

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Eighteenth Legislature
14th Day

Wednesday, March 31, 1976

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

WELCOME TO STUDENTS

MR. S.J. CAMERON: (Regina South) — Mr. Speaker, I wonder if I might, briefly, through you to Members of the House introduce to the Assembly the Grade Six and Seven class from Grant Road School in the east gallery. They are being accompanied this afternoon by Mrs. Newman, Mrs. Borys and Dale West, who, Members will recall, distinguished himself with the Saskatchewan Roughriders. I hope indeed they have an enjoyable afternoon.

HON. MEMBERS: Hear, hear!

HON. H.H. ROLFES: (Saskatoon Buena Vista) — Mr. Speaker, I should like to take this opportunity to introduce two groups of children today. A group of students from Hugh Cairns School who are seated in the Speaker's Gallery. They are 39 in number and they are in Grade Eight, accompanied by their two teachers, Mr. Balon and Mr. Francis. I have met with the students very briefly before the House started sitting today. I hope that they enjoy their stay here this afternoon and have a good trip back home.

Before I sit down, Mr. Speaker, I should also like to introduce a group of students from St. James School who are just coming into the west gallery. They are 53 in number, Grade Seven students. I met with the students last Monday and also met with them just before the House started sitting today. They are accompanied by their teachers, Mr. Schneider, Mr. Bergerman and Mr. Geenen. I hope also that they enjoy their stay and find it a very informative afternoon.

HON. MEMBERS: Hear, hear!

MR. G.H. PENNER: (Saskatoon Eastview) — Mr. Speaker, through you to the House and on behalf of Mrs. Edwards who is away ill, I should like to introduce 50 Grade Seven students from Greystone Heights School in Saskatoon, their teachers, Miss Robertson and Mr. Sherwin. I hope that you have a good day, that you have a good trip home and I will look forward to meeting with you later this afternoon.

HON. MEMBERS: Hear, hear!

MR. R.H. BAILEY: (Rosetown-Elrose) — Mr. Speaker, through you I should like to introduce to this Assembly 35 students from the Rosetown Division III School. They are seated in the east gallery and are accompanied by their teachers, Mrs. Berntson (who I might add is an Aunt of my desk mate here), Mrs. Sandy Nicholson, Miss Linda MacDonald, Mr. Jake Wiebe, and a special welcome to Mrs. Kabassa, who is a former member of my staff.

I'll be meeting with the group at 3:00 o'clock in the Members' dining room and I am looking forward to meeting you all at that time.

HON. MEMBERS: Hear, hear!

WELCOME TO AMANDA KWASNICA

MR. M. KWASNICA: (Cut Knife-Lloydminster) — Mr. Speaker, through you and to Members of the Assembly I would like to introduce to you my ten-year old daughter, Amanda, who is in the Speaker's Gallery. She has permission from her school teacher this afternoon to come and listen to her Dad speak in the Budget Debate. I should like to have all Members welcome her here.

HON. MEMBERS: Hear, hear!

HON. N.E. BYERS: (Kelvington-Wadena) — Mr. Speaker, through you and to the Assembly I should like to welcome the Grant Road School. My 12-year old daughter, a Grade Six student is in the gallery. Last evening my five-year old daughter was here observing the proceedings and this morning she asked, "Why didn't those people on the other side of the House clap for you?" I hope that all of you will join now in giving all of these students a warm welcome.

HON. MEMBERS: Hear, hear!

QUESTIONS

BEEF EXPORTS TO UNITED STATES REDUCED

MR. R.L. COLLVER: (Leader of the Progressive Conservatives) — Mr. Speaker, I should like to address a question to the Premier. Is the Premier aware that the United States Government recently concluded negotiations with the Australian and New Zealand Governments whereby the quotas for Australian and New Zealand beef were increased to the detriment of Canadian beef exporters and that Canada's beef export to the United States would decrease by about seven million pounds or about a 10 per cent reduction?

HON. A.E. BLAKENEY: (Premier) — No, I am not, Mr. Speaker. It may well be that my colleague, the Minister of Agriculture, is aware but I am not.

MR. COLLVER: — A supplementary question, Mr. Speaker. Will the Government of Saskatchewan then, if the Premier is not aware of this and if the facts are true, will the Government of Saskatchewan request that the Government of Canada protest strongly this move on the part of the United States Government to the detriment of Saskatchewan beef producers and, if not, why not?

MR. BLAKENEY: — Mr. Speaker, I will take that as notice. Clearly we will want to examine whether or not the facts are true and if so, no doubt the Minister of Agriculture will have an appropriate statement.

GUN CONTROL PROPOSALS

MR. CAMERON: — Mr. Speaker, I have a question for the Attorney General. I asked the other day of the Attorney General, whether or not he had been consulted by the Federal Government in connection with the gun control proposals. Mr. Speaker, will recall that he said he had and he would table a letter, which I think he tabled yesterday, which he wrote to Mr. Basford in connection with it. I have some questions which arise out of the letter. The first is — the letter indicated that he had consulted with the Chiefs of Police in the major police forces in the province — my question is: who specifically were the Chiefs of Police whom you consulted.

HON. R. ROMANOW: (Attorney General) — Mr. Speaker, if the Hon. Member wants to have a precise list of those who attended the meeting, I would be prepared to undertake to do that and furnish it to him at a later date. At the meeting that I attended I believe all of the Chiefs of Police of the major cities, where they do their own policing, were in attendance. I don't think anybody was absent. I mean by that Chief Huget, Chief Kettles, Chief Crawford, Chief Worsnop, Chief Williams from Weyburn, Chief Brooman was not there from Prince Albert now that I think of it, and the Assistant Commissioner of the Royal Canadian Mounted Police, Mr. Gibbon.

MR. CAMERON: — Mr. Speaker, a supplementary, may I ask the Attorney General why he did not consult also with the Fish and Game League who had some very serious questions about these proposals. Why were they not heard in the same consultative process?

MR. ROMANOW: — The feeling that I have in this area is that the primary course of consultation obviously has to be with the Chiefs of Police because they are the ones who will have the onus under the proposal with respect to registration, with respect to the follow through and obviously they are the men who are on the front line of the actual enforcement of the laws. The Fish and Game League have communicated their views to various members of the Government either through the press or through communication. I am trying to think whether I have had any communication. I can't recall. It was my view that it was more important to consult with the Chiefs of Police in the first instance.

MR. KRAMER: — Mr. Speaker, I would like to point out that both Members are out of order about ten years, it is the Wildlife Federation of Saskatchewan.

MR. CAMERON: — Mr. Speaker, in view of the fact that those consultations with the Police Force would draw representations in respect to the enforcement side of the law and nothing in respect to the side of the law that affects people, such as the people in the Fish and Game League and others, I want also to ask you why you didn't consult with the Saskatchewan Federation of Agriculture since I note you had some proposals in the letter that would affect farmers particularly?

MR. ROMANOW: — Mr. Speaker, the question of the consultative process and the extent of the consultative processes, one which is obviously open to interpretation by individual Members. I only want to tell the Members opposite that nothing prohibits the Saskatchewan Federation of Agriculture or the National Farmers Union from communicating to either myself or my colleague, the Minister of Agriculture. These are only proposals which have been advanced by the Federal Government. We have indicated our reservations and as I say again, as far as I am concerned as Attorney General, the primary area of input that I wanted was from the men and women who are the people who will be carrying out this policy, not only in terms of registration but in terms of living with its impact, namely, the police officers and that is where I looked for my first input.

MR. W.C. THATCHER: (Thunder Creek) — Mr. Speaker, through you I would like to address a question to the Attorney General. Mr. Attorney General it is rather a common practice in this province for farmers and ranchers to carry firearms in their half-ton or three-quarter ton, whatever the case may be. Would your department have any intention of restricting this practice in any way shape or form in relation to what we have just been discussing?

MR. ROMANOW: — Well, Mr. Speaker, I want to emphasize again as I think I have to the Member for Regina South, these are federal proposals with respect to gun control. We don't have any provincial legislation in mind even assuming that we could pass such legislation. Ontario does have legislation either on the books or contemplated on a provincial basis. We are going to work through the federal operation. I think the letter will indicate (the letter that I tabled yesterday that the Member for Regina South refers to) that I have considerable reservations about the proposals because of the practice that the Member for Thunder Creek alludes to not only with respect to farmers and ranchers but our hunters and so forth. It's the nature of the province. It's there. Really we intend to do nothing as a provincial government until such time as we can come to, if we can come to, an agreement with the Federal Government in concert with our sister provinces.

MR. THATCHER: — A supplementary question, Mr. Speaker. Will the Attorney General assure this Assembly that farmers, ranchers, rural people, who have become accustomed to carrying a firearm in their vehicle, will have some input to any provincial decision to go along with this federal proposal?

MR. ROMANOW: — The answer to that is, Yes. I have indeed received I am sure letters from individual farmers and ranchers on this. Individual opinions, and we have also received questions with respect to public statements made by the various organizations. Again, I think it is the question of the degree of the consultative process. In my judgment this is not going to be an overnight operation. There is the initial reaction of the Government as exhibited by the letter that I have tabled and at that stage of the game I think will just have to see what response we get.

MR. J.G. LANE: (Qu'Appelle) — Mr. Speaker, a supplementary to the Attorney General. In fact in your letter you request consideration of a general prohibition against individuals, farmers in particular, carrying these firearms in their half-tons and three-quarter ton trucks referred to by the Member for Morse.

Is that then your policy proposal being put forward to the Federal Government?

MR. SPEAKER: — Order, order! I think we are following a line of repetitive questions about the same subject which is another jurisdiction and I should like to take the next question.

MR. E.F.A. MERCHANT: (Regina Wascana) — Mr. Speaker, I wonder if out of that letter though in a quite separate area in that letter, I might address a question to the Hon. the Attorney General.

You indicate in the letter that you have concerns about the inability of the police to search without a warrant for guns being carried in vehicles. Is it the intention of this Government to allow a search without a warrant under those circumstances, or was it the intention of your government in writing this letter and including that provision as you did when you encouraged the Government in Ottawa to prohibit the carrying of guns in farm vehicles. Was it your intention to encourage the Government to pass those inclusions in their gun control legislation?

MR. ROMANOW: — Mr. Speaker, I first of all must say that it was not our intention, nor do I believe the letter shows an intention, to indicate that there should be a prohibition of carrying guns in farm vehicles. That is the clear intention of the letter and any other suggestion I would say is stretching the point.

But in any event, the substance of the Member's question relates to the matter of moving in to search for guns without a warrant, whether they be in farm vehicles or whether they be in home situations. I think that is the important substance of this question. And there, I tell you quite frankly, the chiefs of police impressed me as Attorney General, upon the types of situations that the present proposed law would not handle. Namely, you could register (the individual register the gun) but you still have, for example, a domestic situation at home where alcohol is involved, where the potential threat of the weapons, firearms is used. And sometimes the police, not always but sometimes, the police feel they do not have sufficient legal authority upon which to calm the situation by removing the weapon. It was in that context that those remarks were made.

Let me also apply, equally obviously as it does to the home to a situation with respect to a particular truck or particular farm vehicle or for that matter any vehicle whether it is a farm vehicle or not. Now that is a consideration that we advanced to the Federal Government for their consideration.

MR. MERCHANT: — Mr. Speaker, then that which I would have taken to be the clear reading of this letter is not the intention of the Government. The clear reading I suggest, is an encouragement

for the Government in Ottawa to go far beyond the gun control legislation that they are now proposing.

MR. SPEAKER: Order, order! This is in an area of repetitive debate I believe on the issue and, secondly, I question the urgency of the matter at this time. Next question.

POLICY OF SEED CLEANING PLANTS

MR. R. KATZMAN: (Rosthern) — A question to the Minister of Agriculture.

In light of the draft policy for assisting seed cleaning plants, is it true that you offered assistance to two plants before the policy was announced?

HON. E. KAEDING: (Minister of Agriculture) — Mr. Speaker, we have had negotiations with two seed cleaning plants which are interested in setting up a seed cleaning operation and we gave them some tentative idea what our proposal might be. But until this stage they have not had any real negotiations.

MR. KATZMAN: — In light of your draft policy, would you consider admitting the policy No. D(1) and allow private enterprise the same benefits?

MR. KAEDING: — There are some real problems with that. In order to get enough volume for a seed cleaning plant you have to have a fairly good commitment by a large number of people to use a seed cleaning plant. It is not too likely that a private operator would be able to get that kind of a commitment. A co-operative would sell memberships and shares to a large volume of grain producers and they would then have the commitment to make that plant viable. We would not be likely to commit large amounts of money unless we were sure that that was going to happen.

MR. KATZMAN: — Mr. Speaker, a supplementary. Do you have a brief from the seed cleaning plant which has that amount of people willing to clean. And I notice in your draft policy you also are going to give a monopoly in an area by your conditions. Is that the intent, to drive everybody else out?

MR. KAEDING: — I have no brief from any private group, but it is our intention to set an area where any plant can operate, because no plant can be viable if it can't get enough volume. It takes a fair acreage to get enough volume to operate a plant.

MR. KATZMAN: — A supplementary question. Could you please check with your deputy minister and ask about the brief from Laird?

LICENSING OF GUNS — NATIVE PEOPLE

MR. LANE: — Mr. Speaker, a question of the Attorney General. I realize he may be under the gun, so to speak, but he shouldn't

be protected by the Chair. A question on government policy and I am referring . . .

MR. SPEAKER: — Order, order! I detected in the Member's remarks that I was protecting the Attorney General from questions?

MR. LANE: — . . . Seemingly we are asking questions on government policies. Mr. Speaker, we are unable to ask the questions.

MR. SPEAKER: — Well, I think if the Member is prepared to frame his questions in the proper manner, I will allow them and if he has any objection at that point then he can treat it in the proper manner and deal with what he feels to be the Chair's inability to deal fairly with the rules.

MR. LANE: — Mr. Speaker, on asking a question on government policy as set out, the lack of government policy as set out by the Attorney General of the Hon. Ron Basford. In that particular letter on page four, you indicate the problem of the licensing of native people. You say that you foresee a tremendous outcry if they are required to be licensed. You also say that likewise you see similar strong objections from others if native people are exempt.

Is it the policy of the Government to recommend to the Federal Government that native people be licensed along with other individuals?

MR. ROMANOW: — Mr. Speaker, the position of the Government is basically set out in this letter under date of February 17, 1976. I can see that obviously there are quite some considerable dangers in tabling documents to the House because in effect what this involves is a response to the proposals outlining some of the troubled areas . . .

MR. LANE: — Answer the question!

MR. ROMANOW: — I am answering the question. The question is that this is a response to an individual question, individual areas of concern that our department has. As to the specific question of whether or not we will be making a decision on the native people, as time develops, we will be making our position known in due course.

LICENSING OF MILKSHIPPERS

MR. L.W. BIRKBECK: (Moosomin) — Mr. Speaker, yesterday I asked a question of the Minister of Agriculture and it is because of his reply that I ask this question. In view of the fact that there are 900 bulk milk shippers in the province and there are 500 of these licensed, because they are fluid milk shippers and there are 400 industrial milk shippers, none of which are licensed, I would like to think that it is the Government's policy to relieve the dairy farmers from having to be licensed, would that be the case?

MR. KAEDING: — No, as I indicated yesterday, I wasn't sure about the manufactured milk shippers and I have since then determined that the manufactured milk shippers are not required to be licensed, only fluid milk shippers. We would not be likely to not licence fluid shippers because they are required because of the requirements of the Act to provide a safety for the public consumption. We would have to require them to have a licence so that we would be able to check their premises and make sure that they are providing a quality product to the consumer. We'd likely not remove the licence from them.

