

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 19, 1980

The Assembly met at 2 p.m.

On the Orders of the Day

WELCOME TO STUDENTS

MR. D.G. TAYLOR (Indian Head-Wolseley): — Mr. Speaker, it gives me pleasure to introduce to you and through you to this House, 22 members of the Wolseley Grades 4 and 5 class seated in the east gallery. They are accompanied by their teacher, Mrs. Tourigny, parent chaperone, Mrs. Christine Rein, and their bus driver, Mr. Wes McBride. I hope that you enjoy the deliberations in the House this afternoon. I'll be meeting you after the oral question period for some pictures and some refreshments. I am very happy because one of the members of this class is my youngest daughter, Susan. I'd like to welcome you here to the Legislative Assembly. Enjoy your visit and have a very safe trip home.

HON. MEMBERS: — Hear, hear!

MR. E.A. BERNTSON (Souris-Cannington): — Mr. Speaker, to you and to the rest of the Assembly I would like to introduce a group of 23 Grade 8 students from Redvers, Saskatchewan, in the Speaker's gallery. They are accompanied today by their teacher, Mrs. Lorraine Madsen of Wauchope. I'm sure you all join me in wish them a very informative stay here this afternoon and a safe journey home. I will be meeting with them about 3 o'clock this afternoon for refreshment and pictures. Thank you very much.

HON. MEMBERS: — Hear, hear!

MR. R.H. PICKERING (Bengough-Milestone): — Mr. Speaker, I would like to introduce to you and through you some seven students in Grade 7 from the Lyndale School at Oungre, who are seated in the Speaker's gallery. Oungre is located in the far southeast corner of my constituency so they've driven many miles to visit us today. I hope they find it very informative this afternoon. I will be meeting with them later for refreshments and pictures, approximately 3 o'clock. I think all members should join me in wishing them also a safe trip home.

HON. MEMBERS: — Hear, hear!

INTRODUCTION OF GUESTS

HON. W.A. ROBBINS (Minister of Revenue, Supply and Services): — Mr. Speaker, I would like to introduce a delegation group of women from the Saskatchewan Coalition for Women's Pensions. I understand there are about 10 of them and they are seated to my right in the Speaker's gallery immediately above me. They will be meeting with me and a delegation of ministers later this afternoon with respect to pension questions. I hope every member of the House will welcome them here today.

HON. MEMBERS: — Hear, hear!

MR. B.J. PONIATOWSKI (Saskatoon Eastview): — Mr. Speaker, I wish to join my

colleague from Saskatoon in welcoming the women's group who will be making a presentation on pensions. In particular I wish to welcome and recognize Heather Leier who comes from the constituency of Saskatoon-Eastview. I wish her and her colleagues well in their deliberations this afternoon and I hope they find their activities and their visit rewarding. Thank you.

HON. MEMBERS: — Hear, hear!

ORAL QUESTIONS

MR. R.A. LARTER (Estevan): — Mr. Speaker, a question to the Premier. Mr. Premier, you are now giving Ottawa about \$500 million every year from our light to medium oil, a depleting non-renewable resource. You have proposed to Ottawa a new federal oil security fund, and you have offered to give away to central Canada 50 per cent of all oil increases for the future for Saskatchewan oil. This could amount to a possible \$10 billion even on a depleting scale by 1990. How do we win with you on such a situation?

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, may I first offer the hon. member one piece of advice. The one piece of advice would be to ascertain what our proposal is, and then one would know with more certainty what our particular proposition is. With respect to the alleged gift, the member well knows that this money is extracted from Saskatchewan oil over the objection of the Government of Saskatchewan, as it is extracted from Alberta oil over the objection of the Government of Alberta, and we have taken, from the outset, the view that the export tax ought not to be wholly arrogated to themselves by the federal government. We took it from the outset when it was applied in September of 1973 and have continued that position. We accordingly do not agree that we are 'giving' anything to the federal government although they may indeed be taking it.

With respect to the other question about whether or not we are offering to give 50 per cent, etc., I invite the hon. member to read our presentation to the premiers' conference that occurred at La Malbaie in the province of Quebec, and see what our proposition is. Our 1975 proposition involved a number of other trade-offs including the removal of non-deductibility, not only with respect to oil and natural gas, but with respect to potash, uranium and other minerals. This is no longer in the realm of practical politics because the system is now changed: we do not believe it can be effectively reintroduced and accordingly some of the trade-offs which were part of the 1975 package are no longer available. So we revised our package in 1979 and it no longer proposes what the 1975 package does. In effect it now proposes that we retain our regular royalties as the price moves up and that out of additional funds available from the windfall profits, money be set aside for a Canada Energy Security Fund, and with that proposition we intend to stand.

MR. LARTER: — Supplementary, Mr. Premier. Mr. Premier, we saw your bargaining — with the throwing of the crowrate on the bargaining table. Marc Lalonde has given the Minister of Mineral Resources tentative support to such a fund. Is it not true that what you're really doing is cutting Premier Lougheed off at the knees and going with Ottawa instead of a strong western Canada on our renewable resources?

MR. BLAKENEY: — I don't know what renewable resources the hon. member refers to but with respect to oil and natural gas, we are not cutting off Premier Lougheed. First I

doubt whether he needs very much support from us, but secondly . . . (inaudible interjection) . . . I'm sorry I missed the comment from the hon. member for Moosomin. I'm sure it was penetrating, as usual. I do want to say this. We have since 1973 and 1974 worked closely with the Government of Alberta in attempting to get a better return for western Canadians from our non-renewable resources. We have continued to work closely with the Government of Alberta. Anyone who has observed the federal-provincial conferences will have observed that. Anyone who watched us in negotiations with the Trudeau government will know that, and to suggest that somehow we are undermining the position of the Government of Alberta is simply not in accordance with the facts.

SOME HON. MEMBERS: — Hear, hear!

MR. LARTER: — Mr. Premier, just recently you have made a proposal to this House that we now have a Saskatchewan Oil Security Fund along with our heritage fund — as part of the heritage fund. Do you not think that the people of Saskatchewan are capable of administering their own resource funds? Why would you not take it only into a Saskatchewan Security Fund and then if Ottawa needs money, loan it to them?

MR. BLAKENEY: — We will note, Mr. Speaker, what the hon. member is suggesting. We now take a regular royalty of approximately 55 per cent and we are proposing to continue that royalty. We have put forward the proposal that out of the remaining 45 per cent, some of it move into a Canada Energy Security Fund. The member for Estevan is suggesting that we take some of that 45 per cent and put it further into our heritage fund. He is calling for a higher royalty rate than 55 per cent, and that is precisely in opposition to what he has consistently called for in the past. I think this inconsistency is what is discrediting the Progressive Conservative Party and its resource policy.

SOME HON. MEMBERS: — Hear, hear!

Premier's Position Paper

MR. W.C. THATCHER (Thunder Creek): — A new question, Mr. Premier. In reference to inconsistencies — my question is fairly brief, but on your position paper which was presented in Quebec last August 15, and if I may quote from your own position paper on page 4, talking about consistency, in your own words, 'the federal government as a majority shareholder would have the major responsibility for directing the fund's investments.' As the member for Estevan indicated, Mr. Premier, my question to you is this: does that not in itself indicate that you are cutting Premier Lougheed right off at the knees in his dealings with the federal government?

MR. BLAKENEY: — Mr. Speaker, I will try again. Since our proposal is that all of the money that goes into that fund would come out of the funds which are left after we collect our royalty, i.e. money which would ordinarily have gone to the federal government or to the industry, it is surely not unreasonable that the federal government and the industry have the voice since they are putting up virtually all of the money. It was in order to acknowledge that fact that we made the practical proposition that the majority voice should be with the federal government. Incidentally, that was the proposal of the Progressive Conservative Party when they resurrected that proposal as an energy bank. And so far as I am aware, it was at all material times the Progressive Conservative policy that they should have a majority voice in that fund because, in fact, the money was coming from money which otherwise would have gone to the industry or the federal government. It seems therefore reasonable. Nor so far as I am aware does

my proposal or Mr. Clark's proposal cut Mr. Lougheed off at the knees.

Drop in Price of Yellowcake

MR. J.G. LANE (Qu'Appelle): — I would like to direct a question to the Premier. Press reports yesterday indicate a significant drop in the price of yellowcake from a February 29, 1979 value of approximately \$43.80 (U.S.) to \$38 (U.S.) per pound. I'm wondering, Mr. Premier, in light of significant events of recent date — one of them being the international nuclear fuel cycle evaluation conference wherein 65 nations recommended the use of breeder reactors, including France, Britain, the Soviet Union and Japan (potential markets for Saskatchewan uranium), and the further cancellations of nuclear power plants in the United States — would the Premier now indicate . . . I'm sorry. One other point if I may, Mr. Speaker. The Robertson Research Canada study indicates that there would be a surplus on the international market and it would prevail into the late 1980s. That is a significant difference in time frame than what your government has been using. Would the Premier now indicate that in fact, all of these events indicate a significant softening of the potential for uranium markets in the province of Saskatchewan? Would the Premier now be prepared to table all studies and market evaluations that the government opposite has done as to uranium markets for the province of Saskatchewan?

MR. BLAKENEY: — Mr. Speaker, so far as I am aware, all of the studies which the hon. member refers to have been done by or on behalf of SMDC (Saskatchewan Mining Development Corporation). I will ask the minister in charge of SMDC to reply.

HON. E.L. COWLEY (Provincial Secretary): — He only quotes part of the article there. I think they go on in the article to indicate that while there are some short-term softings in the market, they have a reasonably optimistic outlook in the long run with respect to uranium. I remember the members opposite talking about potash, all these holes in the ground, that we'd never sell any. It's surprising now how they never talk about potash markets. They don't talk about the inability of the government to run potash mines. They don't talk about the inability of the government to be able to forecast markets because all of these things have turned out.

If the member want to get some idea of where the uranium industry is going in this world. I suggest that he watch the results of the referendum in Sweden which is going to take place this Sunday. I think there the member will see the direction in which part of the world is going with respect to uranium development.

MR. LANE: — A supplementary to the Premier. In light of the obvious refusal of the minister responsible for the Saskatchewan Mining Development Corporation (SMDC) to table the information I have just requested, do you not feel that you as Premier of this province have an obligation to the people to table the information I have in fact requested?

MR. BLAKENEY: — Mr. Speaker, the answer is that the information requested clearly is information belonging to a Crown corporation which is marketing uranium in any international market. Whether or not that information should be made public and whether or not competitive sellers would make their information public is, I think appropriately debated in the Crown corporations committee.

Studies of the Uranium Market

MR. LANE: — A question to the Premier. Would the Premier not admit that the fact the study of the international nuclear fuel cycle evaluation recommends breeder reactors with an approximate lead time of 10 to 12 years (taking us to the end of the century, or the end of the 1980s) and if the Robertson study is accurate which indicates there is going to be a softening of the market until the end of the 1980s, this combination of facts would indicate that the potential for Saskatchewan uranium markets is highly suspect to say the last? Don't you believe that facts such as these make it incumbent upon yourself to lay the cards on the table as far as the people of Saskatchewan are concerned, and in fact table these studies because you are making a significant investment of taxpayers' moneys into what is beginning to look like a highly speculative investment?

MR. BLAKENEY: — Mr. Speaker, it is the policy of the Progressive Conservative Party to continue the mining of uranium in this province under private auspices. It is the policy of the Progressive Conservative Party that all of the uranium industry in this country could be controlled by the private sector. It is the policy of the Progressive Conservative Party to attempt to extract from our Crown corporation information that their private enterprise friends would not give to the public.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — It is the policy of the Progressive Conservative Party to attempt to extract information which would be valuable to Denison and to Rio Algom, the people who they wish to control the uranium industry in this province. We are of the view that the public of Canada is better able to control the uranium industry than are Denison and Rio Algom. We have a very different view of the right way to operate a uranium industry than members opposite. We both agree that uranium should be mined. We believe that the public sector should have a significant role. Members opposite believe that it should be entirely in the hands of the private multinationals.

SOME HON. MEMBERS: — Hear, hear!

Uranium Sales

MR. R.L. ANDREW (Kindersley): — A question to the Premier. Mr. Premier, you refuse to provide to this House the studies requested, the market studies requested by the opposition. Yet in the March 8, 1980 issue of the Financial Post, your servants, Mr. Grant Mitchell, indicates that the people of Saskatchewan, over the decade of the 1980s, will receive at least \$2 billion from uranium royalties. Now, if you are not prepared to provide those market studies, could you at least provide to this legislature the volumes of uranium that you propose to sell and the price you propose to receive for it to arrive at the \$2 billion.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — Mr. Speaker, the information requested by the hon. member and attributed to Mr. Mitchell, I am not familiar with. The general information on projections with respect to the mining of uranium in Saskatchewan and the projected price which has been presented by the Government of Saskatchewan to the Bayda inquiry, doubtless will, if requested, be presented to other . . . (inaudible interjection) . . . Mr. Speaker, as I have indicated the information on the projected mining and sale of Saskatchewan uranium was put forward to the Bayda commission; it may well, if

requested be put forward to the Mitchell commission and to other commissions. If hon. members wish to find the information they may well find it in the submissions to these commissions, which submissions if requested, we would be happy to table in this House.

Conflict of Interest Legislation

MR. THATCHER: — Mr. Speaker, a question to the Attorney General. I was going to ask the Premier, but seeing as he is getting a little sensitive, I'll go to the Attorney General. Mr. Attorney General, in light of some of the answers that have been emanating from the Premier this afternoon, such as refusal to disclose.

