Regina — a project of importance in the renewal of the city's core.

Mr. Speaker, the current position of the Federal Government concerning resource taxation is a grave threat to all provinces. It is a direct challenge to provincial control and ownership of resources and it is a clear breach of the spirit of the March oil agreement.

In the May Budget and again in the Budget last November, the federal authority proposed to disallow the deduction of provincial royalties as a business expense in computing corporate income tax. They proposed to levy a tax on the royalties paid to provincial governments. This we do not accept.

The federal action is all the more distasteful in the context of the oil agreement. The provinces understood that the share of oil revenue going to the two levels of government until June, 1975 had been established by that agreement. Mr. Speaker, we intend to oppose this intrusion into our jurisdiction in every way we can.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — The federal action has caused uncertainty and hardship for some Saskatchewan companies. This we regret. And, despite our rejection of the federal tax measures, we have taken significant measures to lessen those hardships.

We have announced royalty changes that will make it possible for the oil industry to operate on a stable basis. We have stated that as far as the Saskatchewan corporate income tax is concerned, royalties and provincial taxes will remain deductible as a business expense. This measure will apply to all resource companies and will be retroactive to May 6, 1974.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Details of this measure will be provided when amendments to The Income Tax Act are introduced later in this Session.

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Saskatchewan has made these moves in the interests of the resource industries and in the spirit of Confederation.

A second part of the oil agreement relates to the equalization formula. Saskatchewan is in a unique position. We are the only significant oil producer which is a recipient of equalization. When oil revenues go up, our equalization payment goes down.

Because we were already making a substantial contribution by subsidizing Canadian consumers in the form of lower oil prices at a cost to us of some \$400 million per year, Saskatchewan sought to minimize any additional equalization losses.

We understood that if we put our additional oil revenues into the Energy and Resource Development Fund we would retain our full entitlement to equalization payments.

In the November Budget, the Federal Government announced that one-third of the additional oil revenues above the 1973-74 level would be equalized. Such an action is a specific contravention of our understanding of the oil agreement. It means a loss to Saskatchewan of some \$35 million this fiscal year.

The Federal Government suggests that there has been a misunderstanding. Even if this is true, a \$35 million equalization loss for Saskatchewan is not consistent with any interpretation of the March oil agreement.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, this issue remains unresolved but we hope that a mutually satisfactory solution will be found when the first Ministers meet.

In the New Deal for People, we made a firm commitment to reduce property taxes for school purposes by an average of 18 mills on homes, farms and small businesses. Through the Property Improvement Grant we surpassed this level of assistance in 1974.

We promised to abolish deterrent fees. Within about six weeks of taking office we accomplished that. Later we removed medical and hospital premiums for all people of this province.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — We honored our pledge to remove the \$2 driver's license surcharge and the \$25 surcharge on package policy insurance for persons under 25 years of age.

In 1971, we made a commitment to remove the education and health tax from all meals. In 1972, this Government removed the sales tax from meals costing \$2.50 or less. Mr. Speaker, I am pleased to inform the Members of this House that effective April 1, the tax on meals will be eliminated entirely.

Some Hon. Members: — Hear, hear!

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Mr. Robbins: — At the same time, Mr. Speaker, we will fulfill another promise to the people of Saskatchewan by removing the education and health tax from books and reading material.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — On January 1, 1972 the Saskatchewan Government re-entered the succession duty and gift tax fields. We believe that a tax on wealth transfers is a fair tax. We believe that succession duties and gift taxes are a logical part of any progressive tax system. In 1973-74 only six per cent of Saskatchewan estates incurred any succession duty and two-thirds of all duties were paid by the top two per cent or 100 estates. A number of changes will be introduced to further ensure that our taxes apply only to the very wealthiest estates.

The exemption for preferred successors will be increase from \$200,000 to \$250,000. The \$50,000 special exemption for spouses will be increased to \$250,000. This will mean that an estate of \$500,000 can be passed on to a spouse without tax.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In my Budget Speech last March, I said that an overriding objective in the area of tax policy must be taxation according to ability to pay. I want to reaffirm this Government's commitment to this basic principle by making two major announcements.