MR. BIRKBECK: — Supplementary question, Mr. Speaker.

It's my understanding of the amendment to The Dairy Products Act in 1968 that all patrons as it is defined to a manufacturing plant are required to be licensed. In this case the industrial milk shippers are not required to have a licence, only that they hold a quota.

MR. KAEDING: — Yes, that's right. Manufactured milk shippers are not required to be licensed because they are not under the stringent regulations that fluid milk shippers are because fluid milk shippers are producing raw milk for consumption. Manufactured milk goes through a process where it can be taken care of where it can be boiled down and provided with other protections.

MR. BIRKBECK: — Just one last supplementary. In view of those answers the Minister of Agriculture knows right well, as I do, that the same trucks are used, that same milk gets put into the bulk tanks. Do you understand that?

MR. KAEDING: — I don't think I would agree with you on that one. I think fluid milk goes to the plant in its own trucks.

MR. SPEAKER: — Supplementary?

MR. THATCHER: — Would the Minister of Agriculture indicate whether it is Department of Agriculture policy to reduce the overall milk quotas to producers in this province?

MR. KAEDING: — No, it is not. We do not control the quotas to milk producers. That is done by the Marketing Quota Committee under the Canadian Dairy Commission. There will be, possibly be, some cutbacks on those established producers, who have been producing for a number of years, as is done to many other producers in other provinces. To the newer producers who are coming on-stream, they will have plenty of room for quota activity this year.

MR. SPEAKER: — Member for Swift Current.

GOVERNMENT BUILDING — SWIFT CURRENT

MR. D.M. HAM: (Swift Current) — Mr. Speaker, a question for the Minister of Government Services. In light of the delay of the Swift Current government building, will the Minister indicate when construction will resume?

HON. G.T. SNYDER: (Minister of Government Services) — No, Mr. Speaker, I'm not in a position to indicate at this precise moment when there will be a resumption of construction because we are still at this time awaiting the evaluation that is taking place between the Department of Government Services, the design engineer who was involved in the original construction, along with Poole Construction who are the principal contractors.

MR. HAM: — Mr. Speaker, will the Minister assure this Assembly that taxpayers' money will not be used for any corrective measures that have stalled this construction?

MR. SPEAKER: — Order! I think that's a repetition of a question that was just asked a short while ago. The Member for Regina South.

MR. CAMERON: — Boy, I'll tell you, some days you can't win them!

MR. SPEAKER: — If the Member for Regina South doesn't want the question I'll . . .

MR. CAMERON: — No, I'm happy to take it. I was merely wondering why when I had risen six times, I didn't get the chance, when I sat quietly by I did, but . . .

MR. SPEAKER: — The Member for Regina South will acknowledge that he has had a question already and he's had some supplementaries already and the Member for Assiniboia-Gravelbourg has not. Now I'd be quite willing to give the question to him.

GUN CONTROL PROPOSALS

MR. CAMERON: — I have a question of the Attorney General. Did he not in his letter to Mr. Basford of February 17, indicate on behalf of the Government of Saskatchewan that he was growing concerned about farmers and ranchers carrying guns in their vehicles in Saskatchewan and did he not invite a consideration of banning that practice? That's a simple question, yes or no.

MR. ROMANOW: — The answer is no, I did not. The letter speaks for itself. Yes, the letter speaks for itself. The letter is as I've indicated and I draw to the attention of the Members opposite the last sentence, for the reasons indicated I have considerable reservations as to the licensing requirements and feel that considerable more thought must be given to this aspect before it's considered for legislation and onwards. That's the status of this letter and the answers that I've given are in that context.

MR. CAMERON: — Did you write — I am wondering if you have given consideration to a general prohibition in respect to carrying firearms in a vehicle — did you write that or did you not with respect to farmers and ranchers?

MR. ROMANOW: — Yes, that's in there in the context of the paragraph and in the context of the letter. I wrote that.

MR. R.E. NELSON: (Assiniboia-Gravelbourg) — Would this not mean then that farmers will have to buy a hunting licence to destroy pests that endanger their crops or livestock?

MR. ROMANOW: — You know, Mr. Speaker, this is an example of the type of questioning which I think is obviously for political purposes.

The sentence is clearly stated and it is here. "I am wondering if you have given consideration to a general prohibition . . ." and on it goes. I'm asking, among other questions, the Solicitor General and the Attorney General of Canada whose proposals this letter prompts, whether or not he's given consideration to this particular problem, to give me a response. I've not yet seen such a response. If the position is, the Members want to extend that to some political interpretation in their point of view, so be it. But don't misinterpret the black and white of the letter.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: — Order! Did someone say Point of Order?

I would just caution the Members about questioning . . . Yes, I realize the Member has a supplementary. It seems to me that we are getting into a debate on a letter that was tabled in this House. I wonder if the Members could make their questions as pointed as they possibly can, rather than getting into a debate about gun control laws or legislation before the Federal House.

The Member for Qu'Appelle.

MR. LANE: — Mr. Speaker, a supplementary to the Attorney General. As pointed as possible, in your call for a possible general prohibition you indicate that it would be preferable to have uniform legislation nationally, but you do say that this could be covered, this general prohibition could be covered, by provincial game legislation. Is it your intention to recommend changes to the provincial game laws to prohibit the carrying of firearms in vehicles, if the Federal Government does not solve the problem in bringing about the general prohibition that you called for?

MR. ROMANOW: — Mr. Speaker, I have made this, I think, at least during question period. The answer is, there has been no call for such action in this letter. There is no intention, provincially, to introduce such amendments. I say that now I am enquiring into the cost of raising several reservations about the program, what the situation is. Now, I say that specifically and clearly, so the Member for Qu'Appelle and the Member for Regina South clearly understand, the answer is a loud, No, to the questions raised.

MUNICIPAL ROAD LOAD LIMITS

MR. BAILEY: — A question to the Minister in charge of Transportation.

Is the Minister aware of the mass confusion that now exists among the public, the farmers, RM officials, trucking associations and so on, in lieu of his recently announced load restrictions on municipal roads?

MR. SPEAKER: — Order! I think the question is framed in such a way as to inspire debate. The Member is suggesting mass confusion is prevalent and that is the only difference between that question and the question asked several times before. If the Member wants to rephrase it and not be repetitive of questions that have been placed before about that very same matter, he should proceed.

MR. BAILEY: — Mr. Speaker, it's close to the closing time, just a supplementary question then. When will the Minister and at what date will he be making an announcement that he will be changing his recently announced weight limits?

MR. MacMURCHY: — Mr. Speaker, I will report that I've set up with SARM, which I indicated I would do, a series of meetings. The first one is set up tentatively for April 14th. So that will begin the round of discussion which will lead to the official announcement.

SOME HON. MEMBERS: Hear, hear!

ADJOURNED DEBATE

BUDGET DEBATE

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Smishek that the Assembly do now resolve itself into the Committee of Finance and the proposed amendment thereto by Mr. MacDonald (Indian Head-Wolseley).

MR. M. KWASNICA: (Cut Knife-Lloydminster) — Mr. Speaker, as the Member for the constituency for Cut Knife-Lloydminster, I want to say at the outset that I will certainly be supporting this Budget, because it is a responsible budget and it is a budget that calls for restraint in certain areas, minor cutbacks in others and substantial increases in the vital areas. In the major areas of education and health the total expenditures are above the 11 per cent average increase. The total health budget is up \$69 million over last year or an increase of 25 per cent. This is proof that our Government is continuing to stress health care as it has always done. In the field of education, operating grants to school boards are up \$28 million or 20 per cent and capital grants for school facilities are up by 41 per cent.

So, Mr. Speaker, this is a fair and a reasonable Budget. Our priorities I feel are right for the continued growth and development of our province.

As a matter of fact, I have a letter from a constituent of mine regarding government spending, and I want to read a portion of it because I feel it is a wise statement that echoes a fairly prevalent public opinion. In one of my weekly MLA reports, I stated that Saskatchewan people can expect only meagre increases in government spending. In reply to that comment of mine, my constituent wrote and I quote:

Why should they expect any increase at all? We have been doing very well, with additions to our schools, highways, more homes being built, more medical care being provided, etc. It is time we slowed down and became satisfied with a little less. We all should be thankful for what we have and not be wanting more.

Mr. Speaker, since agriculture is the backbone of Saskatchewan and indeed the backbone of my constituency, I want to discuss some of our budget programs as they relate to rural Saskatchewan.

According to statistics, 1975 was a good year for farmers. Net farm income exceeded \$17,000 per farm, a vast improvement over 1970 when the average farm income was only \$3,000 per farm. But, as has always been the case in farming, there is no guarantee of stability in prices for cattle, hogs, feed grains, rapeseed or even wheat. This proves the need for farm stabilization programs which our government has been promoting for years. I am confident that with constant pressure and hard work by provincial governments and farm organizations like the Wheat Pool and the National Farmers Union and Saskatchewan Federation of Agriculture and others, we will eventually have reasonable federal farm stabilization programs that will truly take into account costs of production and bring a reasonable return for our farmers.

Our government has set aside one million dollars in this Budget for continued development of income stabilization plans.

I am sure, Mr. Speaker, that farmers in Saskatchewan would like me to thank our Minister of Agriculture for all the programs that have helped stabilize our farming population in the past few years — programs like the Land Bank, Farmstart, Farm Fuel Rebates, Hog Stabilization Program, grants to help build new veterinary clinics around the province, and the cow-calf advance program. Last year, the second year of that particular program, more than 14,000 farmers took advantage of the cow-calf advances borrowing some \$42 million to help tide them over a difficult period of depressed cattle prices. The Farmstart program has been a resounding success also with approximately 2,500 approved loans totalling about \$63 million.

Mr. Speaker, one program initiated by this Government which has been greeted with enthusiasm is the program of farmers' markets. These markets, usually located in or near a populated centre to sell farm produce and handicrafts directly to the consumer. Consumers are to some extent rejecting the supermarket concept of shopping. They are becoming more conscious of paying top dollar for a product they know little or nothing about. They buy in many instances imported vegetables that have been picked long before they hit the shelves. Why should this be necessary when fresh local products are available right here in Saskatchewan?

So in order to determine the potential for farmers' markets in Saskatchewan, the Department of Agriculture operated an experimental market in the summer of 1974 in the Regina Exhibition Grounds. A news report in the Leader-Post said and I quote:

Thousands of consumers swarmed in the prairie building on the Exhibition Grounds. Response to the first-ever event was so overwhelming that by noon, two hours after opening time, approximately 4 tons of produce had been sold, leaving most stocks depleted. At times, line-ups were 35 people deep to the cash register.

With this tremendous success, a policy has been adopted by the department whereby assistance would be available to co-operative associations who wished to organize farmers markets. The Government received six applications for assistance last year from Saskatoon, Prince Albert, Yorkton, The Battlefords, Lloydminster and Regina. Grants of \$1,000 were awarded to each market.

I was very interested in the Lloydminster farmers' market that was organized. I should like to say that the enthusiasm there was very good. Around \$15,000 worth of produce was sold during ten markets held. There were over 40 contributors selling everything like fruit, vegetables, honey some beef and baked goods. I certainly want to congratulate the past executive of the Lloydminster farmers' market and wish the new executive every success in the future.

I am very pleased, Mr. Speaker, that this Budget provides for continued assistance to this worthwhile program. Co-operative associations which form their first farmers' market this year can receive grants up to \$2,200. New markets will be eligible for a further \$1,100 grant and an additional grant of up to \$1,200 for advertising as well. We expect this will bring the number of farmers markets in Saskatchewan to ten this coming year.

Mr. Speaker, this Budget provides for the beginning of another program in the field of agriculture. And I am very pleased that a program to help fund the building of seed cleaning plants is now under way. I am pleased because the idea for the program originated in my constituency by a group of interested farmers in the Lashburn-Maidstone area with whom I have spent a good deal of time. The idea was passed at our annual constituency convention in Cut Knife and approved at our annual provincial convention and has now become government policy. Mr. Speaker, this is a wonderful example of how the New Democratic Party functions in bringing in programs for people and by the people.

SOME HON. MEMBERS: Hear, hear!

MR. KWASNICA: — The new policy will provide grants of up to \$180,000 to co-op organizations that are established to build seed cleaning plants. I want to stress that this is just the beginning of a program that has tremendous potential. Soon, I expect the department to supplement this program with an educational and publicity campaign to promote the use of clean quality seed by Saskatchewan farmers. Yields will improve, as germination of clean quality seed will be more uniform. This will increase returns to our farmers and produce grain of a higher quality. Mr. Speaker, I again want to congratulate the Minister of Agriculture for putting money in this Budget for this program

and I am confident that there will be great things in the future as far as seed cleaning in Saskatchewan is concerned.

Mr. Speaker, the major issue in rural Saskatchewan today is the threat of rail line abandonment and I would like to spend a few moments to elaborate on this threat and to suggest some alternatives and solutions. We are all aware that the railways in this country were built with the outright donation of staggering amounts of public money and public land. The railway companies took these handouts and began a reckless free enterprise policy of building main lines and branch lines in direct competition with each other. Sometimes rail lines ran only a few hundred yards from each other and serving the same towns and cities. As time went on they realized their mistake of duplication and began to take the profits from their transportation systems and used them in other ventures like air lines, hotels, mining companies and telecommunications. All the while they have been letting our rail system deteriorate to such an extent that nobody wants to travel by rail. They are now proposing wholesale abandonment of many of the branch lines.

But, Mr. Speaker, the railway companies are not alone in this plan — they have in their midst a spokesman for them, in the name of Otto Lang, who has been coming out with statements like, user must pay, rationalization is necessary, inland grain terminals will solve your problems. All of these statements I feel, Mr. Speaker, are a smokescreen for the real intent — to make farmers pay more for every bushel hauled to the elevators and to make them haul — not by rail but by truck, pounding out and ruining Saskatchewan's rural roads, and burdening our rural municipalities and the taxpayers of this province with millions of dollars in road maintenance and construction.

Mr. Speaker, I am convinced that Otto Lang has a master plan to assist his big corporation friends. I am afraid that the Hall Commission hearings are a front, to make it appear that we, the ordinary people of Saskatchewan are having a say in this vital matter. But, Mr. Speaker, I fear the die is already cast — I hope I am wrong — therefore, we must take some bold steps to take charge of our own transportation needs. I propose that the four western provinces unite at once to nationalize the railways in western Canada so they will operate for our benefit and not for the benefit of international grain companies or the multinational corporations and Otto Lang and his Federal Liberals. This is the solution, this is the direction we in western Canada must take to guarantee a future for our farmers, our industries and our small communities. We must upgrade and revitalize our railway system, not abandon it, if Ottawa will not do it, we will have to do it ourselves.

I am proud of our government's record in tackling rail line abandonment. We have provided assistance to communities and groups who wish to present briefs to the Hall Commission. We have set up a special Transportation Branch. We have helped to organize the major organizations in our province in an advisory capacity and I am glad that this Budget will provide funds to continue the fight.

Mr. Speaker, I want to take this opportunity to thank the Minister of Highways for providing money in this Budget for some major highway work in my constituency. I am pleased that the Department of Highways will be completing construction of Highway 3 from junction of Highway 17 to the Deer Creek bridge.

The construction of the first eight miles is of a high standard and I know that my constituents look forward to the completion of this stretch of highway.

Mr. Speaker, a \$1.9 million contract to build the Maidstone bridge has been awarded to Maxim Engineering Enterprises of Saskatoon and construction is to begin this June. This one project alone gives me great satisfaction because I have personally fought for this bridge ever since my election to this Assembly. On behalf of all who travel the north-south highway from the Montana border to Saskatchewan's beautiful northland, I want to say to the Minister, thank you, we appreciate it.