MR. SPEAKER: — Order, order. Does the member have a question? Okay, well let's have it.

MR. THATCHER: — In the light of some of the Premier's responses, namely, refusals to disclose information about Crown corporations, would the Attorney General deem it appropriate that we are now arriving, since the Crown corporations are operating more and more in a secretive manner, at the point in time where stringent conflict of interest legislation is necessary for the senior executives of Crown corporations, perhaps even going so far as to deputy ministers and the heads of some of our major departments? My question to the Attorney General is this — we have had debates on this subject in the past — is the government contemplating such legislation for this session of the legislature?

SOME HON. MEMBERS: — Hear, hear!

HON. R.J. ROMANOW (Attorney General): — First of all, Mr. Speaker, I would remind the hon. member that the Crown corporations committee in Saskatchewan's legislature is probably the most open and effective Crown corporations committee of any province anywhere, together with the question. I've sat on enough of the committees both in opposition and in government to know how they have operated, so I don't accept the premise upon which the question is founded. Secondly, as to the matter of conflict of interest legislation, I believe (I stand to be corrected) the public service commission does have a set of guidelines with respect to a general code of conduct for senior civil servants. With respect to the Crown corporation I am not rejecting out of hand the call for conflict of interest legislation. The general guideline here is one of acting within the normal standard business procedures and practices, revelation of interests and so forth, with management and the board of directors. I don't perceive any major problem that exists in the Crown corporations unless the hon. members opposite have information to the opposite.

MR. THATCHER: — Supplementary question. Mr. Attorney General, we had a situation a couple of days ago which you dismissed as hypothetical, where the possibility existed that employees from a Crown corporation might be applying for financial assistance from another Crown corporation. You dismissed this thing as hypothetical, Mr. Attorney General, as the size of our Crown corporations increases year after year (the number of them) and the volume of dollars which they may purchase in supplies increases year after year, if for no other reasons, the normal inflation. Would the Attorney General not concede that the time has now arrived that senior executives of Crown corporations should be placed under very stringent conflict of interest arrangements — the same sort of conflict which at one time and which you do propose for members of the Assembly? These people make far more basic decisions as far as

government purchases than any member outside of the cabinet. Would the Attorney General agree that the time is now ripe that this area was thoroughly investigated?

MR. ROMANOW: — Mr. Speaker, the question of investigation is kind of dodging the issue because it has been investigated fairly extensively, not only in Saskatchewan. We did it the time we tabled the white report, but it has been investigated by other provinces and even the Dominion of Canada and there has not been any legislation in this area. The fact of the matter is that in Crown corporations, where an individual employee is in a perceived or actual conflict of interest, well certainly an actual conflict of interest, the remedy is at hand — in the hands of the management and in the hands of the board of directors. Any employee who puts himself in a conflict of interest with his employer, the Crown corporation business, would obviously pay the consequences of that. The questions of a few days ago, in my judgment, don't relate to conflict of interest in the legal term or the legal sense as I define it.

MR. THATCHER: — Final supplementary, Mr. Speaker . . .

MR. SPEAKER: — Order. I'll take another question.

Revenue by Export Tax

MR. R.L. COLLVER (Nipawin): — A question to the Premier. The Premier will recall the debate when the federal government levied the export tax on oil. He will also recall that during the debate on the mineral royalty tax issue in the courts in Saskatchewan, he stated unequivocally that the federal government was taking away revenues from the people of the province of Saskatchewan that were legitimately theirs. Because the federal government was under the control of the parliament in Ottawa and because parliament in Ottawa was controlled by the population centres of central Canada, that wasn't fair to the people of Saskatchewan. Will the Premier now tell this Assembly his change in position with reference to that same revenue that is being collected by the export tax, that he is now prepared to put it under the control and domination of the federal government through his proposal that he has discussed today in question period?

MR. BLAKENEY: — Mr. Speaker, I'm obviously having difficulty making myself understood. I have at no time suggested that the Government of Saskatchewan was agreeing that the federal government should be able to collect an export tax on oil exported from Saskatchewan. Mr. Speaker, the proposal of the Canada Energy Security Fund at no time anchored itself on money coming from the export tax. This is obviously a relatively difficult area with many, many amounts of money being referred to. But the member opposite is quite wrong in suggesting that the Government of Saskatchewan now or previously, has agreed that it was appropriate for the federal government to arrogate to itself all of the money which it collects under the export tax. This is not the position of the Government of Saskatchewan. It was not the position when the tax was applied in the fall of 1973, at which time we got half of it. It was not the position when the federal government increased its take to 100 per cent. It is not the position now. We do not agree that is appropriate for the federal government to do. We wish to get a share or all of the money which is flowing to the federal government through the export tax.

MR. COLLVER: — Mr. Speaker, how then can the Premier suggest that this energy fund in Canada work since there's only one number, that is the price of oil, out of which comes the export tax, the price that is

paid to the oil companies and the price that is paid to the provincial government? There are only those three portions of those particular funds out of the total dollar value of a barrel of oil. Somewhere it's got to come out of the people of Saskatchewan if the federal government is going to maintain that fund.

MR. BLAKENEY: — Mr. Speaker, I will try again. It is our proposal that Saskatchewan oil should bear a price which is closer to world price. It is our proposal that from that there should be paid the normal Saskatchewan royalties which are on conventional oil of the order of 55 per cent.

It is our proposal that out of the remaining 45 per cent, an appropriate amount should go to the industry and an appropriate amount should go to the federal government, and an appropriate amount into the Canada Energy Security Fund.

This is the proposal we have put forward latterly, as we have adjusted our proposal over time, as some of the 1975 attributes of the proposal were no longer in the realm of practical politics.

That illustrates I hope, why we believe there is money for the provincial government and an appropriate amount for the federal government in the industry, and still money to be put into a Canada Energy Fund. That is our proposal as to how Canada should amass funds in the future to fund the steps which we believe will need to be taken in order to ensure energy self-sufficiency for Canada, both by conservation measures and by finding new sources of energy.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — Will the members of the Assembly agree to move down the order paper, to special order, and return later this day for the balance of the agenda?

MR. THATCHER: — By leave, Mr. Speaker, may I bring a point of order before the orders of the day?

MR. SPEAKER: — I think the member can raise points of order before orders of the day, which we will come to later in the day. Does the point of order have to do with the question period?

MR. THATCHER: — Yes.

MR. SPEAKER: — Then it will be raised before orders of the day, which will come later today . . . Order, order! I have asked the Assembly if we can move down the order paper to special order and return later this day and complete the balance of the agenda we have passed over.

SOME HON. MEMBERS: — No.

MR. SPEAKER: — All right, the next subject is ministerial statements.

Point of Order on the Question Period

MR. THATCHER: — Mr. Speaker, I wish to raise a point of order regarding the question period. Mr. Speaker, I think it is the common practice in this Assembly that a member when asking a question, is normally accorded his original question and generally, two

supplementaries provided there is something of some substance to those supplementaries.

Mr. Speaker, today I was accorded one question and a supplementary and I think it was on a subject of some relevance, although that, of course, is a debatable point. Mr. Speaker, I was not allowed my second supplementary and I think that is a departure from the accepted principles in this Assembly. With all due respect, Mr. Speaker, I don't think you had any idea what my final supplementary was and, therefore, I don't think you had an opportunity to assess it, in order to cut me off if you did not think it was worthy of continuing the debate. However, Mr. Speaker, I do question being cut off on an issue which has some relevance.

MR. SPEAKER: — I believe I have the relevance of the member's point of order, which is with regard to not receiving a second supplementary.

I would say at the beginning, the member is wrong to assume that I presumed what his question would be. The member's question was with regard to conflict of interest in Crown corporations. The member followed it with a supplementary. He did not get an answer which he wanted to get apparently. He followed it with a supplementary which was essentially the same question. Now the rules of the question period specify, and I quote you Beauchesne's Fourth Edition, Rule 171(c):

Members must not multiply with slight variation a similar question on the same point.

So the member was out of order as far as I was concerned. I noticed the member for Nipawin rising to his feet and I asked him to take the next question.

Clarification of Point of Order

MR. SPEAKER: — Order, order! Why is the member on his feet?

MR. THATCHER: — New point of order.

MR. SPEAKER: — What is the point of order?

MR. THATCHER: — Well I suppose point of order clarification. Can we now expect it to become common practice in this Assembly for members of the opposition to be cut off to facilitate separatist views of another portion of the opposition?

MR. SPEAKER: — Order! That's not a point of order.

ADJOURNED DEBATE

BUDGET DEBATE

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Tchorzewski, (Minister of Finance) that this Assembly do now resolve itself into the committee of finance and the proposed amendment thereto by Mr. Rousseau (Regina South).

MR. A.S. MATSALLA (Canora): — Mr. Speaker, I am pleased to rise to speak in this

debate. The debate gives a member the opportunity of voicing views on various issues of the day, but more particularly on the budget and its effect on us as citizens of Saskatchewan.

Mr. Speaker, when one speaks of the budget, basically two points come to mind almost immediately. Firstly what good thing does it have for us? Secondly are there going to be any tax increases?

All of us know and understand an increase in budget expenditures calls for an increase in budget revenues and the increase in revenues essentially can be obtained from two sources — new and added taxes and resource development. Further, Mr. Speaker, in order to prudently manage the financial affairs there must be a plan, preferably a long-term plan, to effect a balance between expenditures and revenues. It is only in this manner that a sound business and social base can be built for the proper management of the affairs of the province. It is on the basis of this theory that this New Democratic government has effectively presented budgets which result in an acceptable balance between providing services to people and imposing taxes to pay for the services.

In spite of this period of restraint, Mr. Speaker, Saskatchewan citizens can be relieved of the thought of a tight budget and feel comfortable that services will continue in the normal fashion without having to be burdened with new and added taxes. As a matter of fact the budget puts forth a number of new initiatives.

Mr. Speaker, I want to congratulate the Minister of Finance for the fine job of preparing the balanced budget as well as the very capable manner in which he presented his budget speech on Thursday last.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — The process of budgeting is an arduous job requiring the careful work of many and the understanding and tolerance of all. The success of this New Democratic government in the handling of the affairs of this province is primarily based on sound financial planning as well as the sensitivity to the economic growth and the social well-being of its citizens. Mr. Speaker, to view management in a narrow sense and in a short-sighted manner in order to get over the hump could be disastrous. The Liberals in Saskatchewan tried it during the 1964-1971 years. The province was in a financial crisis, and the people of Saskatchewan were saddled with taxes. The Liberals had no long-term plans for financial management.

Mr. Speaker, it is not any different at the federal level. The Conservatives, in their short stay in Ottawa, had no idea for a plan of what is best for Canada. They decided to sock it to Canadians in order to recover the economy, while at the same time providing incentives and tax breaks to large multinational corporations. Their policies, Mr. Speaker, were leading to further economic downfall. The Liberals in Ottawa are no different from the Conservatives, Mr. Speaker. They know not from where they come nor do they know to where they go. Leadership with an on-the-spot economic short-sightedness leads to disaster. Saskatchewan and Canada have experienced this with the Liberals and Conservatives.

Mr. Speaker, 'they know not from where they come, nor do they know to where they go' could well refer to the hon. member for Nipawin and the hon. member for Swift Current who in recent days broke ranks with the Conservative Party. Only a few months ago the Conservative Party was everything to them. Today the party has no meaning to them.

Perhaps one of the main reasons for leaving the party is a lack of confidence and uncertainty in Conservative policies. The Conservative Party does not know where it stands, or where it should stand, on some very important issues. Three in particular that come to mind are uranium development, embassy move, and statutory crowrate. It is not prepared to take a firm stand on these issues. The Conservatives are a disillusioned group with no philosophy, no set of principles nor leadership. Mr. Speaker, I predict that before too long there will be other Conservative members of the legislature breaking ranks and leaving the sinking Conservative ship.

You will recollect, Mr. Speaker, that when the New Democratic Party placed the New Deal for People before the people of Saskatchewan prior to the 1971 election, there were cries from the opposition stating that the New Democrats were dreamers, and that the new deal was impossible to carry out. They said it would break the province. But the people of Saskatchewan in the midst of Liberal mismanagement decided in 1971 that the New Democratic Party was their choice. By the time the 1975 election was held this New Democratic government not only fulfilled its promises in the New Deal for People, but had policies in place providing for long-term social and financial management for Saskatchewan. The New Democratic Party, Mr. Speaker, once again placed before the people of Saskatchewan another program document, New Deal '75. The people accepted it overwhelmingly and once again placed their confidence in a New Democratic Party government. In 1978 the people of Saskatchewan repeated their support for the New Democrats in even greater numbers. Mr. Speaker, they know and recognize good management. They are confident that the affairs of the province are in good hands.

Mr. Speaker, this is a brief history of the success story of the province of Saskatchewan under the capable and responsible leadership of the New Democratic Party government, and of course the generous support and the tremendous co-operation of the many understanding people throughout our province. It is evident that things in Saskatchewan did not just happen. They were planned and directed to happen so that the people of this province can be prime beneficiaries.

Mr. Speaker, for the 1980s this government is striving to maintain its objective with the hope that co-operatively we might achieve even higher economic and social goals, realizing greater benefits for the people of this province.

Mr. Speaker, much has been said in this debate, and more will be said by my colleagues, about the progress made in our province in the last decade. I would like now in the short time allotted to me, to deal more specifically with the budget before us.