Mr. Speaker, the property tax is not an equitable tax. In the past three years the Property Improvement Grant program has been an important means of reducing the burden of the regressive property tax for educational purposes while assisting municipalities to maintain adequate revenue levels.

I am pleased to announce that the 1975 Property Improvement Grant will be further increased to an amount equivalent to a 22 mill reduction in property taxes.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, the maximum eligible assessment for farms and business will remain at \$15,000 and \$10,000 respectively. For principal residences the maximum eligible assessment will increase from \$8,000 to \$9,100.

The maximum grants for 1975 applicable under the new 22 mill level will be as follows:

(i) for the farmer \$330, an increase of \$30.

Some Hon. Members: — Hear, hear!

Mr. Robbins: —

(ii) for the business operation \$220, an increase of \$20.

(iii) for the householder \$200, an increase of \$40.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, the maximum grant payable to an individual under any combination of these grants will be increased from \$300 to \$330.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — The 1975 Property Improvement Grant program will put back over \$40 million into the hands of Saskatchewan property taxpayers.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — As I commented last year, Mr. Speaker, we have been hindered in our efforts to develop a more progressive provincial tax system by the continual erosion of our personal income tax base by tax changes, such as indexing, which have been instituted by the federal authority. By and large, these changes have been unilateral, regressive and costly to this province.

They will reduce Saskatchewan's personal income tax revenues in 1975 by over \$30 million. We would have enthusiastically supported those tax changes if the benefits were directed in a more progressive fashion.

Last November, the Federal Budget proposed an eight per cent federal tax cut for 1975, with a \$200 minimum and a \$750 maximum. Provincial income taxes remain unaffected by this federal tax cut. Unfortunately one result of the tax cut is that many taxpayers at the lower end of the income scale continue to pay provincial income taxes while having their federal income taxes reduced to zero. This situation exists in each of the nine provinces that are party in the Federal-Provincial Tax Collection Agreement.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, it gives me great pleasure to announce that commencing with the 1975 taxation year, a provincial income tax cut of \$100 will be enacted. This will removed 70,000 Saskatchewan taxpayers from the provincial income tax roll and will reduce the provincial taxes.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — And will reduce the provincial taxes of each of the remaining 240,000 taxpayers by \$100 each.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In general, Mr. Speaker, no Saskatchewan taxpayer will be asked to pay provincial income taxes for 1975 if no federal income taxes are owing.

Mr. Speaker, this tax cut will eliminate all of the 1975 provincial income taxes for a family of four earning less than \$6,100 per annum.

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Some Hon. Members: — Hear, hear!

Mr. Robbins: — For this same household with an income of \$8,000 per annum provincial income taxes will be reduced by 40 per cent.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — With an income of \$12,000 this tax cut will mean a 17 per cent reduction in provincial taxes.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — The \$100 tax cut is equivalent to a six point reduction in our 40 per cent provincial income tax rate to an average level of 34 per cent.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — But, Mr. Speaker, I wish to point out a real difference here. The impact of the tax cut that I have announced today is far more progressive than such a tax rate reduction would be.

A family of four with an income of \$13,000 or less will receive a greater tax saving from our tax cut than from a reduction in the tax rate to 34 per cent.

In fact, the flat \$100 tax cut is equivalent to a reduction in the provincial income tax rate from 40 per cent to 16 per cent for a family of four earning \$7,000.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — For the same family with an income of \$10,000, the \$100 tax cut has the same effect as a reduction in our rate from 40 per cent to 30 per cent.

Mr. Speaker, this progressive income tax reduction will return over \$27 million in the next fiscal year to Saskatchewan taxpayers.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Adjustments will be made to payroll deductions commencing July 1, 1975.

Mr. Speaker, in the printed text of my speech there are some tables which vividly illustrate the impact of these tax changes.

Mr. Speaker, let me now summarize our revenue structure and fiscal position for 1975-76.

Our revenue forecasts have assumed continued economic growth in the province but at somewhat reduced rates because of downturns in both national and international economies.

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E & H tax receipts are expected to reach \$139 million, an increase of 16 per cent over anticipated 1974-75 receipts.

Individual income taxes are estimated at \$169.7 million including the proposed reduction in provincial income tax. Corporate income tax receipts based on a continued deductibility of royalties as an income tax expense are estimated at \$43,300,000.

