

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session — Seventeenth Legislature
23rd Day

Friday, March 21, 1975.

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

WELCOME TO STUDENTS

MR. F. MEAKES: (Touchwood) Mr. Speaker, I should like to take this opportunity to introduce to this House, through you, Sir, 30 Grade Twelve students from the Kelliher High School, led by their teacher, Mr. Ohly. I believe they were touring the city this morning and they are here for a short while. I hope that their stay here is enjoyable and educational and I hope to meet with them as soon as they leave the Chamber.

HON. MEMBERS: Hear, hear'

MR. A. THIBAUT: (Melfort-Kinistino) Mr. Speaker, I should like to ask the House and you, Mr. Speaker, to join with me in welcoming a fine group of students from the Kinistino High School. There are 31 of them in the gallery. They are led here by their teachers, Mrs. Pat Coates, Mrs. Louise MacFarlane and their bus driver, Bob Stevenson. They are all Grade Twelve students. They left this morning at 6:30, had a long trip and they are touring the city of Regina which will be very educational this afternoon I am sure they are going to get some impression of the Legislature. I also want to wish them a safe journey home.

HON. MEMBERS: Hear, hear!

MR. J.K. COMER: (Nipawin) It pleases me to introduce to you and through you to Members of the Legislature, a group of 35 students from L.P. Miller Comprehensive High School in Nipawin, seated in the Speaker's Gallery. L.P. Miller is a fine school serving Nipawin, White Fox and Carrot River. They are accompanied here by their teacher, Larry Herman and their bus driver, Mr. Lloyd Hornseth. These students left Nipawin at 6:30 this morning and have so far visited the Museum of Natural History and after leaving the building this afternoon they will visit the RCMP Museum.

I am sure that all Members will want to join with me in welcoming this fine group to Regina and in hoping their stay here will be educational (I am sure all Members will co-operate to make it educational) and in wishing them a safe journey home.

HON. MEMBERS: Hear, hear!

MR. I.W. CARLSON: (Yorkton) Mr. Speaker, I should like to take this opportunity to introduce a group of students from the Calder School. There are some 22 of them seated in the west gallery. The town of Calder is in the new Pelly constituency and on behalf of the Member for Pelly, who is unable to be here, I am making this introduction. I should like to say, however, that Calder is part of

the old Yorkton constituency which I have represented for this past almost four years.

The students are accompanied by their teacher, Mrs. Roe, their bus driver, Mr. Rohatensky and his wife and Mrs. Melnick. I would like to ask all Members of the Assembly to join with me in welcoming this group of students to the Assembly today.

HON. MEMBERS: Hear, hear!

QUESTIONS

REMOVAL OF THE ESTATE TAX

MR. E.F. GARDNER: (Moosomin) Mr. Speaker, before the Orders of the Day, I should like to ask a question of the Minister of Finance. There have been Press reports lately of statements by Premier Barrett of British Columbia that he is considering the removal of the estate tax in B.C. because he is losing capital to Alberta. If this happens, of course, it would be even more disastrous for Saskatchewan because we have people who tend to retire to British Columbia. Would the Minister then consider removal of the estate tax completely in Saskatchewan in view of this?

SOME HON. MEMBERS: Hear, hear!

HON. W. ROBBINS: I think we are not necessarily governed by the actions of Premier Barrett in B.C. We gave consideration in terms of the estate tax and we have made adjustments for the current year.

MR. GARDNER: Well, just a supplementary. The Minister I don't believe did answer the question. I am wondering if B.C. does act in this regard then I am sure everyone would realize the disaster it would be for this province in losing capital. If British Columbia does that would the Minister immediately remove the estate tax in Saskatchewan?

MR. ROBBINS: It's not the prerogative of the Minister to erase any tax. It must be considered by the Government and that will be done in due course.

ADJOURNED DEBATES

BUDGET DEBATE

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Robbins that this Assembly do now resolve itself in to the Committee of Finance and the proposed amendment thereto by Mr. Malone.

MR. J. WIEBE: (Morse) Mr. Speaker, in rising to speak in this debate, it is again with a great deal of misgivings that we on the Opposition side of the House find that the Minister of Highways (Mr. Kramer) has again shown contempt for the Members of the Legislative Assembly. This is the third year in a row that the Members on this side of the House have not been provided with a highway capital construction outline or program for 1975.

March 21, 1975

Last year, the same as this year, and as we've seen from this side of the House, Members on the Government side of the House have copies of that highway program. Copies of that highway program were in the hands of Government Members about two days prior to the Minister of Highway's speech in the House last night. As it happened last year, I the Opposition critic for the Department of Highways, had to go up and ask the Press for a copy of that highway program. This year I had to ask the Clerk of the Legislative Assembly for a copy of that highway program. We have now sat in the House for two days since his remarkable speech - I guess it was last night wasn't it - and we have yet to see a copy of that highway program. Yesterday evening after the Minister had completed his remarks, I asked one of the pages to go over and ask if it would be possible for the Minister of Highways to furnish the Opposition critic for highways with a copy of that report, and he flatly said, no. Now, I wonder why this is happening? Is it because the Minister again is demonstrating his views and his reasonings for playing politics with highways in this province?

MR. MacDONALD: (Milestone) He's ashamed of it.

MR. WIEBE: I think that's the answer, I think the answer that the Member for Milestone has mentioned is that the Minister is ashamed of that program. It's a wonder they even gave it to the Press. He admitted last night in his remarks that he didn't feel the highway program for 1975 was very good and he doubted whether that highway program would be completed. Unfortunately we are going to have to wait again until we see the Highway program in the Press before we know what highways will be looked after this year.

Mr. Speaker, before I go into my formal remarks on the Budget, I must make a comment on remarks made by the Premier of this province in which he called a senior Member of the Federal Government, Mr. Otto Lang, a liar. He charged, Mr. Speaker, that the Federal Government and Otto Lang were determined to abolish the Crow's Nest freight rates in this province. This kind of accusation and misrepresentation can be expected from the Minister of Agriculture (Mr. Messer) and from the Attorney General (Mr. Romanow), but surely not, Mr. Speaker, from a man who draws respectability and honesty as Premier of this great province. I think, Mr. Speaker, that the statements made by the Premier are unfortunate and I am sure that if he continues with this type of political game that it will not take very long and he will lose the rest of what little credibility he has left.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: Since last fall, Mr. Speaker we have had a lot of discussion on the retention and the abolition of the Crow's Nest rates. Mr. Speaker, because of that discussion I don't think that you can find anyone in the Province of Saskatchewan that is in favor of the abolition of those Crow's Nest rates. The NDP seem to think that it might be a good idea because they might be able to gain something politically from it. Last week, Mr. Speaker, speaking at the RM Convention in Saskatoon in front of 1700 farmers, Mr. Otto Lang, the Minister in charge of the Canadian Wheat Board, responded to the wishes of the people of this province. At that meeting the Minister of Justice

categorically stated that the farmers need not worry, that the Crow's Nest rates agreement will not be abolished. Mr. Speaker, this is something difficult for Members on that side of the House to understand.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: Here is a man who threw something out for discussion. Here is a man who listens to the people of this province. Here is a man who is still in touch with the people of Saskatchewan. The Members opposite, Mr. Speaker, for the last two and one half to three years have not been in touch with the people of Saskatchewan. If they had been in touch they would have brought down a Budget much different than the one which we are debating ' today.

I welcome the Members opposite to tear up and down this country and say that the Federal Government and Otto Lang want to do away with the Crow's Nest rates. Because if they do, it ill ruin any little credibility that the Members opposite have.

Mr. Speaker, my speech is about 25 minutes, Mr. Attorney General I have got only 15 minutes air time so I think I will start on it now. Or have you got something else I could talk about.

SOME HON. MEMBERS: Hear, hear!

AN HON. MEMBER: The Hog Marketing Commission.

MR. WIEBE: Yes, the Hog Marketing Commission, that's an idea, maybe we should make a few comments on that. I am sorry to see that the Minister of Agriculture is not in his seat today, because one of the questions which I should like to have asked him, is a question regarding Saskatchewan agricultural pamphlets, which were sent out to each and every farmer throughout the province. You know the first two issues that went out were extremely good issues because they actually did tell the people of Saskatchewan what was going on within the Department of Agriculture and I think that was the main intent of those pamphlets. But the last one, Mr. Speaker, that they sent out is nothing but blatant, political partisanship. Garbage, Mr. Speaker, and it was sent out at the taxpayers' expense. The question I was wanting to ask the Minister of Agriculture, whether this particular issue was paid for by the people of the province or whether it was paid for by the NDP? Because this pamphlet is strictly a pamphlet on behalf of the Saskatchewan NDP and nothing else.

Mr. Speaker, during the past few weeks my colleagues have dealt with many aspects of the Budget. Instead of generalizing I should like to deal for a few moments specifically with the Department of Highways and in turn, transportation. One only has to look at the condition of our highway system and this Government's 1975 construction program to realize that something is wrong in Saskatchewan. In the history of Saskatchewan our provincial highway system has never deteriorated more than it has during the past four years.

SOME HON. MEMBERS: Hear, hear!

March 21, 1975

MR. WIEBE: Everywhere you travel in this great province the results are the same: poor maintenance, slow construction. The past three years and this 1975 Budget definitely proves that point. The NDP hold our provincial highway system in very low priority. The 1975 highway program presented last night by the Minister of Highways (Mr. Kramer) holds very little encouragement for the people of Saskatchewan. He presented a program that was unbelievably pathetic. A program which he himself admitted was not good and could very well not be completed in this year. When you look at the NDP record in terms of highways that low priority can definitely be understood.

Let's go back for a moment to 1963, the last full year of the then CCF-NDP Government. The NDP highway construction budget at that time was only a meagre \$13.7 million. Under a Liberal Government, a government which put high priority on highway safety, capital expenditures on our provincial highways increased to an all time high of \$45 million. Highways in this province were built that all people of Saskatchewan were proud of. A record of building long lasting quality highways, a record by a government which put a high priority on super and superior maintenance of those highways. Highways were built, Mr. Speaker, that the people of Saskatchewan were proud of.

What has happened to our highway system since 1971? Budget' brought down by the NDP have not even covered the normal cost of inflation which meant that fewer and fewer miles of highway were being built each and every year. A good example of that is our 1975 Budget which we now have before us. In terms of the 1971 budget, highway construction this year should be \$90 million. Every contractor in the province and your own Department of Highways officials will admit that the costs for highway construction and maintenance have risen 100 per cent since 1971. What's the priority of the NDP? Instead of a capital budget of \$90 million to do the same amount of work that was done in 1971, they are asking us to approve a budget of only \$65 million. So in actual work to be accomplished this year, \$65 million will build 30 per cent fewer highways than what was accomplished in 1971. This is the reason why our Saskatchewan highway program is not keeping pace with the demand.

Time does not permit me this afternoon to go into detail of what is happening to our highways but I feel I must mention some examples. The most glaring is Highway No. 1 from Herbert to Valjean, a distance of only 33 miles. It has taken this Government four years to construct only 33 miles of highway and as yet, Mr. Speaker, there is no assurance that it will be completed by the fall of this year. This practice, Mr. Speaker, is not occurring only on No. 1 Highway but it is occurring on each and every highway being built in this province. Just think about it, can any government justify spending four years to construct 33 miles of highway. This 33 mile stretch is a bottle neck in the four-laning of No. 1 Highway. We can thank our lucky stars that no one has been killed or seriously injured on this dangerous stretch of highway. Another of this Government's inactivity is highway No. 19 running south from No. 1 to Hodgeville. This particular stretch of highway is so narrow and in such bad shape that one takes his life into his own hands just to drive on that particular piece of highway. I wonder, Mr. Speaker, what the MLA for Gravelbourg (Mr. Gross) is doing about that particular stretch of highway? What is he

doing to help the people of Hodgeville? That stretch of highway Mr. Speaker, should be rebuilt immediately and put into a safe and good condition. I don't believe that the people of Hodgeville should be asked to wait any longer.

A Liberal Government, Mr. Speaker, would restore the confidence of the people in Saskatchewan in our highway construction program and immediately implement a program of highway construction that will keep up with the present demand, a government that will build highways which put a strong emphasis on traffic safety and superior maintenance.

In summing up, 1975 looks like a very dismal year in terms of highway construction. 1975 will mean fewer miles of highway construction. 1975 again proves the very low priority which the NDP Government places on a good sound economic highway system. Mr. Speaker, it is time that a program was implemented that, again, placed a high priority on superior maintenance and keep of our provincial highway system. Mr. Speaker, the Liberal Party and a Liberal Government is dedicated to that principle.

Mr. Speaker, Saskatchewan can boast the greatest network of roads of any other province in Canada. A total of around 125,000 miles and yet less than 10 per cent, 12,000 of this total falls within the jurisdiction and responsibility of the provincial Department of Highways, in comparison the lowest percentage of any province in Canada. What does this mean? It means that the cost of building and maintaining over 113,000 miles of this province's roads, over 90 per cent, falls on the shoulders of our local municipal governments and in turn our rural taxpayers.

Each and every year the major expenditure by local governments goes for the construction and the maintenance of our grid and rural roads. Costs of building and maintaining our rural roads have gone up over 100 per cent since 1971 and indications are that these costs will continue to accelerate. What does this Budget do to help our municipal governments and in turn the rural ratepayers?

Mr. Speaker, it does nothing. Allocations to municipalities do not even cover increased cost of inflation. Last fall there was a great campaign put on by the Department of Municipal Affairs announcing its new program of super grids, a program of hard surfacing of our rural roads. Mr. Speaker, again, actions speak louder than words. How does this Budget propose to help our rural municipalities?

First of all financial assistance for market grid road construction is down \$500,000; assistance for super grid the same as 1974, not even enough to cover inflation which means fewer miles; grants for maintenance of grid roads - an increase of only \$31,000, with over 500 municipalities this means a pitiful increase of only \$60 for each municipality in this province. This, Mr. Speaker, doesn't even cover the increased cost of diesel fuel for one week's operation.

Mr. Speaker, this Budget is a disgrace. It ignores the legitimate needs of local government.

SOME HON. MEMBERS: Hear, hear!