Of course, I would be remiss, Mr. Speaker, if I did not mention how pleased I am that the grid road system has now been successfully completed exactly 20 years after its inception by the CCF — a hallmark in the history of our province.

I want to turn for a moment to the matter of housing, Mr. Speaker, because this is one of the success stories of this Government that is seldom told. In 1971 the last year when the Liberals were in office, there were a mere 1,743 housing starts in the province. In 1975 under the New Democrats there were 10,500 housing starts, an all time record for the Province of Saskatchewan. Six times the number of starts in 1971!

Mr. Speaker, there are now no fewer than eight different housing programs on the go and all are successes. There is the senior citizens home repair; there is a residential rehabilitation program; there is a new co-op assisted home ownership program; there is a rural housing program now in Saskatchewan; and a low rental program, where rents are related to income; there is a housing program for native people — a program where the Saskatchewan Housing Corporation acquires moderately priced housing for rental to native people who are employed or obtaining an education. There is a new neighborhood improvement program. And of course the housing building assistance grant of \$1,000 for those building a new home, for those on low and moderate incomes.

Mr. Speaker, I could go on and on elaborating on these programs, but time does not permit.

This year there is a new thrust to help with providing more serviced lots for public and government housing programs. This year there will be a new emphasis on the assembly and development of land for residential purposes. Expenditures will triple from \$4.5 million to over \$12 million in the coming year. A further \$23 million will be committed to help our towns and cities assemble and service land for use in the next three years. Yes, Mr. Speaker, we are making history in the field of housing. The NDP is the party that builds — not a party which wrecks as the Opposition parties are always doing.

There are so many things to tell the people of Saskatchewan about in this Budget but times does not permit.

However, I want to conclude by making some comparisons with our provincial budget and the budgets of other provinces. Let's take a look at Conservative Alberta for a minute. One of the richest provinces — a \$3 billion budget — 3 times the Budget of Saskatchewan. Alberta collects \$266 more for every man, woman and child a year than does Saskatchewan. And do they

have a dental care plan? No! Do they have a prescription drug plan for everybody? No! Do they have a day-care program for children? No! Do they have medicare premiums? Yes, they were up 11 per cent over last year to \$153 per family, Saskatchewan has no premium. Do they have a hearing aid plan like ours? No, Mr. Speaker!

What about power rates? The rural residential rate in Saskatchewan for 500 kwh is \$13.38; in Alberta it is \$24.63, almost double.

And what about car insurance in Tory Alberta, Mr. Speaker? I did a check just yesterday on car insurance rates. Let's take a 1974 Ford Galaxie used by parents and a teenage son in Lloydminster, Saskatchewan and Lloydminster, Alberta. In Lloydminster, Saskatchewan, basic insurance — \$155, plus \$86 for \$200,000 liability and \$50 deductible and now add the three cents per gallon tax for an average, that is another \$20. Total for that car and that family and teenage son in Saskatchewan \$261. Lloydminster, Alberta, basic insurance \$217, comprehensive \$50 deductible — \$319; collision \$50 deductible. Grand total for the same thing \$589. So, Mr. Speaker, motorists in Lloydminster, Alberta pay \$225 more a year than does the Lloydminster, Saskatchewan motorist.

SOME HON. MEMBERS: Hear, hear!

MR. KWASNICA: — Finally, Mr. Speaker, we are all aware of the Conservative provincial budget in Ontario. A budget deficit of \$1.9 billion. It is a deficit greater than our total provincial budget. One in every four Ontario hospitals ordered to shut down 20 to 30 beds. Some 3,000 beds will be shut down with several hospitals being closed down entirely. That is Conservative Ontario.

Yes, Mr. Speaker, we in Saskatchewan are fortunate indeed with our budget as presented by the Finance Minister on Wednesday last. And as my learned friend said in his letter to me, "We all should be thankful for what we have and not be wanting more."

Mr. Speaker, I will not be asking for anything more, I will be supporting the main motion but not the amendment as proposed by the Opposition.

SOME HON. MEMBERS: Hear, hear!

MR. N.H. MacAULEY: (Cumberland) — It is indeed a privilege to comment on the Budget and I consider it an honor to participate.

Mr. Speaker, this Budget indicates a number of very important points which I feel should be understood by all Members of this House and the Province of Saskatchewan.

First, this Budget has demonstrated fiscal responsibility while at the same time providing for social progress. Saskatchewan's economy is buoyant while others in Canada are struggling with very high inflation. This Government has managed to maintain economic strength and yet keep expenditures to the minimum of 11 per cent.

The second important aspect of this Budget is that it once again indicates that the leadership of this province is in the best possible hands, and I am talking about our Premier, Allan Blakeney.

SOME HON. MEMBERS: Hear, hear!

MR. MacAULEY: — Mr. Speaker, in contrast is the Conservative leader for whom if I were a Member of that Conservative Party I don't think that I could hold my head up in this House today. And what of the Liberal Party in this debate? I have been in the House now for less than one year and I can say that the Leader of the Opposition has a good sense of humor. Mr. Speaker, with the group behind him he certainly needs some good sense of humor to keep them going.

The problem of inflation alarms us all, not only in the south but in the north as well. The high costs of materials for the northern half of the province are a great burden to the people of northern Saskatchewan. These high costs are further compounded by high freight rates and the prices are making it extremely difficult for people in the low income group. The high cost of living is caused by a number of factors including transportation and high costs of fuel.

Mr. Speaker, while the Liberals were the government in this province, one of the first areas to suffer budgetary cutbacks was in the North. I am pleased to see that the Government, my government, is more concerned about the North with their budget of \$30 million for the North for this year.

The programs which have been initiated in the North will continue, Mr. Speaker. Programs like public housing — by the end of this year over 400 public housing units in northern Saskatchewan will be completed and will provide improvement for senior citizens as well.

In the area of communications — services have been brought to the area as in Stanley Mission, Timber Bay and numerous other points in northern areas.

An extension of facilities for transporting of goods and reduction of power costs are of high priority for DNS in the North.

The Government of Saskatchewan is continuing its effort to improve educational facilities in the North, together with adequate teaching accommodations. The Government has continued to adopt the education policies as sensitive to the North, such as expansion of recreation programs and the teaching of Cree in schools and has lowered the number of dropouts in the North.

Mr. Speaker, transportation and roads in the northern areas have continued to improve. Number 2 Highway to La Ronge will be completed by 1976. The Hanson Lake road No. 106 will also be worked on this year and in due time it will be completed. The road from Pelican Narrows to Sandy Bay will be improved.

This Government is looking favorably at the bus system between Prince Albert and Creighton and in the near future this will give the people of Creighton and district a great communication to Prince Albert and a major road to the south, which has never been available to them before

Mr. Speaker, turning to resources in the North. In the north half of the province we are faced with one of the last remaining frontiers of our forest resources. In the North these forests are a way of life and their support is of concern to all of us. These resources must be protected, preserved and properly utilized. The Government has attempted to do this through DNS and the Saskatchewan Forest Products operation. I feel that they have certainly stopped the resource giveaways in the North under the Liberal Government.

SOME HON. MEMBERS: Hear, hear!

MR. MacAULEY: — The forest must be protected. It must be carefully inspected and strictly supervised by the large companies. They must see that care is taken in the planting of seedlings and they must see that these seedlings take hold.

In the North, at the present time, one field officer has to look after all aspects such as forestry, tourist operations, land leases and environment problems, wildlife and game. And I hope that someone, in the near future, would look at this situation and could possibly see our resources divided into the following areas in the field — lands and forest, game and wildlife and fisheries; environment and tourism. Our resource staff should be recommended for the job they do. My government is pushing the policy of a sound resource management in the days to come.

There are many young people in the province going through the Saskatchewan Applied Arts and Science, possibly these students could be considered to go to northern Saskatchewan where their talent is increasingly in demand.

In the future I look forward to secondary industry in the North such as sawmills, which could provide the necessary stock of lumber for the manufacturing of furniture necessary for housing and construction.

With this in mind, Mr. Speaker, I now turn to the fishing industry. In this industry it is carefully planned that the five remaining lakes in the North of the province, La Ronge, Reindeer Lake, Wollaston, Cree Lake and Lake Athabasca will be capable of providing a fair living for a limited number of commercial fishermen for some time to come. Other lakes along the highways should be left to the use of the public and the tourists and the Indian people in those areas. I commend the Government for its policies particularly in the Department of Northern Saskatchewan responsible for dealing with the fish industry difficulties through the years and for the sum of \$800,000 assistance program given to the fishermen in that northern part of the country.

Mr. Speaker, now turning to health. This area is shaping up to be the best health administration that we ever had in the North.

SOME HON. MEMBERS: Hear, hear!

MR. MacAULEY: — The dental program has been a help to the underprivileged people in the North.

Mr. Speaker, in the North we have seen an influx of doctors, dentists and dental assistants as we have never seen before. In this field we see there's a most significant improvement over the lack of programs of the old Liberal Government in the earlier days.

Mr. Speaker, I am very pleased to hear of the improvement in the area of the status of women, this has been too long in coming. Women have been in the past, and are now, a very important part of our lives and our country and I cannot speak too highly of their abilities and giving them the necessary opportunities. I hope to see many more women in the government industry in the years to come. We, in the North, have been aware of this for some years and I am glad to see that the rest of the country is recognizing this fact.

SOME HON. MEMBERS: Hear, hear!

MR. MacAULEY: — Mr. Speaker, as a first year MLA I have been very disappointed in the press coverage that the Government has been receiving. At times I have noticed that there is no press coverage at all for the Government, but any statement made by the Opposition receives excellent coverage. This type of reporting seems to be somewhat unfair and it seems to indicate that the news media does not believe in equality for all.

SOME HON. MEMBERS: Hear, hear!

MR. MacAULEY: — It has reached the point, Mr. Speaker, that when I see a favorable report I check the name of the author.

Mr. Speaker, in some cases the large corporations or even individuals have attempted to make a fast dollar from our people and resources in Saskatchewan. And it is these people that we do not want in the North or in Saskatchewan, whether they are Americans or Canadians. We must keep in mind at all times, and I remind the Opposition of this fact, that the resources of this province belong to the people of this province.

SOME HON. MEMBERS: Hear, hear!

MR. MacAULEY: — Mr. Speaker, the Department of Northern Saskatchewan has recognized the concerns and the problems of this province. We are fortunate in Canada that some of our major difficulties have opportunity to be settled by negotiation. I am very pleased, in fact, that DNS is assisting treaty Indians to settle their land claims. I am confident that the solution will be settled through time with our negotiations through the Department of Northern Saskatchewan.

Now, Mr. Speaker, this Budget is a fair example of the balance between the need of expansion of social areas, but in some timely reductions of overall expenditures. The Minister of Finance's achievement of this fine balance undertaken in the North will continue, it will continue with the mandate of the last election.

I shall support the Budget and a special compliment to the Minister of Finance.

SOME HON. MEMBERS: Hear, hear!

HON. H.H. ROLFES: (Minister of Social Services) — Mr. Speaker, it gives me a great deal of pleasure to participate in the Budget Debate.

We have heard the Opposition bemoaning the fact that there is in this Budget no real support for local governments. In the last week I have spoken to three businessmen from Saskatoon and all three have told me that if the Members opposite were a responsible Opposition they would support this Budget. They would support this Budget because they say that it is tempered by restraint and yet at the same time it recognizes the responsibilities of government in providing for the needs of the people, the disadvantaged and senior citizens and the handicapped people in our society.

SOME HON. MEMBERS: Hear, hear!

MR. ROLFES: — Mr. Speaker, I think the vice-president of the Chamber of Commerce put it very succinctly the other day when he said that high income people would be willing to bear their responsibility in this time of restraint and that he felt, also, that it was a fairly responsible Budget.

The Member for Saskatoon Eastview (Mr. Penner) criticized the Government and this Budget because as he said we did not provide enough grants. Let me say to the Member that in the last four years the grants to local governments have increased by 1,600 per cent. I know that there has been inflation, but we have not seen inflation of the magnitude of 1,600 per cent. The unconditional grants of \$20 per capita, will increase as the cities of Saskatoon and Regina and other areas increase. If you look at the community capital fund of \$75 per capita, and if you look at the substantial increases in police grants, library grants, school grants and transportation grants, it is simply not being fair with the people of this province when the Opposition says that there is nothing for local governments.

Let me remind the Member for Saskatoon Eastview that over the last four years the two Saskatoon school boards have fared well. The record of the seven years of the Liberal Government from 1964 to 1971 is pitiful. The average annual operating grant for the public school board, of which he was a member, was \$392,773. The average grant per year under the NDP was \$1,616,508, a 400 per cent increase. The Separate School Board didn't fare quite as well, but they also did fairly well. Under the Liberal Government the separate schools received on the average \$270,760 in operating grants; under the NDP \$805,440, a 300 per cent increase.

The Member for Saskatoon Eastview says that he is disappointed in the 20 per cent increase. Obviously he must be very disappointed in his own party's record when they were the government, for our grants are at least a 400 per cent increase, Mr. Speaker.

Some of the Members opposite, before the Budget was handed down, told Members on this side of the House what they expected in the Budget. I am not going to name any names, but it is a fact that Members opposite felt that, with restraint that this Government was not going to increase school operating grants by 20 per cent. They thought it might be in the neighborhood of 10, 12 or 15 per cent at the most. And now when it is a 20 per

cent increase they have the audacity to criticize the Government. They expected restraints and now that we have surprised them with a fairly good increase, they have the audacity to criticize.

Mr. Speaker, the rest of the time that I have I want to reserve for the Department of Social Services, for which I am responsible. It is true that we hear often from the Members opposite, criticizing this department.

The Member for Indian Head-Wolseley (Mr. MacDonald) took it upon himself to play on the myth and the prejudices which unfortunately exist in our society and to do this on the basis of a misrepresentation of facts.

Mr. Speaker, one of the opportunities that I have had since I have been appointed the Minister of Social Services is a chance to view social policy in Saskatchewan in the light of the national situation. For anyone who is interested in reviewing the facts it is obvious that, relatively speaking, Saskatchewan continues to be the most progressive and enlightened province with regard to programs for the poor, the elderly and the disadvantaged.

SOME HON. MEMBERS: Hear, hear!

MR. ROLFES: — In other provinces across Canada we see other governments also attempting to restrain their budgets, but unfortunately, Mr. Speaker, their first budget cuts relate to income and social security programs. This is done, while at the same time, those same governments are cutting back on programs in incentives which are to create or encourage employment. Similarly the Federal Liberal Government has put a freeze on Family Allowances. It has stated that there will be cutbacks in cost-sharing for health programs and has placed greater restriction on unemployment insurance and so on. Surely this is a time of restraint. We all recognize this, however, I want to emphasize to this House that our government has not shirked its moral responsibility to the disadvantaged people.

In the terms of the Department of Social Services, the viability of our income security and social security programs remain intact. It is interesting to note that while Liberal and Conservative Governments across this nation are cutting back in programs for the needy, corporate profits in many sectors continue to skyrocket. For example, the Royal Bank in 1975, profits up 34 per cent; Home Oil Company up 180 per cent; Bell Telephone up 51 per cent; Bank of Commerce up 46 per cent, all of these over a record year of 1974. It is important to remember that these increases in the per share profits occurred after the establishment of the Federal Anti-Inflation Board. How can restraints be forced on the poor, the aged and the disabled when such enormous profits continue to be obtained by large corporations. What is the Liberal and Conservative answer to such problems of inflation. Recently we all got a good hard indication of this. The Federal Liberals allowed the banks to raise their interest rates. This will do nothing but harm to those who desperately need housing, those who must take a loan in order to survive. It hurts those already hit the hardest while at the same time benefitting the money lenders. Government policy does determine whether or not inflation is selective in its damage upon the lives of Canadians. I challenge the Federal Liberals to act responsibly and quickly on these injustices.