Mr. Speaker, we have clearly stated our intention to obtain for the people of this province a fair share of the profits from resource production. Under the mineral income tax and royalty surcharge, the additional profits from higher oil prices will continue to be directed to the Energy and Resource Development Fund. This fund is to be used to develop energy and other resources in Saskatchewan. The amount in the fund currently stands at more than \$161 million. It is our intention to transfer, if necessary, \$35 million from the Energy Fund to provide sufficient revenue to offset the cost of the gasoline tax reduction of seven cents a gallon and the related Farm Cost Reduction program. In addition, we intend to take the full value of the regular Crown royalty into the Consolidated Fund to cover part of our lost equalization entitlement resulting from higher oil revenues. Petroleum and natural gas revenues will amount to almost \$75 million in the next fiscal year.

In response to rapidly rising prices for potash, we introduced the potash reserve tax last year to obtain a greater share of the profits for the benefit of the people of this province. In 1975-76, potash revenues including the reserve tax are estimated at \$118,900,000.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — In March 1974 the first Ministers agreed that any additional oil revenue set aside in special capital funds would be excluded from the calculation of equalization payments. However, the Federal Government's unilateral decision to include one-third of the additional oil revenues in the equalization formula has sharply reduced our equalization entitlement. For 1975-76, equalization receipts are estimated at approximately \$91 million.

Receipts from government enterprises and other funds including the Saskatchewan Liquor Board and SaskTel are estimated at a little over \$100 million.

Mr. Speaker, I will summarize our fiscal position for 1975-76.

We anticipate budgetary cash inflows to reach \$1,143,700,000. Budgetary expenditures will amount to \$1,140,600,000, an increase of 15.8 per cent over our revised 1974-75 estimate, leaving an estimated cash carry forward at the end of 1975-76, March 31st, 1976, is expected to reach \$73.4 million. Mr. Speaker, that is our Budget.

I am proud of this Budget because it marks the culmination of our first four-year program — a New Deal for Saskatchewan.

Some Hon. Members: — Hear, hear!

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Mr. Robbins: — The new directions of that program can be highlighted by a few comparisons between the 1975-76 estimates and the last budget put before this House by the former government in 1971. These comparisons are based on gross expenditures in each case. Saskatchewan's basic industry — agriculture — up 244 per cent over 1971; Health up 54 per cent; operating grants for schools up 77 per cent; operating grants to universities up 75 per cent; direct relief to property taxpayers up to 212 per cent; and, Mr. Speaker, for grants and cities, towns and villages, including only one-fifth of the five-year Community Capital Fund, next year's estimates are up more than 1,600 per cent over 1971.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, even taking into account the effects of inflation, we've come a long way since 1971. Mr. Speaker, I must point out that this would not have been possible without a dramatic increase in the revenue yield from our resources — up from \$34 million in 1971 to over \$200 million estimated in the coming year and that does not include revenue directed to the Energy and Resource Development Fund.

Mr. Speaker, we promised a fair return to the people of Saskatchewan for their resources. We promised and we've delivered. To our farmers, urban dwellers and small businessmen, we promised and we have delivered. To our senior citizens, to the sick and the handicapped, and to those on low incomes, we promised, Mr. Speaker, and we have delivered. To our northern residents, we promised and we've delivered. To the young, wherever they live and work, we promised better education, bursaries and jobs, or a chance to get started in farming. We promised, Mr. Speaker, and we have delivered.

Mr. Speaker, we promised the people of Saskatchewan a New Deal and we delivered.

Some Hon. Members: — Hear, hear!

Mr. Robbins: — Mr. Speaker, I move that this Assembly do now resolve itself into the Committee of Finance.

Some Hon. Members: — Hear, hear!

Mr. D.G. Steuart (Leader of the Opposition): — I imagine they would like to take the question, wouldn't they, Mr. Speaker.

I should like first to say that there has been an insult to the Members of this House on both sides and I don't know why it has happened. Because it happened earlier in this Session when we had the Throne Speech. The Throne Speech was not delivered to Members on this side or that side of the House until after it was over. The visitors in the gallery have had a copy of this Budget, I presume gotten from outside even before the Members on that side or the Members on this side. Now, I am sure it wasn't intentional but it is just another example of the inefficiency and the bungling of that Government opposite.

