

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Second Session — Nineteenth Legislature**

**March 21, 1980**

The Assembly met at 10 a.m.

On the Orders of the Day

**WELCOME TO STUDENTS**

**Mr. J.L. Solomon** (Regina North-West): — Mr. Speaker, I would like to introduce this morning to you, and through you to the members of the Legislative Assembly, 46 students from St. Peter's School in my constituency of Regina North-West. They are located in the west gallery and some in the Speaker's gallery as well. They are accompanied by their principal, Mr. Gerald Small, and Mr. Richard Brown. I would like to take this opportunity to thank Mr. Small and, of course, the students at St. Peter's School for the kind hospitality and warm welcome they showed me when I was at their school to present the Celebrate Saskatchewan pins. I would also like to inform the members that I enjoyed tremendously the experience in teaching one of their classes, or at least in attending as a resource to discuss the legislative process in Saskatchewan. I hope all the students and the chaperones enjoy the proceedings this morning. I look forward to meeting with them after the question period for some pictures and refreshments. I ask all members to welcome them to the Assembly this morning.

**Some Hon. Members:** — Hear, hear!

**Hon. N. Vickar** (Melfort): — Mr. Speaker, it is my pleasure this morning to introduce a group of high school students from Birch Hills. I am doing this on behalf of the Hon. Don Cody, who unfortunately had to be out of town this morning. I know Mr. Cody, your MLA, would like me to express to you his appreciation for your visit to the House this morning. He would like me to tell you that he would like you to enjoy the session with us this morning and he hopes your stay in Regina will be a very fruitful one. The teacher this morning is Mr. Getz. I think I have met Mr. Getz before. I notice on the list here that Mr. Cody was to meet with you this morning between 12 p.m. and 12:15 p.m. If I have the opportunity, I would be more than happy to substitute for Mr. Cody., If there are any questions I would be glad to answer them for him. Mr. Speaker, through you, I would like to wish the group a pleasant stay in the legislature in the city of Regina.

**Some Hon. Members:** — Hear, hear!

**Mr. Solomon:** — Mr. Speaker, on behalf of Mr. Allen, the member of the Legislative Assembly for the constituency of Regina Rosemont, I would like to introduce a group of students from his constituency from Rosemont School. There are 60 Grade 8 students in the west gallery. They are accompanied by Cameron Thomas. Mr. Zalinko and Mr. Ripplinger. I would welcome them on behalf of Bill Allen. I also hope all of you will enjoy the proceedings this morning. I will meet with you on Mr. Allen's behalf after your tour and after the question period at 11:15 a.m. Again please welcome the students from Rosemont School.

**Some Hon. Members:** — Hear, hear!

**Mr. R. Katzman** (Rosthern): — Mr. Speaker, I would like through you, and on behalf of the members of the Assembly, to welcome 19 students from Hepburn in my

constituency. They are here to enjoy the proceedings. I hope they have a good trip home. I will be chatting with them later.

**Some Hon. Members:** — Hear, hear!

## QUESTIONS

### Coverage by Medicare for Accident

**Mr. G.S. Muirhead** (Arm River): — Mr. Speaker, a question to the Minister of Health. I am asking the minister in light of the fact that one of my constituents, by the name of Clifford Watkins of Aylesbury, lost his thumb in a power take-off accident. He was rushed by ambulance to Saskatoon. The doctor threw his thumb in the basket. Mr. Watkins pulled the thumb from the basket and pleaded to save it. They phoned an Edmonton doctor who indicated he would perform an operation if they could get him there as soon as possible. Saskatchewan air ambulance flew him to Edmonton where the operation was performed. He now has his thumb; the operation was successful. The Saskatchewan air ambulance has charged Mr. Watkins \$600 for transportation by air to Edmonton. Mr. Watkins is in the Speaker's gallery now.

I ask you, Mr. Minister, in light of this matter being in your hands for several weeks now, is your department going to pay this bill for Mr. Watkins or not?

**Hon. H.H. Rolfes** (Minister of Health): — Mr. Speaker, I want to say to the member for Arm River that I have not been made aware of this particular incident, although he claims it has been in my hands. I have not received a letter, nor have I received any notice or inquiries from the member for Arm River or from my officials in this regard. If the member wishes to make some request to me, as Minister of Health, I will certainly take it under advisement.

**Mr. Muirhead:** — A supplementary, Mr. Speaker. Three weeks ago I informed your special assistant who said you were away on holidays, and that when you came back the next morning it would be in your hands and there would be a letter coming to Mr. Watkins and a copy to me, immediately. I ask you now, why are you not in touch with your staff? Why are they not in touch with you?

**Mr. Rolfes:** — Mr. Speaker, as I indicated in my earlier answer to the member I have not been made aware of it. If the member wishes to discuss the matter with me I will be pleased to sit down with him and discuss with me I will be pleased to sit down with him and discuss the matter and I will take it under advisement, as I indicated to him. If he has been in contact with my staff I will certainly make that known to my staff and if they have given any promises to the member for Arm River that a letter would be prepared for him and that they would be in contact with me, I will take whatever measures I think are necessary in this particular incident.

### Insurance of Department of Highways' Vehicles

**Mr. P. Rousseau** (Regina South): — Mr. Speaker, I would like to ask the minister responsible for SGI if he has a reply to my question that I asked last week. Specifically, are there any Department of Highways' vehicles being insured, or have been insured perhaps in the past with out-of-province insurance companies?

**Hon. W.A. Robbins** (Minister of Supply and Services): — Mr. Speaker, I didn't think he would ask again, but I have an answer for him. In 1978, the liability coverage for

licensed and unlicensed vehicles the Department of Highways was carried by SGI. In 1979 the contract was lost; it was up for tender to an outside bidder who underbid us by 35 per cent. In 1980 we won the contract back again and it takes effect on April, 1980. The tenders have been issued. SGI has won the contract for the current year.

**Mr. Rousseau:** — Mr. Speaker, in light of the Minister of Highways' reply to me last week, and I would like to quote from Hansard:

Mr. Speaker, I have no knowledge of anybody who would be foolish enough to buy high-priced insurance outside the province.

Mr. Minister, are you saying then the Minister of Highways is a bit of a fool for having brought out of the province?

### **Purchase of Hotel Saskatchewan**

**Mr. W.C. Thatcher** (Thunder Creek): — Mr. Speaker, a question to the minister in charge of SEDCO. Mr. Minister, you may have noticed that the Hotel Saskatchewan has been sold to an employee of the Potash Corporation of Saskatchewan and was a subject of questions to you, two or three days ago. My question to you is this — basically the same one that was two to three days ago — did this group who purchased the Hotel Saskatchewan have discussion with SEDCO concerning financing? Did they make a formal application to SEDCO? Finally, is SEDCO involved in this purchase by this group, in the form of loans, guarantees, interim financing, letter of intent, or equity position, or in any other fashion? Could you please make a definitive statement?

**Hon. N. Vickar** (Minister of Industry and Commerce): — I think the answer to that question is very simple and I think I gave the answer the other day. I am astounded to understand what the hon. member from the opposition is trying to bring to us this morning. I think he is trying to relive a situation with . . .