Mr. Speaker, let me turn to the Saskatchewan Assistance Plan. Saskatchewan citizens can be proud and thankful of their Government's commitment to confront poverty by way of realistic increases of allowances under the Saskatchewan Assistance Plan. Although this is a time of restraint our government maintains that the poor and the disabled cannot be placed in a position of hardship. It was for this reason that in January of this year I announced increased allowances for those on public assistance. For families this meant an increase of approximately 20 per cent and for single people approximately 15 per cent. The level of income security in Saskatchewan now ranks favorably with every other province in Canada. I have no hesitation in mentioning this fact because our government believes that income security is a right of every citizen. However, there are some who deliberately malign the poor, who attempt to seek political advantage by perpetrating total untruths about the Department of Social Services.

As a case in point, I call one such fabrication by the Liberal Member from Shaunavon (Mr. Anderson). Last January he stated and I quote, "That out of a total 1975 departmental budget of \$137 million only \$55 million went to the poor of the province." He went on to say further, "that the other \$83 million disappeared into the administration costs of the department." This is absolute tommyrot and the Member knows it, if he doesn't he should take it upon himself to find out the facts first.

Mr. Speaker, the Budget for public assistance in 1975 was \$54,690,000. Administrative costs amounted to approximately 11 per cent, not 70 per cent as the Member for Shaunavon indicated. As everyone knows this relates favorably to the administrative costs in other social security delivery systems. Administrative costs for private companies offering sickness and accident insurance is approximately 22 per cent. The administrative costs for the Family Income Plan were just over 3 per cent last year. Mr. Speaker, obviously the Member for Shaunavon doesn't know what he is talking about. He forgot to tell the people of Saskatchewan about some of the facts; that \$24 million was spent for the Family Income Plan, \$3,200,000 for the Saskatchewan Income Plan, \$8,155,000 to residents in special care facilities, about \$2.5 million for community services, about \$11.1 million for services to the handicapped through Core services and institutions in Moose Jaw and Prince Albert. There is a long list of similar services offered by the department and to suggest that these programs are totally administrative devices, is ludicrous. This unscrupulous attack on the integrity of the personnel in the Department of Social Services will not easily be forgotten.

SOME HON. MEMBERS: Hear, hear!

MR. ROLFES: — Mr. Speaker, let me turn to the Saskatchewan Assistance Plan caseload. The Saskatchewan Assistance Plan budget increase is of direct benefit to those in need, it is not due to any significant change in the number of people on public assistance. In January of 1976 there were 34,062 people on the case load. Yet, in January 1972 the last budget year set by the Liberals, the case load was 58,000 people. This means that by January 1976 there was a reduction of approximately 24,000 or 67 per cent of what it was in 1972. Mr. Speaker, this is a record which I believe is one of the best in Canada. It not only substantiates the success of the programs of the Department

of Social Services but it emphasizes the strength and the buoyancy of Saskatchewan's economy.

I want to point out, in no uncertain terms, that this reduction is not simply the result of the people having been transferred to the Family Income Plan. From time to time we heard this weak allegation. The truth is that the number of SAP cases which have been cancelled due to the Family Income Plan was 434. And if you include the Saskatchewan Income Plan you would have to add another 191 cases. Consequently, the comments from the Member for Indian Head-Wolseley (Mr. MacDonald) just don't wash. At the most this could mean a cancellation of about 2,000 people off of the Saskatchewan Assistance Plan. This must be related to the total decrease of 24,000. I ask the Member to check his facts.

The Opposition Parties also attempt to smear and downgrade the programs of the Department of Social Services and that people who receive those benefits by suggesting that great numbers of people in receipt of public assistance are merely welfare bums or leeches. People who are completely capable of full employment. This is nonsense, the percentage of the case load, which is considered fully employable is small indeed. In September of 1975 it was 3.9 per cent. Today it stands at about 5.6 per cent. I think it is interesting and meaningful to look at the trend in this area for the past four years. Once again, let us take as an example the last budget year for which the Liberals were responsible. In December 1972 there were 8,094 people who were considered to be fully employable. In December 1975 there were only 2,104. This difference of around 6,000 people is a direct indication that under the New Democratic Party we have the programs that assist and motivate people. Programs which respect their dignity and help them to get jobs. I ask this House to compare this policy to the Liberal policy of threat and abuse and disrespect.

Mr. Speaker, let me turn briefly to some of the remarks made by the Member for Indian Head-Wolseley in this Budget Debate. The information contained in the Medical Services statistics does not, and I repeat, does not in the strict sense of the word speak about the financial case load of the Department of Social Services, what some people refer to as welfare recipients. Those tables include children who are wards of the Minister and people who are receiving health coverage which is paid for by the Department of Social Services because the Federal Liberal Government will not cost-share these expenses. In addition there is another important statistical fact. That is the process known as nomination for health benefits. When an individual becomes eligible for public assistance, he is also nominated for health coverage and given a health card. As the Member for Indian Head-Wolseley well knows, many individuals require public assistance only for short periods of time, in many cases only for one month. However, the nomination for medical coverage lasts over a period of six months regardless of whether the individual's family is only on assistance for one month. As a consequence the statistics offered by the Department of Social Services and the Department of Health are both correct.

In 1974 the Department of Health statistics said there were 55,406 people receiving benefits or services from the Department of Social Services. You subtract the child wards, subtract those senior citizens who receive non shareable health

care and if you understand the process of health nomination you end up with a figure which is quoted by the Department of Social Services. For example, in August of 1974, there were not 55,000 people receiving financial assistance, but in fact 41,304 people. The Member for Indian Head-Wolseley then went on to suggest that the drop in the financial assistance case load was due to the people being transferred to the Saskatchewan Income Plan, or the Family Income Plan. This is total balderdash, Mr. Speaker, I have already dealt with these facts in detail. Mr. Speaker, the Member's calculations simply are erroneous.

The Member then tried to support or suggest that another reason the public assistance case load was down was because senior citizens were receiving assistance under the Saskatchewan Income Plan, and therefore, not applying for health coverage under the Saskatchewan Assistance Plan. Once again, the Member illustrates his incompetence with the facts. During the former regime there were no supplementary benefits for senior citizens beyond the Saskatchewan Assistance Plan. Today senior citizens have a wide variety of health and social services.

For example, free medicare and hospitalization, no deterrent fees; Hearing Aid program; SAIL program; Drug Plan; Community Services Homecare and the Saskatchewan Income Plan for senior citizens. The Saskatchewan Income Plan is just one of a total complement of health and social services. It is an array of services which have placed senior citizens in a far better position than the despair and desperation which they were under the Liberals. Consequently, of course, they are not forced to apply for public assistance.

Mr. Speaker, in terms of increased benefits and services received by people from the Department of Social Services, I say, unequivocally, that I am proud that this is a fact. We're not ashamed to provide income supplementation for the aged, we're not ashamed that we encourage people to keep on working through the benefits of the Family Income Plan, we're not ashamed that we provide programs that help train, or educate people so that they can improve their job skills, or so that we can provide rehabilitation for alcoholism. Yet the Liberals and the Conservatives opposite try to create the impression that this is welfare. Something less than honorable. I say to this House and to the people of this province that I would gladly sit down on any occasion with anyone of the Members opposite and discuss the facts about social policy in Saskatchewan. It is second to none in Canada.

Mr. Speaker, I want to turn for a few minutes to the words or remarks made by the Member for Nipawin. Mr. Speaker, again these attacks and slurs on the department and on the poor of this province is not just a Liberal strategy. During his reply to the Budget Speech, the Leader of the Conservative Party stated that welfare costs had grown at an alarming rate. I would like to question the Member as to what he considers to be alarming. Quite simply the increase in the Budget for public assistance has increased because of increases in monthly benefits to families. As an example, monthly benefits for two adults and two children increased as follows: In 1971 they were \$149.10 maximum; 1974 they were \$237.00 maximum; today they are \$350.00 maximum.

Is the Member for Nipawin suggesting that a family of four can live on less than \$350.00 a month? In addition, Mr. Speaker,

we do pay the actual rents and utilities. When one considers the increases in public assistance costs, one must also look at direct increases in shelter costs which we all know have been alarming. Sure our budget for public assistance has increased but not because of the number of people involved; not because we are squandering the money, but because we are ensuring a decent level of income for the poor, the elderly and the disabled. The Member for Nipawin also claimed that the NDP theory does not take the people off the welfare rolls. The facts that I have previously presented regarding the public assistance case load already destroys this false accusation.

In addition the New Democratic Government has offered concrete employment programs. The Employment Support Program like the Family Income Plan is proof of this Government's belief that subsidized employment is far better than subsidized unemployment. People want to work if they are given the chance. Since the Employment Support Program began in 1973, there were 1,500 employment positions created. It is important to remember, that since 1973, less than 20 per cent, and I want to repeat, less than 20 per cent of the people employed returned to public assistance. This is truly, Mr. Speaker, a success story. Our commitment to this program will continue in the 1976-77 fiscal year. Employment Support Program ties in closely with similar endeavors like the work preparation centres and the personal service provided by regional staffs because it prevents continuing dependency. The ESP, its staff and particularly those people which it employs deserve a great deal of credit.

SOME HON. MEMBERS: Hear, hear!

MR. ROLFES: — Mr. Speaker, let me turn to a topic which is very dear to my heart and that's the senior citizen.

Let me turn to the record of the former government. In the last budget of the Liberal government, approximately \$500,000 was provided for senior citizens, approximately \$500,000! This year, Mr. Speaker, the Budget will provide over \$58 million for senior citizens. I want to repeat, Mr. Speaker, \$500,000 under the last budget of the Liberal government, over \$58 million in this year's Budget! Mr. Speaker, I don't mind taking criticism from people who say that we don't provide enough for senior citizens, but I surely don't want to take it when the Liberals make those accusations.

Mr. Speaker, elderly people of Saskatchewan have a number of specific needs. They need proper housing, adequate medical care, a recreational and social involvement. In Saskatchewan there is little doubt that most of these needs are being met. In terms of special care beds Saskatchewan leads the nation in the number of beds per thousand population. Since 1971 we have built and approved over 2,000 new beds for Levels I, II and III. This is quite an accomplishment and direct credit must go for the funds which this government made available and also to the concerned communities that took it upon themselves to provide the important services.

Mr. Speaker, I have stated previously that I am concerned about the trend to total institutionalizing. I think we must make opportunities available for people to remain in their communities as long as it is possible. Mr. Speaker, we are

concerned about the cost for people living in institutions. This is constantly rising. But I want to indicate to the people opposite, that in 1971-72, there were no subsidies for any person in any level care bed. At that time people were paying approximately \$310 per month. Today they are paying \$345, not a bad record, an increase of \$35.00 in four years. We know, Mr. Speaker, that these costs will increase significantly this year, and that the subsidy that we have offered will not cover the total increase. But we are doing what we can under a restraint program.

Mr. Speaker, I also want to talk very briefly about other services that are being offered. Senior citizens, as I have mentioned before, receive free hospital care. Middle income housing co-ops are being provided and public housing of 1,500 units for senior citizens, 260 housing building assistance grants. Winter works grants in 1975 included 13 projects which were for senior citizens. Community Capital Fund which may be made available for senior citizens, day care centres and special care facilities. And the senior citizens travel cards which provides a 25 per cent lifetime reduction in STC fares. Mr. Speaker, I say that senior citizens have long memories. They will remember the lean Liberal years, when virtually nothing was done for senior citizens. Similarly, Mr. Speaker, the elderly of this province will not forget the concern and commitment which our NDP Government has made.

Mr. Speaker, I want to say again in the last year of the Liberal budget \$500,000 for senior citizens, in this year we are providing well over \$58 million.

Mr. Speaker, time will not permit me to go into other areas in the Department of Social Services but I do want to say a word or two about Core Services. Core Services was established to work for the mentally retarded and it has done a tremendous job over the years that it has been in existence. I wish that I could spend more time, Mr. Speaker, but I will have to put that particular one aside for now.

I am sure, Mr. Speaker, when Estimates come up we shall have the opportunity to study in more detail all the programs that Core Services has provided for handicapped people. It has done a tremendous job, I think, in making certain that all disadvantaged people including the handicapped have an opportunity to live the kind of lives that they deserve to live. Not to be put into institutions but if they can to make the facilities and services available so that they can live in the community and also develop to their potential.

AN HON. MEMBER: — . . . You through?

MR. ROLFES: — No, not yet. Do you want me to go on for another 17 minutes did you say? Mr. Speaker, I notice that the Members opposite have already given me the time for one of their Members so maybe I can return to Core Services then.

Mr. Speaker, I do want to end by saying that emphasis in this department will be to provide all people the opportunity to remain in his community as long as it is virtually possible. There should be no advantage, no advantage for an individual to move into an institution rather than remaining in his community. Therefore, we must provide more home care, more meals on wheels, more transportation, more counselling services. It must be

kept in mind, however, that we must temper this with the restraint that we are under today.

Mr. Speaker, the Budget presented by my colleague, the Minister of Finance, is a clear indication of this Government's responsible approach to spending while at the same time continuing the course which we set in 1971, a course which put people first. I am therefore proud to support the Budget and the main motion and I will be opposing the amendment.

SOME HON. MEMBERS: Hear, hear!

MR. R.E. NELSON: (Assiniboia-Gravelbourg) — Mr. Speaker, I should like to join in the Budget Debate. After hearing the Budget Speech, it is understandable why this Government played their political games with our friends to my left in delaying the Budget.

It is understandable why the Minister of Finance wanted to spring this Budget on local governments so that they would have little or no time to discuss with the departments the lack of grants because they would have to immediately finalize their budgets to set their mill rates before April 1.

In the Assiniboia-Gravelbourg constituency, the school boards got the usual harsh treatment. Assiniboia School Unit No. 5 had to raise their mill rate eight mills to 53 mills. Borderland School Unit No. 4 had to raise their mill rate 11 mills to 58 mills. Wood River School Unit No. 6 raised their mill rate eight mills to 54 mills. Gravelbourg School Board raised their mill rate 20 mills to 69 mills. Yes, Mr. Speaker, this is the same NDP that promised to reduce the education mill rate to 25 mills. It is well over double that.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON: — This Government tries to fool the people into believing they are restraining spending then they reduce grant increases to a level that does not nearly meet the cost of the items the NDP Government themselves control. This Government asks for restraints from school boards. The Government themselves completely control over 90 per cent of the board's spending. The Government sets the teachers' salaries. The Government sets the price of gasoline that controls much of the transportation costs to school boards. The Government sets the minimum wage that controls and looks after the caretaker's wages. The Government sets the price of power and heating costs. Then the Government has the audacity to send in their community college boys and ask for the schools for free.

The Government has forced school boards into appearing to be culprits when they are forced to raise these mills rates. The Government has indeed shirked its responsibility and mistreated local governments.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON: — We continually hear from the gloom and doom boys opposite about that period from 1964 to 1971. I want to tell you fellows over there that those were great years for local

governments. They were treated fairly and they were treated with some commonsense. The previous speaker tried to tell us about school grants and school costs. If he has been at school he was probably playing tinker toys in the kindergarten.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON: — I was a school unit trustee for eleven years and that was until last year and I would like to tell you how we, on the Wood River School Unit were treated. The mill rate in 1964 was 31 mills and in 1971 it was 33 mills. Then came that dark day for education on June 23, 1971 and Mac the Knife hit the scene. By 1975 the mill rate rose to 46 mills and in 1976 to 54 mills. During seven years of responsible Liberal Government we raised our taxes two mills and now under this group of careless NDPs we have in five years we have been forced to hit the ratepayers with a mill rate raise of 21 mills.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON: — Yes, Mr. Speaker, seven years of Liberal Government two mills. Five years of NDP Government 21 mills. That's how they have treated the citizens of Saskatchewan. Mr. Speaker, it is the same story all over our province with town councils, municipalities, hospital boards and local governments. This Budget as well as this Government has been unfair and miserly with them.

