

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 18, 1980

EVENING SESSION

Budget Debate Continues

MR. H.J. SWAN (Rosetown-Elrose): — Usually when they adjourn a program on television they save the best part for last and that's what we're going to do today.

SOME HON. MEMBERS: — Hear, hear!

MR. SWAN: — I'd like to talk a little about the government opposite and their program for irrigation over in our country. They spent quite a few million dollars to dig a ditch and bring it almost to the town of Conquest. Then they ran out of money or something and the government decided to call a halt. The halt has been there now for a couple of years. People in that area are going around the ditch. It's been a complete nuisance to farm people. The community of Conquest looked for a source of water supply when that ditch came in — still no water. Last winter they had to resort to hauling water from Outlook to supply the town. Again the government didn't provide any assistance. They let the community pay their own costs. I wonder, is the government prepared to get off its butt this year and do something?

I believe it's time the irrigation project was given the go ahead. We want to see the province of Saskatchewan produce to its maximum capacity, but as long as you cut off the irrigation in that area there's no way we can get that capacity up to where it should be. So I'd encourage the government to get the development completed and let us get on with the irrigation on the west side of the Gardiner Dam.

I've mentioned several times in this House my concern for the funding provided to senior citizens in our province. I'd like to mention the level I and Level II care being provided in the province and the costs you are expecting our senior citizens to pay out of their own pockets. These people are on very fixed incomes and can't . . . (inaudible interjection) . . . Oh, I'd be glad to. Jack, just for your benefit, in British Columbia for \$195 these people can have care in any of level I, II or III. And that's all they pay — if they can.

SOME HON. MEMBERS: — Hear, hear!

MR. SWAN: — When you get into the province of Saskatchewan you don't get that kind of care. Rather, these people get a pittance from this government and they must pay the rest out of their own funds. I believe it's time you took a look at what other provinces are doing and tried to use the example they're setting for you. If you were to follow some of the examples our senior citizens would have much better lives than they are having today.

When I look at the amount of money you are providing in social services this year for senior citizens, it's not very much. It's a very limited amount. Members of the Department of Social Services tell me we can expect a 7 per cent increase over what you paid last year, effective on April 1. Inflation ran at 9 per cent. Why 7 per cent for these people? They have no other source to fall back on to cover their costs.

I'm concerned about the capacity of these homes, and especially the level IV beds. We

have people that have been on waiting lists for level IV beds for in excess of a year. They've been considered to be level IV patients by your committees that make the allocation, but you don't provide any funding for them. You just say you're a level IV patient, but you have to stand in line until there's a level IV bed, and you pay your own costs in the meantime. Many of these people are paying upwards of \$1,200 a month to provide a place to live . . . (inaudible interjection) . . . Oh, it's not nonsense. They are paying it, and they're paying it because your health care program isn't covering it. I would encourage you, Mr. Minister, to start to have a bit of pity on these people, and to put a few dollars in the pot. I'd like you to take a very hard look at it.

The Minister of Finance also talked about the great resource wealth our province is experiencing. In speaking of the resource wealth, he never tells us where it goes, because it doesn't ever seem to get into the pot where we can spend it. It's always one of those hidden things, and I think until that resource wealth comes out of the ground that you'd better quit talking about it. We don't see in this the kind of recovery from resources you have been telling us we were getting. They're fictitious figures you're using. You're not using the interest rates you're paying but rather you're showing the whole income of a potash mine without showing the true expenditures. I believe it's time you started to be honest with the people.

I want you to also look at the budget of the province of Saskatchewan. When you realize about 23 per cent of that budget comes from equalization payments. It doesn't add up. This is a province that's supposed to be a have province and yet nearly 25 per cent of our income comes from the federal government. Somewhere, somebody is not telling us the truth, and I think it's the Minister of Finance and his crew that are a bit off base when they advise the people that Saskatchewan is a wealthy province.

I've looked at the Crown corporations and the continual development of Crown corporations. I wonder whether maybe we should start to call them our non-profit corporations, because that seems to be what we have in this province — quite a group of Crown corporations that don't indeed produce the profit. How long will this continue? How long do we have to wait before you make these Crown corporations start to pay their way, and we see some black on the ledger?

I would like to end my comments today with just an item or two. I believe that over the past year this government has made an awful lot of promises to people, but I don't see them keeping those promises.

SOME HON. MEMBERS: — Hear, hear!

MR. SWAN: — You keep them by deceiving the people of this province. The day you get to the point where you actually go out and make an honest statement to the people and keep the promises will be a real step forward in this province.

Mr. Speaker, I will not be supporting the main motion, but I will support the amendment.

SOME HON. MEMBERS: — Hear, hear!

MR. D.G. BANDA (Redberry): — Mr. Speaker, it's a privilege to take part in this debate. I've been listening this afternoon to members across the way, and particularly the member that just sat down. I couldn't help wondering what he was really talking about because he was telling us until five o'clock that this budget wasn't high enough, we

weren't spending enough money in a number of areas, then he was saying we weren't making money with Crown corporations, and best of all, he said that he supported totally Joe Clark's campaign and the budget. I want to say I am pleased to hear that the members opposite supported a \$3.5 billion tax increase for the people of Saskatchewan because that's what they supported. The members opposite supported a 15 per cent interest rate — an interest rate which was increased four times since May. The budget also predicted 11 per cent inflation, they support that. They also support an increase in spending by the federal government of 10 per cent, because that's what their budget said. And best of all, they also support 8.5 per cent unemployment, or one million people out of work in this country. That's what you support over there. Besides that they said they support an 18 cent a gallon increase on gas and if you consider the price per barrel they are supporting about a 30 cent a gallon gas increase. Then they turn around and say we're having trouble in agriculture in Saskatchewan. Where is the credibility over there? There's no credibility over there.

Mr. Speaker, before I present my views on the budget to this Assembly I want to make one thing clear. I want to make it clear to the members that I will be staying on this side of the House and representing my constituency as an NDP member of the government. And I will be supporting our commonwealth parliamentary system and our provincial and federal governments.

Mr. Speaker, I'll be discussing this budget, presented in an excellent fashion to this legislature by Finance Minister Tchorzewski last Thursday. I want to congratulate him on this, his first budget.

While sitting here listening to the member for Regina South and some of his colleagues, it has often seemed to me that they must have heard a different budget speech from the one I heard. Something must have happened to the minister's words as they were moving across the floor of this Assembly, because by the time they reached the other side they no longer seemed to carry what had originally been a clear and unequivocal meaning.

Mr. Speaker, I heard the Minister of Finance clearly state that Saskatchewan was in the strongest economic position in its history. I also heard him state that the budget outlined large increases in funding for many important government programs and many bold initiatives, and that this budget contained tax cuts from the citizens of this province. In keeping with a carefully worked out long-term economic strategy this budget was also balanced.

All of that was very clear to me and I thought anyone with a pair of ears would have no trouble understand it, but I was wrong. The members opposite came to some strange and contradictory conclusions either because they did not hear or they would not hear. The member for Regina South and his fellow members of the Chicken Little society have been telling us ever since that the sky is falling in. I agree the sky is falling in on that side and two of them are running for cover. Either the minister is right and Saskatchewan's skies have never been brighter or Chicken Little is right and the sky is falling. The people of Saskatchewan have displayed great wisdom in choosing who was right in the past and I think they will have no trouble making their choice again this time. That the sky is falling in has never been a good bet.

Mr. Speaker, I want to discuss some of the excellent provisions of this budget. I don't want to dwell on the quality of the debate itself much longer but I can't help wondering why the budget was not understood by the members opposite. Could it be that after spending so much time wandering around in the political wilderness, they couldn't see the forest for the trees? Could it be that being preoccupied with avoiding all the pitfalls and snares along the road to their political bone yard destroyed their grasp of the obvious? — one could only speculate.

My concern, Mr. Speaker, is that the opposition's failure to grasp the meaning of the budget makes for a poor debate. To have a good debate, we need either two positives or a positive and an equally powerful negative. Two positives would be our position stacked up against the kind of coherent and positive policy alternatives that an opposition is supposed to provide. that would make for a good debate but unfortunately we never get that kind of opposition in this legislature.

INTRODUCTION OF GUESTS

MR. J.G. LANE (Qu'Appelle): — Mr. Speaker, it gives me pleasure to introduce some members of Cub Pack 83 from the University Park area here in Regina. The number is 28, and they are accompanied by Mrs. Breen, Mr. Bob McInnes, Mr. Len Koltun, Mr. Bird, Mrs. Gamelin, Mr. Bayne and Mrs. Wells. I would like first of all to extend, on behalf of all members of the Assembly, our appreciation and thanks to those accompanying the scouts tonight and giving up their valuable time for a very good cause. I know the cubs appreciate it and you are to be commended for your interest. To the cub scouts, I hope it's a very interesting evening for you. I'm glad you took the time to come. I hope that it's enlightening. I would like to ask all members to join with me in welcoming them here to the Legislative Assembly this evening.

HON. MEMBERS: — Hear, hear!

MR. BANDA: — Mr. Speaker, on behalf of members on this side of the House, I do want to join with the hon. member in welcoming the cubs here this evening. I hope they enjoy their visit to the legislature and that they all have a safe journey back home this evening.

HON. MEMBERS: — Hear, hear!

Budget Debate Continues

MR. BANDA: — Mr. Speaker, what we are getting in this budget debate and what we are getting from across is doom and gloom and the sky is falling, black or white or whatever you want to call it, or any other logical contortion you wish to choose that makes for a poor debate. Mr. Speaker, I am attempting to discuss further the oppositions' performance in this budget debate. I will move to a much happier subject now and look at the budget's impact on the Redberry constituency and the people of Saskatchewan.

Capital spending by various department and agencies in Redberry will amount of nearly \$3 million this fiscal year. These expenditures will include community pasture development and grazing lease improvement programs funded by the Department of Agriculture, more than \$1.25 million to be spent by the Department of Highways on various construction projects. That's a continued expenditure by the Minister of Highways for good roads in our part of the province and good roads for all the people of Saskatchewan. We'll get assistance for store front renovations from the Department of

Industry and Commerce funded by the main street program, and over \$1 million for the construction and maintenance of farm access roads from the Department of Rural Affairs. Mr. Speaker, work on the Battlefords Provincial Park and the Petrofka picnic site by the Department of Tourism and Renewable Resources will take place, nearly \$0.25 million for urban affairs for programs including the community capital fund, the business improvement district and the municipal water assistance board. Mr. Speaker, these are programs for rural Saskatchewan that members opposite don't recognize. Just last week three grants from the water assistance board were approved for three communities in my area. They included over \$38,000 to the village of Marcelin for construction of a water storage reservoir; nearly \$15,000 to the village of Borden for well development, and nearly \$20,000 to Blaine Lake for waterworks extensions. These are not glamorous expenditures, but they are the kind of programs that indicate a government responding to the day to day needs of citizens and they are not propaganda, Mr. Speaker, they're a fact.

Mr. Speaker, this budget also commits over \$88,000 to Saskatchewan Housing Corporation projects in my constituency. This year's program will include a four unit rural housing project in Leask and a land assembly project at Meota. Presently tenders are out for a 24 housing unit project at Blaine Lake, somewhere in the area of over \$600,000, Mr. Speaker, and that's for our senior citizens. I am happy to see that several of the Saskatchewan Housing Corporation's excellent programs will be expanded this fiscal year.

The residential rehabilitation program will be increased substantially with the subsidy budget increased by some 82 per cent. The urban native pilot project will have its funding increased by 63 per cent. The co-operative housing program has a target of 250 units, that is up 25 per cent over last year, Mr. Speaker. I'm glad to see that the Saskatchewan Housing Corporation is expanding its operations because many of its program have already been of great benefit to the communities in my constituency. One hundred and eighteen units of public housing have been built or committed in my constituency since 1976. Saskatchewan Housing Corporation's share of that construction cost is nearly half-a-million dollars. Forty units of rural housing have been built or will be built in seven different communities. One hundred and seventy-eight house building assistance grants have been provided, totalling more than \$127,000. There is still some more, members opposite, and I'm glad you're listening. One hundred and eighty-two loans have been provided under the residential rehabilitation program. That totalled more than half-a-million dollars and more than half of that will be forgiven. Finally, 723 senior citizens' home repair grants have been approved in my constituency at a total cost of \$335,000 and, Mr. Speaker, members opposite say we don't do anything for senior citizens.

Mr. Speaker, because of these programs many people in the towns and villages of Redberry are living in better housing. The Saskatchewan Housing Corporation has responded to a very important need, and now that the federal government seems determined to make decent housing impossible to afford for all but the wealthy the programs of Sask. Housing will become even more important. Mr. Speaker, the Blakeney government has always recognized that when agriculture is healthy Saskatchewan is healthy, and this budget contains a number of excellent provisions which will help to ensure that agriculture continues to be the backbone of Saskatchewan's economy.

These are promising, but troubled times for the agriculture industry — promising because markets continue to grow, and the wheat board says it can sell 50 per cent

more grain if the farmers can produce it and the railroads can market it. But also troubled, because the railways aren't getting enough grain to market and high costs and interest rates are threatening farmers as never before. The federal government has the responsibility to ensure grain is moved and to control inflation and interest rates, but successive federal governments have shirked those responsibilities. Nothing has changed through the long sleepwalk of the Liberals and the brief nightmare of the Tories. The railways have been let off the hook and allowed to shirk their grain transportation responsibilities. Costs and interest rates have been allowed to rise unchecked. When economists wring their hands and say nothing can be done about high costs and interest rates, our federal governments take their advice and do nothing.

Mr. Speaker, a provincial government cannot set up a commission to control costs, set interest rates, or implement the Railway Act. These are federal responsibilities. What we can do though, is set up programs to help farmers deal with these problems. This budget provides for the expansion of the excellent program we have set up to help farmers deal with inflation and interest rates and it confirms a bold initiative to deal with the grain transportation problem.

Mr. Speaker, the finance minister reviewed the Blakeney government's record of commitment to agriculture in his budget address, but I think it bears repeating for those opposite. The programs that have been established include FarmStart. Now we have some 3,700 farmers that have taken advantage of this program. Over 3,000 farmers have been helped by the land bank, the farm ownership board, the agricultural research fund and the Prairie Agricultural Machinery Institute. The crop insurance program has been expanded.

Decisive action has been taken to help producers deal with the cost-price squeeze. These programs have included: \$15 million for hay producers in 1973 and 1974; \$80 million in grants and interest-free loans for beef producers between 1974 and 1976, and \$45 million to producers under the farm cost reduction program between 1975 and 1979.

Mr. Speaker, it is an excellent record of commitment to the family farms of Saskatchewan and this budget ensures that that record will continue.

SOME HON. MEMBERS: — Hear, hear!

MR. BANDA: — The farm cost reduction program has been extended through 1980 and it will provide \$15.6 million this year to help farmers deal with rising costs. What were the Tories going to give the farmers of Saskatchewan? An 18-cent increase in the price per gallon. The land bank's funding for land purchases will increase by 25 per cent to \$25 million in 1980-81. FarmStart grants will be more than doubled, from \$1 million to \$2.3 million and the maximum loan will increase from \$90,000 to \$150,000. This will be welcome news to young people who want to start farming operations but are faced with record high interest rates that will now be climbing week by week.

I have already expressed to this Assembly my view that the Government of Saskatchewan is to be commended for its bold initiative in purchasing 1,000 hopper cars to move our grain to market. As a grain producer, I know the frustrations of producing a good crop and then seeing it sit in the bins and plugged elevators because the railways are either unwilling or unable to move enough grain. Saskatchewan's hopper car purchase has led to commitments from Alberta, Manitoba, the federal

government and the railways for more rolling stock purchases and for the first time in many years there is some light at the end of the tunnel in the grain transportation mess.

