

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**March 20, 1980**

**EVENING SESSION**

**Budget Debate Continues**

**Hon. W.E. Smishek** (Minister of Municipal Affairs (Urban)): — Mr. Speaker, when we adjourned at 5 o'clock I was talking about housing. I now turn to the matter of poverty in our cities, and more particularly to the issue of urban native poverty.

Saskatchewan, not unlike the rest of Canada, is experiencing a major social change — a change where people of Indian ancestry are representing an ever-increasing proportion of the total population; a change in that an ever-increasing number of native people are moving to Saskatchewan's major urban centres in order to find jobs, housing, and other essential services. And unfortunately, Mr. Speaker, a change in that a growing number of native people find themselves at the bottom rung of the economic ladder.

Successive governments in this and other provinces have made attempts to address the problems faced by native citizens. There have been made attempts to address the problems faced by native citizens. There have been some successes but for the most part there have been disappointments. Two years ago our government decided to try again to deal with these issues. We said we needed a fresh approach, a new start, of addressing the problems our native citizens face. It was not a decision to set out some arbitrary solutions. Rather, the government decided to ask the people what they considered as problems and possible solutions, and more specifically, what the native citizens and expect their government to take the lead in working for solutions.

This, I suggest, is a long-standing tradition in Saskatchewan of listening to the people first, taking their ideas and working together, reaching consensus and then putting into practice the most appropriate social and economic reforms. Mr. Speaker, this tradition has been followed, and has worked in implementing many of our programs: provision of health services for our people; reorganizing and reforming our education system; developing our resources so as to produce maximum benefits for our people and building our co-operative movement. It is a tradition the people of Saskatchewan expect of their government, a tradition of expecting leadership in social policies. Mr. Speaker, the situation is no different today. The people of Saskatchewan are concerned about the severe problems faced by our fellow native citizens and expect their government to take the lead in working for solutions.

To start with, the government established a committee of cabinet, to give special attention to the issue. That committee is known as the special cabinet committee on social policies. It consists of four ministers, with myself as chairman. We set up a process to provide government with new directions and advice based on what native people, and others, were saying.

This cabinet committee centred its attention on policy and planning, covering urban native issues and poverty in our native urban centres.

Mr. Speaker, the first task was to determine the depth of the problem. Our cabinet committee appointed a special supporting staff to do research and to carry out numerous delegated assignments. They are known as the social planning secretariat. The analysis showed that three factors are of primary importance to the urban Indian

and native poverty cycle: (1) unemployment, underemployment, low-wage employment; (2) lack of education and/or training; (3) racial discrimination.

Mr. Speaker, four other related factors of secondary importance are: inadequate housing, poor health, low levels of social participation and high crime rates. The secretariat has also identified these other factors: 73 per cent of the total urban Indian and native population in Saskatchewan live in the four major cities of Regina, Saskatoon, Prince Albert and North Battleford; 75 per cent of Saskatchewan's native population lives below the poverty level. This is in contrast to about 19 per cent of the non-native population living below the poverty line. The relationship between poverty and Indian ancestry, Mr. Speaker, is overwhelming.

In education — only about one student in 12 ever completes high school, with most students dropping out of school between Grade 7 and Grade 9.

The Indian people are hospitalized at more than twice the rate of the non-Indian population and infant mortality rates are twice as high for native and Indian persons. Over 50 per cent of the adult native working force is unemployed; most native people can only obtain inadequate or marginal housing.

Mr. Speaker, the conclusions drawn were obvious. Clearly, any attack on urban native poverty must be and the problems will not be resolved overnight.

Early in our deliberations, Mr. Speaker, we concluded that we must have the views of native people and of those agencies which provided programs and services to native people. We met with native organizations, parent groups, individual native people; we also talked to school boards, certain teachers and unionists, employers and municipal government, to get their view. That discussion will continue and, in fact, will be broadened to include churches, professionals, and others. Mr. Speaker, I can tell you that we have, in fact, started our discussions with some of the church groups and some of the professionals and others.

During these discussions, not only are we exchanging information and ideas, but asking for a commitment to help. Because the problems are so complex and deep rooted, to solve them will require the good will, support and co-operation of all segments of our Saskatchewan communities. It will also take time.

Mr. Speaker, I regret that there has been some confusion and some distortion of what we are trying to do. Some of the misunderstandings were innocent; others, I suggest, were malicious. For example, at no time did I or anyone in government suggest the government was ready to spend hundreds of millions of dollars. Nor did we at any time propose that employers will be placed on a quota system of hiring native persons.

Mr. Speaker, I also deeply regret that the Progressive Conservatives chose during the Regina North-West by-election to allege that 10 per cent of the housing in the area will be purchased for native persons. This type of racism only aggravates an already difficult problem, Mr. Speaker. This type of propaganda is shameful and regrettable. That's what I mean; malicious propaganda was being spread. Mr. Speaker, as I have already stated, as a result of our investigations it was identified that the major issues facing urban native people were low incomes, unemployment in sufficient housing, lack of education and skill development opportunities, lack of family support services, along with social prejudice and racism.

Mr. Speaker, we are working towards a balanced and comprehensive approach — an approach which I hope will eventually marshal the resources of the government and society. But we are not there yet. We're only beginning. However, we are following certain policy principles. Programs should encourage self-sufficiency instead of long-term welfare. Programs should be people-oriented. Those concerned should be involved in decisions. This means native people and native organizations must be involved in the general strategy and the design of operational features of government programs. Various programs and government should be co-ordinated, each to be a part of a common strategy. The programs should have an urban focus, concentrated initially on Regina, Mr. Speaker, concentrated on Saskatoon, Prince Albert and North Battleford. Later this will be broadened to other centres and to other communities. Mr. Speaker, the Minister of Finance said last Thursday, "this budget contains programs that mark our commitment to that goal."

Mr. Speaker, \$31 is provided this year for programs developed for and with Indian and native people. In education we are proposing significant changes, Mr. Speaker. We are aiming to improve native students attendance and achievement by first training more native teachers and teacher associates, and then placing them in the classrooms. We are proposing to reassess curriculum content so as to have more relevance to the background and needs of native and Indian children. We are proposing to improve the links between the native community and the schools. To do this we are proposing community school co-ordinators to assist communication and to help represent the native community's views to the school. Mr. Speaker, we are also establishing school nutrition programs for selected school communities. My colleague, the Minister of Education, discussed these ideas in some detail on Tuesday last. Therefore there is no need for me to restate them.

Mr. Speaker, in the employment area we will be initiating a number of integrated programs. First, we will establish improved training services, particularly those related to specific job skill and job site training. This is intended to ensure improved access to jobs and more relevant skill development. Second, we propose to increase the number of training on the job placements. We will be promoting job placements in our Crown corporations and in the private sector.

Thirdly, we will have specific native employment and training program within the public service. To achieve this we will establish a special unit within the public service commission.

Mr. Speaker, in trying to implement these programs we will be ensuring that native people and native organizations will play a significant role in the planning and administration of these programs and services. We will seek close co-operation and support from employers and unions. I said that this is intended to be a balanced and comprehensive approach. In order for children to feel secure in a classroom, in order for individuals to commit themselves to training for a job, they must be confident that the necessary basics of life are secure and that adequate housing and family services are provided. Mr. Speaker, we are proposing increased tenant counselling services, day care services for working or training parents along with other related individual and family support services.

In our research and consultation it became clear that native people want and should have the right to be involved in the administration of social programs designed for them. Today in Saskatchewan there are numerous native organizations doing an effective job in developing programs, for example native women, friendship centres,

native housing groups and the Association of Metis and Non-Status Indians. These organizations deserve credit and public recognition, Mr. Speaker. To assist these groups in improving their administrative services and to assist in providing co-ordination we will be setting aside resources for the establishment of community co-ordinating we will be setting aside resources for establishment of community co-ordinating agencies under native control

Mr. Speaker, for the benefit of the members I also want to briefly mention another thrust, that is native economic development. In our discussions with the native people over the past two years it has been emphasized that native people want a definite say in their own economic future. Native people want to pursue activities which result in jobs and economic self-sufficiency. Now in 1980-81 we will begin organizing economic development services for native people. We will be working closely with native people in designing new economic development machinery. We will be working closely with native people and the federal to secure a common strategy which embodies a native participation and maximum federal funding programs. We are committed to provide more and better housing for our native citizens.

Mr. Speaker, earlier in this address I discussed some of the approaches we propose to take. I have mentioned that we propose to be spending \$10 million this year on native housing, about twice as much as what we spent last year.

What I have discussed is merely a beginning, Mr. Speaker. It's not a total comprehensive program that has all the i's dotted and t's crossed. My colleague, the Minister of Finance, said we're embarking on a new decade of progress. At the end of the 80s we want to be able to look back and point to this as the decade in which Indian and native people came to experience some greater participation in this province's social and economic development. Mr. Speaker, I want again to emphasize that this is only a first step, a foundation from which to build for the future.

Some recent media coverage questioned the sincerity of our approach. Mr. Speaker, let me assure native people in Saskatchewan that we are serious, that we will continue our efforts over the long run. The answer is not a one shot, short term, massive expenditure of funds. Our commitment is to do the best we can over the long term. Thirty-one million dollars is provided for this beginning in 1980-81. We must shortly begin planning for 1981-82, deciding what of our '80-81 package is working, what is not and considering new ideas. This is our approach, Mr. Speaker.

In summary, the genius of the people of Saskatchewan has been to develop programs to meet human needs. This genius has meant that Saskatchewan people and their government have been recognized across North America as being willing to take the lead, willing to let people do things for themselves. This question of urban native poverty requires an overall commitment to social change. This is clearly a question of human and democratic rights of our fellow native citizens. Mr. Speaker, I call upon the people of Saskatchewan to lend their support and assistance. Yes, Mr. Speaker, I say to you and to the people of this great province, the Government of Saskatchewan and our citizens of native ancestry need your help.

Mr. Speaker, I shall oppose the amendment. I will support the motion.

**Some Hon. Members:** — Hear, hear!

**Mr. R. Katzman** (Rosthern): — Mr. Speaker, I am glad to join in the debate. As it is a budget debate I think we should talk first about money as that is what a budget is all

about. First of all, I would like to make a few comments to the Premier on the utterly disgraceful way in which he treats members on this side of the House re grants. I refer to grants within our constituencies as I have made known to the Minister of Tourism.

What happens is, if there is a major function in a constituency and they request a grant which is up \$3,000 for a special banquet or so forth, they are informed they must have a cabinet minister attend or a high-ranking civil servant or else they will not qualify for the grant. I have made that known to a cabinet minister who was a co-operative enough to take a Sunday of his own time and fly up to my constituency so they would qualify. I made my thank you to him at the time — I refer to the minister responsible for tourism. But, I was a very disappointed when my constituents were told that their own MLA would not suffice as a government person at the affair.

If those were the facts, I was willing to accept them as long as it was a cabinet minister or a high-ranking official. But then I started to do some checking to see if that is how they treat government backbenchers — non-cabinet ministers. Sure enough, I discovered that a member for Saskatoon has represented the government. He was no high-ranking official — a backbench MLA. And yet the grant was paid out. All I am suggesting to the Premier is, when he checks on his government, will he make sure that the rules are there for all. Either follow the rule that it has to be a cabinet minister or a high-ranking official or all MLAs, no matter what side of the House, should be eligible to cause the grant.

Talking about grants, Mr. Premier, over the last few years, as I have sat as a member in this House, we have seen amendments to may bills which all indicate that the minister, at his will, can give grants up to a certain figure.

**An Hon. Member:** — \$10,000.

**Mr. Katzman:** — That's right. The Leader of the Opposition says \$10,000; that is the figure. Now, Mr. Premier, there is no telling the opposition (or even the government backbenchers) who is getting the grants and what area and when. May I make a suggestion to the Premier that he inform his cabinet ministers as they dole out these grants that they at least notify the MLA whose constituency the grant is going to, be it opposition or government and at least, also now, notify the Leader of the Opposition. The Premier seems to indicate that maybe the government MLAs know, but the opposition doesn't. I am not sure if that is what he is indicating. I am suggesting he should, out of fair play, let both sides of the House know. That way we don't have to take up the time of the House every year discussing it.

Mr. Speaker, the Department of Labour is one area for which I am the critic this year, as well as government services. The one thing that I am sorry to see —and maybe I will hear about it a little later on in the session — is that the Minister of Labour has not suggested we will have labelling of hazardous materials for the benefit of those working in the province of Saskatchewan so they can protect themselves from hazards. I refer to the paints and things like that.

You know, the minister, from his seat, says if Joe Clark would have got busy in his eight months . . . It seems interesting to note the Minister of Highways had to stand up and compliment the Clark government for accomplishing things that for so many years you fellows couldn't negotiate with your Liberal friends.

Let me, Mr. Speaker, talk about . . . (inaudible interjection) . . . Oh yes, they are the friends of the Liberals. Didn't you know that?

Mr. Speaker, let me talk about a subject that affects my constituency and, of course, was reflected in the budget. It is called Meewasin Valley Authority, which the Attorney General and I enjoy getting into a debate on quite regularly . . . (inaudible interjection) . . .

Mr. Speaker, as I was about to say, until we had that very excellent side comment, MVA is a thing that concerns my constituents and obviously because the government is financing a portion of it, it is part of the budget debate.

The concerns in my constituency are two. There is a rural issue which affects the minister from Biggar, and the city issue, which affects the city of Saskatoon MLAs.

