

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Eighteenth Legislature
40th Day

Friday, May 7, 1976.

The Assembly met at 10:00 o'clock a.m.
On the Orders of the Day.

REPORTS OF COMMITTEES

Final Report of the Select Standing Committee on Public Accounts and Printing

Mr. J. G. Lane (Qu'Appelle) moved, seconded by Mr. J. L. Skoberg (Moose Jaw North) that the Final Report of the Select Standing Committee on Public Accounts and Printing be now concurred in.

He said: Mr. Speaker, at the end of my remarks I will move that the second report of The Select Standing Committee on Public Accounts and Printing be now concurred in. We have asked that the copies of the report be tabled to all Members and copies to the press. The report is a little lengthier than usual. The Committee attempted to look at fewer departments, but in greater depth and I think in that we had some success. We did express some concern about the capabilities of the Provincial Auditor to adequately review. There is a long list of boards and agencies and branches that the Provincial Auditor was unable to get to because of a lack of staff.

Generally speaking I think, Mr. Speaker, that the Committee attempted to do a responsible and indepth substantive job in reviewing the particular departments chosen. We reviewed the financial and in some cases administrative and certainly accounting systems of the various departments.

I would like to thank the co-operation of the Committee members. The work they did I think was excellent and I now move, seconded by Mr. Skoberg, the Member for Moose Jaw North, that the second report of The Select Standing Committee on Public Accounts and Printing be now concurred in.

Mr. J. L. Skoberg (Moose Jaw North): — Mr. Speaker, I concur in the remarks made by the chairman of the Public Accounts Committee and as had been drawn out in our report that our Committee were more than pleased with the co-operation that was received from the officials of the various departments and from the Provincial Auditor and the comptroller and the people from the Department of Finance.

I think those are the areas that are most important if the public accounts system is to work efficiently and effectively and we found that the co-operation that was received was of the highest calibre.

Motion agreed to.

QUESTIONS

Cable Television Rights

Mr. R. H. Bailey (Rosetown-Elrose): — Mr. Speaker, I should like to direct a question to the Minister of Consumer Affairs. Yesterday in the House of Commons during question period a question was asked regarding the granting of cable television rights in Saskatchewan. The federal Minister in charge indicated to that House that there had been recent communications with you in regard to what policy would be followed in granting licences for the cable television. Now, I know this has been discussed in the House Mr. Minister, would you now inform this House if there has, in fact, been a change in federal policy or if there will necessarily be a change in the Provincial Government's policy?

Hon. E. B. Shillington (Minister in charge of Cable Television): — Yes, discussions took place between myself and the Hon. Otto Lang and the Hon. Madame Sauvé. There has been no change in the provincial position. It is not yet clear whether or not there is a change in the federal position. I said earlier that we went to Ottawa, we had received what we thought was a good hearing and everybody seemed to be in a conciliatory mood, but we haven't yet received any decision from the CRTC. If that decision were unfavorable and if we were to appeal it to the federal Cabinet, we don't know what their decision would be. So the answer to your question is, we really don't know whether or not there has been a change in federal policy, but there seems to have been a change in attitude, if that answers your question.

Mr. Bailey: — Supplementary question, Mr. Speaker. It is my understanding and I do not have the transcripts, of course, but my understanding is that Madame Sauvé indicated to the House of Commons yesterday that they would not be granting, through CRTC, licenses for cable television, but by using government, that is provincial government hardware. Now, my question is, will there be a conflict arising then if that, in fact, is the federal policy, what would be the provincial attitude at that time?

Mr. Shillington: — Well, if, and I would have to see the copy of the Hansard report on exactly what Madame Sauvé said, but if she said that the cable operators must own all of the hardware, then there may well be a conflict. That hasn't been the attitude of the Federal Government to date and it comes as some surprise if she would make that statement. For one thing it isn't Madame Sauvé who makes the decision. It's the CRTC at the moment. I'm surprised that she would take upon herself to make a decision that the CRTC, an independent body, really should make. But if she did say that, then the possibility of a confrontation looms. That's right.

Mr. Bailey: — Final supplementary, Mr. Speaker. I repeat to the Minister I don't have the transcripts, but my understanding is that there were words said to that effect. When will the Minister then be able to state the policy precisely that is, in fact, in agreement with the Federal Government? Certainly the

people who want to get the cable television off the ground will want to know the decision and I'm asking the Minister now, will he have further communication with Ottawa so that this can proceed as rapidly as possible?

Mr. Shillington: — Very little can be done until we get a decision from the CRTC. We're really in limbo waiting for the CRTC to make a decision. Once they make a decision and we know where we stand with respect to the granting of licences, then we'll be in a position to discuss with the Federal Government and make some decisions and some announcements fairly quickly. But until we get those decisions, we don't know where we are. We have said that with respect to the hardware, we will provide the hardware providing we own it. We have said that we are not prepared to enter into any system whereby they attach cables to our poles. We have said that provided we own the hardware and provided a licence is granted on the basis that the hardware is owned by Saskatchewan, we will provide the services to any applicant they licence. So with respect to who gets the licences, I don't think that we are in a sense in a confrontation. The hardware may well lead to that.

Mr. C. P. MacDonald (Indian Head-Wolseley): — Further supplementary, Mr. Speaker. Will the Minister, if this is the final decision of the Federal Government, that as the Member for Elrose indicated, and there would then definitely be a conflict of interest between the Province of Saskatchewan and the Federal Government, will the province then review its position in order that the people of Saskatchewan, if the Federal Government remains firm, in order that the people of Saskatchewan will be assured that they can get cable television?

Mr. Shillington: — As I said, I would be amazed if in fact that were the decision of the Federal Government. But putting the worst possible light on what Mrs. Sauvé might have said, certainly we are prepared to review the stand we have taken. I would hope the Federal Government would be prepared to do the same. May be there is some room for negotiations. We want to see cable television in this province as soon as possible. That is our stated goal. We are not in a position at this point in time to make any commitments to the House as to what position the Government might take.

Increase in Oil Prices

Mr. D. G. Steuart (Leader of the Opposition): — I should like to direct a question to the Minister of Industry, I presume he is the acting Premier.

In light of the apparent lack of an agreement being reached at the Energy Conference at Ottawa, and in light of the statements made by the Premier of Ontario, that if there is in fact a substantial increase in the price of oil, with no compensation to those non-oil producing provinces, they are going to press for a total re-consideration of the equalization grants. Could the Minister tell us if he has been in contact with Mr. Romanow or if the Cabinet have discussed this situation, (a) as to what

price Saskatchewan is asking for, to what price increase Saskatchewan is asking for and in a general way what they intend to do with that increase. What percentage of it would go to the industry, what percentage would they keep themselves and what, if any thing, are they prepared to do to cushion the effect of a further increase in oil prices to the people of Saskatchewan?