March 21, 1975

MR. WIEBE: Rural municipalities in Saskatchewan will be faced this year with huge increases in road construction and maintenance costs due to inflation. Expenses and demands are rising rapidly. Revenues from rural municipalities are obtained from a very fixed base, a mill rate on property. Senior governments on the other hand benefit from inflation. Percentage taxes such as income tax, sales tax, liquor tax, oil and gas resources revenues all rise rapidly with inflation. It does not take much to recognize that inflation hurts local governments, but directly benefits our senior governments. To correct this unfair situation a Saskatchewan Liberal Government would provide large, unconditional grants to our towns, villages and rural municipalities.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: This, Mr. Speaker, is the only way that adequate services can be maintained in times of high inflation. The Liberal Party also believes that to help reduce the burden of building and maintaining the rural roads that an accelerated program should immediately be implemented to bring more of our major grid roads into the provincial highway system. If we wish to encourage our people to live in rural Saskatchewan and on our farms we, as senior governments, must be prepared to provide good all-weather roads to service our farms and rural communities.

Mr. Speaker, this is a positive approach to a government which has lost touch with the people of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: I should now like to turn to an issue which is of great concern to me as a farmer and as a Member of the Legislative Assembly. This is the issue of rail line abandonment and our grain-handling system.

During the last two weeks the NDP, especially the Attorney General (Mr. Romanow) and the Minister of Agriculture (Mr. Messer, have spoken more on this issue than any other issue in this House. They have been completely negative, Mr. Speaker. They have used scare tactics and yet they have refused to be positive in their remarks. As well they have declined to state their position on this issue. It is becoming very apparent that the only ones in Saskatchewan who are in favor of rail line abandonment are the railway companies and the Saskatchewan NDP Government.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: We can understand why the railways are in favor of abandonment, but why the NDP? The only reason that we can see is that they hope to gain some political advantage. Mr. Attorney General, where are your concerns? Where are your alternatives? Where are your recommendations and, for heaven's name, what is your policy?

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: The NDP say that it is the Federal Government who is determined to abandon all the rail lines in Saskatchewan. Let's look for a moment at the facts. It is true that some rail lines have been abandoned in Saskatchewan, but we must ask ourselves, when? Mr. Speaker, the only rail lines that have ever been abandoned in Saskatchewan is when we had an NDP Government in Regina and a Conservative Government at Ottawa.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: Again, let me repeat, the only rail lines that have ever been abandoned in Saskatchewan is when we had an NDP Government in this province and a Conservative Government at Ottawa. Among the Members of the provincial NDP Government now sitting opposite were Members who sat idly by and refused to rise to the defense of our rural lines and allowed and encouraged the abandonment of rail lines in this province.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: It was only following 1964 that a Saskatchewan Liberal Government convinced Ottawa to call a halt to rail line abandonment in this province.

Mr. Speaker, it is not good enough to sit idly by and like the Premier and the Agriculture Minister simply criticize other proposals and attempt to use this issue for political advantage. Whatever is decided will have a direct effect on Saskatchewan and as far as I and the Saskatchewan Liberal Party are concerned, that decision must be satisfactory to our farmers and help protect their rural way of life.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: Decisions, Mr. Speaker, in this area will be made by the national Government in Ottawa. That decision will have a direct affect on Saskatchewan and will affect Saskatchewan more than any other province in Canada.

The NDP in Saskatchewan have refused to state their position in this vital issue. Mr. Speaker, the Saskatchewan Liberal Party is not afraid. We believe that the people of Saskatchewan should know how we stand on an issue as vital and as important as this one. I am pleased at this time, Mr. Speaker, to state the position of the Saskatchewan Liberal Party on rail line abandonment and our grain-handling system. A Saskatchewan Liberal Government will work together with rural municipalities, town councils, grain companies and farm organizations to ensure that the decisions made must be satisfactory to our farmers and help protect our rural way of life.

There is no doubt that changes will have to be made in our transportation and elevator system, but we must ensure that these changes are beneficial to all and that before changes are made we will all have a chance to know what the alternatives are and that everyone will have a say as to how those changes should be implemented. The Saskatchewan Liberal Party believes that the debate on inland terminals, rail line abandonment, high throughput elevators must continue. Full information as to

March 21, 1975

changes, implementation and effects must be aired and made available to all.

Mr. Speaker, we believe that one cannot look at the different aspects of the grain-handling and transportation system in piecemeal. To be effective it can only be looked at as a total package. To be included in that total package, the Saskatchewan Liberal Party recommends that no branch lines be abandoned until the railway companies reveal their costs of operating branch lines and the criteria used to determine freight rates.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: We recommend that no branch lines be abandoned until full expanded regional hearings and full public discussion is held.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: We recommend that those branch lines that are not scheduled for abandonment after the hearings are completed be immediately transferred into the permanent system.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: We recommend as well that senior governments, railway companies and grain-handling companies be more specific about what their proposals are.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: Mr. Speaker, we encourage the continuation of branch line subsidies to maintain services on those branch lines which are still uneconomical but considered essential to the wellbeing of the economic and social life of rural Saskatchewan.

The Saskatchewan Liberal Party believes that a national transportation policy is long overdue. We believe that the Federal Government should provide a comprehensive statement on their transportation policy and that policy to include freight rates which encourage maximum processing of products within areas where they are produced. There should be sufficient rolling stock, engines and hopper cars to ensure adequate rail capability to move anticipated volume. The Federal Government has the responsibility for upgrading and maintenance of needed railway beds.

Mr. Speaker, there seems to be a general agreement that to maintain the existing network of elevators would be too costly when measured against the services received. Of course, factors other than operating costs such as developments of the road system, location of services, schools, hospitals, banks, have some influence on grain delivery patterns and in turn on the structure of the elevator network.

From the grain producers' point of view adequate service is measured in terms of hauling distance and service at that elevator. It seems evident that a more consolidated network of elevators is required if a service is to be kept at a

reasonable cost.

The Saskatchewan Liberal Party believes that some of the factors to be considered in identifying the required elevator network and, of course, our rail Lines should be the following points. Firstly, producer hauling distance. We believe that no farmers should be more than 25 miles from an elevator with an average of 15 miles.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: Our road systems are extremely important and in instances where rail lines have been abandoned and as a result have created an increased burden on the rural municipality to maintain road services, senior governments, both provincial and federal should provide the financial assistance required. In dealing with the entire system trade service patterns such as medical, education, social, recreation and also the community settlement patterns which protect the ethnic, religious and other social groupings should definitely be considered and given top priority.

In summing up, Mr. Speaker, a provincial Liberal Government will work with rural municipalities, town councils, grain companies, farm organizations to ensure that the maximum amount of rail lines will be transferred into the permanent system. We would support an elevator system based on the criterion that no farmer be more than 25 miles from an elevator, with the average of 15 miles.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: Mr. Speaker, this is our position. I wonder how long the people of Saskatchewan will wait for the NDP to make their position clear. Mr. Speaker, I will be supporting the amendment.

MR. E.F. FLASCH: (Maple Creek) Mr. Speaker, it is a distinct pleasure for me to speak in defence of another excellent Budget, the fourth such budget in a row brought down by this New Democratic Party Government since the election in 1971. It is certainly a Budget that makes anything the Liberals brought in in their seven years pale by comparison.

SOME HON. MEMBERS: Hear, hear!

MR. FLASCH: I had the pleasure, Mr. Speaker, if you can call it a pleasure, of listening to the Leader of the Opposition the other day when he delivered his reply to the Budget Address. In fact, I heard parts of his speech four times as I was driving to Regina. He didn't have much competition on radio that night. I can't say that I appreciated it any more the fourth time than I did the first. However, there was one statement that he did make that I thought was credible; he made that when he said that he was a political opponent of the NDP and that his opinion was naturally biased.

He went to great lengths, Mr. Speaker, to attack our policy of assistance to senior citizens. In spite of the fact that this Budget makes provisions for assistance of \$20 per month for single persons and \$36 per month for married couples

March 21, 1975

who are receiving the GIS, and in spite of the fact that total under various programs, aid to senior citizens has increased by about \$36 million, the Leader of the Opposition labelled our efforts a disgrace. I recall, Mr. Speaker, a few years ago when the federal Liberal Government in Ottawa gave senior citizens an increase of 42 cents a month. Imagine, Mr. Speaker, an increase of 42 cents a month, not enough to keep the poor old people in liniment. Now, if our efforts in that regard are a disgrace, then certainly the efforts of the Liberals were a sin.

SOME HON. MEMBERS: Hear, hear!

MR. FLASCH: Mr. Speaker, let's just take a look at what other provinces in Canada are doing for senior citizens. British Columbia, under an NDP Government is providing assistance, in some cases a little more than we are providing. Manitoba, again under an NDP Government, is providing assistance in an amount a little less than we are providing. In Alberta, under the Conservatives' substantial aid was promised but the Legislature was dissolved and actually right now the people of Alberta have a promise. I hope, Mr. Speaker, that if the Conservatives are returned, they will do better in fulfilling their promises than Saskatchewan Liberals have done.

SOME HON. MEMBERS: Hear, hear!

MR. FLASCH: Or the old senior citizens of Alberta won't get one red cent.

All provincial governments that I've mentioned thus far are governments of a political stripe other than Liberal. Let's look and see what Liberal Governments in Canada are doing for senior citizens. I tried to find out, Mr. Speaker, but there wasn't very much to find.

There was virtually nothing in Nova Scotia; there was nothing in Prince Edward Island and in the biggest Liberal province, Quebec, the one that has some control over a third of the people in Canada, there was absolutely nothing, not a thing!

Mr. Speaker, the Member for Nipawin (Mr. Comer) the other day suggested that a motto for the Liberals in the next election might well be 'Turkeys matter more'. I would say, Mr. Speaker, that they could use the motto 'Nothing's too good for our Senior Citizens', because that is exactly what Liberal Governments have given them.

SOME HON. MEMBERS: Hear, hear!

MR. FLASCH: Mr. Speaker, needy senior citizens in all parts of our country should have an adequate pension income and it's the responsibility of the Federal Government to see that such is the case. Let the Government raise the income tax a point or two, Mr. Speaker, and earmark it for assistance to senior citizens. Then, those who could afford to pay, would pay, and would have no reason to complain.

We listened to a lot of criticism by the Opposition of our

policy in the field of resource taxation. In the best year, Mr. Speaker, under the previous government, resources yielded something in the neighborhood of \$30 million a year. Compare that with the present income from resources of over \$300 million a year! Most of this money, Mr. Speaker, is used to support new programs instituted by this Government.

SOME HON. MEMBERS: Hear, hear!

MR. FLASCH: Mr. Speaker, had we not changed the taxing policy, had we not taxed corporations, we would either have no programs in this province or we would have to go to the people as the Liberals did to raise the money. Liberals would sooner tax people than corporations. They go around saying, "You're strangling industry. You'll kill the goose that lays the golden egg." They criticize our taxation policies but at the same time they have all kinds of advice as to how we should spend the money we get as a result of those policies.

I want to refer, Mr. Speaker, to another remark made by the Leader of the Opposition in his address, and that concerns the newly formed Saskatchewan Potash Corporation. He made reference to the members of the Board of Directors. He named them, he mentioned Mr. Ching and Mr. Lloyd and he discussed each of them a while and in the end in each case he said, "Business experience, nil." Now, Mr. Speaker, I understand that he, too, has had some experience in business. Most of it bad. Mr. Speaker, I would ask you, using his own yardstick as measurement, does his success in business qualify him for the job of Premier of this province?

SOME HON. MEMBERS: No, no.

MR. FLASCH: I think, Mr. Speaker, the people of Saskatchewan are going to have to ask themselves that question.

Mr. Speaker, we are told by the Opposition we should reduce or eliminate the sales tax. This Budget has done that on reading materials and meals. The Liberals when they were in office reduced the sales tax by one per cent one year and then a few years later put it right back up to five per cent again. That is how they kept their promises.

Mr. Speaker, early in our term of office, I can recall the Member for Milestone (Mr. MacDonald) getting up in this House and declaring an emergency situation and asking for priority to debate the unemployment question in this province. He said there are 20,000 people out walking the streets in this province and we were not doing anything about it. Mr. Speaker, he didn't get up this year; he didn't get up last year. After four years under an NDP Government, we have the lowest rate of unemployment in this country.

SOME HON. MEMBERS: Hear, hear!

MR. FLASCH: On top of that in the last year and one-half the population increased by 6,000.

The agricultural picture in the province is generally bright, but in the constituency of Maple Creek when we speak of

March 21, 1975

the agricultural industry, we think of cattle too. And for cattle producers things are not so rosy. Mr. Speaker, the cost of baler twine has increased in the last three years from \$7 per bale to \$28 and \$30 per bale. The cost of fence posts and barbed wire, in fact all costs of production have risen continuously and have remained high while prices have dropped. The old law of supply and demand has its shortcomings.

As the Minister of Finance (Mr. Robbins) stated in his address, this Government is willing to co-operate with the Federal Government in bringing in a meaningful livestock income stabilization plan. Such a plan is essential. The people who are established in the industry can take one or two bad years, Mr. Speaker, but young people who are just starting out are very discouraged with the present low prices.

I should like to mention, a point brought up by the Member for Moosomin (Mr. Gardner) yesterday. He stated that this Government provided cash advances to cow-calf operators and then he said, we charged them 14 per cent interest at a time when the industry is in terrible shape. He did not mention that for the first year the Government pays the interest on that money and that we have made money available in this Budget to do that this year and it is only after the first year that that interest is charged.

Mr. Speaker, the Liberals have reserved their harshest criticism for the Land Bank program. The Leader of the Opposition calls it a socialist plot and a land grab. He doesn't like 'land grabs'. He doesn't mind resources grabs by corporations, but he doesn't like a good land program. And he continuously harped about the depopulation of rural Saskatchewan, conveniently forgetting that the Land Bank has been a vehicle which has placed many young people back on farms in rural Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. FLASCH: And if it hasn't placed them there it has helped many of those who are there to maintain a viable economic operation

Mr. Speaker, the Member for Cannington (Mr. Weatherald) criticized the Land Bank as well. He hung his arguments on the word "may" in the option clause. I can say, as the Member for Pelly (Mr. Larson) said, that that clause is not even relevant at this time. We simply say, Mr. Speaker, that we will make that land available for sale after five years, and we will.