We all know the choices local governments will have to make — they can cut services or raise the mill rate. This Government's restraints are placed squarely on the shoulders of local governments.

Mr. Speaker, in the field of industry this Budget is like the industry record of this Government — a dismal failure.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON: — I am sorry the Minister of Industry and Commerce (Mr. Messer) isn't in his chair to hear a few of my remarks. While the Minister has sharply criticized our party for carrying out our responsibilities as government critics, he has done little or nothing to tell the people of the province just how bad a financial mess the Saskatchewan Economic Development Corporation is in.

The Minister denounced us for doubting the management of SEDCO. Yet the facts show that the bankruptcies of late were entirely due to mismanagement, poor judgment and plain bad business sense.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON: — Surely, Mr. Speaker, the complete lack of sound feasibility studies show the type of carelessness the management and the Government are guilty of. If all the facts were known, one may certainly find the Government gave orders to get something going in the business world in Saskatchewan before going to the people in an election. The small business study

was a complete washout — little or no industries or businesses were starting. Our “Fast Sell Dombowsky” was to be the answer. Nearly anyone who came with an idea, left with cash. Yes, Mr. Speaker, they put on a front to convince the voters that they had Saskatchewan moving.

This is absolutely unforgivable and surely a responsible Liberal Opposition wants to have this fiasco checked into, the Minister should not try to cover up by discrediting MLAs.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON: — When we tried to get information months ago he said, “They can find out in Crown Corporation Committee.”

I can assure him the people of Meadow Lake are not happy with the Minister’s arrogance, and certainly not the employees of Meadow Lake Wood Industries. The plant was shut down on just 15 minutes notice. They were given pay cheques that weren’t worth the paper they were written on. The workers have had to seek welfare to survive. The people of the area are left bewildered not knowing what to do. Many own their own houses and have families and can’t move. Small businesses all over town are left with unpaid bills and it’s a sad affair to say the least.

This multimillion dollar factory wasn’t in production one full year. This Government has nearly \$2 million of Saskatchewan citizens’ money in that bankrupt business and the Minister in charge of SEDCO has the intestinal fortitude to say, don’t ask questions of management or government. If this was a private lending institution, Dombowsky, the Minister and a lot more would be out on their ears.

Mr. Speaker, I say again, it is the responsibility of the Minister to call for an immediate inquiry into SEDCO and come clean to the people of Saskatchewan. This is only one of the many bad deals coming to light.

Sportsman Campers and Trailers Manufacturing Limited of Saskatoon has gone bankrupt. Circle 4 Feeders Limited — a Regina company is also in bankruptcy. Fleury Industries, a bus manufacturing company and Continental Bedding and Furniture Company, both of Saskatoon, also have deep financial problems. Other industries, though not under SEDCO have been started in this province as well and with just as little planning.

One of these bad deals is presently in the bankruptcy stage and has a government-backed loan in the neighborhood of one and one-third million dollars. The companies’ total capitalization is under \$1 million. This one is in the constituency held by the Minister of Industry and Commerce. The bankrupt business is the Porcupine Cubing Co-operative Limited — another business started without feasibility studies. Built four and one-half miles away from a railroad, placed in an area that had good grain land and not near land suited for alfalfa. The markets were not looked into before the venture began. Many local people will lose money in this ill-conceived venture. Yes, Mr. Speaker, this venture proved again to have little government planning, even in the financial end of the deal.

I should like to quote from the report of the Provincial Auditor in his report to this Legislature for the year ending March 31, 1974. I quote:

In March 1974 the Department of Finance purchased, in the name of the Department of Co-operation and Department of Co-operative Development, 35 shares of the Porcupine Cubing Co-operative Limited for \$35,000. This investment appears on the face of the balance sheet under the heading, 'Investments in Crown Corporations and other enterprises.'

Section 34 of The Department of Finance Act permits the Minister to invest any part of the Consolidated Fund not presently required for expenditure, in specific classes of securities but does not provide for the investment in a co-operative.

In my opinion, this investment was made in contravention to Section 34 of The Department of Finance Act, and, therefore, would appear to be an expenditure for which there was no authority.

Yes, Mr. Speaker, an expenditure for which there was no authorization as stated by the Provincial Auditor. Is it any wonder that when this Government does not understand the Act and does not give any feasibility studies, tries to rush into projects before an election, that this company, Porcupine Cubing Co-operative Limited goes into bankruptcy with approximately one and one-third millions dollars of Saskatchewan citizens' money invested in it.

Bad as this may seem for this Government to spend \$35,000 without authorization, it didn't stop there. It would appear they made the same blunder in the same constituency of Kelsey and in the same period before the election. This time, Mr. Speaker, the Province of Saskatchewan purchased 50 shares valued at \$5,000 in the Hudson Bay Dehydrators Mutual Limited another co-operative, and again without proper authorization.

This deal appears to be in a financially shaky position. Shares other than those purchased by the Government are listed at \$12,100, yet the Government has guaranteed loans to nearly \$2 million in this business. Surely, Mr. Speaker, better business practices must be used throughout this Government.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON: — I have stated, Mr. Speaker, we on the Liberal caucus are taking our responsibilities seriously. We try to criticize and scrutinize our government departments as should be done. Then what has the Minister of Industry and Commerce done? He has made a public statement calling my colleague from Regina South (Mr. Cameron) and myself two "Damn poor MLAs!" He forgets, Mr. Speaker, that his hand is in the pocket of the Saskatchewan taxpayer and that bad judgment used by department officials and the Government and himself must be paid for by citizens of this province.

The fact cannot be ignored that Dave Dombowsky who is now heading up the Government Potash Company was responsible for many of the problems caused in SEDCO when they stepped up its business. In their haste to get more and more money out they

began to pay more attention to quantity than to quality. Mistakes are inevitable when you set aside careful business analysis in favor of pumping out more money to the public to give the impression of action. Now we are reaping the rewards in the form of losses.

Mr. Speaker, the Minister of Industry and Commerce in this time of restraint, has decided to go into the movie business. He has decided SEDCO should invest \$300,000 in a film called "Who Has Seen the Wind". Don't be surprised if there aren't more loans before this film is finished. The people of the province may question the expenditure at this time when local mill rates are on the rise and fast increasing. I do hope the venture is a success and I believe I can think of some film names and actors that might be more appropriate.

Other actors could be Dombowsky, the Generous Millionaire" and co-starring "Happy Jack Messer" in his first film since "Flop of the Land Bank!"

SOME HON. MEMBERS: Hear, hear!

MR. NELSON: — The show could certainly be a mystery except for a scene where Happy Jack could be hiding behind the curtain covering up the SEDCO mess. However, it could only be shown immediately after an election and the title certainly would be "Gone With The Wind."

Then another film might star Ramrod Roy and Chuckles Cowley and Potash Allan. The scene would be the Saskatchewan Legislature. The show would be a tragedy. It would be category X, being distasteful to two-thirds of the people of the province.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON: — The title naturally "They Threw a Billion to the Wind." Showing on the same bill, starring Potash Allan and co-starring hired out of province actors, Left Wing Fisher and Willing Watson. The title, "Why We Fixed You."

Mr. Speaker, yesterday we received the annual report of SEDCO. In the Budget the estimated appropriation from 1975 to 1976 was cut nearly in half. After glancing at the annual report it is understandable. There is no way this corporation or that Minister should be trusted with any money.

In 1975 the total loss of the Saskatchewan Economic Development Corporation was \$2.3 million. The Minister of the Corporation tells the people of the province that this is all normal and you have to expect losses. Mr. Speaker, I say he has been completely dishonest with the people of the province. A loss of \$2.3 million in SEDCO when the economy of this province is at an all time high, is absolutely unforgivable. It is equally unforgivable in the fact that most of the losses were from the wild spending spree by management that went on immediately before the election. The year after, the amount of dollars loaned or guaranteed was cut to less than half and yet this Government through the management of SEDCO chose to spend 500 per cent more money on advertising to get 50 per cent less business.

Again, Mr. Speaker, an election was involved.

Restraint, the NDP say! The best restraint this province could have would be that this Government would stop squandering Saskatchewan citizens' dollars in their political games.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON: — Yes, Mr. Speaker, that includes from the Premier in his publicity propaganda right down to the Minister of Industry and Commerce in his mismanaged SEDCO monstrosity.

I will not support the Motion and I will support the amendment.

SOME HON. MEMBERS: Hear, hear!

HON. E.E. KAEDING: (Minister of Agriculture): — Mr. Speaker, in entering the debate on this 1976-77 Budget, I must first of all give a great deal of credit to the Minister of Finance for the fine job that he has done in holding the line on government spending.

SOME HON. MEMBERS: Hear, hear!

MR. KAEDING: In the coming year when inflation has had such a severe impact on all government departments, while at the same time, maintaining a high level of service to the people of this province.

Restraint is evident in all areas of this Budget, which serves as a clear example of the Government's determination to effectively deal with the serious problems of inflation.

It was introduced to complement the restraint needed and expected on the part of all segments in our economy in the fight to counteract inflationary pressures.

As could be expected, Mr. Speaker, a great deal of criticism has been levelled by the Opposition at the reductions which have taken place in the budget of my department.

It is never easy, Mr. Speaker, to be faced with the prospect of budget restrictions. However, when such restrictions are required one must examine those areas within the Government where these can best be applied.

Yesterday, the Member for Morse (Mr. Wiebe) spent considerable time criticizing reductions in the estimates of my department. I did some interesting comparisons, Mr. Speaker. In the last budget of the Liberal government in 1971-72 the total expenditure for all branches of the Department of Agriculture was just over \$10 million compared to the 1976-77 figure of over \$42 million, just over four times as much.

SOME HON. MEMBERS: Hear, hear!

MR. KAEDING: — He criticized the reduction of the Planning and Research Division by \$32,000. In examining the record, Mr. Speaker, we find that in the last budget of the Liberals, they did not

even have a research division, not one red cent for research.

He criticized a reduction in Extension and Rural Development. In their 1971 program they called for an expenditure of \$955,000. Our Budget in this important area is \$2,940,000, three times as much.

SOME HON. MEMBERS: Hear, hear!

MR. KAEDING: — He criticized a drop in veterinary services. They spent \$35,000, our Budget is \$1,080,000, three times as much.

SOME HON. MEMBERS: Hear, hear!

MR. KAEDING: — They spent \$609,000 in animal industry. Our Budget is \$1,415,000.

SOME HON. MEMBERS: Hear, hear!

MR. KAEDING: — They spent \$162,000 in plant industry. Our Budget is \$661,000, over four times as much.

SOME HON. MEMBERS: Hear, hear!

MR. KAEDING: — In community pastures they spent \$1,200,000. Our present Budget is \$3,900,000.

SOME HON. MEMBERS: Hear, hear!

MR. KAEDING: — He also criticized a drop of \$50,000 in the Market Development Fund. I agree that this is an important project and needs to be maintained. But, what did the Liberal budget provide for market development, Mr. Speaker? Not one red cent in 1971-72.

When one compares the commitment to agriculture by this Government to the last budget of the Members opposite, one has to wonder at the credibility of criticism of the Member for Morse.

Certainly, it is a reduction from the very high expenditures of 1975-76, but to suggest that we have failed in our support to the agricultural industry certainly cannot be substantiated.

Farm income, in general, in the past two years has been extremely buoyant, particularly in the area of grain crops and oilseeds. As evidence of this increased prosperity, one needs only to look at the average farm income as reported by the Income Tax Department which shows the average farm net income at \$17,000 last year compared to \$3,000 only three years ago. The producers of beef cattle have been the only major exception to an otherwise thriving agricultural industry

In examining areas for reductions in budget spending, it was important to determine in what areas reductions could be made without reducing the quality of agricultural programs in any serious way.

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It was important, therefore, to sort out the areas which provide the much needed services to the agricultural industry, and which must be continued at a high level of performance, and also, those programs which provide some cash payments to farmers but do not, in any major way, effect any great loss to the industry.

The major reduction in the budget of my department, as shown in the Estimates, is the reduction in grants under the Farm Cost Reduction Program, which accounts for about \$7.2 million of the total reduction.

You will recall that in 1974 when the program was introduced, it was in response to a similar reduction in the price of taxable gasoline.

Since farm fuels were not taxable, this special program was introduced to pass this benefit on to farmers as well.

In the 1976-77 Budget, it was determined to increase the gasoline tax on taxable fuel by three cents per gallon and, at the same time, reduce the level of the farm fuel grant by three cents to keep farm and industrial benefits at the same general level. For purchase of farm fuels in 1976, therefore, farmers will be eligible for a grant of four cents per gallon, subject to a maximum of \$100 per unit. These rebates will be available in early 1977, and will provide about \$5.5 million to Saskatchewan's agricultural producers.

A number of other useful, but lower priority programs have been deleted from the package of programs offered by my department. The Fodder Shelter Program has been in operation for a decade, providing grants to farmers who build fodder storage facilities. During this period, more than 1,500 farmers have taken advantage of the program. An average of about 150 per year. This program will not be continued in 1976-77.

A similar situation exists for the Jumbo Dugout Program, where more than 1,000 farmers have availed themselves of the opportunity to obtain grants for this purpose in the past five years. This program has assisted many farmers in establishing sufficient water supplies for convenient and efficient farmstead operations. However, demand for the program has declined substantially since the peak expenditures of the 1973-74 year. The number of grants paid in the past fiscal year was less than 40 per cent of that number two years ago.

The Budget does contain provisions for some new program initiatives within the Department of Agriculture in 1976-77. The dire need for more seed cleaning facilities within the province has resulted in the implementation of a co-operative seed cleaning plant construction program.

SOME HON. MEMBERS: Hear, hear!

MR. KAEDING: — The purposes of the program are to encourage and promote the use of clean seed, and to provide financial assistance to organized farmer groups for the construction of community seed cleaning facilities. The department will share in the total eligible capital cost of constructing approved facilities up to a maximum grant of \$180,000 per plant. The cost-sharing

formula will be 50 per cent of the eligible costs on the first \$300,000 of construction and 30 per cent on the next \$100,000.

The benefits of this program will be significant, in terms of improved yields and reduced spraying requirements arising from cleaner seed. There will also be much added convenience as most farmers will have more ready access to cleaning facilities after the program is in operation.

Another new program is designed to encourage summer employment for Saskatchewan veterinary students. Under this program, the Department of Agriculture will pay veterinarians who hire first and second year veterinary students a sum of \$500 per month per student for three months and \$250 per month for third year students, to cover a portion of salary costs. The purposes of this program are to acquaint practising veterinarians with students and to give the students practical experience in livestock veterinary practice. The aim is to encourage students, upon graduation, to set up practices in rural Saskatchewan, where the need for veterinary services is most pressing.

I am confident that, in the future, as the success of these programs becomes evident, they will join the ranks of many others who are known to be very successful, such as Crop Insurance, Farmstart and Land Bank.

SOME HON. MEMBERS: Hear, hear!

MR. KAEDING: — I should like to discuss these three major programs in some detail today and indicate the tremendous success that they are experiencing.

A comparison of the present Crop Insurance Program with the one operating in 1971 produces some rather eye opening facts. The 38,000 active contracts in 1975 were almost five times the figure of 8,000 in 1971.