Hon. J. R. Messer (Minister of Industry and Commerce): — In answer to the Leader of the Opposition's question I have not personally talked to Mr. Romanow. He will be returning from the conference sometime later today. I have been informed both by the news media and by other sources there is expected to be a meeting between either officials of the Federal Government or the Prime Minister and the producing provinces of Alberta and Saskatchewan to further discuss the dilemma that they were confronted with when the meeting in Ottawa broke up. In light of the prospective further meeting, I don't believe that the Government is in a position to announce what prices it may suggest when it discusses with the Federal Government the establishment of a price. I think therefore that the other questions that the Leader of the Opposition asks in regard to what the division of the money will be and whether or not there will be some means implemented to cushion the increased price which I think probably will be substantial under any case, are not relevant at this time.

Mr. Steuart: — Not really a supplementary, Mr. Speaker, but I would hope that if the Attorney General does return in time to take part in the session today, that you would convey to him a request that he make a statement and I would certainly hope that the House would accommodate him and the Speaker would accommodate him so that we could find out just exactly what the situation is with regard to this extremely important meeting.

Mr. MacDonald: — A further supplementary, if I may, Mr. Speaker.

Has the Provincial Government done a calculation that if all the Energy Fund or all oil revenues are then thrown into the general formula, as you know now they are not, considered for equalization, what this will cost the Province of Saskatchewan in equalization payments.

Hon. E. Cowley (Provincial Secretary): — Mr. Speaker, there have been some calculations done with respect to that. I can't give the Hon. Member the figures because when I was familiar with them, it was in different times under different circumstances. I think the cost would be fairly substantial to the Province of Saskatchewan but they would be massive in terms of what it would cost the Federal Government if all the resource revenues were thrown into the equalization pool. As I recall the calculations six to twelve months ago, Ontario would receive equalization. I think the Member for Prince Albert-Duck Lake certainly can appreciate the cost of that to the Federal Government in terms of eight million people when you start paying equalization. The losses would be significant in terms of Saskatchewan. But the Federal Government in doing that would incur very massive costs itself in terms of providing further equalization to the

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other provinces and to one new province, Ontario.

Mr. MacDonald: — One final supplementary. Has there been any move by the Federal Government at this time to reassess the formula, to change the formula for equalization so that these energy funds would be taken into consideration and will not have the drastic impact on the federal budget in relation to provinces like Ontario?

Mr. Cowley: — Mr. Speaker, I can't remember the exact date, but the Fiscal Arrangements Act under which equalization, revenue guarantees and other things will be up for renewal in 1977. I know there have been preliminary meetings of officials of the Federal Department of Finance and certain officials of the provincial governments to talk about the general way it is going. If my memory serves me correctly, the Minister of Finance and his staff will be journeying to Ottawa sometime in June to carry on discussions with the Federal Government and with the other provinces at that time on the Fiscal Arrangements Act which would be where they get at equalization plus many other things that come under that Act. That certainly would be one of specific interest to Saskatchewan.

High School for East Regina

Mr. Lane: — Mr. Speaker, a question to the Regina Members of the Treasury Bench. I have asked the question several times in the past as to the promised high school in east Regina and would one of the two Members from Regina please advise whether or not this matter has yet come before the Cabinet?

Hon. E. Whelan (Minister of Mineral Resources): — To my knowledge it hasn't come before Cabinet as yet.

Mr. Lane: — Do you know as a Regina Member, the Minister of Education had indicated before Christmas when I questioned it again at the end of the potash session and again earlier this Session that it would be coming up very shortly. Do you have any indication as a Regina Member of the Executive Council when the announcement will be made of a new high school in east Regina or if an announcement of a new high school in east Regina will be made.

Mr. Whelan: — No.

Radio Broadcasting Policy

Mr. Bailey: — A question to the Minister in charge of the Human Rights Commission. It is my understanding that one of the radio stations in Regina has adopted a policy that will not carry paid religious broadcasts on that particular station. Would the Minister not agree that this is a type of discrimination and would the Minister not also agree that this is a matter that should be taken to the Human Rights Commission itself?

Mr. Shillington: — It is difficult to comment

without having seen the matter. Anyone can take it to the Human Rights Commission, including the Hon. Member for Rosetown-Elrose. If you think it is a matter they should review I would invite the Hon. Member to bring it to their attention.

ID Changes

Mr. G. Penner (Saskatoon Eastview): — A question to the Minister in charge of the Liquor Board. In light of the fact that the House recently has given approval in principle to the concept of raising the drinking age, I am wondering if your Department has given any consideration to a change in the ID system used by young people.

Hon. N. Byers (Minister in charge of Liquor Board): — I think, Mr. Speaker, that the present provisions for the ID are in the Act. It would require change to the Act.

Mr. Penner: — Has the Minister any intention, certainly not in this Session but in the fall session of bringing in amendments to that effect?

Mr. Byers: — Mr. Speaker, if this House prorogues, between prorogation and the next session the Government will be looking at possible amendments to a good number of Acts and the Liquor Licensing Act may well be one of them.

Mr. Penner: — With a further supplementary Mr. Speaker. Will the Minister at the same time and the Government at the same time be looking at changes in the Act with regard to enforcement both from the point of view of those who serve those who are under-aged and those who, to use the vernacular, pull, for those who may be under age.

Mr. Byers: — Yes, the matter of enforcement is under continuing review.

Educational Grants to Agricultural Organizations

Mr. L. Birkbeck (Moosomin): — I did have a question for the Minister of Education and he is not in the House at the present time. I was put on notice by the Premier on this very question. I will direct the question to the former Minister of Education and possibly the Minister of Agriculture might be able to respond.

I am wondering if the Department of Education has made a grant or grants of any kind in '75-76 for Educational purposes to the Farmers' Union?

Hon. E. Kaeding (Minister of Agriculture): — You are asking whether there was a grant made for educational purposes to the NFU? Yes, they made a request last year for a grant for research in education and a grant was given to them.

Mr. Birkbeck: — A supplementary, Mr. Speaker.

What amount was that grant in round figures?

Mr. Kaeding: — I don't recall the figure of the grant at the present time.

Negotiations with Duval Potash Company

Mr. E. C. Malone (Regina Lakeview): — Mr. Speaker, a question to the Minister in charge of the Potash Corporation of Saskatchewan. I have asked the Minister a series of questions earlier in this Session about the possibility of the Government or the Potash Corporation of Saskatchewan entering into an agreement with Duval to purchase their assets in this province. At the time the Minister indicated to me that negotiations or discussions were being carried on. This likely being the last day of this particular Session, is the Minister in a position today to tell me what is happening in connection with those negotiations and has an agreement been made with Duval to purchase their assets?

Mr. Cowley: — Mr. Speaker, we have made no agreements with any potash corporation or company operating in this province to purchase their assets. We are in discussions with more than one of the companies. There are some meetings between officials of the Potash Corporation and officials of various potash companies coming up in the next two or three weeks. I would expect that we may have something to announce out of those but on the other hand we may have to go back for a week or so and review our positions and get back together again after that. The answer is the discussions are still ongoing but we have no announcements to make at this time.

Mr. Malone: — A supplementary question, Mr. Speaker. Have any agreements of any kind been entered into between the Potash Corporation and any of the other potash companies carrying on business in this province?

Mr. Cowley: — Well, Mr. Speaker, I could answer that question yes or no, depending on how I interpret agreements. With some of the people that we are talking to, Mr. Speaker, we have agreements with respect to confidentiality of information passed back and forth and that sort of thing but if you are talking about an agreement with respect to purchase or a sales contract, that sort of thing, the answer is no.