SOME HON. MEMBERS: Hear, hear!

MR. FLASCH: Mr. Speaker, the people of Maple Creek constituency have benefited substantially from having a NDP Government in power in the last four years. We have two new nursing homes. A new nursing home in Maple Creek, a 60-bed home opened two years ago; another 35-bed home in Leader, which will open on the 11th of April of this year. Mr. Speaker, we are presently installing a T-Bar in the Cypress Hills Provincial Park at a cost of some \$54,000. I thank the Minister of Tourism and Renewable Resources for that. Provision has been made in the Budget to build a new store and a new cafe at the park. These will be welcome additions to a park that is already the focal

point of recreation in southwest Saskatchewan.

Winter Works has provided assistance to build arenas at Burstall and Richmond and helped to build a new town hall at Maple Creek and a school unit office in Maple Creek. I think the Liberals should appreciate the fact that we have done a great deal to improve working conditions in the school unit office.

SOME HON. MEMBERS: Hear, hear!

MR. FLASCH: Mr. Speaker, I was born in the '30s and I remember very well some of the conditions of that time. As one fellow said to me, "What did we have in the '30s? We had nothing but dust and thistles and gophers and Liberals. And then the good Lord sent some rain and got rid of the dust. Scientific research helped us get rid of the thistles. We poisoned the gophers. And in 1944 Tommy Douglas and a host of humanitarians came along and rid us of the Liberals."

SOME HON. MEMBERS: Hear, hear!

MR. FLASCH: Mr. Speaker, we had good times for 20 years and the spin-off of those 20 years carried us on not too badly for three more years under the Liberals. Then they sneaked into power in 1964 and times started to get bad. Then in 1967 we got more Liberals and things got worse. And in 1971, Mr. Speaker, we got rid of the Liberals and times improved again. I hope, Mr. Speaker, that the people of Saskatchewan will be determined to maintain the good times and not let the Liberals back into office.

SOME HON. MEMBERS: Hear, hear!

MR. FLASCH: Mr. Speaker, I will be supporting the Motion and opposing the amendment.

MR. G. LANE: (Lumsden) Mr. Speaker, it is a little unfortunate that the Hon. Member who has just taken his seat, finally delivered a good speech in the House and it is unfortunate that it is his last speech in this Legislature.

Mr. Speaker, we have a few comments about the price of binder twine, baler twine and the high price of farm products and farm machinery. I was very, very disappointed yesterday to hear the Attorney General (Mr. Romanow) for the Province of Saskatchewan and the Blakeney Government deny to the people of Saskatchewan that they had promised a Prices Review Board back in 1971. Because that was a promise of the New Democratic Party back in 1971, to deal with the high cost of farm machinery; it was a promise that was made and probably a promise that will be made again in 1975, a promise that has not yet been kept and a promise that will never be kept by the NDP Government.

I was most disappointed too, to note the lack of press coverage of a rather momentous announcement last Friday in Saskatoon, when the Minister responsible for the Canadian Wheat Board made it clear once and for all that Crow's Nest rates would be maintained in Saskatchewan until such time that the farmers themselves wanted changes, changes that they clearly do

March 21, 1975

not want. And it is the position of the Liberal Party in Saskatchewan that the Crow's Nest rates will be maintained as the cornerstone of a national transportation policy, a program endorsed by Mr. Lang. It is unfortunate that the Premier of Saskatchewan has in effect called the Minister of Justice a liar as he did the other night in Watrous.

Mr. Speaker, I was interested, too, in the comments about the cost of farm machinery and high prices. The minor Minister of Co-operation (Mr. Cody) as a matter of fact made a commitment in the Commonwealth back in 1973, one of the last promises he will ever make, for he called, too, for the Provincial Government to establish a Prices Review Board to deal with the high cost of farm machinery. And to show why he is the minor Minister of Co-operation with the smallest Department in the Government, it is also interesting to note that that same Minister made one of the great predictions of all times when he said that under the FarmStart Program, the Saskatchewan livestock industry would flourish in the months ahead. A promise, again, by the NDP, a promise made and a promise broken and promise not kept.

Mr. Speaker, in speaking on behalf of the constituents of Qu'Appelle constituency, I have a few comments to make. We should like to welcome that new part of Qu'Appelle constituency, some of the sub-divisions of Regina such as Glen Cairn, parts of North Uplands, parts of Walsh Acres sub-division, part of the Lewvan sub-division in the southwest corner, the University Park sub-division in the southeast corner, all parts now of the NDP gerrymander of Lumsden constituency.

Mr. Speaker, it is interesting to note that several promises have been made by the NDP in Glen Cairn sub-division, something about a high school there. I should like to take this opportunity to remind the residents of Glen Cairn that prior to 1971 the present Member representing that area also promised a high school for east Regina, another promise made, another promise not delivered and seemingly we have the death-bed repentance of the NDP in Glen Cairn, as they try desperately to make another promise, the promise made in 1971 and not kept. Mr. Speaker, Glen Cairn sub-division in Regina, has elected an NDP in 1971 and NDP Cabinet Minister. They have an NDP member resident in the area. They have elected an NDP member under the ward system for that area, for the city council in Regina and as yet they haven't a high school; they have no recreational facilities; they are still separated from the rest of Regina by the so-called Berlin Wall. Mr. Speaker, they are not listened to and they are not heard by the NDP and the NDP Government of Saskatchewan.

We are anxiously awaiting the remarks, Mr. Speaker, of the Attorney General of Saskatchewan, the Minister responsible for transportation, because we finally expect to hear what the NDP's position is on the matter of rail line abandonment and rail line retention in the Province of Saskatchewan. I urge every farmer and every person in rural Saskatchewan to start asking the NDP what their policy is on rail line abandonment, because there has never been a rail line abandonment in Saskatchewan unless there was a CCF-NDP Government in Regina and a Conservative one at Ottawa, and I think the day of reckoning is coming, when we have the reasonable and rational approach to rail line retention proposed by the Member for Morse (Mr. Wiebe) the Liberal policy, a positive policy as opposed to the negative no policy approach of the NDP.

SOME HON. MEMBERS: Hear, hear!

MR. LANE: Mr. Speaker, I should like to make a couple of comments on the matter of senior citizens that was raised in the Budget. The grant by the Provincial Government of \$20 per month for single senior citizens over 65 and \$18 per month for each spouse of married couples over 65. Approximately 60 cents a day from the more than generous New Democratic Party. They also gave our senior citizens \$3 a month reduction in medicare, amounting to 10 cents per day and a hearing aid. I have said it before and I will say it again that the senior citizens can't live on your dole of 70 cents a day and they can't eat the hearing aids you have given. Your approach to the senior citizens is unfortunate and sad to say the least.

Mr. Speaker, at the urging of the Liberal Party of Saskatchewan a senior citizens' commission was established two years ago. The letter of transmittal of that particular commission said and I quote: "We urge your commitment to action", when they tabled their report to the Government, but no action was taken through the year of 1973, no action, period, was taken until election year, when the NDP policy of 70 cents per day for the senior citizens was proposed. Fifteen million is given to SaskOil, \$7 million to our senior citizens. It is cheap politics taken to the ultimate extreme.

Mr. Speaker, a Liberal Government will make a serious and reasonable commitment to our senior citizens. We will guarantee an adequate income with a minimum income of \$350 a month for single persons and \$500 a month for married couples.

SOME HON. MEMBERS: Hear, hear!

MR. LANE: A firm, reasonable and deserving commitment to our senior citizens, not just a nominal sum given at election year like the Blakeney New Democratic Government.

Mr. Speaker, it is unfortunate that the Minister responsible for Welfare in Saskatchewan is not in his seat at the present time, because I have some comments to make with regard to the welfare budget of the New Democratic Party.

In 1971 the cost of welfare in Saskatchewan was \$35 million and that was when, supposedly, times were very difficult according to the Members opposite. But now in boom times welfare costs have increased to \$58 million in the Province of Saskatchewan. The Member for Kindersley (Mr. Taylor) now has a budget for Social Services which has risen from \$49 million in 1971 to \$137 million in 1975-76, nearly tripled under the Blakeney NDP regime. We are simply, I suggest, paying more and more money and getting no results for the monies that we have paid.

The Premier laughs at that statement and I don't think that this is a laughing matter. I think that when the Minister responsible for Welfare in the Province of Saskatchewan proudly says there are only 40,000 people on welfare in Saskatchewan he is doing a disservice to the taxpayers of Saskatchewan. Mr. Speaker, the figures given by the Minister, of course, are not to be believed anyway. He says that in 1973 there were 60,000 people in Saskatchewan on welfare and is now down to 40,000, when in fact the annual report of the Department said 51,000 and now

March 21, 1975

we are down to 42,000 according to the latest figures of the Department. Every figure given by the Minister responsible for welfare in Saskatchewan, the Member for Kindersley, is completely at variance with the annual report of the Department, completely at variance with the quarterly statistical report of the Department and, of course, have no credibility and is not to be believed.

SOME HON. MEMBERS: Hear, hear!

MR. LANE: Mr. Speaker, notwithstanding, for argument's sake we are prepared to accept his figures of 40,000 and I think that it is obvious and I think that all Members of this House will agree with me, that our welfare system has failed for the people and has failed miserably. There is no longer any public confidence in our system and the recipients themselves are not satisfied and are not pleased with the operation of the system in the Province of Saskatchewan. It's simply not working. And I suggest for the recipients in Saskatchewan it's a total failure. It is a system which merely adds more and more programs and costs more and more money with fewer and fewer positive results.

In 1970 the poverty line in Saskatchewan for a family of four in rural areas was \$4,300. In 1974 it is \$5,500. We have spent an extra \$100 million in that period of time and all we have done is increase the poverty level by approximately \$1,200.

Mr. Speaker, we treat the physically and mentally handicapped exactly as we treat the unemployable. We treat the widows and single parents the same as those who do not want to work or who are unemployed. The Liberal Party says this is wrong, morally wrong and socially wrong and wrong for the people of Saskatchewan. The NDP approach of bringing in program after program and spending more and more money is proving a total failure.

Mr. Speaker, we believe in the words of the Governor of the state of New York that work is essential to a healthy individual and a healthy society. Welfare should be a bridge for those able as well as a shield against want. Welfare benefits should aid those who work and need supplemental help but welfare benefits will not be a substitute for work.

A Liberal Government will start all over again, in the field of welfare and start afresh. And our goals will be to establish a major work oriented program consisting of work incentive payments, work training, work tests and work relief. We will begin to evaluate programs based on their cost effectiveness to make sure programs are accomplishing what they are set out to do. We will use experimental programs which may or may not be temporary programs to encourage recipients to work and make work acceptable and possible. We will institute work on public service projects through a public service work program which will not compete with the private sector. We will reorganize the department supplying Social Services to make services more accountable to the general public. Above all, Mr. Speaker, as the cornerstone of our policy we will separate out of our present system categories, the aged, the physically and mentally handicapped categories and take them out of the present structure and not lump them into the melting pot that we have under the New Democratic Party.

In summary, a Liberal Government will start all over again in the field of welfare, start from scratch to increase assistance to the truly needy, to strengthen the family responsibility, to require those able to work to seek work or train for a job or serve their community to improve the internal services to strengthen our ability to audit procedures at a local level and to make it possible to evaluate on a cost effectiveness basis those programs that are now operating or will operate.

In 1973 the Blakeney Government overpaid on welfare in Buffalo Narrows \$100,000. In 1974 the Blakeney Government overpaid on welfare in La Ronge \$500,000. Over 97,000 cheques were issued in 1974 in Saskatchewan for welfare payments with only a single signature with no countersigning. These abuses, this waste and mismanagement will be ended with a Liberal Government. We will totally reform our Welfare system to begin to solve problems and to end poverty and give all individuals a true opportunity to attain self-sufficiency in this province of ours. We will treat senior citizens on welfare differently than those who refuse to work, not as advocated by the NDP. We will treat the physically and mentally handicapped differently from those who refuse to work and we, the Liberal Government will treat those who have family problems differently than those who are unable to work. It's time to start all over again, it's time to start from scratch and the object of paying more and more money and more and more programs in solving fewer and fewer problems and merely raising the poverty level every year has simply proved non workable.

Mr. Speaker, it's unfortunate that the problems of the Qu'Appelle basin took such short shrift in the Budget presented. Mr. Speaker, for all practical purposes the problems of the Qu'Appelle basin and the Fishing Lakes were ignored in the Budget presented by the NDP. Last year thousands of dead fish floated to the beaches and into the town of Fort Qu'Appelle. The smell was atrocious, the algae was like thick pea soup and made swimming and recreational activities impossible. Tourists and summer residents were turned off by the complete deterioration of the Fishing Lakes and unfortunately under the Blakeney Government the implementation of the Qu'Appelle basin report has merely become a political football. Meeting after meeting on implementation is used by the NDP as a forum to merely attack Ottawa and not to take positive action to clean up the lakes.

The Liberal Party makes the following positive commitment to the people of Saskatchewan. We will end the political bickering over implementation of the Qu'Appelle basin report. We will start to co-operate with Ottawa and not confront, to implement the Qu'Appelle basin report recommendations. It will be a high priority of a Liberal Government to clean up the Fishing Lakes with a policy of a once in a lifetime grant to solve problems and not try to make political capital.

Provincial civil servants who do not co-operate in cleaning up lakes and insist in confronting Ottawa will not be tolerated by a Liberal Government. A Liberal Government will restore the Qu'Appelle Valley to its rightful position as one of the most beautiful areas in Saskatchewan and the leading year round recreational area in this province.

Mr. Speaker, I will be supporting the amendment and will not support the Motion.

SOME HON. MEMBERS: Hear, hear!

March 21, 1975

HON. R. ROMANOW: (Saskatoon Riversdale) Mr. Speaker, it gives me a great deal of pleasure to take part in this Budget Debate, Budget 1975-76. I sincerely hope that the remark that I just heard the Member for Lumsden make about non-toleration of civil servants was a remark that he made in haste rather than after deliberately having thought out the position. This is all too reminiscent of the typical Liberal position about non-tolerating civil servants, a Liberal position of, in effect, retribution against civil servants who would offer any kind of independent thinking to a Government, certain Liberal Government of the day.