**Mr. Speaker:** — Order, order. It is not up to the members of the opposition to answer the question or to say how it shall be answered. Order, order. I ask the Minister of Industry and Commerce to go ahead.

**Mr. Vickar:** — Mr. Speaker, as I was beginning to say, I think the hon. member from the opposite side is trying to rehash the hospital fiasco raised in this House a year or two ago. They are trying to make accusations about people and about SEDCO that are absolutely unfounded. I said in the House the other day that SEDCO had nothing to do with the takeover of the Saskatchewan Hotel. I said there was no communication whatsoever with any of the people and I stand by that, Mr. Speaker.

**Some Hon. Members:** — Hear, hear!

### **Art Scandal**

**Mr. R.A. Larter** (Estevan): — Mr. Speaker, a question to the Minister of Finance, who I believe in 1974 was in charge of the Moose Jaw art museum. I have been questioned on numerous occasions — and I think more particularly since the documentary film has been shown — as to the involvement and responsibility of the government in the art or painting scandal where many prominent people were charged. I would first like to ask the minister, who appraised the paintings for the Government of Saskatchewan?

**Hon. E.B. Shillington** (Minister of Culture and Youth): — I have answered this question before in the House. There seems to be a problem with short memories over there. Nevertheless, I will repeat the answer. We accept donations for the Crown. We do not administer the Income Tax Act of Canada, that is done by the federal government; that is a federal concern. Mr. Speaker, the people who appraised the paintings were requested by those who made the donations. The Department of Culture and Youth does not appraise the paintings. We don't provide the people with a donation. That is matter between the donor and the Government of Canada.

**Mr. Larter:** — Supplementary, Mr. Speaker. Will the minister then admit that when you are accepting something, you don't make a dual appraisal just to see if the value is correct? At what value do you hold the paintings? The appraised value or the real value? For example, there is a painting listed in the opening of the Moose Jaw art museum that is listed as donated by Simon de Jong, NDP MP, and it is entitled I See You, item number 11. At what value is this picture in your inventory; is it at the real value or the appraised value?

**Mr. Shillington:** — Mr. Speaker, may I say first of all with respect to those particular paintings, those were received long before Mr. de Jong was a member of the House. Indeed they were received at a time when he didn't live in Saskatchewan. But leaving those particular paintings aside, let me say that the monetary value of the paintings is not the primarily concern of this government. The primary concern is, first of all, their artistic merit, but more importantly the relationship those paintings bear to the history and the heritage of this province. What we try to do is collect a representative series of paintings of this province and of this province's artists. The monetary value is really of secondary concern. We don't intend to sell them; we don't intend to trade them; we don't put them up for security; and the monetary value is really of minor importance to us.

**Mr. Larter:** — I am very pleased to see your attitude toward Saskatchewan painters. I think that is commendable. Most of the people who watched this documentary feel something is just not right and they feel someone on the government side has to share the blame. Do you not think, Mr. Minister, that the curator or the minister or some other person employed or appointed by you must share some of the guilt and blame in this thing?

**Mr. Shillington:** — Mr. Speaker, I can understand in part the member's problem. He has simply been watching too much television.

**Some Hon. Members:** — Hear, hear!

**Mr. Shillington:** — I may say (and I will name the network; it was a CBC program I believe, if I am not mistaken) that you may have been watching the wrong network as well and I think therein lies the member's problem. If the member spent less time watching television and more time reading the annual reports, for instance, of the Department of Culture and Youth, you might have a better idea of what our programs are.

#### **Radon Levels at Fond-du-Lac**

**Mr. R.L. Andrew** (Kindersley): — A question to the Minister of the Environment. Press stories, Mr. Minister, indicate that tests at the Fond-du-Lac are revealed that the radon level, at least in one house, was 17 times the acceptable standard and in 9 out of 10

buildings tested was above the acceptable standard. Are you aware of those testings and do you not at this point in time believe that that is very serious problem?

**Hon. G.R. Bowerman** (Minister of the Environment): — Mr. Speaker, I am aware that the federal government has sent an agency into Black Lake to do testing in the Black Lake area with respect to radon gas and radiation levels in that area. I do not have a detailed report as to their findings. I have read the press reports and heard the news accounts which said the decision is that the levels were not too high. But I have no knowledge or details as to the findings which the member alludes to in his question, Mr. Speaker.

**Mr. Andrew:** — Would you agree then, Mr. Minister, that the suggestion advanced by the federal authorities in that given area was that: (1) more ventilation was required in the house or, (2) that the houses should be raised off the ground? I ask you, do you support those two propositions?

**Mr. Bowerman:** — Well I can answer the member's question, Mr. Speaker, by indicating to him that there is a joint program by both federal and provincial shared cost in Uranium City doing what he alludes to and that is creating a better aeration system within the basement structure or the underfloor areas of the homes. This is now under way and it's almost completed in the Uranium City area. If that is the case in Fond-du-Lac, or in other areas of the North, I presume that it will need to be looked at by the federal agency which is responsible for the radiation hazards there. But as well, the province will be made aware of it and I would presume that the federal and provincial governments will respond to it.

I may say in addition, Mr. Speaker, that in the case of Uranium City, it was thought originally that the fill from the slag from the mine, used to fill some of the areas upon which the homes were built in Uranium City, was causing the problem. My information today is that this is not necessarily the case — that the radiation and radon gases which are appearing in some of the homes and the basements in the North comes from natural background sources. It is not entirely from the fill which it originally was thought to be.

**Mr. J.G. Lane** (Qu'Appelle): — Mr. Speaker, supplementary to the minister. In your response you raise two matters of concern: (1) the natural radiation which people concerned about uranium mining are very concerned about and I think you indicated that the sensitivity of the geography and such is a matter of great concern; (2) you indicated that the investigation is being done by the federal government. Would you advise us whether or not the provincial Department of the Environment has officials actively participating in that study as part of the study group? If so, would you identify the officials add would you advise when the report will be tabled in the Assembly?

**Mr. Bowerman:** — Mr. Speaker, first of all we do not have employees actively engaged in that review or research or study. Primarily it was raised as a result of a point being made by teachers employed by the federal government's Department of Indian Affairs. The issues related to Black Lake and Fond-du-Lac and it was on an Indian reservation. Therefore the federal government was responsible for it. Our mines pollution control branch has been to Black Lake to the Nisto Mine, the abandoned mine site referred to. They have been involved in a review of that matter, but . . . The other question being asked or the point to be made is would we table the report? Any report which is ours, we will give consideration to that fact but I can't give a commitment to the House, Mr. Speaker, that the federal government make a report

available to us to table in this legislature. In addition, if there are radiation levels in Fond-du-Lac which as the member, I think, reported were higher than were safe levels —I want to point out to them that there has been no mining activity in Fond-du-Lac or in the Fond-du-Lac area so it should indicate to us that the levels there are natural background levels.

### **Availability of Level 4 Beds**

**Mr. H.J. Swan** (Rosetown-Elrose): — A question to the Minister of Health, I have in my hand here, Mr. Minister, a number of letters concerning a person who is 100 years old. This person has been classified by your committee as level 4 and in your letters you advised that she must continue at level 3 until a level 4 bed is available. You also advised that it's going to take about a year before that bed is available. Now how long can a person at 100 years really wait? Do you not feel that your government is neglecting its responsibility to the senior citizens and extracting funds from them falsely under these circumstances?