Mr. W. H. Stodalka (Maple Creek): — A supplementary, Mr. Speaker. Is it still the Government's policy to purchase at least 50 per cent of the potash industry in Saskatchewan?

Mr. Cowley: — Approximately.

Mr. Malone: — A supplementary, Mr. Speaker. The announced policy of the Government by the Premier was to purchase at least 50 per cent and as much as 100 per cent, now you are saying approximately 50 per cent.

Mr. Cowley: — No.

Mr. Lane: — Are you going to purchase intentionally less than 50 per cent of the potash industry?

Mr. Cowley: — Perhaps, I wouldn't quibble at 49.7.

Educational Grants to Agricultural Organizations

Mr. Birkbeck: — Mr. Speaker, this is a new question or a supplementary to my original to the Minister of Agriculture. Did your Department or any department of the Government make any other grants to agricultural organizations for education purposes or whatever — research?

Mr. Kaeding: — Yes, the grant you are referring to came from the Department of Education.

Mr. Birkbeck: — Did you make other grants to any other organizations?

Mr. Kaeding: — Well it came out of the request to the market development fund and there are quite a number of other items funded out of that particular fund. No, not the market development fund, I'm sorry. It is out of the fund for other agricultural services or whatever that fund is called. I forgot what the name of the fund is. There is a large number of other items funded out of that, this one was funded to the Farmers' Union for research and education leadership development project.

Mr. Birkbeck: — Can you give me the name of any other organization, agricultural organization that received a grant of this nature? Is it just the Farmers' Union that received a grant?

Mr. Kaeding: — Yes, I think in the year 1975, they were the only ones that applied for that type of a grant.

Mr. Speaker: — Order! I think I am going to go to a new question. I can't see the urgency on this matter.

Mr. Lane: — Well, if this is only — to the Minister of Agriculture — if this is the only farm organization that is getting that particular grant and if you are a member of that farm organization, were you involved in the deliberations to making that grant and, if so, would you not admit that that would seemingly be a conflict of interest?

Mr. Kaeding: — Mr. Speaker, that grant was approved long before I became Minister of Agriculture.

Government Purchase of Land at Coronach

Mr. R. A. Larter (Estevan): — Question to the Minister of Sask Power. Could the Minister tell us if the settlements in the Coronach land purchase or confiscation by the Saskatchewan Government have been resolved completely to the satisfaction of the owners through arbitration or through negotiations?

Mr. Messer: — No, they have not, not at this point in time. I believe I conveyed to the House some weeks ago that I proposed a mediation process be considered to resolve the differences between the Saskatchewan Power Corporation and the Land Owners' Association. They had responded to that proposal suggesting that rather than one mediator there should be a board of mediation considered and if I was prepared to consider that then they might perhaps undertake to give their approval to such a process in arriving at a settlement. I received a letter from the President, Mr. Elder, some days ago indicating that they had now changed their mind in regard to the structure of the mediation process and that they wished to have one mediator appointed. They agree that that person should be Dr. Barber, the President of the University of Regina and that we should undertake to acquire the use of solicitors for both parties to negotiate and agree to the conditions of mediation. That now is where the matter stands.

Camp Sites and Road Parking Facilities

Mr. Bailey: — Mr. Speaker, just one question to the Minister of Highways. What date can the Saskatchewan motorists expect the camp sites and the road parking facilities that we have along Saskatchewan highways to reopen — what date?

Hon. E. Kramer (Minister of Highways): — Well, usually at the same time as parks and so on open, that's the holiday weekend, the 24th. I think that is usually when they open.

Hon. A. Matsalla (Minister of Tourism and Renewable Resources): — Just to add to the Minister's remarks, the opening date is to be May 20th.

Mr. Kramer: — I would like to inform the Member for Elrose-Rosetown, the only job the Department of Highways does at those sites is to pick up the garbage.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — I would like to ask the Minister if he is the man in charge of it.

Mr. Kramer: — We're in charge of taking it from you over here.

Mr. Speaker: — Order!

STATEMENTS

Misleading Impression on MLA Salary Increases

Mr. Cowley: — Mr. Speaker, before the Orders of the Day I have a brief statement I would like to make. I would just like to comment and clarify on what I believe can only be described as a false and misleading impression contained in the front page story in the Thursday, May 6 issue of the Leader-Post and I may say portrayed also by one Harvey Kirk on the CTV National News last night.

The story indicated that the Government had revealed plans to increase the pay of Members of the Legislature by more than 50 per cent during the next two years. Mr. Speaker, I would like to point out as I did last night, the last increase for MLA's was made in 1972 retroactive to 1971. To suggest that an increase passed today which will not fully come into effect until 1978 is an increase of any amount over two years is I believe false and misleading. Mr. Speaker, there are no plans whatsoever to increase the pay of Members of the Legislature by 56 per cent over the next two years, three years or four years. The increase of remuneration which is being proposed in the Act to amend The Legislative Assembly Act provides for an average annual increase of about 8.99 per cent over four years. This matter was referred to the public sector Prices and Compensation Board which reviewed the proposed increases in relation to wage guidelines which entitle any group whose contract hasn't been opened up to review during the last two years to receive an increase of up to 12 per cent in the first year and annual increases of eight per cent thereafter. There is a ceiling of \$2400 in any increase in any one year.

In approving the increases in pay being proposed the public sector Price and Compensation Board noted that and I quote:

The compensation for any one MLA in any year is well below the maximum of \$2400. The last change in compensation for the above was made in May of 1972, therefore the total is less than allowed by the Federal AIB formula.

An increase is being proposed in the expense allowances of Members. This is being done in an attempt to keep up with the cost such as meals, hotel rooms, operating costs of automobiles, constituency offices, mailing, etc., which have risen dramatically since 1972. The Board regarded those expenses in the same light as those expenses of other employee groups or public sector enterprises and treated them as a cost pass-through not controlled under AIB rates.

Mr. Speaker, I think it is indeed unfortunate that some members of the press and I only say some because I listened to three or four newscasts and I noted one newscast which I thought was very accurate. Another one in which the 54 or 55 per cent figures was noted but the newscaster took the time to say that he thought that this was an unfair way of looking at it and I thought did a responsible job of reporting it. But I was very unhappy with the way in which it was treated in the Leader-Post and by the National CTV News. Mr. Speaker, I think it is difficult enough in these days to convey information without having it sensationalized to the maximum possible figure so that anyone

can misconstrue from that particular Bill.

Some Hon. Members: — Hear, hear!

Mr. R. L. Collver (Leader of the Progressive Conservatives): — Mr. Speaker, in replying to the Minister's statement, I should like to say that certainly, I, too, feel very sorry that the press have in some instances construed and misappropriated if you want, the amounts involved. However, I would suggest to the Minister and to the other Members of this Assembly that at this particular time, in this particular place when we are attempting to fight inflation, it is incumbent upon the leaders of the community, the political leaders to exhibit perhaps even more restraint than is expected of other people in the community. When the leadership does not show this kind of restraint in this kind of a period, we hold ourselves open to that kind of miscalculation and that kind of presentation by the press. I would say once again and repeat my comments of yesterday. That it is important that we show the leadership, it is important that we exhibit the leadership in this fight against inflation. It is our opinion that we are not doing it with this raise in pay.

