

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 13, 1980

The Assembly met at 2 p.m.

On the Orders of the Day

QUESTIONS

Indian Land Entitlements

MR. E.A. BERNTSON (Leader of the Opposition): – Question to the Minister of the Environment. You have indicated that Crown land in Saskatchewan will be used to satisfy Indian land entitlements. Bearing in mind the fact that the bulk of the Crown land in Saskatchewan is marginal at best and will do very little to satisfy or to enhance the Indian population and bearing in mind that Crown lands through community pasture programs, etc., is an integral part of many, many viable farm units, would you not agree that your scheme puts a disproportionate load of this debt on the farmers of Saskatchewan?

HON. MR. G.R. BOWERMAN (Minister of the Environment): – No, Mr. Speaker, I would not agree with that particular point of view. The other point I want to respond to is the role of the province with respect to the fulfilling of land commitments that were made by the federal government in treaties as long ago as 1870. Those land commitments in some cases have not been fulfilled to date. We were requested in 1975 by the federal Minister of Indian Affairs to assist the federal government in fulfilling those entitlements. Under the 1930 transfer agreement, the resources transfer agreement, which was an amendment to the constitution of the British North America Act, the province is obligated under the provision of that act to provide Crown lands to assist the federal government in resolving outstanding treaty entitlements or outstanding treaty obligation with respect to land. We are responding to that request by putting on the table for potential resolution, not only the unoccupied Crown land which are specifically set out in the transfer agreement of 1980, but we have agreed to put on the tables as well for selection purposes – not necessarily does that mean automatic transfer – occupied Crown lands providing the federal government would do the same. You will know that in Saskatchewan there are not only provincial Crown lands but there are federal Crown lands and those lands, both federal and provincial are to be on the table for selection purposes.

I might add to the member's question that the 40 acres in the heart of the city of Prince Albert, which has been selected by the Peter Ballantyne Band is land which is of significance and significant importance. Lands in northern Saskatchewan 125,000 acres of which have been selected and 38,000 acres which have up to this date been transferred, are land which are unrelated to the agricultural activities of the province.

MR. BERNTSON: – Supplementary, Mr. Speaker. I wonder if the minister would indicate whether land bank meets his definition of Crown land to satisfy these entitlements?

MR. BOWERMAN: – Well, it doesn't in the detailed sense of the term. One of the provisions for the putting of Crown lands on the table for selection purposes, or one of the conditions for the transfer of that land is that the occupant, lessee, or in the case of community pastures, the pasture patrons, that they have some voice and some

decision with respect to whether or not the lands would be transferred and whether or not their requirements would be met. I can give the example that if a PFRA pasture which is federal Crown land was selected and the land was considered for transfer, one of the provisions of the agreement was that the pasture patrons would be satisfied. That would mean that the federal government, the band and the PFRA pasture patrons would have to sit down at the table and work out a reasonable and acceptable arrangement.

MR. BERNTSON: – Final supplementary. Mr. Speaker, Alberta's policy has not indicated that mineral rights will not be transferred with the Crown land to satisfy these entitlements. Manitoba has indicated that they will transfer mineral rights with their Crown land. What is Saskatchewan's position on that particular aspect?

MR. BOWERMAN: – Mr. Speaker, I think the provinces really have no choice in this matter, as the obligations of the 1930 transfer agreements provide. Alberta has taken the position of not only not transferring mineral resources and they have taken the position that they are going to fight all land selections through the courts. That of course is an indication of what the Conservative government is doing for the treaty Indian people in Alberta.

WE are more fair than that. We attempt to be more fair than that in the sense that we hope to be able to resolve this issue which has been outstanding for over 100 years, an issue which was brought about by the non-recognition of the federal government to fulfil the commitments made, then requesting us as late as 1975 to do so. We thought that in fairness what we should do is attempt to resolve this issue on a negotiated basis rather than through the courts.

Pretty Baby Movie

MR. W.C. THATCHER (Thunder Creek): – A question to the Premier. Approximately one year ago a movie entitled *Pretty Baby*, which depicted childhood prostitution in New Orleans about 100 years ago, was deemed unfit for viewing by the Saskatchewan public. The Premier is undoubtedly aware that the same movie is now being advertised as being shown on a medium known as teletheatre, of which the provincial government controls over 30 per cent and has a representative sitting on the selection board. Since they are advertising an uncut version, Mr. Premier, would you briefly explain to us what has caused this change in philosophy on the part of your government? – whereas one year ago it was deemed totally unacceptable, now it is going to be shown directly into our homes.

HON. A.E. BLAKENEY (Premier): – Mr. Speaker, I will ask the Attorney General to respond on behalf of the government.

HON. R.J. ROMANOW (Attorney General): – Mr. Speaker, I thank the Premier for referring the question because I have been involved in the establishment of Cablecom, which involves a tripartite arrangement with the private cable operators of Moose Jaw-Regina-Saskatoon, the major co-operative organizations of Saskatchewan and the Government of Saskatchewan as a one-third operation. Part of the agreement when we established the teletheatres of Cablecom was to set up an entertainment committee which is controlled not by the government — in fact the government has no say on it — but essentially by the private operators. That decision is made by them as a programming matter.

The second point I want to make to the members is that the board of Cablecom is in fact

meeting today, this morning and this afternoon, to deal with a number of matters. I am led to believe that this issue will also be under consideration by the entire board.

MR. THATCHER: – Supplementary question. If I may preface it, Mr. Premier, I didn't think your job was that bad yesterday that you should now turn your questions to the Attorney General.

However, Mr. Attorney General, if I may return to my supplementary. Perhaps you could briefly articulate for this Assembly, and I emphasize briefly, the philosophical and moral implications of your government's position that somehow renders a beer ad on cable television as totally unacceptable for our children to see at prime time and yet somehow will allow sex, pornography and perversion to be shown into those same homes at prime time. What is your logic for this?

MR. ROMANOW: – Mr. Speaker, I have not seen the movie Pretty Baby in order to make the determination that it is sex, perversion and crime but I take note of what the hon. member for Thunder Creek says it is. Noting the authority from which it is spoken I will take his words very much to heart.

I frankly believe the liquor advertising situation is an unacceptable one. I believe the airing on cable television or closed circuit of films or programming, which in our judgment as a society tends to undermine certain values of society and community, ought to be prohibited as well. I think we have to simply see what develops with respect to the Cablecom board meeting today and deal with the issue thereafter.

MR. THATCHER: – Final supplementary, Mr. Speaker, to the Premier. Mr. Premier, are we to assume now that we are operating live on radio in the question period, the bulk of the question directed to you will go to the Attorney General?

MR. SPEAKER: – Order! The member for Qu'Appelle.

Regina General Hospital Design Miscalculations

MR. J.G. LANE (Qu'Appelle): – I would like to direct a question to the Minister of Health. I assume the minister is fully aware of a serious miscalculation in the design at the Regina General Hospital regeneration project which causes the walls to come down in the middle of the windows. This will cause various internal design problems and floor area problems. Would the minister please advise us as to what action has been taken to determine liability and whether compensation is being paid to the government or the Regina General Hospital for the design miscalculations?

HON. H.H. ROLFES (Minister of Health): – Mr. Speaker, I am not aware of the supposed facts the member for Qu'Appelle is putting before the House. I would like to check into those. If his record is as good as it has been in the past, we will know that those statements he has made are not based on facts. I will take it under advisement and report back to the House as soon as I can.

MR. LANE: – Is the minister indicating his officials have not seen fit to inform him of a serious miscalculation? I would ask the minister and perhaps the press to get their cameras out before the walls are torn down and if he wouldn't take a quick drive by the regeneration where he can see the partition right through the centre line of the various windows. Would the minister give the assurance to the Assembly that he will immediately investigate and report to this Assembly tomorrow on the determination of

liability and what compensation is to be paid and what specific problems will arise as a result of the miscalculations?

MR. ROLFES: – Mr. Speaker, again the member is making an assumption with which I do not agree at this particular time. I will not give him the assurance I will go immediately because I do want to listen to the Minister of Finance for the next couple of hours.

SOME HON. MEMBERS: – Hear, hear!

MR. ROLFES: – But I will give him the assurance . . . (inaudible interjection) . . . well it kept you in the dark. As I indicated yesterday, Mr. Speaker, I think one of the things we should undertake is to make sure we seal off the vacuum from that side of the House. I do want to give the member the assurance that as soon as possible, I will check into the accusations which he is making and report back to the House as to whether or not the statement he has made has any basis in fact at all.

MR. LANE: – Final supplementary.

MR. SPEAKER: – Order. New question – the member for Qu'Appelle.

Regina General Hospital Design

MR. LANE: – Would the minister also investigate and report as quickly as possible as to whether or not there was a further design miscalculation in the Regina General in that outside the obstetric ward area there is a courtyard, and the original plans called for one-way windows so that people walking by could not see in, and that in fact those windows have not been installed and instead there are two-way windows? And would the minister mind taking the time – I know it's a little bit unique for him to do so – to find out what's going on in his department and, perhaps, start to care about the public interest and take a little more action than he has seen fit to do in the past.

MR. ROLFES: – Mr. Speaker, I do want to make a few statements. I think if the hon. member for Qu'Appelle had checked in the Leader-Post today and had seen a statement made by Dr. Rick Mathias, he would well understand why I accept some of his statements with some skepticism. I stated in the House yesterday that he was wrong in the statements that he and his colleagues were making on Dr. Rick Mathias, and I for one, Mr. Speaker, will not . . .