**An Hon. Member:** — The minister of Biggar wouldn't be able to help you.

**Mr. Katzman:** — The minister of Biggar — you realize most of the people who are affected and are doing the loudest yelling, are in his constituency, but he doesn't worry about things like that.

But back to the MVA situation and Raymond Moriyama who is doing the review. I am not ashamed to say I was one of those who went and presented my views, because this man has supposedly been given the authority to make recommendations to this House on the boundaries and the legislation.

Mr. Speaker, in speaking with Moriyama, I suggested the river edge is the thing the people of Saskatoon and rural Saskatoon thought they were getting. The act does not seem to indicate what their original concerns were.

You know it is interesting to note the member for the big North, the member for Prince Albert-Duck Lake who once got — if I remember correctly — work from that department and for some reason was separated from it . . . (inaudible interjection) . . . It seems to indicate — how did I vote on it? It's interesting to note that at least I'm man enough to say when I made a mistake. It's unfortunate that you people aren't man enough to do that.

Mr. Speaker, the MVA policy must be changed. It doesn't make sense to say the area 17 miles from a river must be controlled for the benefit of the river. There are other acts which take place which require that you cannot change the natural flow of water. Therefore, the only concern Mr. Moriyama had was the natural flow of water, and in our meeting he seemed to indicate he did not know that legislation was in place or he may not have recommended as much area. So, I'm suggesting that hopefully in his suggestions to this House he will come back with a recommendation of no more than 300 feet, as the river edge was originally suggested. No more, it could be less, Mr. Minister of Education, you've got so much trouble in your own department I don't know why you should even bother getting into this discussion. You've got all kinds of trouble. Get after your own department and clean it up instead of getting into this.

Mr. Speaker, the legislation, which was patterned after the Wascana legislation, forgot one object — the majority of land in this plan was privately owned. Some people suggest that (I'm not sure if it's right or wrong) it was possibly a land grab or a land bank

formula or so forth. I suggest that the R.M. council with proper and good laws of their own on zoning could protect the edge of the river. The city of Saskatoon has got zoning by-laws with which they could protect their area.

The concept of protecting the riverbank for future generations is admirable and we all appreciate the idea. But it is interesting to note that most of the people Mr. Moriyama referred to said that the private individuals kept his land cleaner and protected the historical sites better than the public land. So that is a point we must take into consideration. The medicine wheel and other things in that area were protected not by government, not by the R.M., not by the city, but by the ratepayer and the owner of the land. He has done an admirable job during the years. It is interesting to note that the lands owned by the city of Saskatoon in the R.M. of Corman Park had been the most vandalized and the most dumped-on pieces of property that require protection and cleaning up. I suggest that the city of Saskatoon has many things to benefit from this plan where the R.M. of Corman Park citizens are really losers in many areas.

Mr. Speaker, the MVA concept, the massive boundaries which it covers, the legislation all need some massive overhaul to bring them in line with the original concept of those who were originally involved in the project. I suggest when I say that, the farthest extremity, in my mind, which goes back to the original, seems to indicate 300 feet and the controls were mostly left with the R.M.s, elected officials and the city of Saskatoon's elected officials rather than appointed people who you cannot take your serious concerns to. It's interesting to note that in the Minister of Labour's seat they are now looking at a proposal along those lines, and the constant contact between the Mayor of Moose Jaw and the people in Corman Park expressing his concerns . . . (inaudible interjection) . . . You know the Minister of Labour is complaining about my speech, but he should have listened to the speech from the Minister of Urban Affairs. He was so boring and he's been here so long that we should have taken that one as read. From another seat comes the minister in favor of grain only for Saskatchewan, against livestock producers. I will not make comments about the speech he made at the livestock convention because I'm afraid it would take the whole evening to show my disgust with that type of speech at that kind of affair.

Let's go back to another way this government operates, and another concern in my constituency and a concern that's been there for many years. Oh, I'm sorry, the minister from Tisdale left. I had a couple of comments for him now . . . (inaudible interjection) . . . You'll take his notes. If you're going to take notes for the member for Tisdale ask him to check his facts to that he can lay them on the minister responsible for SEDCO today, all about the Eldorado affair.

We all saw a movie called Harvest the other day, and the Premier implied in this House that it was false. It could have happened by accident. It seems strange though if any of you have seen that movie. I can identify some of the people in the movie for you — who played which portion and when the characters seemed to switch from one character to another character. In the comments we see after, SEDCO says they are not going to sue CBC because it was just a hypothetical thing and the facts aren't totally right.

I suggest that maybe you should talk to some of the farmers in the area and find out if maybe the facts were awfully close to the truth. Check with some of the television statements on the news in the last short while. They seem to indicate what the Harvest situation — I refer to individuals who were approached by SEDCO — was very close to the truth in many areas, as far as it refers to the SEDCO people. But maybe the SEDCO people misled. It's interesting to note that the minister responsible for SEDCO put out a

press release. It says:

When the options were taken up they knew what it was for.

Notice how he phrases his words very carefully. He doesn't indicate that when the first contact was made . . . until the MLA for Rosthern got in and challenged the minister from Tisdale, who suggested that, no, it wasn't for Eldorado, it was for an industrial complex. That's available to you at CFQC on tape. You can check that one out. Yet, a few days later in the federal House they admit, yes, SEDCO has been hired by Eldorado to get options for a refinery project. So let's get to the truth of the matter. Let's not couch our words in such a way that we just don't want to talk about the real facts. You want to talk over here where you can't get hurt. The facts are, Mr. Speaker, that the people of the Warman area were indicated . . . In fact one young lad informs me that in his own kitchen when he asked the people from SEDCO if that is for the uranium refinery the fellow said no. That's an interesting statement, but that's the way it goes. The minister for SEDCO puts out a press release saying that when the options were acquired they knew what it was for — only thanks to the member for Rosthern who made it public, no thanks to the government. That's where the movie was just a little off so I just thought I'd indicate to you there. That was a place where the movie was a little fiction, but very close because there was an MLA who did announce the project. It wasn't a government member as the story says in Harvest. It happened to be an opposition member. But that's the way it goes.

You know, it's close. You know, it's fiction. I'm sure the Minister of Education knows what fiction is because for a long time he's lived in that world. But anyway . . .

**Mr. Taylor:** — He's just mad he wasn't in the film.

**Mr. Katzman:** — The member for Indian Head — Wolseley says he's mad he wasn't in the film. Well, let me indicate if you look at the film closely, you might see what other MLA seems to be inferred to be there. I'm not sure who that MLA would be.

**An Hon. Member:** — Wouldn't that be Prebble?

**Mr. Katzman:** — Well, I'm not just sure. I don't think it would be proper for me to put the whole story in perspective. It would be interesting to note the fellows that came over and told the individual they wouldn't help him combine might have been other people I could point out in that story as well. I mean, we could spend many hours and point out who was who and how each item happened and why. But then, this government doesn't mislead or tell off-colored facts. They get it all straight right down the line. You know, we said that that's what it was for right from the start . . . (inaudible interjection) . . . No, that's not what you said. Your statement said, when we took the options.

And then, as we get into Crown corporations in following years, the minister of SEDCO and I happened to have a little discussion about the acquiring of property. They haven't bought any and I had to show him a land title with SEDCO's name on it. And they said no, no, no. In fact, if I remember correctly, it was either the member for Turtleford or the member for Redvers, who said where did you get that information? I said, it's accessible at land titles. Just go down and look. You'll find it there.

But anyway, the Minister of Labour says tell us everything you know. Well, let me suggest to him, that if he were to tell us all he knows, it wouldn't take more than five minutes and he knows more than most of the guys on the other side.



**Some Hon. Members:** — Hear, hear!

**Mr. Katzman:** — Mr. Speaker, as I said, there were a few items I would like to touch upon concerning my constituency. They were the MVA, the Eldorado situation, the grants that are hidden away and nobody seems to know just who's getting them unless we push you in the House, your misleading facts on the SEDCO arrangement with Eldorado.

But, Mr. Minister, you know that government says we tell it the way it is. They proved their history in the Eldorado area alone. They don't tell it the way it is. Therefore, how can any of us trust them in the nuclear industry with their mines and everything else? How can you trust them to be the policeman and a player in the game? It never works. That government proved it's not capable of it and not able to keep the straight line and follow the concerns of the people.

Mr. Speaker, this budget that came down . . . Another thing I noticed — and I refer again to my constituency — is that for several years the Minister of Environment now, formerly the minister for DNS, made comments re the water supply in my constituency. You may be aware, Mr. Speaker, the city of Saskatoon cordially and willingly assists the rural areas, the small towns, with water supply.

Each year, in water supply, I asked one question. Are you considering assisting Saskatoon with the expansion of the water filtration plant in Saskatoon or are you building one of your own to serve the water line? Each year, he indicates he is considering it. I always ask the question, Mr. Minister. It's unfortunate your side never gives any answers, but we keep asking the question. Just look at the blues today and you'll see the length of questions that you people don't want to answer. If I remember correctly it was over 500. But you are not talking about answers. The member for Kindersley brought in a bill for information — freedom of information — no way. You guys don't want anybody to know what you are doing. It all has to be kept hush-hush and only you guys know. The SEDCO and Eldorado involvement is just another proof of the pudding of how you guys operate.

Anyway, back to the water situation — I am watching to see in the budget, or in Crown corporations, if finally the Minister of Environment is going to come through with the assistance to Saskatoon or the assistance of building a water filtration plant.

Mr. Speaker, it is unfortunate that my time is up, because, I think, I could spend the whole evening pointing out to the members across the way, the way that they have gone wrong and how they have misled . . . some of the facts. It is unfortunate that the minister for Tisdale has just come into the House when I just talked about him for five minutes. I would love to start it all over again, Mr. Minister, but if I would do that . . . so I would suggest you read Hansard and get some very educational reading and learn about some of the facts, the truth.

Because of the lack of concern for agriculture in this budget, because of the statement by the Minister of Agriculture suggesting that we should all be grain farmers only, I cannot suggest that I will support the budget and, therefore, I will be opposing it.

**Some Hon. Members:** — Hear, hear!

**Hon. G. MacMurchy** (Minister of Agriculture): — Mr. Speaker, the sharpness of politics in Saskatchewan is well-known across this country. People like Jimmy Gardiner, Ross Thatcher, John Diefenbaker, M.M. Coldwell, Tommy Douglas, Woodrow Lloyd, put us on the map with their strong and colorful and principal contributions to the debates of public issues.

Mr. Speaker, our Premier, Allan Blakeney, continues this fine tradition. I don't think I have heard anyone express progressive thought, with respect to Canada, better than it was expressed yesterday in this Assembly.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — Mr. Speaker, the high calibre of leadership, however, continues to go unmatched by the members opposite. Not only do the Conservatives show no signs of improvement in this session, but in recent weeks they show even further signs of deterioration and collapse. I think it is true, Mr. Speaker, for the last three years the Conservatives have had a very serious political problem because of the member for Nipawin, who was their leader. I say to you that in the last two weeks they have been in trouble because the member for Nipawin is not their leader. I don't believe that the Conservative Party in Saskatchewan can shrug off responsibility for the separatist faction that is going up around that member for Nipawin. The kind of thinking that leads people to separatist opinions is the kind of thinking on which the Conservatives, in this province, build their base. It is reactionary and it is right wing. So the separatist faction has its roots in the same political sentiments as the rest of the Conservative Party opposite.

The two members in the far corner over there differ from the other 15 Conservatives only in degree, not in basic philosophy. New Democrats, Mr. Speaker, have told the people in Saskatchewan the Conservatives placed little real value on our health care services and public programs for people. I think the truth of this is borne out by the actions of the member for Nipawin and the member for Swift Current. Because of their attitudes to public services it is easy for them to stand up in this Assembly and advocate joining the United States because they don't really care very much whether Saskatchewan would have a medicare plan, or a hospital plan, or a child dental care plan. They would forget about these programs in their rush to join the United States. Mr. Speaker, the casual ease with which Conservatives opposite can switch into advocacy of separatism is a very telling comment on their real priorities.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — People are going to think twice about voting Conservative because of the cavalier attitude to important services.

I say to you, you do not find New Democrats, you do not find progressive thinkers anywhere in Canada proposing the West should join the United States.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — New Democrats put top priority and high value on our parliamentary system. We put top priority in keeping and improving our health care system. We can see the problems the West has in a nation of 22 million people. It would be multiplied one-hundred fold in a nation of 220 million. We choose Canada because we see a strong future here, a future of growth and development that benefits the

average family, not just a few.

Mr. Speaker, the disarray and the confusion in the members opposite reveals the weaknesses of the Tories over the last three years and I say tonight they can't be blamed on the leadership of the member for Nipawin who used to be the leader of the opposition.

I say to the members opposite, where is the leadership of Grant Devine? Why has he failed to set out a coherent and sensible policy position? The new leader says he stands for God and family. I respect him for that. I sincerely do. But that is the only unclear statement he has made.

The party built by the member for Nipawin, the part that is in the uncertain hands of Grant Devine, is obviously not the party of the late John Diefenbaker.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — The problem of the Tories is not the wild behavior of the former leader. It's not the weakness of the new leader. The Tories' problem is they do not have a vision of the future and only have a sentiment to the past.