Mr. Speaker, this Budget asks us, the Members of this Legislative Assembly, to grant \$1.1 billion plus, over \$1,100 million, to be spent in the next year by that NDP Government of Mr. Blakeney's, a government that has proven by the individual actions of its Ministers and the total actions as a government to be the most incompetent, the most bungling, the most inefficient and the most arrogant government in the history of this province.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — I think it is interesting to look at the cover of this Budget. If you look at the cover of last year's Budget they had on it the picture of someone drilling an oil well. This year, what have they got on the cover? They have a field, a vacant field, a farm field. Well, I think this is really the final result of Mr. Blakeney's great Saskatchewan auction. No oil wells, no mills, no mines, no people and that's what is exactly reflected in this Budget.

An Hon. Member: — Here's an oil well.

Mr. Steuart: — Hold it up with pride because the only way you will find an oil well if the NDP stay in power is to look inside of this Budget to find a picture of it. You won't find one out in the field.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — As a matter of fact, Mr. Speaker, the NDP have a little difficulty taking pictures of oil fields. They started SaskOil, they bought some oil fields and rights from other oil companies. They have what they call a Step Out program, they stepped out about a foot and a half and they sunk another oil well and they got a little bubble. It wasn't really a gusher, it was kind of a drip. So in order to do what you do with an oil well, I don't know much about oil wells, in fact I know so little I could qualify to be the Minister of Mineral Resources in the NDP Government. But I am told when you do get an oil well you cap it. But no, no, he was told not to cap it because he had to send to Regina for the Department of Information to get a picture of this great oil well. So the men standing around say, "For God's sake let us cap it, we haven't got much pressure now," but no, we had to wait to get the picture. Finally the camera got there but the little drip had kind of disappeared like this. As a matter of fact it cost them several thousand dollars to recover the drilling equipment and several days of lost time.

Mr. Speaker, this is really a do-nothing Budget. It offers a little bit but nothing of any consequence to anyone in this province. As a matter of fact the first time the Members have come to life is when I arose. They showed very little life, I thought they would be smiling and giggling and pounding, thinking here is our passport to four more years on those comfortable benches, free from the necessity of making an honest living and back in politics for another four years. I thought the Ministers would be saying, what a wonderful Budget, now we've got those government cars for another four years. But no, they sat there and on cue they applauded from time to time. I said

it does a little bit for some people and not much for anyone.

Let's talk about whom it doesn't do much of anything for. Let's talk about the senior citizens. This is the most disgraceful action for the senior citizens of this province, the most insulting offer ever made to a group of senior citizens since the people threw out six-buck Harris back in Ottawa about 20 years ago. They have a new name for Mr. Robbins — 14 buck. What does this Budget say . . .

Mr. Blakeney: — \$20 is better than you did.

Mr. Steuart: — Oh, no it doesn't. You ought to read the Budget, Mr. Blakeney. This Budget says, "We will give to the senior citizens \$224, guaranteed." Now in April of this year, the Federal Government is raising the pension to \$210 guaranteed for a single person. In Saskatchewan they are going to be raised to \$224, an increase of a measly, rotten, stinking \$14 a month. I can read the Budget, I know what it says, it says, "This Government will guarantee every resident of Saskatchewan 65 or over an income level of \$224 a month." Now starting in April every resident of this province, 65 years and over will be guaranteed by the Federal Government \$210 a month. Now if you are saying that you will add \$20, you can read that either way, fine, that's better but it is still not very good. As a matter of fact, let me point out that you are going to spend, if you take the most charitable view of what you said, you are going to spend \$7 million on our senior citizens. The fact is you have spent \$13 million on the hogs in this province this year. Twice as much, \$13 million for the hogs, as you give to the senior citizens. I feel sorry for you people when Joe Phelps and the rest of the senior citizens get finished taking the hide off you and you've got it coming.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — The senior citizens asked for a minimum of \$350 and you offered them \$224. They asked for a minimum of \$500 a couple and you offered them \$425.

An Hon. Member: — Wrong again.