Well, Mr. Speaker, this is day five or six of the Budget and quite frankly I have a newspaper clipping in my hands and it's been puzzling me. The newspaper clipping is under date of December 9, 1974 and it refers to the Liberal convention in December of 1974 in Regina. And it's been puzzling me because the newspaper quote says this:

Provincial Liberal leader Dave Steuart said Saturday the party's three day convention proves . . .

And listen to this Mr. Speaker:

Saskatchewan Liberals have definitely shed their image as right wingers, we're becoming a centre of the road party.

And as I said that clipping has confused me after five or six days of listening to the Members opposite in the debate. I was wondering what party he was talking about because every position that the Liberals have taken in this particular Budget speech has been consistently reactionary, consistently right winged, consistently the same as the Liberals between 1964 and 1971.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: But I'll tell you one thing, Mr. Speaker, that it did give me real pleasure to see the Leader of the Opposition assume a new role, the role of financial critic for the first time. For some of us it brought back to mind his debut as Provincial Treasurer. It does for me because that was my first year in the House. His first day as Provincial Treasurer, that black Friday 1968 when he brought down his first Provincial Budget. Now that budget, Mr. Speaker, was absolutely good training ground for financial critics. That budget heaped hundreds of new taxes on Saskatchewan people. This Budget provides a \$100 income tax cut across the Board. That budget imposed a tax on the sick in the form of deterrent fees. This Budget provides for expanded health programs without deterrent fees and without health insurance premiums.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: That budget of 1968 on which today's financial critic cut his teeth put a sales tax on all restaurant meals. This Budget removes taxes from all meals. He raised the gasoline tax, we reduced it, Mr. Speaker. If putting together Saskatchewan's worst budget ever in 1968 is good training, then the Member for Prince Albert West has impeccable qualifications to be the

financial critic of this House.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: Of course he has some illustrious predecessors.

There was, of course, my good friend Ken MacLeod. He was financial critic. He's been elevated to the Bench and I congratulate him.

MR. STEUART: Jealousy will get you nowhere!

MR. ROMANOW: No, I'm not jealous there.

MR. STEUART: Oh, yes you are!

MR. ROMANOW: There was Cliff McIsaac, Member for Kerrobert – Kindersley, he was financial critic. He was elevated to the House of Commons. Maybe a little touch of jealousy there, Mr. Leader of the Opposition, you're right. And then there is the Member for Prince Albert West, today's financial critic. All I can say, Mr. Speaker, is that he'll surely fulfil all the necessary qualifications and be elevated to the Senate, to the Senate of this country.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: And I'll be the first one to congratulate him for that. He is in training now, I see today, to get some tips to see what it's like.

Well, Mr. Speaker, a good foundation has been laid for Saskatchewan's future. But as we enter the latter half of the '70s there are new challenges which must be overcome. These challenges I think fall in three major areas. Number one, transportation, transportation as it particularly affects rural Saskatchewan. Number two, maintenance of the family farm and our rural way of life. Number three, natural resource development policy, particularly of those non-renewable resources.

Mr. Speaker, in the next four years this province will need determined and responsible and progressive leadership as it has never had before if we're to meet our great potential. In Premier Blakeney and this Government of Saskatchewan, this province will get that leadership.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: Let's examine very briefly these three areas.

Transportation. Mr. Speaker, everybody knows that Saskatchewan and the people of this province are anxious, that's an understatement, anxious. They're worried, they're-frightened, they're concerned about the Liberal Government policies in transportation. Speaking in Edmonton in October, 1974, just a few short months ago, the Minister in charge of the Canadian Wheat Board, Otto Lang, the Liberal leading spokesman for the West in the Trudeau Cabinet, put the Crow's Nest freight rates on the auction block.

SOME HON. MEMBERS: Hear, hear!

March 21, 1975

MR. ROMANOW: In an interview with an Ottawa reporter after, after the Edmonton speech, Mr. Lang defended his Edmonton proposal of doing away with the Crow's Nest rates. I quote from the Leader Post article written by Jim Petro and it says this:

Farmers would benefit and definitely not lose under this proposal . . .

Referring to Mr. Lang's proposal.

. . . to end the Crow's Nest rates and pay federal compensation into a special fund or even a direct contribution to the farmers.

Members will know that big headline about a Crow's Nest rate fund to be the new proposal for abolition of the Crow's Nest rates. And I quote again, Mr. Speaker:

Although it is not the first time Mr. Lang has approached the possibility of ending Crow's Nest rates, it is the first time he has suggested this special compensatory fund. Basically it is believed to be the first step in a complete rationalization of the grain-handling and transportation industry.

Now, Mr. Speaker, just mark those words. It's not the first time that Mr. Lang has approached the possibility of ending the Crow's Nest rates. Everybody in Saskatchewan knows it's not the first time that Mr. Lang believed that the Crow's Nest rates should go. And note the words of the story. It is to be the first step in a complete rationalization, a Liberal rationalization of the grain-handling and transportation industry.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: Now, Mr. Speaker, the Members opposite can shilly-shally around, and jump around and say, "Oh, these are some words that . . ." but these aren't words, Mr. Member for Meadow Lake from an ordinary taxpayer. They're not even words from a backbencher or a Government Member in Saskatchewan. These are words from the Federal Minister in charge of the Canadian Wheat Board, the leading federal representative in the Federal Cabinet Otto Lang. Now is it little wonder, is it little wonder, Mr. Member for Meadow Lake, that some people in Saskatchewan, farmers, farm organizations, politicians view with fear these statements of Mr. Lang. And why not? What will it mean if Mr. Lang has his own way? It will mean that the freight rates paid by our farmers to have their grain hauled by rail to the lake head or the west coast would likely be increased four to five times or even more. It will mean - oh, well, the Member for Moosomin who also believes in the abolition of the Crow's Nest rates laughs at that figure. And it is four to five times. Ask the Wheat Pool, ask anybody, that's what it will mean once you do away with the Crow's Nest rates. It will mean up to \$200 million per year or more, Mr. Member for Moosomin, that will come out of the farmers in your constituency and go to the pockets of the railway company.

SOME HON. MEMBERS: Hear, hear!

HON. MEMBERS: Hear, hear!

MR. ROMANOW: And what does Mr. Lang say the farmers get in exchange? Oh, well, they'll offer some . . .

MR. GARDNER: On a Point of Privilege the Member speaking has misquoted me. I said very definitely in this debate I was in favour of retention of Crow's Nest rates.

MR. SPEAKER: Order, order! That is not a Point of Privilege that's a Point . . .

MR. C.P. MacDONALD: Mr. Speaker, on a Point of Order, if a man misquotes somebody in this House, it is a Point of Privilege. And the Attorney General is deliberately misrepresenting the Member for Moosomin with a cheap political objective.

MR. SPEAKER: Order!

MR. C.P. MacDONALD: And it's time, Mr. Speaker, that they stand up here and start telling the truth about the Crow's Nest rates. Mr. Speaker, the Attorney General is deliberately trying to misquote.

MR. SPEAKER: Order! The Member is supposed to address the Chair and not turn your back on the Chair and turn the other way when the Speaker is calling for order. We've had a lot of it in these days here, statements going back and forth and this is not the right time to be jumping up and saying a Point of Order and in referring to a statement. A Point of Order does not refer to a statement.

MR. ROMANOW: Mr. Speaker, in a very sad way I'm kind of glad to see the outbursts from the Member for Milestone and Liberal Opposition on the radio, because it characterizes to all of the people of Saskatchewan the tactics and the bankruptcy of policy of the Liberals opposite.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: The only thing that the Liberals have done, Mr. Speaker, in this House is to do exactly the type of thing the Member for Milestone did. And I picked up the comments from the Member, his desk mate, the Member for Moosomin, when he laughed, when he laughed in skepticism and doubt at my statement that the Crow's Nest rate removal would mean four to five times. That's what I said and you did laugh because you didn't accept my phrase. And that's a fact, Mr. Speaker.

SOME HON. MEMBER: Hear, hear!

MR. ROMANOW: I say to the Member for Moosomin that he may be cavalier about these Crow's Nest rates, he may not be concerned about whether or not the Crow's Nest rates are removed but for the farmers in his riding it's going to cost \$200 million a

March 21, 1975

year or more out of their pockets and into the pockets of the CPR. Is that where you stand? Now what do you get in exchange? What do you get in exchange? Oh, well, Ottawa is going to give us some sort of Crow's Nest rate fund, a sum of money over some unknown period of time to all farmers, perhaps over all Canada. I say, Mr. Speaker, that it has become increasingly clear that the abolition of the Crow's Nest rates is really a part of an interlocking scheme, and I say scheme deliberately to alter the entire western Canadian grain-handling system with a benefit to the railway companies and the private grain trade. In fact, Mr. Speaker, I also go so far as to say it's not only part of a scheme, it is the key to the Liberal Party plan. Without a change in the Crow's Nest rates nothing else can work. There can be no selective freight rates to force farmers to truck their grain to points chosen by the railways. There can be no massive rail line abandonment. There can be no secure future for inland terminals and no destruction of our viable country elevator system. The Crow's Nest rates are the key. It's impossible to comprehend the full cost to Saskatchewan, Mr. Speaker, if the Liberal plans to abolish the Crow's Nest rates and abandon branch lines and country elevators are to be implemented. I know one thing is clear. If the Crow's Nest rates are abolished, our provincial grain transport system will become a road system, feeding just a few large inland terminals on main lines and closing up country elevator points and damaging our small towns and villages. Doing away with the Crow's Nest rates will benefit no one in western Canada, well not quite no one. Yes, it will benefit the CPR and it will benefit Cargills, but it will benefit no one else. It will cost the farmers dearly. Increased road haulage costs, expensive new trucks, fuel bills, it will cost the farmers millions in higher rail charges. It will cost governments untold millions in extra road building and repairs. Above all, Mr. Speaker, above all, it will cost all of us our Saskatchewan rural way of life. A high toll . . .

SOME. HON. MEMBERS: Hear, hear!

MR. ROMANOW: Now all of a sudden the provincial Liberals are saying that the people don't want this suggestion of Otto Lang's, that somehow they are concerned. Well, why wouldn't the people of Saskatchewan be concerned? I mean, we are an agriculturally based economy. Why wouldn't we be concerned with the Minister of Justice and the Canadian Wheat Board when he says he's thinking of doing away with the Crow's Nest rates? Well, the Wheat Pools of western Canada got together with all the Ministers of western Canada in charge of transport and agriculture and the Press reports sum up the conclusion. I quote from the Leader-Post:

The overwhelming consensus of the meeting was that the statutory Crow's Nest rates must not be tampered with.

And with that we New Democrats agree, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: But now, the Liberal Party opposite, somehow, would like to hook on to this little wagon because they are feeling the political heat in the country. The provincial Liberal Party would now have us somehow believe that they too want to save the Crow's Nest rates. This, Mr. Speaker, from the same Liberals who support the concept of large inland terminals.

That's what the Member for Morse (Mr. Wiebe) did today in his remarks inferentially. Inland terminals which can only survive on the Crow's Nest rates being abolished. This from the same Liberals who support rail line abandonment because . . .

MR. WIEBE: The Minister, the Attorney General has again misrepresented the remarks which I made in this debate. At no time did I say that the Liberal Party was in favor of inland terminals.

MR. ROMANOW: Mr. Speaker, people on the radio know exactly what the Member for Morse said and I don't blame him for being sensitive about this position. I don't blame the Member for Morse or the Member for Milestone for being so sensitive about the Crow's Nest rate policy because they know that there isn't going to be one of them re-elected with their position on Crow's Nest rates.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: This comes from the same group of Liberals who support rail line abandonment, Mr. Speaker, because it's efficient. That's what I heard the Member for Lumsden (Mr. Lane) say on television about four - bring him in to object to that - four months ago on television on CFQC TV. Abandonment he says, because it's efficient. This from the very same Liberals who are now going to be helped by Mr. Lang in the forthcoming provincial election because, according to the Leader-Post, from Mr. Lang as he says, they helped me a lot. I guess one good turn deserves another good turn, Mr. Speaker.

Mr. Speaker, don't believe these death bed promises from the Members opposite. Can Saskatchewan voters really believe that the Liberal Member for Morse will stand up to Mr. Lang and tell him what he can do with his proposal on Crow's Nest rates? Can anybody in Saskatchewan believe the Leader of the Opposition would stand up to the Prime Minister of this country and tell him what to do with the Crow's Nest rates? Can Saskatchewan voters really believe that a provincial Liberal government will be able to stand up to a federal Liberal government? I don't for one moment.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: I don't for one moment and I say, Mr. Speaker, to the people of Saskatchewan that a vote for the Liberals in this coming election is a vote to remove the Crow's Nest rates, to abandon thousands of miles of rail line and country elevators.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: I say, Mr. Speaker, that Saskatchewan is not going to go along with this Liberal scheme because we are vitally dependent on a sound transportation system. We New Democrats believe that the basis of that system is the maintenance and the improvement of the rail network. We say that decisions about rail lines and transportation must be made by the provinces and the communities of those provinces, in our best interest and not by the railway companies in their best interests. I say above all to the people of Saskatchewan that Premier Blakeney

March 21, 1975

and New Democrats, we weren't elected to preside over the massive abandonment of rural Saskatchewan.

What is needed now is leadership, decisive in the next four years to convince the entire nation that Saskatchewan needs a transportation system that works for the entire country, as well as this region of western Canada. I say to the Farmers and to the farm organizations and the small businessmen and the mayors and the reeves of the municipalities and towns of this province that Premier Blakeney will continue to stand up to the designs of some federal politicians and corporations to guarantee the best transportation system for the West.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: Now, Mr. Speaker, let me move on to the question of the maintenance of the family farm and a rural way of life. I've already discussed the impact of federal Liberal transport policies on the future of the family farm and rural Saskatchewan. This efficiency that the Liberals keep on bandying about. Efficiency, the pass word for corporations and Liberal politicians. Efficiency for whom? Efficiency with what end result? Is it the Federal Task Force on farming type of efficiency where two out of three farmers must get off the farm lands? Is it the CPR type of efficiency so that the Crow's Nest rates can be removed and grain rates go shooting up?