Saskatchewan's hopper cars will move an additional 57,000 bushels of grain to market each year and everyone who has the interests of agriculture at heart will applaud this government's hopper car purchase. Only those who believe the sky is falling are likely to criticize the hopper car initiative.

The budget takes account of another serious problem that is facing farmers in the years ahead. We are suffering the effects of successive federal governments that lacked a coherent energy policy and as a result the security of energy supplies for agriculture is by no means guaranteed in the 1980s. Because of this uncertainty over energy supplies this budget has established the energy security division of the heritage fund. The fund reflects this government's intention to secure energy supplies for all sectors of Saskatchewan's economy with particular emphasis on guaranteeing energy for agriculture. Provincial resource revenues will be used to develop new energy sources and emphasis will be placed on long-term solutions to the energy for agriculture problems.

Mr. Speaker, the measures taken to strengthen the agricultural sector of our economy in this budget reaffirm this government's commitment to the rural way of life in Saskatchewan and the family farm.

SOME HON. MEMBERS: — Hear, hear!

MR. BANDA: — The pressures on the farming community are enormous and they are growing every day, but this government is doing what it can to alleviate those pressures. I think the people of Saskatchewan will agree that that is a much better approach than calling for the destruction of our grain marketing system and the question of corporate grain factories in place of family farms. If any of the members opposite wish to deny that that is their policy we would be happy to hear that denial. Arguing against my interpretation of their policy might force them for once to reveal where they really stand on agriculture issues.

Mr. Speaker, this budget expands some of the excellent programs that have been of great benefit to my constituency and all of Saskatchewan. This budget reaffirms the Blakeney government's commitment to a healthy agriculture industry. It is a budget that will be of great and lasting benefit to the people of Saskatchewan and I am proud to support it. I'll be supporting the budget and voting against the amendment.

SOME HON. MEMBERS: — Hear, hear!

MR. B.M. DYCK (Saskatoon Mayfair): — I want to say, Mr. Speaker, to the people of Saskatchewan and to the two Conservative opposition parties that sit in the legislature across the way that I'm very delighted and pleased to participate in this, my ninth consecutive annual budget debate. I say two opposition parties, Mr. Speaker, because of the recent changes that have taken place in this legislature. The Conservative member for Swift Current no longer sits where he used to sit. The Conservative member and past party leader, the member for Nipawin, no longer sits where he used to sit. You know, in talking about party leaders, Mr. Speaker, it appears there are different ways of electing them. In the New Democratic Party, we elect our leader each year, but this is not necessarily so in all political parties. Over the years, the Conservative Party seems to have been busier getting rid of political leaders than they have been in electing them.

to head their party. The late Rt. Hon. John Diefenbaker is a good example. While I did not share the view of Mr. Diefenbaker, I thought the way the party treated him was shameful. The Tories literally forced him out of office as leader.

And what did they do right here in Saskatchewan? The man that reorganized the party, built up its membership, fielded candidates all over the province — only because of one electoral defeat, he became, to the Conservative Party, dispensable. He was dispensable to the party and therefore he was out. If Conservatives treat their leaders this way, I wonder what they would do to the people of Saskatchewan if they ever got the reins of power. They are very adept with the knife and the hatchet.

I want to emphasize that while the member for Nipawin is out as a leader, he is still a Conservative in belief and in philosophy. The member for Nipawin says that western Canada should join the United States. The Conservative member for Nipawin believes this and the conservative member for Swift Current believes this. I wonder, Mr. Speaker, how many other Conservatives over there believe that. I wonder, Mr. Speaker, how many other Conservative across the way would like of break up Canada. And I know the people of Saskatchewan are wondering the same thing. No one really knows. But maybe in the next few days, in the days ahead, we'll find out.

In my view, Mr. Speaker, there is something fundamentally wrong with a political organization that functions in the manner that that political organization functions. And because of something fundamentally wrong, the party organization itself pursues a policy of political self-destruction, almost intentionally. And believe me, Mr. Speaker, the grim political reaper is right now knocking on the doors of the Tories.

As I look across the way and I look into the eyes of the official opposition, the same look appears there which appeared in the eyes of the Liberals back in the days of 1975-76. Members of the Liberal Party were leaving and joining another group. This action on their part was a major factor in the ultimate electoral demise of the Liberal Party in the election of 1978. As with them, Mr. Speaker, I predict here now the political demise of the members opposite in the next general election in Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. DYCK: — The two members who have just left certainly could not be considered to have given a vote of confidence in their shiny new leader from Saskatoon.

Mr. Speaker, my pleasure in joining this debate is derived from more than one source. First of all we see before us a balanced budget. Certainly the Government of Ontario and the federal government in Ottawa can learn a lot from Saskatchewan on how to balance a budget. In addition to that, may I say that I am particularly delighted with certain parts of the budget. I was pleased for example, Mr. Speaker, to see the increase of 13.7 per cent for hospital care. Certainly in Saskatoon there has been some real pressure on the three major hospitals in that city. This pressure was caused in large part by the fact that these hospitals service a large rural area surrounding the city itself. I am hopeful that this increase will go a long way in alleviating what I have considered to be a major problem in Saskatoon in recent years.

I am happy to see, Mr. Speaker, increased funding allocated for the urban planning secretariat. These funds in the main have been earmarked for job creation, job training, education and support services for people of Indian and Metis origin in our cities. This increase in the budget will not immediately resolve the problems facing these people in

our major urban areas but in my view, the solution will be some time in coming. Nevertheless it is a step in the right direction, and a step, Mr. Speaker, that I fully support. It is time that we paid our debt to the original people of this country. In that context, Mr. Speaker, members will remember a speech which I made on this matter in an earlier session of this legislature. The native people of Canada and of Saskatchewan do not want benign charity, the native people of Canada and of Saskatchewan want justice. In my view benign charity is no substitute for justice. May I say at this time that I will be watching this program with a good deal of interest in the months and in the years ahead.

I would like now to turn to another subject, Mr. Speaker, a subject which has concerned me and many others in the New Democratic Party for many years. I am referring to the massive ownership of Canadian resources and industry by foreign investors, mainly foreign investors from the United States. Across Canada today people are increasingly concerned about how governments discharge their fiscal responsibilities. Less than a year ago Canadians elected a Progressive Conservative government which promised to hold down federal spending, and lighten the tax load of working people across this country. Mr. Speaker, they failed miserably on that promise; that government produced a budget allowing a full 10 per cent increase in federal spending. At the same time it sharply increased taxes on everyone and said that Canadians would have to learn to live with double digit inflation and even higher rates of unemployment. They said we Canadians would have to bite the bullet. They said in the long term that so-called hard-nosed budget was in the interests of Canadians. But who, Mr. Speaker, who in Canada was really biting the bullet? They were the unemployed; they were our senior people, whose savings were being eroded by rampant inflation, and they were the working people all across the country.

Mr. Speaker, in the good old Tory tradition that was demonstrated so well in the thirties by Bennett and in the fifties and early sixties by another Tory government — in the good old Tory tradition — it was the working people who had to pay in order to attempt to strengthen out the economic affairs of this country. That budget, Mr. Speaker, was defeated in parliament and the government that produced it was soundly trounced at the polls last month.

Canadians are willing to shoulder their share of the load in the building of this nation, but that load should be evenly distributed. They should not have to bear the burden of federal incompetence and mismanagement of our economy. It is absurd and almost even immoral to say, as the Conservatives did, that Canada with its wealth of natural and human resources should have over one million people unemployed. It is preposterous to try as Conservatives did, to turn around Canada's worsening balance of payment deficits by heavy tax increases and stepping up the sell-out of our natural resources.

We in Saskatchewan, are proud of our provincial economic performance. Before us today is a balanced budget, something not achieved in Ottawa for the last 10 years. Our economy is thriving despite the poor performance nationally. Our economy is thriving because the needs of Saskatchewan people come first in our economic planning. Resources here are developed for the benefit of Saskatchewan people. Our unemployment rate is consistently the lowest or the second lowest in the country. Because of good planning and because of companies like the Potash Corporation of Saskatchewan we keep jobs at home, right here in Saskatchewan.

It is gratifying for me, Mr. Speaker, to observe that the Potash Corporation of

Saskatchewan, the largest potash corporation in the western world, has its head office right here in Saskatchewan — as a matter of fact, right in Saskatoon, Saskatchewan. While this is gratifying to me, equally if not more gratifying to me is the fact the corporation turned us a profit of \$78 million just recently.

Mr. Speaker, the balanced budget before us reflects what can be done when a government places the priority on the people first. This is a principle not demonstrated by the last Tory budget because they have done once again, as they have done so many times in the past — they gave the benefits to the financial community and placed the burden on the people.

The federal government today remains mired in debt, apparently unable to offer any positive hope for a significant improvement in the Canadian situation. At the end of 1979, Canada's balance of payments deficit, the money we owe other countries, was a staggering \$5 billion. Ten years ago, in 1970, Canada had a balance of payment surplus of \$1.1 billion. Over the last decade federal mismanagement of the economy has resulted in Canada's strong trading position deteriorating by over \$6 billion. The total current account deficit for those 10 years was over \$23 billion.

Mr. Speaker, we do not have to look far to find the root of this problem. All too often we hear it said, that Canadian workers are not productive enough, or that Canadian industries are not competitive. This is blatantly not true. In the last ten years while our overall trading balance climbed by over \$6 billion our merchandise trade surplus improved by nearly \$1 billion. In 1970, our merchandise trade surplus was \$3 billion; last year it was \$4 billion. In fact, over the last decade our merchandise trade surplus has been over \$22 billion. Canadian workers are indeed productive. Where then lies the problem that results in this negative balance of payment situation, despite repeated trade surpluses? The answer, in my view, lies basically in two areas.

First, much of the transfer of payments to the United States and other countries involves payments of interest on borrowed money acquired in other markets, mainly American. And, I want to say, Mr. Speaker, that in the long term, this in itself is not all bad. It is not all bad for the Canadian economy because presumably the borrowed funds were used for investments and ultimately, when the loan is paid, the assets will remain in Canada, owned by Canadians. I want to qualify this to some small extent and suggest that the foreign borrowing policy could be more diversified through the countries of the western world.

But, the other major reason for our problem, and a much more important reason, Mr. Speaker, lies in the fact that the federal Liberals and Conservatives have actively pursued, over the last three decades, a policy of selling out our resources and industry at bargain basement prices. This policy pursued with equal vigour by both parties while they were in office, was particularly devastating to us in the areas of resource industry sales, and I refer here mainly to oil, natural gas and other minerals.

Now, Mr. Speaker, what is the result of this massive foreign ownership of our industry? I mentioned a moment ago that last year Canada had a balance of payments deficit of \$5 billion. That balance is primarily the result of an outflow of capital in the form of interest and dividends that last year alone was in excess of \$5.2 billion — dividends and profits paid by Canadian subsidiaries of foreign international firms. In 1970, the capital outflow was just over \$1 billion; now it is over five times that amount. Over the last decade, the capital outflow had exceeded \$23 billion, more than enough to eat up our entire surplus on the merchandise trade account. This situation reflects in a very clear

and dramatic way the nature of our branch plant economy. A branch plant economy as a result of a 'Made-in-Canada' policy developed by successive Liberal and Tory governments over the years.

The constant and continuous outflow of dividends to foreign owners results in a vicious economic circle which we appear unable to break out of. I submit, Mr. Speaker, we will never break out of this vicious economic circle until we have a New Democratic Party government in Ottawa.

SOME HON. MEMBERS: — Hear, hear!

MR. DYCK: — I would like to turn now, Mr. Speaker, to another subject. During 1978 and 1979 the Liberal party boosted interest rates to over 12 per cent. During their six months in office, the Conservatives raised interest rates four times to about 14 per cent, and now the rate is even higher. They say it is going to float and who knows where it will all end. Such increases, Canadians were told, were necessary to fight inflation and attract even more of that desirable foreign investment without which, we are led to believe, we would be unable to survive. The result instead, however, is that these high interest rates have accentuated the inflationary spiral. And I ask you, what effects do these rates have on the young couple, for example, who wish to buy a home? What effects do these rates have on people whose mortgages are coming up for renewal? What effects do these rates have on working people and senior people? What effects, Mr. Speaker, do these rates have on people wishing to start a business? What effect, Mr. Speaker, do these rates have on business people who need to finance their inventories or wish to expand their business operation?

Mr. Speaker, it has a disastrous effect on these groups of people I have just mentioned. Disastrous effects that verge on the immoral in light of the fact Canada is such a young, potentially wealthy country. These disastrous effects result from the outdated economic and monetary policies pursued by old line parties who deserve to be removed from office for their miserable failure to this great country and to the people in this great country.

It is time this self-annihilating economic development policy came to an end. It is time the Bank of Canada was reminded it is not just a bank for the oil companies and is told to structure its monetary policies in the interest of Canadian people. It is time Canadians regained their economic sovereignty and turned out the barons of international finance who have profited for years from this country.

I turn now to one other topic which has crippled Canada's great economic potential. Again, this policy was originated by the old line parties, particularly the Liberals but was pursued vigorously by the Conservatives when they were in office. I refer, Mr. Speaker, to the export of some of our very precious natural resources.

Mr. Speaker, from 1960 to 1973, in what might be termed the era of cheap oil, Canada exported well over 2 billion barrels of petroleum. At that time, oil costs were under \$2 a barrel and the federal government was in a hurry to give it away. The Conservatives were equally active in this absurdity during the early 1960s when their administration gave away nearly 300 million barrels of oil. Following 1964 came 15 years of Liberals which made the Tories look almost like mere amateurs. The Liberals exported nearly 2 billion barrels of oil during their term of office. One might have hoped that during their 15 years in opposition the Tories would have seen the folly of this massive resource

giveaway. But not so. Less than six months after being elected, federal Conservatives and their energy minister, Mr. Ray Hnatyshyn, announced a 3.75 trillion cubic feet sale of natural gas to the United States. That sale, Mr. Speaker, is enough to heat one million Canadian homes for 25 years, heat for one million Canadian homes recklessly piped out of Canada. And this list of giveaways goes on. Natural gas sales in the 1960s amounted to over 3.8 trillion cubic feet. In the 1970s the federal government allowed over 8 trillion cubic feet to be exported.

We all remember very vividly, Mr. Speaker, our own Tommy Douglas speaking in the House of Commons in the late 1960s, pleading for an end of this oil madness. Don't worry, he was told. Canada has enough oil to last hundreds of years. But the National Energy Board, acting on the advice of the always wise, honest and reliable oil companies, issued export permits as though we were living an external Christmas. The oil giveaway over the last 20 years has, considering today's prices, cost Canadians over \$60 billion and now we are desperately short of this very valuable and precious resource. We, and our children, will pay the price for this sheer abdication of responsibility at the federal level.

I would suggest to the members opposite, and their federal counterparts, that they think seriously about this matter and think seriously about what Tommy Douglas said in the late 1960s, about the effects of these massive energy exports.

Mr. Speaker, neither of these old line parties can escape culpability for the economic woes facing Canadians. Canadians, today, are paying dearly and will continue to pay in the years ahead for the economic blunders of those two parties of the past.

Mr. Speaker, there is a great deal I could say about what needs to be done to develop the enormous potential of this great country of Canada for the benefit of the people. Permit me, however, to comment on a few basic steps I believe could and should be taken now. In spite of the past there is room for a good deal of hope for the future.