Mr. Steuart: — No, I'm not wrong again, you had better read your own Budget.

Now the next step they came to was to the income tax. The income tax reduction of \$100. Now as far as it goes, that's fine. But all you've done, and let the people of the province recognize this, is to put the income tax back to where you found it when we left office. It was 34 per cent and it is back to 34 per cent again. As a matter of fact since you came to office and a time when you didn't really need it, you have taken in extra money in income taxes from the working people, the farmers and the business people of this province, over \$100 million in extra income tax. You are offering them, not this year but next year, \$27 million. In the five taxes that the people of this province pay — E & H tax, income tax, business tax, gasoline tax and other license fees — you have in fact raised the tax on the people of this province since you came to office by over 100 per cent, from about \$237 million,

this year it will be almost \$500 million. That's what is in the Budget.

Oh, there are a lot of things in the Budget, there are some things we welcome, but what's not in the Budget? Mr. Speaker, there is nothing in the Budget to talk about taking some positive action to clean up the mess that goes on in that Government. The mess that is uncovered by the auditor, the mess in Mr. Messer's Hog Commission where the auditor couldn't even sign the forms because there was so much mismanagement of public funds.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Mr. Brockelbank's Department, again the auditor had to point out mismanagement of funds. In the DNS, we had this a year ago, half a million dollars in shoe boxes; \$100,000 overpayment just in one office. We find it now is \$580,000 overpayment in one office. What happened to the promise to clean it up last year? I'm sure we will get a promise to clean it up this year. There is nothing in there to say what they will do about the situation with Mr. Thorson, where he paid out a year ago, illegally, over \$12,000 of taxpayers' money to Service Printers, a company wholly owned by the NDP. The handling of government funds as pointed out by the independent Provincial Auditor must make anyone suspicious of the performance of that Government.

Take a look at Mr. Smishek and his new hospital. He stands up and talks about what he has done for the sick people. The hospital situation in this city of Regina is a disgrace. He's got a \$20 million hospital that has been completed for over two years. Who is over there? Sixteen or 17 people recovering from hangnail operations. Mr. Speaker, this is the most expensive first-aid operation anywhere in this nation. He says he is going to start a drug plan. Oh, he says, this isn't a deterrent fee. You know when the Liberals charged a little fee to go to the doctor, we wanted to call it the utilization fee, but they said, oh no, it is a tax on the sick and the old, and the blind and the halt and the lame. So they become the Government, now they put what they would like to call a fee on the druggist, a service fee. Well, by any other name it still stinks, it's a deterrent fee and you know it but again we've got a promise that they will start that plan. I suggest that the only way that plan will start, Mr. Blakeney, is if you remove the Minister in charge.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — But the real tragedy of this Budget and the real tragedy of that Government is a golden opportunity that's missed. In this Budget, there is a reaffirmation of the same narrow, short sighted stand, that the NDP intend and will continue to take if they stay in office, in the development of our resources. I see Mr. Brockelbank sitting in the back, let me say this, ever since this province first became a province, successive governments from Walter Scott, down through Liberals, Mr. Anderson as a Conservative, Mr. Patterson, Tommy Douglas, Ross Thatcher, Woodrow Lloyd, they have all had one thing in common, they did

their best to have people come in here and help us develop our resources. But we found, successive governments, that people were attracted elsewhere to find oil or coal, uranium or minerals. We got our share but it was with difficulty. The oil industry first was invited in here, Mr. Brockelbank and Mr. Douglas gave them a solemn promise that the Government of the day, the CCF, would keep their word and they would never be socialized. And they did keep their word. Mr. Blakeney was a Member of that Government. Mr. Douglas kept his word and Mr. Blakeney broke his word and it's becoming a pattern.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — They brought in potash in the early 1950s. Mr. T.C. Douglas invited the Potash Company of America to come in here and develop a potash mine and everybody in this province was thrilled. At long last we were going to get another prop under our economy, to get off the backs of our farmers. Mr. Douglas and Mr. Brockelbank said if you come in here we will give you fair treatment. In fact, they gave them a tax deal that went to 1981. They kept their word, but again, Mr. Blakeney broke his word.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Now let's see what's happening. For years we were in a seller's market. It didn't matter what Government we had, we had trouble enticing people to come in and help us develop our resources. Pulp mills — and I should tell some of the older Members the conniptions the old CCF went through to get a pulp mill. In 1956 and 1960 they went all over this continent and they offered everything but the kitchen sink and perhaps including the kitchen sink to anybody who would come in and develop our forest products and put in a pulp mill. They couldn't get one. We got one from the United States, that is there now, the greatest single thing that has ever happened in Prince Albert and district and they haven't changed it one iota.