**Some Hon. Members:** — Hear, hear!

**Hon. H.H. Rolfes** (Minister of Health): — Mr. Chairman, first of all let me make it clear to the member that assessment is not done by our committee. That assessment is done by an independent board of the nursing home comprised of usually the director of administration, a nurse and a doctor. It's not our committee. It's an independent committee separate from government. He said it's assessed by our committee and I want to make it clear it's not our committee. Secondly, Mr. Speaker . . .(inaudible interjection) . . .Do you have a question you would like to ask of me?

Mr. Speaker, I will admit to the member that there certainly are from time to time some difficulties in having beds available immediately when an individual is reassessed from any level of care. I think the Minister of Social Services later in the budget debate will make some allusion to the fact that we will make inroads in that particular area this year. I have indicated, Mr. Speaker, that we have some difficulties in that area but let me say to the member opposite — when you compare the number of beds that we have in Saskatchewan in level 1 to level 4, we have more beds per thousand senior citizens than you will find anywhere in Canada.

**Some Hon. Members:** — Hear, hear!

**Mr. Rolfes:** — Having said that, Mr. Speaker, we do have some empathy for the situation in some areas of the province, and the Minister of Social Services and I and the rest of the Executive Council will be looking at that particular problem in the coming year.

**Mr. Swan:** — A supplementary to the minister. You picked on a very small detail there indeed when you said it wasn't your committee. But it is the committee that makes the classification for level 4 and it's the committee that you recognize as the committee as capable of making that classification. Will you recommend to your department that the people classified as level 4 will indeed have their care paid for regardless of which bed they might be maintained in?

**Mr. Rolfes:** — Mr. Speaker, no I cannot accept that at this particular time. I have indicated to the member opposite that I have some empathy for the position that he put before me. I have indicated to him that I have made that particular problem known to the government. We have it under active advisement and we will be bringing forward a solution sometime this year in that particular regard. But having said that, Mr. Speaker, our senior citizens in this province are still better off, are still better off as far as social care and as far as health care is concerned that you will find anywhere in Canada.

**Mr. Swan:** — Final supplementary to the minister. Mr. Minister, under the new level 3 rates that are going to be effective in this province on April 1, this particular individual is going to be paying a deterrent fee of \$700 a month to your government to be maintained in a level 3 bed. Do you not think that it's time that medicare picked up her cost?

**Mr. Rolfes:** — Mr. Speaker, first of all the member is incorrect again. The resident does not pay any deterrent fees to this government. There are no deterrent fees in this province. Secondly, those fees are not paid to the government. They are paid to nursing homes which are completely independent of the government. They are run, generally speaking, in this province by church groups and, therefore, I cannot accept the accusation that is made by the member. I have indicated in the past that I recognize that we have some difficulties in that area, but our difficulties are minimal compared to the difficulties that senior citizens are experiencing in other areas of this country.

### Cost of Nursing Home Care

**Mr. Lane:** — Question to the Minister of Social Services. There's a long-standing government policy — I'm not being critical of the intent of the policy, but the situation does exist in Saskatchewan. If there are senior citizens with, for example, life savings of perhaps \$10,000 and a marital home and one of the spouses is required to be cared for in a senior citizen's home at levels 1, 2, or 3, both spouses must use their marital assets, their joint assets, to pay the cost of the nursing home. This leads to a dissipation of those marital assets. The policy comes because the government treats them as a family unit. Would the government now consider, in light of the direction to go with the married persons property of separation of assets and a recognition of separation of assets, in situations like these where senior citizens have low or moderate assets, that when one spouse is required to go into a senior citizens' home, that the assets remain with the spouse outside the home so that there's no dissipation and both parties are not required to seek welfare?

**Hon. M.J. Koskie** (Minister of Social Services): — Mr. Speaker, in respect to the hon. member's questions, I just want to say that he is partially correct. There is a provision existing now where you can have involuntary separation whereby in the situation that he puts forward, one member can be, say in a special care home, and the property of the wife who is at home will be treated separately. There is a provision for that. But I recognize the concern that is indicated in the question. Certainly in the review of the program, we will be re-examining that aspect.

**Mr. Lane:** — I'm sure that the minister is not stating that he advocates the separation, the marital separation of parties in such as this, to avoid the high cost of the government policy. The Minister of Health has indicated today in the budget speech that you would be speaking on setting out some policies. Are you prepared to announce today an abandonment of the existing policy in a statement that the government will reassess its position and recognize the plight of many senior citizens

who have minimal assets, so that they do not have those assets dissipated and the situation exist where both parties are forced on welfare?

**Mr. Koskie:** — As I indicated previously when I spoke of involuntary separation, in the instance where one member of that family unit, husband or wife, is required because of medical reasons to be separated from the spouse and under those circumstances where it's involuntary for health reasons, there is provision for the separation of the assets of the individual companies and, therefore, my answer remains the same as before. We will look at further implications in regard to the matter that you address.

## **ADJOURNED DEBATE**

### **BUDGET DEBATE**

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

**Hon. R.J. Romanow** (Attorney General): — Mr. Speaker, I want first of all to thank the hon. member for Morse constituency, the Minister of Tourism and Renewable Resources, for having agreed to vacate his previously allotted radio time in order to allow me to speak today. Mr. Speaker, I think it's worthwhile relating to the members of the Assembly and to the audience that may be listening why that, in fact, is the case today, why it is that I am on my feet using the time which has been previously allotted to the member for Morse.

Mr. Speaker, last night after only 10 minutes of speaking (you recall I got on my feet at 10:10 approximately) I was denied my right to fully speak in this Assembly by the actions of the Progressive Conservative member, the hon. member for Qu'Appelle constituency. I remind you, Mr. Speaker, I had been threatened by him minutes before when he said he would allow only two more minutes of my speech, a speech which I say lasted at most ten minutes. Mr. Speaker, that act was designed in the belief by the PCs that I would not be given another chance to take part in this debate today, because of the speaking arrangements which I have discussed (which the member for Morse is a party to). This was and is a shocking display of the arrogance of the PC party and denial of freedom of speech in this Assembly.

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — Let me remind the Assembly, Mr. Speaker, at what point that action took place. That action by the hon. PC member for Qu'Appelle took place at a time when I was quoting back to him his view of resources, the West and confederation which he stated in 1973 and 1974, as contrasted with what he says are his views today, in 1980, of western Canada and confederation. I'm going to have a word or two to say about that in a minute.

I think it's worthwhile for just a minute, Mr. Speaker, to consider this angry, perhaps frustrated, act by the hon. PC member for Qu'Appelle in cutting off the Attorney General of this province from the budget debate last night, as he did after the 10 minutes in which I took part. Mr. Speaker, I say that act is part of a pattern, which is emerging from the PC Party caucus, of a strategy basically to foment dissent. It is a strategy based on confusion contradiction, duplicity; unfortunately, a sense of nastiness is creeping into



the politics of Saskatchewan. Examine the record.

Last night the member for Arm River devoted his entire speech to a rather mean, petty, personal — one might say if he repeated those remarks outside the House — even slanderous attack, on men of the stature of Douglas and Lloyd and Blakeney. I want to tell the hon. member that if he were to sit in this House for 20 years, 100 years, he would never match their contribution to Saskatchewan and Canada notwithstanding his remarks.