SOME HON. MEMBERS: Hear, hear!

MR. KAEDING: — The insurance coverage provided last year was just under \$400 million, more than 27 times the amount in 1971.

SOME HON. MEMBERS: Hear, hear!

MR. KAEDING: — This security, provided to farmers on an individual basis, encourages efficient production, by removing the risk from expenditures for modern technology or increased cash inputs. The indemnities paid to insured farmers in 1971 amounted to less than \$150,000, compared to an estimated figure of about \$28 million in the last insurance year.

The economic multiplier effect of injecting these crop insurance indemnity payments into the rural economy has a very beneficial effect on local communities and on the provincial economy. Since 1971, the number of insurable crops under the program has increased from four to ten. Coverage has also been added for unseeded summer fallow acreage and spot-loss hail damage. The good experience discount feature has been extended and a 70 per cent insurance coverage option has been introduced.

In reality, the present Crop Insurance Program bears very little resemblance to the one operating in 1971. Under the present operating procedures, the Federal Government shares equally with farmers, the cost of insurance premiums, while the Provincial Government is responsible for all administrative costs. A reorganization of the system for selling and servicing crop insurance within the province has allowed the program to operate with a reduced service cost per contract.

In past years there have been increased overall costs, as a result of rapid expansion in the program, but we have now reached a point where expansion will be at a reduced level. As a result of streamlining the administration, a larger crop insurance program will be administered in 1976, but at an increased cost of only 5.1 per cent, in spite of the rapid inflation which we have been experiencing.

However, future operations of the program have been put in question by the recent federal announcement that they are lowering their forecast premium contributions to crop insurance by more than \$10 million. Saskatchewan will be the hardest hit of all areas in Canada by this proposed reduction, since 40 per cent of the national program exists in Saskatchewan. While we as a province may do our part by administering the program efficiently, premiums are still required in order to meet indemnity payments.

We have protested this cutback in premium contributions by the Federal Government, since it inevitably means either higher farmer premiums or a scaled-down program. This would be a very unfortunate situation to be facing, in light of the cost situation currently faced by farmers, and we are continuing to press the Federal Government for a satisfactory resolution of this issue.

The second program I referred to earlier is the Saskatchewan Farmstart Corporation organized in 1971. In its two and a half years of operation it has expanded rapidly in the area of agricultural credit and financing. It offers not only credit, but also counselling and extension services, as well as other options, such as flexible repayment schedules. Up to March 5, 1976, the corporation has approved a total of 2,651 loans, for a value of \$68,654,146.

The program has been responsible for a movement towards diversification and intensification of production on many Saskatchewan farms. Much of this diversification has been into beef, where farmers continue to have confidence in the long-term viability of that industry.

Many have taken the present situation of depressed prices as an opportunity to get into the market. More than 1,900 loans and 70 per cent of total approved credit, has gone for beef production purposes. Slightly more than 300 loans have been approved for hog production purposes, and slightly fewer than that have gone for dairy production.

Problems have recently been encountered in our efforts to expand dairy production, as a result of substantial cutbacks in the national quota to bring Canadian production in line with requirements. However, I am pleased to report that my department has been able to negotiate a satisfactory allocation of the national milk marketing quota. Until the recently agreed

provisions, Saskatchewan can increase production in 1976 from 8.3 million pounds of butterfat equivalent to 8.8 million pounds and, if this increase is achieved, a further increase of 700,000 pounds quota will be allocated to Saskatchewan in April 1977.

The Cash Advance program is operating for the second year, within the Farmstart program. In 1974 advances went to about 12,400 farmers who received an average advance of \$2,800. Total advances of \$35 million were paid on 466,000 calves.

This past fall, the advance program received even more widespread usage, as 13,800 farmers received a total of approximately \$41 million. The effect of the program in providing operating capital to allow farmers to retain their calves, if they so desire, has been appreciated by many livestock producers. The program has also been effective in spreading the flow of feeder cattle to market, thereby reducing pressure on depressed feeder prices in the fall.

Another recent activity taken on by Farmstart has been the administration of irrigation loans, formerly operated under the Conservation and Land Improvement Branch. To date, 29 loans have been approved for this purpose, with a value of just under \$1 million.

The future direction of Farmstart will include an emphasis on consolidation of activities, evaluation of progress, and more time and resources spent with clientele who have loans. Evidence from the program strongly indicates that the goals of assisting beginning farmers and encouraging diversification are being achieved. Approximately 28 per cent of our loans have gone to individuals who had not operated their own farms prior to receiving their loans. Another 28 per cent went to farmers who had managed their own operations for two years or less. The average age of all clients is 28 years, compared to the provincial average for farmers of about 50 years.

The third program I should like to discuss in some detail is the Land Bank Commission. This program was developed in response to the difficulties encountered by beginning farmers in obtaining sufficient capital for land purchases and by retiring farmers in transferring or selling their property. Since the program's introduction in 1972, the Commission has purchased 643,000 acres of farm property. The acreage purchased in 1975 was 117,483 acres. In the past year, 556 purchase offers were made of which 245 were accepted. There were 2,150 applications received from persons wishing to lease land, and 442 of these were successful.

The rental rate structure for Land Bank land was adjusted this past winter, with the new rate being set at 5.5 per cent of market value. The market value of land is based on a three-year moving average. Existing lessees will be given the option of switching to this new rate structure. It is anticipated that most will do so, since it generally results in lower rental charges than would be the case under the old formula. However, all lessees will be free to insist on the provisions of their original lease agreements.

The Land Bank has been criticized by some for its adjustments in the rate structure. Some have suggested that these increases in rent, although smaller than what would have occurred under the old structure, are still too large. Others

have stated that the Government is charging too little, relative to the buoyant land market. In response to these charges, I suggest that the problem is not with the Land Bank rental rates; but rather that increases in land prices have been excessive relative to the returns of agricultural production or repayment capabilities.

The rapid increases in the prices of land have interfered with the purchase program of the Land Bank, since our offers are based on the average prices for land of the same nature and quality within the surrounding area.

The continual escalation in land prices has meant that selling prices are often above our offers, based on past comparable sales. However, the purchasing of land at prices such as \$350 or \$400 per acre cannot be justified on the basis of returns from agricultural production. For this reason, Land Bank personnel are working on a formula to establish prices based on the economic capability of land, which will enable them to stay away from areas of overpriced land.

The escalation in land prices in recent years has increased the difficulties involved in stabilizing farm numbers and assisting young farmers. High land prices have acted as a barrier to entry into farming and, together with the shortage of credit for land, have deterred prospective farmers from purchasing. It has been the large, well-established farmers with substantial personal resources, who have been the major purchasers of high-priced land.

Saskatchewan has come to the point where almost all the benefits of improved returns on production have been capitalized into higher land values.

The three programs I have discussed — Crop Insurance, Farmstart and the Land Bank, form a major thrust of my department aimed at stabilizing both the economic and social aspects of rural Saskatchewan. As part of this continued thrust there will be limited staff increases for the 1976-77 fiscal year in all three of these programs. However, corresponding staff cuts have been made in other areas of the department. As a result there will be no net change in the total number of positions in 1976-77 for the department and its agencies.

Other developments for the new fiscal year which I will discuss today, relate to increased costs to users for some programs. The general philosophy of the department in establishing user fee schedules is that costs should be borne in proportion to the benefits received. That is, if a program provides most of its benefits to consumers or to other producers rather than to the individual involved in the program, then the Government will continue to pay most of the cost. On the other hand, if the individual is the main beneficiary, then he will be assessed a major portion of the costs.

One of the programs facing sharply increased costs during the past few years has been the Dairy Herd Improvement Service. This program offers to the dairyman a specialized record-keeping program based on milk recording, which provides him with information for making management decisions. The program enables him to cull the least profitable animals, feed according to production levels, and select suitable replacement animals.

The DHIS program has resulted in significant benefits both to dairymen, who are the users of the program, and to consumers who receive their dairy products at lower costs, due to increased efficiency in production. It is, thus, appropriate that some of the costs should be paid by the program user and some paid from general revenues.

With the sharply increasing costs of operating the program, a choice was needed between increasing the amount paid by users or dropping the program, if general revenues were to be expected to pay for nearly all the costs. Since the program has shown its usefulness, the decision was made to increase fees for dairymen, but continue cost sharing. The new fee structure for 1976-77 will require users to pay about 50 per cent of total program costs.

Another program in which user costs are going to increase is in provincial community pastures. Again, this is a matter of passing on to cattlemen some portion of the total increased costs. For the 1975-76 fiscal year, operating and maintenance costs were estimated to be about 6.75 cents per cow per day. This figure does not include any costs of depreciation on fences and other facilities, or any charge for the rental of land. Since grazing fees were set at seven cents per cow per day, the overall community pasture program for 1975-76 required considerable subsidization.

A program of pasture improvement and enlargement has been operating since 1972. Under this program, the total carrying capacity of the provincial pastures has increased from 80,000 animals in 1972 to almost 98,000 cattle for the coming grazing season. About 30,000 acres have been added to the pastures in the past three years, and approximately 29,000 acres have been improved over the same period. Another 14,000 acres are scheduled for improvement in the coming year.

For the upcoming pasture season, grazing rates are increased over the level that has been in place the last three years. Since the last increase in 1973, operating and maintenance costs have increased by about 71 per cent. The 1976 grazing rates are set at 10 per head per day. It is expected that 1976 costs will average about 10 cents per head per day for operating and maintenance, and about 3 cents per head per day for investment and depreciation on fences and facilities. These costs again do not include any charge for rental of the land.

The breeding program is also highly subsidized and averages over \$20 per cow, compared to \$12 per cow which is charged at the pasture. These figures indicate that the overall program will, again, require considerable subsidization in 1976-77.

The grazing fee increase will, undoubtedly, be highly criticized. Some will suggest that, in this period of depressed beef prices, grazing fees instead should have been reduced. I agree that a reduction would have been welcome news for pasture patrons; nevertheless, the increasing costs of operation were very substantial, as I have indicated.

There would be an added problem of maintaining an equitable situation among the province's beef producers if fees were to be reduced to pasture patrons. The carrying capacity of our provincial pastures is 98,000 beef animals, and we are, thus, in the position of being able to provide grazing service to only

a limited number of patrons. Those operators who do not have access to the pastures must cope with the full weight of increased costs. In any case, the solution to our present beef problem is not low rates for those who get into the community pastures. The problems we face are much more fundamental and I suggest, meaningful solutions will require fundamental changes in our beef industry.

One area of our livestock industry in which immediate changes are required is the Federal Feed Grains Policy. Since this policy was implemented in the fall of 1974, the Saskatchewan Department of Agriculture has monitored its effect. This monitoring effort has clearly shown that serious problems exist in the system and, for this reason, we have repeatedly asked, Mr. Lang to either fulfil his earlier promise of a plebiscite or immediately terminate the policy.

During the first crop year in which the new Federal policy operated, 1974-75 season, the street prices offered on the prairies fell below the expected Wheat Board final price and as a result grain producers quit selling to the open market. Thus, western livestock producers had to pay a premium over the street price to obtain adequate feed supplies. These producers were forced to pay either the Wheat Board asking price at country elevators, or the final Wheat Board price expected by western grain producers. While western feeders were experiencing this, eastern feeders were experiencing the benefits of stocks of open market grains made available earlier in the year, at well below corn competitive prices.

On a number of occasions during that crop year, the price of feed barley on the prairies was higher than that in Montreal, in spite of the 45 cent to 50 cent per bushel cost of moving feed barley to the eastern market. Also, eastern feeders had access to American corn, priced at levels similar to the open market feed grain price, while the cost of transportation for this corn meant western feeders could not economically use it.

In the present crop year, 1975-76 very serious problems continue to exist in the system. The inequities between western feed grain prices and corn prices in eastern Canada are placing the western Canadian livestock and poultry industry in jeopardy.

While Canadian Wheat Board export prices for wheat and barley, and most grains in the United States markets, declined between the middle of October and mid-January, prices for western feed grain on the open market rose steadily. As a result of these price swings, western feed grains in eastern Canada became significantly overpriced relative to corn.

On a comparable feeding value basis, during the latter part of December, wheat was overpriced by 99 cents per bushel, oats by 52 cents and barley by 49 cents a bushel in Montreal. This situation works to the definite advantage of eastern feeders who have access to the lower priced corn. This province's livestock industry cannot stand such manipulation and discrimination, if it is to remain viable.

I have recently written to Otto Lang, restating our concerns in this area of the livestock industry. These problems must be satisfactorily resolved, before stability and growth in western livestock producing and processing can be expected.

Mr. Speaker, I should have liked to have said a few more words, I see my time is running short. I should like to say though, this overview of my department's budget for 1976-77 indicates a healthy combination of restraint, together with some new initiatives, and controlled expansion where required. I am confident this restraint will be recognized and appreciated by rural residents, as the type of restraint required if inflation is going to be beaten.

Mr. Speaker, I invite all Members of the Legislature to join me in supporting this Budget and defeating the amendment.

SOME HON. MEMBERS: Hear, hear!

MR. R. KATZMAN: — Mr. Speaker, I am glad to rise and speak in this debate. As the Minister went longer than he was supposed to, I am supposed to be done in three minutes, I will cut mine very short.

This Budget is very large, it is very complex, and not being a chartered accountant I have to be like the average citizen of Saskatchewan and say, it is up 16 per cent. The Budget is up 16 per cent, my fellow workers in CUPE and in other unions across Canada and Saskatchewan are told, eight per cent.

What has this Government done? Sixteen per cent! If the money in their Budget on the income side isn't sufficient, they will take more money out of Crown corporations to pay the deficits if they can. If the profits from Crown corporations had not been taken out in the past, today, the Government wouldn't be here for larger borrowing power limitations. And our Crown corporations would be paid for.

Talking about a Crown corporation, let us go back to when STC began. At that time people had their own bus lines and the Government wanted the business as they want potash today. What did they do? They said to the bus people, we won't give you your licence, we won't buy your business, we won't buy your buses, we are going to license our own buses. Is that the way you people negotiate? I am not at all surprised to see negotiations break down between potash companies and the Government.

Mr. Speaker, from the other side of the House I have heard another comment, another resource, the people of Saskatchewan. Let me use an example and I am sure, Mr. Steuart, Leader of the Opposition knows the gentleman I am about to refer to.

My oldest brother was born in Russia. Russia considers humans a resource. To get him to come to this country, we had to buy him like you buy sheep and cattle. We thought we were bringing him to a free country and a free province. Today, I am not sure we chose the right province.

SOME HON. MEMBERS: Hear, hear!

MR. KATZMAN: — If we are not careful in this province we will slowly lose all our rights. Being as I am told to be short, Mr. Speaker, I cannot support this Budget as it is up 16 per cent and my brothers and sisters in the unions are told eight per cent only.

MR. D.H. HAM: (Swift Current) — Mr. Speaker, I too, am pleased to be able to rise and speak in this Budget Debate. I should preface my remarks by telling you that my remarks will also be short, not vicious, but somewhat negative.

I understand the human attention span is approximately eight to ten minutes, so I am hoping that you will all absorb everything I say.

After hearing the Minister's presentation and reviewing the Budget I am convinced this Government has lost touch with the Saskatchewan citizens. Both the Federal Liberals and the NDP have failed and are continuing to fail in coming to grips with the problem. The problem that affects more people, perhaps more than anything else is the erosion of the purchasing power through uncontrolled inflation.

Does this Government not realize that all people are not expecting, but begging those in government to exhibit leadership, leadership by example. Does a 16.5 increase exhibit leadership? I say not. People have told me that never in their lifetime have they ever been so hesitant to open mail expecting to find increases month to month, many of which are Provincial Government or Crown Corporation, gas and telephone rates. How is this Government reassuring and creating confidence in our citizens? They are not, they are not practising what they preach.