MR. SPEAKER: – Order, order. I think we're getting off the subject. I'll take the member for Indian Head-Wolseley.

Education and Health Tax

MR. D.G. TAYLOR (Indian Head-Wolseley): – I'd like to hear from the Minister of Finance and, therefore, I'll ask him a question. Mr. Minister, would you explain to this House the government's reasons for charging the E&H tax on children's clothing and school supplies while at the same time exempting such items as pet food from the E&H tax list?

HON. E.L. TCHORZEWSKI (Minister of Finance): – Mr. Speaker, that question would be better directed to the Minister of Revenue but I will, I think, respond by simply saying

that I am not familiar with the facts as they apply in comparison to, as the member says, pet food and children's clothing. We have in the past given consideration to the E&H tax as it applies to children's clothing. There is no change that we have made until now, and if there should be we would announce it in due course.

MR. TAYLOR: – Supplementary, then, to the Minister of Revenue. Would the minister agree that the taxation policies of this government certainly indicate the government's priorities, and that the priority of this government is placing cats and canaries ahead of kids?

HON. W.A. ROBBINS (Minister of Revenue, Supply and Services): – Mr. Speaker, the answer is no.

Teachers' Salary Agreement

MR. H.J. SWAN (Rosetown-Elrose): – Question to the Minister of Education. The bargaining team for the government and trustees in negotiations with teachers is made up of nine people – five from government and four trustees. Is it true that the teachers' salary agreement was settled without the trustees at the bargaining table?

HON. D.F. McARTHUR (Minister of Education): – Mr. Speaker, as the member has likely heard an announcement was made today by the participants in the bargaining process that a tentative agreement has been reached. There is under our bargaining system an agreement between the participants, the two teams, that any announcements made about the substance or the nature of bargaining will be made only after agreement has been reached between the participating members of the teams. To this date I have not been notified by the two teams that they wish to have any information disclosed by me with regard to the substance or nature of the bargaining. Indeed they have not indicated to me what did happen in bargaining.

MR. SWAN: – Supplementary to the minister. I didn't ask you any questions about the settlement or what was agreed on. I simply asked you the question, is it true that the trustees were not at the table at the time the agreement was arrived at?

MR. McARTHUR: – I am not absolutely certain that they were not at the table at the time the agreement was reached. As I said, the trustee members of the bargaining committee have not been in contact with me about this matter. I did have a meeting Tuesday morning (it's the only meeting I've had with either of the participants in bargaining) with the president of the Saskatchewan School Trustees' Association. She indicated to me at that time that the trustee members had certain concerns about bargaining and about matters that might come up with respect to bargaining. I understand that she had concerns, particularly that there be no change from our position that bargaining does not include such questions as who shall teach, what shall be taught and how it shall be taught. I took those concerns into account and passed them on to members of our team, and they then proceeded into a bargaining meeting yesterday at which the agreement was reached, or the tentative agreement was reached.

MR. SWAN: – Perhaps for the minister's benefit I'll have to offer him some advice. Yes, the trustees . . .

MR. SPEAKER: – A final supplementary.

MR. SWAN: – Are you are aware, Mr. Minister, that the trustees were not at the bargaining

table? Are you indeed saying that the trustees, the duly elected representatives of the parents, are not really counted as being worthwhile, that they are redundant? You know, 66 per cent and more of the budgets of school boards are spent on teachers' salaries, and if you negotiate that without them, then you are really saying they are redundant.

MR. McARTHUR: – Mr. Speaker, as I understand the situation, a meeting was held yesterday. There was full notice and full knowledge on the part of all participants in bargaining that a meeting would be held yesterday. If participants in the bargaining on any side choose not to participate. I suppose that is a decision they themselves must make. The principles upon which we operate are that those members of the bargaining committee, if they wish to notify me of certain matters will notify me of certain matters, otherwise I will not become involved in the process. I will take the word of the hon. member that certain members of the team have indicated to him they were not in attendance. I want to emphasize however, they have not indicated that to me and I am not, therefore, able to confirm that fact.

Increase in Telephone Rates

MR. J.W.A. GARNER (Wilkie): – Mr. Speaker, a question to the minister in charge of Sask Tel. Mr. Minister, I have noticed in your annual report for 1979, tabled the other day in the House, you showed a profit in excess of \$25 million. Now that was an increase of 30 per cent from last year. Why did you find it necessary to increase the rates to the consumer?

HON. MR. D.W. CODY (Minister of Telephones): – Well, Mr. Speaker, as far as we are concerned in Sask Tel and its board of directors, it is felt that we should, for the people of Saskatchewan, have a reasonable profit on the money which they have invested. They, as you know in Sask Tel, have an investment of something like \$700 million or \$800 million. We think it is not unreasonable, when the people invest that type of money in a corporation, that they should have some return for their money. As a result it was necessary last year to increase the rates so the return would be about 12 per cent before interest. It was right around 12 per cent this year during that balance sheet, and we decided as well that after interest was paid, a reasonable return for the people's money was about 5 per cent. Surely that is not asking too much. As a result of that, the rates had to be increased last year to make that kind of a return for the public.

MR. GARNER: – A supplementary, Mr. Speaker. Mr. Minister, are you trying to build up a surplus fund in this department so that when we come to an election year, you can start cutting the rates the way your government has done in the past?

MR. CODY: – Well, we don't operate the way some political parties do. As a result, I say you are wrong. No, Mr. Speaker, there is no plan to put away large sums of money because they are not large sums of money. The money that was put away is for certain types of projects such as the new fibre optics project, such as burying cable in the constituency of Wilkie, Saskatchewan, giving the people in that area a better piece of service. And, Mr. Speaker, I am sure if the hon. member would like, after the session is over today, to indicate to me that the people in his area do not want to have their cable buried, do not want to have good switching equipment, do not want to have direct dialling, I can accommodate him. I can certainly do that.

Sexual Abuse and Rape

MRS. J.H. DUNCAN (Maple Creek): – My question is to the Attorney General. On July 20, 1979, a 17-year-old mentally and physically handicapped girl was abducted off the street and sexually abused. Early this month, the three men involved, ages 18, 20 and 22 were given sentence of six months for their participation in that particular crime. Can I ask you if your department is considering appealing the brevity of these sentences?

MR. ROMANOW: – Mr. Speaker, I have not received a report from my department officials on this matter as yet and therefore I'm in no position to comment on that.

MRS. DUNCAN: – New question, Mr. Speaker. Mr. Attorney General, you and the Premier in the past have never been hesitant to comment on certain court decisions. As chief law enforcement officer for the province of Saskatchewan, can you give your assurances to this Assembly that you will henceforth push for stiffer sentences for crimes of this type?

MR. ROMANOW: – Mr. Speaker, my position is, and this is the position of the prosecutors in the department, that where appropriate, stiff sentences are sought by prosecutors, not only on offences of this type but any kind of a criminal code offence. I think that it is a difficult matter, sentencing is, in criminal law situations. We have to have confidence in the judiciary, which I think is one of the best in the country— an independent judiciary — a confidence in the prosecutorial staff of the Department of the Attorney General, which of course I do have, and where possible this kind of a general directive is applicable. I think every case has to be looked at in the specifics and judged on that basis. In a very general way, I can say to the hon. member, yes, but I really prefer to leave these kinds of decisions in the hands of the able prosecutorial staff and to the judiciary of this province.

MRS. DUNCAN: – My final supplementary, Mr. Speaker. The status of women in Saskatchewan and across Canada have been appealing to the offices of attorneys general and the federal government to bring about changes in the rape laws of today and we have been urging you to place rape under the assault section of the Criminal Code. Can you give me, as a woman, and every woman in this Assembly, your assurances today that you will lead your counterparts across the country in urging your federal counterparts to bring about this very necessary change and, as I say, a change that has been sought for over five years?

MR. ROMANOW: – Well, Mr. Speaker, the change has been recommended by the Canada Law Reform Commission and a number of attorneys general have considered it. I certainly am considering it and my department people are considering it. I do simply want to point out to the member that to a large extent we are talking about, in this issue, a name change. That may be important. The fact that has to be remembered is that the elements of the offence are what is important, call it what you will. Call it rape, sexual assault, sexual assault with a weapon, or however. The fact is the name does not change the necessary elements and the components that go into the conviction or the non-conviction.

Now the positions that I get from the status of women and other groups is that rape has a connotation to it which works to the disadvantage, certainly of the victims, and of women as a class. I think that's a serious argument that needs to be considered. But I do remind the hon. member opposite that it goes a little deeper than that. It goes to the elements of the offence and what is necessary is a careful consideration and delineation of the elements of offence. That's what true legal reform is involved in and

that's what we're going as attorneys general on a country-wide basis.

Vehicle Insurance

MR. P. ROUSSEAU (Regina South): – My question is to the minister responsible for SGI (Saskatchewan Government Insurance). Mr. Minister, it's come to my attention that the Department of Highways has certain highway vehicles insured with out-of-province insurance companies. Would the minister advise us why all private motorists, in Saskatchewan, must insure with SGI whereas you allow government vehicles to be exempt from this compulsory insurance?

MR. ROBBINS: – Mr. Speaker, I'm not sure where he got the information. I'll take it as notice.

MR. ROUSSEAU: – Mr. Speaker, then if the minister responsible for SGI isn't sure of the facts, then maybe the Minister of Highways could inform us of that information. Is that right?

HON. E. KRAMER (Minister of Highways and Transportation): – Mr. Speaker, I have no knowledge of anybody who would be foolish enough to go and buy high-priced insurance outside the province.