Something changed in 1972. The world became aware of the shortage of the commodities that we have — coal, potash, uranium, timber, sodium sulphate, oil. Suddenly investors were flocking to our door. Mr. Blakeney was given an opportunity never presented to any Premier before in the history of this province — not to Woodrow Lloyd, or Tommy Douglas, or Ross Thatcher, or anyone else. They said, "We'll come in." Instead of enticing them, instead of having to give them concessions as we all did, he just set his own rules. They needed us more than we needed them. What did he do? He slammed the door and turned his back on them. He took a small dog-in-the-manger, narrow view of our resources and our people. With the result we have lost over \$500 million worth of potash development that would have produced thousands of jobs, put a base under our economy, something we have dreamed about since we first became a province. He turned his back and drove out the oil industry. Not the Federal Government, but Bill 42 in 1973.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — That's what drove the oil industry out and at a time when we need them and Canadians need them the most.

Friends, what happened? The result is that we have lost, or we are in the process of losing, the greatest opportunity we've ever had.

And they did something else, and it's typical of that Government. They said, we'll do it the government way. Well, I've got no objection of the Government going into business by themselves, or with anyone else, if no one else will come in as in the case of the pulp mill. By all means then as Saskatchewan people, use whatever we have to use to develop our resources. We didn't have to do that. There are all kinds of people, including Canadians, ready to come in and develop our potash and we can set the toughest rules possible. All they want is a fair deal. Not satisfied, Mr. Blakeney said, "We'll set up the Saskatchewan Potash Corporation." What does he do? Well he sets up a board of directors. Who is on the board of directors? They are fine people, at least I think most of them are fine people. He makes David Dombowsky the chairman of the board. He's a fine man — he was my Deputy Minister. He knows a great deal about government. What is his experience in business, outside of the fact that he has talked to a few businessmen lately — nil. Mind you, compared to the rest of them, he has at least talked to some businessmen. I suppose they made him chairman on the theory that in the land of the blind a one-eyed man is king. But who did they back him up with? Mr. Don Ching, and what are his qualifications to operate a great multibillion dollar potash mining company in a tough world competition? But as Mr. Roy Romanow's partner and a good NDP, and of course he knows totally nothing about business so he must be qualified. Then we've got John Burton. Now John Burton is really qualified. He was defeated twice as an NDP candidate. Every time he is defeated they hire him. He was a poison pen speech writer for the backbenchers. They had to get rid of him because they couldn't pronounce the big words he was using. However, what is his experience in business? Next to nil, he doesn't know anything about it. There is Mr. Beatty, Deputy Minister of Finance, from the University. Fine man, great man. Doing a fine job I presume trying to keep those fellows straight. He isn't able to make it, but I'm sure he is doing his best, explaining to Mr. Robbins that being a Finance Minister isn't just about being able to recite a whole lot of figures from memory, it's to know something of what's behind those figures. However, what does he know about business? Nothing. These are the men who are going to guide the destiny of that \$100 or \$130 million potash mine.

Then they started SaskOil. Now they've got a real board of directors at SaskOil. Board of directors, Hon. Elwood Cowley, chairman, experienced school teacher. Fine, they've got to have a Cabinet Minister. There's no complaint about that. Lawrence Bigrash — chairman. They tell me he was a geologist and knew something about it so they got rid of him. The one reason is he said, "I'm getting \$25 a day being on the board, I can make all kinds of money being a consultant" so he quit and now they've got him as a consultant. He knew something about it and they got rid of him really quick. J. Ron Duncan, vice-chairman, international representative of the OCAW. Well now, why would they hire him. Well, he's a union man, no reason why union people shouldn't be represented. I think one thing, he's a representative of the Oil-Chemical Atomic Workers. They