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — Then he was congratulated personally by virtually every member of the PC caucus after that rather shameful performance, and then he was followed last night by the PC member for Kindersley. He tried to say in a speech that patriotism — because his topic was Canada, something I am going to talk about in a minute — should never be mixed up with partisan politics. No, he said, that was not the style of himself or his party. He said, no, you should not mix patriotism and politics, not at least for all of the full five minutes from the time it took him to say it to the time that he moved on to the next portion of his speech, at which time he proceeded to allege the NDP in Quebec were separatists and Mr. Broadbent supported separatism by implication. That was his statement in this legislature.

Don't mix patriotism with politics, says the PC Party. Don't mix it as far as the NDP is concerned; allow us to mix patriotism and politics in a blatant and straightforward way, as was done. And then, just moments before this act of closure by the PC member for Qu'Appelle, that very same MLA for Kindersley espoused his strongly held beliefs in freedom of speech. Do you recall, Mr. Speaker, those eloquent words on how he would defend anybody's right to say whatever it was, whether they agreed or disagreed, but freedom of speech was something which his party would always tolerate? That was only moments before the PC member for Qu'Appelle threatened me with having two minutes only, and terminated the debate in which I took part last night. So much for freedom of speech of these members of the House opposite.

Mr. Speaker, when I was denied the debate by the PCs opposite, after on 10 minutes of rebuttal, I say that the legislature and the public of Saskatchewan can attach the amount of credence that they want to this commitment, so-called by the PCs opposite, to freedom of speech. Freedom of speech? Mr. Speaker, for whom, freedom of speech? For the Association Culturelle Franco-Canadienne, Saskatchewan (ACFC)? Freedom of speech for them? Yesterday the member for Qu'Appelle got up in question period and demanded that the Minister of Continuing Education and this government cut off summarily, the financial grants of this government to that organization because they asked that there be a yes vote in the referendum. This government opposes that position taken by the ACFC. I have told them so in a personal meeting. The Premier has stated that publicly. That is the position of the government, but this government says that that organizations, like any organization in our democratic system, has the right to espouse their views. Freedom of speech for the PCs . . .

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — No, no freedom of speech, not for the ACFC. He'd cut off their funds. Freedom of speech for whom, Mr. Speaker? Freedom of speech for myself, as evidenced last night when I got to rebutting the points of the debate on Canada? No, no freedom of speech for the Attorney General because he did not see fit to agree with the

arguments which were being advanced by myself at that time. Somehow that would be the end of it and I wouldn't be on my feet this morning, or be able to do it.

This same MLA, Mr. Speaker, is now yelling across the floor; this same MLA, the member for Qu'Appelle, is the same MLA who but a few days ago charged in this House, alleged, Mr. Speaker, in this House, and may I say to the press as well — widely reported by the press — charged abuse and gross incompetence in the construction of a Regina hospital, only to be contradicted, only to be chastised, only to be condemned by every architect, builder, planner and administrator knowledgeable with the project, in this legislature.

Mr. Speaker, is freedom of speech yelling, cutting off, threatening to dismember organizations financially because of positions they take he does not agree with? Mr. Speaker, who is this member for Qu'Appelle? The PC member for Qu'Appelle is just not an ordinary member of the Legislature Assembly. I want to tell you, Mr. Speaker, that the member for Qu'Appelle is the president of the Progressive Conservative Party of Saskatchewan. He is a lawyer, able to defend and to attack, and I may say, while I disagree with this particular serious tactic that he has taken, ably able to attack and to defend. And if this PC Party should be elected to government he would be a lawyer and if this PC Party should be elected to government, he would be the attorney general of the province of Saskatchewan. When the Progressive Conservative MLA, the member for Qu'Appelle, calls for cutting off the ACFC (Association Culturelle Franco-Canadienne), or calls for incompetence and accusations of gross negligence and abuse on hospital construction, this does not come from any ordinary MLA, although it would be serious even if it were from an ordinary MLA, Mr. Speaker, this comes from the president of the Progressive Conservative Party in Saskatchewan.

When the MLA for Arm River gets up just moments before and makes his mud-slinging attack on events of 15 or 20 or 25 years ago, I am entitled to ask: is that really the member for Arm River speaking? Why is it that he has chosen to lower the level of debate in political life in Saskatchewan, by that approach?

Mr. Speaker, who are all of these people put together on this tactic? Take a look at the questions on the order paper, Mr. Speaker, some 400 of them, and ask yourself what is the major thrust toward which these questions are directed? Mr. Speaker, I have a view on that. These are new tactics from a new Progressive Conservative Party president of Saskatchewan; these are tactics from a new Progressive Conservative Party Leader, Mr. Grant Devine. This is the so-called fresh face that the PC Party is supposedly offering to the people of Saskatchewan. I say, shame to the PCs and to their organization who support them in this operation . . .

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — . . .relegating the backward benchers to do the bad work, the dirty work, while the front benchers talk about high-flown concepts of freedom of speech and high-flown concepts about Canada.

Mr. Speaker, I can look after myself. I have the chance, a second chance, to speak today thanks to the member for Morse, as I said in my remarks. I want to ask the people of Saskatchewan will they get a second chance to have their say if they are cut off under a PC government? I say to the ACFC, if the PC government should be elected and they said something that was not agreed to by Mr. Devine and Mr. Lane and the PC organization, would they get their second chance? I say to the Regina Hospital Board

would they get their second chance? I ask the trustees and those who have been involved in these accusations, would they get their second chance?

Mr. Speaker, I think the answer is obvious by that angry act, an act which I say, Mr. Speaker, if it had been conducted by any one of us on this side, would have received headlines in the newspapers and on television, an act which if it had been conducted anywhere by anybody in Ottawa or in any other legislature in Canada would have been branded for what it was and is, an act of arrogance and disrespect for the institution of parliament.

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — Mr. Speaker, why this tactic? Why these approaches today? Art scandals — why? Why these kinds of innuendoes? Because, I say, Mr. Speaker, very simply, the Progressive Conservative Party in Saskatchewan is bankrupt and devoid of positive policy positions on the major issues facing Saskatchewan today.

I know the hon. members will not accept that proposition from me, but I ask you, sir, and the public of Saskatchewan to just stand back and think for one moment. Where do the PCs stand on the following major public issues confronting Saskatchewan people today? Where do they stand on uranium? Where do they stand on rail line abandonment? Where do they stand on the crow rate and the preservation of it? Where do they stand on the Crown corporations? Where do they stand on the questions related to confederation in Canada? I am going to say a word or two about that. Why are they in political disarray?

Well, I say there are three or four reasons. First, Mr. Speaker, the Progressive Conservatives start off this session losing two PC MLAs, for whatever reasons. I deplore the reasons, but for whatever reasons the PC Party under the new leader, Mr. Devine, has started off this session for the first time since 1973 having their caucus support drastically reduced by two members.

Second, their percentage of the popular vote, in the recently concluded federal election dropped nearly 5 per cent.