Mr. Speaker, this New Democratic Party government is committed to building a strong agricultural industry. It is our number one industry and we must stand by it. This government believes that farming is Saskatchewan's way of life. Family farms, along with the many small towns, are our rural heritage, a tradition that must be preserved. But, Mr. Speaker, there are forces at work exerting pressure to change all this. Big business, transportation and grain handling problems, and yes, Liberal and Conservative policies, are all a threat to Saskatchewan's family farm life-style. They believe that in bigness there is efficiency. They believe that in order for agriculture to survive the economic pressure on the industry, farms must get bigger. The Leader of the Progressive Conservative in Saskatchewan, Grant Devine, in the winter 1977 issue of Business Review stated, and I quote:

Realizing that most of our food is produced by less than 20 per cent of the farmers, who tend to be good businessmen as well as producers, society may not wish to support higher food prices or producer security so that the non-productive 80 per cent of the farm population can live in the country at a profit.

The Conservative leader goes on further to say there must be a less expensive way of maintaining these rural people than allowing them to farm. Yes, Mr. Speaker, the Conservative leader believes that four out of five farmers are poor businessmen and non-productive. And yes, the Conservative members opposite have this belief. None of them have denied it.

Mr. Speaker, it is not a question of being a poor businessman and inefficient. As a matter of fact, Saskatchewan farmers are so efficient they can produce more than the market will buy. Mr. Speaker, it is a question of orderly marketing and transportation and getting a fair price for the product.

This New Democratic government since 1971 worked positively to formulate policies and programs to keep the family farm and preserve the small rural community. Mr. Speaker, the land bank and FarmStart programs provided opportunities to many young farmers to get started and established. Since the inception of the programs, some 1,700 land bank cases were taken up and some 3,700 participated in FarmStart programs. An increase of 24 per cent to \$25 million for land bank funding, and an increase to more than double in FarmStart grants in the budget before us will allow continued opportunities to young people wanting to farm.

The extension of the farm cost reduction program into this year will continue to give farmers relief in their high farm fuel costs. I would urge the Minister of agriculture and the government to give serious consideration to continuing this worthwhile program.

Mr. Speaker, I'm proud that our government took the lead in the purchase of 1,000 hopper cars at the cost of \$55 million to speed up the movement of grain to market. The true commitment of this government demonstrates our concern about the agriculture industry. The purchase had a positive effect on the reluctant Conservative governments of Alberta and Manitoba to get involved in car purchases.

Mr. Speaker, the economic strength of the agriculture sector has a direct relationship to the viability of rural communities and our local government agencies. If farming fares well, so does the local business, the local municipality, the school system, and related municipal agencies.

This budget is designed to assist and strengthen the municipal sector of our society. A strong commitment had been made by the government in 1978 when revenue sharing was introduced. Municipalities were given recognition that they are part and parcel of the provincial economy and as such, will share in the revenues of the province. This meant a major increase in operating grants to urban and rural municipalities. The grants more than doubled since 1977, from \$41 million to \$83 million.

Mr. Speaker, I am pleased to note that the Minister of Municipal Affairs (Rural) is making a change in policy to provide for reconstruction of existing worn-out grid roads, that are not designated under the super grid system. This is in response to the many concerns expressed by rural municipal councils. In their view a grid road reconstruction program is of greater necessity than the super grid program. I tend to agree with

them. I am certain that the new policy will be very well accepted by the councils of rural municipalities.

The grid road system has served rural Saskatchewan very well. But some of the first roads are now 25 years old and do need rebuilding. The new funding will be of great help to rural municipalities in planning their road rebuilding program.

Mr. Speaker, I am pleased that the budget provided for a second community capital fund of over \$66 million. The \$100 per capita over a five-year period in towns and villages in the Canora constituency means over \$750,000 to assist in various capital projects from street improvement, to building a town office or a recreation and community centre.

Further to the rural community development, Mr. Speaker, this NDP government has placed a high priority on improving the highway system in the province. In spite of the comparatively high mileage, the government has in every budget provided for major highway improvement throughout the province.

I want to commend the Minister of Highways for undertaking the project of resurfacing the No. 49 Highway from Preeceville to Hazel Dell in the Canora constituency in 1980 for a cost of over \$1 million.

On behalf of my constituents I want to express my appreciation and thanks to the minister, as well as to place a request for the continuation of the resurfacing project the following year, on to the communities of Okla and Lintlaw.

Mr. Speaker, our education system is recognized as one of the best in Canada. Every efforts is being made to provide our children and adults every opportunity for obtaining as complete an education as one desires. This government through its support for community colleges, technical institutes, universities and basic schools, has been most responsive in meeting the changing needs of our society.

The NDP moved ahead and did a tremendous job in assisting local school boards with operating and capital funds to maintain a level of high education standards. With a more diversified school program, the youth are able to equip themselves to benefit from greater employment opportunities.

This year operating grants will be increased by an average of 9 per cent and capital grants will be increased by 20 per cent to \$8.8 million. New schools will be constructed and major renovations and extensions will be provided for others. I am hopeful, Mr. Speaker, that the Minister of Education will give careful consideration to providing funds to renovate and extend the school facilities in Theodore, in my constituency, to improve the present conditions of overcrowded classrooms and lack of storage and gym facilities. I know the minister is aware of the situation and I am certain that he will do all he can to allocate funding for the project.

Mr. Speaker, the budget before us reflects the confidence this New Democratic government has in the performance of the economy of Saskatchewan. The diversified industrial development that is taking place in the province is our security for the future. The NDP policies are committed to ensure such a security. They have been tried and tested with success. The people of Saskatchewan know it and believe it.

Mr. Speaker, I totally disagree with the amendment, but I will support the main motion.

SOME HON. MEMBERS: — Hear, hear!

MR. N. LUSNEY (Pelly): — Mr. Speaker, I am pleased to have the opportunity to make a few remarks in this debate.

My first comments must be to congratulate our Minister of Finance, Mr. Tchorzewski, both on the content and his presentation of this government's budget.

The people of Pelly constituency, the people I am honored to represent, will welcome this budget. They will do so because as you go down the list of initiatives in this budget and in last year's budget, and you check off the initiatives against the NDP program card from the 1978 election, one after another, Mr. Speaker, you will find that commitments made were commitments kept. There is something in the formula of government that the people of the Pelly constituency understand and appreciate. You might say that the secret formula is truth and honesty in politics and in government.

It is a good formula and it explains why there are 44 NDP members and 15 opposition members. Judging from the activity on the opposite side of the House over the past few days . . . My colleague, the member for Canora said, in his interpretation of that activity, that the Conservatives were breaking ranks and deserting ship. I get more of an impression that they were more like rats deserting a sinking ship.

Mr. Speaker, the member for Regina South, in his speech the other day, criticized the budget and made comparisons of our 1966 costs of borrowing to our 1944 budget. I would like to point out to that member that in 1944 and 1966 our interest rate was not at 17 per cent as it is today, and the member for Regina South would well know. Neither are the cars that he sells today the same price as they were in 1966 or 1944. A combine, which in 1966 the farmers paid \$12,000 to \$15,000 for, today would be in the area of \$50,000.

Mr. Speaker, the member for Regina South also seemed somewhat shocked and disturbed about our \$2 billion budget. Once again I would like to inform the members opposite that in 1965, when the Liberals were in power, their education budget was \$61.6 million. In this year's estimates we will be spending over \$295 million, almost six times what was spent in 1965. In 1965 the health budget was about \$51.3 million. This year we will be spending over \$525 million on health programs, more than 10 times what was spent in 1965 — more than 10 times, Mr. Speaker — because unlike the Tories we place a high priority on providing adequate health care for the people of Saskatchewan.

Mr. Speaker, I know that the people of the Pelly constituency will welcome the nearly \$3 million worth of capital works planned for our area. They will welcome the continued improvement of our provincial highway system planned for our area which this year will be at a cost of nearly \$900,000. I know that rural municipal officials in my constituency will welcome the more than \$1 million in funding which will be provided to them by this provincial government.

I want members opposite to know, Mr. Speaker, that if we hear, as I expect we will, the usual stock speeches about how this government is spending too much, I fully intend to tell that to my constituents, and I will do so without fear of being contradicted. I will be telling my constituents and my rural municipality councillors that the Tories think we

are spending too much on municipal grants. I will tell the councillors both rural and urban, that they can assume Tories would do less for them. Just how much less is anyone's guess. But to spend less, the Tories would have to cut back somewhere. When we use Manitoba as an example and when we realize that more than two-thirds of our provincial budget goes to local authorities and to payments to individuals, you can be sure that the cutbacks of the Conservatives would be in the area of assistance provided to local governments.

I just want members opposite to be aware that in my area the Conservatives' usual loose talk will be translated into some pretty concrete examples of ways in which their proposed cutbacks might be achieved and at whose expense. I want the Tories to know the examples will be graphic enough and given in a manner that all the people will understand.

Mr. Speaker, I know that the people of Pelly constituency will welcome the commitment to improve and expand senior citizen housing and nursing home services in Kamsack and in Norquay, at a cost of more than \$200,000. The increase of 22.5 per cent in funds allocated for allowances for certain residents of special-care homes and the fact that the increase provides for a start on major restructuring of our special-care system will also be welcome news to people of Pelly constituency and to people across Saskatchewan.

People in my area in particular will be interested to know that nearly \$1.25 million will be spent to improve recreation facilities in our district. A large portion of this will be spent improving facilities in the Duck Mountain Provincial Park.

In the area of agriculture farmers in Saskatchewan will welcome the extension to the end of 1980 of the farm cost reduction program at an additional cost to the treasury of \$15.6 million. This program has been extended beyond its earlier planned time frame and that assistance will help our farmers. I will make every effort to try to convince the government to continue that program.

Mr. Speaker, the more than 50 per cent increase in funding to the FarmStart program will also be welcomed by many young farmers in my constituency — farmers who may want to diversify their farming operation and keep it viable.

The purchase of 1,000 hopper cars, I feel, will also get approval of farmers in my constituency and farmers throughout Saskatchewan. Mr. Speaker, those 1,000 hopper cars will be capable of moving an additional 57 million bushels of grain annually. If the price of wheat remains as it is at present, that would mean an injection of cash into our farm economy of some \$242 million each year — \$242 million each year for an investment of \$50 million which could be spread out over the next 10 or 20 years.

Mr. Speaker, farmers in my area will also be pleased with the amendments to The Education and Health Tax Act, which will extend and modernize the list of exemptions on farming equipment. But, Mr. Speaker, a quick glance at personal income statistics and farm income statistics for Saskatchewan appended to the budget speech make it clear that some action is needed to more fairly stabilize farm income. For our part, as New Democrats, we have asked for action at the federal level where such an objective can most properly be achieved. We have pressed for income stabilization that recognizes the increases in the costs of production farmers have been faced with.

Mr. Speaker, the Ottawa Liberal government of a year ago showed no inclination to listen and the Tory government of more recent times just basked in the sun in Jasper for six months. Neither got much done — or much cared. Their only answer for farmers seemed to be increased productivity, even though neither demonstrated an ability to market existing production or demand that our railway systems move that production to market in a more efficient manner.

Personally, I am beginning to wonder if farmers in Saskatchewan can afford to wait much longer for a decent income stabilization program, because it's obvious that even more production and more sales are not an answer by themselves. Stabilized income at an acceptable level will only come about if we can have the farmers' returns begin to bear some relationship to the cost of production. I would like to see our Minister of Agriculture study ways that such a program could be structured and the cost implications of such a program turn on a federal-provincial basis.

It seems to me, Mr. Speaker, we have already more or less accepted the idea of putting up provincial funds through the farm fuel rebate program, the beef industry assistance grants and similar programs of that type which have had limited objectives. I think that such a plan, if it were feasible financially, would receive public acceptance since it is reasonably well understood by the general public that it is our farming community, almost exclusively, which has had to live with an up and down net income picture. Such has been the case for our farmers in spite of the fact that realized gross farm income has risen steadily since 1970 with the exception of the years 1976 and 1977. It wouldn't cost a lot to study and consider such a plan and I hope our minister will consider the suggestion and give it some thought.

Mr. Speaker, another group important to the economic well-being of our Premier is our small business community. It is this group that is vital to every small community in our province. This group is a major employer and when they, together with our farming community, are doing well, our province is doing well.

I know that people engaged in family operated and small enterprises will welcome features in this budget pertaining to them. They will welcome the 100 per cent increase in funding for the Main Street program under which communities and businesses in those communities can obtain assistance with improving their business premises. They will welcome the 30 per cent increase in funding for the small business interest abatement program which can reduce their annual interest costs as much as \$500, particularly since the Tory high interest rate policy coming out of Ottawa will have them with their backs up against the wall. Small business people will also welcome the 95 per cent increase in the Aid to Trade program which provides assistance to manufacturers and processors in introducing their products and in expanding their markets.

They will welcome the near 13 per cent increase in funding for product development assistance and the 53 per cent increase in the small industry development program which assists smaller manufacturing and processing companies to get established, to expand or to modernize through a scheme of forgivable loans covering a portion of the costs of expansions.

Mr. Speaker, I know that the response to these programs of our Minister of Industry has been a good one. I'm sure he can quote statistics to prove that even the doubters and the pessimists sitting opposite would agree. What we deserve to hear from the Conservatives, Mr. Speaker, is if these would be some of the programs that they would

be using as a target for their cutbacks. We deserve to hear from them if these would be, and if they aren't they should be telling us which programs they would be cutting back on. I know many small business people in my community and they are familiar with some of the programs that we have and they would welcome many of them. They have helped lots of the small businesses in my community.

Mr. Speaker, there are other areas in this budget that are equally as important as the ones I have chosen to comment on, but my time is limited. I have mentioned some of the progress which will be experienced directly by my constituents. I have indicated how the farming and small business people in my constituency will benefit as well as our senior citizens.