What can the Conservatives opposite claim as their own policy? A balanced budget? The hon. member for Humboldt balanced the budget. A stronger economy? This government has delivered a stronger economy in Saskatchewan. More industrial development, more growth in high technology industry? The government has delivered that too. Consider for example what the new fibre optics industry will mean in terms of industrial leadership, not just in Canada, but in North America. All of it because of the forward-looking management of our Saskatchewan Crown corporations and our NDP policy of a co-operative mixed economy.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — Maybe those Tories opposite would like to lay claim to a policy of building resource revenues around a heritage fund. But I ask them, how can they build a heritage fund when they won't say how they will develop the heavy oil industry in this province? How can they build a heritage fund when they are not prepared to state a clear policy on uranium? Who will believe a party which stands on both sides of this issue? Who will believe a party which sided with the oil companies?

Mr. Speaker, I know the Conservatives want to lay claim to the farm vote. Mr. Speaker, I welcome the challenge. I invite the Tories and their new leader to state their position on the crowrates. I invite them to state their position on the Hall report; I invite them to state their position on the crow benefit plan. I invite them and their new leader to state their position on the Canadian Wheat Board and the domestic feed grain policy? I invite them to state their position on the fundamental issue that's facing the livestock industry in this country. Mr. Speaker, I invited their leader to state how their policies are different from the American system that his two former colleagues now support openly.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — Mr. Speaker, I want to challenge this new leader to challenge this government, and I put that challenge to the new Leader of the Conservative Party, Grant

Devine, tonight. Stand up and state your claim. Stand up and defend your claim. I say the members on this side of the House are waiting for the new leader, and I say the people of Saskatchewan are waiting for the new leader.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — Mr. Speaker, when Richard Gwyn was looking at the 1980s (Richard Gwyn, who writes for that Toronto-based paper), he was talking about the eastern predictions of gloom and doom for the '80s. That's what Conservatives talked about — doom and gloom. His comment was go west, young man. But skip Alberta, about which we've already been told more than we could possibly want to know. Instead, he said, consider Saskatchewan.

In 1970, Saskatchewan was a broken province. Its population was in decline. The worldwide glut had dropped the price of wheat to less than \$2 a bushel. To prevent potash mines from closing the provincial government rationed production. To reduce wheat production, Ottawa paid farmers not to sow their fields. Oil exploration? There was no market for the stuff; it had ceased. Today Saskatchewan has started its own heritage fund; it has wheat, oil, potash and uranium and the world wants as much of each as it can get. The province's population is soaring; so are its cities. In Saskatoon, more office space is under construction or is being planned than has been built in that city's history.

Alan Fotheringham, writing from Vancouver in that other Toronto-based national magazine, Maclean's, said in his predictions for the '80s that by 1989 Saskatchewan will be richer than Alberta because of its oil, potash, uranium and its wheat.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — Into this climate of optimism the member for Humboldt, the Minister of Finance, delivered his fine budget, and I congratulate him for it. Because what he said is what Gwyn said. In just nine short years the depression and despair inherited by the New Democrats have been turned into strong, balanced growth. The sound management policies of Allan Blakeney have ensured that Saskatchewan's abundant natural resources will not be exploited, but will be developed for the good of all.

As we look to the 1980s, we are particularly conscious of the province's most fundamental and most important natural resources. To illustrate, in 1978 Saskatchewan exported about \$500 million worth of potash. We've talked in potash in the hundreds of millions of dollars. Gross farm income in Saskatchewan for 1980 is estimated to be \$3.4 billion, and by 1990, this could increase to \$5.1 billion.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — Mr. Speaker, this budget presented by the outstanding member for Humboldt makes a start on this new decade in agriculture. Let me make it clear, Mr. Speaker, to all members of this Assembly, that agriculture in Saskatchewan in the 1980s will continue to be diversified. I say to the members opposite, the call from a hungry world will demand new attention to the transportation, the marketing and the production of cereal grains. Saskatchewan, Mr. Speaker, has by far the best start of all provinces on agriculture for the 1980s because Saskatchewan has a higher

percentage of young farmers under the age of 25 than either of our neighboring provinces.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — Saskatchewan has 480 farmers under the age of 25, for about 7 per cent of the farm population. Alberta has 2,100 for about 3.6 per cent of its farm population and Manitoba has only 1,500 for 5.1 per cent.

**An Hon. Member:** — Where did you get your figures?

**Mr. MacMurchy:** — From Statistics Canada. Look it up. Mr. Speaker, the most important resource of all therefore, the people resource, is in place in the farming community in Saskatchewan for the 1980s. And it is there with a high degree of youthful energy and enthusiasm that is not there in either of our neighboring provinces. I say to you — I say to this farm expert from Regina — the budget addresses itself to the needs of agriculture in 1980.

First, Mr. Speaker, diversification. There is no question farmers are high users of credit. They require as a normal part of their business operations considerable amounts of credit and they need it at reasonable cost. Interest costs of 18 per cent to the primary producer make loans very difficult for anyone — even for the established producer. They are almost prohibitive for intensification. But all members in this Assembly know that monetary policy in Canada is essentially a national policy. The federal government simply refuses to take control of the issue of interest rates. The prime rate of the Bank of Canada continues to rise. Today's announcement, Mr. Speaker, is 14.79 per cent. That means going rates of over 18 per cent on short-term operating loans.

Mr. Speaker, this budget provides one important step in dealing with the problem of agricultural credit. As the key Saskatchewan government agency for farm credit, changes have been made in the FarmStart program to ensure that sufficient capital is available at reasonable interest rates to establish a viable, intensive farm operation in this province. Under the changes in FarmStart the maximum loan limit has been increased from \$90,000 to \$150,000 to assist farmers in establishing dairy operations, hog operations, beef operations, poultry operations, bee operations and irrigation and vegetable operations and so on. Interest rates on borrowed capital will be 8 per cent for the first five years and 10 per cent for the remaining 10 years on the first \$90,000. The remainder will be at a rate of 12.25 per cent for the full 15 years. Applicants whose productive assets are over \$200,000 will be able to borrow up to \$150,000 but will pay 12.5 per cent interest on the full loan.

FarmStart applications are eligible for repayment in terms of 15 years, which is far in excess of what traditional lenders will provide for animals, for diversification, for machinery. Payment options are flexible; they are tied to the net return of the average producer in the industry. The first repayment is delayed and if necessary the first repayment can be delayed up to three years. Security requirements are lower than the traditional lenders. Farm co-operatives can receive assistance with each individual in the co-operative eligible for the normal amount. Mr. Speaker, 1979-80 has been a total busy year for FarmStart. Six hundred and fifty loans have been approved for a total of \$25 million; 200 new hog operations, 70 new dairy operations have been included in these approvals.

Since the inception of the program, 3,700 farmers have received assistance

amounting to loans of \$130 million and grants of \$17 million. Training, counselling, farm planning assistances are available to farmers under the program and as well, considerable technical assistance from the Department of Education is available. The FarmStart program has contributed significantly to that youthful energy.

In the farm community in Saskatchewan the average age of FarmStart farmers is 29 years. Saskatchewan will be calling on the federal minister, Mr. Whelan, to deal with the issue of agricultural credit. But I say to the members opposite, in the meantime Saskatchewan will continue through FarmStart to soften the blow the federal government has levelled at the farmer in interest rates.

In transportation, Mr. Speaker, this budget breaks new ground for the province — breaks new ground both in moving grain and in strengthening the Canadian Wheat Board. Last year I stood in this Assembly in the budget debate and said it was not the provincial taxpayer's job to equip the rail system. I said it was the railway's job. I still believe that. But in the month following that budget debate last March, it became clear just how serious the situation was.

Neither rail company has bought a boxcar since the early 1950s and they are retiring their old cars at the rate of 1,800 per year. Neither rail company has bought a hopper car for grain movement. The only hopper cars in the system are the 8,000 purchased by the federal government starting back in 1972 and the Canadian Wheat Board cars, the 2,000 cars, paid out of the producer's pools which are coming on stream in the system now.

We began to understand neither rail company was prepared to purchase rolling stock. In the 1979-80 crop year 2 million tonnes of sales by the Canadian Wheat Board had to be deferred. And another 2 million had to be foregone because of the transportation difficulty. An inadequate transportation style, an inadequate rail system, was undermining confidence in the wheat board both on the part of international customers and on the part of farmers.

Your government made a commitment, therefore, last July at a meeting of federal and provincial transport ministers to purchase 1,000 hopper cars at a cost of approximately \$50 million dollars. In September, a memorandum of understanding was signed with the Canadian Wheat Board, whereby Saskatchewan cars would be made available to the board for the movement of grains under the jurisdiction of the Canadian Wheat Boards — wheat, oats, barley, rye, flax, and rapeseed. For movement of grains within the western division the board would control the cars. The agreement was conditional upon the board retaining effective control over the block shipping system. In October, Saskatchewan accepted a portion of an option by the Canadian Wheat Board for the manufacture of 1,950 cars during the last quarter of 1980. We took 1,000 of that option. Arrangements are currently proceeding for the manufacture of these cars. They will be coming on stream October, November, and December of this year. The cars will be manufactured in the Hawker Siddeley plants in Nova Scotia and Thunder Bay.

We're negotiating for the addition of safety features to the Saskatchewan cars as recommended by the elevator agents and the grain service workers which are not included in current cars. For instance, the grain service workers have requested grills be placed under the hatches in the tops of cars to prevent possible injury by falling into the car. And that makes sense. We should have them. I will be bringing forward to this Assembly, Mr. Speaker, the Saskatchewan Grain Car Corporation, which will be the holding company for the cars. The purchase will be financed through a \$55 million

loan from the heritage fund to the Saskatchewan Grain Car Corporation. The \$6 million grant from the Department of Agriculture, which is in this budget, to the grain car corporation will go toward repayment of that loan.

Tentative arrangements have been reached with both rail companies for the terms under which these Saskatchewan cars will be operated. These include no lease fee within the western region, railways to maintain the cars at no charge in Saskatchewan where possible, cars to be available in the off-season for potash movement under the alternative-use agreement which is to be negotiated. Cars may be used for grain movement in eastern Canada if a rental fee is paid. Provision is made in the agreements for emergency allocations, settlement in the case of wrecked or damaged cars. There is no option contained in the agreement with the railways for the railways to purchase our cars. Fifty-five million dollars which moves about \$0.25 billion worth of grain annually for prairie farmers, which also strengthens the Canadian Wheat Board, is in our mind a sound investment of Saskatchewan resource funds.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — In production, the agricultural research fund board, the establishment of which was debated in this majority producer representation, will accept applications for research projects, and will allocate to projects its accumulated interest from the \$3.25 million fund established last year.

I had mentioned before, Mr. Speaker, the energy resource as we move into agriculture in 1980. We have all those 4,800 farmers under the age of 25, the 11,000 under the age of 254. FarmStart has contributed to the establishment of that energy. The budget provides another \$25 million for Saskatchewan land bank — up to \$5 million from last year. Given high interest rates, and prices for land that have outstripped productivity two or three times, it is very difficult to get started in farming — in grain farming — just as it is difficult to get started into a diversified form of farming. The land bank has become a very popular option in Saskatchewan for getting our young farmers on the land.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — Mr. Speaker, there'll always be criticism directed at a program which by its nature says yes to one person and no to 10 or 15 or 20 applicants because there's only one parcel of land. The criticism fades, Mr. Speaker, when young farmer after young farmer comes specially to the Minister of Agriculture to say, I wouldn't be farming if it weren't for land bank.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — There are 2,600 of these farmers to whom farming was made possible by the Saskatchewan land bank program. I say to the members opposite, the waiting list of applications to sell to Saskatchewan land bank now exceeds 200. The government is pleased to allocate an additional \$5 million, not to meet all the demands but to begin to meet the demands in the year ahead. Mr. Speaker, in 1974 The Saskatchewan Farm Ownership Act was introduced to protect the land base for Saskatchewan farmers. Non-residents were prevented from acquiring land in excess of \$15,000 worth of municipal assessment. The hon. members who were here at that time will remember the debate that took place and what a vicious act it was in addressing their remarks to the then minister of agriculture. But by September 1977 it

became clear that the \$15 million assessment was not curtailing foreign purchases. We had seen a group of Toronto individuals acquiring approximately 4,500 acres of prime agricultural land in the Cupar area with grounds to suspect that they were using German money. Additionally, West German interests acquired 7,500 acres of land in the Riceton-Lajord area. Because of these purchases, because of other purchases we introduced amendments in the fall of 1977 restricting non-resident purchases to 160 acres. And it's interesting that it was unanimous support in the Assembly for the bill that was introduced in 1974, in just three years. Despite these restrictions, Mr. Speaker, the purchase of land in Saskatchewan by foreign interests is still being undertaken at an alarming rate, and I say tonight that this government will be considering immediately, very seriously, the resolution passed unanimously by the Saskatchewan Association of Rural Municipalities at its 75th annual convention last week here in Regina.

Mr. Speaker, in addition to the energy of young farmers, energy of another important nature is dealt with in this budget. The farm cost reduction program, a program of 10 cents per gallon to a maximum of \$300 per farmer, will remain in place during 1980. I often hear that this is a rebate program. It's not a rebate program. There's no such thing as a provincial excise tax on farm fuel. Indeed there is no provincial tax at all on purple fuel used by farmers. The farm cost reduction program is exactly what it says — a grant program to assist farmers with the high cost of inputs. In 1980 the farm cost reduction program will pay \$16 million to the farmers of Saskatchewan.

This budget also makes a start on the issue of energy supply for primary producers in the '80s. Mr. Speaker, \$100 million is set aside in an energy security division of the heritage fund and it's a very important beginning to a program which will deal over the next decade with the fundamental issue of availability of diesel fuel and gasoline which are so important to the farmers of this province.