The Saskatchewan model of economic development is based on the premise that decisions affecting Saskatchewan people should be made here and based on local priorities. Time and time again, Saskatchewan people have demonstrated they can do much in building and developing this province on their own initiative and perseverance. The Saskatchewan people developed a large and effective corporation in Sask Power. The Saskatchewan people developed a large and effective corporation in Sask Tel. The Saskatchewan people developed a large and effective corporation in Saskatchewan Government Insurance. The Saskatchewan people are developing a large and effective corporation in the Potash Corporation of Saskatchewan. The Saskatchewan people are developing a large and effective corporation in SaskOil. The list goes on and demonstrates clearly we can do it on our own. Even with the constraints placed on us as a province within confederation and constraints of other outside forces, we have a significant measure of influence on the economic and social destiny of Saskatchewan. The federal government could, and should, work towards allowing Canadians to develop and control our economic destiny in the interest of all Canadians. Ottawa could, and should wrest control of Canadian's economic future from the corporate board rooms around the world.

And what, specifically, needs to be done to achieve these objectives? We need, in Canada, to control foreign investment. We need, in Canada to take positive action to

end the sale of our raw materials and raw natural resources. We need, in Canada to develop our own industries and manufacturing. We need to develop our own resources.

To provide only one example in that context — Petro-Canada could, and should be the dominant national force in the petroleum industry. The Bank of Canada should be instructed to develop a monetary policy which would foster Canadian development. The foreign investment review agency could serve as a vehicle to begin reversing the foreign domination of our economy. Perhaps most important of all, the federal government could develop a meaningful industrial strategy instead of staggering from one crisis to another while many people remain unemployed, while many people suffer the effects of inflation.

Mr. Speaker, I have touched on just a few things that could be done, a few things that could be done now. Neither the Liberals nor the Conservatives have shown the willingness or the ability to undertake the basic and long-overdue economic reforms so necessary in this country at this juncture in our history.

May I say, however, we in Saskatchewan have proven it could be done. We, in Saskatchewan will press forward. We have demonstrated what can be done with resources and the development thereof for the benefit of people of this province.

In conclusion, Mr. Speaker, may I reiterate that if the federal government ever decides it is serious about financial management and wants a lesson in what it takes to balance the budget, then it need only look to the province of Saskatchewan. Mr. Speaker, I'll be opposing the amendment and supporting the motion.

SOME HON. MEMBERS: — Hear, hear!

MRS. J.H. DUNCAN (Maple Creek): — Thank you, Mr. Speaker. It is with great concern that I rise this evening to reply to the budget. Once again the people of Saskatchewan have been deliberately led down the garden path. The Minister of Finance, with the help of his advisers, speech writers, and cabinet colleagues, has come up with a slickly-worded document he calls a balanced budget. This budget is nothing more than a well-orchestrated, deliberate attempt by this government to misinform and misrepresent the people of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MRS. DUNCAN: — In his budget address which was aired throughout the province, the Minister of Finance never once alluded to the debt position of our province — not once, Mr. Speaker. I call this tactic somewhat less than honest. Our accumulated provincial debt now stands at almost \$3 billion. This means, Mr. Speaker, that each taxpayer, and I emphasize taxpayer, is responsible for about \$10,000 of this debt. The members opposite (especially the backbenchers) should sit up and take notice. Mr. Speaker, in our population of less than 1 million we have only approximately 300,000 actual taxpayers. They are burdened with assuming responsibility for \$10,000 of debt incurred by this government — so-called self-proclaimed saviours of all.

And onto this, Mr. Speaker, one must add the interest. The interest this government added up last year amounted to \$272 million. This works out to another \$900 for each taxpayer in the province. It seems ludicrous to me, Mr. Speaker, that the total interest for one year, the year 1978, would alone exceed the total budget for the 1966-67 fiscal

year. It is appalling to realize that every taxpayer in this province is responsible today for \$10,900 worth of provincial debt. At this point, Mr. Speaker, one must ask the question, where does the debt come from? Does it come from increased services to the poor, or the aged, or the handicapped? Does it come from increased funds for education or does it come from more funds to improve our health care system?

No, Mr. Speaker, this astronomical debt has come from this socialist government's attempt to own and control every aspect of the Saskatchewan business sector.

SOME HON. MEMBERS: — Hear, hear!

MRS. DUNCAN: — This government has borrowed hundreds of millions of dollars from expensive New York money markets to buy back resources we already own and they continue, Mr. Speaker, to invest in high-risk highly technical ventures such as uranium. They are mortgaging our future and the futures of our children and our grandchildren with highly expensive American money. Members on this side of the house maintain, Mr. Speaker, that a better return could be garnered through fair taxation of companies willing to invest in our province. Members of this House maintain a government cannot be a player and a referee at the same time.

Another matter, Mr. Speaker, is our Saskatchewan Heritage fund. This fund is a complete and utter sham. It was originally set up to pass on a share of our non-renewable resource benefits for future generations.

It is essential that our non-renewable resource revenues not be squandered. Rather than investing these funds in education programs or health programs this government continues to buy back resources which Saskatchewan already owns. The heritage fund's revenues should be, in part, used today to strengthen and diversify our Saskatchewan economy in renewable, self-sustaining resource areas such as agriculture. It is unfathomable to me that with the potential for agriculture in this province virtually untapped, the Minister of Agriculture would call for a halt to farm diversification and a return to straight grain farming.

Mr. Speaker, the potential for agricultural development through diversification is unlimited. But, given the political attitude of antagonism and confrontation which prevails with this government, it is easy to see why agricultural, food-related industries do not settle in Saskatchewan. There seems to be a total lack of concern on the part of the government to address itself to any real, meaningful issues.

I would now like to share with you, Mr. Speaker, a few of these concerns. The average Saskatchewan resident must come to grips with rising inflation, rising utility costs, rising everything — the list goes on and on. There was little or no relief in the budget for the average Saskatchewan person. An issue that has been raised in this House by myself on three occasions was totally ignored again and that is the issue of the high cost of nursing home care in this province. This high costs, I might add, lies directly on the shoulders of this government — the so-called people's party.

SOME HON. MEMBERS: — Hear, hear!

MRS. DUNCAN: — Brief after brief has been presented to this government calling for the instituting of the board and room concept that is in place in British Columbia, Alberta and Manitoba. It has been ignored time and time again. Saskatchewan is one of the few provinces left that still continues to use the discriminatory practice of charging

residents different rates for different levels of care. Let us compare the costs of nursing home care with your neighbouring provinces. Where is the Minister of Health?

AN HON. MEMBER: — He's out.

MRS. DUNCAN: — In Manitoba, residents are classified as hostel care residents, receiving one-half hour of care per day; personal care residents, receiving two hours of care per day; and extendicare residents, receiving three and one-half hours of care a day. These residents, in all three provinces, pay a portion of the actual cost as they do here in Saskatchewan. But what is surprising is that each resident in Manitoba pays only \$8 a day for this care. In Alberta, residents, regardless if the level of care required, pay a maximum of \$5.50 per day and in British Columbia the maximum is \$8.50 per day.

Now let us look at Saskatchewan, the province that these residents helped build. I will use Maple Creek as an example. For level I care the actual cost to each resident is \$22.65 per day compared to \$8 in Manitoba and \$5.50 in Alberta. It is hard to believe but it is true. For level I care, in Maple Creek, Saskatchewan, the actual cost to each resident is also \$22.65 per day compared to \$8 per day in Manitoba and \$5.50 a day in Alberta.

AN HON. MEMBER: — Taxing the old.

MRS. DUNCAN: — Just wait — listen to this one. In level III, the actual cost to each resident is \$23.31 per day compared to \$8 per day in Manitoba and \$5.50 per day in Alberta. I might add that these costs to our Saskatchewan residents are over and above the government subsidy allowed.

I say shame, Mr. Speaker, shame on this government who stands up during an election year and dupes every senior citizen in this province into believing that they would greatly reduce nursing home costs. It is a shame. Let me read you a letter, Mr. Speaker, which I received the other day.

Dear Joan:

I am writing re the raise in resident fees at the lodge. My mother is a resident there on level I care and we have been informed that as of April 1 of this year her fee will be \$689 per month (bearing in mind that the Saskatchewan government does not allow a subsidy for level I care). To us this seems a little much. Do you not think if there was a set fee charged for board and room for all residents and that the care and supplies be taken care of by our health plan, it would be more fair and more satisfactory?

I understand that a big percentage of the 60 residents here are really on level IV care, which the lodge is not equipped to cope with. I also understand that a very small percent of the 60 residents pay their own way. As I see it, there is little reward for those who have struggled all their lives to have a little bit of dignity at the end, only to see it all gone on high rent. At the rate of increases today, no one will be able to carry on.

I ask you, Mr. Speaker, is this government listening? I say no. I say shame!

Another letter I received, Mr. Speaker, from a concerned resident of Saskatchewan

Dear Mrs. Duncan:

I am a 41 year old man, single and have not been employed since 1964. The Department of Social Services has classified me as unemployable. Presently for social assistance I receive \$174 per month, which includes the following: board and room \$125, comfort allowance \$35, clothes \$14, total of \$174.

The Department of Social Services has advised me that I am receiving the maximum amount. I have received no increase in social assistance since October 1, 1977. I am worse off than an old age pensioner. I am below the poverty line.

This, Mr. Speaker, is shameful in a province as rich as we are led to believe it is. Surely we can see that the truly disabled people should be able to live with some dignity and some relief.

This man receives a total of \$2,088 per year. The poverty line set by Statistics Canada is \$5,000 per year per person. As I stated, Mr. Speaker, this is shameful. This conglomeration of power hungry socialist entrepreneurs are always speaking of the bold new initiatives and the bold new programs they are instituting to improve the quality of life. Surely, Mr. Speaker, the least which can be done is to index welfare payments to the cost of living as is done in Alberta today.

AN HON. MEMBER: — They would sooner hire an ex-MLA.

MRS. DUNCAN: — Perhaps the member would like a carbon copy of the letter which I received. You can reply to him. I will table them for our information, along with your remarks.

The Minister of Finance in his budget states on page 27 and I quote:

At the same time we were committed to getting the maximum value out of every dollar spent. We, therefore, put in place a graduated step by step process to limit the rate of increase in our spending and to control the size of the civil service.

Mr. Speaker, I can translate this gibberish into laymen's language. What the minister is really trying to say is that in actual fact, restraints and cutbacks have been applied to essential services such as health, social services and education. Members on this side of the House say the priorities of this government are wrong. The allocation of an increased civil service in specific areas is deemed advisable. Department such as health, social services and education were cut back in the early and mid-1970s and have never been brought back to their required standards.

Let me share another letter, Mr. Speaker, with you and with the members opposite. The Minister of Telephones made an impassioned speech in this House last week and cited the fact that the NDP and only the NDP listened to the needs of the people. The Minister of Telephones and his colleagues should hang their heads in shame after they listen to this letter, especially the backbenchers who never question the motives or the policies of the executive arm of government.

The letter, written to me by a fine young couple in my area, says:

Dear Joan: I became very concerned for the state of our health and welfare scheme when we put our name in to adopt again. As you know . . .

. . . (inaudible interjection) . . . This is more a legal Dear John letter I could say to the member for Saskatoon.

As you know, we have three adopted children and have been working in the scheme for nine years now. My concern is that the quality and the quantity of service has diminished drastically in the last nine years. I have, in fact, expressed my concern to our current worker at some length, and I'm appalled at the amount of cutbacks recently and the loss of staff in her department. Our worker is to overloaded that she can't possibly achieve even good average assistance.

For instance, my worker tells me that, due to lack of staff and time and everything else, almost all adoption interviews will be carried on in Swift Current now for this whole area. Hence, a lack of personal interaction in the client's home or personal surroundings.

This is future Canada we're talking about and if there are continued cutbacks in these areas, our children are not getting the best available and they deserve the best. If a lack of staff is affecting the adoption side of it, what about fostering delinquents, runaways and those other programs that vitally affect children?

She goes on to say, Mr. Speaker, that while it took nine months from start to finish a few years ago to adopt, it now takes at least nine months to get on the adoption list and about another 18 months to two years to even expect to get a baby.

Mr. Speaker, this is appalling. The so-called saviours of all mankind should hang their heads in utter shame and disgrace. They call themselves the people's party, the party that cares, the party that listens, the party that keeps its promises.

Mr. Speaker, again I say shame to the government. They have no concern at all for the aged, the sick, and the young. They use slickly worded documents such as the budget for their own political gain.

When I talk of cheap political gain, let me quote again from the budget on page 18 where the minister states:

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.

He goes on to say where these increases will come. Well, Mr. Speaker, this is an example of this government's politically motivated attempt to deliberately.

MR. SPEAKER: — Order, order! I am having trouble hearing the member. Some other members may not wish to listen to the member but I'm listening to the member. Some members may wish to listen so if we could just keep the noise down.

MRS. DUNCAN: — The truth hurts, I guess. When I talk of cheap political gain, let me quote from page 18 of the budget where the Minister of Finance sates:

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.

Mr. Speaker, this is an example of this government's politically motivated attempt to deliberately mislead the people of this province. The Minister of Finance has admitted since that the government will not be spending \$31 million this year as stated, but in actual fact, will be spending only \$6 million. I think that the logical question to be asked at this point would be where else are they deliberately misleading the citizens of this province? In health? In education? The Minister of Finance should be required to apologize to our native people for this deliberate misrepresentation of the facts. He also stated the programs were developed for and with native consultation. It seems strange to me, Mr. Speaker, that Sol Sanderson, president of the Federation of Saskatchewan Indians, would deny his organization was ever consulted.

Now, Mr. Speaker, let us turn to an issue very near and very dear to the hearts of people not only here in Saskatchewan, but across Canada as well — medicare. If we were to listen to the cries of doom and gloom from the members opposite, we would believe that medicare is on the verge of collapse. Well, let me tell you, Mr. Speaker, that medicare across the country will survive long after these self-righteous rumour mongers are gone.

SOME HON. MEMBERS: — Hear, hear!

MRS. DUNCAN: — Every election, Mr. Speaker, the NDP, both provincially and federally, preys on the fears of the sick and the elderly by trying to make medicare an election issue. In this province, for instance, there is a well-orchestrated attempt to make health professionals the whipping dogs of our health delivery scheme. Even the self-proclaimed dean of the House got into the act not too long ago. In the February 15 issue of the Battleford Telegraph, the Minister of Highways stated that the reason medicare is working in Saskatchewan is because our civil service is the best in the country.

SOME HON. MEMBERS: — Hear, hear!

MRS. DUNCAN: — I say to the Minister of Highways and I say to the Minister of Health that our medicare system in Saskatchewan is working in spite of the civil service. Our medicare system is working in spite of civil servants like Dr. Penman and Garnet Dishaw who carried on a letter campaign to discredit the doctors — whose letters did nothing more than to sow the seeds of fear and confusion.

AN HON. MEMBER: — Repeat that again Joan. I didn't hear it.

MRS. DUNCAN: — I said that our medical care system is working in spite of civil servants like Dr. Penman and Garnet Dishaw, who carried on a letter campaign to discredit the doctors.

Our medicare system is working in spite of the Minister of Health's admission that there is, and always will be antagonism on the part of his government towards the medical profession. Our medicare system is working not because of the civil service, but

because of the dedication of our doctors and nurses. Our medicare system is working because of the dedication of our lab techs, our nursing assistants, our hospital cooks, our hospital maintenance men, our hospital secretaries. Our medicare system is working because of the dedication of our administrators and hospital boards which are faced every year with large deficits and governments demands for staff cutbacks and bed cutbacks.

SOME HON. MEMBERS: — Hear, hear!

MRS. DUNCAN: — Our medicare system is working because of local municipalities picking up deficits caused by government demands for cutbacks.