How can we expect our citizens to respect, not only respect, but follow guidelines or policies of this or any other government that have been set out on any subject.

Here are two examples of what Saskatchewan citizens can expect. On Monday last the Swift Current School Board projected a \$6 million increase in taxes. And we just recently heard, a Member on my right, indicated increases of a similar nature in his constituency. They are, I understand, attributing these increases directly to the Provincial Budget.

A very timely headline in the Moose Jaw Times Herald on Friday, Budget day, stated a \$107,559 deficit in the Moose Jaw Union Hospital. Can we expect mill rates not to increase for all hospital boards and city councils, it is obvious they will, it is obvious that this Government has neatly shifted the fight of inflation to municipal governments. I don't call this exhibiting any leadership.

Unfortunately this Government sets a strange atmosphere to overcome the economic problems. Rather than to promote a climate of confidence, thereby expanding a tax base, it chokes industry, then legislates expropriation when it deems it necessary for its master plan. A continual process and program to obtain total control of the destiny of the people of this province.

We have witnessed since Bill 42, the near collapse of the oil industry in the Swift Current area. Hundreds of citizens in my community were forced to move as a result of both Federal Liberal and NDP oil policies. These displaced people are those unsure of their future, and can give some clear cut precise answers on government interference with the market place. It is the so-called people's government that forces people to leave Saskatchewan to find employment mainly in Alberta.

You know, Mr. Speaker, every level of society answers directly for mistakes on mismanagement of their lives or their businesses, to legislators or to the state, but whom does the Government answer to? Yes, the electorate every four years supposedly and when a cosmetic budget is presented with improper accounting principles, who is to judge their performance.

This Government well knows that many of the electorate are apathetic and they can be hoodwinked into believing that a socialist government believes that the state should govern our day to day lives. Because of apathy, the general public has legislation forced upon them such as potash expropriation, Land Bank and Hog Marketing Commissions, legislation that the vast majority of this province do not desire. Did the electorate of rural Saskatchewan not give this Government a message on June 11, 1975, when a party that polled two per cent of the popular vote in 1971, then polled 35 per cent of the rural vote in Saskatchewan, the Progressive Conservative Party.

Can't you see that many Saskatchewan citizens are unhappy with the course that you have set for them? Undoubtedly this only proves the theory that this Government knows how to manage everyone's lives better than they do themselves.

Mr. Speaker, unless this Government begins to realize that most of the legislation concerns and upsets people and unless it modifies or withdraws many of their proposals, I predict in the strongest of terms, that it will not be that government in 1979, as the NDP, even with the high-cost potash advertising program.

I don't know how many friends and relatives of yours have had to move to Alberta to find jobs or better employment, dozens and dozens of mine have over the years. And after hearing the comments by one of the previous government speakers, I again, will have to refer to those statistics that many Members opposite do not like to hear. It is unfortunate that the radio is not on so that Saskatchewan, again, can compare.

Alberta income tax — 26 per cent; Saskatchewan income tax — more than 40 per cent; Alberta sales tax — nil; Saskatchewan sales tax — 5 per cent; Alberta crime rate per 100,000 — 1.9. I think this statistic should be more important than anything — Saskatchewan crime rate per 100,000 — 2.6; Alberta average annual income — \$7,137; Saskatchewan average annual income — \$6,606; Alberta percentage of total Canadians earning over \$25,000 — 7.39; Saskatchewan percentage 3.57; Alberta average weekly wage for salary — \$200; Saskatchewan average weekly wage — \$181; Alberta educational expense per pupil \$1,109; Saskatchewan per pupil — \$958; Alberta guaranteed monthly income to pensioners including federal aid - single \$225, couples \$495; Saskatchewan guaranteed monthly income to pensioners including federal aid — singles \$233 and couples \$480; Alberta number of persons per doctor — 667; Saskatchewan number of persons per doctor — 729.

Comments have been made by the Attorney General that Alberta's Budget was in the range of \$31 million deficit. Let me predict, Mr. Attorney General, that I can foresee a Saskatchewan deficit of three to four times that much.

Mr. Speaker, I cannot continue without some reference to the regular attacks by both the Liberals and the NDP upon this caucus and particularly upon our Leader. We know that last

June we presented a concern to both parties and they were not certain whether to ignore our presence or to attack us. We are extremely happy, let me tell you, that you used the latter tactics, as the best recognition we can receive is the barrage of character and party verbal assassination. We have attempted and will continue to attempt to bring commonsense views to this Assembly because we firmly believe that the people of Saskatchewan deserve commonsense government.

Therefore, we invite you to continue to attack us. Your plan of divide and conquer is only even creating a tighter bond in our ranks. But even more important the people of Saskatchewan are beginning to hear and see your childish attacks. They realize that only because we represent a structural position that you act this way. One can only conclude that after listening to these criticisms that the seven man PC caucus will be the Government of Saskatchewan. I invite you to please continue because at this late date we are becoming accustomed to it.

Mr. Speaker, many government speakers have accused my caucus for condemning the Government on the one hand for overspending and yet it asks for more expenditures in other areas, this is totally untrue. This is totally untrue of the Progressive Conservative caucus. We have not asked this Government to spend more, we have asked you to re-examine your priorities in spending — money could be better spent in many areas. Perhaps if this Government would change its welfare state attitudes, the important areas that were so sadly cut back, such as agriculture would not have been.

I commented in my Throne Speech rebuttal about the bright economic climate in Saskatchewan. And no one argues that agriculture and agriculture alone has brought this province extreme wealth.

Again, I repeat, this is not created by an NDP Government or a Federal Liberal Government, nature has been very kind. World demand for our products are obvious factors in this economic growth. When grain markets decline, and they will soon, this province will be in very great difficulty. Why then would a government decide to cut approximately \$8 million off its agricultural budget? The source that creates the bulk of funds for this Government is mainly ignored. Is this how a government treats the rural Saskatchewan citizens who voted so strongly for the Progressive Conservative Party, I wonder?

Mr. Speaker, this Budget in no way comes to grips with inflation. It does not exhibit leadership and it discriminates against a sector of society, namely, agriculture that creates the bulk of our wealth. Therefore, Mr. Speaker, I cannot support the motion and must support the amendment.

SOME HON. MEMBERS: Hear, hear!

MR. C. THATCHER: (Thunder Creek) — Mr. Speaker, it is with a feeling of trepidation following two such very powerful dissertations that I rise and follow such an immense degree of quality.

However, Mr. Speaker, like many Canadians in this day and age I am very concerned about the future of this country. I am frustrated why the dreams of great leaders past are turning to shambles. I am concerned why a country having as much

natural wealth as any in the world, perhaps more than most, is not capitalizing on that wealth, is not utilizing it, and in fact is actually declining in relation to other countries. Like many Canadians I am skeptical and unconvinced that governments at both the federal and provincial levels are acting in the best interests of Canadians as a whole. There is a time for politicians and there is a time for statesmen. I respectfully suggest to the House, today, that the time is fast arising when we need statesmen far more than politicians.

SOME HON. MEMBERS: Hear, hear!

MR. THATCHER: — This afternoon, Mr. Speaker, I propose to discuss some of the very critical problems that face this country and this province, not so much from the point of view of a backbench politician, but more so from that of a very frustrated Canadian who questions the credibility of his senior governments.

We all know the number one problem facing this country, today and in coming years, is inflation. It is complicated by the fact that even some of the most learned economists in the world are not absolutely certain as to all of the causes of this terrible thing. We know some of the partial causes, but no one seems to be able to tie the entire package together and define exactly what the problems that relate to inflation are specifically. We know that drops in productivity are inflationary; we know that increases in salaries without the corresponding increase in productivity is inflationary; we know spending money we don't have is inflationary; we know artificially priced products totally unrelated to demand is inflationary; and we know that increasing the money supply without a corresponding increase in the gross national product is inflationary. If we know these things then why can we not stop inflation? Why can we not simply place it into its proper perspective and deal with it? And here is where the question of statesmanship enters and the politician will have to exit.

To do what has to be done requires a great deal of courage on the part of any government particularly the leader of that government. The decisions required are tough and harsh and unpopular in many quarters.

The scenario for Canada's first major thrust against the enemy known as inflation commenced on the fateful evening in October, I believe it was Thanksgiving Day, when Prime Minister Trudeau went on national television to announce his anti-inflation program. Most Canadians were glued to their television sets that night and I am certain the ratings on television would have exceeded those of the Philadelphia-Central Red Army hockey game. At that time Canada was in the midst of a national postal strike and people from coast to coast were fed up with it and the economy generally, as well as that treadmill so many of our working people have been on. That evening they were looking for something positive and definitive from the Prime Minister. They were looking for action. They were ready to grasp at any straw to see some light at the end of the tunnel.

As the Prime Minister unveiled his anti-inflation program that evening, no one received it more enthusiastically than I. Depending upon what part of the country you were in and your place in the economic spectrum, there were varying points of

view as to exactly what was best for the country. The words of the former Finance Minister, John Turner, echoed in my mind as the Prime Minister was speaking, when he had stated some months earlier that wage and price controls would not work unless the public was ready to accept them. How prophetic those words were to be. However, on that fateful evening, like the majority of other Canadians, I enthusiastically received the Prime Minister's proposal in the hope that finally some form of action on the part of the Government was going to take place. The events that led to the settling of the national postal strike were further encouragement that the Federal Government was on the right track. They were tough yet they were fair and I felt handled the situation masterfully.

Thereafter came the now famous year-end Trudeau interview on CTV with Bruce Phillips and Carol Taylor. I am not going to go into the text of the Prime Minister's remarks that evening but they were quite shattering to myself and I think many other Canadians. Although I have read the text of the Prime Minister's remarks that evening many times and am fully aware many of the quotations used most vociferously against him are being taken out of context, I am still disturbed. My final and complete disillusionment with the federal program came with the bringing down of the last federal budget.

Mr. Speaker, I can accept the Federal Government telling me to restrain myself, I can accept them telling you and other Members of the Assembly to restrain themselves, I can accept them telling unions to restrain themselves and I can accept them telling business to restrain themselves, but I cannot accept their philosophy of "Do what I say not what I do!" That budget was a farce and I can think of no other words to describe it. Federal spending in that budget increased by 16 per cent. The much heralded cutbacks which were reportedly to be announced in that budget do not even merit serious comment.

Where does the ultimate responsibility lie for our present degree of inflation? The Prime Minister clearly implies that the responsibility rests upon big business and big unions for the rapid inflation rates we have been experiencing. However, Mr. Speaker, that is a very difficult supposition for anyone to accept. It is not big business or big labor that sets economic policy, it is the Federal Government. Granted the Federal Government cannot be held responsible for the actions of OPEC, at the same time they can be held responsible for fiscal deficits and excessive expansion of the money supply.

Mr. Speaker, let us very quickly look at a few very basic facts in this country's economy. Canada's labor force has grown very rapidly since 1970, an average of 3.7 per cent annually. Combining this with an average productivity growth of 1.8 per cent, we have a real growth potential of only about five and a half per cent per annum. The money supply has grown at rates far in excess of this amount. It has increased an average of 16.6 per cent in the 1971 to 1975 time period. In other words the money supply has been expanded at a rate triple that of our real growth potential. In the same time period, inflation has escalated from 3 to 4 per cent to a rate in excess of 10 per cent at present.

Members of the Federal Cabinet, including the Prime Minister have suggested that additions to the money supply in recent years has simply been to increase economic activity and therefore, employment for this growing labor force.

Mr. Speaker, I suggest this economic logic is nonsense. It has been one of the contributing factors in leading us down the pathway to the economic mess in which we now find ourselves. The facts of the matter are it has been an easy way for government to finance their rapidly growing expenditure programs. This is not only true of the Government in Ottawa, it is also true of this Government. Federal outlays of funds have quadrupled since 1965 and more than doubled since 1972.

The annual rate of increase in total spending has now been 20 per cent or more for three years in succession, whereas prior to fiscal 1973 the largest percentage gained during any of the preceding nine fiscal years was 13.7 per cent.

Very briefly, Mr. Speaker, let us quickly look at where these major increases have occurred. Health and welfare has increased since 1967 from approximately two billion to almost eight billion for the current year; economic development and support from 1.2 billion to 4.6 billion; public debt with ever growing deficits from 1.1 billion to 3.6 billion; transfer payments to provinces from 500 billion to over 2.5 billion. For this current year we are all well aware that despite a much proclaimed cutback of 1.5 billion in intended expenditures, Federal Government expenditures will still be increasing at a rate of over 16 per cent.

If one were to accept the literal interpretations of the Prime minister's year-end address and his subsequent one in the middle of January, we could then tag business and labor as the villains and promptly deal with them and solve our problems. However, the business and the union leaders of Canada do not have the power to expand the money supply beyond the real growth of the economy with the resulting runaway inflation. The Federal Government, and to a lesser extent provincial governments, set the example by their actions and I suggest to you that these actions have been a major contributing factor to our inflationary trend.

However, Mr. Speaker, I believe that the most savage indictment of the economic policies of the Federal Government came some two and a half weeks ago when the Governor of the Bank of Canada, Gerald Bouey, raised the bank rate from 9 to 9.5 per cent. This was a move that caught most members of the financial community by complete surprise. Now, Mr. Speaker, unquestionably Mr. Bouey and the Bank of Canada had their reasons. Perhaps the most obvious is that the Bank of Canada is displeased with chartered banks for being too willing to accommodate loan demand. But there would appear to be a much more important reason for the central bank action on the bank rate. The increase seems to be a message to the Federal Government that the Bank of Canada is not satisfied that the fiscal policies are sufficiently stringent to bring inflation under control. Mr. Bouey, in common with many other Canadians, appears to feel that a proposed 16 per cent increase in federal expenditures does not constitute an adequate degree of fiscal restraint. The Bank Governor probably would be much happier if federal expenditures were held down to the nominal growth of the economy. More ominously, however, for Canadians who must pay this increase in the interest rate, unless the Federal Government adopts a more convincing posture of restraint, the Bank of Canada is evidently prepared to continue squeezing the financial system.

Mr. Speaker, I should like now to turn to another area which I believe plays a significant role in the economies of both this province and country, that of the public service and labor. I find it difficult for any government to believe that collective bargaining with the public service, either provincially or federally could be in the interests of a nation or a province as a whole. I say this because it simply is not possible for government to bargain collectively with employees in the public sector simply because the bargaining is not governed by the rules of the market place, but by political factors only. I suggest that wage settlements gained by the public service since so-called collective bargaining was initiated have completely distorted wage patterns in this country and this province.

Compare the increase in wage rates in the public sector as against the private sector in the first half of 1975 — 22 per cent against 14 per cent. In the private sector there is a limit how far a settlement can go. That limit is known as bankruptcy. In the case of the public service we are dealing solely with politics. It was the settlements in the public sector which brought the negotiated settlements in Canada to the horrifying figure of 18 per cent last year, more than double that of the United States. Compounding the problem is that the public service is causing normally responsible trade union leaders in the private sector to make irresponsible demands in order to restore traditional wage relationships. Mr. Speaker, I would respectfully suggest to this House today that the right to strike should be taken from many areas of the public service.