So, Mr. Speaker, much important work is started by this budget on the issues facing the Saskatchewan farm community in the 1980s, but much remains in the decade. First, let's look at the issue of diversification. It's true that the FarmStart program in Saskatchewan is an essential program to the development of the livestock industry. The wide-ranging and very competent technical assistance provided to the livestock industry by the Department of Agriculture is seldom recognized but is so essential and so important. But, I say to the member for Estevan, neither of these programs can themselves solve the most important long-term issues facing the livestock industry. You know we have a tendency to think in Saskatchewan — and in some producers' minds it's an instinct — that if he owns the land, and if he owns the buildings, and if he owns the machinery, then he has freedom and independence and he controls the agricultural industry. But our history, if the hon. member for Estevan would look at it, teaches us that that is just not so. Mr. Speaker, 50 years ago, 60 years ago, Saskatchewan grain producers owned the land, and they owned their buildings, and they owned their machinery, but they found themselves victims of vicious exploitation, where they had no idea from one day to the next what they were going to get for the product they produced. So those grain producers of 50 or 60 years ago decided they simply could not, that they would not, tolerate that exploitation. What did they do? They banded together and formed their own organization to handle grain — the birth of the United Grain Growers; the birth of the Saskatchewan Wheat Pool. In setting those in place they demanded the federal government bring in a marketing structure which would give them some equality and give them security. And the federal government delivered the Canadian Wheat Board. Later on they demanded of Ottawa a plan which would given them some stability through the boom and bust cycles of agriculture that are just beyond their control. Thus we have a grain stabilization program of which the



producers have benefited in Saskatchewan in recent times.

I say to members in this Assembly, are the issues in livestock different from the issues that the grain producers faced 50 and 60 years ago? Security in the industry will not be obtained until there is a willingness to act on marketing and a willingness to act on stability. This is the challenge — the real challenge of the livestock industry in the 1980s.

Mr. Speaker, in transportation there are questions of how the rail system is to be financed. There is a lesson to be learned from the 1970s. The lesson in transportation has been that transportation and grain handling must be understood as a system — as a unit with a number of parts, cogs and gears. If one part is weak the whole chain loses its efficiency. All parts of the industry have begun to understand this and have begun to make commitments to their particular part of the system. Country elevators have been updating their facilities. Just one example — Saskatchewan Wheat Pool, the largest grain company in this province, has spent \$250 million, has committed another \$250 million, for a total of \$500 million — a half-a-billion dollars to upgrade their country elevator system.

The federal government has committed \$700 million in branch line rehabilitation and upgrading. Rolling stock is being committed.

I talked a few minutes ago, Mr. Speaker, about the Saskatchewan purchase. I say that that purchase (the purchase announced by the Government of Saskatchewan) initiated the least of 2,000 cars by the federal government — an announcement by the Government of Alberta to purchase 1,000 cars (although they haven't done anything). Manitoba announced the lease of 400 cars, some of which are already in the system and will be in the system on the lease arrangement for six months. CN announced it would be calling for bids on 1,000 cars; CP announced 75 diesel locomotives for power, CN 20 locomotives. The federal government has announced commitments to rehabilitate 5,000 boxcars of which 3,000 cars have already been completed. Each rail company has committed money for upgrading main line capacity — \$190 million by CN in the last three years, \$250 million by CP in the last five years.

Terminal expansions have been completed at Vancouver. There has been \$17 million spent by Saskatchewan Wheat Pool to add 3.3 million bushel storage capacity. The Pioneer Grain Company spent \$40 million to build a new 4 million bushel terminal. The United Grain Growers have spent \$14 million to upgrade its plan on the south shore. At Prince Rupert the Federal government has committed \$42 million to site improvement costs at Ridley Island. A consortium of grain companies, including Sask Pool, has committed \$150 million to build a new terminal at Rupert. A \$100 million in loan funds has been committed by the Canadian Wheat Board for surge capacity at Rupert. Additional funds are being spent on eastern terminals to upgrade them to environmental standards. Add those up, Mr. Speaker, total commitments on the Canadian system to date amount to \$2.6 billion.

So I say, we've made a good start — made a good start on meeting the needs of the system. I suggest to the hon. members who look to the United States that they should look to that system because that system is 30 years old, as the Canadian system is 30 years old. The problem in the United States is there's no capital commitment to that system like the capital commitments to the Canadian system.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — Mr. Speaker, we've made a start, but more improvements will be needed. The Canadian Wheat Board said we will need 20,000 hopper cars by 1985. The Canadian Wheat Board said we will need 25,000 hopper cars by 1990. We have commitments now for 15,000. Where is the additional capital money going to come from for this hopper car purchase? Where is the money that ensures we don't find ourselves in the embarrassing situation we found ourselves in five months ago at the port of Vancouver when the grain terminals, the new Saskatchewan Wheat Pool terminal and the Pioneer terminal were without grain because the only rail link to the north shore was out?

How, Mr. Speaker, is the system to be financed in the 1980s? Well the hon. members will be interested in the options. The first option of financing this system is obviously a nationalization option. Transportation is an essential service, and as such could most sensibly be operated as a public utility. We do that in Saskatchewan with electricity and natural gas. It's not unlike telephone and power. Service, rather than profit, would be the primary motive. Costs would be equalized over the system so no one is unduly penalized because of where they happen to live.

The tragedy, Mr. Speaker, is that so far in this country we have not had a national government prepared to look at that nationalization option. It's interesting, at the WEOC conference in Calgary when we had Premier Schreyer, Premier Blakeney, Premier Lougheed, Premier Barrett, that a proposal was put to the federal government to look at a start on nationalization of the rail system. That policy supported by those four governments said let's start by nationalizing the road bed. It's interesting, Mr. Speaker, there's only one government in western Canada that stands by that position today.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — That, Mr. Speaker, is the Government of Saskatchewan. Now, at the other end of the scale, and the hon. members are interested in this, is the crow benefit scheme — that's the position of the Government of Alberta and that's the position of the Government of Manitoba. Under that scheme the farmer would pay substantially-increased rates to the railway and they would receive a payment in return from the federal government. In my mind, Mr. Speaker, there are two flaws in the crow benefit plan. One, the farmers have no protection. There's no protection on the benefit. To many times we have had government payments to individuals suddenly dry up in a year or two as its described 'restraints set in.' I remember the \$200 payments of the Diefenbaker government in return for the two price system of wheat. It didn't last long. 'Restraint' and it had to be cut off. Neither, Mr. Speaker, is there any protection on rates for 'this railways' practice to charge what the traffic will bear. The farmer, the producer will be powerless to control the rates, escalation clauses, and poor-year reviews will be no help. Probably just as important or perhaps even more important, Mr. Speaker, the crow benefit gives up the essential principle of equal rates for equal distance.

Those who advocate crow benefit talk about a maximum rate below which deals could be made between elevator companies and the railways for special rates from certain points or from certain lines. Variable rates, they're called. The former deputy premier of Alberta, now the grain co-ordinator, talks about incentives — the same as variable rates. The farmers, under that system, would be forced to haul to certain points or lines because their home point simply would be no longer viable. The principle of equal rates

for equal distance is fundamental to prairie agriculture. Losing it means certain centralization.

Now, Mr. Speaker, between these two options, the public ownership and the crow benefit, is the Hall solution. Hall says (if you really read his report and you follow his remarks), if you guys, you railways want to operate as a private enterprise we'll give you one more chance to do that, and in doing that look at a different approach to compensation. We'll compensate you for your operating costs in the movement of grain, but at the same time we will protect the crowrate for the producer. And under the Hall plan, the federal government would pay the difference between crow and compensatory rates directly to the railways. That's our position — a compromise position, albeit, but it's our position.

We have argued that an agreement each year, as Hall argued with CN and CP, would give some incentive to move the grain because the railways would get paid for what they did, in fact, move. The more grain they got to port, the more they would get paid. The more they invested, the larger their operating revenue.

Mr. Speaker, the Hall position also provides a solution for the rate problems of secondary industry as reflected in the crowrate guarantee plan. Under this plan, the federal government would guarantee crow to the grain producers and make up the difference to the railways. The provincial government would co-operate by providing the difference between crow and compensatory rates for the movement of processed products. The crowrate for processed products moving out of Saskatchewan would go a long way to resolving the problems of the canola crushing industry, the alfalfa dehydrating industry, and, yes, the livestock processing industry.

Mr. Speaker, we will be looking forward to learning the new federal government's position on the Hall report, the report which they themselves commissioned. But has this call for capital and hopper cars, which has been responded to by governments, changed the situation somewhat? Hall's report has been around three years. Hall called for the railways to be responsible for equipping the system under a compensatory rate; we now have substantial commitments of public money and rolling stock in capitalizing the system, branch lines and the ports.

And have we, Mr. Speaker, begun to see another option, a fourth option taking shape, where the public will purchase the rolling stock if that's the only way we can get rolling stock? The public will rehabilitate the lines if that's the only way the lines will be rehabilitated. The public will invest in the ports and the terminals if that's the only way it will be done. But we must also then have control over that public investment. And are we beginning to see emerge an option which is a public capitalization of the system but also a public control of the system?

The last federal government appointed a grain co-ordinator paid out of public funds. The co-coordinator's powers have been limited to car allocation and I think that's unfortunate because I think the wheat board was doing a good job of car allocation. Albeit, if he's going to have car allocation powers, he should have powers well beyond car allocation — effective authority to make sure that this public investment, in fact, gets the job done, because we shouldn't see federal government cars, or Alberta cars, or Saskatchewan cars, sitting on sidings and not moving the grain unless there is a really good reason for that to be so. Authority has to be placed somewhere in order to see that that happens and we will be putting forward, as was requested by the previous government, a legislation proposal which will in fact do that.

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Mr. Speaker, transportation and marketing are intertwined. The marketing system simply can't do its job if the transportation system is not adequate. I say, Mr. Speaker, the marketing system — a confused one — created inefficiencies in the transportation system.

I say to the hon. member for Estevan that the Saskatchewan government will continue its fight in 1980 and the 1980s to have all grains under the Canadian Wheat Board ... (inaudible) ... transportation and for the sake of marketing reasons.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — The natural products marketing council just completed a three-year review of the domestic feed grain policy implemented in 1976. The council has documented that western producers lost \$145 million over three years because of that policy — because feed-grains weren't under the jurisdiction of the wheat board. The open market, the so-called right to choose, has cost western farmers \$50 million a year in the case of feed grain.

I ask the hon. members to think about how on earth — beyond the quota problem — farmers in Saskatchewan can truck grain, in the case of rape seed to the terminal at the north shore of Vancouver. I have asked that council to begin a study on rape seed, to monitor the loss to the western producer because rape seed is not marketed under the wheat board. Grains that are sold under the open market take more time to move through the transportation and grain-handling systems than board grains do, because there is sorting and there is holding. And if the public is capitalizing the transportation system, then the public has a right to require that the transportation equipment be used in the most effective manner possible.

The staff of the grain co-ordinator, the grain authority, who have taken over car allocation from the Canadian Wheat Board, have indicated that they have asked the elevator companies to contact them with the needs for cars for non-board grain. They have indicated these needs will be met and the remainder of the cars will be allocated to the Canadian Wheat Board. In other words, if the needs of the non-board system for cars are to be met, and if there isn't a sufficient number of cars to meet the needs of the Canadian Wheat Board, who is going to go short? The Canadian Wheat Board is going to go short. On that issue, I have asked for a meeting with the new minister of the Canadian Wheat Board and I am going to ask if that is his policy and if that is the policy of the new government.

Mr. Speaker, the 1980s face us squarely with the challenge of production. Let's put the growing world demand for food into some perspective, albeit briefly.

World population is currently growing at the rate of 75 million people per year, or 1.5 million people per week. In order to feed these people the world must provide an additional 30 million to 35 million metric tonnes of cereal grains each year — 30 million to 35 million metric tonnes. Last year Canada's total grain crop was 40 million metric tonnes. Each year the world needs as much new food as Canada's present total production.

The statistics show the world grain trade in cereal grains has grown phenomenally in the last decade and everyone expects that trend to continue. In just 10 years world wheat trade has doubled from 35 million tonnes in the late 1960s to 70 million tonnes

in 1979-80. In the current crop year, '79-80 world wheat exports are projected at 79 million tonnes. That's 9 million tonnes increase in just one year. World trade in coarse grains has increased 4.5 times in 20 years from 20 million tonnes in the late 1950s to 89 million tonnes in the last crop year. In this crop year coarse grain trade is projected to be 90 million tonnes — up 10 million tonnes.

Mr. Speaker, new customers are coming to Canada. Brazil with its recent 2 million tonnes purchase has become a major customer. Nigeria, Indonesia, Iran have all entered the Canadian market for grain. Indications are that China will be an expanding market for feed grain. North Africa which has historically been a net exporter of grain is now an importer of grain with ready cash for grain purchase because it has oil.

Weather still causes wide variations in the world market. It has been an important cause in the dramatic increases in demand this last year. Wheat production in eastern Europe and in the Soviet Union in 1978 was 156 million tonnes. In 1979 it was 717 million tonnes — a drop of 40 million tonnes.