Tandem Axle Truck Licences

MR. D.M. HAM (Swift Current): – Mr. Speaker, I would like to direct a question to the Minister of Highways. Mr. Minister, since pressure is increasing from the farming community and in light of the SARM (Saskatchewan Association of Rural Municipalities) resolution today to seek increased load limit on tandem axle trucks, when are you intending to allow tandem axle trucks to be licensed with farm plates?

MR. KRAMER: – Mr. Speaker, as usual the member for Swift Current has got his mouth in gear before he's got his brain hitched up. He didn't . . .

SOME HON. MEMBERS: – Answer the question; answer the question!

MR. KRAMER: – The question. Thunder Creek is thundering again. Mr. Speaker, that particular question does not come under my jurisdiction, and I can't answer the question.

MOTION FOR COMMITTEE OF FINANCE

HON. E.L. TCHORZEWSKI (Minister of Finance): – Mr. Speaker, I have a message from His Honour, the Lieutenant-Governor.

MR. SPEAKER: – The Lieutenant-Governor transmits estimates of certain sums required for the service of the province for the 12 months ending March 31, 1981 and supplementary estimates of certain sums required for the service of the province for the 12 months ending March 31, 1980 and recommends the same to the Legislative Assembly.

MR. TCHORZEWSKI: – Mr. Speaker, I move, seconded by the Hon. Mr. Cody, the member for Kinistino:

That His honour's message, the estimate and supplementary estimates be referred to the committee of finance.

Motion agreed to.

BUDGET DEBATE

HON. E.L. TCHORZEWSKI (Minister of Finance): – Mr. Speaker, I am honoured to present to you and to the members of the Legislative Assembly and to the people of Saskatchewan the ninth budget of this New Democratic Party government.

It is a custom and a tradition in Canadian legislatures and other legislatures that ministers of finance normally wear something unique either in footwear or in the form of a special tie. I gave a great deal of consideration to the first tradition and decided it would be unwise to wear mukluks.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, I also appreciate the tradition of wearing a special tie which my predecessors have done in this Legislative Assembly. Because 1980 is a very special years in Saskatchewan, I decided I would do something unique and different and what I am doing this afternoon is delivering this budget address from a podium or from a lectern (which I have here) wish is, to me a very special lectern in that it is a product of Saskatchewan. It was built for me by a constituent of mine who is a farmer north of Watrous and whose name is Mr. G. Jones. If you note, on the front of the lectern there is the symbol for Celebrate Saskatchewan and I think that's appropriate because 1980 marks the 75th anniversary of this province.

In 1980, across this province in our cities, towns, villages and in our rural areas, the citizens of Saskatchewan are celebrating the heritage and the traditions of the last 75 years. We will be celebrating our achievements as pioneers who have faced the challenges of a demanding and yet abundant geography and climate. We will be celebrating our transition from an agricultural economy with humble beginnings to a mature and diversified economy in which agriculture and resources from the two pillars of our wealth and our prosperity. We will be celebrating the rich cultural diversity that has made Saskatchewan such an exciting place in which to live. Our prospects, Mr. Speaker, have never been brighter. We have come of age and that is what this budget is all about.

Today under Allan Blakeney's leadership and with the full support of the people of Saskatchewan, we are truly embarked on a new decade in progress.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – At this time, Mr. Speaker, I would like to acknowledge the contribution of my colleague and predecessor, the Hon. Walter Smishek, who presented four fine budgets to this Assembly – four budgets which have made a substantial contribution to the economic and the financial well-being of our province.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Let me now turn to the national economic picture briefly. Mr.

Speaker, we are concerned about the health of the Canadian economy. Canadians are faced today with high unemployment, near double-digit inflation, record high interest rates, lagging productivity and a huge deficit in our international balance of payments. I am especially concerned about the interest rate policies of successive federal governments. High interest rates are counter-productive. They are especially hard on small businesses, on farmers and on home buyers and they discourage investment – investment which is needed to create jobs and improve Canada's productivity. It is through greater productivity that we will improve our competitive position abroad and restrain inflation at home. The time has come to lower interest rates before more damage is done.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – A large part of Canada's poor economic performance is a direct result of the structural weaknesses which plague the Canadian economy. First of all, we have an unacceptably high degree of foreign ownership. In Canada small branch plant factories are often incapable of competing in export markets. In addition they lack the kind of head office activities such as research and development that lead to innovation and improved technology.

Second, Mr. Speaker, we are too dependent on foreign oil. Canada's energy security is vulnerable to the whims of foreign cartels and the multinational oil companies.

Third, our grain handling system is a mess – a mess that cost the farmers of Saskatchewan about \$1.25 billion in lost sales in the last crop year.

Fourth, the country is faced with a chronic problem of regional disparities. These inequities promote discord and make it more difficult for the country to pull together. All of these problems impair Canada's economic health.

Canadians are entering this new decade with a feeling of uncertainty – an uncertainty heightened by recent world events. For example, we're concerned that the cost of Canada's grain embargo policy will be borne by the farmers of western Canada. We in Saskatchewan believe that national issues require national action and national leadership but the costs of national policy should be borne fairly and not at the expense of any one region.

Canada's economic potential is second to none, but to realize our potential all governments in Canada must take a hand in setting economic goals and in planning the direction for both the private and the public sectors and we believe that is good advice in Saskatchewan, this government has done just that and the positive results are becoming more and more evident.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, in sharp contrast to the national scene, the Saskatchewan economy performed well during 1979. Despite a 23 per cent decline in grain production stemming from adverse weather conditions, the overall level of economic activity was sustained by vigorous growth in our non-agricultural sectors. In addition, higher prices for Saskatchewan's major exports led to a 15 per cent increase in the market value of the province's total output in 1979. To have achieved that level of performance in 1979, in the face of poor crop conditions, shows how strong and diversified the Saskatchewan economy has become and, Mr. Speaker, that is good

news.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – During 1979, 15,000 new jobs were created in Saskatchewan and this impressive rate of job creation reduced our unemployment rate to 4.2 per cent last year, one of the lowest in Canada. Total personal income grew by 10 per cent, primarily on the strength of higher employment which increased wages and salaries by 14 per cent. In addition, higher wheat and beef prices produced a 22 per cent increase in realized net farm income.

Agriculture remains our province's most important sector, but mining has also provided substantial strength to our economy throughout the 1970s. Last years the value of mineral shipments increased by 13 per cent reflecting higher oil prices, higher prices for potash and uranium and in the case of potash, substantial gains in the volume as well. Oil and gas drilling approached record levels in 1979 and the heavy oil area at Lloydminster was the location of much of this activity.

Mineral exploration also continued at record levels in Saskatchewan, with new mining investment expanding by 16 per cent after inflation and Mr. Speaker, over one-half of the hardtack drilling activity in Canada last year occurred in northern Saskatchewan.

In manufacturing the value of shipments increased to 24 per cent and the volume of new investment in this sector increased by an estimate 52 per cent, largely a result of the IPSCO (Interprovincial Steel and Pipe Corporation) expansion. The service industries were a major source of job creation and investment and retail sales grew by 11 per cent. Construction activity involving resource developments, the IPSCO expansion, and several downtown re-developments added further vitality to the province's economy in 1979. Despite a downward national trend, housing starts increased by 2,200 units to 11,700 units.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, the health of the Saskatchewan economy is also indicated by our growing population. In 1980 the province's population is expected to reach 967,000 in spite of what some people might say, that is an increase of 9,600 last year and another 10,000 this year, a total of 67,000 since 1974. Overall, Saskatchewan's economic performance in 1980 is expected to surpass that of 1979. If the crop production returns to more normal levels, the volume of output growth will exceed 5 per cent, among the very best in Canada.

Mr. Speaker, in these times when political promises often fade with the last ballot, the New Democratic Party government stands apart. As a party and as a government we have always been guided by two principles. First, that the people know where we stand on the issues and second, that we implement our election commitments.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – In 1971, Mr. Speaker, the people of Saskatchewan elected this

government because they knew what we stood for and they liked the New Deal for People. In 1975 Saskatchewan re-elected this government because we had delivered on our new deal promises and because they approved of our plans for the future. In 1978 this party offered a platform for the '80s. Mr. Speaker, we are honouring those commitments.

Let us look at the record in the first year and a half of this terms. Mortgage interest tax credit and capital gains tax rebate were delivered in 1979. Farm cost reduction and property improvement grants for renters and school tax rebates for senior citizens were delivered in 1979. Downtown upgrading and the health research fund were delivered in 1979. An expansion of the main street program and the dental plan and capital improvements to the Saskatchewan Technical Institute were delivered in this budget. A nursing home cost reduction and a new community capital fund delivered were in the budget. In 1980 we will continue to lay the foundation for the future while meeting today's needs.