said, he's in oil-chemical, he must know something about oil and they put him on the board of SaskOil. Paul Lepp, a lawyer and a very fine fellow. We used to have his partner. One thing I notice about law firms, including the Premier's and the Attorney General's, you know they have several quivers in their bow. They are never stuck. They say, Liberal Government — there's a Liberal lawyer; Conservative Government — there's a Conservative lawyer; and they put him out. They have a little trouble with NDP because most lawyers are too intelligent to be NDP, but they've got one — Paul Lepp. Fine fellow, but what does he know about oil? Just about as much as Elwood Cowley and I do — nothing. Then they put Gord Beatty, what a hard-working fellow. Poor old Gordon, I hope he takes some lessons in oil and potash because he is on all the boards of directors. They've got Barrett Halderman, secretary. I don't know anything about him, or her, or who. Unfortunately, it may be a bit humourous, but it's tragic. We have more resources in this province than they have in Alberta. We could, if we used common sense and fair play and decency, have all the revenue entitled to our people who own the resources, still see this development take place.

One of the ironies in this Budget is, this government has the gall to say they are going to do something about helping other countries. Right now Premier Blakeney is denying people in India, Bangladesh and other starving nations the very potash they need to grow the food they are starving for the want of. And that's a fact.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — If he had started two years ago to encourage the additions to our potash mines that were ready to go, we would be putting more potash on the world market to grow more food to feed more hungry bellies. Mr. Blakeney said 'no'. You can't dig up a spoonful of potash unless I do it, or my Deputy Minister or my little gang unless you do it the socialist way. He stopped them in their tracks and he stands condemned. And then he has the effrontery to put in this that they are going to give a lousy \$1 million if they can find some people that want to run around sticking their noses in somebody's business in some other country.

Mr. Speaker, another thing that we have got in this Budget is more for the Land Bank. They all applauded over there and I was happy to see them because they haven't changed their minds one bit. Mr. Blakeney stands up and says 'You can buy the land'. That was a lie, he knows he tells a lie, it is not true and I challenge him now to get up and tell us where the farmer has the option to buy that land.

Mr. Speaker: — Order, order! I don't think the Leader of the Opposition wants to use that term in the House here. If he feels that it's not according to the facts, that's his say so, but I wish he would retract those words of his to lying.

Mr. Steuart: — He tells things not according to the facts. He tells things that aren't true. He tells things that in any other Chamber but this would warrant even harsher criticism than that and he knows it. If he doesn't know it then he had better get a new lawyer and he had better go and talk to some other law

firm. In the Land Bank Act and in the regulations on the lease form it clearly says that government or commission may sell the land, it's their option, the farmer or lessor has no option at all.

Not only that — you don't intend to sell any land. You stand up here and you say as the Minister of Agriculture (Mr. Messer), it's a new land tenure system. New — nonsense. They've got it behind the Iron Curtain and they call it by its right name. "Stink Farming". Socialism or Communism and that's exactly what you are doing and I tell you the farmers don't like it.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Mr. Speaker, this Budget adds how many more civil servants? Gordon can't add them up — he's got a machine here and I guarantee that they have added at least another 500, 600 or 700 new civil servants. Last year they added 2,500, the year before 1,000. They boast about the new jobs. I tell you they are landed on the taxpayers' backs working for the Government. I don't call them civil servants. Civil servants are people who have worked there long, many years and are excellent people. But most, not all of them, but a great many of these people they have loaded on the backs of the taxpayers of this province are in no way civil servants in the proper sense of the word. They are running out in politics, they are involved in NDP propaganda. You've added at least another 500 or 600 I guarantee you, bringing to the total of over 4,000 new people working for this Government and there are 17,000 people less. This Budget guarantees that the philosophy of the NDP to control, to dictate, to grab more land, to grab more power, unfortunately will continue.

Mr. Speaker, I will have a great deal more to say about this Budget, what it does and what it doesn't do. But I will say one thing that it does not do — it does not give the people of this province any new hope that the Government has a new idea. A tired recital of what they've done, not one new idea to take advantage of the tremendous opportunities offered to this province and its people in 1975 and the years ahead. For that reason, I will have a great deal more to say and I beg leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 4:37 o'clock p.m.