The story is the same for coarse grains. Eastern Europe, USSR fell from 165 million metric tonnes to 143 million metric tonnes. Argentina has a reduced crop of corn, a reduced crop of durham, a poor crop of soy beans and flax. India is emerging as a major buyer in the year ahead. Twenty years ago Canada sold 50 per cent of its grain to Europe, 33 per cent of its grain to communist countries, 17 per cent of its grain to developing countries. Mr. Speaker, we now sell 50 per cent of our grain to developing countries. Production in all developing countries which was to have increased by 4 per cent in the 1970s — 10-year period — increased by only 3 per cent. In the words of the United National Food and Agriculture Organization:

The current world food situation is again becoming precarious in view of the continued vulnerability to crop failures of many countries in different regions. The rising import requirements of the developing countries, the unsatisfactory distribution of food supplies, the absence of an international co-ordinated reserve stock system, the prospective decline in world cereal stocks in 1979-80, and the danger that reserves may fall even below the minimum safe level of world food security . . .

Well, Mr. Speaker, in Saskatchewan we've never really considered productivity as an issue. The farmer always produces. That's his instinct. He produces given the limitation of weather. It's a good instinct. But if we are suddenly asked to deliver in one crop or five crops 50 per cent more grain than we had delivered in the years previous, could we do it? Maybe we could do it for one year but then our reserves would be brought down and what would we call on for the next year? On the average of the last 20 years, 22 bushels to the acre. If production is to increase to meet the Canadian Wheat Board projections of 30 million tonnes by 1985 and 36 million tonnes by 1990, then that production will have to increase to 33 bushels per acre. How can this be done? There is no simple answer to productivity. Increasing productivity can be obtained by increased additions of fertilizer and chemical pesticides to the soil but these are expensive. They are petrochemical products. They are going to continue to increase in cost. That can't be our only answer. We must find other ways to increase productivity. We must ask ourselves whether we make the best use of our land resource in Saskatchewan.

We know we must get at the drainage and flood control issue and we will be introducing

legislation in this session to begin to address this issue.

So what about the summer fallow issue? In 1916 we had nine million acres of wheat and two million acres of summer fallow. In 1979 we had 15 million acres of wheat 17 million acres of summer fallow. And we're doing that when soil scientists tell us that summer fallow is one of the factors in the loss of organic matter and in the spread of salinity. Soil scientists tell us that we should have zero tillage and continuous cropping. But where I come from there are those who have been through the depression and say, what about moisture conservation? Summer fallow is our way of conserving moisture and giving the soil a rest to restore its fertility and they can show you yields to prove their argument. They learned the bitter experience during the depression that summer fallow was absolutely essential in building of reserve moisture, fertility, controlling weeds. We know that much will work because we have done it. But what about crop rotation? We must learn what rotations are best, what mix of stubble and summer fallow to achieve the greatest productivity in a healthy soil resource.

We must understand the complex relations in the soil between the chemicals we're putting on and the crops we are growing. Each area of the province is different. What works in one area won't work in another. Tonight we spent some time with the alfalfa dehydrating industry over the supper hour. They were talking about their rotation operation — never summer fallow. Four years in alfalfa, then a year in flax or wheat and then into rape seed and so on. We must research specifically in each area of the province to find the productivity answers that are best for the particular soil of the area and the particular climate. What about higher yielding varieties of wheat? Do we go to the white and feed wheats? Or do we continue to be the high protein quality wheat producers that Canada is famous for? And if we do, and I think we should, is there a variety that will both increase the yield and maintain and improve the quality? We don't know. This is part of the research and the experimentation that must be done in the 1980s.

The Department of Agriculture in this government is committed to assisting farmers of Saskatchewan in a productivity increase to meet the needs of the 1980s. This will take research; this will take experimentation; this will take demonstration; and it will take the minds and hands of all of us. It will take dollars well beyond the agricultural research fund. We are already at work with the Canadian Wheat Board and the universities and the Canadian Department of Agriculture and farm organization in addressing this production issue. All of us, Mr. Speaker, must think about the actual land itself in the '80s. I talked about land bank and I talked about foreign ownership — those have helped, but it's not sufficient. Farmers and farm organizations are calling on us to address the issue of foreign ownership and farm size. Saskatchewan Wheat Pool at its annual meeting last November passed a resolution asking for the matter to be investigated. The New Democratic Party convention in its meeting in Saskatoon in November passed a resolution asking for a committee to investigate the desirability and the feasibility of limiting farm size as a means of preserving the family farm. We will be setting up that committee before the year is out.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — Mr. Speaker, the energy cloud is ever present. The issue of energy in agriculture is not just a Saskatchewan issue; it is a Canadian issue. There are producers of food in Manitoba and Alberta, Prince Edward Island and Ontario and wherever you go in this country.

For Saskatchewan the Minister of Finance has recognized the need to address the issue of energy supply. He has addressed it in terms of a fund of \$100 million to be allocated in the best interests of the people of this province.

The talk today is that Canada must have energy self-sufficiency by 1990. But, Mr. Speaker, it is estimated that this is going to require an investment of \$200 billion of capital money. If we are going to face the realities of that kind of investment then the price of oil is going to go up. The people of Saskatchewan and the people of Canada are going to pay higher energy costs. Our position is that a substantial portion of those higher energy costs should go into an energy bank. It was a principle put forward by the Premier of this province when the energy crisis began as a principle that we should do and we have made a start on that in Saskatchewan.

It makes sense on a national basis too. Just as the Saskatchewan Energy Security Division of the heritage fund will allocate development dollars and exploration dollars to Saskatchewan oil, it will allocate dollars to conservation and will consider proposals of alternate energy sources — like gasohol. So, too, in a much more meaningful way, could a federal energy bank.

I want the hon. members to think about this. We are told that energy self-sufficiency is going to require a capital investment of at least \$200 billion if we are to achieve it by 1990. The industry in Canada is worth an estimated \$30 billion. I think, Mr. Speaker, we need to do some soul-searching in on this issue.

Let us suppose that I gave up — the thrust and the jabs of the member for Wilkie and the member for Rosthern were too much and I resigned to go to build a high-rise in Semans. The high-rise was going to cost me \$1 million and the land was going to cost \$100,000. What would I do? I would buy the land to build the office building on. I say we should think about investing \$200 billion of money that will be generated by the users of energy in this country into an industry that is now worth \$30 billion.

**Some Hon. Members:** — Hear, hear!

**Mr. MacMurchy:** — Mr. Speaker, we face an exciting and challenging time in the 1980s. Never before have we faced on a set of circumstances in agriculture, as we look down the road in this decade.

The new circumstances will demand an open mind. It will demand a willingness to take risk, to try new things. But that doesn't frighten us on this side of the House. It is no different really than what was demanded of our fathers and our forefathers. For our grandfathers and our fathers faced such circumstances that had never been tried before. It deadened courage and imagination and hard work and they did things differently than ever before. Yes, their circumstances were different; yes, they were confined to a limited physical area with rather immediate and certain results.

But I say to members in this Assembly the needs of the 1980s are no less real and no less immediate and no less urgent than those of our ancestors who we are honoring in this year, the 75 birthday of this province. The effects will be no less drastic if we don't do anything at all. The solutions lie, just as they did 50 years ago, in courage and imagination and most of all in co-operation and as I said once before it will take the hands and the minds of all of us.

Mr. Speaker, I will be voting against the amendment, I will be voting for the budget.

**Some Hon. Members:** — Hear, hear!

**Mr. G.S. Muirhead** (Arm River): — Mr. Speaker, it is with pleasure that I reply to this budget on behalf of the constituency of Arm River. Before I get into the content of my speech, I think I had better touch up the Minister of Agriculture.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — If that man knew as much about agriculture as he does about playing hockey this province would be okay. We have been sitting listening to his speech here about agriculture. If I was the Minister of Agriculture and I may be some day, I would be telling the people of this province how to move their grain.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — I would have my name in the paper every day saying we have to move grain, we have to get the price of cattle up. What about the price of hogs? What about irrigation in this province? Do we not understand, Mr. Deputy Speaker, that agriculture is the most important thing we have in this province of Saskatchewan? What did we hear about agriculture tonight? Nothing. I have a group of farmers from my own constituency sitting up in the galleries and they have one thing in mind and that is move grain.

**Some Hon. Members:** — Hear, hear!

**An Hon. Member:** — They'll be embarrassed . . .

**Mr. Muirhead:** — They won't be embarrassed. They are the ones to see that I am here instead of Faris. Last year, in my reply I talked about the leaky budget. This year, Mr. Speaker, I'm afraid I have to tell you it is a leaky boat. It would appear that the Hon. Minister of Finance in his previous portfolios was becoming too popular. In other words, he was getting too close to the captain of the ship's chair. So, Mr. Speaker, he was given the position of finance — but to my surprise there was a balanced budget which pushes the Minister of Finance closer to the chair.

Mr. Speaker, we all know there will be bad days ahead for the minister and bad budgets ahead and the captain will put him out to sea in a leaky boat. No rudder, no paddles, no way but down, down, down.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — But of course, Mr. Speaker, there could be a lifeboat thrown out to save him by Mr. Fines. He was the man who could balance a budget anytime he wanted to, whenever it was necessary. Mr. Speaker, I was at the commissioning of the great golden tower in downtown Regina last summer . . . (inaudible interjection) . . .

Yes, I got an invitation and I was present when all the recognition and expression of thanks were bestowed on the ex-finance wizard, the former finance minister of Saskatchewan. Mr. Speaker, it was a very moving occasion. It brought tears to the eyes of the honored guest but it was interesting to watch the people all standing with their hands over their wallets, and all asking, who supplies the gold for the building? Mr. Deputy Speaker, I tell you it was a long two hour stand there with your



hand in your pockets . . . (inaudible interjection) . . . perhaps, Mr. Speaker, I was wrong. Maybe the honored guest was so moved that he brought one of those saddlebags back and gave it to the Minister of Finance so that at least we could pay the \$60 million which is the cost estimate of our 75th anniversary, and, of course, would help soften the blow and make it easier for his friends to come up with a balanced budget.

Mr. Deputy Speaker, this business of balancing budgets is much easier for a government than it is for the average person. I have a hard time balancing my budget. This is the time of year when my friendly bankers call me in. Let's make out our budget for the year. We put down our list of our expenses: our machinery expenses, our fuel expenses, our feed expenses, our depreciation on our machinery — we list them all. Then, over on the other side what do we have to do? We have to come up with the money to balance the budget. Wheat, 30 bushels an acre; rape, 20 bushels an acre; flax, 15 bushels an acre. We figure it all out on a quota basis. Little bit short. So, I hawk my farm a little more to balance the budget. Everything's fine. I go home with a balanced budget. But, it doesn't rain. I didn't grow enough. The price of cattle went down . . . (inaudible interjection) . . . The good Lord looks after the rain. The hon. member maybe doesn't know that the good Lord looks after the rain in this province. But I have to go back in the fall and say, I'm short. What does he do? He has to lend me some more money and I have to balance the budget.

What do you people have to do? What do you do? You have a deficit budget last year and you bring in this little tidy book supplementary with \$36 million short, and you outvote up 44 to 15 and your budget is balanced. Who couldn't balance a budget that way? And I'll guarantee you, next year, with this balanced budget, that this little tidy estimate won't be \$36 million. It's going to have to be a hundred and some million at least, to balance the budget. Because we're getting closer to election time and you're going to have to spend more money to buy more votes to get elected. Let's move on and give a shot on the heritage.

Do you know what I think of heritage fund? The proper name should be the NDP slush fund. When are we going to have a full public accounting of the slush fund? Surely in this 75th year of our heritage our people, our taxpayers, particularly our senior citizens will be told in layman's language the true facts about the heritage fund. I notice, Mr. Deputy Speaker, that they got very quiet when I said that, because they're not going to tell the senior citizens. All you have to do — you have a paper — print it in there. Tell the people where you stand on the heritage fund. Tell us where you stand on all the things you hide.

I'm glad the Minister of Health is here tonight. Last year I brought in a delegation from Outlook. And I thank you very much that you settle our problems temporarily. But I talked to the administrator from Outlook this morning and he asked, where is the money? He phoned in to your department and asked, what happened to our \$23,000 which was promised? He phoned back two days later . . . The Minister of Health thinks it's a joke. He thinks medicare is a joke in this province.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — And a man like him, who stands up here and makes fun of the only woman in this House, has got to be the worse disgrace I ever saw.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — I don't like condemning people because we're all elected in our own constituency. We're all supposed to have a little bit of intelligence. Now, if I was a cabinet minister and I couldn't stand up to answer this lady's questions without going into torments and getting all exciting and going into fits, I'd resign as a cabinet minister.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — Mr. Speaker, I'm going to move to environment for awhile, but don't worry I'm coming back to the little fine show after a while.

Mr. Speaker, it is generally agreed that if we in Saskatchewan are to continue enjoying the good quality of life and offer the same benefit to future generations, then effective action must be taken to protect all aspects of Saskatchewan's environment. Any government has a responsibility to protect the environment in every way possible. Mr. Speaker, I must however conclude that this current administration has not made the protection of Saskatchewan's environment a priority. Simply stated, they have allowed the Department of the Environment to become a department that reacts rather than initiates — by the way, where is the Minister of the Environment? He hasn't been here for so long, I don't know what he looks like — a department that has no clout and really has become ineffective in protection of environment. In making that statement, Mr. Speaker, I do not do so lightly. I do so as one who has been and continues to be the spokesman for the official opposition on the environment.

**Some Hon. Members:** — Hear, hear!

**Mr. Speaker:** — Order, order! I ask the co-operation of both sides of the House. Now I think we have had pretty fair wheeling for a while. Let's listen to the speaker and well try to co-operate in that manner. Please.