Let me summarize our budget plan. First, we are planning a major expansion of our activities in energy exploration, research and conservation to secure a future supply of energy resources. Second, we will follow up on our commitment to purchase 1,000 hopper cars to move grain for Saskatchewan farmers. Third, we will continue our development of the most comprehensive health care system in Canada, providing major funding increases for our hospitals. Fourth, we will provide increased protection for inflation which will include a \$26 million in income tax saving due to indexing; and \$18 million mortgage interest tax credit which will benefit people in this year; a \$6 million capital gains tax rebate, expanded sales tax exemptions for farmers; a new \$50 tax reduction for senior citizens, ; increased assistance for residents of special care homes, expanded home care services for senior citizens in their own homes, and a 30 per cent funding increase for the small business interest abatement program.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Fifth, Mr. Speaker, we will help keep Saskatchewan's unemployment rate among the lowest in Canada through the capital activities of our departments and our Crown corporations. Finally, we will do all of this while setting aside for investment \$149 million of resource revenues from the heritage fund. Mr. Speaker, we will balance the budget.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – I now turn, Mr. Speaker, to the question of energy. Energy security must become a top priority for all Canadians over the next decades. Energy security requires a commitment to the Canadian people that future price increases will bring on new energy supplies, a commitment that the cost of financing these supplies will be borne fairly; a commitment that Canadian will gain control of their energy future. This government has made a major effort to help develop a national energy strategy, a strategy to provide for the energy security of all Canadians. We believe that an important part of such a policy should be the establishment of the Canada Energy Security Fund. This fund would siphon off a large share of the oil and gas profits going in the multinationals and would invest the proceeds under Canadian control in developing Canada's energy resources. Our Premier has put forward this proposal a number of times. To date it appears to have fallen on deaf ears. We think that this is regrettable. We are very concerned that federal governments have not made energy security the number one priority. While the previous federal government talked a great

deal about energy self-sufficiency, a large portion of the increased oil and gas revenues was to be used to finance the federal deficit and not to find new oil supplies. While the previous federal government talked a great deal about federal-provincial co-operation, their 18-per cent per gallon excise tax, supported by the members opposite, was a direct invasion of a provincial tax field – a tax field traditionally used by the provinces to finance their highway systems.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – This excise tax, Mr. Speaker, was also a grossly unfair burden on our farmers. And of course, Mr. Speaker, they threatened Petro-Canada, the one major vehicle which Canadians have to gain control over their energy future. As well, Mr. Speaker, both previous federal governments can be faulted for placing on Saskatchewan an unfair share of the cost of subsidizing consumers of imported oil in western Canada. You see the federal government levies an export tax on oil sold to the United States and the proceeds are used to subsidize the cost of imported oil in eastern Canada. This province is paying an unfair share of the burden of subsidizing eastern consumers, especially when you consider that natural gas exports from Alberta and British Columbia are not taxed at all. The federal government, Mr. Speaker, now collects \$21 per barrel from our exported oil, while Saskatchewan and the oil producers must split the remaining \$14.75. At current prices that means \$375 million in oil revenues per year for Saskatchewan, while the federal government receives \$575 million for the export of our oil, Mr. Speaker. I maintain the system is unfair and we are determined to try to change it.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – The time has come to remove the obstacles to an effective national energy policy. The time has come, Mr. Speaker, for effective federal participation in developing our heavy oil resources in the Lloydminster area. The time has come to make sure that Saskatchewan consumers, especially those in the agricultural sector who are highly dependent on fuel supplies, have a reliable and secure source of energy. The potential of our energy resources is enormous and we intend to take an active role in their development. We will do this through our Crown corporations or in conjunction with the co-operative movement, the petroleum industry or the federal government. To ensure that we are able to take this active role, I am pleased to announce today the creation of a Saskatchewan energy security division in our heritage fund.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – The main objective of this energy security division is to help ensure that Saskatchewan consumers have adequate fuel supplies in the years ahead. The division will encompass the wide-ranging measures which the heritage fund is undertaking in energy conservation and development, as well as providing the means to set aside funds for future years. An essential element of this new division is its performance. All funds transferred to the energy security division will stay in the division until used for future energy projects.

In 1980 we will allocate over \$100 million from our resource revenues towards energy security initiatives.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – We will spend \$47 million to assist companies actively drilling for oil and gas in Saskatchewan. We will invest \$28.8 million in SaskOil to finance its direct participation in both heavy oil development and conventional oil exploration. We will contribute \$2.6 million under the Canada-Saskatchewan Heavy Oil Agreement to speed up the development of heavy oil recovery techniques. We will spend \$2.3 million under the renewable energy agreement which will focus on renewable energy sources and energy conservation. We will provide a \$2 million loan to the Saskatchewan Power Corporation for the financing of the Warm Up Saskatchewan energy conservation program. We will set aside \$20 million as an energy security reserve for future developments.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – This reserve will give us the flexibility to pursue new opportunities and to accumulate funds for longer term projects. The reserve will grow as interest earnings accrue and as additional allocations are made in the future. Mr. Speaker, we are putting to work \$103 million from the earnings of resource developments today to provide more energy for Saskatchewan tomorrow. This is a heritage fund working for the people of Saskatchewan.

Mr. Speaker, I want to say a few words as well about our government's commitment to energy conservation. Over the last two years we developed a comprehensive package of programs to support and promote energy conservation in nearly every sector of society. Among these programs are the Warm Up Saskatchewan program, which I mentioned a moment ago, to assist home-owners to insulate their homes, the housing retrofit program directed by our housing corporation to demonstrate improvements for the energy efficiency of older homes; and the energy audit program to demonstrate energy savings available to business. In 1980-81 I am pleased to say that we will be stepping up our efforts. Nearly \$300,000 will be provided for the design of 15 energy saving houses in Saskatoon to coincide with the provincially sponsored energy fair. Mr. Speaker, \$1.2 million will be provided for the office of energy conservation – a 50 per cent increase over the last two years. These initiatives are firm evidence of our commitment to a comprehensive approach to the problem of energy security.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – let me now turn to agriculture. Saskatchewan's present prosperity has its roots in the efforts of our homesteaders and our pioneers. It is through their dedication and their co-operative spirit that our prairies and out parklands have become some of the most productive farmland anywhere in the world. The record of our commitment to what we call a Saskatchewan option is there for all to see. We established FarmStart, land bank, the farm ownership board, the agricultural research fund, and the Prairie Agricultural Machinery Institute in Humboldt. We expanded the crop insurance program, and we took decisive action on behalf of producers during periods of cost-price squeeze, action which included such things as \$50 million for hog producers in 1973 and 1974, \$80 million in grants and interest free loans for beef producers in between 1974 and 1976, and \$45 million to producers under the farm cost reduction program between 1975 and 1979.

I am announcing today, Mr. Speaker, that the farm cost reduction program will be extended to the end of the calendar year 1980, paying out \$15.6 million this year. I am also pleased to announce additional support for land bank and FarmStart. Land bank's

funding for land purchases will increase by 25 per cent to \$25 million in 1980.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – On April 1, 1980 funds provided for Farm Start grants will be boosted from \$1 million to \$2.3 million and the maximum loan will increase from \$90,000 to \$150,000. This measure, Mr. Speaker, will allow more farmers to establish viable farm operations. New and developing farmers will always remain a top priority for this government.

Looking ahead to the 1980s there are two serious problems facing Saskatchewan farmers, and those are transportation and energy. This country's grain handling and transportation system is not meeting the needs of Saskatchewan farmers. We are especially concerned in light of the Canadian Wheat Board's export target of 30 million tonnes of grain by 1985, an increase of more than 50 per cent. Saskatchewan has repeatedly urged the federal government to take action and has called on the railroads to honour their commitments to increase the capacity of the grain transportation system. In 1979, after disastrously low levels of grain movement it became clear that the railroads and the federal government were not doing their jobs and as a result, Mr. Speaker, the Government of Saskatchewan took a landmark decision last fall and placed a \$55 million order for 1,000 grain hopper cars to be delivered by December of 1980.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Each of those cars will haul 3,000 bushels of wheat per trip totalling 57 million bushels per year for the entire fleet. This means in excess of an additional \$150 million annually for Saskatchewan farmers.

Mr. Speaker, the \$55 million cost will be financed by a loan from the heritage fund to the Saskatchewan Grain Car Corporation. A grant of \$6 million will be made from the Department of Agriculture to the corporation for the repayment of that loan.

Ten years ago this province could not have made such a purchase. We can do so today because of this government's resource policy.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, Saskatchewan farmers are facing another serious problem and that is the need for a secure supply of energy in the future.

Earlier in this speech, I announced the formation of a new Saskatchewan Energy Security Division in the heritage fund in introducing this measure we have a special concern about the energy needs of our farmers. In order to assess potential new initiatives our Minister of Agriculture will be discussing energy supply problems and their long-term solution with representatives of farm organizations.

The establishment of the energy security division of the heritage fund represents a long-term commitment to the people of Saskatchewan and especially to our farmers to use provincial resource revenues for developing new energy sources.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, prosperity is an empty word if we do not translate it into a finer quality life for all of our citizens. We have always recognized this point.

Overt the last 10 years this government has taken a position of leadership introducing a wide range of innovative programs designed to meet the needs of Saskatchewan citizens.

In the 1980s we will continue to emphasize improvements in the quality of life. We will make major advances in several areas, including health and social services. Indian and native programs, justice and environmental protection. Let me now turn to some of these initiatives.

Mr. Speaker, the province which introduced Canada's first universal hospital plan and Canada's first medicare plan continues to pioneer the development of health services. In the decade just passed we have upheld that tradition. In the first half of the decade we introduced a number of innovative programs – a dental plan for children; aids to independent living to help the handicapped live independent lives; the prescription drug plan, and the hearing aid plan. Then in the mid '70s we emphasized the rebuilding and the updating of our physical facilities for health care, such as the extension to the University Hospital in Saskatoon and the extension of the Battlefords Union Hospital and the start of the \$100 million Regina General Hospitals' regeneration program.

Mr. Speaker, we built new hospitals in communities like Lampman and Borden, Nokomis, Kamsack and Paradise Hill.