POINT OF ORDER

Question Period

Mr. R. Katzman (Rosthern): — A Point of Order before the Orders of the Day, Mr. Speaker. Once again today you showed your bad judgment in Question Period when you allowed a supplementary and ruled mine out of order on the same point.

Mr. Speaker: — If the Member will check the record he will find that I did not allow a supplementary, I took it as a new question. There was no one else on his feet at that time.

SECOND READINGS

Mr. J. A. Pepper (Weyburn) moved that the amendments to Bill No. 37 — **An Act to amend The Liquor Licensing Act**, be now read a second time.

Amendments agreed to and read a second time on the following recorded division:

YEAS — 49

Pepper	Shillington	Wiebe
Thibault	Rolfes	Malone
Bowerman	Cowley	MacDonald
Snyder	Tchorzewski	Penner
Byers	Matsalla	Cameron
Lange	Skoberg	Nelson (Assiniboia- Gravelbourg)
Faris	Vickar	Clifford
Kowalchuk	Nelson (Yorkton)	Anderson
Robbins	Allen	Thatcher
MacMurchy	Koskie	Collver
Mostoway	Johnson	Larter
Larson	Thompson	

Whelan
Kaeding
Kwasnica
McNeill
MacAuley

Banda
Steuart
Stodalka
Lane

Bailey
Berntson
Ham
Katzman
Birkbeck

NAYS — 00

Nil

WELCOME TO STUDENTS

Mr. R. Katzman (Rosthern): — Mr. Speaker, I beg leave of the Assembly to introduce students in the gallery. Seventeen students from Allan High School with their teacher, Don Federko are visiting us today. They toured the Assembly, they are going to the RCMP Barracks later. We are glad to have them here today and I hope they enjoy their visit.

Hon. Members: — Hear, hear!

Mr. P. P. Mostoway (Saskatoon Centre): — Mr. Speaker, I too should like to welcome the group of students from Allan School, Grade Twelve class, Mr. Don Federko. I had the pleasure of teaching at Allan school. I know from first hand experience that those are probably the best students there are in Saskatchewan. I want to say that I hope they have a pleasant stay in Regina and see many interesting things and hear many interesting things in this august Chamber. I am sure that we all wish you a safe journey back.

Hon. Members: — Hear, hear!

Hon. N. E. Byers (Kelvington): — I also should like to welcome the students and their teacher Don Federko. Don was one of my former students and he is the brother of the Bernie Federko who plays with the Saskatoon Blades Hockey Team.

Hon. Members: — Hear, hear!

Mr. G. Penner (Saskatoon Eastview): — Mr. Speaker, I want to join in welcoming the students from Allan and Mr. Federko. I think probably it would be well to say that Bernie is Don's brother instead of the other way around. I agree with the Member for Saskatoon Centre in saying that Allan is an extremely fine school. It comes out of the finest school unit in Saskatchewan. There is no question of that. Please take greetings back to your fellow students and to the members of the staff. I will look forward to seeing you in the school next week.

Hon. Members: — Hear, hear!

MOTION

House Sittings

Hon. G. MacMurchy (Minister of Municipal Affairs): — Mr. Speaker, I move, seconded by the Minister of Labour (Mr. Snyder):

That on Friday, May 7, 1976, Rule 3(3) be suspended so that the sitting of the Assembly may be continued from 7:00 o'clock p.m. until 9:30 o'clock p.m.; and That notwithstanding Rule 3(4), on Saturday May 8, 1976, the Assembly shall meet at 10:00 o'clock a.m. until 5:30 o'clock p.m. and there shall be a recess from 12:30 o'clock p.m. until 2:30 o'clock p.m.; and that the Order of Business shall be the same as on Thursday.

Motion agreed to.

STATEMENT

First Ministers Conference

Hon. R. Romanow (Attorney General): — Mr. Chairman, yesterday in the absence of Premier Allan Blakeney, it was my privilege to attend the meeting of First Ministers in Ottawa. I regret that this meeting failed to produce an agreement on a new oil price to take effect on July 1.

Saskatchewan's position was stated in the strongest possible terms. We think that the price of oil in Canada which now stands at \$8 per barrel should rise in stages to the world level, presently around \$13, in order to encourage more prudent use of this depleting resource, to provide funds for exploration and development and to ensure a fair return to the producing provinces.

During the conference yesterday the present price difference between domestic and imported oil, it was indicated, represents a Saskatchewan contribution to Canadian consumers of approximately one-quarter of a billion dollars a year. Our Government has taken the position that effective July 1, 1976, the price of Canadian crude oil should rise to \$10 per barrel an increase of \$2 from the current level. To help shield Canadian consumers from the full impact of a price increase, we have urged the Federal Government to reduce or remove its ten cent per gallon excise tax on gasoline.

At yesterday's meeting I also renewed Saskatchewan's suggestion that additional revenues from higher oil prices be placed in a Canada energy security fund, to be administered jointly by the Federal Government and the producing provinces and used for exploration and development of additional energy resources. The proposal was considered but there has been no acceptance of it at the present.

The failure to reach general agreement on a new oil price leaves responsibility for a final decision with the federal authorities. The Prime Minister intends to consult further by telephone with the Premiers of the producing provinces. I am hopeful that he will recognize the need for a substantial price increase now, as a further step toward world price levels. I

think failure to do so would make a mockery of the Federal Government's own energy strategy just announced a few days ago and released, I think, about one week ago exactly.

Two other items, the revenue guarantee and the patriation of Canada's constitution received brief consideration at the meeting. Both will be dealt with in detail at the upcoming meetings of First Ministers.

Mr. D. G. Steuart (Leader of the Opposition): — Mr. Chairman, I wonder if I may make a brief reply to the statement by the Attorney General and I thank the Attorney General for making a copy of his statement in connection with the meeting on energy and oil available to me, a short time ago.

I think that the breakdown of the negotiations between the ten provinces about a Canadian wide price for oil is most unfortunate, because it's going to leave the final decision up to the Federal Government and I think we must keep in mind that these agreements or these disputes, which ever they end up in being, are literally between the ten provinces. The Federal Government tends to be an arbitrator at the table and in the agreements that have been reached up to this point, the Federal Government ends up taking some of the revenue that might normally accrue to the producing provinces and paying it out to the non-producing provinces, the Maritimes mostly and Quebec to some extent, to level off the price of oil at \$8 a barrel as the Attorney General has said.

Now, I think, that if the Province of Saskatchewan is taking the attitude, and it appears from the Attorney General's statement that they are, that the world price of oil should be pushed up until it reaches or the Canadian price of oil should be put up until it reaches the so-called world price of oil, which is \$13 a barrel, which would be an increase of about \$5 a barrel, I think we're taking a very shortsighted attitude and a very foolish attitude, and I say that for these reasons. The American price of oil is about \$10.50 a barrel. I beg your pardon.