Third, their provincial level of popular support seems to be down — perhaps this is an overstatement — but it seems to be down by about 18 per cent to 20 per cent, judging on the vote taken in the provincial election on October, 1978 and the results in the Regina North-West by-election where my colleague won it for the New Democratic Party. The hon. member for Regina South, the PC member, says dream on. Well, I can dream on but I tell you the PC member for Regina South is facing a political nightmare. That's the dream he is facing because, Mr. Speaker, the PC member for Regina South saw in Regina North-West his party drop from a second place finish to a third place finish, having lost its deposit. They can alibi that any way they want but you can't change the spots on the leopard. The facts are there for all to see. That's a third fact, Mr. Speaker.

And finally, I think there's another important reason. Their leader, Mr. Grant Devine, is not in the House. That's a reason why they are in disarray. They profess to admire Mr. Devine. They profess that they respect Mr. Devine. They profess that Mr. Devine will whip the NDP. They profess that Mr. Devine will be the next premier of the province of Saskatchewan and yet, Mr. Speaker, not one of those people opposite who so admire,

who so love, who so respect Mr. Devine has the integrity and the principles of their convictions to vacate a seat so he can enter this legislature and advance his views on behalf of his caucus.

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — How loyal they are, Mr. Speaker. How loyal they are. What about the deputy leader who is out of his seat — I don't know, who is the deputy — the member for Souris Cannington or the member for Indian Head-Wolseley? Why doesn't he resign for the new leader? Why doesn't the Progressive Conservative Party president resign? This is a man whose stewardship is the party — the PC president — not his own personal capacity as MLA. It's his job to forward the cause of the party and the best interests of the party. Surely it could be argued that the best interest of the party is to get the party leader into the legislature. Why doesn't the member for Qu'Appelle resign? Why doesn't the member for Moosomin constituency resign and allow Mr. Devine a chance to run for the legislature and test his ideas on uranium, on branch line abandonment, on crow rate, on confederation? How about the member for Thunder Creek? Maybe he would get up and profess and show by strong demonstration his love and admiration for the new Progressive Conservative leader. Mr. Speaker, I would never depend on the love or the admiration — if I were a PC — of any member of the caucus, especially if I were leader, given the history of the PCs and what they do to their leaders. But the fact of the matter is there is no respect. I'll withdraw that — maybe there is respect for Mr. Devine, but there's no confidence in Mr. Devine. If there was confidence in Mr. Devine they'd have him here; they'd have him answering these questions on policy that the people of Saskatchewan want to know.

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — Oh no, they say, oh no, you know, we're not going to let the NDP write our policy. We have a plan for getting Mr. Devine into the legislature. No, we're not going to let that mean Attorney General browbeat us as to when Mr. Devine is going to enter — oh no, we learned our lesson. We have a plan, Mr. Speaker. No one has seen the plan yet. No one knows it, but we have a plan to get the Leader of the PC Party in. I ask the hon. members opposite, is that plan so closely rooted to these electoral and popular percentage point results that I've talked about that they know Mr. Devine simply cannot risk the chance of running and being defeated, which I predict will be the case in Saskatchewan, wherever a by-election may be chosen?

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — Why would Mr. Devine be defeated? Why are the PCs on this downslide, as I view them to be? Well I said a moment ago, it's because of the lack of position on policy issues — not the business of cemeteries and 25-year-old operations. It doesn't bother me at all. I've been in this legislature for 13 years and I've seen guys like the member for Arm River come and go a dime a dozen, and he's going to go a dime a dozen with those kinds of tactics and approaches. So, you people consider that I do not care, but I tell you, Mr. Speaker, there is an absolute paucity of a position by the PCs on policy. I cited a few of them.

But I ask you, Mr. Speaker, to consider for a moment. I ask hon. members here to tell me are they for uranium mining or against it? I ask the hon. members opposite to answer the question. Are they against rail line abandonment, or are they for it? Are they with Mr. Mazankowski, the former minister of transport, or with Mr. Emmett Hall? I ask the hon.

members opposite to tell me if they can think of one example of whether . . . What would they do with direct billing? The Minister of Health will have his estimates up at 2 p.m. Monday and he will tell you what he is going to do on direct billing. We want you to tell us what you're going to do with direct billing. I'm going to ask, Mr. Speaker, what the members opposite have articulated on labor disputes. What have they said about SGEA? What have they said, Mr. Speaker, about their points of view on The Trade Union Act? Now, you see, Mr. Speaker, on all of these policy positions there is absolute silence from the Conservatives opposite. And I want to now just pause for a few minutes on one other important issue, which is the theme of my remarks — Canada, confederation, and why the Conservatives have no credibility.

Mr. Speaker, a new confederation — that's an issue like rail line abandonment like crow rate, I want to take that as an example. I use that as an example to say that there is absolutely no credibility in this PC caucus. A few days ago their former leader, Mr. Collver, and the member for Swift Current, Mr. Ham, defected to start a first-ever separatist party. (I'm sorry, the member is right; I should not mention them by name and I withdraw that. They are the member for Nipawin and the member for Swift Current). Premier Blakeney made an outstanding address on Canada and western Canada the other day. The PC member for Qu'Appelle, the party president, chose to attack the Premier on that position. He took the tack that Premier Blakeney was not prepared to stand for Saskatchewan resource ownership and for Saskatchewan rights in the western Canadian context. I say, Mr. Speaker, that the statement really needs no rebuttal because if there is anything which is imprinted on the minds of Saskatchewan and Canadian people it is the stance of Premier Blakeney at federal-provincial conferences in defense of western Canada, Saskatchewan and this country.

What the member for Qu'Appelle says is he defends western rights and Saskatchewan rights. And I say he's just not credible. I put it as bluntly as I can. That statement is phony. That statement (and his speech of last night) are wrong. (I could use an adjective which would be unparliamentary, Mr. Speaker.) I want to tell you why I believe that to be the case. I quoted this last night off the air. I have this chance on the air and I'm going to quote now what the member for Qu'Appelle told the legislature a short seven years ago, when we first moved to capture the windfall profits of resources for Saskatchewan people and for the West through Bill 42. Where was the member for Qu'Appelle at that time? You know what he said? I'm quoting from page 576 of Hansard, December 13, 1973:

The Premier argues that these added revenues (referring to the added revenues of Bill 42) 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 by its proposals. Because if the producing provinces take these added revenues themselves (and mark these words, Mr. Speaker, as compared to yesterday) 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 on which our equalization formulae are based. It will mean that in order to maintain the level of services and the income level of the Province of Saskatchewan and to 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 and I say (said the PC member for Qu'Appelle) that this selfish attitude of the Government of

Saskatchewan is wrong and threatens to destroy the very program . . .

Now, Mr. Speaker, the member for Estevan says I have to remember he was a Liberal then. Mr. Speaker, he is saying that the members' views on Canada and confederation switch because of party labels. By the way in 1974, I have another quote during the course of the Speech from the Throne. Here's the member for Qu'Appelle again accusing the government in this area. You would be doing the people of Saskatchewan, he said, a greater service if you stood up (he's in opposition to Bill 42) and acted like a responsible political party, and a responsible government and started talking and compromising, and listening and telling the truth and acting in the best interests of the province of Saskatchewan. Compromising, that was the line he took then. Mr. Speaker, take his speech yesterday as contrasted with those remarks of a strong western Canadian defence, western Canada over all, because where was the balance on western Canada for Canada? Where was the balance, Mr. Speaker? Here are his words of yesterday:

We believe western leaders should establish a vehicle and lines of communication with each other to build on our strengths and not isolate the differences.