SOME HON. MEMBERS: – Hear, hear!

AN HON. MEMBER: – And Biggar too!

MR. TCHORZEWSKI: – Biggar, as well, Mr. Speaker. There were major hospital renovations in communities like Wolseley, Cupar, Kipling, Humboldt and Meadow Lake.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, this rebuilding program, of course, must continue. But with the major investments of the past few years we have now reached a new stage. We must be sure that these improved facilities are capable of providing the services which are required. That means more staff in our hospitals and more equipment. For this reason I am pleased to announce a major increase in the 1980 budget for the Saskatchewan Hospital Services Plan, an increase of 13.7 per cent.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – This will provide new equipment, new hospital staff positions and will help to meet increased costs in the health sector. We will provide these funds for the needs of today and we will continue to build for the future. For 1980 we have budgeted almost \$25 million for capital projects, an increase of 12.3 per cent. These projects include such things as \$17.8 million for the Regina Hospitals regeneration program; \$3 million for the renovation at University Hospital in Saskatoon; and \$4 million for new hospitals at Carrot River, Foam Lake and La Loche, and for renovations at Melfort, La Ronge, Prince Albert and North Battleford.

As well, Mr. Speaker, we have budgeted planning costs for a new provincial laboratory and we are reviewing the Lloydminster regional health study to determine the health needs of that area. We will extend the dental plan in 1980-81 to cover ages 4 to 14, a total of 131,000 patients.

Periodically across Canada the demand for certain medical specialists exceeds supply. We are therefore establishing a grant of up to \$25,000 per doctor to attract specialists who are in short supply. We are also concerned that the distribution of physicians and other health professionals within the province is not adequate. In 1979 we started the ownership program in rural areas of medical students, operated by the Saskatchewan Health Care Association. This program has proven so successful that we are starting a similar one for dental students to be operated by the college of dental surgeons.

Beginning this fiscal year, we will support a total of 15 dental students in rural practices during the summer months. These efforts demonstrate our commitment to a co-operative approach in health care. We need the help of health professionals and organizations to ensure the delivery of our programs to Saskatchewan people.

Mr. Speaker, I have set out the government's plans for the budget years, but what about the longer term? While maintaining and improving our comprehensive health care system, we will also place much more emphasis on prevention and the encouragements of healthy life styles. This approach is sensible and it is cost-effective. It builds upon the foundation laid by this government in the last decade and forms the core of our strategy for the 1980s. We have confidence in our health care system and we have confidence that it will grow even strong in the years to come.

Unfortunately, Mr. Speaker, we see serious national problems emerging in health care and what Canada needs is a federal government committed to guaranteeing the provision of health care services across the country. Two weeks ago my colleague, the Minister of Health, presented this government's brief to the national health services review headed by Mr. Justice Hall. In that brief we proposed some major changes to the federal-provincial health financing system. Saskatchewan for its part remains committed to a truly national, universal, comprehensive and accessible health care system.

Mr. Speaker, the protection of the environment is basic to the health, the safety and the general well-being of the people of Saskatchewan. We recognized this in 1972 with the establishment of the Department of the Environment. We recognized this with the development of one of the most comprehensive environmental assessment programs in Canada, a process exemplified by the Churchill River and Cluff Lake Boards of Inquiry. We recognized this with the signing of the surface lease agreement with Amok Limited, an agreement which establishes the toughest set of environmental guidelines for any uranium mine in Canada.

Mr. Speaker, I am pleased to announce in this budget a comprehensive package designed to tackle existing environmental problems and prevent others from developing. Overall, Mr. Speaker, the budget for the Department of Environment will increase by 28 per cent in 1980. A number of initiatives will be taken toward existing problems: first amendments to The Department of the Environment Act to provide for the mandatory reporting of hazardous spills,; second, funding to investigate storage sites for hazardous wastes, a; and third, increased funding for the expanded monitoring of spills, of water and sewage pollution, and of air quality contaminants. The prevention

of future environmental problems is also fundamental to the health and safety of our citizens, and so in 1980 we will formalize and strengthen the environmental assessment process by introducing The Environmental Assessment Act and by providing additional staff and resources. We will begin detailed planning for an environmental testing facility within the new provincial laboratory. We will implement new programs designed to prevent possible health and environmental problems related to the uranium industry. Mr. Speaker, these initiatives will include \$200,000 to examine the effects of low level radiation as recommended by Justice Bayda, and over \$150,000 to the occupational health and safety branch to expand worker safety monitoring programs.

Mr. Speaker, I want to turn now to the subject of uranium mining. Many concerns have been expressed about the long-term environmental implications of this industry. We recognize those concerns. We believe that everything possible must be done to ensure that uranium is mined safely. It is important to make sure that new uranium mines conform to the strictest possible environmental protection standards. These include strict provisions for complete reclamation of the uranium mine and mill site following the end of its productive life. But, Mr. Speaker, it is also important while these uranium mines are in production to prepare for unforeseen environmental problems which may arise long after reclamation is completed. Accordingly, Mr. Speaker, I am announcing today the creation of a new environmental protection division of the heritage fund.

This division will enable us to set aside revenues from current uranium production as a contingency fund. The government will contribute \$1 million for each uranium mine operation and thus, our initial contribution will be \$2 million in 1980. This money will be held in the division and will build up over time as it accrues interest. Taken together, these initiatives demonstrate our commitment to the environmental health of our province.

Mr. Speaker, in 1978 we promised to reduce greatly the cost of nursing home care. In this budget I am pleased to announce that assistance for special care residents will increase to over \$35 million. This will include \$3 million for a major restructuring of long-term nursing care in Saskatchewan. On an annual basis we will increase our assistance to residents of nursing homes by over \$10 million. The details of this new program are now being developed for implementation later this year. Second, we will continue to expand the home care system at a cost of \$10.3 million in 1980. At the same time we will take steps to improve co-ordination of the home care system and the provision of chronic care. As a result, Mr. Speaker, an assessment in placement service will be started as a pilot project in Saskatoon during the spring of 1980. Third, I am pleased to announce an income tax reduction of up to \$50 per senior citizen in 1980. This will increase the maximum general tax cut for senior citizens from \$160 to \$210 and reduce provincial income taxes by \$1 million. Finally, we will expand the renters property tax rebate program to include senior citizens living in tax exempt properties who are not receiving subsidized nursing care. These grants will be made retroactive to the start of the program in 1979-80.

Let me say a few words, Mr. Speaker, about northern Saskatchewan. This budget includes major initiatives in highways, forestry, economic development and for local government funding for the North. In 1980 we will continue to extend the northern road network. This budget provides nearly \$4.6 million for the construction of Highway No. 106 between Creighton and Smeaton; \$3.8 million for community and resource access roads; \$820,000 for the completion of the Buffalo Narrows causeway and \$2.6 million for the construction activities on northern Highways 2 and 155.

In 1980-81 we will provide funding to ensure that our forest resources are protected for the benefit of future generations. Over 12 million trees will be planted in 1980, a substantial increase from the 1 million trees planted in 1971. Mr. Speaker, \$6 million will be allocated for the second year of a four year federal-provincial forestry agreement. In addition, we will expand other economic development activities. The statutory limit for the economic development advance account will be increased from \$15 million to \$25 million. This means more northerners can be provided with loan capital to become active entrepreneurs. As well, we will increase funding for skilled training by 27 per cent, so that more northerners are qualified for resource development jobs.

Mr. Speaker, northern local governments year by year are assuming greater responsibilities on behalf of their citizens. This budget provides new resources to match those responsibilities.

this budget for the Department of Northern Saskatchewan provides nearly \$14 million for school operating and capital grants – a 15 per cent increase over last year. Funding for local government has increased to nearly \$4.4 million, not including the \$1.2 million in grants to recreational facilities. The capital budget includes \$13 million for the construction of community utilities, educational and municipal facilities. Combined, over \$32 million is provided for funding related to northern local government requirements. Mr. Speaker, the '80s hold great promise for northern Saskatchewan and for the people of the North.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, we in this province are embarked upon a new decade of progress. We must consider the ways in which we will judge our performance in 10 years time. At the end of the '80s we want to be able to look back and point to this decade as one in which our Indian and native people came to experience much greater participation in Saskatchewan's economic and social development. This budget contains programs which mark out commitment to that goal. We are acting because of our deeply-held belief that Indian and native citizens of Saskatchewan have important contributions to make to the future development of this Premier in both rural and urban areas.

At the same time, Mr. Speaker, it is not our intention to relieve the federal government and federal authorities of their responsibilities. We expect them to fulfil their obligations. I am proud to announce that the Government of Saskatchewan will provide more than \$31 million this year for programs developed for and with the Indian and native population. I might add, Mr. Speaker, this is over and above universal services such as hospitalization, medicare and programs delivered by the Department of Northern Saskatchewan.

Some of the new and re-directed programs for 1980-81 will include, in education, a Saskatchewan urban native teacher education program which will train and place native teachers in urban schools with large native populations; a community schools program which will help involve parents in the education of their children; a teaching associate program which will place native teaching associates in the classroom to aid existing teachers. The Gabriel Dumont Institute of Native Studies and Applied Research will begin its first full year of operation. In job training and employment, Mr. Speaker, a native training and employment program involving both the public and the private

sectors will provide subsidized on-the-job training as well as permanent job placement services. And an economic development program will promote native business ventures and provide access to management advice and capital.