We knew, Mr. Speaker, in 1962-63 that our health programs would be costly and yet these programs were instituted for the betterment of people. The field of health services probably illustrates better than any other the enormous gap between our scientific knowledge skills and our financial ability to provide these skills to all. Since 1962, public expectations in the field of health have increased dramatically. Advances in modern medical technology in the last 25 years have been phenomenal. Technology alone in this labour-oriented sector has brought hospital costs up substantially. Yet this government would have us believe that the ills of the medicare system should be placed directly on the shoulders of the health professionals. Well I say, Mr. Speaker, that any ills should be laid squarely on the shoulders of this government for their inability to adequately fund the hospitals in order to keep pace with technology, their inability to negotiate a reasonable settlement with our doctors, their inability to recognize the need for more urban hospital beds to meet not only the demands of patients referred to the centres from rural areas but also to meet the demands of increased urban populations.

One has only to look at the virtual collapse of the cancer commission a few years ago; or to look at this government's inability to attract and keep an adequate number of psychiatric personnel to run a proper program throughout Saskatchewan; or to look at the number of resignations from senior men in the Department of Health to realize that this government is doing something wrong. I would have to wonder how many more resignations will be received by the Department of Health, if the morale of this department is not boosted.

Mr. Speaker, the members opposite bandy about the word co-operation. We hear it every day. I say to the members opposite that if you truly knew the meaning of the word co-operation things would be different in Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MRS. DUNCAN: — Our population would be growing. Secondary industry would be plentiful. Our young people would stay here instead of going to Alberta or B.C. We wouldn't be losing so many family farms. We would be building the type of heritage fund that would ensure benefits to our future generations. The future is ours and our opportunities are unlimited. With the kind of leadership that will be provided by this side of the House in 1982, we will truly be able to call the '80s our own. I will be voting against the motion and for the amendment.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. J.A. HAMMERSMITH (Minister of Northern Saskatchewan): — Mr. Speaker, in

entering this debate, I wish to begin by congratulating a few people. I wish to congratulate first of all the member for Maple Creek. I particularly wish to congratulate her on her continuing ability to demonstrate a rare sense of fiction in participating in debates in this House and another ability, Mr. Speaker, challenged only the member for Regina South, to separate herself almost entirely from reality.

And I also, Mr. Speaker, wish to begin by paying tribute to the Minister of Finance and by congratulating him on his first budget, the first Saskatchewan budget for the 1980s — a budget that opens the doors to a new decade of progress. The budget, as the finance minister stated, is also a tribute to the wisdom, the foresight and the courage demonstrated by the Blakeney government in the '70s. With this beginning, it is clear that the next nine budgets of this government, like the first nine, hold great promise for the people of Saskatchewan.

I wish to pay tribute to another two of my colleagues, the member for Shellbrook and the member for Kelvington-Wadena, my two predecessors as minister of Northern Saskatchewan. Not only were they part of the team that in the '70s laid the foundation for a northern development program that stands apart from and above any other northern development efforts in Canada.

I also wish to express on behalf of my constituents the shock and surprise which they have registered regarding the events that have taken place across the floor of this House in the last few days. As members will be aware the Prince Albert-Duck Lake constituency lies entirely within the federal riding of Prince Albert, represented for so many years by the late Right Hon. John Diefenbaker, who stood for, above anything else, a united Canada. Many of those former supporters are asking, what is happening to the Conservative Party, where is the leadership? What does it all mean when so shortly after electing a new leader and a new president; so soon after declaring a new beginning, two members of that party resign and declare their intentions to work towards the dismantling of the nation John Diefenbaker worked so hard and long to preserve. Is this the new beginning the Conservative Party promised? they asked. A shocking and serious situation indeed, Mr. Speaker.

Let me turn to the Department of Northern Saskatchewan and to the budget. First I want to spend some time, Mr. Speaker, reviewing for members of this House particularly the members opposite, some of the facts about northern Saskatchewan at the beginning of the 1980s.

All but one of the members opposite were not members of this Assembly when the department was created; all but one of them, Mr. Speaker, can therefore be partially forgiven for being uninformed. We, on this side, feel that it is our duty to educate even members of the opposition so that they may be better informed about and perhaps develop a little more pride in, this great province and all its citizens.

Mr. Speaker, it has become painfully clear in the remarks from members opposite in the last few days, that their understanding of northern Saskatchewan is at best negligible. In order that they may better understand government policy, I would like to detail some of the significant contributions the Department of Northern Saskatchewan has made towards developing the North over the past seven years. Let me remind members that the Department of Northern Saskatchewan has been a pioneering effort. There were no blueprints to follow, no precedents to assist in this major undertaking. Initially, the major emphasis was placed on attempting to bring to northern communities, a level of

community infrastructure that had been unknown in northern Saskatchewan 10 years ago.

This NDP government recognized the fact that the North had been neglected and it was prepared to take action to change that situation. An ambitious housing program was undertaken and over 800 homes have been constructed in the past eight years. Education facilities were upgraded, more than \$25 million has been spent on schools in northern Saskatchewan so that today northerners have facilities equal to those in most parts of the province. Hundreds of miles of roads have been built at a cost of over \$20 million. Approximately \$2 million has been spent on airfield construction, which means that all communities in the North are now accessible by either air or road. A \$7 million recreational facilities grant program was begun four years ago. Today, communities like La Loche, La Ronge, Weyakwin, Uranium City, Creighton, have new recreational facilities, with others like Sandy Bay, Pelican Narrows and Beauval soon to have theirs completed.

This government recognized that need for improvement of municipal facilities and public buildings in the North existed and as a result approximately \$15 million has been spent to upgrade those facilities. A \$3.5 million electrification program has also taken place. So that in 1971, where only 43 per cent of the homes in northern Saskatchewan were served by electricity, today, 90 per cent of those homes are served by electricity. Telephone and television services have been extended to include almost every settlement, thus improving communications dramatically. In 1971 only 24 per cent of the people in northern Saskatchewan had access to telephones. In 1979 that figure was over 70 per cent. In 1971 only 15 per cent of the people in northern Saskatchewan had access to television. In 1979 that figure was 96 per cent, Mr. Speaker. Communities previously isolated from the rest of the province now have easy access to the same amenities taken for granted by their southern neighbours. Modern homes, sewer and water systems, good schools, new fire halls, local government offices, paved highways, new arenas, now can be found throughout the North.

But these dramatic physical changes are not the only differences one can find in northern Saskatchewan today. In response to a long expressed concern by northern people more emphasis has been placed on health, education, and meaningful social service programs. Hospitals have been upgraded and will continue to be with a new hospital for La Loche, and an addition for La Ronge in this year's budget. Health clinics were built in smaller communities, such as Sandy Bay and Pine House, and more importantly, the numbers and quality of medical staff have been upgraded. For example, where one doctor used to serve the needs of over 5,000 people on the west side, there are now five doctors stationed at Ile-a-la-Crosse. The nursing staff has been expanded, dentists have been hired and specialists regularly visit northern communities. All of these improvements in the health field have led to a dramatic decline from 65 per 1,000 live births to 43 per 1,000 live births in the infant mortality rate.

Education has also seen some very positive changes over the past seven years. Elected school boards now operate all the schools in northern Saskatchewan. Seven years ago, only the communities of La Ronge and Uranium City offered a complete program through to grade 12. Many students from the North, in order to complete their high school, had to travel hundreds of miles to strange and unfamiliar centres. Today young northerners can finish their Grade 12 in modern facilities in several northern communities such as Green Lake, Beauval, Ile-a-la-Crosse, La Loche, and others. It is obvious that many students are taking advantage of the opportunity to complete their

Grade 12 in their home settlement. For example, in the past three years there have been 51 Grade 12 graduates from Rossignol school at Ile-a-la-Crosse alone. And that compares, Mr. Speaker, to five Grade 12 graduates in the 106 years preceding the last three.

There is one area where there has been a significant decline in the past seven years. That decline has occurred in the amount of money paid out in social assistance. In 1973 social assistance, as a percentage of the Department of Northern Saskatchewan budget, was 43 per cent. In 1979 that had been reduced by 4 per cent. Today the social services branch of the Department of Northern Saskatchewan lists as its priorities improved day care centres, new alcohol rehabilitation centres, child care centres in the local communities, and all of these, Mr. Speaker, run by locally elected boards. I might point out that in the bill to amend The Department of Northern Saskatchewan Act the opposition said they were opposed to locally operated day care centres, alcohol rehabilitation centres and child care centres.

At the same time, Mr. Speaker, a more subtle development has been taking place. The commitment to increase the involvement of northerners in the decision making process has characterized the department from the beginning and continues to be a major emphasis. Both the Ile-a-la-Crosse School Board and the Northern Lights School Board became elected autonomous bodies in 1975. The tremendous progress made in northern education, outlined earlier, must be credited to the way northern people have so positively assumed the responsibility of operating their own schools.

In response to specific requests by northerners the department has begun to stress such areas as adult education. Community colleges were established at Beauval and La Ronge. Their budgets have more than doubled over the past five years. Meaningful training programs for heavy equipment operators, heavy duty mechanics, truck drivers, mill workers, diamond drillers, trappers, forestry workers, and the like, have been started to ensure northerners a place in both renewable and non-renewable resource development. The budget for adult education has increased from \$27,000 in 1971 to \$2 million this year, providing for 24 separate training programs with 585 trainees in various northern communities this year. One of the programs funded by this budget is the northern careers plan. This plan was devised to assist northerners to continue their post-secondary education in southern institutions. In 1974 only 10 students took advantage of the northern careers plan. Today there are 75 northerners enrolled.

A second program worthy of mention is the northern teacher education program which was established as an off-campus teacher training program in 1977 and is delivered by the Northern Lights School Division. The first eight graduate of this internationally recognized program are now certified teachers in various northern schools from Stoney Rapids to Cumberland House. As well, over 300 northerners have been registered as apprentices in the various trades. Over 800 northerners are employed by the Department of Northern Saskatchewan, and programs have been developed to ensure that they move into senior management positions. One such program is known as Options North, and 32 people are being provided with university training under Options North so that they may qualify for senior positions within the department. Just recently, six native northerners have been appointed to senior management positions within the Department of Northern Saskatchewan.

In order that more northerners have the opportunity to participate individually or co-operatively in the businesses of the North, an extensive economic development

program was initiated. Over 400 individual businesses have been started over the past six years. Those businesses have led to the creation of hundreds of new jobs. Mr. Speaker, a comparison of similar programs across northern Canada has shown that not only does the economic development program of DNS have the greatest success ratio, it has the lowest arrears rate on loans.

As well, in economic development, over 50 active co-operatives are operating in Northern Saskatchewan in the fishing industry and in the grocery retail business. Considerable effort is being expended to encourage the development of local co-operatives in various northern communities. At the same time we provide, and will continue to do so, extensive support for the more traditional northern pursuits. Expenditures in the traditional resource use areas have increased by over 100 per cent in the past five years. Trapping has become a viable occupation for many northerners once again. Revenue in this area has increased from a total of \$874,000 in 1972 to over \$2.7 million in 1979. Commercial fishing with the assistance of such programs as transportation subsidies and efficient marketing has regained its importance in the northern economy. Considerable emphasis is also being placed on the forestry industry. Saw mill production which in 1971 was less than 4 million board feet, in 1979 was well over 15 million board feet. New marketing and production techniques are being pursued to ensure the viability of this important northern industry. More northerners are entering the outfitting business, owning and operating their own tourist camps. Some are becoming involved in the service occupations associated with the tourist industry.

Amendments to The Northern Saskatchewan Economic Development Act recently introduced in this Assembly will enable DNS to continue to assist northerners in these ventures. One of the most interesting examples of how traditional resource activities can be promoted for the benefit of northerners can be seen in the wild rice harvest. I am pleased to tell you that the wild rice harvest has increased from an annual total of 10,000 pounds to an annual total of 160,000 pounds, which makes it a \$0.5 million a year business. It is also an industry that we will continue to support and expand through our economic development program.

All of these developments are making a positive contribution to the way of life northern people are now leading. The 1980-81 budget for DNS gives a clear indication that these programs are to continue and to expand. Mr. Speaker, northern Saskatchewan like the rest of this province is entering a period of increasing economic activity. In the North this is due primarily to the high level of mineral exploration and development, particularly uranium. While most northerners look forward to this development as an opportunity to improve their living conditions, there is a strong desire to assure that the benefits of uranium development do not by-pass them; to assure that those benefits will not accrue only to a few multinational corporations or a few individuals, and to assure that years from now when mining activity has diminished, northerner will have established a strong and lasting economic base in the renewable resource sector. This is a desire understood by the people and the Government of Saskatchewan — a desire and a goal entirely consistent with the policies and goals of this government. Northern people know that. In all other parts of northern Canada, the people who have been there for centuries have been left on the sidelines while development proceeded.

For more than 100 years in the North, in this province as well as others, the area was regarded by southerners as a place where businesses could be operated with no concern for the physical or human environment. Whether that business was fur trading, mining, forestry or any other, northern people themselves often did not share

in the benefits which accrued. Aside from serving as a source of cheap labour, they were expected to remain silent, even when as often happened their traditional pursuits of hunting, trapping and fishing suffered as a result of damage caused by other activities.

It is no wonder that in other parts of northern Canada, we have heard many voices expressing concern about what is taking place in their areas of the North. And prior to the formation of the Department of Northern Saskatchewan, the same could be said in our North. However, Mr. Speaker, unlike the situation elsewhere, this government and the Department of Northern Saskatchewan listen to the people of the North and we have taken positive steps to assure that they are heard. A little more than three years ago we established the Cluff Lake Board of Inquiry to determine the proposed mine at Cluff Lake should proceed and what would be the effects of uranium development in general for the province. The board, under the guidance of Justice Bayda, began holding one of the most exhaustive and all-inclusive studies which has ever been held regarding industrial development anywhere in the western world.

The board travelled to many northern communities, provided interpretation, in Chipewyan and Cree, spoke to and listened to representatives of all northern communities. More than a year later the board delivered its report recommending that the Cluff Lake project proceed and that the development of uranium in northern Saskatchewan expand beyond just the one site. These recommendations were made subject to a number of conditions being met and the budget presented to this Assembly by the Minister of Finance continues to ensure that those conditions are being met.

The introduction of The Environmental Assessment Act will mean all significant industrial proposals in the North will undergo the most rigorous scrutiny in order to determine their effects on the environment will be minimized. The budget provides increased funding for low-level radiation studies and programs designed to improve worker safety. The creation of the environmental protection division from revenues accruing from the present uranium production within the heritage fund is a major step in our efforts to protect the natural environment of the North.

Mr. Speaker, I want to congratulate my colleagues, the ministers of Labour and Environment, for their response to the concerns northerners have made know. I would like to take this opportunity to outline some of the measures the Department of Northern Saskatchewan has implemented to help northerners participate in uranium development. The Bayda report concluded that northerners needed to be given control over their own lives. To a large extent this has been accomplished by the rapid development of local governments. In the past year, the community of Descharme Lake became established as a local advisory council under the northern municipal council. Cumberland House became a fully autonomous LCA (local community authority). Pine House moved from local advisory council status to LCA status.

In 1972 grants to northern local councils totalled \$32,000. This year that figure will be more like \$4.4 million. In per capita terms that represents an increase from \$2 per capita to more than \$2,000 per capita in just eight years. The same can be said for grants to independent school boards. During the same eight years these grants grew from \$2.7 million in 1972 to this year's estimated figure of nearly \$14 million. This year the increase will be 15 per cent over last year's funding.

In addition there are a large number of local boards and committees in existence within the northern administration district constantly interacting with the department staff.

These include 21 recreational boards, 25 local loan committees, 50 fur councils, and 27 local school boards. In the past eight years DNS has delivered over \$175 million in capital facilities within community boundaries.

This kind of assistance has led to the increased development of the three incorporated centres, Uranium City, La Ronge, and Creighton, as well as the nine local community authorities. These communities are fully responsible for the administration of their budgets, tax collection, and community planning. As a result of this development northerners now control their destiny to an extent that would have been unthought of a few years ago. Assisting the autonomous growth of local governments is only one way of ensuring that northerners participate in industrial development.