Mr. Speaker, that type of efficiency has produced, that type of Liberal policy has produced ghost towns, dying businesses and fewer family farms. Well, I'm concerned for the future of rural Saskatchewan because I know that our large cities and towns are only as strong as rural Saskatchewan is strong. I want to tell you, Mr. Speaker, that I'm angered with Liberal policies, federally and provincially, which say they will undo all that Premier Blakeney has done in four years to help stabilize our rural economy.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: Oh yes, they'll do away with the Hog Marketing Commission. They'll do away with the Hog Stabilization Plan. They will do away, no I'm sorry they won't do away with FarmStart. They'll make some changes to FarmStart. They will do away with the Land Bank. Oh yes, but I want to tell the Members opposite it's not good enough to simply condemn and to criticize, you have to have some positive proposals.

Now, let's examine Land Bank. The Land Bank has put several hundred new farmers bank on the land for the first time. More than 1,100 farmers have been helped by the Land Bank in its short period of operation. No one is forced to sell his land to the Land Bank, but hundreds have chosen to do so, of their own free will, because they have confidence in the plan. They are anxious to pass their farms to their children without going the old style mortgage route, which is the Liberal proposal. The Land Bank wants the land to stay with successful and enthusiastic family farmers and not to be bought by land companies. That's why a farmer leases the land for five years before having a chance to buy, if he wishes to buy. Mr. Speaker, the Land Bank has been a success.

Now, the Liberals criticize some administrative problems that crop up from time to time in the Land Bank. Yes, there have been some administrative problems in its early years. But, I still say to the Members of this House that it is a progressive step of this Government to try to do something positive rather than just make critical speeches, positive about preserving the family farm and our rural way of life. But not you Liberals. You don't have an alternative. You simply sit back and criticize. You condemn. You criticize everything. Leadership is something more than merely complaining and criticizing and trying to arouse fears. For the last few months, the Liberals have been running an expensive ad on TV and radio and newspapers, but criticizing again, the Land Bank.

Mr. Speaker, three things are totally false in that ad. I think the whole ad is false, but three things definitely are. First, they say that our grandparents came to Saskatchewan from countries where the state owned the land. That is false. The majority of the people of this province came from countries where a very few wealthy landlords and not the state owned the farm land.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: I want to tell this House that what I particularly resent as a member of the minority group in this province is the attempted scare of that statement about grandparents leaving because of state farms. I want to tell the Leader of the Opposition and Liberals opposite that thankfully our eastern European population has long ago learned of Liberal ways and they've dismissed those scare tactics. In fact I say it will backfire on the Liberals come the next election.

Now, secondly this ad says that the Land Bank will not sell land to the farmers after five years. That is false. In fact, if I was Eugene Whelan, I might say that's a damn lie. But I'm not, Mr. Speaker, and I won't say it.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: Premier Blakeney has clearly stated this Government's policy. The Land Bank land will be sold to a lessee after five years if the lessee so desires, and no amount of Liberal misrepresentation or speculation or rumors can destroy that fact. It's in the legislation and that's the stated policy of the Government.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: Now, thirdly, Mr. Speaker, the Liberal ad says that the Land Bank is really nothing more than a land grab. That too, Mr. Leader of the Opposition is false. In fact, next to the statements about the Matador Co-op, which not unsurprisingly reveals a total ignorance about co-ops, Mr. Speaker, this is the funniest part of that Liberal campaign ad. The ad says the Land Bank now owns 260,000 acres of farm land. Mr. Speaker, that scares me right out of my pants. In two fiscal years the Land Bank has 260,000 acres of farm land. Imagine! Well, that means we only have 140,656,480 acres to go. Now at the present rate, Mr. Speaker, the Land Bank will take only 1,174 years to make this land grab complete.

March 21, 1975

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: Well, Mr. Speaker, I've been wondering for years and years since I've been a student and now I finally know what's meant by "creeping socialism." It's creeping so slowly that only the Members opposite can see it. The truth is that statement is a figment from Liberal ad man's imagination.

Mr. Speaker, the Liberal campaign against the agricultural policies of this Government and in particular the Land Bank, is an excellent example of their total lack of solution and leadership to our future farm problems.

Progressive leadership will be particularly required in the next four years for this province, if we are to maintain the momentum in favor of rural Saskatchewan, if we are to maintain the momentum in favor of rural Saskatchewan, if we're to save the things that we've got going for us now. Not slick ads, not criticism constantly, because anybody can do that, not slogans about freedom or worrying about grandparents and where they come from. No sir, Mr. Speaker, what's needed now is leadership, leadership in FarmStart, in hog stabilization and agricultural implements and Land Bank, to maintain and to protect our rural way of life. That's this Government's policy.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: Mr. Speaker, in Premier Blakeney we have that type of leadership.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: Mr. Speaker, let me turn to the third major concern for the future of this province and that is natural resources and their development.

Mr. Speaker, the basic policy of our Government is that resources of this province belong to the people of this province and that the first benefit of exploiting those resources come to the people of this province. Our policies on oil and potash reflect that basic uncompromising principle.

Now, Mr. Speaker, the Liberals in Regina and Ottawa are vehemently opposed to that policy. For example, both Otto Lang and the Leader of the Liberal Opposition say that Bill 42 on oil will be repealed if the Liberals are elected provincially. It's confirmed again, again, again, again today.

What is Bill 42? What does Bill 42 allow the province to do? Mr. Speaker, Bill 42 was passed by this House in December of 1973. Simply put the price of crude oil had risen so dramatically in the months preceding the passage of the Bill, that this Government had to make a fundamental decision. The decision was this. Who gets the benefit of the rapid and windfall increases in the price of our oil? Now Bill 42 answered it for our side. It said that the profits . . .

MR. STEUART: Alberta did the same.

MR. ROMANOW: I'll come to that in a moment. Bill 42 said that the profits of the oil companies were no longer reasonable.

Indeed from about \$4 a barrel in the period in 1973 to now at about \$12 a barrel, I think even the Leader of the Opposition would agree with me, is a windfall. Oil companies would get a windfall. Now Bill 42 simply states that the oil producers are left with the same prices that they had received in 1973 on the average and those prices on the average are 60 cents a barrel more over 1972. Prices which they accepted prior to any world increase, prior to any Bill 42, they accepted as being fair and reasonable. Bill 42 said, okay, if it was fair and reasonable then, it's fair and reasonable now, the windfall comes to the people of the Province of Saskatchewan.

Now, there is another important aspect of Bill 42. A short while after it was passed the Prime Minister called a national energy conference. Bill 42 allowed our Premier and this province to argue before the premiers of this nation that the resources of Saskatchewan belonged to the people of Saskatchewan. I say that our Premier displayed leadership and guts when he took the cause of Saskatchewan to the rest of the country. Now you recall his position. One, that there should be one price for oil across Canada, a price below the world price. Two, that the cost of subsidizing the Canadian price for our fellow Canadians in the East should be borne by all Canadians, not only Saskatchewan and Alberta or the western Canadian provinces.

Now I say, Mr. Speaker, with the Premier's leadership the rest of the country for the first time was beginning to hear the complaints and to understand some of the grievances of the West. After all, Saskatchewan has paid for decades, paid to the industrialized East and central Canada at the expense of our own development. Canadian national policies up to now have been designed to keep the West really as producers of raw products. Above all at this conference Premier Blakeney argued Saskatchewan should not again, yet again, be called upon by Ottawa and Toronto and Montreal to under-value our precious and non-renewable resources. With these resources in high demand and we had to take every opportunity to get the top dollar value so that we can truly become full partners in Confederation and we argued that if we are going to give up any of these resources we need to have some changes in freight rates and transportation. We need agricultural stability for our farmers. We need industrialization for Saskatchewan to add to the industrial base of this province.

Now in the end an agreement was reached which amounted to major concessions from Saskatchewan and Alberta. The magnitude of those concessions can be seen as follows. Seventy-five million barrels of oil are produced. Ottawa takes everything over \$6.50. That means Ottawa gets \$400 million a year from Saskatchewan residents alone in order to keep oil prices down in the rest of Canada. We agreed to that. That was an act of statesmanship by the Premier of the Province of Saskatchewan as part of the operation of Confederation.

But now, Mr. Speaker, and the people of Saskatchewan, I want you to know what the Liberals say about Bill 42. Now the Liberals say that Bill 42 must go. If they should by some chance win the next provincial election and Bill 42 is repealed, what would it mean to Saskatchewan in the light of what I have just stated? It means this. First, that the present ceiling on the returns to the oil producers, a ceiling which I remind you is 60 cents above the average in 1972 when they were making good

March 21, 1975

profits, that ceiling of the oil producers would go, because that is what Bill 42 does. In short, rather than the people of this province getting approximately \$150 million a year in royalties as we do now because of Bill 42, the oil companies would get that money instead. Mr. Speaker, imagine if you will, Mr. Leader of the Opposition if you will, \$150 million every year out of the pockets of the taxpayers and directly into the pockets of the multinational oil corporations. And, if that is not enough, the Liberals say they are going to do the same thing for potash.

Our revenues have risen from \$3 million when we came into office in 1971 to something in the order of 90 million today. In short, what the Liberals say is that rather than the people of the province getting that \$90 million in royalties from potash, which the potash corporations can afford to pay, instead of the people getting that income, the potash corporations are going to get that income now.

Mr. Speaker, here is what repeal of Bill 42 and repeal of this natural resource policy will mean. In sum total - if the Liberals are elected and if they should repeal Bill 42 Saskatchewan taxpayers will lose in excess of \$300 million a year from our pockets and directly to the multinational corporations.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: Mr. Speaker, that is Liberal natural resource policy. That is what they are going to do with Bill 42; that is what they are doing with the potash taxation policies.

Now get this flip-flopping at the same time. Why they do all of this and yet in this Budget Debate they condemn us for not paying the pensioners enough. Someone should ask the Liberals, where are you going to get the money to keep these promises if at the same time you are giving away all resource revenues to the corporations? You can't have it both ways. If you are going to give away \$300 or \$400 million to the corporations, you are going to give some money to the pensioners or do something here, where are you going to get the money from?

Well, we know where they are going to get the money from. They are going to tax, again, all the food - hotdog taxes, they will tax them on the food. They will do away with health plans. They will put on deterrent fees, they will do away with the drug plan or maybe give us a chance of a plebiscite on the drug plan. Well, you know they laugh at the drug plan but I will take the Bill and I will take the planning and I will take the word of the Minister of Health over any promise of a plebiscite on the drug plan that you will offer.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: I want to ask the Leader of the Opposition and the people of this province: if you are giving away \$300 to \$400 million - giving away - to the corporations, where are you going to get the money to do all these great and wonderful things you now hope the people of the province will buy, by way of election promises? There is no answer, Mr. Speaker. Because the Liberals will promise anything to get into power and then they won't do anything once they are in power. That is the

record and everybody knows that.

So, Mr. Speaker, I want to know why the Liberals are doing this for the corporations. I want to know why is it that any political party that seeks to work for the advantage of the people of Saskatchewan, is prepared willingly to give away \$400 million from the people to the corporations, especially when the corporations can afford to pay? Why are they doing this? Are they doing it so that the board of directors can get an extra carpet in Dallas or in New York? Why are they doing it?

Secondly, I want to tell you, Mr. Speaker, what the repeal of Bill 42 will mean to Saskatchewan. The repeal of Bill 42 will not allow this province to enter into federal-provincial negotiations, all of these things that we are fighting for, for the West, with any strong bargaining position. Because Bill 42 says that the resources of this province belong to the province and that is our point, that is our starting point when we start negotiating with the rest of the country. By doing away with Bill 42 provincial Liberals will be in effect saying to federal Liberals, okay boys you can do anything you want with Saskatchewan's natural resources. You can say anything you want about the non-deductibility of royalties for corporation taxes, we are not going to argue with you. That is the Liberal federal and the provincial attitude on this province's constitutional rights to the control of our resources.

Well, I don't believe for one moment that that is the attitude of Saskatchewan people. I don't believe for one moment that they will allow another sell-out of resources by the Liberal Party ever again in the history of this province.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: I say, Mr. Speaker, that in a few short weeks our Premier and our delegation will, once again, be going to Ottawa to fight for the West and for Saskatchewan. I say this, as a young Saskatchewan Canadian, that we have an obligation to share our wealth and resources with our fellow Canadians in the East, yes, we do. We are a part of this country. But we are doing that now to the tune of \$400 million a year. Is it unfair to ask for something in exchange for Saskatchewan? If we are to build on our prosperity; if we are to diversify, we need this revenue now. That is not a parochial or narrow attitude. We are paying \$400 million every year to Ottawa. Is that greedy? Is it selfish, as the Leader of the Opposition said? Of course, it is not! We have recognized our responsibility as Canadians. I want to tell you, Mr. Leader of the Opposition, that we are as entitled as any Ontario person or Quebec person is entitled to reap some of the benefits from our own resources; to take full advantage of the natural advantages that we have in this province. I want to tell you, Mr. Leader of the Opposition, that we are entitled to maintain that if the Federal Government is seriously interested in creating an equal Canada from coast to coast, they will want to talk about a national, a truly national development policy.

Mr. Speaker, as I close, I want to say this. We have waited a long time to become a full partner in Confederation. That is all that we seek for Saskatchewan. That is what Bill 42 gives us, the necessary tools and weapons to do. That is what

March 21, 1975

Bill 42 is all about. That is what our natural resources policy is all about. You Liberals say that Bill 42 is going to be an issue. You are right it is going to be an issue in the next election campaign.

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW: Mr. Speaker, the key is leadership. The key to the future is leadership. In Premier Blakeney we have a leader who bargains in the interest of Saskatchewan not in the interests of railway companies; not in the interest of large grain companies; not in the interest of oil companies; not in the interest of potash companies, so that they can get all this money, but for Saskatchewan. Our farmers, our business men, the workers, leadership thoughtful, intelligent, progressive, yes, leadership. I say that the Premier and his Government here is keeping Saskatchewan ahead. That is the goal that everybody wants and because the Budget meets that challenge

I fully support it, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. G.B. GRANT:(Regina WhitmorePark) Mr. Speaker, the debate in the House during Budget consideration has been pretty rational and considerate. I am disappointed in the Hon. Attorney General today because he behaved himself so well up to the present time, it is too bad that he spoiled his reputation in the final session on the Budget by his participation. He says that the policy of the NDP Government is to sell land to the farmers. Well, if that is the truth why doesn't he introduce an amendment to the Land Bank Act and put it in black and white so that the people of Saskatchewan will know what the policy is?