**Mr. Muirhead:** — Mr. Speaker, let us for example take a look at the record of this department with regard to ensuring that stringent standards be mandatory for the purification of drinking water. On December 14 of this past year I called for a standardized compulsory drinking water test. Last spring I sent a letter to every incorporated community in Saskatchewan in an effort to build up an overall picture of drinking water quality. The results of the survey confirmed to me, Mr. Speaker, that there should be a standardized compulsory confirmed to me, Mr. Speaker, that there should be a standardized compulsory drinking water test at provincial expense of which all communities could avail themselves. Many communities, Mr. Speaker, are not aware they can have their drinking water tested. Some of the smaller communities cannot afford the test. Since safe drinking water is of vital importance to the good health of people I would once again urge the Department of The Environment to establish a standard compulsory annual drinking water test for all the communities to be paid for by the government of this province.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — Government, Mr. Speaker, must show leadership in protecting the well-being of all citizens and comprehensive drinking water test would be a positive step.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — Then, Mr. Speaker, there was a six-point environment protection

plan, which the Progressive Conservative Party proposed. In this instance the government reacted. We, on this side of the House, have been calling for amendments to the Department of the Environment Act, incorporating preventative measures to ensure that hazardous substances pose no threat to the health of the environment of Saskatchewan. For some time now I have been dismayed the Department of Environment has not taken proper preventative measures to protect the people of Saskatchewan from hazardous substances.

I also stated some time ago, Mr. Speaker, that while I welcome amendments to The Department of the Environment Act to incorporate regulations for the cleaning up of hazardous substances. I also feel this is proof the Minister of the Environment has not learned anything from the previous spills of the hazardous substances. The role of the Department of the Environment is to take preventative measures to ensure that in future hazardous substances pose no threat to health or to environment and to provide leadership and encouragement to the development of waste disposal technology. The NDP government continues to be reactive rather than active in their attitude toward the environment. Indeed, Mr. Speaker, their actions are like closing the barn door after the horse gets out.

Today, Mr. Speaker, I should also like to touch upon the subject of uranium development in Saskatchewan. In light of the recent announcement by the Premier of British Columbia that there will be seven-year moratorium on uranium exploration and development in British Columbia, it is necessary the Blakeney government make clear its policy of using public money for the funding of uranium development in Saskatchewan.

**An Hon. Member:** — That is your policy.

**Mr. Muirhead:** — Boy, if I was government you sure would know.

The government has already spent over \$300 million in public funds for uranium development; by 1981 this total investment will exceed \$500 million. At this stage, Mr. Speaker, there are several observations which can be made.

They are that the Blakeney government is guilty of three crimes: (1) it has chosen to ignore the fears of the public; (2) it already has spent so much public money it is over its head and cannot afford to reverse its position; (3) it has gone against the policy of the federal NDP, of which it claims to be a staunch supporter . . . (inaudible interjection) . . . You will could call it hypocrisy or mugwumping.

This government, Mr. Speaker, has had a very bad record in dealing with incidents of environment . . . They know what the word means; they have been doing it all their lives. They have a very bad record in dealing with the incidents of environmental contamination. WE need only remember it has been four years since the PCB spill at Federal Pioneer in Regina. They are absolutely stumped in resolving the clean up of this disaster. Therefore, how can we possibly put any faith in their ability to effectively and quickly deal with disaster of such immense magnitude as a nuclear accident. Of added importance — how can the current administration possibly protect public health and the environment from nuclear hazards when it is so intimately involved in the development of the very thing against which it is supposed to safeguard us?

Mr. Speaker, my seatmates keep saying to me — have they not cleaned the PCBs up yet? No, I don't think they will, so I am going to bring my own truck in and do it myself.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — Mr. Speaker, they don't need to laugh because four years ago it would have fit in the back of my truck — every bit of it. Now there are 20,000 cubic metres. Two more years, there'll be 40,000. Laugh!

Mr. Deputy Speaker, I question government parties when it comes to spending millions of taxpayers' dollars. Would it not be better, for example, to spend \$100 million on a pipeline to guarantee a safe water supply to the cities of Regina, Moose Jaw, and the surrounding areas? What has happened to the so-called people's government which has been promising for years that their motto is people before money?

It is time, Mr. Deputy Speaker, the government make a clear statement about where it plans to go in the area of nuclear development. Furthermore, it is important the Blakeney government beings to involve the whole legislature and the public in the determination of how public money is spent. The days of secrecy must end.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — Either way, it is easily seen the Blakeney government is not living up to the responsibilities invested in it by the electorate. Mr. Deputy Speaker, the Premier must clarify the following issues:

1. A clear statement of Saskatchewan government's present and future involvement in uranium development;
2. A clear detailed outline on how the Saskatchewan government plans to dispose of all wastes resulting from uranium mining and refining in Saskatchewan;
3. A complete statement on how much money has been invented in uranium development by the Government of Saskatchewan including its Crown corporations since 1971;
4. The establishment of an active, full committee of this House with a research budget and staff to fully investigate the whole question of uranium development in Saskatchewan;
5. To answer the question, what is the estimated return on the investment for tax dollars invested in uranium development?
6. Would the clean-up from an incident of environmental pollution from uranium development be paid for by the public as a consequence of the financial involvement of the Saskatchewan government in uranium development?
7. Will the Premier stop all further investment of tax dollars into uranium development?
8. If the Key Lake Commission brings back a report to the Premier's suggestion that uranium development is dangerous, will the Premier stop any further uranium development in Saskatchewan?

These, Mr. Deputy Speaker, are questions that have to be answered. We, in this House, will not rest until they are.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — Well, Mr. Deputy Speaker, the old bucket shop operation just will not go away. You will recall, I gave this House a bit of factual information last year in regard to bucket shop operations which are fronted by the hon. Provincial Secretary on behalf of our hon. Premier.

You know, Mr. Deputy Speaker, those commercial cemeteries that were allowed to be organized in Saskatchewan back in the 1950s and approved by the then security commission headed by our now hon. Premier are back in the limelight again. Of course, I would be remiss if I did not mention the present senior deputy minister in Saskatchewan, the deputy provincial secretary, who was a part of the cemetery fiasco and security commission back in the '50s with the hon. Premier who is also still around and, I presume, still involved in the re-occurring mess.

Mr. Deputy Speaker, I noticed in that tiny little document known as supplementary estimates, from March 31, 1980 — remember, I said 1980, not 1981 — under Provincial Secretary item number 3, it says there is a sum of \$46,400 to provide for grants to cemetery companies in default. I wonder what cemetery this would be? It wouldn't be the one down in Mr. Pepper's seat in Weyburn, would it? I understand it was sold and then turned back to the government and is now being run by an undertaking firm owner who is a friend of Mr. Pepper. Well I'm afraid the bucket shop operations are going to continue to haunt the captain of this ship forever and a day, Mr. Deputy Speaker, this is just the mini-part of my 1980 edition of the continuing saga of the NDP bucket shop. I'll add more chapters as the year goes on, or I should say, continues. And maybe even this speech goes on. You know these bucket shop operations in Saskatchewan remind me a bit of the airport duty-free shop the Liberals in Ottawa got involved with.

Hopefully, Mr. Speaker, the Premier or his devoted colleague, the Provincial Secretary, will this time round give this House and the public the whole story on commercial cemetery operations in this province. Tell it like it really is, so not only those of our citizens who have contracts in these cemeteries paid up in the full will know where they stand, (I see the Provincial Secretary is getting a kick out of this one) but the public will know which commercial cemeteries are financially sound now and can be expected to be in the future. Most importantly, it will let those who have paid in full for services to be rendered when required know what the government of the day — which is the same government, in fact the same persons, who got them into this mess — going to do about guaranteeing without doubt the future delivery on prepaid contracts in commercial cemeteries that are presently in financial difficulties. Who licensed them? Yes, who licensed them and who didn't watch them for 30 years?

I wonder, Mr. Speaker, how the hon. Premier and the hon. Provincial Secretary would feel if they were senior citizens, say 80 years old, who had purchased lots in one of these cemeteries that are now in default. What if they were told the contract for marker, opening and closing of the grave, etc., for which they paid \$10 a month in 1953 up to now — that the money isn't there to provide those services and that the perpetual keep promised might not be provided? This is sure a great way to celebrate our 75th anniversary in Saskatchewan. You would think that after eight years of Liberals' reminding them of this mess — at least the Liberal regime did try to clean it up — that when the hon. Premier got back into power in 1971, he would clean up a very sad situation. This is a situation that no one should condone or be proud of. The citizens involved in this rotten mess have not only been hit in the pocketbook, which is not

unusual, but they've been hit in the heart.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — Mr. Speaker, there's one thing I'm sure of and that is every pioneer of the Prairies does his utmost to provide for the day when he will require the plot on the prairie. You talk about people before money. This has got to be it.

Mr. Speaker, let us return to the Douglas and Fines era. Of course I should mention at this point that there Prime protégé at that period was the wonder boy from Nova Scotia who was at that time a civil servant is now our Premier.

I am going to make a few quotes from a book. This book is Douglas in Saskatchewan, written by Robert Tyre, a very prominent legislative reporter who sat up there for 17 years. I am going to cover a couple of very important issues. I will refer to a debate between the late Mr. Ross Thatcher and the then premier, Tommy Douglas. Why did this debate come about? It came about because the late Ross Thatcher in the House of Commons knocked the Crown corporations of Saskatchewan. After their scrutiny, he knocked them right through the coals; he said where Crown corporations stood at that day. What happened? I will read to you what happened, Mr. Speaker. Your man of the cloth, the premier of Saskatchewan at that time, Tommy Douglas, went all through this province yelling, screaming at every place he spoke about Ross Thatcher, that liar and traitor Ross Thatcher. That's not me speaking' I quote the man of the cloth. I am just going to read one paragraph . . . (inaudible interjection) . . . Oh don't worry. Mr. Speaker, this book was printed in Mitchell Press in Vancouver and I've got 250 books coming and I will give everyone a copy.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — The older members know what is in this book. But the backbenchers know nothing about it and they will have to read it to know. Mr. Speaker, they are going to have to read this book to know what the CCF-NDP policy was in 1944 and what it is today in 1980.

Mr. Speaker, I quote:

A far cry now from his Weyburn pulpit Douglas unmercifully lashed his opponent and thundered that he was going to drive Ross Thatcher out of the province. Douglas was addressing a meeting in the town of Ogema when he challenged Thatcher to meet him for a debate on a public platform. He may as well make up his mind to have a joint meeting because I shall hound him from one end of the constituency to the other and drive him out of this province.

Is that what happened? No. The day after Douglas issued the challenge the newspapers reported Thatcher would accept. The Liberals said the language used by Mr. Douglas in calling him a liar and traitor was strange for a provincial premier.

Mr. Speaker, what happened at that debate? When Mr. Thatcher got through with the premier he never again won an election in this province. Who won? Mr. Thatcher. He was the premier. The premier tried twice more to win seats in this province. Never again. They had to give him one out in B.C.

Mr. Speaker, I want to jump to just one more chapter. It will only take me a moment. It's about oil deals in Saskatchewan — under the table oil deals! MLA for Thunder Creek, Al Cameron. This had to do with charges that the government engaged in under the table oil and mineral deals. I wonder if they still do it today? What about the sweetheart SEDCO deals? . . . (inaudible interjection) . . . Mr. Speaker, I am quite capable of reading this book, it takes two and one-half hours.

All right, I'm going to read a little bit more, 'Charges of another kind in 1953 were brought against the Hon. C.M. Fines, the province's treasurer. Mr. Fines was accused along with the general manager of the Saskatchewan Government Insurance Office, M.F. Allore, of taking kickbacks for directing insurance and bond business to a firm called Financial Agencies. An agent for the Saskatchewan Government Insurance Office, Mr. Fines was the minister in charge of the government office' . . . (inaudible interjection) . . . I'll tell you. They had a hearing — right here in this legislature they had a hearing. The hearing attracted large crowds. The proceedings filled many newspaper columns. There was in the evidence a document, Exhibit R, on which some calculations had been worked out. Allore admitted under pressure that he was' — it was his handwriting — can't read . . . (inaudible interjection) . . . It's scratched up too much. I've got to get this right. It's very important. It's an old book — kicked around a long time.

Mr. Allore admitted about a 40 per cent kickback to himself and Fines. There was evidence of mysterious phone calls which were supposed to have to do with arrangements for Mr. Fines to meet Mr. Rawluk and receive his kickback. There was evidence . . . (inaudible interjection) . . . yes, and they named a building after this guy . . . (inaudible interjection) . . . That's what we'll get to — yes, we're coming. There was evidence of mysterious telephone calls which were supposed to have to do with arrangements for Mr. Fines to meet Mr. Rawluk to receive his kickback. There was evidence given by Rawluk of a promenade along Eleventh Avenue where he was picked up in Fines' car in order to pass to Fines a sum of money in an envelope. There was a testimony of devious attempts to get a hold of the original evidence in Rawluk's possession.

Now you want to know again what the results were? Here's what they are. I'll read it to you, just to bring it to your attention:

At an impartial hearing an investigation by the committee was a joke, said Mr. Robert Tyre. It was too heavily loaded with CCF members, among them Mr. Douglas. The Premier turned in a fine versatile performance as judge, jury and Crown prosecutor. It was obvious that he very badly wanted to play the role of executioner too.