Mr. Speaker, I recently introduced in this Assembly a bill to amend the Northern Saskatchewan Economic Development Act. The main component of this bill is to raise the amount of money available in the titof loans to northern businesses from \$15 million to \$25 million. This will allow the department to continue to assist people to take advantage of business opportunities related to uranium development. Funding for skills training this year will increase by 27 per cent. I recently participated in the graduation ceremonies for the first class of pre-employment mill operators training program. These nine students, all native northerners, will be employed at the mill site at Cluff Lake. On the evening they were presented with their graduation certificates they were presented with a job offer including the date they were to report to work.

In conjunction with the surface lease agreement signed with Amok, this program is part of a new direction being taken by the northern continuing education branch of DNS. In the future, training will more than ever be linked to specific jobs. It will be delivered at the community level with community involvement in the development and implementation of programs. The surface lease agreement signed with Amok ensures that at least 50 per cent northern employment be reached by 1982.

I am pleased to report Amok has not only met, two years ahead of time, but has exceeded that requirement well before the production stage. This has resulted in a total of \$3.7 million being paid directly in wages to northern people, and it has also resulted in northern businesses gaining contracts for the supply of goods and services for a total of \$8.7 million. Similar conditions will be incorporated into all future lease agreements with uranium mine-mill operators.

A manpower secretariat has been established within DNS to monitor the conditions of this lease. Unlike members on the other side of this Assembly, this government has taken a solid stand on uranium development in Saskatchewan — has taken that stand after a very thorough and very careful deliberation. We are committed to extracting this mineral in a safe, step-by-step process that includes full participation of our northern citizens and maximum benefits to all of the citizens of Saskatchewan. Through the involvement of the Crown corporation, the Saskatchewan Mining and Development Corporation, the province is able to acquire an intimate knowledge of all aspects of the mining and milling of this ore. In so doing the province is in a better position to monitor the industry, and the people of Saskatchewan are guaranteed an equitable return on this non-renewable resource.

In short, Mr. Speaker, this government has developed a comprehensive strategy aimed at expanding and diversifying our economy for the benefit of the province. Uranium will be for northern people a source of capital for the development of renewable resource industries. I contrast this with the position (or should I say many positions) taken by the

opposition. In their attempts to come down on both sides of the issue, they have ended up with no position at all, except one perhaps that is a policy which would leave uranium development totally in the hands of the multinational corporations. Northerners would, once again, be at the mercy of private investors whose only concern would be the exploitation of a non-renewable resource. The people of northern Saskatchewan would, once again, be left to fend for themselves while a few got rich at the expense of many.

I would suggest those hon. members would be well-advised to take a cue from the MLA for Moosomin, who in his recent eight page article, 'A New Vision for Northern Saskatchewan', not once made any mention of uranium. When you don't have a policy on something the best thing you can say is nothing at all. Unfortunately, that's the only positive comment I can make on the opposition's vision of the North, the thing that was left out. Those eight pages are so full of empty rhetoric it is impossible to respond in any meaningful way.

I want to say to members opposite and to the Tory party that northerners are not looking for a new vision from southern politicians. They have their own vision. They want concrete programs for development — the kinds of programs that DNS has provided in the last eight years to support a northern vision of northern development.

SOME HON. MEMBERS: — Hear, hear!

MR. HAMMERSMITH: — The Conservative Party has been telling the people of Saskatchewan they are going to back up their opposition to government programs with careful research. The people of Saskatchewan and the people of northern Saskatchewan, in particular, are still waiting. After two days of this debate we know all of the things they are against — they are against all of the things they were against last year and the year before and 30 years before that — but we don't know what they are for. We just know what they are against.

The vision of the North, I submit, Mr. Speaker, is a negative vision. The Department of Northern Saskatchewan has established an enviable record, a record that has attracted a great deal of favourable attention from provincial Progressive Conservative governments in other part of this country. It has been interesting that in the last six months I have had visits from the Hon. Joe Goudie in Newfoundland and the Hon. Peter Hanson from the Yukon. We have been approached by these governments to share our knowledge and to share our expertise. Why, Mr. Speaker? Because they believe what we are doing in northern Saskatchewan could help them put the word progressive back into their party name. The Saskatchewan PC Party, however, has only tried to exploit the people of the North for their own political gain. Again, they have failed to illustrate any true concerns for or knowledge of the people of northern Saskatchewan and their way of life. The people of the North will not be swayed by mere words. They have had centuries of words and now they have had more than eight years of action.

My two colleagues in this House, the member for Athabasca and the member for Cumberland are evidence of which tactic northern people prefer.

SOME HON. MEMBERS: — Hear, hear!

MR. HAMMERSMITH: — This budget, Mr. Speaker, reflects the priorities of the Department of Northern Saskatchewan as we move into the 1980s. Increasing emphasis on education, skill training, economic development and an expanding role

for local governments will ensure northern people that they will continue to increase their control over their own destiny.

Northern people have their own vision of the North and this budget will enable them to continue to move towards the fulfilment of that vision — taking their place in a rapidly expanding provincial economy and a united Canada.

Mr. Speaker, this is a good budget. It will ensure the continued social and economic progress brought about by this government since 1971. It is a budget by and for all the people of Saskatchewan and I urge all members to oppose the amendment and to support the motion.

SOME HON. MEMBERS: — Hear, hear!

MR. P. PREBBLE (Saskatoon-Sutherland): — Mr. Speaker, it is a pleasure for me to be able to speak in this House, once again, on behalf of my constituency and in support of the budget presented by the Minister of Finance.

SOME HON. MEMBERS: — Hear, hear!

MR. PREBBLE: — In times of serious national inflation it is no easy task to bring forward a budget which provides substantial increases in important program areas such as hospital services and the environment, and at the same time achieves sufficient restraint that a balanced budget can be attained.

I want particularly to congratulate the Minister of Finance for his initiative in forming the energy security division within the heritage fund. At a time of dwindling petroleum supplies this decision to invest in securing energy sources for future Saskatchewan needs is a progressive one. It is a move the federal government should have followed long ago. I am also excited by our government's action to provide new support services and expanding educational and employment opportunities for native people in our province. I am especially excited with the proposals of the Minister of Education to foster a community school program and to train and place native teachers in urban schools with large native populations.

I think we all realize our educational system to date has failed native people in many areas and is not being geared to their needs. These initiatives are indeed very welcome.

At a time when 10 per cent inflation rates continue to erode the buying power of those on fixed incomes, the reduction of \$50 in income tax payments by senior citizens is a progressive one, and one which I know will be appreciated by the Saskatchewan people. So is the decision to institute a corporation capital tax. Faced with a federal tax system

full of loopholes such a tax is, in my view, an essential means of our provincial government helping to make sure large companies pay more of a fair share of taxes in our society.

Finally, Mr. Speaker, I am proud to be associated with a government which is once again well on its way to fulfilling each of the promises that were made during the last provincial election. The expansion of the dental plan, the Main Street program and the technical institutes, along with the implementation of a new community capital fund were all promises which we made in October of 1978. They are all promises which this budget delivers on.

The budget, Mr. Speaker, is clearly a financial plan for the year ahead which is worthy of support by all members of this House. Having said this, I would like to turn now to a more detailed analysis of the budget. Before I do, I would like to comment on the events we have seen in the House over the past week in which the former Leader of the Opposition, the member for Nipawin, and the member for Swift Current have decided to sit as independents in this House, Mr. Speaker, calling for a separation of western Canada and a linkage of western Canada with the United States. I put forward a hypothesis for all other members of the House and the public to consider, Mr. Speaker, and that is I notice that two of the more right wing members of the Conservative Party have decided to make this move. I wonder if in some way they envision this move as a means of achieving their long-hoped for goals of the destruction of medicare in Saskatchewan and the destruction of the crow rate in Canada by having Saskatchewan and the other prairie provinces join the United States. Because, of course, union with the United States, Mr. Speaker, would mean the elimination of medicare in Saskatchewan. Union with the United State would mean Saskatchewan farmers would be paying five and one-half times more for transporting their grain. Apart from the reality of causing further divisiveness in Canada at a time when unit is called for, this may also, Mr. Speaker, be a cheaper means — a cheap trick if you like — of achieving the goals which the member for Nipawin and the member for Swift Current have sought for so long, without having a clear desire on the part of western Canadians to seek those particular goals. I think it is more unfortunate, Mr. Speaker, that this kind of effort is being undertaken by those two members.

SOME HON. MEMBERS: — Hear, hear!

MR. PREBBLE: — Mr. Speaker, not everything can be done in one year. I am hopeful that many of the suggestions I will propose in the moments ahead will be tackled in next year's budget or in budgets prior to the election this government may call in the future.

First, let me turn to agriculture which is and will continue to be the foundation of our economy. I question the thinking that is becoming increasingly prevalent that we should aim to increase our export target to grain by 50 per cent by the year 1985. In so far as that target can be met through increasing the capacity and efficiency of our country's grain handling and transportation system, the higher export target is an admirable goal. The Minister of Agriculture is working effectively to help temporarily overcome many of the problems the federal government and the railways have created in our transportation system and I want to congratulate him for that.

The other side of the export equation, however, is increased levels of grain production and it is here that I disagree with the policy implicit in increased export targets. Some production increases can probably be attained through improved agricultural practices which will be excellent. However, I think it is very likely that much reliance will

be placed on increased fertilizer and herbicide and pesticide application in order to achieve production goals. Our level of chemical application to the soil has already risen sharply in recent years, and in my view any further increases are most undesirable. Instead, the government should be implementing a specific plan for the reduced use, particularly of chemical herbicides and pesticides. This is particularly important in the case of 2-4D which is widely used in Saskatchewan, and the health effects of which are of increasing concern. Thus, I do not think the increased production targets for 1985 are at all compatible with long-run ecological preservation of prairie soil fertility. Nor do I think they are compatible with improving the health of Saskatchewan farmers. Once again, I call members' attention to the survey results of the National Research Council's work a couple of years ago showing that 20 per cent of farmers surveyed complained of ill effects from the use of 2-4D after seasonal spraying.

In order to encourage improved farming practices and reduced use of chemicals, I urge the Minister of Agriculture to include in the next budget estimates, provision for the formation of a branch of organic agriculture within the Department of Agriculture. Such a branch would be staffed by five or six persons who would be knowledgeable with respect to organic and building practices and non-chemical means of pest control, and who would conduct extension courses and provide advice to farmers on how such methods may be implemented on their farms on a trial basis.

There is a substantial base of literature on organic farming practices. The problem is one of lack of availability of this literature to the farm population, and a branch of organic agriculture would help to make this material available.

With respect to other problems that may be associated with the projected increase in grain exports, I fear that the 50 per cent increase set as a target for 1985 may bring with it a psychology of growth that offers many pitfalls to Saskatchewan residents. By this I mean, Mr. Speaker, that while there are many ways for an individual farmer to increase production, the simplest one is for his farm to be increased in size. Since production decisions are ultimately made at an individual level, the psychology of growth with respect to production targets may unintentionally foster further undesirable increases in farm size.

I hope, Mr. Speaker, that our government will look seriously at implementing limits on farm size within the near future. This is a complex task since maximum farm sizes that may be appropriate differ considerably with geographical location, type of farm, soil fertility, and other variations. However, in an attempt to preserve the social and economic base of rural Saskatchewan, and to foster farming techniques of long-term sociological benefit, I support in principle the concept of limits on farm size.

Mr. Speaker, the questions I have raised with respect to the desirability of rapid growth have equally pertinent application to my own constituency and to my own home city of Saskatoon. Saskatoon's population has grown at a rate of over 10,000 between 1976 and 1979, and has continued increasing very rapidly during these past few months. Mr. Speaker, the budget provides generous increases to the conditional and unconditional capital grants of urban municipalities, but growth pressures are so great in respect to the municipal infrastructure needs of Saskatoon and other rapidly growing centres, that provincial assistance will still need to be increased substantially more than is currently the case.

This raises the broader question of whether such a rapid rate of growth in Saskatoon is, in fact, healthy or desirable. I have already indicated the massive municipal infrastructure investment that will be required. The August 25, 1979 editorial in *The Star Phoenix* last summer noted that underground services in many parts of the city are beginning to deteriorate often well before they are completely paid for, and to quote the article:

Water treatment capacity may turn out to be inadequate long before city officials expected, as consumption jumps because of residential expansion, as well as increasing use by industry . . . street surfaces in many areas are simply wearing out, and as they were never designed originally for the volumes of traffic now flowing through the city everyday, some will no doubt have to be redesigned and completely replaced.

Rapid growth is leaving insufficient time for good planning, Mr. Speaker. It is resulting in increased traffic problems and, I would strongly suspect, is related to the large jump in traffic accidents that occurred in the city last year. Of great significance is the fact that the boom psychology has created a rapid increase in the price of residential property. The average price of a home in Saskatoon has increased from \$37,483 in mid-1976 to \$55,200 in July of 1979. At the present time, Saskatoon has the highest housing prices of any centre in either Saskatchewan or Manitoba.

For those renting apartments that are outside of rent controls, rents have also increased rapidly because of the extremely low vacancy rate in Saskatoon's rental accommodation. The boom psychology has resulted in the demolition of many heritage buildings and is creating a downtown that is being dominated by office towers with very limited thought to constructing public housing or people-oriented recreational and cultural facilities in the downtown.

These, Mr. Speaker, are just a few of what I would describe as the diseconomies and the social costs of rapid growth. Experience elsewhere shows that such trends are usually accompanied by increases in crime rates and increased social problems. I know, for instance, that between 1978 and 1979 the caseload of the Saskatoon social services office increased almost 30 per cent. The level of environmental pollutants in the city is certain to increase and this is likely to have a negative effect on people's health.

When we measure the benefits of rapid resource development and the spinoff effects, we must deduct from this the costs that I have identified. I question, Mr. Speaker, whether the benefits of very rapid growth, the kind of growth that we're now experiencing, will be worth the costs in the end. I question whether the people of Saskatoon, especially lower income people in the city, faced with an ever increasing inflation rate that the boom is creating, will really be much better off in the end. I believe that no government, no matter how well-intended — and this is a well-intended government, Mr. Speaker — can deal with the problems arising from too rapid a growth rate. To slow down this growth rate in centres such as Saskatoon, I urge our government to pursue a more vigorous policy of decentralization and to stage any uranium development that does proceed, more slowly than is currently planned . . . (inaudible interjection) . . . No, I haven't. I'll comment on my position on uranium development in a moment.

Furthermore, I would suggest the establishment of special funding to urban centres for the purpose of improving the quality of suburb developments so that future suburbs are constructed more with people in mind, and present suburbs obtain new innovations

where possible. Such a program would help to fund the layout of subdivisions so that homes are mostly south-facing and, therefore, more energy conserving. It would provide for the construction of more pedestrian and bicycle paths and the layout of road systems so that they are more conducive to urban transit. It would help to make provision of the establishment of day care centres, medical clinics and indoor recreational services in each neighbourhood in a rapidly expanding urban area, Mr. Speaker. It would provide funds for amenities such as small play areas for preschool children within walking distance of home. Such amenities would make living in the suburbs a far more rewarding experience, and I believe special funding is required to urban municipalities to allow such initiatives to take place.

Mr. Speaker, I would like to turn now to the proposal for an energy security division and say once again to the Minister of Mineral Resources and the Minister of Finance that the implementation of this fund is indeed a progressive step on the part of this government. I am also happy to see a 50 per cent increase in the budget of the office of energy conservation and to see the implementation of a housing retrofit program to demonstrate improvements to the energy efficiency of older buildings. I especially welcome the fact that Saskatoon will be the site for the construction of 15 energy efficient homes to which our government will be contributing \$300,000 toward the design cost.