SOME HON. MEMBERS: Hear, hear!

MR. GRANT: You know as well as I and this House knows, that in the Bill and in the lease form it says, "may". It doesn't say a thing about the policy of the NDP Government. He is critical of the Opposition because they are criticizing. For his information I would like him to realize that the role of the Opposition is to criticize.

Even though the Star-Phoenix may have backed down and got off the black list of the Premier, as far as the Budget is concerned, I noticed he was very pleased on the noon broadcast to find that they had joined the club and thought that the Budget was wonderful. I am really disappointed as I thought they had better judgment than that, but that is their privilege.

I think the Attorney General could be termed the "Archie Bunker" of this Legislature today, because he said that he didn't want to use the word 'lie' in fact 'damn lie' was the expression that he was going to use. Archie Bunker wouldn't think of using that. His expression was "I didn't tell a lie, I just forget to tell the truth. And that is the way the Attorney General is today, he is forgetting to tell the truth, not only in connection with the question of the Land Bank, but the Crow's Nest rates, rail line abandonment and the oil situation in the province. He spoke of Bill 42 being a

bargaining instrument as far as the province is concerned. I don't believe Alberta had such bargaining instruments and they didn't do too badly, they came out all right on it. The Premier was really the one who did a poor job bargaining. He came back complaining that they were going to lose \$35 million in equalization grants and he knows as well as the rest of us that if his bargaining had been a little stronger the situation would have been a lot better.

Mr. Speaker, the Attorney General cannot, by loud repetitious desk thumping, convince the people of this province that they are going to retain all the rail lines, because as pointed out it was under an NDP Government that the only rail line abandonment took place in Saskatchewan. I am sure that they honestly do not want to retain all the rail lines but they certainly try to give the impression that not a single inch of track will be pulled up. They realize that the longer the rails are left in the present condition, the worse they will be.

Mr. Speaker, the NDP Government has shown no leadership whatsoever in controlling public expenditures or taxes as far as this Budget would indicate. I think British Columbia and Saskatchewan have demonstrated one thing, that socialists are big spenders of the people's money. They want to be all things to all people and it appears that it is coming to the point where Saskatchewan taxpayers really can't afford to have the NDP in power.

SOME HON. MEMBERS: Hear, hear!

MR. GRANT: It is true that Saskatchewan had a prosperous year during the last year and it is also true that this was mainly because of the farmers' income, which the NDP Government had little or nothing to do about causing them to be so buoyant. In fact, even though we did have a very prosperous year, I dare say it would have been better if the NDP hadn't been in the Government seats, because the oil industry, the potash industry and many other segments of our economy would have been in a better position.

I say this, Mr. Speaker, bearing in mind the attitude of the Members to your right to business in general and industry in particular. The Attorney General, once again today, went off in a wild tirade about international corporations. My own summation is that if the NDP Government feels so strongly about corporations and big business they might just as well speed up their socialization of the oil industry and the potash industry in the province and let these industries know where they stand as far as Saskatchewan is concerned.

Let's look at the oil industry. Their socialistic attitude and their dog-in-the-manager attitude about private development has dragged the oil industry and the exploration industry to a standstill in the province. They so seriously damaged the oil servicing industry that they were forced to subsidize it and there is no doubt in anyone's mind, I don't think, that millions of dollars of possible investment money by-passed Saskatchewan merely because of their philosophy that when it comes to ownership of things, governments should be first, co-operatives second and private parties last on the list.

I think that their actions during the past year surely

March 21, 1975

must have convinced everyone that they are not kidding because while the Attorney General referred to it as creeping socialism, 300,000 acres of land is no small slice in the length of the time that they have been acquiring land through the Land Bank.

This movement towards more government control and more socialism is evidenced by the Land Bank policy, Saskatchewan Oil Corporation, Saskatchewan Potash Corporation, Saskatchewan Investment Fund, their purchase of Intercontinental Packers. You could go on almost indefinitely. I would point out that the Provincial Treasurer (Mr. Robbins) in his comments listed a number of promises that were made and that have been delivered, but I would remind him that I don't recall any promise being made that there would be no vote on the Ward System in our two major cities, but nevertheless they delivered the Ward System without a vote. They didn't promise the people of Saskatchewan that there would be no vote on the Hog Commission yet we got one. They didn't tell the people there would be no vote on the take-over of Intercontinental Packers, but they did. They didn't promise no vote on the expulsion of industry in the province by taxation but nevertheless they have done it.

To give you an idea as to how industry - and one particular industry - feels about Saskatchewan and the present Government, I should like to read a letter from the chairman of the Hudson Bay mining and Smelting Company to the shareholders of recent date. He was pointing out that the extra dividend of 50 cents paid last year had not been repeated:

This does not mean that we have worked less hard or less effectively or that market conditions have been worse than in 1973. In fact we estimate that your company's profits before tax will increase by some \$3 million.

Higher than the previous year, but taxation by governments has gone up by \$15 million over the previous year.

This represents a tax rate of 54 per cent on profits on our operations in Manitoba and Saskatchewan and means that with \$3 million additional profits taxes have gone up five times this amount.

And it points out that:

The federal mining rate is 50 per cent whereas in Saskatchewan the potash operations, the combined rate is 75 per cent and on marginal operations in excess of 100 per cent.

He was also very critical that the provincial taxes on production or even on mine reserves being levied regardless of a company's ability to pay. He suggested that if the shareholders of the Hudson Bay Mining and Smelter Limited wanted this to continue they should keep their voices quiet and not raise them to either Ottawa or to the provincial capitals. I am not a shareholder of the company but I would hope that some of the shareholders have voiced their opinions to the Provincial Government.

Mr. Speaker, everyone including governments seem to pay lip service to fighting inflation and I think the socialist governments of British Columbia and Saskatchewan are probably the worst offenders. The NDP spending binge in four years has

seen increases totalling 150 per cent in budgets, of which 25 per cent comes about this year. How can any Government expect restraint by others when they set such a horrible example themselves? The Saskatchewan NDP Government reminds me of the proverbial drunken sailor and there is no doubt about it, it will be the taxpayers of Saskatchewan who are going to wake up with the headaches.

Mr. Speaker, budgets cannot be perfect, they should be merely guidelines. But there are three areas where they can certainly fail and that is they can be either too small, too large or have wrong priorities. In this second "Robbin Budget" it cannot be described as being too small but it certainly qualifies in the other two categories, too large and the wrong priorities. There is absolutely no effort to reduce the Government load on the taxpayers, in fact the combined spending of the Federal Government, municipal governments and the Provincial Governments now must exceed 40 cents out of every dollar of gross income. I don't know when the point is going to be reached when the taxpayers say, "You have gone far enough." Actually this is socializing by taxation. Big Brother Government, year by year, takes more and more to squander in spheres where government has no right to be. Our NDP Government Members are limited in business experience; they appoint non-business people all too frequently, to Crown corporations, boards and agencies. They employ defeated politicians, or inexperienced party supporters who, with the aid of inexperienced civil servants, are to operate sizeable business endeavors. Frequently these operations are monopolistic in nature with little or no competition and where there is competition, the Government enterprises have an unfair advantage with the taxpayers' guarantee back of them.

I was hoping that the Government would produce a bigger allocation toward the fight against alcoholism and was disappointed to learn that this year's allocation while it is up \$235,000 is, I think, a considerably smaller percentage of the total budget than 1974. A government claiming so many goodies for the country cannot in all conscience justify such a limited budget to deal with all the problems generated by the consumption of alcohol. I am not advocating a larger budget, what I am advocating is that some of the vote buying items should have been omitted to provide a realistic budget for more treatment and rehabilitation of the victims of social habits which feed the Government \$50 million in revenue.

Your Highway Safety Committee is convinced that firm steps must be taken to educate, rehabilitate and penalize where necessary, those who drink to excess and drive. Our Government, the government to your right, must be prepared to allocate a greater proportion of the Budget to deal with this social problem.

Turning to Industry and Commerce, it would appear that 1975 is a stand-still year, with the exception of a new program for disadvantaged persons. The proposed \$900,000 steel complex study no doubt will be largely underwritten by Ottawa, and there is no mention of this. With only ten lines devoted to explaining plans for the Industry Department, it is an indication that their budget of \$6 million may produce reports and involve advice by 117 people, but do little or nothing to attract new investment in Saskatchewan.

The anomaly is a strange one. One hundred and seventeen

March 21, 1975

people supposedly to aid industrial development, while other Ministers and staff are doing their utmost to scare industry out of Saskatchewan, and prospective investors away from Saskatchewan. Looking at the Government's action on succession duties, it is evident that they realize they were too harsh in 1972. These duties do more harm than good and they should be abolished.

Last year, the Premier tried to justify the increased exemption to offset rising prices. How can he use the same argument when he raised the special exemption for a spouse by 400 per cent, from \$50,000 to \$250,000. I would say that if they keep on at this rate that in a few years they will do exactly what we have been recommending for a number of years, eliminate this unnecessary double tax.

Mr. Speaker, the 1975 Budget is a clear indication of how our Government benefits by inflation at the expense of the taxpayer. It fails to acknowledge the need to leave more dollars in the hands of the people without Government acting as the middleman to skim off the cream. The \$100 income tax reduction is long past due. Provincial income tax has been too high for several years. Only \$27 million will be returned when possibly \$100 million in excess was taxed since 1971. It is interesting to note that the Budget anticipates an increase of \$29 million in individual income tax so that they are well able to give a refund of \$27 million.

In my opinion, Mr. Speaker, too many dollars are involved in discouraging investment in Saskatchewan, too few to make Saskatchewan attractive for investment. Government is involved in too many areas of our lives and the Budget moves still further in this direction.

The NDP Government is great at paying lip service to our senior citizens but they fail to mention that the Federal Government is a big contributor to their guaranteed minimum amount.

Mr. Speaker, I have only touched on a few areas where our Budget is out of step with reality. It is a spendthrift budget aimed at buying the taxpayers' votes with their own money.

Since this will probably be my last session, I should like to take this opportunity to make a few personal remarks on my retirement from politics. In 1964, Mr. Speaker, my constituency consisted of most of Regina City south of Wascana Creek. Time has a habit of bringing about change and this has been true in Regina South. Over the years my constituency has changed to the point of complete disappearance at the last redistribution. Thus it would seem that my retirement was planned by politicians to coincide with my approach to the old age pension. I'll only miss it by a few months and I think this is pretty good and accurate planning when governments are involved.

Mr. Speaker, over a thirty year involvement in civic and provincial life, I feel I have been most fortunate in the support given to me by voters, staff and colleagues and the understanding at times of Members opposite. Holding public office has many satisfactions to offer and I recall two in particular. The first was my appreciation of being Regina's first native born mayor and subsequently a Minister of the Crown.

Even sitting in the Opposition has its rewards, and possibly fewer frustrations than being a backbencher on the Speaker's right. Mr. Speaker, my years in this Legislature have been most rewarding and I thank you and the Members and staff for the courtesies extended to me.

I am sorry that this, my last chance to discuss a Budget, didn't afford me an opportunity to support the motion but I am sure you have gathered by this time that I will not support the motion but I will support the amendment.

SOME HON. MEMBERS: Hear, hear!

MR. C.P. MacDONALD: (Milestone) Mr. Speaker, first of all I am very pleased to participate in the Budget Debate and particularly for the opportunity of following the Attorney General. After sitting here and listening to him, he really gave an indication of what the Members opposite think of the Budget, because he indicated that they are really frightened, frightened about rural Saskatchewan, frightened about what is going on in the farm communities, frightened about the possibility of their re-election. You know, I have been in this business for about 15 years and I have yet to see an election where the old bogey man of rail line abandonment, and rural Saskatchewan didn't come up, but never like it came up with the Attorney General. Mr. Speaker, it is no wonder he brought it up because the family farm is in danger, because the agriculture policies of the NDP have been a disaster. I am going to tell the Premier something and I am sorry he is not in his seat, because if the Members opposite are so proud of this Budget in exactly 45 minutes the Budget Debate will be over. I challenge the Premier to prorogue this House and go to the people. Let's have the election right now. Let's see the Member for Lloydminster and the Member for Yorkton or the Member for Regina go out and try to defend this Budget to the people of Saskatchewan, because you won't have an opportunity and the Premier won't dare. You know, I'll tell you why because this Budget very clearly defines some of the issues in this election campaign. The Attorney General said, Oh, the Member for Indian Head, they are extra scared, because we will get to know each other a lot better and this Budget a lot better.

Now, Mr. Speaker, I want to talk about what are the issues in this election campaign that is coming up that has come out of this Budget. The first one, issue number one in Saskatchewan, is the Land Bank. The Attorney General mentioned the Land Bank and he tried to salvage the minds of the NDP and the supporters of Saskatchewan by saying the NDP will sell the land. Well, Mr. Speaker, I want to ask the Minister of Agriculture, there are now thousands of farmers in the Province of Saskatchewan who have leased land for five years, six years, seven years and ten years, who want to buy the land and the NDP refuses them. Land that has been purchased and owned by the Lands Branch of the Department of Agriculture that was being sold by a Liberal Government, but when this Government came into power it was turned off and the NDP has not sold one solitary acre since. Why then will they sell land in the Land Bank?

Mr. Speaker, let's look at the total package. The Attorney General talked about agriculture. No wonder the NDP are frightened in rural Saskatchewan. The Hog Commission that was forced down the farmers' throats has turned out to be an

March 21, 1975

inefficient operation. It's turned around and what the indication is, it has destroyed the competition in Burns in Prince Albert, it's stopped 300 or 400 jobs. Second, they turned around and restricted farm ownership and denied Canadians the right to own land in this province. Do you know why, Mr. Speaker? Once again so the Land Bank will have the opportunity of buying every available parcel.