He seldom was quiet and never partisan. His tongue gave poor Rawluk a bad time. He threatened Rawluk with court action. He made frequent mention of what he called Rawluk's emotional and mental instability. He said Rawluk was suffering from a persecution complex. He suggested Rawluk was suffering from delusions — that his telephone was being tapped, that he was being followed and that he thought he must carry a gun to defend himself. He did his best to suggest that Rawluk was a bit insane. He suggested that Rawluk be injected with a truth serum. Mr. Douglas seemed more interested in destroying Rawluk than getting at the truth. There were a number of people in the audience who took a strong dislike to Douglas after that

performance. They declared it was vindictive . . .

And that's why he never got elected in this province again, Mr. Speaker — a man of the cloth! It took a little while before the people of the province found out about it. The committee rendered its report. It has since been referred to as the Douglas report. It displayed all the bias and prejudice exhibited by Douglas during the hearing. It found that the Rawluk charges were wholly unwarranted and unfounded. It played up sections of the evidence which were most favorable to Rawluk. It ignored or lightly dismissed the evidence incorporated in the charges made by Rawluk. It was heavy coat of whitewash. Liberal members of the opposition refused to accept the report. They opposed its adoption by the committee, but they were outvoted by the CCF majority. That's how it got settled — they were outvoted. The Liberals next presented a motion asking that the evidence be referred . . . (inaudible interjection) . . . when you're talking about the Hon. Mr. Fines, it has a lot to do with the budget.

The Hon. C.M. Fines continued to grace the office of the provincial treasurer for another seven years, then he stuffed his bonds and his bankbooks into the saddlebags of his Cadillac and like Allore left the province.

Mr. Speaker, I am sure that many of the members sitting opposite do not know the history and background of their party, and I am sure that our press corps in this House are not aware of the complete day to day operation of the CCF-NDP in the past. There is no doubt. I am sure that the press corps will believe the facts as they have been written by one of their responsible colleagues, Robert Tyre. Therefore I would hope they will take time to read the book.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — Mr. Speaker, I want to tell this House and the people of this province they should think seriously. The situation is exactly the same in 1980 as it was in 1944 under the CCF-NDP. The only difference, Mr. Speaker, the government is more arrogant, has more money, smoother con artists and professional advertisers to convince the taxpayer with his own money. I hear remarks from NDP and the members opposite that the Conservatives are in trouble. Let me tell you, it is reversible. The last election every PC candidate in this province went out and knocked on the doors trying to sell a leader that was an unsaleable product. But I assure that in the next election we have a leader that is a saleable product.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — You'll know where he is. He is a man who was born and raised in Saskatchewan. It's time that Saskatchewan had a Saskatchewan born premier.

**Some Hon. Members:** — Hear, hear!

**Mr. Muirhead:** — Well, he is well-respected where he was born and raised. He is well respected in Saskatoon by everybody who knows him. He is well respected by the press corps. He is well respected by everyone who knows him I assure you that we have a leader for the next election. We'll be on the offensive and your government, Mr. Speaker, will be on the defensive. When your candidates are knocking on doors, these are the kinds of questions that are going to be asked. Is that right that our Premier was involved in the SEDCO mishaps, cemetery fiascos? And is it right that he condoned the Hon. Mr. Fines who fleeced the province of Saskatchewan for goodness knows how



much? Yes, Mr. Speaker, it will be your government's candidates who will be at the doors defending your leader. Mr. Speaker, I will be voting for the amendment.

**Mr. B.J. Poniatowski (Saskatoon Eastview):** — Mr. Speaker, I am pleased to rise to take part in the budget debate. Once again the Blakeney government has produced a responsible budget. I want to commend the Minister of Finance for introducing a balanced budget. It is also a budget with increased funding for health, social services, and education. Our government is committed to placing people first and the same time refraining from mindless cutbacks in the area of crucial programs.

Other governments, particularly Tory governments, have said people must bite the bullet, or must tighten their belts, in order to balance budgets. This has come to mean people must bear the costs of poor economic planning and fiscal management by Tory governments. The financial plan before us shows people need not suffer when government brings in a balanced budget, not if they live in the province of Saskatchewan.

Last fall the members opposite were in a most jubilant mood. Their federal counterparts had assumed office in Ottawa and the nation was told Canada would see a new era in restraint, fiscal management, and deficit reduction. Taxes were to be cut. The business community would surge forward with new confidence. The civil service would be reduced. In short, we would get a new look at how the Tories could manage the nation's business.

The federal Tory budget turned out to be a fiasco. It failed to meet either the needs or the expectations of the people of Canada. Instead of holding the line on government expenditures the Tory budget allowed for a full 10 per cent increase in federal spending. Instead of promised tax cuts Canadians were faced with the prospect of a new \$3.5 billion tax bill. Farmers would have to pay 40 cents a gallon more for their fuel. The Tories began to talk about ending family allowances, about massive cutbacks in social spending, and about reducing benefits for the unemployed and the poor.

Big oil companies, on the other hand, were promised an extra \$33 billion. The new era promised by the Tories was to be an era of double digit inflation and double digit unemployment. That was their solution to the nation's economic problems. That was what they had to offer. This unfair budget, this fiasco budget, triggered an election which saw the Tories stripped of seats in every region in this country.

Fully one quarter of their elected MPs went down to defeat. It is time for the members opposite to sit up and take note. It is time they learned what fiscal management is all about. Restraint need not mean placing an undue financial burden on the backs of people. Balancing the budget, as our government and our Finance Minister have done does not mean that programs for people must be reduced or eliminated. The economic policies and programs to which the Tories subscribe have long outlived their usefulness. One wonders when members opposite will decide to enter the 20th century with regard to economic directions and programs.

Mr. Speaker, this year Saskatchewan will achieve a budgetary surplus of about \$1 million. Revenues are expected to be about \$2 billion, while the government expenditures, likewise, will be about \$2 billion. The overall increase in expenditures will be 8.7 per cent. Government spending will see a continued high priority on health, social services, agriculture, education and other vital areas. This is a clear indication of sensible priority setting.

A few comments on our health care system. This year the Saskatchewan Hospital Services Plan funding will be increased by 13.7 per cent. There will also be a 16.3 per cent increase in the funding for the cancer foundation. Another \$3 million in capital spending will be allocated to the University Hospital in Saskatoon.

Saskatchewan enjoys a worldwide reputation as the pioneer of medicare in North America. This budget reaffirms our commitment to provide health care services for all citizens. It should be noted that members opposite usually oppose expansion and innovations in our health care system. Currently, there is a federal commission headed by Justice Emmett Hall investigating the medicare problems in Canada. The federal government used to provide funds that were tied to provincial spending on health. The Liberals in Ottawa not too long ago turned those funds over to the provinces unconditionally, thus allowing provincial Conservative governments to cut back on health spending. Tories, in particular, have been hostile to medicare plans and here is no reason today to suppose their position has changed. Nevertheless, good health care for all will remain a priority in Saskatchewan.

**Some Hon. Members:** — Hear, hear!

**Mr. Poniatowski:** — On this vital point, Mr. Speaker, I wish to congratulate the Minister of Health, my colleague from Saskatoon, for his efforts in maintaining a high priority with regard to health services and for his recent excellent presentation on behalf of the government at the Hall commission inquiry in Saskatoon.

In education, this year's budget will see a 10 per cent student increase in operating grants for universities. Last year the Saskatchewan bursary plan was increased by 30 per cent. Capital grants for universities this year will be increased by 42 per cent, reaffirmation of our commitment to provide the necessary facilities for the education of our youth. The major portion of the 42 per cent increase in capital grants this year will be directed to complete the new engineering building on the Saskatoon campus of the University of Saskatchewan. This kind of expenditure will pay dividends for years to come by providing more and better professional training for our young people at home. This year the budget will also increase funding for provincial technical institutes by 9.9 per cent. This kind of government expenditure will allow an even greater number of our young people to receive valuable vocational training in their home province. It will mean the provincial work force will be increasingly a skilled one.

Thousands of jobs have been created in every sector across the province by our booming economy. This year schools across the province will receive a 9 per cent per student increase in operating grants. The Department of Education will be making over \$600,000 available in conditional grants in the area of native education. In this respect, the Minister of Education and his departmental staff have introduced a good number of creative and bold initiatives, all this and more in a balanced budget. Education spending represents an investment in the future, and the future looks bright for Saskatchewan people both young and old. People are now coming to Saskatchewan at the rate of about 12,000 a year. Our young people are able to find work here. Since 1971, when the Blakeney government assumed office, the Saskatchewan economy has created over 90,000 new jobs. People are coming to Saskatchewan to acquire jobs in one of the most healthy economies to be found anywhere.

**Some Hon. Members:** — Hear, hear!

**Mr. Poniatowski:** — Some comments on social services. While our provincial economy forges ahead, our provincial government has not forgotten the people who pioneered this province. This year the budget has increased the senior citizens' tax rebate to \$210. The Department of Social Services will increase its spending on home care and funding for special-care homes has been increased by over 20 per cent. Funding for day-care centres has been increased by nearly 25 per cent and funding for social service organizations is up by nearly 30 per cent. I say again to members opposite who still haven't got the message, a balanced budget need not mean massive cutbacks in programming for people. It need not mean winding down the economy and throwing people out of work as your Tory friends have been doing in the province of Manitoba.

With respect to the economy in Saskatoon, Mr. Speaker, as a representative for Saskatoon I am particularly pleased with the economic development there in recent years. The dynamic nature of the Saskatchewan economy is characterized by the present growth in my home city. Last year's building permits in Saskatoon surpassed \$250 million — an eleven-fold increase in 1971. In 1979 residential permits worth over \$100 million were taken out while commercial and industrial firms exceeded \$150 million.

In the eight years following the change of government in 1971 about \$1 billion worth of construction has taken place in Saskatoon. Of this about half has been residential and half has been in the commercial and industrial area.

Again, Mr. Speaker, with regard to Saskatoon, I want to touch on some programs which are more specific in nature. In Saskatoon many of these programs stem from the balanced budget. I have already mentioned the \$3 million in capital grants for the University Hospital as well as this year's funding of \$6 million plus for the new engineering building now nearing completion at the University of Saskatchewan, Saskatoon campus.

The University of Saskatchewan will also receive something like \$2.6 million in additional capital funding for the slowpoke reactor. This recent project will be carrying out valuable nuclear research providing information in an area of energy technology that is becoming increasingly important in today's world. I would hope that the member for Arm River takes advantage of some of that research because at this point in time he is somewhat ill-informed.

In my concluding remarks I want to briefly refer to our approach in the area of resource development. Members opposite continually indicate their total commitment to the private enterprise philosophy of government. This, in effect, leads to a total domination of an economy by the multinationals. I strongly believe that the mixed economy approach is the most just and beneficial in today's setting. Surely there is a role for some of the following: the private and public sectors, co-operative enterprises, and joint ventures such as we have in Saskatchewan involving the public sector and the private sector.

New Democrats strive to bring about greater economic equality and social justice for all. Unfortunately, members opposite continue to offer simple solutions to today's complex problems and situation.

In conclusion, Mr. Speaker, I wish to indicate that I fully support our government's commitment with regard to sound resource and fiscal policies, the very creative and

innovative planning which we have had and our high commitment to essential social programs.

Mr. Speaker, on behalf of the constituents of Saskatoon Eastview I will be voting against the amendment and I will be supporting the motion.

**Some Hon. Members:** — Hear, hear!

**Mr. R.L. Andrew** (Kindersley): — Mr. Speaker, the political form of a budget debate is an important form. It is the form by which we, as legislators, try to make the government accountable. This is an important part of the start of this budget debate. However, because of recent happenings, I would like to make some comments on a subject I feel very strongly about.

As I rise in my place I am very concerned about our times; I am very concerned about our country. I am concerned that we, as a country, in fact have the will to forge on into the next two or three or five decades. I say that in a very important and pleading way, but I also say to the members of this Assembly, do not confuse patriotism with political expediency. The former is the fibre that ultimately binds our country together; the latter is always but fleeting and the weakest of reeds.

In the words of John Diefenbaker, the man who attracted me to this party 23 years ago, I think we must pause and reflect. In the last speech I heard Mr. Diefenbaker give, he said, where are we going? And, today, I think that is a very important question for us all. Where are we going?

There are those in our region who would have us give up on our country and I say that is wrong. I know that history will reflect that they are but a moment in the history of time — and well it should — but again, I would caution prudence by the members. And, again, in the words of John Diefenbaker, we must not make martyrs of those who deserve no such glorification. In the passions of patriotism, though, we must not forget our fundamental freedoms; we must guard that that never happens. The freedom of speech and the freedom of assembly are too important to waste on that type of person. Those are basic to our system and must never be weakened. No cause is surely worth that.

And, again, to refer to the man whom I have great compassion for, Mr. Diefenbaker. Civil liberty is not only the right of those we agree with, it must be assured to all within the law, even those who condemn us or oppose what we believe. And that must never be forgotten.

I am saddened, and I say, perhaps, even a little ashamed of what has happened in recent weeks, but I believe that in the end we as a country, and we as province, will be stronger for it; we will be better for it. But I am saddened as well, Mr. Speaker, to watch perhaps even with disgust, some members opposite with their reference to Mr. Diefenbaker. I say to them — political opportunism. I am saddened especially that those for whom he had little respect should use his name in vain. I refer, particularly, to the Minister of Highways. He cared not for Mr. Diefenbaker's belief in one Canada. He did not understand his reason and now he stands in praise of him when Mr. Diefenbaker has now been denied a rebuttal. I am proud of my leader, Grant Devine. He has made it clear and unequivocal — patriotism to Canada is a manifesto of our party that will not be compromised. Ours is the party of MacDonald and Cartier. Ours is the party of confederation.