I should say, however, Mr. Speaker, that there are important questions which must be debated as to the priorities identified within the energy security division. For instance, I very much question whether we should be spending as much as \$47 million to assist companies actively drilling for oil and gas in Saskatchewan. I would far rather see much of this money go into the further expansion of SaskOil to finance its participation in heavy oil development and conventional oil exploration.

In terms of our policies with respect to energy conservation, I want to say that while I am pleased with the conservation programs that have been announced, there are three conservation measures which, I think, it is particularly important that we implement over the course of the next year. Unfortunately the budget gives no indication that these steps will be implemented, but I hope that this will not be the case. The first of these steps, Mr. Speaker, is the need for a comprehensive building code with respect to insulation standards in all new buildings under construction. It is now well-known that new buildings can be constructed in such a way that energy costs can be reduced by over half while keeping construction costs such that pay-back periods are short. The new building code should reflect this fact. It is particularly important that public buildings such as schools, hospitals, government offices, senior citizens' housing and public housing be constructed in a highly energy conserving way. The economics of energy conservation are at their best with respect to larger buildings and thus public buildings are a natural place to begin upgrading building codes. In addition, such action will set an important example to the private sector.

Second, I would very much like to see our government implement a sales tax rebate on energy conservation purchases over \$500. I believe such a rebate would provide an additional stimulus to energy conservation investments. Such a rebate should be available to all sectors of the Saskatchewan economy and to all home-owners.

Third, I would urge the minister in charge of the Saskatchewan Power Corporation to consider reversing the SPC rate structure so that there are further incentives to conserving wherever possible. The current situation in which consumers pay at

progressively lower rates as their level of consumption increases within their user classification makes very little sense to me. Such a rate structure provides little incentive to conserve.

Before leaving the subject of energy I would like to make one final comment. I had hoped very much that some of the money designated this year for the farm cost reduction program might instead have been specifically allocated for energy conservation programs in the agricultural industry in our province. I personally feel that a wider expenditure of money would have been to transfer some of the funds out of the farm-cost reduction program and put them into measures that will offset escalating farm energy costs. Such measures could have included an agricultural industry energy audit program, solar-passive demonstration projects throughout rural Saskatchewan, the construction of energy conserving farm homes, and the experimentation with the potential for gasohol projects or other biomass projects as a possible future source of farm fuel.

One item that is particularly important to many of my constituents, Mr. Speaker, is the allocation for university operating and capital grants in the coming year. I want to say that my constituents will most certainly welcome the \$13.5 million designed for construction costs at the veterinary college and the Engineering Building on the Saskatoon campus. However, with respect to the proposed increase of 8.45 per cent in operating grants, I'm a little disappointed. The inflation rate for many university acquisition such as laboratory supplies and library facilities run well above the regular inflation rate. cutbacks already took place in some programs last year in light of the 7 per cent increase that was provided. This year's increase will once again leave a tight situation. I do not feel that it is adequate to relate the university budget increase on the basis of student enrolment since the majority of university services cannot and should not be reduced simply because of marginal reductions in the number of students attending. Forty per cent of university activities centre on research that should be continued at a high level despite a decline in student enrolment anticipated in the next few years. I hope that next year's budget will see a bigger increase in the university operating grant.

Mr. Speaker, I want to turn now to an examination of the health measures proposed in this budget. The 13.7 per cent increase in funding to Saskatchewan hospitals is especially welcome news and will help to relive a tight situation with respect to hospital staffing in Saskatoon. I want to extend my congratulations to the Minister of Health for providing this initiative in the budget. The measure of this increase combined with a high inflation rate makes it difficult to take new initiatives in other areas of the health field as well. But I want to say that I am disappointed that this year's budget will not see new initiatives of any significance in the area of preventive health.

Of particular concern is the reduction of five positions from the community health services branch. In my view, there is an urgent need to substantially increase the services of public health inspectors, speech therapists, health educators and public health nurses if a real initiative in preventive health is to be launched. In this context, the cutbacks are unfortunate. I know the Minister of Health has a genuine concern with respect to improving preventive health programs and I hope the next budget will see prevention as the major new initiative in the health field by this government.

I want to make a comment, Mr. Speaker, with respect to health policy in regards to the need, in Saskatchewan, for the implementation of a school lunch program. I am happy to see that the Minister of Education is looking at the possibility of implementing this on

an experimental basis. I'd very much like to see it expanded within the next few years to cover the entire province. I think that one of the most useful contributions that the Government of Saskatchewan could make to the health of children in this province would be to assure that they have a good nutritional meal at lunch time. I know many children, particularly children from lower income families, are not always in a position to obtain this kind of nutrition but I would hope that the government would see this as a high priority in the coming years.

One measure I would particularly like to see being given consideration is the possibility of some schools attempting, on an experimental basis, to grow some of their own food and provide it as a source of food in their school lunch programs. I think that the operation of gardens, of indoor greenhouses during parts of the school year could be a useful occupation, a useful experience for students in the classroom and at the same time could be a small source of food that could be used in the school lunch program.

Mr. Speaker, I would like to go on and turn to one measure I feel particularly strongly about and that I am hopeful the government will strongly consider within the next two years. This is the need for the implementation in Saskatchewan of a universal sickness and accident insurance program. In 1973, Mr. Speaker, this government had the foresight to set up a task force on workers' compensation in Saskatchewan. One of the recommendations that that task force made was the need for a sickness and accident insurance program to be considered in more details. A committee was set up to do this in 1976. Since becoming a member of the legislature I've become acutely aware of the fact that many of my constituents who are sick or injured do not have adequate insurance coverage. Some of them become sick at work but are not in a position to prove that their injury or sickness is directly work related. It seems to me that the maintenance of an adequate income in the event of sickness or injury should be considered as a basic right. Individuals should not be forced onto the welfare rolls as a result of suffering such misfortune.

Mr. Speaker, it seems to me there is little difference in the nature of an accident whether it occurs at home or in the workplace. The injuries and the needs of the individuals are similar in both cases. Even in terms of work related compensation the matter of whether a disease is work related is a matter of medical opinion. It is not a matter of medical certainty. Mr. Speaker, I think these are both important reasons for the clear need for the introduction of such a program.

Right now, I point out to all members that there are many workers in Saskatchewan who are also not included under workers' compensation including casual workers, domestics, farm labourers, ranch labourers, farmers and ranchers. I think such a program would be most appropriate in the sense it would ensure these persons are also covered. Particularly in the case of farm workers and farmers, Mr. Speaker, there are many injuries that occur on the farm and at the present time unless those members, those individuals have private insurance they go uncovered . . . (inaudible interjection) . . . The member say that they just have to sign and he is correct about that. The reality however is that a little over 400 farmers in Saskatchewan have signed up onto the workers' compensation program and that leaves the large, large bulk of Saskatchewan farmers unprotected. Mr. Speaker, I would suggest one of the sources of funds we might look to in the introduction of such a program which will clearly be in the tens of millions of dollars, Mr. Speaker, would be increasing the corporation capital tax introduced in this budget. The level of that tax, Mr. Speaker, is only \$10 million. That is the income at the present time which is expected to be received from that tax. It's a very small income, a very small source of revenue when you consider the fact we're taxing

the 1,000 largest corporations in the province.

Mr. Speaker, I would like to go on record in the House as taking a position with respect to The Trade Union Act and an amendment I think is required in the act. I think the problems that have been associated with respect to the SGEA strike and the fact that that strike has been declared illegal in the courts clearly indicates the need for the Minister of Labour to seriously consider (and I know he is considering it now) an amendment to The Trade Union Act that would assure that a strike in Saskatchewan is legal, if in the event of a strike vote, the majority of those participating in the strike vote, vote in favour of a strike.

Mr. Speaker, I would now like to turn to the area of environmental initiatives. I intend to comment in somewhat more detail on the initiatives on environment in the budget when it comes to the estimates. I want to say, to begin with, I am very happy to see a very significant increase in the budget for the Department of the Environment — a 28 per cent increase. I think that is very much needed at this point in time with energy developments and other resource developments expanding very rapidly in the province. I think the increase of six staff positions in the area of water pollution control is very much needed and I congratulate the Minister of the Environment for that. I would however like to express a couple of reservations with respect to the budget as it relates to the environment.

The first one of serious consequence is the proposal that the people of Saskatchewan should be responsible for paying for the establishment of a fund that would monitor uranium mine tailings and a uranium burial site after the uranium mining company has chosen to leave the site. It is my view, Mr. Speaker, that the decision to put \$1 million into a fund to assure the maintenance of uranium mines after the company has left the site is not appropriate. First of all, I think it is the company, Mr. Speaker, that should be putting up the money. Secondly, Mr. Speaker, with respect to private companies, the royalty rate should be adjusted in such a way that the \$1 million the companies should be required to put up does not in any way take from the revenues the people of Saskatchewan would earn as a result of royalties and taxes. I think that is a burden that should be squarely with the developer. The hon. member for Qu'Appelle suggested that is the SMDC and in many cases he is correct. But in many cases it is either a federal Crown corporation or it is a private company such as Amok, Uranerz, Gulf or Esso. And I say those private companies, the oil companies, the utility companies from overseas that are in a position to put up that \$1 million, they should be responsible for it.

Mr. Speaker, I want to return to one other environmental issue I would like to raise during this speech. This is an issue that has probably been given little consideration in the legislature and to my knowledge, has not been extensively debated in the past in Saskatchewan. It's with respect to the health implications many Saskatchewan residents who live near highways or freeway in the province may be experiencing. Mr. Speaker, I have examined this problem as a result of my involvement in considering the impact of the Circle Drive extension in my constituency. There are a number of my constituents who will be living very close to the new expressway proposed for construction there. I think some of the research that has emerged in terms of looking at this has implications for the health of residents throughout the province.

I want to just quote, Mr. Speaker, from a couple of studies. One that was published in 1977 in Switzerland entitled Polycyclic Aromatic Hydrocarbons in Soils of a Mountain

Valley — Correlation with Highway Traffic and Cancer incidents. This, Mr. Speaker, is an epidemiological study of a Swiss mountain town. The study has demonstrated a strong correlation between cancer incidents among the residents of the town and the proximity of those residents to the highway. The town of 3,000 inhabitants in this case was located within a one kilometre wide base of a deep mountain valley. This town was divided by a 40 metre tall alluvial cone into an older main section with residential housing for 4,000 to 5,000 people immediately next to a heavily travelled highway and a newer section of about 400 metres from the highway, shaded from it by the alluvial cone. During the original period of the study death from cancer was nine times as frequent for residents living near the highway. A total of 72 persons died in the old part of the town from various forms of cancer, whereas only three cases occurred in the traffic-free area. Mr. Speaker, I have another 10 to 15 studies of a similar nature which bring out the point that there are potentially dangerous health implications to residents from living, I would say, within a 100 to 150 metres of a heavily travelled highway or expressway or major artery in an urban area.

In an attempt to be heard over the voice of the member for Qu'Appelle, I would like to say, Mr. Speaker, I think the evidence that has come forward in the literature on health, as it relates to living close to a highway or a major artery, is such that the Minister of Highways and the Minister of Health should institute a study in Saskatchewan to investigate whether there are health problems associated with living close to a major urban artery. The Minister of Health informs me he will check into it and that is the kind of immediate response we often get on this side of the House.

I want to say, Mr. Speaker, that although the member for Qu'Appelle makes light of this point (it is understandable in light of his past attitude in this House) I think this is a very serious matter. When I raised the issue of uranium development in Saskatchewan in 1976, people shrugged their shoulders and didn't think much of it but today it is a major issue. I think the health implications that are emerging in these research studies are worth looking at. I don't want to draw any definite conclusions from them at this time, but I think the Minister of Highways and urban municipalities in Saskatchewan should give serious consideration to making sure that in future, when they construct highways or major urban arteries, they attempt to make sure new residential development is placed at least 100 metres from those major arteries or highways. They should make all effort possible to ensure new construction of highways and arteries is located well away from residential areas.

Mr. Speaker, I want in conclusion to touch on two more areas. One is with respect to uranium development. I have heard members opposite (and they are always clamouring to make a to-do on this matter) suggest that somehow my position on uranium development has change. I want to assure all members it has not changed. I will not dwell, Mr. Speaker, on that position. I think it has been articulated sufficiently in the past. I just want to take two or three minutes to draw the attention of members to some of the recent developments in the world that I think they will find of interest.

The first one is that there is currently a strike in Spain among workers and labourers who are constructing nuclear power plants in that country. They are on strike in northern Spain until such time as the Government of Spain agrees to have a full-scale debate on the advantages and disadvantages of nuclear power. Their present position is that they are opposing further expansion of nuclear power in light of the strong feelings of residents in that area. I point out that Spain is, of course, the site of the world's largest demonstration against nuclear power — a demonstration of 150,000 people took place about 18 months ago.

In France, Mr. Speaker, the government is pursuing its nuclear program vigorously. It has just put two new nuclear reactors into operation. It is interesting to note it has done that despite the fact both those reactors are known to have major flaws, major cracks in their basic metallic components. I think it is very unfortunate that the French government continues to take the attitude it does with respect to nuclear development. It is one of the many reasons why I think we should not be allowing French companies or the Government of France through its investment in Amok to participate in uranium development in northern Saskatchewan.

With respect to Sweden, Mr. Speaker, as you know Sweden is having a referendum on whether or not to mine uranium and whether or not to develop . . .

MR. SPEAKER: — Order, order! The member for Qu'Appelle with his continuous, raucous, and frequent interruptions makes it very difficult for me, when the time arrives that he is being interrupted, to ask people to refrain from interrupting him. I want the member for Qu'Appelle to know that the application of the rules has to be for everyone — not just the members over here, or not just some members over there but to all members. The member for Qu'Appelle makes it very difficult for me to come to his defence at a time when he is being harassed by somebody in this Chamber, and that time may occur in the future. I just warn the member for Qu'Appelle that he's putting me in a very difficult position. I ask the member for Saskatoon-Sutherland to continue.

MR. PREBBLE: — Mr. Speaker, I know that the uranium debate and the nuclear debate have now reached a major hike in Sweden, and I think it will be of interest to all members to see what the outcome of that referendum will be; whatever it will be, it will be close.

I want to say that it's now clearly known that Pakistan and probably South Africa are on the verge of acquiring nuclear weapons, if they have not already done so. In the case of Pakistan, this has clearly been done in part through the use of peaceful nuclear technology.

I would like to finally comment, Mr. Speaker, on the decision that British Columbia has made with respect to calling for a moratorium on uranium development. I think that this decision should not be taken lightly. On the other hand, it cannot be put in the same context as the debate in Saskatchewan. I would acknowledge the point that the Minister of Mineral Resources has made with respect to the fact that British Columbia's uranium reserves are substantially less than Saskatchewan's, and therefore the economic implications of that decision are significantly different. On the other hand, Mr. Speaker, I want to make two points that I think are of importance. One is that the decision cost British Columbia immediately the opportunity to make a \$300 million sale of uranium to South Korea — a sale that was in the works and was awaiting final government approval. So I do not think that the decision can simply be seen as a nothing decision. It was a decision of some economic consequence. Further, Mr. Speaker, I would point out that uranium exploration was in its early stages in British Columbia. It was, in terms of exploration, where Saskatchewan was back in 1975 or 1976. Therefore, while the Minister of Mineral Resources is correct in pointing out that British Columbia's deposits are of lower grade and far less in quantity than those of Saskatchewan, it certainly was quite possible that in the course of the next few years, British Columbia would discover significantly increased numbers of uranium deposits in that province. That is a potential opportunity that the Government of British Columbia has decided to pass up.