Then, Mr. Speaker, they purchased Intercontinental and they squandered \$10 million. You know, Mr. Speaker, this Budget provides another \$10 million and you notice how conveniently the Attorney General said 260,000 acres, it is over 400,000 acres and at the end of this year it will be 600,000 or 700,000 acres. And at the end of 1976 it will be 1 million acres. Mr. Speaker, the farmers are frightened of the Land Bank, they are apprehensive and they are concerned and because the Land Bank is bidding against them and against their funds. They know that there are political allocations, they know that the capital is being funded by pensioners' funds and they know that there is no option to buy. Every farmer in this province knows. Let me tell you, Mr. Speaker, the farmers of Saskatchewan know that a vote for the NDP is a vote for state ownership of farm land in this province.

SOME HON. MEMBERS: Hear, hear!

MR. MacDONALD: What is issue No. 3?

Deterrent fees for prescription drugs, that is what is going to be another issue in this election. Of all the hypocritical people I have ever heard in this House, one particularly is the Minister of Health (Mr. Smishek). Remember how they detested the principle of deterrent fees for the sick and the old and the lame. What does this prescription fee do? First of all ten per cent of the people of the Province of Saskatchewan will pay 50 per cent of the cost. Who will that ten per cent be? It will be the old, aged and the people who are chronically ill. There will be no limit, it will be the same on a person who spends \$100 for drugs or somebody who spends \$2,000 for drugs. It will be worse than any Liberal deterrent fee. Ninety thousand people of the Province of Saskatchewan will pay 50 per cent of the cost of the prescriptions or the deterrent fees.

No, Mr. Speaker, the chronically ill will know that a vote for the NDP is a vote for deterrent fees and prescription drugs.

SOME HON. MEMBERS: Hear, hear!

MR. MacDONALD: What is issue No. 4? Mr. Speaker, the deliberate destruction of the oil industry in the Province of Saskatchewan will be issue No. 4 in this province. Here we heard the Attorney General stand up here and discuss Bill 42. He said, Bill 42 is the thing that gave us the power to go to Ottawa and negotiate. Well, you know what Mr. Blakeney did when he negotiated? He gave \$400 million away to the rest of Canada. That is what he did and if Bill 42 gave him that power, by gosh, we don't need that. What is his resource policy? He has got a very strange policy. He stands up in this House and says that the Federal Government has no right to resource taxation fields. In the next breath he demands equalization payments. Equalization payments come from somewhere, they come from the

timber in Ontario, they come from the oil in Alberta, they are coming from the mines in British Columbia. You and I know that the resource industry of Canada has contributed hundreds and hundreds of millions of dollars in equalization payments in this country.

Mr. Speaker, what does Bill 42 really do? There was a rather interesting ad in the paper today, or an article in the paper, "Oil Field Activity at Virtual Standstill." Mr. Speaker, a virtual standstill. You know by 1980 the Dominion of Canada will be short of oil, and this Government has virtually lost development. What did they do when they became the Government? They promised that the Province of Saskatchewan would develop these resource industries through public ownership. They established SaskOil. They turned around and they passed Bill 42. They established the Potash Corporation. They may now make it absolutely impossible for any potash mine in Saskatchewan to develop unless it is government controlled. What have been the results? In the month of January there were three oil wells completed in Saskatchewan, over 300 in the Province of Alberta. The oil industry is virtually gone, virtually gone from the Province of Saskatchewan and it is booming in the Province of Alberta. There were more oil wells drilled last year in the Province of Alberta than there were the year before. Mr. Speaker, there has not been one single potash mine expand or projected capital development since the reserve tax. Mr. Speaker, is this the kind of development that public ownership is promising the people of Saskatchewan? It will cost us hundreds and hundreds of millions of dollars in the years ahead.

Mr. Speaker, this at a time when energy costs are skyrocketing and when there will be a predicted shortage in five or six years in this country. But the real tragedy is that we are missing a golden opportunity, as the Leader of the Opposition has indicated, to give Saskatchewan the kind of strength and economic base that it needs for the future. This is the kind of a thing that we are missing.

Mr. Speaker, don't ever worry that the business community in this province knows that a vote for the NDP is a vote for the continued strangulation of industrial development and growth in this province.

SOME HON. MEMBERS: Hear, hear!

MR. MacDONALD: They know, too, Mr. Speaker, that the people that it will hurt will be the small businessmen like the oil and technical workers, the employees who would have had jobs, the consumer who's going to have to pay high taxes.

Issue Number five. The continued decline of rural Saskatchewan. Now you know we heard the Attorney General talk about rural Saskatchewan. We heard him talk about the family farm. The Premier stood up and said, "I'm pleased that there are 3,000 people more in the Province of Saskatchewan." But what he really tried to hide and what the Attorney General really tried to hide is what is going on in the rural communities in Saskatchewan.

What is going on in the rural municipalities? You know, Mr. Speaker, I have here the latest Statistics Canada survey for

March 21, 1975

the Moose Jaw area. It shows that every single municipality in fact since these statistics of last year, is down in population. It showed that practically every town and village is down in population. Rural Saskatchewan is declining at an accelerated pace. There are over 16,000 people who are no longer in the rural municipalities in the Province of Saskatchewan in the last two years. There are over 102 out of 130 towns where there is decline in population. Let me give you some examples. Arm River from 482 down to 424. The town of Morse from 984 down to 862. The town of Harris from 482 down to 443. Every RM and every town in Saskatchewan is losing population. Why, Mr. Speaker? Because of the failure of the NDP to do anything for rural Saskatchewan. This, Mr. Speaker

SOME HON. MEMBERS: Hear, hear!

MR. MacDONALD: Let me give you an example of what they did in the Department of Municipal Affairs. No wonder the Minister of Municipal Affairs did not talk in this debate. You know, Mr. Speaker, they turned around and gave Consumer Affairs a 90 per cent increase. They gave Public Service a 70 per cent increase. They gave the Department of Government Services a 55 per cent increase. They gave the Department of Finance a 43 per cent increase. They gave the Department of Co-ops a 31 per cent increase. All to hire more civil servants and more bureaucratic control.

What did they give the RMs and the small towns in Saskatchewan? Well first of all for the urban ones there were the unconditional operating grants one-tenth of one per cent. What did they give to them for the equalization formula? Minus two and a half per cent.

Let's look at the rural municipalities. Assistance to main market farm roads - eight per cent. Equalization grants four per cent. Grid road maintenance - two and a half per cent. Super grid surfacing - zero per cent. Assisting main market roads - minus 30 per cent. Mr. Speaker, these figures are an insult to the rural municipalities and the councillors of this province. It's going to mean dramatic increases in mill rates in every municipality and every town and village in Saskatchewan. Why didn't the mayor stand up and mention these figures when he talked about Regina and the prospective mill rate increase for the city of Regina? Mr. Speaker, no, rural Saskatchewan is declining, rural Saskatchewan is accelerating its decline because of the agricultural policies of the NDP and because of their bankrupt policies for growth and development in rural Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. MacDONALD: And those, Mr. Speaker, the people of rural Saskatchewan, know that a vote for the NDP is a vote for decline in population, a vote for the decline of rural Saskatchewan.

What's issue number six? Mr. Speaker, the sad and dismal extravagance in government. Mr. Speaker, the sad and dismal record of this Government in the field of fiscal responsibility for the taxpayers' money will long be remembered. I don't have to record them for you, the auditors recorded them for us. The Department of Northern Saskatchewan, a half a million dollars in

shoe box. The welfare, overpayments in one community, a half a million dollars. Service Printers, the Commonwealth, political graft and that's what it is, political graft. We have the political advertising. Millions of dollars in attempts to promote the re-election of the NDP. The Hog Commission. The auditor would not audit the books because of obvious inefficiency. The Base hospital. We heard the Minister of Health stand up here yesterday and attempt to defend the fact that the Base hospital is not open, the fact that the Base hospital is not functioning, the fact that it's a \$20 million building and standing idle. The Hearing Aid scandal. Mr. Speaker, I could go on and on. On top of that we have four or five thousand new civil servants in Saskatchewan which means more bureaucratic control. No, Mr. Speaker, a vote for the NDP is another vote for inefficiency.

Mr. Speaker, what will the issue of number seven be? The loss of the individual rights and the erosion of local autonomy. The Leader of the Opposition likes to refer to the NDP and their power grab as their 'lust for power.' In the unbelievable urge that the Government can manage the affairs of individuals or of people or municipalities, or local governments better than they can.

Mr. Speaker, let me give you some examples. They attempted to seize control of the university. They attempted to seize control and only after the academic community revolted did they back off and attempt to put in some semblance of local autonomy. The seizure of powers by the Minister of Education from the trustees and removal of the right for boards to negotiate salaries for the teachers. The imposition of the Ward System in the cities without giving the assent or vote to the citizens. The threat to private business to lock their doors. The Natural Products Marketing Act without giving the producer a vote or any control to run his own affairs. Mr. Speaker, even the Human Rights Commission devised as supposed to protect human rights, is acting without any common sense or any reasonable attitude toward human discrimination. Mr. Speaker, you'll remember the Hudson's Bay store where on a Men's Night the Human Rights Commission immediately challenged them for a promotional stunt providing a little additional service for men. You know it's no wonder that the Minister of Health is bringing in a Bill to legalize a change of sex in Saskatchewan because they want to do away with Ladies' Night, Sadie Hawkin's Day, so no more will you be able to get your wife into the hockey game.

Mr. Speaker, the people of Saskatchewan know that a vote for the NDP is a vote for the continued erosion of human rights and individual liberties.

Mr. Speaker, I think there is another issue. And the issue is going to be the Premier's enemy list. You know it's kind of interesting. Imagine the Premier of the Province of Saskatchewan who should be here to support all the people. The man who should be here and be the spokesman for everybody, beginning to enumerate those people he considers his enemies. And you know he named the Saskatchewan Liberal Party and we're kind of proud of that. It's nice to be on that list and particularly at the top of that list. Then he named the media and a few other people in Saskatchewan. Well I'd like to add to his list, because as soon as he has the courage to call an election there's going to be a lot of other people that are

March 21, 1975

going to be against him. The farmers who don't believe in state ownership of farm land are going to be on that list. The businessman whom he declared war on for four years is going to be on that list. The oil and technical workers from Estevan and the oil fields are going to be on that list. The nurses who refuse to work for the Government are going to be on that list. The pharmacists who are now fighting with the Minister Of Health are going to be on that list. The school trustees who have been robbed of their rights of local autonomy are going to be on that list. And, Mr. Speaker, even the teachers are going to be on that list because teachers are mad at the Government for the mess that they've created. Mr. Speaker there is no question the Premier has an enemy list of people who have rejected the amount of regimentation and control and the poor leadership of the Premier of this province.

Now, Mr. Speaker, there's going to be another issue and that's the one the Attorney General brought up and that's the Crow's Nest rates. You know, it's kind of interesting every time the NDP are in trouble on the verge of an election ready to campaign farm to farm, town to town, they've got to find something to talk about besides Jack Messer and his disastrous agricultural policies. Mr. Speaker, and not only that they want to try and pin the label of the Saskatchewan Liberal Party on the Crow's Nest rates and on rail line abandonment. It was kind of interesting because I've been at a few meetings, I've been at a few meetings on the Crow's Nest rates and rail line abandonment. And the interesting part of it is that there has been nobody, no one who accepts with any kind of validity, the wild misrepresentations of the NDP in this province. The reason they don't accept it is because they are sick and tired of the NDP coming up at every election and trying to throw the bogey man of rail line abandonment in front of them. They know that they're in serious trouble. You know somebody told me that they took a survey of rural Saskatchewan, the NDP did, and one of the farmers said, "I sure told them what I thought of the Land Bank. I sure told them what I thought of the Hog Commission." And you people know exactly. You people know exactly your position in rural Saskatchewan. And I'm going to tell you, you're going to try and rally the troops but it's not going to work. It's not going to work, Mr. Speaker, and the reason it's not going to work is because the people of Saskatchewan know that the first man in Saskatchewan who spoke against any change in the Crow's Nest rates was Dave Steuart last November.

SOME HON. MEMBERS: Hear, hear!

MR. MacDONALD: He was the first man in Saskatchewan who spoke against changing the Crow's Nest Agreement at the Liberal convention in Regina last November. Mr. Speaker, they know that John Gardner and Tom Weatherald and the farmers in the Liberal caucus know the reason why they want to preserve the Crow's Nest rates.

But you know the disappointing thing about it, the disappointing thing about it is that the NDP is refusing the role of leadership in the transportation system, because it is time for a decision. It is time for a decision. There are many lines where the railways have been applying for abandonment for the last ten years and the Federal Government has refused to invest any money. They've spent millions of dollars on water transportation, millions of dollars on air transportation and they've left the railway system practically intact as it was ten

years ago because of the applications for abandonment. It is time that the decision was made that many of those lines will not be up for abandonment and that they would be put in the permanent system. And that is why it is time for a decision. There are rail lines in Saskatchewan today that cannot handle hopper cars, rail lines that will stay and be part of the permanent structure and yet this particular Government won't stand up and face the responsibility and say, let's make that decision, let's put them into the permanent system, let's hold those public hearings and get this decision settled once and for all.

It is time, Mr. Speaker, that the Federal Government invested as much in the railway system as they did in dredging in eastern Canada, in the harbours in Vancouver. It is time that they started, Mr. Speaker, to turn around and put investment in the rail system in this province. There are also all kinds of communities that don't know whether they're going to have an elevator and grain companies are not rebuilding old facilities. There are also companies that would like to invest in secondary industries in small communities in rural Saskatchewan. They won't do it because they don't know whether the railway will be there in the future. It is time for a decision in Saskatchewan and it's time that the NDP as the Government of this province provided some leadership. It's time that they quit trying to make a political issue against the Federal Government. It's time that Roy Romanow who is the Minister in charge of Transportation stood on his feet in this Legislature and co-operated and got those public hearings over and get the permanent structure of the rail system in Saskatchewan here for now and for the next 25-30 years.

Mr. Speaker, the Crow's Nest rates and rail line abandonment will backfire on the NDP and it will back fire for one reason, for one reason, because Jack Messer and the NDP agriculture program in Saskatchewan has been a disaster. It's been a disaster. It's driven people off the farm. It's driven people out of rural Saskatchewan and Mr. Speaker, it infringes upon the very rights of farmers and the citizens for rural Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

HON. W.A. ROBBINS: (Saskatoon Nutana Centre) Mr. Speaker, it seems that every year I have the dubious honour of following the Member for Milestone, the Member with a one track mind which is generally derailed.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: He says, Mr. Speaker, that the Government is in trouble in relation to the electorate.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: Wouldn't they like to be in that kind of trouble!