Mr. Speaker, I should now like to turn to the private sector of the trade union movement and their place in this anti-inflation program. We are all familiar with the very bitter demonstration held on the steps of this building some two weeks ago and the massive rally held in Ottawa this week past. I think the public has become very familiar with the statements which literally drip of venom from the Larry Brown and George Semeniuk types. But beneath all this outpouring of bitterness from many aspects of labor I have noticed one interesting phenomenon, that is, negotiations in the construction industry, normally one of the most volatile in Saskatchewan. I am advised that the most difficult settlements are completed and waiting ratification by the membership. It would appear negotiations are proceeding smoothly in several other areas of the construction industry. The conclusions from this are obvious. Obviously the Larry Browns and the George Semeniuks do not speak for the rank and file of the union movement and perhaps not even the business managers of some of the very powerful international trade unions.

Why are these settlements being made so smoothly? I would suggest that the unions are quite aware that labor has done very well in the inflation spectrum and the shifting of incomes in the past five years. Very briefly and very quickly I should like to just cite a few numbers for the consideration of the House. In the past ten years, Mr. Speaker, Canada has shot past the United States in average weekly earnings. The average weekly earning in the United States, September 1965 was \$95.98, in Canada, \$92.19; September 1968, in the US \$110.87, Canada \$112.53; 1972, September, US \$139.50, Canada \$152.45; September 1975, US \$168.43, Canada \$207.79. These are astonishing figures particularly when one considers productivity among Canadian workers is dropping almost every year where the reverse is true to our neighbors to the South. I shouldn't have to reiterate to some of the business geniuses across the floor

exactly what this may mean in international trading circles regarding Canada's position.

Mr. Speaker, I should like to recommend some reading to Members of this Assembly. There is a publication from Queen's University known as *The Current Canadian Wage Scene, Major Trends and Patterns*. It covers the period between 1971 and 1975. It does not discuss monetary or fiscal policy, but restricts its analysis to events in the private sector and in the public and private labor market. According to this study the price spiral began because of international imbalances and the supply and demand for essential commodities and materials. Rapidly rising prices for food, energy and related products were initially the main contributors to inflation. If I may quote directly:

Wages lagged behind prices and corporation profits soared to record levels during this phase, roughly covering the period from the first quarter in 1971 to the last quarter of 1973. The labor share of national income declined from a high of 73.6 per cent in the beginning of 1971, to a low of 68.94 at the end of 1973. Meanwhile corporate profits as a proportion of national income rose from 11.25 per cent in the first quarter of 1971 to 18.85 by the middle of 1974. Wages and salaries began to catch up in 1974 as a result of labor's attempt to restore past gains and to raise its share of national income. By the second half of 1975, labor's share of income was back to its 1971-72 level. The profits share began to fall in 1974 and by the second quarter of 1975 was down to 14.52 per cent.

Mr. Speaker, this study conclusively demonstrated that between 1973 and 1975 compensation per worker increased by 35.6 per cent. Consumer prices rose by 25.1 per cent leaving a 10.5 per cent increase in real earnings in a two and a half year period. Mr. Speaker, there is really nothing wrong with this gain whatsoever had there been a corresponding rise in productivity. Unfortunately, Mr. Speaker, this study, if accurate, says one thing that is undeniable. Canadians are being paid more than they earn.

Mr. Speaker, we have witnessed the growth of governments both federally and provincially to the proportions of bloated giants. They are now consuming more than 40 per cent of our gross national product. Governments are not producers, they are consumers and their endless appetite is rapidly consuming this economy. And the governments have the unmitigated gall to blame the free market system for what they themselves have created. That I suppose is politics where there must always be a scapegoat or a whipping boy. I would not suggest for one moment the free market system is perfect, but I wonder how many of the learned gentlemen across the way would suggest what we have now is any better. We have operated on the philosophy in Canada since the end of World War II that the middle class is going to pay the shot for everything. This has been a tragic mistake. Contrast this with the United States.

The great strength of the American economy is its middle class and their incentives to produce and perform. In Canada we have given them no incentive to produce or work hard, instead we have taxed them to death and eliminated any incentive. Think back to the days when teachers used to take a summer job to supplement their income. Do you ever hear of that happening

now? Of course not, they take the attitude and rightly so, why should I spend better than half my summer working for the Government? This I suggest is a typical attitude. The time has now come that government must again place before its people and particularly its middle class, incentives to produce, perform and be allowed to keep the majority of what they earn. I can see no government in Canada today that is making any sort of a true effort working towards this goal.

I always find it amusing, Mr. Speaker, when someone involved in the Federal Government is posed the question of how they can justify asking all other parts of the Canadian economy to restrain themselves, when they themselves refuse to do so. The answer you will invariably get back is, well, where would you start? What would you have us trim off? After all, we got rid of the Company of Young Canadians, isn't that enough? Mr. Speaker, that answer alone is sufficient for one to become most cynical.

Some time ago the Canadian Chamber of Commerce was charged by the then Urban Affairs Minister, Ron Basford, to do a study on government expenditures and government programs and make some specific recommendations. Whatever one's opinion of the Chamber may be, they do represent a significant portion of Canadian businessmen, large and small. The report presented in January was a stinging one which identified dozens of examples of wasteful government expenditures and particularly thrashed federally inspired bilingualism programs. Quoting from the report very briefly:

The nation's bilingualism problem has become a duplication in the worst form. A country spending far too much money to implement two language systems with everyone suffering.

The report cited senior civil servants receiving paid leaves of absence to study French which they never use and soon forget. It listed examples of translation done by government workers costing 11 cents a word and only six cents a word by freelance translators.

Mr. Speaker, far be it from me to criticize the two language policy of the Federal Government. I have nothing but respect for any individual who has a second language at his disposal. Some time ago I had the opportunity to learn a second language and I have always regretted never taking that opportunity. I sincerely hope my children, if given the same opportunity will be wise enough to accept it. Yet at the same time I find it very difficult to reconcile in my mind that bilingualism is an economic necessity in this country at this time. I do not suggest elimination, however, a significant cutback in this time of restraint is hardly going to cause the breakup of this great country. The Chamber's report urged the reduction of the civil service by at least 10 per cent during the next five years and a freeze on the wages of civil service which are trend setting and inflationary. It cited examples of government employees not having sufficient responsibilities assigned to them to adequately fill their working days. Many government expenses were written off by the Chamber as ego tripping. Included in this category were the advertisement of civil servant personnel changes, first class travel accommodations, full page advertisements of government programs and mail promotional information on programs which inevitably find their way unread into wastepaper baskets.

Now this is an indictment of the Federal Government, but it does have a very familiar ring as to the procedures of government in this province. The report criticized the government's inefficient use of buildings. It cited a former tax department building in Saskatoon remaining empty while DREE occupies costly space in what they termed the luxurious Bessborough Hotel, which was owned by the government controlled Canadian National Railways and sold for a price the Chamber considered inadequate. I will not pass judgment on that particular statement, since there are other gentlemen on this side of the House who are more qualified to do so.

Mr. Speaker, because of the lateness of the hour, turning now to the 1976 . . .

MR. SPEAKER: — I wonder if the Member will give me an opportunity to get some routine business out of the way. I don't know whether the Member wants to adjourn the debate or . . .

MR. ROMANOW: — Mr. Speaker, I wonder if we might just stop the clock and hear the Member out?

SOME HON. MEMBERS: Hear, hear!

MR. THATCHER: —When something comes from that direction that sounds complimentary I always want to turn around to see which shoulder blade it's going through — both at the same time!

Turning now to the 1976 Provincial Budget, we saw in this Budget Speech a prime example of a Minister of Finance who truly intended to present a budget of moderation and restraint. And I suggest to you that we saw a Minister completely caught up in the trappings of a bureaucracy in a big government that his party has built in this province. We saw a Minister who readily found the ability of a government to consume. Try as he did there was simply no way that he could reduce government spending down below the level of 16 per cent. There is no evidence of cutbacks in the size of government or in the size of the civil service, but quite the reverse.

Health spending is up, agricultural spending is down. That's just playing with numbers and really not getting to the root of any problems. We all know, as does the Government, the quality of our health services deteriorates day by day, week by week and month by month. Pumping more money into the system is not the answer. The past four years have seen a significant dilution of high quality medical care to the point that it is no longer high quality. The costs are sky-rocketing because there is no real effort to check them in any form of an honest fashion. Frankly I give this NDP Government credit for perhaps being much smarter politicians in the field of medical care than we were when we were the government. We were open, candid, and honest with the public. We put on a utilization fee and told the public exactly what it was and why it was there. This Government, however operates in reverse. They simply reduce the services, reduce the number of beds and reduce the number of people operating in the field of health. Naturally, this is all done for the good of the people.

SOME HON. MEMBERS: Hear, hear!

MR. THATCHER: — Haven't we been told often enough that this Government is for the people. The day of reckoning is rapidly coming in our province when our health programs hit the bottom of the barrel in fiscal expenditures. I see no evidence whatsoever that this Government is preparing to face the realities of this situation.

This most astounding figure in this Budget are the increases in expenditures in the Department of Government Services which have gone from 8.9 million to 23.2 million four years. The increase in the last year alone is from 17.2 million to 23.2 million or an increase of 34 per cent in one year, 34 per cent to maintain this huge government bureaucracy; this bloated giant to drain the taxpayers of this province. The most staggering of all, Mr. Speaker, is the increase in capital spending by this Department of Government Services. They have decreased capital spending for so many other departments but they almost doubled it for Government Services this year. Capital spending for new buildings for the Department of Government Services has gone from 10.7 million to 19.1 million, an incredibly astounding increase of 78 per cent.

Mr. Speaker, this is the price that Saskatchewan taxpayers are having to pay for a government that is obsessive in its desire to own, control and manipulate every aspect of Saskatchewan life.

SOME HON. MEMBERS: Hear, hear!

MR. THATCHER: — Mr. Speaker, the Budget presented by the Minister of Finance has been very ably evaluated by the Member for Indian Head-Wolseley and I don't propose to duplicate his comments. However, I am going to comment very briefly on this Government's performance on the inflation flight.

It is equally guilty with its counterpart in Ottawa in not controlling its own expenditures and its, "do what I say and not what I do" philosophy. Their Prices and Compensation Board was reportedly established as a counterpart to the Anti-inflation Board. Mr. Speaker, if the Government asked the people who elected it, the one single thing they could do that would most benefit the people, I believe the overwhelming answer would be, reduce my taxes. Don't try and give me something, let me keep what I have honestly earned.

SOME HON. MEMBERS: Hear, hear!

MR. THATCHER: — Now this Government is always suggesting that wage settlements must bear some degree of parity to those of Alberta. Might I respectfully suggest that instead of worrying about the total salaries having parity to Alberta, there instead be a tax rate with some degree of parity to Alberta. Mr. Speaker, it is astonishing that a middle class Albertan pays 40 per cent less tax than does the average Saskatchewanite. Calculate it for yourself. The provincial tax rate in Alberta is 26 per cent versus 40 per cent in Saskatchewan. There is no 5 per cent sales tax in Alberta. You have your studies to show what the average person in any income group pays in terms of dollars in the form of the 5 per cent sales tax. Then compare the municipal tax rate in Regina or Saskatoon with that in Calgary or Edmonton, any way you cut it you will come up with an average

figure of 40 per cent. I invite any of you to calculate it for yourself. we all know that we pay this 40 per cent willingly because this Government has told us that it is for the good of the people.

Mr. Speaker, I thank the House for their indulgence and I am glad I didn't have to take the radio time away from my friends to the left yesterday since I went over a little bit. Mr. Speaker, I shall be against the motion and I beg leave to adjourn the debate.

SOME HON. MEMBERS: Hear, hear!

Debate adjourned.

STATEMENT

RADIATION LEVELS IN URANIUM CITY

HON. N.E. BYERS: (Minister of the Environment) — Mr. Speaker, I should like to report to the Legislature some additional information regarding radiation levels in Uranium City.

Environment Saskatchewan originally reported to the citizens of Uranium City and the news media that Uranium City High School had higher than desirable levels of radon. It was also reported that the city council undertook to install a temporary air exchange system. Since then the previously inoperative permanent air exchange system has been repaired and is now in operation.

Partial testing last evening at three sites in the high school show that the radon levels are within the maximum desirable limits. Where homes were found to contain higher than desirable levels householders were advised to ventilate before retesting. Many residents have already reported back to the municipal council that this has been done. Retesting of such homes is continuing. Two ventilated homes were retested yesterday and levels have declined to below the maximum desirable level. The home that previously showed the highest level of radon, it was found that it had samples of uranium ore stored in the basement.

A general survey of all homes and public buildings in Uranium City is continuing with the assistance of technicians from the Federal Government. Environment Saskatchewan officials will be presenting a full report of the findings to date to the recently appointed Federal-Provincial Task Force in Ottawa next week. The Task Force will be asked to map out a program to pin point the sources of higher than desirable radon levels. A special ad hoc Health Hazard Committee composed of senior experts in the Department of Health and the Department of Labour, Saskatchewan Cancer Commission, the Federal Radiation Protection Bureau and the Atomic Energy Control Board met Tuesday, March 30th, 1976 in Regina. The Committee was set up to advise the Provincial Government on the significance of the radon levels from a public health standpoint and on remedial measures.

The Committee was advised that the official data on individual dwellings was on a single sample basis and that further confirmatory testing is necessary. The Committee was further advised that the general survey of all buildings at Uranium

City would continue. The Committee agreed that as an interim guideline radon levels of .03 working levels should continue to be used. It was noted that the United States Surgeon General uses .05 as their guideline. It was further agreed that where levels were .1 or higher, that top priority be given to action in the form of improved ventilation and that the sources of such levels be eliminated.

With respect to the primary schools, it was agreed that conditions were acceptable with proper ventilation but that monitoring should be continued. With respect to the high school it was the view of the Committee that there was no interim hazard involved by keeping the school open. Subsequent tests have shown that the levels in the high school are within acceptable levels. The Committee recommended that further remedial work may be necessary during the summer break and that ongoing monitoring be continued.

MR. E.F.A. MERCHANT: (Regina Wascana) — On behalf of the Opposition let me make a couple of comments about our concerns with the Government's attitude. First we have been very concerned about a situation which came to the attention of the Government as a result of the work of the union in the area; and secondly concerned with the attitude of the Government which has been to claim that it was a federal problem and not a provincial problem. Principally, however, we were concerned because the Government's view of an acceptable level is a misconceived view of what an acceptable level should be. I am informed by very good sources and I accept them and take responsibility for them, the picocurie level in that high school was 170 picocurie per litre. The school was reopened when it was reduced to the 30 range which is the range the Minister refers to. The Port Hope School was closed in Ontario at a level of 12 picocuries per litre. In fairness some of the picocurie levels in that school were higher, 23 in the gym, 30 in the girl's change room. But the Port Hope School was closed and considered dangerous when the picocurie levels were well beneath the picocurie levels at which this Government reopened the school in Uranium City.

We are secondly concerned — I should in fairness say that a 30 level is not a level considered necessarily dangerous to health. The Atomic Energy Commission allows people working in the Uranium industry to work at a level of 30 picocuries per litre but there they take some care to ensure that people working in the uranium industry are not subjected to overdoses. The level considered safe for people is 3 picocuries per litre and indeed in our atmosphere at all times there is a level of 1 picocurie per litre. The last concern that we have is that the Government doesn't seem to be concerned about Rabbit Lake and Uranium City as a community and doesn't seem to be taking sufficient steps in the community as a whole. The distinction at Port Hope is that they discovered that the problems of radon levels were caused because uranium byproducts were still beneath the school. In the case of Uranium City that is not the problem and it may well be that the whole city is in an endangered area. Now again I stress that if we take it acceptable to be 30 picocuries per litre it may well be that the Government can find that city as not being in an endangered area but it concerns us that two jurisdictions, the Ontario and the Saskatchewan jurisdiction should be so far apart in their view of what is dangerous to the people of their respective communities.

The Assembly adjourned at 5:45 o'clock p.m.