I should finally say, Mr. Speaker, the reason I think that the Government of British Columbia made the decision that it did was in response to public pressure. I think, Mr. Speaker, that there's nothing wrong with that, and that public pressure in British Columbia was, to a very substantial degree, informed public pressure. I think that one of the things that makes the B.C. situation somewhat different from the Saskatchewan situation is that the proposed uranium mines and the health and environmental effects that resulted from those mining and exploration activities were much closer to people's farms, much closer to people's homes. They were in the Okanagan Valley, a relatively populated area and therefore people were experiencing those effects in a first-hand way and they understood them much more quickly than I believe we in Saskatchewan are understanding them.

So notice in Saskatchewan that the heart of the opposition comes from the people who understand the uranium mining companies, in many ways the best. That is the people in Saskatoon, where the uranium mining companies have their head offices, people in Warman, where Eldorado Nuclear is proposing to locate. That's where the height of the opposition is. I say, Mr. Speaker, that we would probably see that kind of opposition in many other parts of the province if we saw the uranium mining companies moving into other parts of southern Saskatchewan. So I say, Mr. Speaker, that we should look at those who know the industry first-hand, who have the most experience with the industry, and see how they feel about it and be guided by them. I think that kind of approach would tend to make us much more critical of uranium mining. I just want to say that my stand with respect to the issue continues to be the same. I call for a halt in all further uranium development apart from the two mines already operating.

I want to say, Mr. Speaker, in closing, that it's easy to be critical — far easier to be critical — of the government and to propose new initiatives than it is to find room to implement all such initiatives within this kind of a budget. I think the Minister of Finance has done well to balance the budget. I think there are some important new initiatives that have been taken, particularly in the area of support for our native people and the area of improving environmental protection and the area of upgrading hospital services and improving our staffing situations in the hospitals.

I think those are important new initiatives, Mr. Speaker. I'm confident many of the suggestions I've made today will be reflected in future budgets. Mr. Speaker, it's with pride that I support the budget and will be opposing the amendment put forward by the party opposite. Thank you.

SOME HON. MEMBERS: — Hear, hear!

MR. R.H. PICKERING (Bengough-Milestone): — Mr. Speaker, tonight as I rise in this Legislative Assembly and give my personal reflections on the budget for this province, I look across this Chamber and am reminded that Stephen Leacock once wrote about the socialists. He wrote, and I quote, Mr. Speaker: 'Socialism is only a bright soap bubble, lit with ignorance and floating with its own gas.' As I look across the Chamber I can see how true that is. Socialism, Mr. Speaker, is the greatest threat to the future destiny of this province. As this province enters its 75th year in confederation I personally feel the future greatness of this province is in danger because of those on the other side of the House. Their economic policies outlined in this budget are a clear indication that never before in the history of Saskatchewan has there ever been a greater need for a return to our basic values, a return to the pioneer spirit that made this

province is a key part of the Canadian federation.

The people of Bengough-Milestone, Mr. Speaker, whom I am proud to represent, are examples of hard-working, rural, down-to-earth individuals. They reject the erosion of their freedoms by heavy taxation, overspending and too much government. They have sent me to this Legislature to stand up for the pioneer spirit of Saskatchewan and fight the constant menace of socialism.

Mr. Speaker, in recent days there has been a great deal of comment on both sides of this Chamber as to who might or who might not be loyal Canadians dedicated to the concept of confederation. For a few moments I should like to reflect upon what I believe the true spirit of Saskatchewan's position in the Dominion of Canada. In recent days there have been those in this Chamber who saw fit to decorate their desks with Canadian flags to suggest that they, and they alone, are loyal Canadians. Such actions, Mr. Speaker, are just as irresponsible as the actions of those who would break up this nation, this country we love and live in — Canada.

SOME HON. MEMBERS: — Hear, hear!

MR. PICKERING: — Certainly, there is a sense of frustration because of what happened on February 18, but the problems of western Canada will never be solved by those who would advocate tearing Canada apart. Nor will they be solved by a government that would give away the resources of this province and squander our future greatness in this confederation. It is my feeling, Mr. Speaker, that all of us in this Chamber who truly believe in Canada and keeping Saskatchewan in confederation should do so in a responsible manner. Those of us on this side of the House are committed to that concept.

Having said that, Mr. Speaker, I should now like to deal with my personal reflections on the 1980 budget. As I said earlier, the people of Bengough-Milestone have sent me to this Assembly to stand up for the pioneer spirit of Saskatchewan, but that spirit, Mr. Speaker, is more and more being put to the test by this government. The early farmer was an ardent free enterpriser. He took great pride in his individual achievements, in building a home, raising a family and establishing a livelihood of his own. Today the spirit is being stifled by excessive government intervention and intrusion into every aspect of life. The current budget, Mr. Speaker, is a clear indication of that. The Minister of Finance boasts of all the achievements of socialist governments, past and present. He further boasts of the tremendous potential of this province, and its future. They on the other side, Mr. Speaker, always talk about tomorrow, but tomorrow never comes and with each passing day, Mr. Speaker, it becomes obvious that all the tomorrows they boast of will never come. The current budget is typical of the socialist economic method, full of boasts about all the things they have done to keep Saskatchewan the land of tomorrow. To expect innovative, progressive, fiscal planning from the crowd on the other side, the Blakeney government, is about as realistic as asking an arsonist to put out a fire.

Mr. Speaker, this socialist government thrives on recounting the past. Let us examine some of the realities of the recent past under this government. Since agriculture is a key industry, not only to my riding of Bengough-Milestone but to all of Saskatchewan, I would like to look at the record of this current administration. Let us look at nine years of hurts this government has inflicted on the farmers of this province.

You know, Mr. Speaker, Saskatchewan has lost 8,000 — yes 8,000 — family farms

since the advent of land bank. The Government of Saskatchewan is now the single largest owner of farmland in Canada, and if that is not a threat to freedom I certainly don't know what is.

SOME HON. MEMBERS: — Hear, hear!

MR. PICKERING: — The feedlot industry, Mr. Speaker, has moved despite our natural competitive advantage. Now Saskatchewan feeds only one-third of the feeder cattle produced in this province. The packing plants have closed leaving only one remaining hog-processor and now we export 100,00 live hogs annually to Alberta for processing.

Mr. Speaker, we don't have the capacity. Is that progress in agriculture under the NDP? No, Mr. Speaker, no, it isn't. The record of failures in agriculture continues, Mr. Speaker. The dairy industry, for example, has declined to the point where we cannot even adequately supply our domestic needs; food processing and manufacturing have all but ceased in the province. Mr. Speaker, on several occasions it has been emphasized that we now import a substantial volume of hamburger from Alberta for restaurants in Saskatchewan. Then on top of all this, Mr. Speaker, it is a fact Saskatchewan farmers have experienced the largest decline in deflated net income in the prairie provinces, very much in contrast to the statements made by the minister — shame, Mr. Minister!

SOME HON. MEMBERS: — Hear, hear!

MR. PICKERING: — You know, Mr. Speaker, since 1975 rural farm prices have gone up. Real net incomes are going up in Alberta and Manitoba, but they are falling behind in Saskatchewan. This administration, which pretends to be the farmer's friend, has imposed an orderly sales tax on a majority of farm inputs, including grain bins, welders and many things designed to maintain family farms. Some friend, Mr. Speaker; why only this afternoon in question period my colleague, the member for Moosomin, asked about sales tax on farm implements (and I refer specifically to a farm dryer) only to be treated with contempt from the other side.

This government, Mr. Speaker, has gone so far as to raise the rent on leased lands with no regard to land productivity. They have misallocated livestock in community pastures, so pastures go unused while neighbouring family farms sell off cattle for lack of ranging facilities.

It was only this afternoon, Mr. Speaker, again in question period when I asked the minister for the highway traffic board whether his government, in light of increasing pressure from the farm community (the recent SARM convention asked for increased land limits on tandem axle trucks) would consider allowing tandem axle trucks to be licensed with farm plates? We know what the answer was. Once again the Saskatchewan government has shown its contempt for the farmer of Saskatchewan. This government has no realization that as farms get larger so does the need for larger equipment. Of course we must appreciate that those on the other side only pay lip service to their agriculture. As I stated earlier, agriculture is this province's largest and most important industry. We in the Progressive Conservative Party adhere to the belief that agriculture is a part of Saskatchewan's future. Nine years of socialist rule have hurt the agriculture industry and that trend must be stopped.

A second major input into the provincial economy, Mr. Speaker, is our wealth of non-renewable resources. We are blessed with huge amounts of commodities and high

demand in today's world for potash, oil, gas, coal and uranium. But we must appreciate the fact that these resources are non-renewable. The heritage fund must provide a financial flow to future generations to replace our present non-renewable resources. Alberta expects to have over \$6 billion in its fund by April 1, 1980. Saskatchewan's, in contrast, is valued at \$600 million — \$350,000 in cash, \$18 million in investment, and the rest in equity and potash mines, uranium mines, etc. The Progressive Conservative Party feel there are several major problems with our heritage fund that must be corrected to allow it to reach its true potential, a potential that never can be reached under the socialists.

A major characteristic of the Saskatchewan economy is a large amount of revenue realized through the extraction and the export of non-renewable resources, especially oil. They are becoming increasingly depleted and the economic benefits from them will soon be depleted. Such a heritage fund relies on taxes and royalties collected on non-renewable resources. To fund the projects it supports it is necessary that the way the heritage fund money is spent must provide maximum economic benefits for present and future generations of Saskatchewan residents. Under the socialist administration that is not happening. It is important that certain fundamental changes in the Saskatchewan Heritage Fund be made in order to realize the great economic potential that has been achieved with the Alberta Heritage Fund.

This evening I should like to discuss a few changes a Progressive Conservative government would consider. First, 30 cents of every non-renewable resource dollar collected by the Saskatchewan government from royalties and taxes should go into the heritage fund. Currently, Mr. Speaker, this figure is 20 cents or less.

Second, the capital projects division of the heritage fund should be allowed to use 20 per cent of all heritage fund moneys to assist in the construction of such things as gas lines into the rural areas of Saskatchewan, grain processing facilities, research facilities for agriculture, industries, and social projects instead of buying back the rights to resources we already own. This money would be available only for projects in Saskatchewan.

Third, a standing committee of the legislature, comprised of members of all elected parties, should be established to examine in advance all proposals that have requested heritage fund money.

Finally, every fall a bill should be passed by this Assembly allowing the heritage fund to spend money on the capital projects approved by the funding committee during the summer and the heritage fund should be allowed for another 12 month period to directly collect its 30 per cent share of all non-renewable resource revenue.

With the great potential revenues to be realized from the extraction of our non-renewable resources, our heritage fund should be as large as that of Alberta. That is not the case. The Progressive Conservative Party of Saskatchewan wants a true heritage fund, a fund that will provide continuous present and future benefits to all people of the province; a fund that will spread these benefits fairly at all times; a fund that will leave some of the financial benefits of our non-renewable resources to our grandchildren. To realize this goal, Mr. Speaker, changes must be made. A Progressive Conservative government would make these changes.

Mr. Speaker, there is no doubt in my mind that our future economic well-being hinges on the aforementioned resources. How these resources are managed will have a

significant impact on future governments' ability to provide public programs. After all, Mr. Speaker, social progress is the entire reason for economic progress.

Mr. Speaker, a government should be judged by its past achievements. Let us take a look at nine, nine long years of socialist NDP rule. In the rhetoric of last year's budget, the finance minister boasted they had shaped a tax system which reduced the burden on those able to pay income and property taxes. What this translates into in English, Mr. Speaker, is now everyone in Saskatchewan is eligible to pay a provincial income tax of 54 per cent. Is that not enough? We have this severe level of taxation, but let's just have a look at other parts of the heavy burden of taxation the people of this province must carry.

In the area of public utilities, Mr. Speaker, this government said last year they would maintain utility rates at the rate of 7.5 per cent maximum increase. The fact of the matter is the NDP government raised rates to 15.5 per cent — double that rate. Their word is no good. The Progressive Conservative Party of Saskatchewan, Mr. Speaker, maintains that public utilities such as electricity, telephones, natural gas, insurance rates, and so on, should be monitored by an impartial, independent body, such as the public utilities prices review board.

SOME HON. MEMBERS: — Hear, hear!

MR. PICKERING: — We call, Mr. Speaker, for the establishment of such a board because of the erratic manner the rates of public utilities have assumed over the years. Indeed, we maintain that under no circumstances should public utilities rates be used as a form of taxation.

SOME HON. MEMBERS: — Hear, hear!

MR. PICKERING: — Mr. Speaker, when I speak of public utilities, I want to comment on the outrageous effects increased electricity rates are having on community rinks and recreation centres. I share the concern of my colleague, the member for Indian Head-Wolseley, who said these high rates are a form of taxation on our community rinks. Of course, once again, Mr. Speaker, the arrogant and fearless bench warmers on the other side would deprive our young people of such things.

SOME HON. MEMBERS: — Hear, hear!

MR. PICKERING: — Socialism has no heart whatsoever. When I speak of indirect taxation, Mr. Speaker, I should like to talk about the Saskatchewan Government Insurance rates. On the other hand, Mr. Speaker, the recent 20 per cent premium increase discriminates. It is unfair to a large portion of the driving population of this province. If one takes into consideration that those who purchased insurance from SGI between January and June of 1978 were unable to take advantage of the reduction of SGI rates between June of 1979 and January of 1980, then this is quite apparent. These drivers were faced with more than a 30 per cent increase in their insurance rates.

SOME HON. MEMBERS: — Hear, hear!

MR. PICKERING: — The noticeable silence of this government on this matter is deafening. Then on the other hand, Mr. Speaker, this socialist government has been gloriously spouting the line that SGI rates are so low, but they never, never talk about the hidden 5 per cent tax on gasoline to pay for premium rates of SGI. They hit you at the gas

pump rather than at the insurance office. Here again, Mr. Speaker, is just another example of the socialist government giving you something with one hand and taking it away with the other.

Mr. Speaker, the abuse of the taxpayers does not stop there. The socialists maintain they are champions of the downtrodden, but they have no reluctance in slapping a 5 per cent sales tax on everything except food. Where is their passion, Mr. Speaker, when it comes to sales tax on children's clothes, on baby bottles, on school supplies, on things that are essential to the family in Saskatchewan? Indeed, Mr. Speaker, I maintain socialism is synonymous with hypocrisy. And in the matter of sales tax, Mr. Speaker, I really wonder why the NDP government has not removed the sales tax on building materials. Such an action would stimulate housing starts and lower the cost of housing.

Then, Mr. Speaker, there is the whole question of the stark reality of the debt of this socialist government, a debt every man, woman and child in this province must assume and that will remain for future generations. Mr. Speaker, this debt is fast approaching \$3 billion, much of which has been borrowed on international currency markets. Deficit spending, Mr. Speaker, has generated its own pathological form of bookkeeping. This socialist government discovered they could launch programs and with the enthusiastic support of grateful voters without taking a penny out of the treasury. As every obligation fell due, they simply borrowed more money. As borrowing became more astronomical, a new convention in record keeping was invented by this government. It consists simply of hiding the true amount of debt. Such is the legacy of the Blakeney socialists. This is the same government which puts a lot of emphasis on the world morality. I ask, Mr. Speaker, is it moral to mortgage our children's future?