Most groups and most people will, I think, feel that we have done a reasonable job in the way of assistance that the provincial government is called upon to provide. They will also think it reasonable that we have kept to our long-term plan of balancing the budget over a number of years, something we said we would do and something we have done in this budget.

Mr. Speaker, because people in my area will receive this budget well, I will be pleased to support the main motion and I will be voting against the amendment.

SOME HON. MEMBERS: — Hear, hear!

MR. R.G. LONG (Cut Knife-Lloydminster): — Mr. Speaker, I would first like to congratulate the Minister of Finance, the member for Humboldt, on his first budget — a balanced budget. Mr. Speaker, what a fine way to start his ministry, what a fine way to celebrate Saskatchewan on its 75th year, what a fine way to start the decade of the '80s!

Mr. Speaker, as a new member in this House, I have found the past few days to be somewhat of a traumatic experience. I have witnessed, Mr. Speaker, what I consider indeed to be a shocking incident, two members of the Conservative caucus opposite deserting the ranks of the official opposite to sit as independents. Mr. Speaker, that incident in itself is not an unusual act but the proposal they have made, I find to be absolutely unacceptable. To suggest that western Canada should leave our confederation, leave the British Commonwealth and join another country is to me and my constituents not worthy of consideration, Mr. Speaker.

I believe that we witnessed in this House during the past few days what is indeed a dangerous act. We as Canadians currently are involved in a struggle against the anti-federalist forces in Quebec. Mr. Speaker, the Parti Quebecois would take their province out of confederation, an act I solemnly disagree with. But these people would go one step further and seek union for western Canada with another country. I am proud to be Canadian. I am proud of our province and I would fight such a movement until my last breath.

Mr. Speaker, what a sharp contrast this budget speech is with the acts of the independent members opposite. This is a budget that shows confidence and optimism for our country and our province. I welcome this government's balanced budget. People across Canada see this as a sign of fiscal responsibility. We have been able to balance this budget, give tax breaks, introduce new programs and expand others because this government's resource policy and long-term economic planning has paid off.

I was pleased to hear a corporate capital tax for large corporations with assets of over \$10 million will be implemented by this government. When one considers the tax breaks Liberals and Tories have provided for their big corporate friends, somebody has to act. I would like to take a few minutes to examine one aspect of this problem. I would like to explain how the people of Canada are ripped off by the big corporations and their Liberal and Tory friends.

Mr. Speaker, during the last federal election we had John Crosbie running around the country telling ordinary people like you and me that we must tighten our belts. After all, he said, the country has a deficit of over \$11 billion and it is up to all of us to help Canada out of its economic problems. We need tough solutions for tough economic times, said the former minister of finance. So you tax the workers, you tax the farmers, you tax the small businessmen to pay off the deficit. But what Mr. Crosbie wasn't telling us was that during the Trudeau years of government, time and time again the Conservative opposition sided with the Trudeau Liberals as the \$11 billion deficit came about and the major corporations of this country were allowed to build up massive reserves of unpaid taxes. By 1976 they owed the Canadian government \$11.6 billion. Now it is estimated that the figure is close to \$15 billion. They have not paid a cent of interest on this money nor have they been required to do so. Mr. Speaker, while farmers, workers and small businessmen have been asked to carry this burden of the federal deficit, the big corporations have a tax holiday. The \$15 billion they owe, and should be required to pay, would pay off the deficit and leave several billion for other important programs like medicare.

Throughout the campaign the Tories kept saying they weren't allowed enough time to tackle the country's problems. But Tories are not going to tackle this one because you don't bite the hand that feeds you. Mr. Speaker, they believe their corporate friends should enjoy tax breaks while ordinary people like you and me bear the load. In this country successive Liberal and Tory governments have set up a taxation system that dictates the bigger the corporation, the less they pay. In 1976, about 290,000 firms in the corporate sector of this country had assets of \$1 million or less. They paid taxes at an effective rate of 30.4 percent. There were about 25,000 firms with assets of \$1 million to \$25 million paying an effective tax rate of 34.3 per cent. But the 1,500 corporations in Canada with assets of over \$25 million pay taxes at an effective tax rate of 27.1 per cent. I might point out, Mr. Speaker, that this group was the chief beneficiary of the tax deferral policy I mentioned earlier. Mr. Speaker, of the \$11.6 billion in unpaid reserves made available to the corporate sector up to 1976, this group was the chief beneficiary. By 1976 they had accumulated \$9.4 billion in unpaid, non-interest bearing taxes. By now that figure will be close to \$12 billion. Mr. Speaker, that's \$500 for every man, woman and child in Canada.

Mr. Speaker, the Government of Saskatchewan believes that corporations should pay their fair share of the tax load. The federal government obviously doesn't. I say the federal government because there is really no difference in taxation policies, whether we have a Liberal or Conservative federal government. Taxation policies are not the only things which make this government different from Liberal and Conservative federal governments. This NDP budget proves once again that the Blakeney government honours its election commitments.

Mr. Speaker, almost 18 months have passed since the Blakeney government was first re-elected for a third term of office. In the course of that election campaign we made

promises to the people of Saskatchewan, promises that we would continue to provide good government and sound management for Saskatchewan's economy. Mr. Speaker, if you look at the record of the past 18 months, it indicates that the Blakeney government is the government that keeps its promises. Mr. Speaker, we promised a cut in personal income tax as resource revenues grew. Last year we acted by providing a child tax credit of \$40 per child. This year it was increased to \$50 per child, having the effect of taking 2,500 people off the tax role.

We promised tax relief for senior citizens. This year the income tax credit for senior citizens will be raised from \$160, Mr. Speaker, to \$210. The promised property tax relief for senior citizens was delivered last year, effectively wiping out the education portion of property tax for most senior citizens. Mr. Speaker, we promised to eliminate provincial capital gains tax on homes, farms, and small businesses. That promise was delivered last year and will affect the 1979 taxation year. The renters' rebate program was implemented a year ago. This year it will be expanded to include senior citizens living in tax exempt properties who are not receiving subsidized nursing care.

Mr. Speaker, we said we would reduce the cost of nursing home care. This has been a very special concern of mine. I am pleased that the Minister of Finance sees fit to allocate \$10 million to ease this burden on our senior citizens. Mr. Speaker, in talking to young parents, one of the first things they mention is the Saskatchewan Dental Plan. This program is setting a new standard for dental care across the country. Saskatchewan parents everywhere will be pleased the government is keeping its promise to extend the program to age 18. Mr. Speaker, this year we will include 14-year-olds under the dental plan. Mr. Speaker, we said we would set up a health research fund. That was done in the budget of the first term of this government. We have promised to support family farms by reducing the cost of farm fuel. The farm cost reduction program has been extended again this year.

Mr. Speaker, concerns about the energy supply for our farms has prompted this government to set up an energy security division of the heritage fund. I am sure farmers everywhere will welcome this initiative to guarantee fuel supplies for the future.

Mr. Speaker, we promised revenue sharing for the municipal sector. We delivered on this promise and this year the grants will reach nearly \$83 million. We are reinstating the community capital fund this year. Saskatchewan communities will welcome the \$100 per capita to be paid out over the next five years. Mr. Speaker, a review of the list indicates that out of the 19 promises made by this party in October of '78, 17 have been acted upon. Mr. Speaker, we'll be moving ahead in the coming years to fulfil our promises and expand and improve the programs we started.

Mr. Speaker, I would like to take a few moments to comment on the NDP promises and what this budget will mean to the people of Cut Knife-Lloydminster. In the area of education, a field this government has placed a high priority on, foundation grants for the school divisions and school districts of our area will amount to \$7,940,000, an increase of \$574,000 over last year.

This year will see considerable activity by the Department of Highways in our area. Highway 16 from Maidstone to Lashburn will be completed in 1980. The straightening of curves, widening, and paving of the shoulders, will make this portion of the Yellowhead a much safer route to take. The department will be proceeding with similar improvements on Highway 16 between Delmas and Paynton this year. The minister has also announced the grading of Highway 16, 11 kilometres west of Battleford for the

'80-'81 program.

Mr. Speaker, the Yellowhead Route has become a second Trans-Canada in the West. I would call upon the federal government to assist in the upgrading of this busy highway. Highway 21 from Maidstone to 16 kilometres north is on the current program to be paved. Paving of Highway 40 from Wilbert to the Alberta border, a distance of 61 kilometres, will be completed in 1980-81. Highway 17 from the junction of Highway 40 to the Lone Rock access is now on the program to be paved. This border highway is a joint project between the Alberta and Saskatchewan Departments of Highways.

Mr. Speaker, another important project the Alberta and Saskatchewan governments will be involved in is the construction of the meridian bridge across the North Saskatchewan River north of Lloydminster. This year a beginning will be made on the approaches to this important link to the area north of Lloydminster, an area rich in possibilities for oil development and tourist trade.

Mr. Speaker, revenue sharing to our urban governments this year will amount to \$573,000, an increase of over \$155,000 since last year. These increases will be welcomed in our fast-growing area.

These are some of the important aspects of this budget to my constituents. I am sure they will join with me in expressing their gratitude to this government.

Mr. Speaker, in an age when there is increasing scepticism about governments and politicians who lead them, it is essential that campaign promises be made only after careful study of what the economy can bear. To make promises that fit into carefully planned programs, not mere election promises to buy votes, is being both fiscally and politically responsible. That is what Joe Clark found out this past February. His list of broken promises and flip-flopping on issues defeated his government. People expect politicians to keep their promises and lead the country. Joe Clark and his Tories didn't meet the bill.

Mr. Speaker, there is another item in this budget which invites comparison to the performance of the short-lived Tory federal government. Saskatchewan's bold initiative in purchasing 1,000 hopper cars came at a time when the wheat board had made an urgent request for more cars and decisive action was required to find a solution to the grain handling and transportation mess. What was the federal government doing? Nothing! They limped into action only after Saskatchewan assumed leadership and had taken the first step. What kind of a deal did they make? The NDP Government of Saskatchewan has ordered 1,000 hopper cars. They will be delivered by the end of this year. This business-like transaction will see the people of Saskatchewan owning 1,000 hopper cars purchased for \$55 million.

Mr. Speaker, what of the federal Tory deal for hopper cars? How did these self-proclaimed businessmen make out? The former minister of transport announced a federal hopper car deal. It must have been a sweetheart deal with some of their corporate friends. This transaction will have cost the Canadian taxpayers \$200 million for 2,000 box cars. That is nearly twice as much, and at the end of the lease period we won't even own them.

Mr. Speaker, this budget continues the progressive taxation policy of the Blakeney government. It delivers on the few election promises that were not fulfilled in last year's budget and it continues bold initiatives like the hopper car purchase which will be a

long-term benefit to the people of Saskatchewan.

I am proud to be a member of this government that produced this budget and I will be giving it my whole-hearted support.

SOME HON. MEMBERS: — Hear, hear!

MR. W.J.G. ALLEN (Regina Rosemont): — Mr. Speaker, it is an honour to represent the people of Regina Rosemont constituency in this legislature. I have always viewed it as an honour and a responsibility and I want to say to them and to the House that I take that responsibility seriously. I will certainly do everything I can to represent the people of Regina Rosemont well in this legislature.

SOME HON. MEMBERS: — Hear, hear!

MR. ALLEN: — I also want to say that it is a real joy for me to address a few brief remarks about this budget and in support of this budget.

Mr. Speaker, this is a sound budget. It faces up to the realities of the Saskatchewan economy. It meets the needs of our people in health, education, social services, job creation and economic development.

Mr. Speaker, this budget anticipates the problems of the future in the price and the availability of energy and addresses those problems boldly. The budget has a number of provisions for the elderly. One program I would like to make particular reference to is the extension of the rent rebate program to include senior citizens who are living in tax-exempt properties. On behalf of the many people who live in the cottages and bachelor apartments at Pioneer Village Mutchmor Lodge and Eastern Star Home, I bring sincere thanks.

I want to thank you, Minister of Municipal affairs (Urban), for the work that you did. I want to thank the Minister of Finance for including this item in the budget. It is one that is sincerely appreciated by the pensioners who live in my constituency in these homes and it will be a big help in helping them deal with the rising cost of living.

Mr. Speaker, there is one area mentioned in the budget that I want to spend a little time talking about this afternoon and that is the whole question of Indian and native programming in the province of Saskatchewan.

Mr. Speaker, I am a member of the legislature but even more than that I am a parent raising a young family in the city of Regina. I have always taken the view that I couldn't isolate myself, nor could I isolate my family, from the larger community in which we live.

If the Indian and native people of the city of Regina have problems, then I think, my family and I are going to have problems. We should be looking — I as an individual member of this community, along with Indian and native people in this community — and trying to come up with some solutions to those problems. There are lots of problems. I could just relate a few of them to you.

I think that the whole shift of our society, from a rural society to an urban one, is a phenomenon that has gone on for the last 40 years. If you go back 40 years, only 20 per cent of our population lived in cities, 60 per cent of our population lives in cities today. Indian and Metis people have over the last decade, the last 10 years, come to our cities

in larger and larger numbers. Today, 73 per cent of the Indian and native people who live in urban centres live in Regina, Saskatoon, Prince Albert and North Battleford.

Back in 1976 there were 49,000 people of Indian ancestry who lived in urban centres. Next year it will be 58,000; in five years time it will be 82,000 people. I suppose we have to start addressing some of the concerns that people have about that. Why do people come to the city? You know, I was up in La Loche a few years ago and talked to a young native girl there who told me she was going to move to Saskatoon. I said to her — why would you want to go to Saskatoon? She said — well, there's nothing in La Loche for me to do. There are jobs in Saskatoon. There are good houses for me to live in in Saskatoon. There are opportunities in Saskatoon. That's why she came. But a lot of people who came got disillusioned very quickly because what they had done, Mr. Speaker, was to exchange the rural poverty they knew for urban poverty they had never dreamed of.