Mr. Romanow: — About \$10 . . .

Mr. Steuart: — Yes, about \$10 maybe a little less. This is becoming, outside of Canada, almost a continental price for oil. I believe that Canada should be attempting to reach fairly rapidly, that particular price. This would give us an increase of something over \$2 a barrel. I say that for these reasons. If we go much beyond the American price we stand in jeopardy, at least we stand in danger of jeopardizing a great many of our exports. We stand in danger of pricing ourselves out of the American market for example, as well as other markets. Since the Americans are not only our best customer and also our greatest competition, I think any move to get a basic cost like energy above their price or above their costs is a very dangerous game. I think we should not be pushing for the \$13 so-called world price for other reasons. I want to point out that the \$13 price is not really the world price. The \$13 price is as arbitrary in its own ways as the American price of \$10 and 30, 40, 50 cents a barrel or the Canadian price of \$8 a barrel. These are prices set by various trading blocks of various countries for their own narrow interests and we should be, as I say, extremely reluctant to try to get top dollar.

I say so for another reason. It will give a tremendous impetus to inflation which will hurt us all. I say this for another reason. Saskatchewan is playing, I think, a very dangerous game. The reason we couldn't come to an agreement in Ottawa this last time is that the other provinces which have to pay the price are just dug in. Ontario is already talking about doing everything they can to change very dramatically the fiscal relations between the Federal Government and the provincial governments. Now, they are a powerful part of this nation, eight million people, and if they succeed in changing these relationships to any extent, we are gambling here in Saskatchewan with about \$370 million a year. On the one side we've got \$250 million we might be putting in the pot by staying at \$8. Against that we've got the very real \$370 million we get from the other Canadians in provinces that are supposed to be more prosperous than we are. So I think we are playing a very dangerous game. The other thing, I think we should take into consideration that when we push the price up and it's the producing provinces that are attempting to push them up, all Canadians, including Saskatchewan taxpayers, Saskatchewan farmers, Saskatchewan people, in the final analysis pay the price at the gas tank for their farm fuels, to heat and light their homes.

So, I would suggest that the Government of Saskatchewan should take another look at their position. I hope that if they were able to say to the other provinces, the non-producing provinces, we're prepared to go up to \$10.50 or \$10.40 or \$10.25 or whatever is the American price and stay there and ride that price with the continental price, I suggest that they might be able to get an agreement. I think in the short run, but especially in the long run, if we can get an agreement with the rest of Canada, the other provinces, then we are going to be a lot safer, because when our oil runs out, we're still going to have our hand out to the other provinces for equalization payments and other fiscal transfers to this province and while we might grab a little extra right now when we have them over the barrel, we may lose far more, not in the short run, but in the medium and long run.

So I would hope our province would take a little longer view than they appear to be taking at this time and look at all the consequences of trying to force the price up immediately to \$13.

Mr. R. A. Larter (Estevan): — Mr. Chairman, in replying to the Attorney General's statement, I would like to say that the PC Party certainly does stand with him and the Government in attempting to get a \$2 increase per barrel of oil. I am disappointed with the figures that are bandied around the amount of money that is going to be available for exploration after taxation at both the federal and provincial level. I also do not agree with the Leader of the Opposition when he mentions that the Federal Government is the arbitrator. I believe that the decision on our oil prices and what is happening to Saskatchewan oil is made jointly between Saskatchewan and Ottawa. I am also disappointed that the Premier could not see fit to attend this First Ministers' Conference. I think a conference that is so important as this, I think it was very important that he be there. I am in no way trying to belittle the Attorney General's ability, but I just feel that this is a very important time and a very important event.

SECOND AND THIRD READINGS

Appropriation Bill

By leave of the Assembly, and under Rule 48, the Hon. Mr. Smishek moved that Bill No. 80 — An Act for granting to Her Majesty certain sums of Money for the Public Service for the Fiscal years ending respectively the Thirty-first day of March, 1976 and the Thirty-first day of March, 1977 — be now read a second and third time.

He said: Mr. Speaker, before presenting the motion for second and third reading of the Appropriation Bill, I wish to make a few remarks.

It is traditional for the Minister of Finance at this time to summarize the days and weeks of debate that has taken place in the Estimates. It is also traditional to respond to the various issues raised by Members of the Opposition.

Mr. Speaker, during the Budget Speech I indicated that the Saskatchewan economy in 1976 was operating at nearly full capacity, and was continuing to expand. Preliminary statistics compiled during the first quarter of 1976 suggest that this expansion is continuing. Let me give you a few examples of the key economic indicators which illustrate this. On a seasonally adjusted basis, Saskatchewan's unemployment rate at March 1976 was the second lowest in Canada, as of this month undoubtedly it is again the lowest. The province's gross provincial product for '75 was 12.3 per cent above '74 and the growth is continuing. Housing starts in Saskatchewan's seven largest cities totalled 860 for January and February of 1976. For the same period in 1975, which was a record year, housing starts in those seven cities for that period totalled 279.

Inflation continues to be the major economic problem facing Canada in 1976. The national consumer price index between March 1975 and March 1976, rose by 9 per cent. Mr. Speaker, as indicated in the Budget, Saskatchewan agrees that there is a need for decisive action on a national level to fight inflation. In order to join that national fight, the Government of Saskatchewan has acted. The Saskatchewan public sector Prices and Compensation Board was established, rent control legislation has been enacted, a surtax of provincial income tax has been implemented to ensure that high income earners share fairly in their fight against inflation. We have presented a budget which practises fiscal restraint. This Budget will again be a budget which is balanced and one which controls the rate of increase of government spending.

Some Opposition critics have said that the province will run a huge deficit in 1976-77 and that the expenditures of this Government are out of control. Mr. Speaker, I urge them to examine the records. We have introduced a remarkable number of innovative and forward looking programs since we first took office in 1971. Consider them, Mr. Speaker, Dental Care, the Drug Plan, Property Improvement Grants, massive increases in assistance to local governments, Family Income Programs, Farmstart, Land Bank, province-wide support for kindergarten, a variety of housing programs, community colleges and other social and economic programs.

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Yet even with these advances in unique social and economic programming Saskatchewan still has a level of per capita expenditures which is the third lowest in Canada. A tribute to all those employees who work and serve the public and to the efficiency of our delivery systems.

Mr. Speaker, when I brought down the Budget in March, I indicated that the modest surplus of \$1.5 million would be realized in 1975-76. Now that the accounts are closed, indications are that it will be a substantially larger figure, substantially larger, Mr. Speaker, than I had predicted. Mr. Speaker, an interesting package indeed isn't it? Many important new programs for people, balanced budgets year after year and the third lowest expenditure per capita in Canada.

Since I have presented the Budget on March 24, most other provinces have brought down their budgets; most provinces have been forced to raise taxes and in some cases the tax increases have been very significant. In a number of cases large deficits are being encountered.