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: That noisy little nuisance

March 21, 1975

from the northern woods, the Leader of the Opposition who thinks that some day he might be premier of this province. Actually if we look at the record we can see why we would assume that he should soon be seated in that other place. Senator Hicks, at one time the Liberal Premier of Nova Scotia, went to his reward. Senator Robichaud, one time the premier of New Brunswick went to his reward. The Leader of the Opposition has never been the Premier so he could argue, that's no criterion, but Senator Molgat from Manitoba, former leader of the Liberal Party, went to that other place. Senator Hastings from Alberta, Liberal leader in Alberta now is in that place. Mr. Perrault from British Columbia, defeated federally, now is in that other place. We are honoured today to have a former Member of this House, Senator MacDonald, visiting us, the former Liberal leader in this province.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: I note, Mr. Speaker, the Leader of the Opposition spent a fair bit of time checking with him on the rental rates in Ottawa this afternoon. He's got his spot all picked out.

Mr. Speaker, I had the privilege of presenting to this House one week ago the fourth consecutive balanced Budget of this Government. A Budget which has basically completed the commitments made to the people of Saskatchewan by the New Democratic Party in the 1971 election.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: In that Budget, Mr. Speaker, we have substantially increased the Property Improvement Grant relieving property taxation to a level equivalent to a 22 mill tax reduction. We have cut 1971 income taxes by \$100.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: We took, Mr. Speaker, 70,000 of our lower income taxpayers off the provincial tax roll. We eliminated the sales tax on meals put on by the Liberals and we eliminated the tax on reading materials. We raised the exemptions for succession duties significantly. To the Old Age Security Guaranteed Income Supplement recipient we have added \$20 a month for single persons and up to \$36 for a married couple.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: Operating grants to schools, Mr. Speaker, are increased by an unprecedented \$26.2 million, a total increase in school grants of some \$63 million since 1971.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: Operating grants to universities will rise by 25 per cent. As announced by my colleague, the Minister of Social Services, we have substantially raised the provincial subsidy to private paying residents of special care homes. The Member for Milestone talks about the senior citizens being

poorly treated. They provided \$56,000 in subsidies for senior citizens in nursing homes and this year we provide \$8,100,000.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: For the handicapped we provide a new Transit Assistance Program together with social, recreational grants. Library grants have been increased by 40 per cent over the current fiscal year. We've provided \$1.25 million in matching grants for international development projects.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: Mr. Speaker, naturally I expected the Members opposite to resist the obvious temptation to lavish praise on this Budget. Nevertheless I had hoped to hear constructive comments from them during that five-day debate. I sat patiently; I listened I attentively and I heard none, Mr. Speaker. The Leader of the Opposition rose twice to speak on this debate and what did we hear? Mr. Speaker, the farmers in this province were collectively insulted when the Member for Prince Albert (Mr. Steuart) said we were giving \$13 million to pigs. It was people not pigs who received those payments.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: Mr. Speaker, he insulted every taxpayer when he said that they were being bribed by our progressive tax cut. He went so far as to ask that "The tax cut be treated with the contempt it deserves." That kind of comment, Mr. Speaker, certainly explains to me why he never stooped so low as to cut taxes when he was in charge of the Provincial Treasury.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: And what about the thousands of individuals who are participating directly or indirectly in our programs to provide grants for international development projects? Surely he must have had some praise for them. Not a word, Mr. Speaker! Only insults. He characterized those concerned citizens as people "who want to run around sticking their noses into somebody's business in some other country." What kind of a comment is that from a Member who is aspiring to be this province's Premier? I might add, aspiring in vain, Mr. Speaker.

Mr. Speaker, the Leader of the Opposition claims that our tax cut is inadequate, leaving Saskatchewan citizens among the most heavily taxed people in all Canada. That is simply not true and he knows it. Our income tax with the effective rate of about 34 per cent this year will mean that only wealthy Ontario, Alberta and British Columbia, the three 'have' provinces, can claim to have lower rates. And let's not forget, Mr. Speaker, that even in those provinces they still charge their citizens substantial medical premiums. Excluding Alberta, we have the lowest sales tax and gasoline tax in all of Canada.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: Mr. Speaker, Saskatchewan's

March 21, 1975

motor license fees are the second lowest in Canada.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: It became abundantly clear to me, while sitting in this Assembly during the past week, that the Members opposite have very little substantive constructive criticism to offer. A fair number of them took great pleasure in stating that our \$100 tax cut merely brought our provincial income tax back to the 1971 level. Mr. Speaker, let's review the facts.

In 1971 the provincial rate was 34 per cent. When tax reform was introduced by the Federal Government in 1972 the provincial rates for the nine provinces were adjusted by the Liberal Government in Ottawa to yield approximately the same revenue under the new taxation system. They know that, Mr. Speaker. For example: a family with an income of \$10,000 paid \$472 at the 34 per cent rate in 1971 and \$462 at the 37 per cent rate in 1972 - \$10 less. Mr. Speaker, the calculated tax in 1972 at the 37 per cent provincial rate, is actually less for all income levels than the 1971 taxes at the 34 per cent rate.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: In 1973 we did raise the tax from 37 to 40 per cent in order to provide tax relief in other areas such as the property tax. That was a tax shift based on the ability to pay and we do not apologize for that.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: That increase represented an 8 per cent increase in the rate. Now we have introduced a \$100 tax cut, roughly equivalent to a drop in the Saskatchewan rate from 40 per cent to an average level of 34 per cent. Mr. Speaker, that represents more than an 18 per cent drop in our rate.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: May I give you a few examples: in 1964 under a CCF Government a person or a family with a \$6,000 income and two dependent children paid a provincial income tax of \$114; the same family in 1968 under a Liberal Government paid \$157; the same family still under a Liberal Government in 1971, before the 1971 election, paid \$162. That is an increase of 42 per cent while they were in power. In 1975, under an NDP Government we removed that tax entirely.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: In 1964 a family on a \$10,000 income and two dependants paid \$333 provincial tax under a CCF Government; in 1968 under a Liberal Government \$415; in 1971 still under a Liberal Government \$472. In 1975 under a New Democratic Government \$315, a reduction of 33 per cent over the Liberal rates.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: Mr. Speaker, even if we go to a relatively high income family of \$20,000 per year with two dependent children, 1964 under a CCF Government the provincial income tax was \$1,225; 1968 under a Liberal Government provincial income tax was \$1,685; 1971 still under a Liberal Government it was \$1,736 an increase under the Liberals of 42 per cent. In 1975 under a New Democratic Government down to \$1,372, a decrease of 21 per cent.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: The Leader of the Opposition wants us to make the tax cut retroactive to the 1974 taxation year. Mr. Speaker, last year I formally asked the Federal Minister of Finance, the Hon. John Turner, to have the federal authority administer a provincial tax cut for 1974. He informed me that due to the lateness of the Federal Budget, which didn't come down until November 18th, this would not be possible. Only a tax reduction commencing in 1975 could be enacted and this, Mr. Speaker, is exactly what we have done.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: The Member for Prince Albert misled this House when he stated that the tax cut would not take effect until next year. I stated last Friday, payroll deductions will be adjusted at the earliest possible date, July 1, 1975 to reflect the tax cut.

For the six month period from July 1, 1975 to December 31, 1975 the tax cut will be doubled up with the tax cut applicable in 1975 available in 1975 for most Saskatchewan citizens.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: Our \$7 million of income supplementation to senior citizens has come under criticism by the Opposition. In this period of sustained inflation this Government sought to provide some increased assistance over and above the established federal pension levels. The Leader of the Opposition says the Liberals will pay \$350 for singles. I believe him, \$350 with a decimal between the three and the five. When Liberals keep one per cent of their promises they really outdo themselves. They say our payment isn't high enough; they talk about \$350 a month for single pensioners and \$500 a month for couples. That is an excellent goal, but, Mr. Speaker, the Federal Government should undertake the financing of that massive program for after all it is a national old age pension.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: I ask the Leader of the Opposition if he has any idea of what such a proposal could cost? It would cost somewhere between \$63 million and \$80 million per year.

The Liberal Government between 1964 and 1971 didn't pay one cent in supplements. How could any Saskatchewan elector today believe that they would implement pension supplements costing \$60 to \$80 million now?

March 21, 1975

With respect to senior citizens, Mr. Speaker, I should like to make one further point. Our income tax cut coupled with new tax deductions in 1975 will mean that senior citizens will be entitled to have as much as \$8,500 a year in income without paying one single cent in provincial income taxes.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: Mr. Speaker, Opposition Members attempt to belittle the Budget. That is their prerogative. Reference has been made by Members opposite in this debate to the tenuous food situation and the fact that many people habiting this globe are starving or are on the verge of starvation. We have taken some effective action to assist these people.

Mr. Speaker, I would remind this Assembly that at the end of 1974 the world had approximately one month's food supply in terms of cereal grain reserves. Three month's supply is considered the minimal requirement. Mr. Speaker, the world require an additional 22 million bushels of grain production each year to cope with the increase in the world's population. In 1974 world cereal production declined by 50 million bushels. In other words we suffered a short fall of some 72 million bushels in terms of the world's needs this year. We may well ask what will happen if 1975 cereal grain production should fall below normal. The results would be critical.

Mr. Speaker, Opposition Members constantly remind us of their faith in the Federal Liberal Government and particularly of the virtues of their political paragon The Hon. Otto Lang, Minister of Justice. Unfortunately for Canada and the world he is also the Minister in charge of the Canadian Wheat Board. He is in this context, the Dean of MPs, that is misplaced persons. Little wonder, Mr. Speaker, that at the annual meeting of the Saskatchewan Wheat Pool delegates passed a motion calling on the Prime Minister to remove him from that office.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: We should look at the record, Mr. Speaker. In 1970 the Hon. Otto Lang introduced the LIFT program. The Federal authority paid farmers not to grow wheat. They, Mr. Speaker, effectively reduced Saskatchewan's wheat production in that year by 225,320,000 bushels, a three year supply of the shortfall in world production needs which occurred in the 1974 crop year. No guesswork here, Mr. Speaker. The acreage in wheat in Saskatchewan for the past 30 years has averaged 16,6000,000 acres per year. In 1970, as the result of LIFT it was reduced to 8 million acres. The Saskatchewan wheat crop in 1970 averaged 26.2 bushels per acre The annual Wheat Board report signed by the Hon. Mr. Lang, indicated the average price received on that year's production was \$1.67 1/4 cents per bushel. A loss in excess of \$376 million to Saskatchewan producers.

Worse still, Mr. Speaker, much worse, was the production loss and the resultant grain loss to world grain reserves. A loss, Mr. Speaker, which should never have occurred, an economic and social disaster. This is the same Minister who wants to do away with the Crow's Nest rates; to abandon rail lines, to promote inland terminals, weaken the Wheat Board

with a feed grain policy which makes no sense for grain producers. And now, Mr. Speaker, in relation to our oil resources, this Minister threatens taxation of Crown corporations, if the province uses this method as a means to protect their economic rent from their own resources.

Truly, Mr. Speaker, the Wheat Pool delegates showed good sense and clairvoyance. We most certainly Otto Lift Lang.

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: I should like to make a few remarks with respect to some of the comments of the Members opposite this afternoon.

I was interested in the comments of the Hon. Member for Whitmore Park (Mr. Grant). I have a good deal of respect for the Member for Whitmore Park. He said, however, that the Budget was too large. You could cut \$200 million off the Budget with a stroke of a pen if you went back to the net budgeting they used in the years gone by. I should like to know what he would cut out of the Budget? Would he cut out the subsidies to nursing homes of \$8 million? It wasn't there when the Liberals were there. Would he cut out \$5 million on medicare? It wasn't there when the Liberals were in power. Would he reduce school grants by \$63 million and therefore let the mill rates rise by 22 mills? Would he remove the senior citizen's income package? Would he do away with the funding for the drug program? Would he remove the \$13 million expended in terms of Hog Stabilization which saved the hog industry last year? In addition, would he remove the \$72 million in tax relief that we brought about through income tax reduction, E and H tax reductions, gasoline tax reductions and other items?

Mr. Speaker, the Member for Lakeview (Mr. Malone) in his amendment states that we have not provided enough for local governments. Assistance to urban municipalities in 1975 will be over 16 times, 1,600 per cent greater than it was four short years ago. Relief to taxpayers under the Property Improvement Grant will be some three times greater. This combined program of tax relief and unconditional funding does ease the burden of the property tax and permits urban municipalities to continue to exercise their right to their local autonomy.

Mr. Speaker, it goes without saying I will oppose the amendment and support the main motion.

SOME HON. MEMBERS: Hear, hear!

Amendment negatived on the following recorded division:

YEAS – 10
Messieurs

Steuart
Coupland
Guy
Lane

MacDonald (Milestone)
Gardner
Weatherald
Malone

MacDonald
(Moose Jaw N.)
Grant

March 21, 1975

**NAYS – 31
Messieurs**

Blakeney
Dyck
Meakes
Smishek
Romanow
Snyder
Thibault
Baker
Kowalchuk
Brockelbank
MacMurchy

Pepper
Michayluk
Byers
Thorson
Whelan
Kwasnica
Carlson
Engel
Cody
Robbins

Tchorzewski
Taylor
Matsalla
Faris
Owens
Mostoway
Gross
Rolfes
Hanson
Kaeding

Motion agreed to on the following recorded division:

**YEAS – 31
Messieurs**

Blakeney
Dyck
Meakes
Smishek
Romanow
Snyder
Thibault
Baker
Kowalchuk
Brockelbank
MacMurchy

Pepper
Michayluk
Byers
Thorson
Whelan
Kwasnica
Carlson
Engel
Cody
Robbins

Tchorzewski
Taylor
Matsalla
Faris
Owens
Mostoway
Gross
Rolfes
Hanson
Kaeding

**NAYS – 10
Messieurs**

Steuart
Coupland
Malone
Grant

MacDonald (Milestone)
Gardner
Guy
Lane

MacDonald
(Moose Jaw N.)
Weatherald

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