Now, Mr. Speaker, I could rattle off statistics to you, I suppose, all afternoon. I know I don't have the time to do that. The one statistic I think important, and one we should all realize, is that 85 per cent of the native people who live in our cities are classified as being poor, people who live below the poverty line. Most of these people, or many of these people, are not working. I think we have to ask ourselves — why aren't they working? What can we do to get them working? Education-wise, 60 per cent of Indian children are 1.7 years-2.3 years behind other children in the province. Of every Indian child who starts schools in Grade 1, one out of 12 or 15 will complete high school. That's a problem — education. Health problems — health problems with Indian people are much higher than they are for us. Alcoholism problems are particularly bad; social participation, Mr. Speaker. In this regard I'd like to quote from a report that just came out about this and what it says:

Indian and native people are severely underrepresented in the number of graduates from high school, technical schools, universities. Similarly in the legislature, the civil service, banks, construction firms, resource industries and farming, few persons of Indian ancestry can be found. They are also underrepresented in service organizations, recreational organizations, political parties, municipal government. When this evidence combined with the fact that people of Indian ancestry are often culturally different as well, two different social communities exist — Indian-native and other. Although these social communities live in physical proximity to each other, the relationship is characterized by emotional and cultural isolation.

This statement I've just read I think is a condemnation of the kind of society we have, and something we as members of this legislature should try to improve.

I want to talk a little bit in the few minutes I have left about some of the solutions I think we should be looking at to deal with these problems. This budget puts into play I think the first tentative steps necessary to come to grips with some of these problems. It deals with education, and the Minister of Education announced some, I think, exciting new concepts in urban Indian-native education. It deals with economic development and promises to help people of native ancestry to get into business. It expands social programming, Mr. Speaker, for native groups delivering family counselling, for day care, for alcoholism treatment. It deals with jobs. Mr. Speaker, I think this is the most important part of the whole package — jobs. Why do children leave school? All the studies we have been able to look at show children stay in school when they're young because their parents encourage them to stay in school. If they don't have that support

in the home, they're not likely to stay.

All of us, I think, were encouraged by our parents. I say, if people are working, they're making a living and they see the opportunities that education will bring. They'll want their children to remain in school. Economic development, while good, isn't going to solve the problem. There's no way that we can set up every poor Indian person who is not working in business. That isn't going to be possible. I believe, Mr. Speaker, that we can find a lot of them jobs. I think that we have to do some imaginative and innovative things to have them stay in those jobs and to make a success out of them. Our training programs, Mr. Speaker, have been a mistaken for many years because we've trained people to improve their general skills, but the skills haven't been job related enough. I think we need programs right where the people are working, to give them the skills that they need to do the job. Once they're on the job, if there are additional skills that they require so that they can advance in the job, then we have to provide the necessary training.

Mr. Speaker, I think that the government has a great responsibility in this area. In my view the government's responsibility is this: the government has to outline clearly where we as a society want to go. It has to set some targets for us as a group. I notice that we don't want quotas in terms of job hiring. I'll go along with that but, Mr. Speaker, I think we need targets. I think if we expect and we want to have Indian people participating in employment at the same rate as other people, we have to say we want to do it over a certain number of years. In order to get there we have to do such and such. I think we can do that for ourselves as a government, but the government isn't going to be the answer to the problem. The government can't hire everybody. It isn't going to be possible. The vast majority of people will have to be hired in the private sector. I believe that the answer to solving the problem is in the private sector working with business people in this province. I think business people are ready to listen.

If you look ahead, Mr. Speaker, as many business people do they don't see a problem with unemployment in five or ten years — they see a problem of employment. Where are they going to get the people to run their factories? So they are willing to talk about these things. I think that we should be working with them to come up with an innovative, exciting program, and I think it can be done. Mr. Speaker, I think too, that we in this legislature have to make a commitment. There are going to be mistakes made. All of the targets aren't going to be met that we seek for ourselves. But if we pick away at them, if we say oh you failed in this little area and lose sight of the larger thing, what does that do for the population? They lose the confidence they have that these problems can be solved. We need, in this legislature, support from you guys — support from your side of the House, not picking away at us in election campaigns. That kind of thing isn't going to work because if you do that, we won't solve the problems. I'm sincere and I'm appealing to you people for your support in this program.

SOME HON. MEMBERS: — Hear, hear!

MR. ALLEN: — Mr. Speaker . . . (inaudible interjection) . . . It is a two-way street and I'm willing to work with you guys on this. Now, Mr. Speaker, it seems to me we can go to the moon. We can plumb the depths of the oceans. Surely in a population of a million people we can come to grips with this problem and build Saskatchewan into a more humane, an equal, a fair society. I am confident that this budget is taking the first step to do that, and I support the budget. I congratulate the minister on it and I'll certainly be supporting the motion. Thank you.

SOME HON. MEMBERS: — Hear, hear!

MR. R.L. COLLVER (Nipawin): — Mr. Speaker, it's a great pleasure to rise in this debate, especially following the call for a unified effort in the Assembly of Saskatchewan by the preceding speaker. I sincerely hope that he believes the same thing applies to all members of the opposition in that he's going to co-operate with them, and I'm sure he'll find the co-operation forthcoming from this side if that happens.

Mr. Speaker, during my remarks today I intend to point out why Canada is failing as a country. I intend to provide evidence of western Canadian alienation. I intend to say why there is no hope for the future. I intend to suggest some positive aspects of a potential union with the United States of America. I would like to start with my conclusion first.

The only way to live like an American is to be one. We, in Canada today, specifically in western Canada, are dominated by American industry dominated by American culture, dominated by American television, dominated by American radio, dominated by American music. Our people in western Canada have precisely the same multicultural heritage as have the people from the western United States, the same kinds of aspirations for the future, the same problems — the same kinds of problems except they're being settled and solved better in the United States of America than we're solving them here.

the point is we live precisely the same way in Regina, Saskatoon, Moose Jaw, Prince Albert, Calgary, Edmonton, as the people of Great Falls, Butte, Grand Forks, Phoenix Houston, and the other people of the western United States live. The only way to be an American and to live like an American is to be one.

Why is Canada failing as a country? Well, for a number of reasons, Mr. Speaker, I'd like to go into some of them.

First, the centralization of power and, as part of that centralization of power, the bankrupt issue, the bankrupt policy perpetrated on this country by Pierre Elliot Trudeau and his group. The policy of bilingualism cannot work. It makes us inefficient. It makes us incapable of providing the kind of government in our country, a partnership government, that every Canadian except those in the Toronto-Ottawa axis, want to have. The point is that the policy of bilingualism as perpetrated on this country is impossible. you cannot tell a postman in Maple Creek, Saskatchewan that if he is to grow with the postal union he must learn to speak French. If he is to grow in the postal service, become a supervisor, become a boss, get any kind of promotions, he must learn to speak French. That is a bankrupt policy and one that won't work.

Now, the Premier, in his remarks to me the other day, said he was in favour of the policy of bilingualism but was made at the way it was implemented. I sincerely hope the Premier of Saskatchewan will tell the people of the province of Saskatchewan and the people of Canada how he intends to make the policy of bilingualism work in the province of Saskatchewan. I would be most happy to hear specifically how the Attorney General, for example, is going to make the court system in Saskatchewan totally bilingual as is recommended and requested by Mr. Trudeau and his group. I am going to be interested to hear how the Premier is going to provide documents, bilingually, in the province of Saskatchewan — meaningful documents, such as the budget. Who is going to pay for it? Why are the supposed to pay for such a bankrupt policy which will not work? It is only one example, Mr. Speaker, of the kind of policy put forward by Mr. Trudeau and his group for the last 12 or 14 years — centralizing power

in Ottawa and centralizing power in central Canada — that is driving and splintering this country apart.

I am not going to waste the time of this Assembly in recounting the number of times I have heard the Premier of the province of Saskatchewan and the Attorney General say precisely the same words I have just spoken. I know they will recall them in my debates in this legislature. The policy of centralization of power in Ottawa cannot possibly hold together a country as diverse and multicultural as Canada and cannot possibly meet the aspirations and needs of western Canadians.

That policy is a failure. But the people of central Canada, in February 1980, determined that they should re-elect a group of individuals who have stated that that is their primary aim. Mr. Trudeau, on every occasion when I have heard him speak on the subject, has stated that the only possible way to hold Canada together is from the centre out. The only possible way to get Canadians to work together is the centralization of power. That is what Mr. Trudeau has stated and that is directly opposite to the stated view of the four western Canadian premiers, in fact, the stated views of every Canadian premier. That policy is bankrupt as well. It cannot and will not function.

Another reason why Canada is failing is that after 14 years of attempting to give definition to what a Canadian is, after 14 years of constitutional conferences, premiers' conferences, meetings, debates, there is still no definition of what a Canadian is. The only one that has come forward is that we are not Americans. That's the only one. That is not enough to hold a country together and that's not enough when there are people in the country who believe that the correct aspirations of any country is first of all to define itself and to give itself a *raison d'être*.

I notice the Premier smiled when I used a French phrase. I am not opposed to French, Mr. Premier, as you well know. My daughter is fluently bilingual because she wanted to become so. She presently lives in France because she wants to live there and is planning to return to Canada because she wants to live here. She would live in the United States as well. What she wants is to be a free citizen of a free country that believes in democracy and that does not believe in treating the people of a region of Canada as colonists. That's how we feel in western Canada.

I notice a great many polls have come out recently. Some of them quite frankly, Mr. Speaker, leave a lot to be desired. One person walks up to another person on the street and says, do you want to give up Canada? I can't think of anyone who would answer that question yes — at this point. There may be a few. No one wants to give up a free country but no one is prepared to live in a country when they are not free. No one is prepared to live in a country like Canada and believe they are colonists of the eastern Canadian establishment and stay there forever. They want to see a change.

I will give you a poll suggestion. Go and ask the people of western Canada if they believe that significant, structural changes must occur in Canada or they are not going to be happy citizens of this country. And I would be prepared to bet anything that you'd get better than 75 per cent of the people of the West saying the structural changes must occur. Now the question is, are they going to occur?

Another reason why Canada is failing as a country is that a significant percentage of the population of Canada, the French speaking people of the province of Quebec, are stating everyday that they believe a sovereign state is the only solution. Whether or not Mr. Levesque wins his referendum in the province of Quebec, I predict that because he

has such a significant number of people behind him and such a significant number of people committed to a sovereign country in Quebec, that in no possible way can Canada, as we know it, survive.

You will recall, Mr. Speaker, when Mr. Trudeau first took office the Separatists in Quebec represented 2 per cent of the population. At that time we saw the bombing of mailboxes. We saw martial law declared in Canada — some of you may have forgotten. What in the world are we going to see when they represent 45 per cent of the people of Quebec? Or 50 per cent of the people of Quebec? What are we going to see? A Canada as we know it? We are not. I further predict, Mr. Speaker, that when western Canadians examine the proposals of Mr. Claude Ryan, the Leader of the Liberal Party in the province of Quebec, they will reject him out of hand. So where is the choice? You have Mr. Levesque representing one group in Quebec. You have Mr. Ryan representing the rest who are committed to the kind of change that western Canadian will not accept and which will destroy the country.

Another reason why Canada is failing as a country, Mr. Speaker, is the economic domination of Canada by American corporations. That's a fact. No one disputes that American-controlled corporations dominate the industry of Canada but more importantly, the American economy dominates Canada. In this very Assembly I listened to the Premier answer questions about interest rates but the one answer he did not give, which was the truth, is that when rates of interest rise in the United States there is no way that Canada can hold her interest rates down. It is impossible. That is the truth. Those are the facts. And when the American rate of interest jumps to 19 per cent, Canadian interest rates must follow. When the American stock market jumps, the Canadian stock market jumps too.

Prices, inflation — that killer of all that is good in a free society — inflation is the one enemy of a free country. Those who wish to destroy Canada as a free country will continue in the kind of excessive government spending that has occurred in this budget in Saskatchewan — that will exacerbate inflation. If it is the aim of members opposite to increase inflation and therefore destroy a free country, they will persist in the view they can spend themselves out of problems in an inflationary period. Mr. Speaker, we have no vote in the United States of America — none. We have no say over who shall be the government of the United States. We have no say over who shall be the President. American citizens do. We do not. If we are dominated by them, if we live like them, then why not be one and get the benefits of full citizenship.

Mr. Speaker, I have another reason why Canada is failing as a country. It is our policies of defence over the last number of years. Our armed forces have been decimated. We now have approximately 85,000 total armed forces stretching from sea to sea — army, navy, air force, coastguard, total. We cannot defend Canada. We are totally dependent upon the United States of America for our defence. Any country worth standing up for, any country worth living in, is worth working for and paying the price. Any country worth calling itself a country must say — we have an obligation to defend ourselves in a hostile world and if we do not, we do not deserve to be called a country.

Another reason why Canada's failing as a country is that over the last number of years a number of things have occurred taking the heart out of many Canadians. I look across at the members opposite with the flags and I think back to the flag debate. I think back to

all those Canadian who fought and died for the red ensign in this country. When they were told some designer was going to produce a new flag, the heart went right out of them. The heart went out of them.