Let me very briefly compare Saskatchewan's taxes with those of other provinces. Our personal income tax system is the most progressive in Canada. Saskatchewan taxpayers in the lower income brackets pay the lowest provincial income tax in Canada. Our gasoline tax is the second lowest. Aside from Alberta, Saskatchewan has the lowest retail sales tax. Saskatchewan residents continue to be exempt from payment of hospital medical care premiums. In our neighboring province to the west of us, in Alberta, it is now \$154 for a family, an increase of 12 per cent over 1975. In Ontario, it is \$384 per year for a family, an increase of 50 per cent over 1975.

Our automobile insurance rates are still the lowest in Canada. Our corporate tax rate compares favorably with the rates in other provinces.

Mr. Speaker, in 1976-77 we are faced with a new challenge, the need to continue orderly development, but also to restrain the growth in spending and we are to help in the control of inflation.

Mr. Speaker, this Budget meets that challenge. We have carefully examined our programs, eliminating some and holding the line in others. We have attempted to do this by preparing with care, leaving funds for essential levels of service intact in the key areas.

Mr. Speaker, these decisions were not easy, they were difficult decisions, taken at a time when pressure for increased programming in a variety of areas is great; they were difficult decisions, but I submit they were responsible decisions. As a result we will be able to live within our means. I predict, Mr. Speaker, when the accounts for 1976-77 are finally closed, this Government will have recorded its sixth successive balanced budget.

Mr. Speaker, by leave of this Assembly and in accordance with Rule 48 it gives me a great deal of pleasure to move second and third reading of this Appropriation Bill.

Some Hon. Members: — Hear, hear!

Mr. R. L. Collver (Leader of the Progressive Conservatives): — Mr. Speaker, this has been a long session, if you count the one in the fall and one which on balance has not been good for the people of Saskatchewan.

We have seen this Government continue to centralize and strengthen the power of the Cabinet over the daily lives of everyone in the province. The Minister of Finance in his brief remarks mentioned the Budget and mentioned the economy of the province. He says that the economy is healthy and that he has been successful this year in obtaining (because of good crops and because of good weather) enough tax revenue to cover the expenditures and perhaps have a reasonably substantive surplus. However, I hope the Minister of Finance is not suggesting that the benefits of nature and the good works of good weather has anything to do with the Government opposite or anything to do with man at all. We have been very lucky, and very fortunate this past year and we should thank God for that good fortune and not take the kind of credit for this good fortune that I believe the Minister of Finance has attempted to do.

He says that inflation is one of the biggest problems that we have to face, and I concur wholeheartedly with the Minister. Inflation will destroy the moral fibre of this country; inflation will destroy all the institutions that this country has built up if it is allowed to continue with the kind of pace that it has been in the last year. The Minister suggests that somehow it is the Federal Government's responsibility to solve this problem. I suggest to him that we all have a responsibility to solve this problem, not only the Federal Government, but the Provincial Government, the provincial institutions, the labor unions, companies, the individual citizens of our province, everyone has a responsibility to solve this problem.

Unless the Provincial Government is prepared to show leadership in this fight against inflation, then I don't believe that the individuals of the unions, of the companies, or anyone else in Saskatchewan are going to show the kind of restraint and the kind of responsibility as individuals that is going to be absolutely essential if we are to beat this nemesis of our society, inflation.

Over the last session, as I mentioned, we have seen this Government continue to centralize and strengthen the power over the daily lives of everyone. We dealt with a budget that appeared to be purposefully designed to mislead. The Minister of Finance tried desperately to juggle facts and figures in order to present a glowing and confident report and a confident financial picture to this House and the people of the province. We were able to expose him in this con game and bring to the light of day the problem of showing lower than correct numbers of civil servants, the problem of indicating a balanced budget when in fact known expenditures were not shown through salary increases and so on and the fact that Advance Accounts were being used to budget for Ordinary Expenditures that were budgeted for in the previous period.

The unfortunate aspect of the Minister's Budget game is that the people of Saskatchewan may have to meet a deficit — I say may — which will materialize without the knowledge in advance that it might possibly materialize because the Minister was not

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honest with the people of Saskatchewan.

Mr. Speaker, the continuing trend of concentration of power in the hands of the Cabinet, centralization was very evident during this Session. It is a trend which should concern all of us, it is most unfortunate that the private Members opposite appear to have become little puppets on a dangling string of the Ministers and of the Cabinet. Maybe they intend to become minstrels some day. We saw an attack on our political legacies when the Government brought in Bill 62, The Mineral Resources Act. It gives the Cabinet frightening powers, sets a precedent retroactively, which bodes ill to the basic freedoms of the Province of Saskatchewan. The Coal Conservation Bill gives broad and discretionary powers to the Minister and to the Cabinet. It would appear that the Government Members opposite believe that democracy should only function once every four years and that it should have absolute power over all of us in between. Unfortunately, once all or even most of the power is in the hands of the Cabinet, (centralized, concentrated in the hands of the Cabinet) even that function history tells us will be lost. That appears to be the philosophy of the present government, it was clear during this Session.

Mr. Speaker, thousands of our citizens came to Canada and to Saskatchewan and I emphasize this to the Attorney General because of his ancestry, to get away from just such philosophies.

Mr. Speaker, for a moment I wish to refer to the Government's waffling on the serious issue of inflation. Of course this Government enjoys waffles, it appears that it has become its main diet. The Budget didn't show any restraint in the anti-inflation fight. The citizens are looking to this Government for leadership in this vital issue. Unfortunately today was the capper to this problem. Increases in Members' indemnities were certainly not a sign of any leadership in restraint. How do you expect and how do we expect the workers in the Province of Saskatchewan to show restraint and to show individual responsibility, if we refuse to set an example?

Mr. Speaker, I regret that the Government chose to include third party status in the indemnity changes, however this Government's record shows that it will do whatever it wishes to do and damn the people of Saskatchewan.

Mr. Speaker, one area which this Session faced up to was that of teenage drinking on a positive note. I can see that raising the age level to 19 from 18 will not eliminate the problem but it is a step in the right direction. Alcoholism and alcohol abuse is a serious problem and one that we must give more serious consideration to. The past session is not one the NDP Government can be proud of. The people of Saskatchewan are realizing now and will realize more and more the power trip that the present Cabinet is on. I am confident that the vast majority of our citizens want nothing to do with such a course and will change the direction at the very first opportunity that they have.

In conclusion, Mr. Speaker, I should like to thank the individual Members of the Legislature opposite and to my right for the courtesy, the deference and the respect that they have shown to me personally during the past two sessions.

Some Hon. Members: — Hear, hear!

Mr. C. P. MacDonald (Indian Head-Wolseley): — Mr. Speaker, after that very nice remark from the Leader of the Conservative Party I hate to get up and spoil the decorum of the House. I'll just be myself. Everybody is so tired I have never seen an appropriation bill where practically the entire House is gone, including the Government and Opposition, so I don't intend to take very long, Mr. Speaker. But I want to say this, and I want to take people back to the day that the Budget was introduced. I think today we are summing up and evaluating the Budget itself, and the Estimates funnelling the Budget until this final appropriation day.