**Some Hon. Members:** — Hear, hear!

**Mr. Andrew:** — There are those in or the regions of Canada who would have us give up on our country. Their threat is much more real and surely must trouble all those who care. The manifesto of our party, small in numbers as we might be in the province of Quebec is the same — one Canada. We are not interested as a party to negotiate sovereignty but I ask the members opposite, what is the manifesto of your party in the province of Quebec? One Canada? I don't think so. How will your federal candidates in the last election vote in the referendum? Some will vote yes. Will they vote yes for Canada? I don't think so. What does your national leader say? What does Mr. Broadbent say? They don't really want to break up Canada. Do you believe that?

In that line I also wish to make a point with regard to the ejection of people from a political party. Last summer I picked an article from the Leader-Post in Regina. It was a summer issue and it was a comment on a Mrs. Virginia Holmberg of Moose Jaw. I think it is worth talking about. She was drummed also from a political party. For disrespect for Canada? I don't think so. Because she had the moral belief and the conviction to take a stand on abortion and she had the courage to stand up and tell the world where she stood. I say to the members opposite, what about western Canada? I say to the members of this Assembly that for the most part there are no better Canadians than the people of western Canada. Few have made as many sacrifices, financial and otherwise, especially in later times. But, do we hear thank you? Do we hear thank you from the people in Ontario — I don't think so. I hear Stuart Smith — do you want to defend the people of Ontario, the Liberals of Ontario? Let me hear this — let's hear what Stuart Smith has to say, Mr. Speaker. The Liberal's cry in Ontario is stop Alberta. I want to make it very clear about this — we say not one cent to the producing provinces (Stuart Smith of Ontario). None of the revenue should go to the oil companies of the oil producing provinces. Peter Lougheed has to realize he cannot be a member of Canada and OPEC at the same time.

I ask members opposite, as residents of western Canada, is that a way to say thank you? We can jostle back and forth my friends. We move on and one of these grows or another one grows and where does our country go? I say we must make it clear. We in western Canada have not been listened to. To say otherwise is to run away from the questions. We have all heard it. What about our freight rates? What about our tariff policies which have favored Ontario for 100 or 150 years? What about our grain industry? Our beef industry? I say to you, it is not enough to simply say the people of western Canada are becoming impatient. We deserve more than that. We must be difficult; we must be tougher, to speak up against those people

I say, as the member of Qu'Appelle has said today, if we walk alone and Trudeau is able to skilfully pit one against the other, then the game goes on. Then I say, what advantage is there for a senior minister of this government to say the two Independent members are the vanguard for Peter Lougheed's western Canada party? Do you believe that? The Minister of Education says that's right. Do you believe that? Why not call him a coward? Why not call him a traitor? It's the same thing. Why don't you call him a traitor? Is that some way to move?

I say, Mr. Speaker, Stuart Smith would like that comment. I will say that Rene Levesque would like that comment — political expediency. Where are we going?

If you can spare perhaps a personal shot here — this week I was blessed with a new son and that is very good.

**Some Hon. Members:** — Hear, hear!

**Mr. Andrew:** — As I held that child for the first time I paused and said, hey, what legacy will we leave for this child? What legacy will we leave for his generation? What legacy will we leave in the field of energy, agriculture, in the field of the environment? What legacy will we leave in our province's bank account? Those surely are our questions.

Mr. Speaker, I did want to go into some to-do with regard to the budget but in view of time I shall save that and speak on estimates on that matter. But I do say one thing and I say this in a non-partisan way if it can be accepted that way. There's no better Canadian than John Diefenbaker. I suppose the most patriotic thing, and we should all listen to it — you can laugh — but we all should listen to what he said in 1956 at the leadership convention. He said, I have but one love — Canada; one purpose — Canada's greatness; one aim — Canadian unity from Atlantic to Pacific. As Canadians we must all stand for that, not in a joking way, and if we all stand for that we will be a better country for it. Mr. Speaker, I will be voting against the budget.

**Hon. R.J. Romanow** (Attorney General): — Mr. Speaker, I want to thank the hon. members on both sides of the House for giving me just a few minutes, and I will try not to make it too long this evening, to get a few remarks off on this very important budget debate. It's been a long day and a long evening. Listening to the member for Arm River and the member for Kindersley I thought it was going to be almost too long an evening for me. I have this tremendous image of the hon. member for Kindersley holding up his two or three-year-old baby and getting all this advice back about Canada. All I can say to the member for Kindersley is I think you're better off getting advice from your four-year-old son than getting advice from your forty-year-old leader in this House. That's for sure, judging by the PCs.

Mr. Speaker, tonight the PCs seem to have a lot of things on their minds. The hon. member for Arm River seemed to have cemeteries on his mind and who was going to pay for the cemeteries and the like. I should tell the hon. member for Arm River that he better start worrying about who's going to pay for the PC funeral, Mr. Speaker. If I may say so, I think and I say this quite seriously — the remarks were really rather nasty, rather petty, rather out of character and out of date for the member for Arm River. I say if he looks around him and sees who else in the caucus they have tagged with the responsibility of trying to do this kind of unfortunate thing, he might get a lesson that he ought not to follow the suggestions of those in the caucus office who are writing these remarks for him. I think it out of character for a guy who basically is fairly well liked in the legislature; the remarks were totally out of character and I simply think that it didn't hold him a in very good stead today.

I also want to say, Mr. Speaker, such as I am disappointed in the hon. member for Arm River, I am even more disappointed in his colleagues, who, after he finished his address, almost to a man, came up, man by man, and woman, and shook his hand and congratulated him for that level of a speech. It's got to tell you something about politics. It's got to tell you that this is the same caucus that stood up and gave the former leader of the PCs a standing ovation a short three months ago for a speech that he delivered in this House, and is giving the member for Arm River the kind of congratulations for the nature of the speech that he gave tonight. I hope this is the last time we are going to hear from the member for Arm River in that regard.

Mr. Speaker, the hon. member says he just started. Well, good luck to him. I also want to make a comment that the member for Arm River said that they have an new leader who is respected and well-known. He may be; I don't know him at all. I'd like sometime to at least meet Mr. Devine. If he's so well-known and respected, I say to the members opposite, take him off the shelf. Take him off the shelf, dust him off, show him to the legislature, show to the people of Saskatchewan to see whether or not he is really trusted and respected and liked as you say he is.

I say to the hon. members opposite that you have every opportunity. There are 15 of you who have gotten up during the course of this debate and have sworn your undying love and devotion and allegiance to his leader, and not one of you has shown the courage to resign your seat to give that leader a place in this legislature. That's how much love and respect this caucus has for this PC leader.

If this PC caucus follows the tradition of PC caucuses everywhere, we can know how much love it has for any leader let alone for Mr. Devine. I wouldn't want to be embraced by that kind of love and support.

Now, Mr. Speaker, I want to make two propositions tonight and I'll do it very briefly. I say to you that the Progressive Conservative Party in Saskatchewan is politically on the slide. And I know they're laughing at this. I think there are a number of statistics and figures that support this. I'm not going to go through the federal results. I will indicate that on the federal results the Progressive Conservatives had 36.5 per cent of the vote in 1974, then showed a momentum up to 42.2 per cent in May 1979, and are now back down to about 38 per cent, a drop of four to five points in February 1980. Nationally they maintain themselves at 35 to 33 per cent throughout the piece.

I think that over a five or six-year pendulum, if you graph these out, there is swing up and there is swing down. The PCs are on a swing down. Provincially, Mr. Speaker, in 1975 the PC caucus got a vote under the former leader, now still the member for Nipawin, of 27 per cent. Then it bounded up rather dramatically to 38 per cent in the October 1978 general election. We have not had any measure what their support is since that time, with the exception of one — the Regina North-West by-election where my colleague, Mr. John Solomon, was elected. There the popular vote went to 20.72 per cent, Mr. Speaker. I think if you look at some of these constituencies, the Regina North-West riding, that the PCs were honestly of the view that they could hold . . . that's going back to the 1975 era. There are all kinds of explanations, or if you will, excuses that can be offered. If I was in their position I would be advancing as well.

I finally make one other point, Mr. Speaker, for this House and that is this. For the first time since 1973 and the arrival of one Richard L. Collver on the provincial political scene, we have seen a decrease — a physical actual decrease for whatever reason — in the PC caucus. It has always increased systematically, electorally, or by switchovers. However it has decreased, Mr. Speaker, for the first time since 1973. I say, if you combine the popular vote figures, provincially and federally, if you combine the facts of the two departures of the former leader, the man I remind this province could have been but a short 18 months ago the premier of this province, the defections of those people, the conclusion is inescapable. The PC Party of the province is on its way down and out because of the lack of party support in the province of Saskatchewan.

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — The hon. member for Arm River said we had an unsaleable

commodity in October of 1978. It seems like they couldn't live with him. Judging by the results, they sure as heck can't live without him either.

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — Why, Mr. Speaker, is this the case? Why is this decrease? Why is it people are asking, what is wrong with this opposition? I have been asked this by the press; I have been asked in the streets. I say, Mr. Speaker, because there are a number of difficulties here that are at issue . . .

**Mr. Speaker:** — Order, order! It is considerably inappropriate for members to shout across the Chamber. It is considered inappropriate and against the rules for members to shout from behind the rail. So if members are going to sit behind the rail, they should be quiet if members want to enter the debate there will be a time and an opportunity for them to get into the debate.

**Mr. Romanow:** — Thank you, Mr. Speaker. Why is this the case? Why is this proposition of a decrease so? I say it is so because of incredible positions on three or four major issues — incredible positions. Take, for example, the uranium situation, an incredible situation where they would have the public believe they are for a moratorium on uranium mining. That is the impression they want to leave, but in reality they are against public involvement and for private mining, totally — not playing fair with the public or with the House. Labor disputes — the same issue.

I say one of the areas that has the biggest controversy and lack of credibility is the area of the constitution. Today, Mr. Speaker, the hon. Member for Qu'Appelle, followed by the member for Kindersley tried to make a speech on the constitution. I say the remarks made by the member for Qu'Appelle, in particular, were phony. They were not true. The hon. member for Qu'Appelle said Premier Blakeney in his address — the hon. member categorized it — gave a status quo address on the constitution, ignoring totally the postures taken by the Premier at various federal — provincial conferences, ignoring totally the actions of this government with respect to Bill 42, with respect to the CIGOL case, with respect to the central Canada potash case, with respect to western premiers' cases, with respect to a multitude of speeches as a defender of western Canadian rights in united countries — totally ignoring that.

He said the government was out for the sell-out of resources and somehow he is not of that view. Mr. Speaker, I took the liberty — and why I am prompted into this debate because I had not intended to do so except for the remarks by the member for Qu'Appelle — to take a look at what he told this House but a short six or seven years ago, during the course of Bill 42 debate on the question of the constitution and the West's role in the resources in Canada.

Mr. Speaker, when this government acted to protect the resources and the revenues of Saskatchewan, for Saskatchewan people, where was the member for Qu'Appelle? He was opposed to that position, tooth and nail, every step of the way in one of the longest drawn-out sessions of this legislature in the 1973 period. Well listen to these words, Mr. Speaker, here is what he had to say about confederation then. I quote from December 13, 1973, page 576. This is not out of context. He is making the point that the bill is wrong and he says this:

The Premier argues that these added revenues should not go to the people of Canada but should go to the producing provinces. Yet the very government



opposite which has lived, survived and promised on equalization grants threatens to upset the very structure of equalization grants by its attitude and its proposals on Bill 42.

He said, and get the example he used:

Because if the producing provinces take these added revenues themselves — and we'll use Alberta as an example because the figure is much greater — Alberta will probably receive increased revenues of approximately \$300 million from its share of the export tax and that will immediately upset the whole federal-provincial fiscal arrangements upon which our equalization formulas are based.

That is what the hon. member for Qu'Appelle said. Then he says:

It will mean that in order to maintain the level of services and the income level for the province of Saskatchewan and get equality across the country that there will have to be hundreds of millions of dollars paid out by the government in Ottawa to the so called have-not provinces.

**Mr. Romanow:** — And I underline these words, Mr. Speaker.

And I say that this selfish attitude of the Government of Saskatchewan is wrong and threatens to destroy the very program that kept the country a viable one.

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — Yes, Mr. Speaker, he said on page 579.

Well, Mr. Speaker, we've got a war on Ottawa going here, a desperate attempt to save SaskOil and this operation.

**Mr. Romanow:** — Now, Mr. Speaker, I said the PC party is on the way out and you wonder why I say that. Because this very member today would have us believe that by the simple transformation from Liberal to PC there has been a transformation in his concept of Canada. That all of a sudden this man who was saying that in our Bill 42, we were destroying the very fabric of confederation — federal-provincial equalization — this man today now says that no indeed, he didn't mean those words, he didn't mean that indeed somehow we are destroying western Canadian operations and western Canadian approach. Mr. Speaker, absolutely no credibility whatsoever.

Now, Mr. Speaker, I want another five minutes to close off by one other point. I say, Mr. Speaker, it might even be 10 minutes . . . (inaudible interjection) . . . I'm sorry, Mr. Speaker, I think I'm hearing the hon. member from Qu'Appelle threaten that I have only two minutes left to speak . . .

**Some Hon. Members:** — Hear, hear!

**Mr. Speaker:** — Order, order. For the first time today I find myself in 100 per cent agreement with the member from Qu'Appelle. It is 10 o'clock. It being 10 o'clock, this House now stands adjourned until 10 o'clock a.m. tomorrow.

March 20, 1980

The Assembly adjourned at 10:22 p.m.