I suppose the primary reason why western Canadians believe that Canada is failing as a country is what I said before. The people of western Canada believe, rightly or wrongly, that the Toronto-Ottawa axis (and it used to be Toronto-Montreal-Ottawa; it is no longer because they moved from Montreal to Toronto) treats the west like a colony. That is what the people believe. I ask you to ask your constituents if they don't believe that. If they don't then I want to know why are all the order paper items from the NDP members opposite designed to say just that? And why have each one of you, when you have been speaking in your own constituency said exactly that? You are reflective; politicians must be reflective. You reflect the view of your constituencies. You have won three straight elections in Saskatchewan, therefore you must represent the views of the people of Saskatchewan. I believe that; I believe in democracy. If you represent their views then you know the people there believe we are treated like a colony of central Canada. Think about it. Evidence of western Canadian alienation? On every order paper in every western Canadian legislature, the vast majority of items criticize the federal government for the same items year after year after year. When asked in his nine years as Premier of Saskatchewan (almost 10) what concrete steps, structural changes had occurred in Canada as a result of the many premiers' conference? What concrete proposal had come forward which were acted upon to change the feelings of western Canadians from one of a colony to one of full partners and full citizens of the country? The Premier of Saskatchewan gave such minuscule items as, I can't say whether the Olympics held in Montreal were for all Canadians or for the benefit of western Canadians or not. I don't have Hansard in front of me, but I believe he mentioned rolling stock, the purchase of some rolling stock for the railroads.

Mr. Speaker, many polls have been mentioned on the feelings of western alienation. I might mention just a couple. Certainly, so far, I would say that the way they were written affects how they are answered. But a New Westminster paper, in February, put one ad in their newspaper asking would you support the concept of an independent western Canada? They received 1,200 replies with 71 per cent in favour.

There have been other indicators. The Canada West Foundation announced a recent poll which said that 5 per cent of the people of western Canada would support union with the United States. That same concept asked 25 years ago would have received less than 1 per cent. That is growth, and significant growth, and 5 per cent of the population of western Canada at this point is 250,000 people, almost double the population of Regina. That's how many would support the concept according to that poll. The federal election results — I don't think anybody would suggest that the federal election results did not show an alienation in western Canada.

Mr. Speaker, I want to say one more thing about what proves the kind of alienation we have in western Canada. Are you aware that the quotas for emigration from Canada to the United States are so jammed and so plugged with Canadians desirous of going to the United States that you may not even get on the list for four years?

Why is there no hope for the future of this country, and why put forward a suggestion that perhaps we should join with the United States? I need only mention the federal election and the fact that the campaign in the province of Ontario said, vote Liberal and the wealth stays in the East, vote Conservative and the wealth moves to the West. And in great numbers they voted Liberal where they had not voted Liberal but nine months

before, where they had rejected a government and a group that produced such wonders for Canada as the Sky Shops affair and the judges' affair and the harbor dredging scandal. You name it; they produced it. They were rejected and nine months later they were reselected, retreaded. The people of Quebec overwhelmingly endorsed the fact that they wanted to run things in the country — let us run the country and we will stick around. That is no way to have a partnership. There is no common ground there.

Why is there no hope for the future? Because after 100 years of discussion, after 14 years of concentrated effort on behalf of the governments of all the provinces, after 14 years of concentrated effort by the federal government, after the stated aim of the Prime Minister of Canada 14 years ago to produce concrete changes that would achieve consensus in Canada, there is none. And there is less consensus after 14 years than there was before. If you want evidence of that, look at the growth of the Parti Quebecois in the province of Quebec, and look at the growth of western Canadian alienation.

Another reason why I think there is no hope for the future is that the one thing that western Canadians economically have been asking for, for decades, is a manufacturing or industrial base, so that jobs and opportunities could stay here no matter what the vagaries of the agricultural markets of the world, no matter what the vagaries of the resource sector of the world. What has been the response of central Canada to the request for a major industry — not a resource industry — the development of a petro-chemical in the province of Alberta on world standards? The response has been rejection so that Sarnia could keep its position. Measures that will create the manufacturing base, that will create the kinds of manufacturing jobs which western Canadians have been clamouring for, have been rejected.

Mr. Speaker, agriculture and resources always go down, no one will suggest differently. Today western Canada is hauling in the dough. The Government of Saskatchewan and the Government of Alberta are hauling in the dough, but it's all resource based. Most of that dough is coming from non-renewable resources. The only way to protect the people for the future is to create the kind of manufacturing, industrial base which will create those jobs that will keep the kids here. They are not coming because central Canadians through their freight-rate policies, through their protectionist policies, and through outright regulation and control, have said they won't develop here. We have yet to hear from the Premier or anyone of any concrete examples of a significant manufacturing base developing in western Canada.

Mr. Speaker, I mentioned before there is no hope for the future because Quebec, I am sorry to say, in my judgement is gone. There is no hope. When you have only the choice between Mr. Levesque and Mr. Ryan and their policies, when such a significant number of the people of the province of Quebec are convinced that a sovereign state is the only solution, then I see no hope. One way or another the people of Quebec are determined to fulfil their own destiny.

What is Canada without Quebec, may I ask? How will Canada survive without Quebec? I ask every member in this legislature who is supposedly representative of the view of his constituents, can you seriously present to your constituents the legitimate, straightforward view that Canada can survive without the province of Quebec, in any way? Now if it cannot, and if they are leaving, which would you rather do as member of the legislature: present to your constituents a legitimate option today that they could go with resources and strength to a country which will protect them, to a country which

will give them freedom, to a country in which the state governments are able to govern at the local level, to a country in which they can believe that they are governed at the local level. Which would you rather do? Wait till it's collapsed, then go with your hat in your hand, or make the presentation in advance out of strength? Which would you rather do? I suggest we have no option if you assume the same things I have.

I have mentioned before that there is no definition of a Canadian and none has been forthcoming after 14 years, and that a negative reason is not enough for a country. I further predict, Mr. Speaker, as I have said before that it doesn't matter what happens with reference to the referendum, it makes no difference. There are too many people in the province of Quebec committed to separation to allow Canada as we know it to survive.

Why the United States of America? Let's start by asking why not an independent Canada — an independent western Canada? An independent western Canada cannot possibly survive in a hostile world. Economically, we would be, even more so in the world situation, the hewers of wood and drawers of water that we are at the moment in Canada. If Canada, as it has been described, is the mouse on the American elephant, then western Canada would be the flea. We would be so dominated by the United States of America, without any of the rights as citizens of the country, without any of the benefits as citizens of the country, that we would be nothing more than a Puerto Rico or worse — a protectorate.

I happen to believe that is what Canada is today, but western Canada would be a total protectorate without any of the rights and obligations of free men and women.

Why the United States? Because the constitution of the United States is working. It is not perfect, as no document made by man is perfect; it is not working perfectly, but it is surely working a lot better than Canada is. The constitution of the United States protects states' rights. The constitution granted to the federal government certain powers in the United States and the residual powers were granted to the states. The individual citizens over the years, over the 200 years or more of their history, have protected those states' rights with great zealousness. The proof of the pudding is in the eating.

Ask a citizen of Montana, or a citizen of North Dakota, or a citizen of Arizona, or Texas, or New York: does your state government truly reflect you? The answer is yes. Do you believe you are governed at home? The answer is yes. Sure, lots of them think Washington has too much power; lots of them fight for states' rights down there. But ask the average citizen, is it working? The answer is yes. Ask the average citizen in western Canada, is it working? The answer is no. It is not working; we do not believe our governments are reflecting our views just because our premiers tell us so, and because our ministers tell us so, and because our members of the legislature tell us so, right across western Canada.

The United States as a union, as a partnership of sovereign states, as a partnership of free peoples, is working; it does enable local governments to make decisions. For example, Saskatchewan would be free to adopt medicare if it is so desired under the United States' system. It would be free to do so and have the right to do so under the United States' system. If medicare is, as most people in Saskatchewan believe and as the government opposite has presented on so many occasions, of great benefit at low cost to the people, they will have no problem whatsoever in convincing the people of Saskatchewan, as a state in the United States of America, that medicare should be

continued here. They are free to do that. Why the United States? Because one of the things they have adopted as their motto is 'In God we trust.'

Mr. Speaker, I happen to believe a country which adopts that kind of a motto cannot go wrong. They'll make mistakes. They'll make bad mistakes. But a country which has adopted that as their motto cannot go wrong.

Why the United States of America? The natural trade links exist north-south. We, in western Canada, have been dealing for decades — in our livestock industry, in our grain industry, in our agricultural implement industry — with the Americans. If there was total unprotected free trade with the United States, if we were a part of the United States, we could gain the benefits of the American productive system. We could develop our manufacturing industries here as has happened in other states of similar size and scope to that of the province of Saskatchewan. One state I do know something about is Arizona. Perhaps the Premier could explain to me how the state of Arizona, with 2.5 million people, with exactly the same percentage of their population native Indians as we have, with approximately the same percentage of their area as so-called wasteland, how the state of Arizona can get by with a total state budget, plus a total municipal budget, plus a total school budget, of \$1.65 billion and the province of Saskatchewan, with 920,000 people can get by with over \$2 billion plus the cost of municipal government, plus local school taxes. Perhaps he could explain, Mr. Speaker, what's missing.

The economics are proven, Mr. Speaker. The Economic Council of Canada said, on several occasions, that trade links are naturally north-south. Economic Council of Canada has done many studies of western Canada resources, and has indicated the natural trade links are north-south.

We would be better off. The farmers in the United States in the grain producing areas are better off than the farmers of Saskatchewan. That's not to say we're not wealthy today. That's not to say the farmers of Saskatchewan are not doing well today. But U.S. farmers are able to buy their products from that huge American market unprotected where we have to protect our inefficient eastern Canadian industries. The standard of living of individual farmers in the grain producing areas of the United States is higher. Sure they have problems. Sure they're concerned about the domination of agriculture by big cities. That's to be expected, for goodness sakes, in any society including our own which has seen what Mr. Allen just talked about. The member for Regina Rosemont, I believe, just talked about the tremendous change between the urban-rural balance in the province of Saskatchewan and in Canada and in the United States.

Farmers have seen their numbers dwindle. They've seen their power dwindle and naturally, they're going to be concerned. But relatively the American farmer is better off than the Canadian farmer.

Now, we've heard a great deal in this legislature, Mr. Speaker, about multinational companies. As a matter of fact, I have listened to many hours of debates from the other side of the House about the evils of multinational corporations, primarily American ones — how they dominate our economy; how we don't have control of them; how beneficial it would be to have control of them. Mr. Speaker, the NDP in many ways in that area have been absolutely correct. Canada has no control over multinational companies. Saskatchewan has no control over multinational companies, although they did, in my opinion, go against the principles of freedom and nationalized some of them. Now they say they have control over them. I doubt that, Mr. Speaker. I think

they're in bed with them in a great many areas. They are partners of theirs in the northern part of Saskatchewan in a great many ventures. I don't think they have any more control over the multinational companies than they had before. We, as a society, do not control multinational companies — that's a fact — but the American government does. They have monopoly laws that work. They have trust busting legislation that works. They send the directors of GE to jail. They charged the Ford Motor Company with criminal negligence. They keep their companies under control because they have sufficient power and sufficient resources to do so. We do not, so we are at the mercy . . . Why the United States? Because, Mr. Speaker, as full citizens of the United States of America we would be able to have control over the multinationals far more than we have today. Now you notice I did not say totally, but far more than we have today because in the United States it works.

Why, Mr. Speaker, the United States? Because it is able to change itself. When they get a president that commits the kind of sin that Mr. Nixon committed, and they have a Watergate, they eliminate their president. When we have a prime minister that produces Sky Shops and dredging scandals we re-elect him. It is able to change. It is able to meet changing social conditions perhaps better than we are.

Many people in this Assembly have mentioned, and are going to mention, the problems of the native Indians in the province of Saskatchewan. They are going to mention the problems existing in northern Saskatchewan where some of the poorest people in the world live, where people are living on \$200 or \$300 a year. Many people are going to attempt to address the problems and I want to commend this government again for at least attempting to tackle the problems head on with our native brothers and sisters. But we have almost the highest crime rate in North America in the city of Regina — or close to it. We have problems with our native Indians that are not going away and that have to be addressed.

But so, too, did the American people have problems in the central city cores — and still have with racial unbalance — but they have tried to change that and are changing it. They are changing attitudes throughout the United States of America today as it relates to blacks, as it relates to native Indians.

Again I can say that one state that I do know something about is Arizona. I want you to come to Arizona anytime, any of you. You are all invited. Come down and see what kinds of problems exist in Arizona between the white community and the native community, and then compare them to the kinds of problems that exist in Saskatchewan between the white community and the native community. Perhaps you might learn something. Perhaps in that area they have found some answers that we don't have. Check it out because they don't seem to have the kinds of problems that we have developed in the province of Saskatchewan.

Mr. Speaker, why the United States of America? Because it has proven itself over 200 years as the bastion of freedom. It is the only country in the world that has ever rewarded its enemies. It is the only country in the world that has ever provided such things as the Marshall Plan and the Truman Doctrine. The Monroe Doctrine wasn't a bad one either quite frankly, Mr. Speaker, at the time. If the member for Regina Rosemont studies his history he'll find out that Canada may exist only because of the Monroe Doctrine because a great many countries in Europe had their eye on every single small unprotected country in North and South America. That's exactly what the Monroe Doctrine was designed to prevent — it told Europeans to keep their cotton pickin' fingers off North and South America. That's what it said. It was the only way

probably we survived because of the desires of those countries to expand their imperialist power. They have been a great country and I, for one, am proud they have been our neighbour; I am proud of them as a people. They look forward to the same kind of future I believe western Canadians do. As full citizens of the United States of America we would be able to control our defence because we would have direct input. We would be able to control our economy because we would have direct input. We would have localized government because the constitution guaranteed it.