By the way, I agree with that.

We believe the western premiers must stick together, must work together to resolve the differences for national unity (and get this, Mr. Speaker) and to be able to confront the national government with one voice on vital issues, a voice of strength with economic and political power behind it.

That was on page 859, but on page 860 what did the hon. member say?

And I'm angry as most westerners are with a system of government which causes alienation and disharmony. I'm angry with a national leader who prefers confrontation to conciliation.

Having said all that, he said about western Canada. I'm angry with a national government which campaigns by pitting one region against another, the very thing that the member for Qu'Appelle was doing in his written speech yesterday. Is that contradiction? Mr. Speaker, I say to this legislature and the people of Saskatchewan, is that credible? Is that a posture upon which we can play footloose with confederation and the views? Is it something to be shuffled personally? Is that how he views Canada on federal-provincial arrangements, now simply to have discarded it, or is he moving out of federal-provincial relations in a balance into a strong, western Canadian — almost independent — point of view? Is that the position, almost?

Mr. Speaker, I want to say in closing that this debate of confederation is vital. I want to close by saying, Mr. Speaker, that what I found so objectionable about the PC position on confederation was the lack of balance. I could agree with much of what he said about western Canadian rights. There is nobody who would defend those and Saskatchewan better than Premier Blakeney, and I don't think the people of Saskatchewan are going to deny that.

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — I could agree with much of what he says but, Mr. Speaker, I invite

you and I invite the public to see where the balance is. Has he balanced those western Canadian concerns with an overall concept of Canada? Did he balance western Canadian grievances with an overall need to keep the country together? Did he talk about bilingualism? Did he talk about resource ownership in the constitution? Did he talk about communications and how we balance that in Canada? Did he talk about how we comprised the Supreme Court? Did he talk about an entrenched Bill of Rights? Did he talk about the whole host of problems which face this country of ours — off-shore resources, fisheries? Where's the balance? There was no balance.

I am proud to say that this government, while it has spoken for western Canada, has always spoken about western Canada in strong and strident terms but within the overall context of a balanced and united Canada in specifics, not simply standing on one issue alone.

May I say finally as I take my place, Mr. Speaker, the member for Nipawin and the member for Swift Current are a serious threat. I don't think their views are going to get popular support (at least I hope not), but this is the first time I think anywhere in western Canada that two elected members have taken their elected places in the legislature to espouse the cause of United States annexation. That, Mr. Speaker, is serious. His proposition is that we are American-controlled economy-wise, monetary-wise, culture-wise, international-wise. Therefore we might as well be Americans. I think a lot of people would agree with a lot of the analysis that we are controlled and influenced. But I oppose strongly the solution. His solution: why not do the logical thing? Our government solution is to try to Canadianize our culture, our economy and our control.

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — But what is the PC Party's solution on that? There are only three options, basically. Option number one, follow the member for Nipawin; you might as well be American if you are one. Option two, do something to be Canadian, which we tried to do with the potash corporation and SMCD (Saskatchewan Mining and Development Corporation) and the list goes on. Option three, do nothing but simply profess love for the country; abandon FIRA (foreign investment review agency) and allow the multinationals to gobble up this country more than it already is gobbled up; fight your provincial government when it seeks to get Canadian control on resources; fight your provincial government when we try to get control of CPN and communications to get a Canadian culture content' fight all of that, profess your love for Canada but stand idly by while the country becomes inevitably (perhaps in the minds of some) enraptured by the United States.

Mr. Speaker, I say that option is not acceptable to this government. The option is a united Canada, a strong Saskatchewan, western rights within the balanced Canadian context; any other approach does a disservice to the PC Party or a disservice to the province of Saskatchewan and I for one simply will reject it. Because, Mr. Speaker, the amendment is based on no credibility, on these fundamental contractions on fundamental issues, I will not support the amendment but support the budget and the policies of Premier Blakeney.

**Some Hon. Members:** — Hear, hear!

**Hon. M.J. Koskie** (Minister of Social Services): — Mr. Speaker, in my opening remarks I was going to make some comment in respect to the happening and goings on in the

March 21, 1980

House here during this session. I want to say that my colleague, the Attorney General, has most eloquently stated the case.

**Some Hon. Members:** — Hear, hear!

**Mr. Koskie:** — I share his concerns. I share the concern for this province from where the Tory Party is heading.

Mr. Speaker, I would like first of all to congratulate my colleague, the Hon. Ed Tchorzewski, Minister of Finance, on his presentation to this House of his first budget. I want to offer my congratulations because in my view it is a responsible budget and a balanced budget, a budget which demonstrates clearly that this government's management of our resources will allow us to provide high quality services to our people, pay for those services, and provide financial security for the people of the province in the future.

Mr. Speaker, throughout the years under the leadership of Tommy Douglas and Woodrow Lloyd and Allan Blakeney, the people of this province have created the finer health and social services system in North America. This is a grand heritage and the best possible foundation for even more significant achievements in the future. For each new decade, of course, there are new challenges and therefore the budget, including the requested budget for social service, serves two fundamental objectives. The first is the continuation of those programs proven by experience to be of real benefit to the people of the province. The second and more difficult objective is to anticipate and begin creating the capacity to cope with the changing social needs of the '80s. Some of these will be old programs which have taken new form, such as income security in a time of sharp inflation, while others will be wholly unique in the years ahead.

Mr. Speaker, attainment of this two-fold purpose is no simple task, for it means finding the right balance between the immediate needs of today and the emerging needs of tomorrow. It would be easy to use all our resources on the urgent demands of the hour — easy but short-sighted. So, Mr. Speaker, in social services as in other sectors, we are taking a more complex path of handling the present demands in a way that strengthens our ability to do a better job in the future.

I want, Mr. Speaker, to turn to income security, and let me be specific. Income security payments are the largest single item in my budget, accounting for about 45 per cent of its total. I am pleased to announce that effective July 1, 1980, the basic social assistance allowance will be increased \$10 a month for both children and adults. This brings the adult rate to \$100 and the child rate to \$90 on the pre-audit budget. This increase to the basic monthly food allowances will bring about the following results: for those aged 0 to 9, from \$46 to \$55; for those aged 10 to 17, \$51 to \$60; for adults \$61 to \$70.

These are increases of 19 per cent, 17 per cent and 15 per cent respectively. These increases will cost an estimated \$3.75 million in 1980-81 and are one of the reasons for the 12.3 per cent increase over the last year in this year's public assistance request.

So with this budget we are providing for the present. But what of the future? Mr. Speaker, improvements to the social assistance are being planned in four areas.



First is the further protection of the rights of recipients. To this end, we will be taking additional steps to make certain each applicant is fully informed of the right of appeal and knows how to go about exercising that right.

But just as social assistance recipients have rights which must always be respected, so too do they have responsibility to use the system as the law provides. To this end, the verification of need will also be strengthened to reduce overpayment and to reduce any potential payment to fraudulent claimants.