In support services, the province will increase substantially the funding for Indian and native groups delivering family support services to the community. The Department of Social services will expand the availability of day care for children of Indian and native working parents. There will be increased resources for alcoholism programs and tenant counselling programs. As well, Mr. Speaker, successful Indian and native program already in place will be continued. The Saskatchewan Housing Corporation will continue its program of providing quality housing for those of native ancestry who might otherwise be unable to afford it. The Department of Northern Saskatchewan will continue to deliver a comprehensive array of programs, many of which are aimed primarily at the large Indian and native population of the North.

Mr. Speaker, these initiatives form an impressive new beginning and with these efforts, we're confident that native and Indian people will share increasingly in the development and the rewards of Saskatchewan prosperity.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, this government has always been responsive to the changing needs of our education system. In the 1970s we recognized the growing educational aspirations of adults and our response was to establish the community college system. Since 1974 enrolments have exceeded 465,000. As we enter the '80s we see more change with declining enrolments in schools and universities and the increased interest of our young people in technical training. Educational institutions, as well as the provincial government, must be responsive to these changing needs.

In the 1990s Saskatchewan's growing economy will place heavy demands on our technical schools and this budget will respond to these demands with the introduction of seven new institute programs to broaden further the range of courses offered with phase one of a planned \$5 million expansion to the Saskatchewan Technical Institute at Moose Jaw, with funding for renovations to the Wascana Institute and with initial development work for delivering vocational training on an outreach basis through the community colleges.

With these initiatives the youth of Saskatchewan will be able to take advantage of the growing employment opportunities in our province. In 1980 school operating grants will increase by an average of 9 per cent per student, a level which allows our schools to maintain high educational standards. And as I have already announced, we will be introducing an extensive package of educational programs for native people.

Also, Mr. Speaker, school capital grants will increase by over 20 per cent to \$8.8 million, providing for the construction of more than ten new schools. University operating grants will be increased by 8.45 per cent overall, one of the highest increases announced so far by any province in Canada. This, Mr. Speaker, is more than a 10 per cent increase per full-time equivalent student. Also, \$3.5 million will be provided for capital projects.

Finally, Mr. Speaker, the heritage fund will provide \$13.5 million for construction costs of the Veterinary College and the Engineering Building at the University of

Saskatchewan.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, we look to the past with respect. This government considers the conservation of Saskatchewan's heritage to be an important goal for everyone. In recognition of this, we recently conducted a series of public meetings throughout the province to help shape our heritage policies for the 1980s. In addition to other heritage conservation measures, this government is concerned about the preservation of our archives, that rich and fascinating collection of historically significant documents. To this end the grant of the Saskatchewan Archives Board will be increased by 55 per cent to over \$644,000. As well, Mr. Speaker, this budget provides an increase of 52 per cent in a grant to the Western Development Museum and this will provide the museum with the resources needed to protect and to house its impressive collection of early Saskatchewan artifacts.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – The history of Saskatchewan is the history of the co-operative movement. In 1980 the government will provide greater assistance in three areas: first, for new co-operatives, start-up grants to assist in covering development costs; second, for Saskatchewan's youth, the phase two expansion of co-operative course materials in schools, a \$100,000 grant to the Co-operative College of Canada and the creation of a \$100,000 co-operative scholarship fund; and third, for co-operative management, a new training program for board members and management staff and three new co-operative management advisors to assist Saskatchewan's credit unions.

Mr. Speaker, these initiatives demonstrate this government's continued support for the co-operative movement.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Now our small business sector must continue to grow if we are to realize the full benefits of the development of our resources in the 1980s. As well, the commercial sector, vital in our rural areas, must be maintained. I am pleased to announce the strengthening of the following programs in 1980-81: the Main Street program, the funding will be doubled; the Aid to Trade program, a 95 per cent increase; the small industry development program, a 53 per cent increase; industrial technical assistance, a 12.7 per cent increase; and as previously announced, a 30 per cent increase will be provided for the small business interest abatement program.

I'd like now to turn, Mr. Speaker, to the municipal sector.

Mr. Speaker, a strong and independent municipal sector is one of the most important foundations of our society. This government is fully committed to supporting and assisting municipal governments in providing the basic services on which we all rely.

Let me review the three main areas in which this budget provides assistance to municipalities. First, in operating expenses: in the 1970s we increased operating grants to municipalities by over 400 per cent. In addition, we sought to provide for our municipalities a major source of revenue linked to economic growth. In 1978, we introduced revenue sharing. Since this program was introduced, operating grants to urban and rural municipalities have more than doubled, from \$41.3 million in 1977 to

almost \$83 million in 1980. As a result of these unprecedented increases in funding the average mill rate increase for urban municipalities in 1978 was only 1.5, and in 1979 only 1.3. Mr. Speaker, we will take the final step in the process this year. I am pleased to announce that the escalator mechanism – the cornerstone of revenue sharing – will be introduced in this budget. With the escalator in place, the future size of the revenue sharing pool will be determined automatically and not tied to provincial expenditures and tax policy decisions. This will enhance the autonomy of local governments and guarantee them a share of the economic growth we all anticipate.

The second main area of support provided by this budget is capital funding. And here I will let the record speak for itself. In 1974, total capital grants provided by the province to municipalities amounted to \$11 million. In that years, we introduced the community capital fund, the first in a series of new initiatives. This program alone paid out more than \$8 million over five years, with more than 3,500 projects receiving funding in over 630 communities. Following this, in 1975, urban highway grants were greatly increased. In 1980-81 we will increase our support for urban roadways by 21 per cent to \$10.5 million. In 1977 the recreational and cultural facilities grant program was introduced and by the end of the current fiscal year we will have spent over \$17 million to fund over 1,200 programs throughout Saskatchewan and their total value including local contributions is over \$77 million. We will be extending this program to the end of 1981 to allow communities in Saskatchewan more time to utilize their funding allocations.

But that isn't all. I am pleased to announce that on April 1 of this year we will introduce a new community capital fund. Grants from this new fund will be unconditional for eligible capital projects and the level of funding will be \$100 per capita over five years. We anticipate the program will pay out \$66.6 million to urban municipalities over its five-year life. This raises the total amount of money for these conditional and unconditional capital grants to approximately \$35 million in 1980, a 24 per cent increase over 1979 alone and more than triple the grants paid out in 1974. I think this is an impressive commitment to the municipal sector. The new community capital fund will be financed out of the heritage fund, using our resource revenues to fund skating rinks, libraries, community centres, and other worthwhile municipal projects.

The third main area of provincial support is property tax relief. Since 1971, this government has established the property improvement grant program for home owners, small businessmen and farmers. We introduced the senior citizens school tax rebate program and we extended the property improvement grant program for renters. In total, Mr. Speaker, we will provide \$68 million in property tax relief in 1980-81 – a six-fold increase since 1971.

All together this budget provides nearly \$180 million in grants and property tax relief for the municipal sector – clear evidence of our commitment to strengthen local governments and to enhance their autonomy.

Mr. Speaker, this government is committed to ensuring that the rights of all Saskatchewan citizens are protected under the law. In recent years we have given high priority to improving the quality and accessibility of our court services. In this budget speech, Mr. Speaker, we will take further steps to guarantee that the high standards which our citizens have come to expect are not only maintained but improved.

Last year, the Attorney General conducted a thorough examination of the court system in this province. As a result of this study, I am pleased to announce major funding

increases totalling \$15 million for all levels of the court system. This includes \$2 million for program improvements and expansions over the next three years. In particular, we will merge the district court with the Court of Queen's Bench in order to simplify our court system and to provide greater accessibility. We will assume responsibility for municipal justice services throughout the province to provide more uniform service to the public. We will reorganize the functions of judicial centres to reflect changing patterns of demand. We will provide increased staff such as court clerks and court reporters and judicial staff and sheriffs. These measures will be undertaken after consultation with local authorities and other concerned parties. In addition, because of the initial success of both the unified family court in Saskatoon and the traffic safety court in Regina, the Attorney General is considering expanding these pilot projects to other centres in the province.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, we are also planning major capital expenditures for the court system. Commencing in 1980-81, we will undertake expansions to the Regina and Saskatoon court houses costing nearly \$12 million over five years. This will allow the courts in each city to be housed in one location and result in a more convenient and efficient service. We will also undertake renovations to existing court facilities. Major renovations for Prince Albert and North Battleford are planned for the 1981 fiscal year. A program to provide visiting court facilities in expanding communities outside of these major centres is also being developed. Such facilities have recently been completed or are under development at Watrous, Lloydminster, Meadow Lake, Nipawin, Uranium City, La Ronge and Esterhazy. Over the next five years court services will be extended to Rosetown, Hudson Bay, Maple Creek, Fort Qu'Appelle and Kamsack. Mr. Speaker, this is a comprehensive package of measures in support of our court services and with the continued co-operation of all professional groups concerned with the administration of justice, our court system will remain one of the finest in Canada.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, I would like now to turn briefly to the question of leadership. I have described today this government's plan of action for the coming year in areas such as health care, energy, agriculture and the funding of local governments. It is a sound plan. It is a responsive plan, a plan made possible by the strong leadership of the members of this government and our Premier, leadership in resource policy and leadership in financial management. This government has seen to it that resource companies pay a fair return for the use of our resources. Our policy has increased annual provincial resource revenues twentyfold since 1971 and our policy has built up a heritage fund whose assets will reach approximately \$915 million by the end of this coming year.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – That is, Mr. Speaker, about (950 for each man, woman and child in Saskatchewan.