I want to also say before I start, in case I forget, I notice there is a Motion that is going to be passed expanding the rules and regulations, for a committee to examine the rules of the House. I want to hope that Estimates will never again be conducted in the way that they were this year, where one man on this side and one man on that side spend five hours and the other 59 Members sit on their backsides. I would like to see the Government have a committee that would break this up into a committee system where three or four Estimates could be taken at the same time, where there could be participation by all of the Members on both sides of the House, and maybe we could get some real purposeful debate going on.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — Now, Mr. Speaker, I wish to talk for a moment if I might about restraint. I want to say that if there is anything that this Budget wasn't, it wasn't a Budget of restraint. I remember on the very first day that we came into this House, the Opposition on both sides said that this Budget was cosmetic. They said that it gave the appearance of restraint but in reality it was a shift of the burden. In fact, I used the word 'albatross', that it shifted the burden from the Provincial Government to the necks of local government. I want to ask every Member to go back to his individual community and look what has occurred to his municipal taxes and look what has occurred to his education taxes. I want to tell the Minister of Education, or the Minister of Finance that the cost of government in the Province of Saskatchewan in the year 1976-77 has risen more than at any other time in the history of this province. The only difference is that instead of the financial burden being borne by the Provincial Government, municipality after municipality, town after town, school unit after school unit, has had to pile on the most massive increases in local government taxes ever witnessed in this province.

Mr. Speaker, despite those massive increases what has occurred? Now we find school boards right throughout the province dismissing teachers, destroying the quality of education. What is really significant is that they are dismissing resource teachers, teachers in the special education programs, people in the speaking language programs, programs that have taken 20 years to build up by the educational people in Saskatchewan are now being removed despite a 10, 12, 14 and 15 mill increase in taxes. And if you want to talk about restraint, the Minister says, I gave \$26 million more to education, but that, Mr. Speaker, when you pile on that the financial burden passed on to local government and the increased costs of education in the year 1976-77 will be anywhere from \$50 million to \$60 million.

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If you call that restraint . . . and all I am saying is that you have shifted the burden to local government, and you have a bad set of priorities.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — Another thing, Mr. Speaker, I said when he started off that this Budget was a deceitful Budget. In fact, I call it dishonest. I said it gave the impression to the people of Saskatchewan and was lauded far and wide that this was a Budget of restraint. But as each day unfolded in Estimates, when more information came out, the Minister actually juggled the figures. I don't have to go through them again.

First of all he said that it was an 11 per cent increase. What he did of course, he forgot the actual expenditures and he combined actual in the one year with estimated in the next year. In reality there is at least a 16 or 17 per cent increase between estimated and actual and what will be actual next year. In fact, I suggest it will be closer to 20. When we come in here next year it will be rather interesting for us to bring up the supplementary estimates and the total spending for the year 1976. Then on the other hand he turned around and took Health Estimates and indicated that they were up, what was it — 26 per cent — or whatever it was, when in reality they were up 15 from the real expenditures that the hospital boards were given last year. Then as the Estimates unfolded it became very, very apparent that the Government had deliberately underestimated salaries, and what else we will never know until next year's supplementary allowances come along. On top of that they made a very great boast because the people of Canada are very concerned about bureaucratic expansion, the growth of government, as the Member for Nipawin says, "the growing infringement of government, on people's rights and people's lives." Remember they said they reduced the civil servants, they said they reduced them by something like 75. Then the Minister of Finance actually admitted that there were more than 250 additional actually employed in Government of Saskatchewan, or budgeted for in 1976-77 and he wasn't counting casual employees, he wasn't counting those under contract, or any of the rest that were in the Crown corporations.

Mr. Speaker, all I want to say, it is a dishonest budget. It was misrepresented, and I think as the times goes on the facts are coming out very, very clearly.

One other thing I want to talk about, Mr. Speaker, and that is the fact of what it is doing about the priorities of this Government. Today we did Government Services. You know we are building a building just down the street, a multi-multi-million dollar building to house new civil servants. We are building a multimillion dollar building in Saskatoon, one in Prince Albert, one in Yorkton, one in Swift Current, even one in the Minister of Agriculture's seat. Government buildings in Tisdale, in every small town, every city in the Province of Saskatchewan, and at the same time nurses and nurses aides are being fired in the Province of Saskatchewan and the quality of our health care is going down.

Mr. Speaker, I want to say that I don't believe there will be deficit this year. I don't, because I think the revenues in the year 1976-77 will continue to be good, we have potash

and oil and we have wheat. These commodities are bringing record prices. In fact, we have often called them windfall prices. But what is really happening, Mr. Speaker, is that we are beginning for the first year to see the results of those massive program increases that the NDP are so proud of. Two years down the road, the Minister of Finance says we could give them the greatest increase in school grants in our history, and well you should. You started two new departments. Two new programs. The Department of Continuing Education, Community Colleges, you proliferated the programs in Health. Look at all the new health programs, and all of a sudden the taxpayers are beginning to have to pay the bill. It is going to take greater, and greater and greater amounts of money. You might get by in the year 1976-77, but I predict down the road that this Government is going to have the most difficult time ever balancing a budget and the tax increases on the people of Saskatchewan are going to be like they are this year, in the field of local government, only they won't be local government, they will be our income taxes, corporation taxes and every other tax in the Province of Saskatchewan because this province with 930,000 can't afford the kind of proliferation and massive irresponsible or irresponsible spending that this Government is going into. I predict in the years ahead the Province of Saskatchewan is going to be in serious trouble.

Mr. Speaker, I said I wasn't going to speak very long. I just want to repeat what I have said.

1. This is not a Budget of restraint, it is at least 16 or 17 per cent increase in actual expenditure.
2. The Budget is a dishonest one because surely the Government of the Province of Saskatchewan has a responsibility to tell its citizens as much truth as possible, or the whole truth and it is not the role of the Minister of Finance or the Government of Saskatchewan to, by clever deception, falsify figures or deliberately misrepresent the real basis of fact.
3. It is an albatross around local government, and that, Mr. Speaker, is the greatest tragedy of this Budget. It is a shift of taxes, not a reduction in taxes.
4. The quality of those social programs that are so important to Saskatchewan have been sacrificed because of bad priorities of this Government.

Mr. Speaker, I cannot support this Bill.

Some Hon. Members: — Hear, hear!

Hon. W. E. Smishek (Minister of Finance): — Mr. Speaker, I would have thought that the financial critic for the Liberal Party, after all these days and weeks would have done better in closing his remarks than he did when he made his major address in criticizing the Budget. But really he didn't have any more to contribute now than he did at the time of getting up the first time.

Now the Hon. Member talks about misleading statements, or what was in the Budget. I would invite the Hon. Member to examine the budgets of other provincial governments and how the

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facts are reported, what is in the Estimates, and what is in the speech, and there isn't a province in the Dominion of Canada that provides the Legislature with more information and more fact and more truth than what happens in the Province of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Smishek: — The problem is, Mr. Speaker, that no matter what you would do the Hon. Members opposite either don't understand or don't want to understand, and when they start with that kind of an approach, no matter what they read they somehow see evil figures.

Mr. Speaker, the Leader of the Conservative Party made reference to really the money that we are getting and the economic conditions are more by luck than anything else. I would only ask the Leader of the Conservative Party to look at the record of the last four years. It hasn't been luck, it has been due to good planning and fiscal responsibility.