Several hundred staff in 18 offices throughout the province are involved in the operation of the total income security system. The administrative cost is already low and this year through improved efficiency we will be running the program with less staff. And further major improvements in efficiency can only be achieved by increased automation of the transactions. Mr. Speaker, this is a process that takes time but during 1980-81 this process will be started with a full-scale system analysis to identify the costs and the benefits of various modifications. More immediate short-term improvements can also be expected as a result of this assessment.

Mr. Speaker, about 10 per cent of the people on social assistance are employed and others could be. I am referring here particularly to those with a physical or mental handicap or other limiting condition, who can still do some work, perhaps part-time. For some, taking a job is preparation for full economic independence. But even where handicaps make total self-reliance impossible, work is economically and psychologically beneficial.

Mr. Speaker, the rules which determine how a person's earned income is counted when calculating the social assistance payment are set by the federal government under the Canadian Assistance Plan. Unfortunately, these rules do not make having a job as financially attractive as it should be. We are hopeful that with the support of other provinces, we will be able to persuade Ottawa of the value of increasing the financial incentive to work for those on social assistance. Mr. Speaker, regardless of these negotiations, during 1980 we will be restructuring the employment support programs. A main objective will be to tie employment assessment and planning directly into the social assistance application process. At the time of application, a realistic employment preparation and placement plan will be completed on each potentially employable applicant. This plan will be the basis for a continuing effort to find employment for each person capable of working.

Mr. Speaker, as a result of successful negotiations with the federal officials, I am pleased to be able to announce we will be able to strengthen the financial stability of the native alcoholism programs and to improve their follow-up services. We are able to provide global budgeting and additional staff and as I say, follow-up services.

Mr. Speaker, I would like to refer briefly to day care. My department now supports some 55 day care centres and 165 family day care homes. They have a total of about 3,000 day care spaces. Another 8 to 10 group centres are in various stages of development along with an even larger number of family day care homes. Given this potential of growth, I felt it unwise to consult the public about future directions. Members may recall my recent announcement of a review of the provincial child day care program. This will be a broad assessment covering many topics, but one critical subject is the matter of parent-controlled boards. We want to explore the possibility of perhaps also encouraging people other than the actual users of day care to become involved in running activity centres.

You may have observed that day care allowances will increase in 1980 by 24 per cent over last year. Mr. Speaker, this additional money for child day care will be used for several innovative projects and these include, first, the development of a network of family day care homes attached to and receiving program support from day care centres or other appropriate agencies. This satellite concept will help to overcome a main weakness of a day care home, namely, its relative isolation and lack of supervision and specialized support services when dealing with developmental or other problems.

Second there will be an increase in the number of day care spaces filled by urban native children. This is part of the government's urban native package and it is intended to significantly increase the number of young children of native ancestry who will be provided with day care services.

Third, there will also be some increase in the number of group day care centres and expansion of the size of some of the existing centres.

My final point on day care, Mr. Speaker, is to assure members that while we are always prepared to review existing standards of care, those in effect will be enforced. The well-being of the children of this province must and will be protected.

I want to turn, Mr. Speaker, to services to the disabled. Mr. Speaker, in the area of services to persons with physical and mental disabilities, I recently indicated to the Saskatchewan Council for Crippled Children and Adults and the Saskatchewan Association for the Mentally Retarded that I fully supported the further development of community services. In other areas this will mean a decreasing reliance on institutional care and a steady increase in the variety and accessibility of services to handicapped children who live at home with parents and family.

A 10-year plan for the '80s is in the final stages of preparation, in consultation with interested private sector agencies and will be a common blueprint for future actions.

Mr. Speaker, there was a time when those who needed long-term specialized services had to leave home and move to where the services were available. This was true of the young physically or mentally disabled person, as well as of the elderly. Mr. Speaker, by bringing services into the communities where people live, and indeed right into their homes, we are strengthening both families and their communities.

But, Mr. Speaker, as the volume and significance of service delivered by community organizations continue to grow, it becomes necessary to ensure that these services continue to fit into an overall service delivery framework and that they make their maximum contribution to the policy objectives approved by this House. Therefore I have directed that my department officials initiate a comprehensive assessment of the relationship between volunteer agencies and my department and also that they identify more fully the common goals and objectives to be served by both community level and departmental programming.

Mr. Speaker, I would like to speak briefly on the aspect of corrections. My department has a dual responsibility in respect to corrections: to provide secure facilities for those sentenced by a court to a term of incarceration, but also to work with those sentenced in a program of rehabilitation. Mr. Speaker, 1980 will see improvements in our ability to serve both objectives. New correctional facilities will be completed in Prince Albert and in Saskatoon. Both of these will make use of the living unit concept. In

this, small numbers of inmates share a common living area and correction staff provides security as well as counselling and training services.

The living unit concept enhances security, but at the same time provides opportunity for rehabilitation and training. In corrections too, Mr. Speaker, we are increasing our emphasis on community services and relying less on large institutions. Part of our program for the '80s involves the increased use of probation hostels (one is being set up in Melfort, another in Moose Jaw), attendance centres (which will be set up in Saskatoon and Regina), work camps, the Fine Option Program and the community training residence. This will give us a much greater range of programs and an increasing range of settings in which to place offenders.

Mr. Speaker, finally, I want to turn to home care and senior citizens. I would like to report to the Assembly that the first home care board, which was set up last May in the Lestock-Ituna area, began delivering service in January. In mid-February we marked this occasion with an opening ceremony in Kelliher, attended by over 175 people. Talking to those present that day left no doubt about the value of home care, especially to those living in the smaller towns, villages and the rural areas of this province.

Mr. Speaker, I am determined to see to it no elderly person ever has to move into a special care home because the necessary home care services are not available. And with every new home care board that begins providing services we come closer to that goal. So, Mr. Speaker, 1980 will be a historic year for services to the elderly and the handicapped.

Already, 25 of the 45 home care boards have been set up. During 1980 most of these will begin delivering four primary services: nursing, meals, homemaking and home maintenance. I am pleased to announce that effective April 1 the per capita home care grant will be increased from \$11.50 to \$12.30. In just two years, Mr. Speaker, our expenditures on home care will have more than doubled, creating several hundred well-paying jobs along the way, most of these in rural Saskatchewan in our small towns. As they are put in place these home care boards will become a mechanism for the further development of community level social service co-ordination and delivery of service.

For example, this year we are establishing an assessment and placement unit under the Saskatchewan Home Care Board in Saskatoon on a test basis. This unit will handle the assessment of those requiring both home care and special care, levels 1 to 4. The result will, we believe, be improved services to the users and more efficient utilization of the most appropriate types of care.

Mr. Speaker, we will also continue our programs of upgrading and expanding existing special-care homes. In 1980 we hope to see renovations or upgrading or construction in such places as Nipawin, Kamsack, Preeceville, Prince Albert, Saskatoon, Hafford, Davidson, Canora and Grenfell.

Mr. Speaker, we are conducting assessments of the long-term special care needs in several regions of the province, including the southeast. Our long-term goal is to reduce the reliance on special-care beds for those with limited care needs and over time to make institutional care into a more specialized service for those with heavier care needs. I would like to give you some figures.