It would appear, Mr. Speaker, that the attitude of the Blakeney government is such that once elected it can spend from the public purse in whatever manner it chooses without any public accountability. The current budget, Mr. Speaker, embodies more of the same perverse economic logic we have seen in the past budget. And once again, Mr. Speaker, it is obvious the socialists have failed to take into account one important factor in the equation — the needs of the people of the province of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. PICKERING: — Mr. Speaker, speaking of the needs of people, I can as a spokesman for rural affairs tell you of the serious need for a comprehensive gasohol program in this province. We are one of the world's largest producers of grain. There is no reason in the world why Saskatchewan can not lead the way in gasohol production. Why even American states such as Iowa, Nebraska, South Dakota, Idaho, and Montana, to name but a few, are way ahead of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. PICKERING: — Indeed, Mr. Speaker, people in my constituency are certainly interested. The Bengough town council in my riding recently passed a resolution calling for gasohol production and they would certainly be interest in a plant in their neighbourhood. But will the socialists listen, Mr. Speaker? — I'm afraid not. Mr. Speaker, the Progressive Conservative members of the Assembly cannot support the 1980 budget. We cannot support this budget because it ignores the needs and suppresses the aspirations of the people of Saskatchewan. Mr. Speaker, it ignores the inherent strength of the agriculture sector and as such threatens to undermine the

provincial economy that has been entrusted to them by the voters.

In summary, Mr. Speaker, the budget is clear proof the socialists have lost complete control of the government apparatus they were elected to manage. Indeed, Mr. Speaker, it continues the socialist fantasy of equalizing misery and organizing scarcity.

SOME HON. MEMBERS: — Hear, hear!

MR. PICKERING: — Mr. Speaker, tonight I would like to remind the government of the words of Abraham Lincoln who very wisely said:

You cannot bring about prosperity by discouraging thrift. You cannot strengthen the weak by weakening the strong. You cannot help the wage earner by pulling down the wage fare. You cannot prove further the brotherhood of many by encouraging class hatred. You cannot help the poor by destroying the rich. You cannot keep out of trouble by spending more than you earn. You cannot build character and courage by taking away a man's initiative and independence. You cannot help men permanently by doing for them what they should do for themselves.

Mr. Speaker, in closing my remarks tonight we serve notice that we cannot support this budget. I for one am ready to rid this province of the shackles of socialism. Mr. Speaker, I will not be supporting the motion. I will support the amendment.

SOME HON. MEMBERS: — Hear, hear!

HON. E.E. KAEDING (Minister of Municipal Affairs (Rural)): — This is a difficult time to speak, Mr. Speaker, after everyone has listened to that kind of rhetoric. I want to say, Mr. Speaker, it's with a great deal of pride that I'm supporting this first budget of the 1980s. The first budget presented by my colleague the new Minister of Finance. The first budget of a new decade of progress. It may be a socialist budget, Mr. Speaker; it may be an NDP budget, but I must say the new media and the people of this province have recognized it as a damn good budget.

SOME HON. MEMBERS: — Hear, hear!

MR. KAEDING: — This budget proves the numerous initiatives launched by this government in the past decade in agriculture, industrial development, rural and urban affairs, social services, health care, resource development and many others, were in fact a decisive factor, giving Saskatchewan a reputation of being the most progressive forward-looking and successful province in Canada.

Mr. Speaker, where Saskatchewan is today didn't just happen. Our province's success is a direct result of the foresight of the Blakeney government and, to some extent, the former minister of finance, the Hon. Walter Smishek, who in his term of office as the finance minister, brought in four imaginative budgets that paved the way to much of today's success. I want to congratulate my colleague for his contribution.

Mr. Speaker, I have often wondered what a former Liberal does in a Conservative caucus. On the day of the budget address we found out. They are absorbed into the Tory caucus to become coaches for fledgling Conservatives. The member for Thunder Creek did try his best to advise the financial critic, the member for Regina South. Mr. Speaker,

obviously something went wrong. In listening to the member for Regina South's response to the budget, one would have come away with the conclusion that either the member for Regina South is a poor student or the member for Thunder Creek is a darn poor teacher. It may have been a little bit of both.

SOME HON. MEMBERS: — Hear, hear!

MR. KAEDING: — Mr. Chairman, the critic for the rural affairs portfolio, the member for Rosthern, has been sitting in this House now for a number of years. He has no instructor. Only they, in the opposition benches, know why they have chosen to leave him without the political education he so desperately needs. Mr. Speaker, the member from Rosthern is not without fame. By his own admission, on November 30, 1979, in the last session he told us that he dirtied his diaper and a well-known famous politician helped him make the change. That politician now sits over there. Mr. Speaker, that was not a case of throwing out the baby with the bath water, but rather making a change and not knowing which one to throw away.

Mr. Speaker, I am proud to be a part of the Blakeney government and pleased that I was given the opportunity to be the first minister responsible for the new Department of Rural Affairs.

SOME HON. MEMBERS: — Hear, hear!

MR. KAEDING: — The creation of this department answers the many requests of rural organizations, such as SARM, to provide a new department. Mr. Speaker, the members opposite do not share this belief. In fact they do not think that the Saskatchewan Association of Rural Municipalities and other rural organizations should have a ministry responsible for their concerns.

On December 12, 1979, the member for Bengough-Milestone stated that the Minister of Rural Affairs was a minister of nothing. I ask that member go to the next SARM convention and tell them that they are nothing. I would suggest that he should have gone there on Tuesday last when there were 1,600 delegates in the Turvy Centre, and tell them that this was the minister of nothing. I'm sure they would have wiped the floor with the member for Milestone.

Mr. Speaker, the members opposite often like to be compared with Tory Alberta. I am sure they will say they are proud of what that government does and says. Well, Mr. Speaker, I did some research into the municipal affairs in Alberta and found that that government there not only doesn't want to share with local governments, they want to dictate and control those governments. It was most interesting to me, Mr. Speaker, to hear the comments of the fraternal delegates to the SARM convention from Alberta and Manitoba. They couldn't get over, Mr. Speaker, the close association which is evident between the local governments here in Saskatchewan, between our provincial and our local officials, and members of the government. I would like to have you hear some of their comments. Mr. Speaker, the Alberta Union of Municipal Associations made a series of recommendations to their minister in Alberta in the form of a well-documented and researched report on municipal funding, or revenue sharing as we call it. But did the Tory minister consider that report? No, he did not. Did he even discuss it with the association? No, he didn't. Mr. Speaker, the Tory minister called it, as I quote from Insight magazine (and there's a copy of it here) a pipe dream. Yes, Mr. Speaker, the Minister of Municipal Affairs in Alberta called revenue sharing a pipe dream. And that's not all, Mr. Speaker. The Tory minister in this same document went on to say, and I

quote:

The fact of the matter is that unconditional grants are not an effective way to finance municipal governments in any province.

I suggest to you that you talk to your minister in Alberta and see what he actually said.

AN HON. MEMBER: — Elect a Tory and do away with revenue sharing.

MR. KAEDING: — Yes, that's right. Mr. Speaker, in Saskatchewan we trust our local governments. We believe duly elected officials at any level of government are there because the people have elected them, and they believe they have the ability to do a good job. In Saskatchewan we trust our local governments to spend wisely and they do. That's why, unlike Tory Alberta, we do not control and dictate to local governments by making all the funding conditional. In fact, Mr. Speaker, this budget allows for \$34.5 million to be granted to rural municipalities, conditionally and unconditionally, an increase of \$2.5 million over last year.

SOME HON. MEMBERS: — Hear, hear!

MR. KAEDING: — This budget will allow the municipalities to build 200 kilometres of super grid this year and 2000 kilometres of main farm access road. There are \$3 million for super grid, \$13 million for main farm access and reconstruction of main farm access, and \$6.5 million for special roads and special services to the municipalities. Then there are unconditional grants of \$12 million: \$2.5 for basic grants, \$9.2 for equalization, and \$0.3 for hamlets, making a total of \$34.5 million, all of it unconditional money.

Mr. Speaker, I would like to reflect a few minutes on how this budget directly affects rural affairs. This 1980-81 budget, Mr. Speaker, provides for, first, a new community planning branch to work directly with rural municipalities in the matter of zoning and zoning by-laws. It will expand its research branch to enable my department to ensure that rural affairs programs remain relevant to the changing needs of rural municipalities. It will provide an expansion of the old municipal advisory services program into a municipal management and finance branch, to assist municipalities by providing advisory services and training to the municipal secretaries, and guidance to municipal councils in matters of accounting, municipal law and management matters.

The addition of reconstruction of grid and main farm access roads to the conditional grants program under revenue-sharing, which also extends engineering services to reconstruction of those roads.

All of these programs have been developed in close co-operation with the Saskatchewan Association of Rural Municipalities, regional associations or individual rural municipalities. Mr. Speaker, these programs have also been developed with the assistance and guidance of a number of committees with the majority of representation from rural municipalities and the SARM. The SARM executive committee has worked closely with my department and the Department of Finance in working out details of the revenue-sharing program. It was their agreement that extra emphasis should be placed on conditional grants to provide reconstruction of grid and main farm access roads.

A second committee was asked to review and advise on the super grid road program. This is the committee which recommended a program for reconstruction of grid and

main farm access roads. This recommendation was based on the fact that some roads constructed between 10 and 20 years ago are now in need of rebuilding and the local municipal council is in the best position to decide whether priority should be placed on some of this reconstruction or on new construction. My department's new policy makes this local autonomy possible. The super grid committee, under the chairmanship of Mr. Anderson, has made other recommendations which I find attractive and will be studying carefully in the next year ahead.

The third committee was established to study and recommend equitable methods of taxation of small holdings in rural municipalities. There has been a long discussion in rural municipal circles about how small holdings should be taxed. As a result of considerable public concern a few years ago, The Rural Municipality Act was amended in 1975 to provide a different tax structure for these holdings than had previously been in effect. These changes do not seem to have answered all of the problems, and again, there is public concern being registered. In response to a number of these requests, the former minister of municipal affairs agreed to appoint a committee of small holdings to make recommendations as to what new changes, if any, should be made to the existing legislation.

The committee's terms of reference are to define small holdings and review the provisions of The Rural Municipality Act regarding the assessment and taxation of properties falling within that category. The committee held nine public meetings to receive and discuss submissions from interested individuals and groups in regard to the assessment and taxation of small holdings. The attendance and participation exceed the committee's expectations in many cases. It is expected that this committee will be making its report and recommendation in the near future.

Now that we have two separate departments of rural and urban affairs, these departments have worked out a liaison procedure to ensure co-operation on programs where urban and rural municipalities have a common concern. Our joint programs with urban affairs include the municipal road ambulance program, the inter-municipal fire protection program, and the recently brought in inter-municipal recreational program. The emphasis of the inter-municipal programs is local control. They are designed to recognize these services as a municipal responsibility controlled by elected municipal councils. Inter-municipal cooperation is built into these programs to encourage more efficient use of ambulances, fire-fighting equipment and recreational facilities. This avoids duplication of equipment and facilities. It encourages joint planning and funding of ambulances, fire-fighting and recreational equipment by rural and urban municipalities.

To this date the ambulance program covers more than 80 per cent of the population in municipalities in Saskatchewan, while over 70 per cent of the municipalities are in the inter-municipal fire protection program.

Mr. Speaker, it gives me a great deal of satisfaction to be able to report that the Saskatchewan Department of Rural Affairs is now organized to provide a full range services to Saskatchewan rural municipalities, and this budget will enable us to provide those services. It may not be a glamour department, Mr. Speaker, but we look forward to close association with the most important people in this province, our rural population.

SOME HON. MEMBERS: — Hear, hear!

MR. KAEDING: — Mr. Speaker, I regret that I was unavoidably absent from the House

the first few days of this session, but I'm thankful that I was spared some of the deep embarrassment which must have been felt by many because of the actions of certain members of what some would call Her Majesty's loyal opposition. Mr. Speaker, I have always had a great deal of respect for Her Majesty's loyal opposition. While I have disagreed with many of the arguments they have put forward over the years, I have sincerely respected their right to differ with us on this side of the House and I strongly defended their right to do so. However, I did not expect that I would live to see the day when anyone on either side of this Chamber would take the position which was enunciated by the member for Nipawin and now again by the member for Swift Current.

Mr. Speaker, I am one of the few ex-serviceman left in this legislature. I spent over four years in the military services during World War II and I have learned to love this country very much. Any action which threatens the unity of this action, from within or without, offends me rather violently. My father came to this country from Wisconsin, early in this century. My wife's parents also came to pioneer in this country from Minnesota. We have many friends and relatives in that great country. They, together with the immigrants from a host of other nations, set the pattern of development of this new nation. They broke the sod and weathered the storms of those difficult days. They came to claim this new country as their own and they attached a fierce loyalty to it and to its future. Together, they fashioned a political structure — municipal, provincial, and federal — which, while admittedly imperfect, is one which they fashioned themselves freely and painstakingly over these many years.

Certainly there have been frustrations and disappointments. Certainly, we in western Canada have often felt overwhelmed by the formidable power of central Canada, and we have had sharp regional differences which at times seem almost insurmountable. But as members of a confederation, surely we are not so weak that we are prepared to throw in the sponge and allow the disintegration of so promising a nation, simply because we have not yet succeeded in redressing the imperfections of that system or achieved what many see as a proper balance of economic and political power.

I am deeply concerned, Mr. Speaker, with the actions taken by the two independent members opposite, not because of any loss that may be caused to their caucus or to the effectiveness of this Chamber, because I think that they will not be greatly missed by either. But I am very concerned if the motivation which led them to this decision represents, in any significant degree, the feeling of any large group of people in western Canada. I sincerely hope and believe that the vast majority of dedicated loyal Canadians will totally and absolutely reject such cowardly and, I would almost say, treasonable propositions.

SOME HON. MEMBERS: — Hear, hear!

MR. KAEDING: — The fact that such a proposal even gains credence is a measure of the frustration felt by many Canadian in the various regions of this country. It points up the urgency with which all participants must address the resolution of our constitutional debate. Mr. Speaker, our province has been most ably represented in these discussions in recent years by one of the most effective statesmen in this nation, the Hon. Allan Blakeney. He has consistently put forward reasonable proposals on contentious social and economic issues which, while very strongly advocating the rights of the province to jurisdiction over its resources, have left room for the development of a national policy which should bring about a stronger and a more united Canadian entity.

One of the major issues which has had a decisive impact is energy. On numerous

occasions our Premier has put forward a proposal for a Canadian energy security fund into which a substantial part of the windfall profits of gas and oil would be gathered, and the revenues reinvested to bring control of the development of these resources back into Canadian hands.

To show our sincerity and determination to our part in this field, the budget has outlined some very significant proposals in those areas, including those areas within provincial jurisdiction, to move us toward that goal. A great deal more discussion will have to take place before a national consensus will be reached on this matter but we must move resolutely to that goal. Certainly, we will have to bargain hard to ensure that our regional interests are recognized and upheld, but we must also recognize that the ultimate solution must lead to energy self-sufficiency, not only for Saskatchewan but also for all of Canada.

We have a national, as well as a regional stake, in the upcoming discussions. Not to recognize this could certainly lead us down a slippery slope of despondency so exemplified by the members opposite.

I say again, Mr. Speaker, that I sincerely regret the actions taken by the members for Nipawin and Swift Current constituencies. I sincerely hope there are not others in the ranks opposite who represent a similar philosophy. Sometimes I wonder. If there are, Mr. Speaker, I hope that they declare themselves publicly and soon, so that we know how many daggers are aimed at the heart of this nation.

SOME HON. MEMBERS: — Hear, hear!

MR. KAEDING: — We will then know, Mr. Speaker, the magnitude of the effort which we must make by ourselves in this Chamber and across this country to ensure that this nation of which many of us are so proud will remain united.

AN HON. MEMBER: — Did you get an honourable discharge?

MR. KAEDING: — Yes, I certainly did. Mr. Speaker, I am pleased to offer my sincere congratulations to the Minister of Finance, the Hon. Ed. Tchorzewski, on this budget which history will come to recognize as a landmark budget for this province.

I will have one or two more words to say, Mr. Speaker, so may I beg leave to adjourn the debate.

SOME HON. MEMBERS: — Hear, hear!

Debate adjourned.

The Assembly adjourned at 10:25 p.m.