Some Hon. Members: — Hear, hear!

Mr. Smishek: — Good planning and fiscal responsibility which has been traditional for over 20 years of the CCF and NDP Governments.

Mr. Speaker, the Leader of the Conservative Party made reference to the need for each one of us to assume our responsibility in the fight against inflation, and with that I agree. It is the responsibility of the Federal Government, the responsibility of provincial governments, and responsibility of municipal governments and the responsibility of industry and labor and of every Canadian citizen, because inflation is a serious problem and while I think an effort is being made that we are breaking the inflationary psychology, much remains to be done.

I was interested in his remarks, Mr. Speaker, about power of the government. The truth is, under our system, that is precisely the case. A government is elected to power to administer, to run the affairs of the province, or the national government, and, Mr. Speaker, obviously the very fact that he entered politics and became the Leader of the Conservative Party he is anxiously seeking that power. But the truth is that what he has demonstrated since November is that he will never have that opportunity.

Some Hon. Members: — Hear, hear!

Mr. Smishek: — He talked about freedom. He has a perverted concept of freedom, Mr. Speaker, for he has demonstrated that very much in the last while.

Mr. Speaker, the CCF and NDP Governments over the years have brought more freedom, more rights to the people than anywhere in North America.

Some Hon. Members: — Hear, hear!

Mr. Smishek: — Freedom from being plagued from big hospital bills, or big medical care bills, and now big dental bills. That is freedom, that means things to people. In the case of individual freedom, we have introduced a Human Rights Commission, the Ombudsman, corrections to a defective court system, the right of workers to unionize and to belong to unions of their choice, the right of employers is protected. These are meaningful freedoms, not promises that are window dressing.

Mr. Speaker, I will agree with the Liberal financial critic about the need for us to consider changing the rules. I think it is important that rules change as we change our society. I think it demands that we change with times. I would hope that steps will be taken to examine the rules that we can become more efficient in this Legislature. He talked about the restraint and that it wasn't enough. Mr. Speaker, I predicted that that was exactly the way the Opposition was going to behave. He repeated that there isn't sufficient money for the municipalities. Mr. Speaker, the truth is, I had the opportunity last weekend to meet with the three local governments, school trustees, the urban municipalities association and the rural municipalities. And what were they telling me? That over the last four years what we have done has been a record that is unmatched anywhere in Canada . . .

Some Hon. Members: — Hear, hear!

Mr. Smishek: — . . . of providing grants to the local governments of over 1,600 per cent in the last four years. They know, and the citizens of Saskatchewan know, that the municipal taxes in Saskatchewan, over the last four years, have either stood still in some cases and gone down. In some cases they went down. This year it is true that there are tax increases at a local level. Mr. Speaker, when you compare the record of the last five years, the Saskatchewan municipal taxes went up during that four year period less than anywhere else in the Dominion of Canada.

Some Hon. Members: — Hear, hear!

Mr. Smishek: — Mr. Speaker, when it comes to our budgets, we know with our planning, with our system, that when we say we are going to have a balanced budget, that is the way it is going to be. And this is going to be another balanced budget. It is also a Budget that does a lot of things for people in the community. The Hon. Member made reference that we are putting up government buildings. It is true, because there is need for government buildings. For seven long, lean years there wasn't a single building, public building that was built under the Liberal administration. We have got a backlog that has to be caught up, but in doing that, while we are putting in buildings for public service and public use, we are also providing money for hospitals, for roads, for schools, for nursing homes, for university needs. That money is provided in this Budget.

I am satisfied, Mr. Speaker, that the people of Saskatchewan are content with what we are doing. Sure there are some problems. He is worried about where we will get the money to pay for the progress. Well, Mr. Speaker, we have developed programs and we have been able to find the money to pay for

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those programs. And that is why, Mr. Speaker, as a security measure we are taking the approach that we are in developing the resources for the people of Saskatchewan that the profit, the taxes from those resources, which belong to the people of Saskatchewan, are going to be used to serve the people of this province, not multinational corporations.

Some Hon. Members: — Hear, hear!

Mr. Smishek: — The Hon. Member says that we are in serious trouble. I say to him that so long as there is an NDP Government the people of Saskatchewan are in no serious trouble.

Some Hon. Members: — Hear, hear!

Motion agreed to and Bill read a second and third time on the following recorded division:

YEAS — 26

Pepper	Larson	Matsalla
Thibault	Whelan	Vickar
Bowerman	Kaeding	Nelson (Yorkton)
Smishek	Kwasnica	Allen
Romanow	McNeill	Koskie
Messer	MacAuley	Johnson
Byers	Feschuk	Thompson
Kowalchuk	Rolfes	Banda
Mostoway	Cowley	

NAYS — 14

Lane	Merchant	Berntson
Malone	Thatcher	Ham
MacDonald	Collver	Katzman
Cameron	Larter	Birkbeck
Anderson	Bailey	

MOTION

Select Special Committee on the Rules and Procedures of the Legislative Assembly

Mr. Romanow: — Mr. Speaker, I would like to move, seconded by the Hon. Minister of Finance (Mr. Smishek) by leave of the Assembly:

That the Select Special Committee on the Rules and Procedures of the Legislative Assembly appointed on December 22, 1975 be instructed to consider and instructed to report from time to time upon the advisability of making changes in the rules and procedures of this Assembly.

Motion agreed to.

ROYAL ASSENT AND PROROGATION

At 7:11 o'clock p.m. His Honour the Lieutenant-Governor having entered the Chamber, took his seat upon the Throne and gave Royal Assent to the Bills presented to him.

His Honour, the Lieutenant-Governor was then pleased to deliver the following speech:

Mr. Speaker, Members of the Legislative Assembly:

It is my duty to relieve you of further attendance of the Legislative Assembly. In doing so, I wish to thank you and congratulate you on the work you have done.

You have taken steps to ensure the rational development of coal resources in this Province, in the interest of existing and future generations of Saskatchewan citizens.

In recognition of the greater problems facing our urban centres, you have taken steps to redefine the role and functions of the Department of Municipal Affairs.

You have passed legislation to protect persons who provide emergency medical aid at the scene of an accident.

You have extended the 'once-in-a-lifetime' gift exemption to small businesses.

To protect provincial interests in transportation, you have established a new transportation agency.

You have established procedures for the licensing and control of those engaged in personal and property security and the field of private investigations.

You have provided for the implementation of improved administrative operations for the Magistrates' Courts and Justices of the Peace.

You have increased grants to regional and municipal Libraries.

I thank you for the provision you have made to meet the further requirements of the Public Service, and I assure you that this sum of money will be used economically, prudently and in the public interest.

In taking leave of you, I thank you for the manner in which you have devoted your energies to the activities of the Session and wish you the full blessing of Providence.

The Hon. Mr. Cowley, Provincial Secretary, then said:

Mr. Speaker, and Members of the Legislative Assembly:

It is the will and pleasure of His Honour the Lieutenant-Governor that this Legislative Assembly be prorogued until it pleases His Honour to summon the same for the dispatch of business, and the Legislative Assembly is accordingly prorogued.

His Honour then retired from the Chamber at 7:21 o'clock p.m.