AN HON. MEMBER: — We would have conscription.

MR. COLLVER: — Ah! The member mentions conscription. Mr. Speaker, any individual citizen of any country in the world who is not prepared to stand up for that country in time of need is not worthy of being called a citizen of that country. I tell you there are individuals in this very Assembly, some of whom distribute flags, who when the time came for Canada to be defended weren't there.

Mr. Speaker, I think that those of us who believe in freedom have to be prepared to fight for it. If you don't believe that the Russians are imperialistic in nature, if you don't believe, as a result of Afghanistan or Angola or any of the other conquests the Russians have made in the last number of years in the world . . . I am not talking red scare; I am not talking Communist scare; I am talking flat out Russian imperialism. If you don't believe they are imperialistic toward their own group, Czechoslovakia and Hungary, then you just haven't taken a look at world events and what has been going on. The point is, if you are not prepared to stand up for freedom you are not going to have it very long.

Perhaps that is one of the reasons why Canada, at the moment, is going through the throes of re-examination, because the people and the young people have not been called upon — not to die but at least to stand up for what the country is.

Mr. Speaker, we live like Americans; we talk like Americans; we are Americans. The only way to be a full American is to be an American citizen. I believe western Canadians should opt for that option.

MR. J.W.A. GARNER (Wilkie): — Mr. Speaker, hopefully we can get back to the level of debate which should be carried on in this Chamber today.

It is an honour every time I rise in this Assembly to address the Chamber on behalf of my constituents, the very fine people of the Wilkie constituency. Since this is 1980 and we are celebrating 75 years as a province in confederation, it is time to look back at the past and learn from the great pioneers, the people who came to this Canada of ours. Through their hard work, suffering and sacrifices they made our Canada a very proud nation all over the world. In 1980 we are also looking to the future. We have so much, whether it be grain, livestock, renewable resources or non-renewable resources, it is here in Saskatchewan. But, Mr. Speaker, we have one large drawback in Saskatchewan. That is this socialist NDP government, run and controlled by the man known to me as the backdoor Premier of Saskatchewan.

Mr. Speaker, when I look at what we have in Saskatchewan for resources and then look at almost a \$3 billion debt, there is something wrong with a government which is telling us on the one hand that it is boom time ahead for Saskatchewan and the just society we have — the only boom the people of Saskatchewan are going to have is a bust of our whole economy.

Last year each and every taxpayer in this province paid over \$900 in interest alone on the provincial debt. Mr. Speaker, this is a legacy of debt I do not want to leave my children or grandchildren.

Mr. Speaker, I would now like to turn to the heritage fund, which this socialist government claims is worth \$915 million. But in reality it has only a little over \$50 million in cash and marketable securities. The government also claims that equity in potash and uranium mines and loans without repayment schedules, non-interest bearing loans to Crown corporations, and the consolidated fund make up the difference. Mr. Speaker, these socialists are masters at manipulating the books to make dollars appear when need, and when convenient, make them disappear.

SOME HON. MEMBERS: — Hear, hear!

MR. GARNER: — Mr. Speaker, this is a nothing of a heritage fund, when you compare it to Alberta with over \$6 billion. I say to the Premier and the Attorney General, shame! A \$6 billion heritage fund, that's the kind of legacy I want to leave my children and grandchildren.

Mr. Speaker, we have uranium developments . . . (inaudible interjection) . . . All of it doesn't come out of the whip's mouth either! Mr. Speaker, \$300 million in exploration and development . . . We have examples of where this money could maybe have been put better. A widow with a small child receiving \$263 a month from this socialist Government of Saskatchewan . . . she was very kind, she gave me her complete list of groceries for one month. I'll tell you one thing, Mr. Speaker, there wasn't a heck of a lot of meat on that budget. Well I hear members opposite laughing about this widow and child, thinking it's a big joke . . . (inaudible interjection) . . . I notice he lost some weight. It hasn't all come off his stomach, a lot of it came out of his head!

Mr. Speaker, when she gets \$263 a month and her grocery bill is \$259 a month, what's left to pay the power, the water, the phone? How about some clothes for those kids? Now, we're going to develop uranium, put millions into uranium, but to heck with the widows and children in this society.

Mr. Speaker, another example — handicapped people. It's too bad there is one minister who is not in the House today, because I would sure like to touch him up on handicapped people. I have a 48-year-old single man who gets, which is quite a bit compared to that widow, \$262.89 a month. Boy that's a big salary. He is handicapped (now this is a socialist government we are dealing with); I don't think they believe in handicapped people. It is quite easy for the Premier to go on television, give them \$10,000. Fine, but what about the fellow out there who is living in his own home trying to take care of himself, getting a lousy \$262.89 a month. The figures for groceries \$100 a month. How anyone can even exist on \$100 a month for groceries is way beyond my comprehension. Mr. Speaker, the government wants to get into uranium mining and development and not take care of the widows and kids.

AN HON. MEMBER: — They want to be power brokers!

MR. GARNER: — My colleague says they want to be power brokers. I have to agree with

him — the handicapped people who aren't being taken care of.

Mr. Speaker, socialist isn't a dirty enough word for this government. But, I'll refrain myself, Mr. Speaker. Now I would like to discuss how the socialist tax collectors operate in this province.

MR. ROUSSEAU: — They rob the piggy banks.

MR. GARNER: — I wouldn't doubt that they've done a lot worse than robbing piggy banks.

MR. ROUSSEAU: — Tax on babies' clothes . . .

MR. GARNER: — Yes, well taxing babies' clothes, yes that's true . . . (inaudible interjection) . . . and Cody on the telephones. O.K. We have an unbelievable 53 per cent in personal income tax. This is 18 per cent higher than Tory Alberta which the socialists like to compare us to so much. We've got a 5 per cent E&H tax in red Saskatchewan. Not so in Tory Alberta, Mr. Speaker, this 5 per cent sales tax is destroying small business all over Saskatchewan and especially on the west side of the province where my constituency is located. What do the people do instead of staying in the small town to invest their dollars whether they are buying groceries or clothing — they go to Alberta. Mr. Speaker, they go to Alberta to buy their groceries. They get their gas cheaper. So what's happening to the small businessmen? They are starting to advertise; they've got to sell because they can't make it in red Saskatchewan. It just doesn't work here for our free enterpriser.

Mr. Speaker, now I would like to discuss another broken promise of this socialist government. Last year they promised, and I quote:

Natural gas rates were not increased last year despite increases totalling more than 16 per cent in the cost of Alberta gas. An increase held to a maximum of 7.5 per cent has been announced for residential rates this year effective on June 1, 1979.

Was that the Minister of Finance? Well, I guess that's why he's the ex-minister of finance.

Well, Mr. Speaker, they lived up to their promise. They did increase it 7.5 per cent on June 1, 1979. But they went on in August to increase it some more. That wasn't enough — in February of this year they increased it again. Now we go back to that widow and that child and that handicapped individual. They have to be penalized by this government. So in the fiscal year that we talk about from last year's budget, we received in this province three increases in the price of natural gas. You know, Mr. Speaker, I'm just ashamed to talk about this. Those increases, Mr. Speaker, amounted to a total of 15.5 per cent. Yes, the double or nothing government, double or nothing promises. They break them twice, not just once. Those increases, Mr. Speaker, are just hanging the people of Saskatchewan out to dry. It's too bad the Minister of Highways isn't here because he's hung one young guy out to dry already in Saskatchewan. We'll discuss that at another time. It is very clear to me, Mr. Speaker, that this government speaks with a forked tongue.

Mr. Speaker, when this socialist government came to power in 1971, their claim to fame was voters' support from rural Saskatchewan. They said the future was going to

be bright for all the farmers in Saskatchewan and they would turn the tables around on the economic recession that had taken over rural Saskatchewan. Now 1980 is here. Let's just take a look at what they've done to this economic recession that has taken place in rural Saskatchewan and which they were going to fix. Well, we have land bank — I'm sorry, Mr. Speaker. I didn't mean to swear. It's called state farms and the former minister of agriculture should know what I am talking about in state farms.

Mr. Speaker, this little dictatorship we've got running in Saskatchewan right now owns over one million acres of Saskatchewan farm lands. Mr. Speaker, with one million acres of farmland now, we have lost 8,000 family farms. Where are they now? Owned and controlled by the socialist government in Saskatchewan. Our hog industry, Mr. Speaker, well, that is another sorry state of affairs . . . (inaudible interjection) . . . Now just a minute. Let's not be dirty here now.

Mr. Speaker, we export over 150,00 hogs annually to Alberta. That's terrible! Mind you, we haven't exported them all yet. I still notice some of them around. Why, Mr. Speaker, do we export these hogs? Because we have only one processing plant left in Saskatchewan. This is the great hog board; this is what the Government of Saskatchewan has done for the hog producers. Along these same lines, we raise a fair number of livestock in Saskatchewan. I am a cattle operator myself. Mr. Speaker, we have to import hamburger from Alberta. Now, even with the number of cattle we raise in Saskatchewan we still have to import hamburger to sell in our restaurants. Shame on the government again, Mr. Speaker. This is how they have helped out rural Saskatchewan — export the hogs, the cattle. Mind you, I guess they have to do that because most of the kids are in Alberta and they want to feed the kids in Alberta.

Mr. Speaker, we raise cattle and hogs in Saskatchewan. We have to ship them to Alberta. Then we have to buy them back. This is just like trying to sell refrigerators to the Eskimo people in the North. Mr. Speaker, costs to farmers in Saskatchewan have been going up; taxes are going up; yet the deflated net income since 1975 has been going down. Now if this is how this socialist government was going to turn the table on the economic recession happening to the people of rural Saskatchewan, they turned the table around and they turned it up and they put the farmers underneath the table.

Mr. Speaker, this radical government likes to compare us with Alberta. Well let's compare some of the services the farmers of Alberta have compared with the farmers of Saskatchewan. Of our farmers in Saskatchewan, 80 per cent don't have rural gas, don't have natural gas piped to their farmsteads — 80 per cent . . .

AN HON. MEMBER: — What about the towns?

MR. GARNER: — Well, they're not concerned about the towns, they just want to hang the farmer out to dry first. But, Mr. Speaker, 85 per cent of Alberta farmers are using and have natural gas on their farms today.

AN HON. MEMBER: — How many?

MR. GARNER: — The figure is 85 per cent. It's just like flipping a coin, Mr. Speaker, and the farmers of Saskatchewan always end up tails down.

AN HON. MEMBER: — Where do you get your statistics?

MR. GARNER: — Oh well, you haven't learned to read yet but you will get on to it.

Now, Mr. Speaker, with our adequate reserves of natural gas, we should use more distribution of natural gas and save the diesel fuel to run our farm tractors, because we are in a time of oil shortages in the world but this present NDP government couldn't care less about the farmers of rural Saskatchewan. Mr. Speaker, I would also like to bring your attention to problems farmers of Saskatchewan face with regard to the education and health tax of this socialist government . . . (inaudible interjection) . . . They wouldn't know what a grain dryer was.

Mr. Speaker, if a farmer is building fence or repairing fence on his farm in Saskatchewan, he can go out and buy fence posts and it's exempt from the E&H tax. Good — that's right; it's real; that's good stuff. He can also go and buy the wire. That's real good stuff too. He doesn't have to pay education tax on it. But he has to pay tax on the staples to hold the wire on the posts. I've never heard of anything so stupid in all my life. What do they expect him to hold the wire on the posts with? Binder twine? Because it's exempt from the education tax of Saskatchewan. I ask you — is this fair? No.

I'd just like to quote a statement by the Minister of Agriculture that I read the other day that disturbs me very much, and I quote:

If Saskatchewan farmers hope to cash in on a profitable world grain market, the change-over to straight grain production is necessary.

I don't know what to say. When we have a Minister of Agriculture . . . I thought he was a pretty fair guy — I mean there's a lot of dead weight sitting over there in the cabinet but I thought he had some potential. A statement like that was made by the Minister of Agriculture of this province of Saskatchewan of ours. Now what about the few remaining family farms we have in Saskatchewan that the socialist sickle hasn't cut down? Is he advising them now? Some of them are even making a go of it — I know my own operation is. Mr. Speaker, is he telling those people to sell of their cattle, their hog operations? Sheep too? Yes, the sheep farmers too, are a very important part of our agriculture industry. What about the rancher, Mr. Speaker? Is the rancher who doesn't have any cultivated land supposed to sell his cattle herd, break up his pasture? He wants to be a rancher. This is just another step that this socialist government is taking hoping they will do this. Then they can buy it up into their state farm program and take over all of Saskatchewan. This is not for me, and I don't think it's for very many farmers and ranchers in Saskatchewan.

I know the minister is trying to help the farmers of rural Saskatchewan but his government's track record of the past year is destroying the family farms of Saskatchewan. With this helpful advice I am very confident the people will listen no more to the little NDP dictatorship we have in Saskatchewan. I have no choice but to vote against the motion.

SOME HON. MEMBERS: — Hear, hear!

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, I had not intended to enter this debate. I do wish to take the opportunity to congratulate the Minister of Finance on the delivery of the budget, a budget which in my somewhat biased judgment was a very good budget, well prepared and well delivered — a very excellent start for a Minister of Finance who is likely to be holding that portfolio for many, many years to come.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — I entered the debate, Mr. Speaker, because in the past few days the members of the Legislative Assembly have heard two astonishing and, I say, deplorable announcements. First, the twice-elected member of the Legislative Assembly for Nipawin, the previous leader of Her Majesty's loyal opposition, announced his intention to sit as an Independent member of this House. Then the twice-elected MLA for Swift Current made the same announcement. What was their reason?