The government has aggressively used Saskatchewan's Crown-owned enterprises to develop resources and to provide services directed from head offices within Saskatchewan.

Mr. Speaker, a barrel of oil sold is a barrel of oil gone and it is gone forever. We established the Saskatchewan Heritage Fund and the energy fund before it, as a mechanism to preserve the benefits of these resource developments for future generations. That decision has proved to be a wise one. The announcements I have made today, regarding energy security and the protection of the environment, will enhance the importance of the heritage fund in the lives of all Saskatchewan people.

This government's policy to make the resource companies pay their fair share to the province has certainly not gone unchallenged. It is my hope that these battles over resources with the multinationals and the federal government are now behind us.

In 1979 we signed the potash resource payment agreement with each potash company operating in Saskatchewan. As well, 1979 was the first full years of operation for The Oil Well Income Tax Act. These major changes to our resource revenue systems were made necessary by legal challenges to Saskatchewan's right to control its resources. These measures have secured past and current resource revenues for Saskatchewan. But we must continue to press on with the negotiations that will lead to constitutional changes, changes which will ensure provincial control of resources.

Mr. Speaker, I have referred to the importance of Crown corporations in the economic life of this province. This is particularly true in resources. The heritage fund, on behalf of the people of Saskatchewan, has invested \$418.5 million in the Potash Corporation of Saskatchewan and made loans totalling \$33.4 million.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – From its beginning in 1975 the Potash Corporation of Saskatchewan has been building for the future. It has now completed phase 1 expansions at Cory, Rocanville and at Lanigan. More recently the Potash Corporation of Saskatchewan has announced its plans for a \$2.5 billion program of expansion. This investment will more than double the productive capacity of the corporation over the next 10 years. The Potash Corporation of Saskatchewan now employs over 1,200 people, including close to 200 head office jobs which otherwise would have been located outside of Saskatchewan.

In addition to creating more jobs in Saskatchewan's potash industry, these expansions will create jobs and opportunities in other sectors of our economy – in manufacturing, in the supply industries, in research and in development. These jobs and opportunities will be created because the potash corporation believes in buying Saskatchewan products and services that other producers have often purchased elsewhere.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, I have saved the best news for last. I have been informed by my colleague, the minister responsible for the Potash Corporation of Saskatchewan, that the financial statements for the potash corporation for 1979 are now available. These statements indicate that in 1979 the potash corporation recorded a profit of \$78 million.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, these profits are a direct result of the forward-looking

resource policies of this government. And I'm sure that you and members of the House will want to join me in congratulating the minister and the corporation for a fine year indeed. These profits will be retained in the Potash Corporation of Saskatchewan to help finance the corporation's ambitious program of expansion.

Mr. Speaker, before I come to our current financial position, I would like to review our fiscal strategy for the last few years.

In 1972 we established the policy of long-term fiscal accounting to balance our expenditures and revenues over the economic cycle. In accordance with this policy we decided, in 1976 through 1978, to use the \$111 million that we had accumulated from previous years to finance ongoing government programs. We did this for two reasons. First, we refused to cut back essential programs during a period of slower revenue growth. Second, we considered the level of government spending to be an important factor in influencing the performance of the economy. We believed that by maintaining reasonable levels of spending, we could provide the necessary stimulus to keep our economy growing and to keep our population employed. At the same time we were committed to getting the maximum value for every dollar spent. We therefore put in place a step-by-step process to limit the rate of increase in our spending and to control the size of our public service. The rate of increase in consolidated fund expenditures will therefore decline in 1980 for the sixth consecutive year. For the fifth year in a row the size of the public service will not be increased.

On the expenditure side, we expect to be able to deliver the full range of existing programs plus an impressive array of new initiatives. On the revenue side, we anticipate steady growth supported by an expanding economy which our financial strategy in the 1970s helped to bring about. And as a result of this strategy, Mr. Speaker, we will balance the budget of the consolidated fund for the coming year.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – But there is a larger benefit to this strategy, Mr. Speaker. Our policy of balancing the budget over the economic cycle has kept the government's borrowing for its own purposes to a minimum. Close to 90 per cent of the government's debt has been incurred on behalf of our Crown corporations. Because we have not required long-term borrowing to finance the government's day-to-day activities, the province's debt per capita is the second lowest in Canada.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Consequently the province has acquired a superior credit rating in the financial markets of North America and Europe. This has enable us to borrow as cheaply as any provincial government in Canada. In fact, Mr. Speaker, the cost of Saskatchewan's bond issue last year was the lowest yield obtained by any province on a Canadian long-term debt issue in that year.

Mr. Speaker, since coming to office nine years ago this government has sought to reduce the level of taxation on lower- and middle-income families and on smaller Saskatchewan businesses.

I would like to refer members to an interprovincial comparison of taxes and charges appended in the budget speech, which once again demonstrates the favourable position of Saskatchewan taxpayers. I have already mentioned the new \$50 income tax cut for

senior citizens, I am pleased to announce a further tax reduction – the \$40 tax cut per child will be increased to \$50 in 1980.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, these two tax changes will remove another 2,500 taxpayers from the provincial tax rolls. Legislation will be introduced to raise the maximum benefit to 450 per child and to provide the special tax benefit of up to \$50 for senior citizens retroactive to January 1, 1980.

One further modification will be made to the tax cut. To make the overall adjustment more progressive, the 20 per cent reduction factor included in the current legislation will be increased to 30 per cent. The basic cut will remain at \$160. The provincial income tax surcharge of 10 per cent will remain in force for 1980, affecting those taxpayers whose taxable income exceeds \$31,600.

Now, Mr. Speaker, I turn to the federal corporate tax system. This government is concerned that large oil companies are not contributing their fair share to the general revenues of governments through the federal corporate income tax system. A number of other provinces have concluded that, by itself, the corporate income tax system is not a sufficient instrument for taxing corporations in Canada. Mr. Speaker, effective April 1, 1980, Saskatchewan will introduce a corporation capital tax for large corporations. While this tax will resemble capital taxes now in place in Quebec, Ontario, Manitoba and British Columbia, I want to stress that Saskatchewan's capital tax will be aimed only at the very large corporations with capital in excess of \$10 million. Small business corporations will be excluded from the tax by a \$10 million exemption from taxable capital. In addition co-operatives, credit unions, family farms and certain corporations exempt under the Federal Income Tax Act will not be subject to the capital tax. Provincial Crown corporations of a commercial nature will be subject to the tax. A general rate of tax will be three-tenths of 1 per cent of taxable capital, the same rate now effective in Ontario and Quebec. For chartered banks, loan and trust companies, the rate will be four-fifths of 1 per cent.

The \$10 million exemption from taxable capital is by far the most generous in Canada. For 1980-81 the tax will generate an estimated \$10 million in revenue and will affect only the largest 1,000 corporations. In fact we estimate that the 100 largest corporations will pay about three-quarters of the total. Enabling legislation will be presented to the House in the coming weeks. I should note that the legislation will make provision for waiving the capital tax on potash companies party to the new potash resource payment agreements until the termination of those agreements on June 30, 1984. I should also note that the special provisions will apply to large projects during lengthy construction periods.

Mr. Speaker, this budget contains another change in the area of corporate taxation. I am pleased to announce that retroactive to January 1, 1977, The Income Tax Act of Saskatchewan will be amended. The lower provincial corporate income tax rate for small businesses will be applied to all credit unions, and to the credit union mutual aid board. This change will parallel a similar feature in the federal tax system, and once again, this demonstrates our government's commitment to the credit union movement in Saskatchewan.

As I have mentioned previously, amendments to The Education and Health Tax Act will be introduced to extend and to modernize the list of exemptions on farm equipment

and this will reduce provincial revenues by \$500,000. Exemptions from sales tax will now relate to equipment used in primary farming activity and the definition of farm will be standardized and extended.

Finally, Mr. Speaker, I am announcing effective at midnight tonight, that the tax on cigarettes will be increased by 3 cents per package of 25; the tax on tobacco will be increased by 1 cent per 25 grams and the tax on cigars priced over 20 cents will be increased by 1 cent. These tax changes will yield an additional \$2.7 million for 1980-81.

Mr. Speaker, let me now turn to our fiscal position for 1979-80. In last year's budget, the consolidated fund revenues were projected at \$1.807 million, and expenditures at \$1.856 million for a net cash decrease of approximately \$48 million. At the same time, heritage fund revenues were projected at \$515 million, and expenditures at \$398 million, yielding a budgetary net cash increase of \$117 million. Taken together, the two funds were projected to yield a combined net cash increase of \$68 million. I am pleased to say, Mr. Speaker, that due to the strong growth in our resource revenues, we are now projecting a combined net cash increase of over \$100 million.

The consolidated fund revenues, however, are now expected to fall below the original estimate of \$1.807 million to approximately \$1.796 million. This is due largely to the re-estimates of income tax payments from the federal government. Overall, Mr. Speaker, we anticipate a net cash decrease of \$60 million in the consolidated fund for 1979-80. However, this is more than offset by the strong performance of resource revenues in the heritage fund. We are now projecting revenues of \$575 million and expenditures of \$413 million. This raises the projected budgetary net cash increase for the year from \$117 million to \$152 million. As a result, the combined net cash increase of the two funds will total approximately \$102 million.