So far as I can understand it, it was to free themselves from the restrictions of their party caucus in order to promote, first, the separation of western Canada from the Canadian confederation, and second, the annexation of the western provinces to the United States of America. And if there were any doubt about what their intentions were, it was made clear (at least so far as the member for Nipawin was concerned) today when he made it as clear as words can make it that he wishes, first, to dismember Canada, and second, to have the western provinces of Canada annexed to the United States. Now these are remarkable statements by two men of recognized stature in this province of Saskatchewan and I would like to take a little bit of this Assembly's time to address myself to the new situation they have created.

First of all, I would like to go on record once again by saying the Government of Saskatchewan and the New Democratic Party of Saskatchewan are firmly opposed to any action which would weaken or destroy our country of Canada.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — Mr. Speaker, to use the matter of Canadian unity is not negotiable. We oppose separation whether its origins are in Quebec or in our own province. We oppose annexation by the United States of America whether those ideas originate in Montreal, or in Calgary, or in Washington, D.C. or in Regina. We reject the attempt to break up Canada whether the impetus comes from the universities or from the board rooms of multinationals, to which we have had reference today or through labor unions or from politicians. Our stance is clear and I want it irrevocably marked on the record.

Having said that, I would like to say to those who promote western separation that I understand our impatience with confederation as it is now constituted and I share that impatience. The member for Nipawin referred to comments in this legislature by me and by my colleagues, expressing our impatience with confederation as it is now constituted. So, I share their impatience but I do not share, nor can I accept the conclusion to which their impatience has led them.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — I am not here to question the sincerity of any of the members opposite and more particularly of the two members opposite to whom I have referred. But I certainly question the wisdom of anyone who advocates that western Canada become part of the United States on the grounds this will provide expedient solutions to our longstanding grievances. Expediency is always attractive. It is always easier to say, look at all these problems we have had; if we were only part of the United States, they would somehow all go away. Expediency is attractive but I suggest it is not fruitful. Don't misunderstand me, Mr. Speaker; I don't downplay the very grave problems which have faced this country. Nor do I for a moment suggest that western Canada and

particularly Saskatchewan has always been fairly treated in the Canadian confederation. More of my life than I care to admit has been spent in attempting to get a better deal for Saskatchewan within confederation.

Our progress has been slow, often painfully, painfully slow. I would be foolish not to acknowledge that often our arguments for a better deal for Saskatchewan and western Canada have fallen on deaf ears. Our grievances are real and they are long-standing and in that regard I agree with some of the statements made by the member of Nipawin. Some of these grievances date back for many years, indeed, many decades. Saskatchewan governments of all political stripes have fought for a better deal in freight rates, in resource ownership and in diversification. And, merely to state those words, freight rates, resource ownership, diversification, is to encapsule much of the history of Saskatchewan.

How many political battles have been fought under those banners? The problems are still not solved to our satisfaction. There are problems with confederation as it now stands, yes, but is the ultimate solution national divorce, as suggested by the member for Nipawin? Is that the right answer? I say with all the conviction that I can muster, no.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — I ask another question. I heard the member for Nipawin say, go out and ask the people whether confederation is working and they will say, no. And, of course, they will say it is not working perfectly. Of course, people in western Canada are aware of the grievances so they will mention that if you ask them that quickly. But ask them the fundamental question, do the people of Saskatchewan or, indeed, the people of western Canada want to separate from Canada? The answer, again, will be most emphatically no.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — Not long ago an extensive poll was conducted by the Canada West Foundation and it gives evidence of what we already know: that western Canadian recognize the problems of Canada, but that western Canadians are proud to be Canadians and want to stay Canadians.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — We recognize that those things which united this country are much stronger than the things which divide this country, and that the economic development and advancement of western Canada, in the past few years, has been remarkable. We are now being heard and heard much more forcefully in the councils of the nation.

We are rapidly gaining a position of greater strength in confederation. No one can deny that! In the nine years or so that I have occupied this office I can say, with conviction, that the voice of Saskatchewan is being heard, and heard much more convincingly today in the councils of the nation than was previously the case.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — This is not because of any particular or peculiar talents of mine. It is, rather, that the economic position of Saskatchewan, the economic position of western

Canada, is such that our voice can no longer be denied. We, here in the West, are being heard — not as fully as we would like, but much more fully than a short 10 years ago.

I say that now of all times is not the time to dismantle our country; now of all times is not the time for western Canadians to suggest that they wish to pull out.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — I ask hon. members to think about their constituencies and to think about this province. We have to admit that to a very great extent the history of western Canada is a direct rebuttal of the proposals put forward in this House by the member for Nipawin.

The West was settled in order to prevent incursions from the South. That was the reason why the West was settled. Many of the pioneers came to this western land because they did not want to be part of the United States; they wanted to be part of a different country; they wanted to be part of a different kind of society, and they resisted any attempts to assimilate with our neighbours to the south. I want to make it very clear that I am not critical of the way of life of our neighbors to the south. They may live as they wish. We wish a different kind of life — not necessarily better, not necessarily worse, but different. This is not the first time that we in Canada have heard the call of continentalism, nor do I expect it will be the last. I say to you, Mr. Speaker, that we in this House and we in this province should resist the call of continentalism now as we have done in the past.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — Decades ago there were Americans who said, let us move into the North. Their slogan was 54, 40 or fight. Their slogan was that the border should not be the 49th parallel but the 54th parallel — 54 and 40 minutes. Their proposal was that the boundary should be far to the north, much of what we now know as Canada should be part of the United States. And people in this land of Canada said, no, and they were successful. I think we should be true to their success and once again say no.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — In, I believe it was, 1848 (now I'm speaking from memory) there were strong calls for annexation by business groups, primarily in the Montreal area, who believed that they could do better in business in the larger context of a united North America. That call too, that siren call, was resisted, and so any call based upon the argument should today be resisted. The member for Swift Current, a few days ago, asked about his children and grandchildren. I, for my part, would not seek to honour my children and my grandchildren by turning my back on the values and loyalties of my father and my grandfather.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — Mr. Speaker, I was born a Canadian and my parents taught me to be a proud Canadian; I hope I can teach my children to be equally proud of Canada and the values it represents. Incidentally, I want to make clear that one of those values is freedom of speech. I abhor and deplore the ideas advanced by the two members, particularly the ideas advanced by the member for Nipawin this afternoon. I would pride myself as being the last person in this House to agree with those ideas. I would

hope that I would be among the first to defend his right to express those ideas; the right to be wrong, dead wrong, and to express his wrong-headed ideas is a right which Canadians should enjoy.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — My appeal to the two members is this: reconsider the position; make your stand for Saskatchewan and the West. I understand the motives which call forth from these two members their desire to state their conviction that Saskatchewan and the West needs a better deal. Make their stand for Saskatchewan and the West — yes; but stand too for Canada — one Canada. That's my appeal to those two members.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — Mr. Speaker, I do not intend to delay for long and if I may have the indulgence of the House I will conclude rapidly. I want to make a couple more points.

In the recent federal election I don't believe that the people of western Canada rejected Canada. They rejected the Liberal party of Canada by voting for Conservatives and New Democrats. Conversely, the people of eastern Canada did not reject Canada. They rejected to a considerable extent the Conservative Party and to an even greater extent the New Democratic Party. This regional split will cause difficulties certainly, but to suggest that one group of Canadians is consciously ganging up on another group of Canadians because each Canadian voted for the party of his choice, is to suggest a conspiracy more suited to late night television than to the realities of Canadian political life.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — And to suggest the new federal Government of Canada will ignore the needs of western Canada because the people rejected their party, is to provide the Separatists of Quebec with one more argument that confederation will not work. We're beginning to see, by accident or by design, a very strange alliance indeed. I say people who want to break up Canada are separatists. I have opposed separatists. I do oppose separatists whether they're in Quebec or Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — Furthermore, I believe the people of Saskatchewan oppose the idea and the people who espouse it.

My second point is a brief one. We've heard much about the supposed advantages of joining the United States. We've heard our natural cultural and economic ties are north-south rather than east-west. I don't agree with much that was said. However, without getting into a long debate at this time, let me just make a couple of points.

If Saskatchewan became North Montana, what would it mean? Effectively, it would mean good-bye to the hospital plan and medicare. It is simply not possible to contend that that is true. Some members of this House believe it is possible for a province to maintain programs like those without assistance from their federal government. I do not believe that to be possible. The Government of Canada provides that support to provincial governments. The Government of the United States does not provide that support to state governments. We cannot expect that we, as one of 51 states, would be

sufficiently influential to get the United States government to provide that support. Accordingly, in my judgment, those programs are threatened.

We, Mr. Speaker, would be saying good-bye to the Canadian Wheat Board. No one can suggest that if we were Montana North, we would have an orderly marketing of wheat. Maybe it is a good idea. Maybe it is a bad idea. But it would go if we became part of the United States.

No one will deny or contradict this. We would be saying goodbye to all our ties with the British parliamentary system and all the traditions our forefathers had fought to maintain. It would mean, in short, trading a confederation which is known for a union full of imponderables. It would mean the Canada we have today, though not perfect by any means, would cease to exist — cease to exist at a time when it shows more promise, I suggest, than ever before in its brief history.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — The problems and challenges which face this country are great. And we may fail. We may fail to keep it together as the member for Nipawin suggests. Maybe we will be unsuccessful. But I for one do not propose to abandon this great ship of Canada just because the going is getting a little rough.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — One of the main arguments put forward by the member for Nipawin was that our economy and our society are dominated by the United States; that this trend is irrevocable and accordingly, if we want to have a voice in the economy which governs our lives we must become part of the United States. Now that argument is logical if you accept all the premises. I believe, as does he, that the United States' economy has a very large part in governing our lives. I believe, as does he, that if that is to continue we in Canada will have little voice as Canadians. Where I disagree with him is on whether that situation is irrevocable and must continue; I, for my part, believe that Canadians can stand on their own feet, and with proper leadership and direction, will stand on their own feet.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — His choice is to say that trend is irrevocable and, accordingly, we should get at least a finger on the wheel by becoming U.S. citizens. I choose, rather, to remove, or at least lessen, that U.S. domination of our economy so that we can have not a little finger on the wheel, but a couple of hands on the wheel, of the economy that governs our land.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — The member suggested that Canadians cannot define their own identity. And of course, the citizens of any country have a bit of difficulty defining their own identity. It's not the sort of thing one does before breakfast each morning. Nonetheless, I don't think that John A. MacDonald would have had any difficulty defining the vision of what he wanted to create. I don't think that R.L. Borden would have had too

much difficulty defining what he felt Canada was becoming in its formative years. And I don't think that John George Diefenbaker would have had too much difficulty defining what he believed it was to be a Canadian in this latter half of the 20th century.

I believe that we must act to bring about the Canada which these people saw in vision and which we can see much closer to reality. I believe, for example, that we must take steps to get a greater control over our own economy. The member for Nipawin suggested that we had no manufacturing in the West and he is partly right, but I see considerable change as we get a steel industry, as we now move into a fibre-optics industry — not a large measure of manufacturing, but some. I see our wheat farms by-and-large assured as Canadian through legislation which is not widely supported, notwithstanding the fact that it was vigorously attacked at one time. I see us moving in areas like oil to become much more self-sufficient, to see a much greater proportion of our oil industry owned and controlled by Canadians. I see the Petro-Canadas but I also see the Alberta Gas Trunks, and I see other Canadian companies emerging — Dome is an excellent example. Mr. Richards and Mr. Gallagher are giving leadership to that company. I see potash, and members opposite may object to my reference to potash, but when we came to office 15 per cent of that industry was Canadian controlled and now 60 per cent of that industry is Canadian controlled.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — I believe we can similarly get a major voice in the control of the developing uranium industry. Members opposite may feel that this is inimical to their view of what Canada should be. I believe Canadians must get a very considerable voice in that industry as well. I believe if we provide the sort of leadership which can come, not from one side of this House or one party in Canada, but from all Canadians who believe we can make this country not only politically independent, but economically independent, then we indeed can have a strong Canada.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — Mr. Speaker, in closing I want to appeal to Saskatchewan people to give their allegiance to Canada, to what it is and to what, working together, we can make it in the years ahead. Two hundred years ago my forefathers came to Canada from that new country, the United States. They came up to Nova Scotia which is now part of Canada because they didn't want to be Americans. They chose what we now call Canada. Since that day they have done their part to build this country. I'm proud to be part of that tradition. I know many others are equally proud even though their roots may be somewhat different. People have chosen Canada, chosen to make it their homeland and have believed their work would be able to be passed on to their children — a homeland providing benefits for those children that the early pioneers did not have. We are here in this legislature, I suggest, to represent all those people who went before us, as well as the people who are out there. They are our fellow Canadians. There are no more fortunate people on the face of the globe than people who live in Canada today.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — I say let's join together to take that good fortune into being an even better country, a land which our children and grandchildren can be as proud of as we are, a land which will offer an even better life to the next generation of Canadians, a land which we can truly call the true North strong and free.

SOME HON. MEMBERS: — Hear, hear!

MR. D. LINGENFELTER (Shaunavon): — Mr. Speaker, it is both a pleasure and an easy task to discuss the merits of the budget announced by Mr. Tchorzewski in the legislature last Thursday. Because I have many other things to say on the topic I would beg leave now to adjourn debate.

Debate adjourned.

The Assembly adjourned at 5:14 p.m.