I now turn, in my concluding remarks to 1980-81. As I indicated before, I am pleased to say that we expect to balance the budget in the consolidated fund for 1980. Revenues are projected at \$2.019 million, while expenditures are projected at \$2.018 million. Mr. Speaker, the story is even more impressive for the heritage fund. Expenditures in the heritage fund are expected to be \$496 million in 1980-81, while revenues are projected to reach \$645 million. As a result, we are forecasting that the two funds will show a net cash increase of \$150 million. In 1980-81, the heritage fund dividend to the consolidated fund will be \$387 million, or 50 per cent of total heritage fund revenues.

Mr. Speaker, the capital investments made by our Crown corporations are essential to Saskatchewan's economic growth. Our Crown resource corporations play a major role in leading the development and our power and telecommunications utilities support the province's development by providing a wide range of basic services.

Let me review briefly our capital financing plans for the coming year. In 1980, our Crown corporations will undertake a major expansion of their activities, increasing the capital investment programs by over 50 per cent. They will require an estimated \$972 million for capital purposes, and of this amount they expect to generate \$382 million internally, leaving a balance of \$590 million to be financed from other sources. These include \$136 million from the Saskatchewan Heritage Fund, \$88 million from the Canada Pension Plan Investment Fund, and \$366 million to be borrowed on the major

Canadian and United States dollar markets. Given the strong financial position of the province, we anticipate no difficulty in raising these required funds.

Mr. Speaker, I said at the beginning that we had come of age. We had come of age as a province, as a government. As a province our population is growing. Our unemployment rate is among the lowest in Canada. Our economy is maturing. As a government we took the hard decisions in the '70s on resource development, on royalty structures, and on the tax regimes that would ensure the development of our resources for the benefit of all citizens of Saskatchewan. We demonstrated the economic leadership necessary to guarantee a prosperous and a dynamic decade ahead of us. As well in the '70s we established the comprehensive range of program designed to strengthen our local institutions and to enrich our cultural heritage.

I also said, Mr. Speaker, that these achievements now allow us to embark on a new decade of progress. This budget is the first in a series of budgets which will support unparalleled development in Saskatchewan over the next 10 years. The budget provides a wide-ranging set of initiatives in services, in health care, environmental protection, Indian and native programs and local government, resource management and sound fiscal policies. Most importantly this budget contains bold initiatives in energy and grain transportation. These forward looking measures will help all sections of society and especially the farming community to meet the challenges of the 1980s.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, at no time in the history of Saskatchewan has a decade begun with as much promise as this new decade. Looking forward today on our 75th anniversary we have, Mr. Speaker, good reason to Celebrate Saskatchewan.

SOME HON. MEMBERS: – Hear, hear!

MR. TCHORZEWSKI: – Mr. Speaker, with those remarks on the 1980-81 budget for the Government of Saskatchewan, I move seconded by the member for Biggar, Mr. Cowley:

That this Assembly do now resolve itself into the committee of finance.

SOME HON. MEMBERS: – Hear, hear!

MR. P. ROUSSEAU (Regina South): – Mr. Speaker, first of all I would like to thank the minister for having sent me a copy of the budget. I want to assure him that because I made a prediction on television last night that the budget would be over \$2 billion, nobody in the press told me in advance – I just looked in my crystal ball and I came up with an accurate figure. I want to congratulate the Minister of Finance for having brought in, for the first time in five years, a balanced budget. I want to congratulate the Premier for having appointed the minister to the portfolio after having four years of disastrous budgets by the previous minister.

I noticed, Mr. Speaker, that the biggest applause or desk thumping that came from the other side this afternoon was when the minister announced the potash profits for last year. You said you'd just received it.

SOME HON. MEMBERS: – Hear, hear!

MR. ROUSSEAU: – It might help to even cover the interest of that company, or that corporation. But the interesting part of that announcement today, Mr. Speaker, of \$76 million, was that last year they announced a profit of \$43 million or \$46 million if I recall correctly. After reviewing the report and having it looked over by auditors within the province or within the city of Regina, it wasn't a \$43 million profit they came up with; it was a \$43 million loss.

My first reaction to the budget, Mr. Speaker, when I knew it was going to be as wild as \$2 billion, was how quickly this government moved in spending the taxpayers' money. It took 70 years – we are celebrating our 75th birthday this year – to arrive at a \$1 billion expenditure by this government in 1975. It took 5 years to double that expenditure. Mr. Speaker, before the end of the decade that this minister is prepared to celebrate, we will have a \$4 billion expenditure at the rate we are going. Mr. Speaker, are we heading for good times? We have a \$3 billion debt. Our interest on our debt, Mr. Speaker, last year was \$272 million. Mr. Speaker, that was more than the total budget for 1966. More than the budget of 1966! Interestingly enough the budget of 1966, or the interest in 1966, was the same as the total budget of 1944. History repeats itself. Are we looking at a \$2 billion interest bill before the end of this decade?

Mr. Speaker, the minister has made reference to a balanced budget. We have congratulated him for a balanced budget, but maybe we should put this into perspective as well – it's balanced with the help of \$500 million from the federal government. They're not in bed with the federal Liberals?

SOME HON. MEMBERS: – Hear, hear!

MR. ROUSSEAU: – Mr. Speaker, I will have three or four days to scrutinize the budget, because if I find as many discrepancies in the budget this year as I found in last year's, it will take me a long time to deliver them on Monday.

For an example, for the last three years they have been forecasting increases in our health department, increased of 8 to 16 per cent, but they haven't been spending them – from a \$435 million forecast two years ago, down to \$417 million – a shortage of \$18 million. The truth of it is there hasn't been any increase in real dollars. Last year the health expenditures dropped by 6 per cent.

Manitoba brought in their budget last week – \$1.99 billion. Their health expenditure, as a percentage of their gross expenditure, is higher than Saskatchewan's. The per capita expenditure on health in Manitoba is \$45 higher than it is in Saskatchewan. Now your pride yourselves on health in this province!

The minister announced today a \$25,000 grant to doctors. Mr. Minister, the answer would have been very simple – treat them right and you won't have to give them any grant.

SOME HON. MEMBERS: – Hear, hear!

MR. ROUSSEAU: – Mr. Speaker, governments, at times do listen to the opposition.

AN HON. MEMBER: – When?

MR. ROUSSEAU: – This government did in environment – a 28 per cent increase. I

think we should congratulate the member for Arm River for having convinced the government they were nothing less than low in their prices.

Mr. Speaker, the government has made reference to their performance in the last year and on-half. In the last five years they have gone right back to the time they were re-elected. I think it is incumbent upon me to put this into perspective and it is time to tell the truth about their performance.

The truth is, Mr. Speaker, the NDP government is nothing more than a selective group of power brokers hiding behind the mask of Crown corporations – money for a few and taxes for the rest. They call it a Saskatchewan family of Crown corporations. The very name is an insult to Saskatchewan families throughout this province of Saskatchewan. Since when did a bureaucracy of power brokers have any resemblance to a Saskatchewan family? they are a family all right but let's call a spade a spade. The real name is the Saskatchewan Mafia of tax collectors propped up by taxpayers, propaganda and public loan shares.

Speaking of the tax collectors, Mr. Speaker, I know that the tax collectors of the province are still robbing piggy banks.

I didn't see anything in the budget relating to the exemptions for children's clothes and the school books, only for the canaries and cats. The truth is the NDP have failed the Saskatchewan family and failed desperately. Let's look at that record.

In 1971, when the NDP tax collectors took over this province they promised in this House to help the Saskatchewan family build and diversify agriculture' to strengthen rural towns and villages; to lower tax; to increase manufacturing; to increase oil production. Let's review the records for this audience here today.

In 1971, Mr. Speaker, there were over 75,000 family farms in Saskatchewan. Today we have 68,000 farms – a reduction of 8,000 – left to pay the tax. Is that performance? Mr. Speaker, imagine losing good family farms since the land bank began. Is that performance? No, it's a shame. The Saskatchewan family of tax collectors did all right though. They now own over one million acres of farmland. Power brokers! Could this be the last century that private citizens own farmland in this province? We have lost dairy farmers, poultry farmers, egg producers, beef producers, feedlot operators, vegetable producers, packing plants. Ask the farmers at Lanigan what the NDP tax collectors tried to do to farm feedlots. They tried to impose five years of retroactive sales tax on the agricultural industry of Saskatchewan farmers. As the hog producers how many packing plants are left to kill hogs in this province. Are there four, five, a dozen or one? Reduced to one, Mr. Speaker, largely owned by the NDP tax collectors.

In 1971, Mr. Speaker, we didn't have to ship 150,000 live Saskatchewan hogs out of the province to processors but in 1980 we do. In 1971, we didn't have to import hamburger from Alberta to satisfy the needs of restaurants in Saskatchewan but in 1980 we do.

In 1971, Mr. Speaker, the family of tax collectors complained because personal income tax was s high in this province. In 1971, it was 40 per cent. In 1980, it is 5.3 per cent plus a 10 per cent surtax. It's an increase, Mr. Speaker, of 40 per cent in the last 9 years.

I spoke earlier of the provincial debt. That debt, by the way, amounts – the interest on

the debt – to \$900 per taxpayer. Mr. Speaker, the good people of Saskatchewan I think have had enough for today. Mr. Speaker, I will have a lot more to say on Monday and as such I beg leave to adjourn debate.

Debate adjourned.

MR. TCHORZEWSKI: – Mr. Speaker, I move, seconded by the Hon. Minister of Agriculture (Mr. MacMurphy):

that debate on the motion that this Assembly do now resolve itself into the Committee of Finance, be resumed on Monday, March 17, 1980.

Motion agreed to.

The Assembly adjourned at 4:13 p.m.