Saskatchewan already has 127 licensed special-care homes located in 82 different

communities. The homes contain over 7,700 beds providing levels 1, 2 and 3 care. This means that Saskatchewan has over 70 beds per 1,000 senior citizens, compared to less than 60 beds per 1,000 senior citizens for Canada as a whole. Comparisons with other provinces are somewhat difficult due to differences in provincial care classifications. But it is safe to say that we have more special-care beds per thousand than most, if not all other provinces in Canada. This makes it possible in Saskatchewan for 8 per cent of our aged population to be in some form of special care facility compared for example with Britain's 4.5 per cent, 5 per cent in Sweden and 6 per cent in Denmark. Over 57 per cent or 4,400 of the existing 7,700 beds in special-care homes are occupied by level 3 residents.

Furthermore, as the home care program extends its services at least half of the 3,300 beds now occupied by level 1 and level 2 residents will gradually become available for level 3 residents. To help this we will be providing funds to physically upgrade existing beds.

It is generally acknowledged that where effective home care and housing programs are in operation 60 special-care beds per 1,000 senior citizens are adequate to meet the residual care needs, including level 4. But we are well above that mark, Mr. Speaker. Indeed, if we include level 4 beds, there are well over 80 for each 1,000 persons over 65.

Mr. Speaker, by all accepted standards of measurement, this province overall has enough special-care beds. The wholesale construction of further beds is not needed. This is especially true when one realizes that to construct such homes now runs in excess of \$40,000 per bed. This means that even a relatively small home, say 30 beds, costs \$1.2 million exclusive of furnishings and equipment. On top of that goes the \$1,100 or more a month operating costs — say \$400,000.

Mr. Speaker, we will willingly pay such costs for additional beds and more for those who truly need such care. But what we will not do is overbuild and then see people forced into these homes to keep them full so that these mounting costs can be met, or to have unneeded beds stand empty, burdening municipal organizations with huge and escalating deficits.

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Mr. Speaker, my colleague, the Minister of Finance, has already announced that in 1980 we will a major restructuring of the special or nursing care system. In 1980-81 we are appropriating \$35,273,000 for special care allowances — an increase of \$6.5 million or a 22.5 per cent increase. Effective April 1, 1980 the government subsidy for level 2 will be increased to \$167 a month and for level 3 to \$497 a month. Later in the year, once the details of the revamped system have been worked out, we expect that government support for special care will be increased yet again. So, Mr. Speaker, with a growing network of home care boards making service available in many places for the first time with improved assessment and service delivery co-ordination and with a planned improvement and simplification of the special-care home classification and subsidy systems, 1980 will see more progress in this field than in any other single year in our history.

**Some Hon. Members:** — Hear, hear!

**Mr. Koskie:** — As it happens, Mr. Speaker, 1980 is also our 75th anniversary, and I can think of no finer way for my department to mark that event than by making great strides in our services of care for those who came and pioneered, who broke the land

and laid the foundation for the prosperity we enjoy today.

Mr. Speaker, to summarize, 1980 will see:

1. The completion of two new correctional facilities in Prince Albert and Saskatoon;
2. Increases in social assistance food rates averaging 17 per cent;
3. A 24 per cent increase in the amount available for day care allowances;
4. An increase to \$12.30 per capital home care grant;
5. An increase of 22.5 per cent in the amount available for special-care home allowances;
6. An 18.4 per cent overall increase in grants to local authorities and other groups for community services.
7. An 11 per cent increase in overall payments to individuals.

Mr. Speaker, I will conclude with this thought. I find deep personal satisfaction in being able to serve the constituency of Quill Lakes and the people of Saskatchewan in this way. I began this speech by acknowledging the role played by others in creating an enviable reputation for this province in health and social services. I will conclude by saying that I am honored to have my own part to play in continuing this leadership and innovation into the 1980s. Mr. Speaker, the budget before you serves that end. I therefore join in urging its passage. Accordingly I will be supporting the main motion and voting against the amendment.

**Some Hon. Members:** — Hear, hear!

**Mr. W.C. Thatcher** (Thunder Creek): — Mr. Speaker, it's a pleasure to rise in this Assembly today and make a few comments on the 1980-81 budget. To make those comments is fairly unique because very few people have actually bothered to comment on this budget — particularly on the government side.

Mr. Speaker, this morning we have listened to the Attorney General make a rather vitriolic attack on the Progressive Conservative Party, and many of the cheap shots that the Attorney General took at the PC Party I'm tempted to take back at the Attorney General but there is not point in doing so because he's not in his seat this morning.

**An Hon. Member:** — Where's the Premier?

**Mr. Thatcher:** — He's out of his seat too. In fact, Mr. Minister, I suppose I could point out there are not very many people in their seats on the other side of the Assembly this morning. Mr. Speaker, this is the first opportunity I have had to address this Assembly since the new Leader of the Progressive Conservative Party, Dr. Grant Devine, was elected. Mr. Speaker, this is the fourth leader I have had the opportunity to serve during my career as a member of the Legislative Assembly. I look forward to the day when Dr. Devine will be able to take his seat in this Assembly. I'm sure members on both sides of this House will look forward to that date and I'm sure we all hope events will occur that will allow this to happen.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — But perhaps most important, Mr. Speaker, is that at this point in time Dr. Devine is where perhaps all party leaders should be at some point in time — and that is out on the hustings, following elevator row, talking to farmers, talking to service clubs and basically talking to the people out there to get their feelings on the issues.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — You know, Mr. Speaker, It's very easy when you become a member of this Assembly or if you come into government — I suppose I should say particularly when you come into government — to become isolated in Regina and in this Legislative Building. It is very easy to lose touch with the people of Saskatchewan, with what they're really thinking and what their aspirations are.

Mr. Speaker, I want to tell you that we in the Progressive Conservative Party make no apology for the fact that right now Grant Devine is out in rural and urban Saskatchewan finding out what the hopes and aspirations are. And make no mistake, when Grant Devine assumes his position of leading the opposition on this side of the Assembly, you people will know it. And you people will know it when they start counting the results from the next provincial election.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Mr. Speaker, I would like to also congratulate another member of the Assembly today, the member for Qu'Appelle, for a very fine speech delivered on behalf of the Progressive Conservative Party yesterday.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — . . .(inaudible interjection) . . .Oh, to the Minister of Finance — just relax, I'll get to you a little bit later. Rest assured I want to talk to you about some of those phony illusions of yours about balancing the budget. I want to talk to you about how you've wrecked our heritage fund this year, but I'm not quite ready. I'll get there, so just . . .(inaudible interjection) . . .Well that's a very good question, what heritage fund?

Mr. Speaker, yesterday the member for Qu'Appelle outlined many of the concerns that people, not only in the Progressive Conservative Party but also from all political stripes have as to Canada's relationship to western Canada. Mr. Speaker, we have heard the Attorney General and the Premier extol the merits of central Canadian government and of a regional party governing Canada. Mr. Speaker, we in the Progressive Conservative Party are highly proud of the speech the member for Qu'Appelle made yesterday and we are very proud as Progressive Conservative members to be standing up for the West.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Mr. Speaker, there is no way the Progressive Conservative Party in Saskatchewan will ever accept some of the terminology and nomenclature that was used by the former and now Prime Minister, Pierre Elliot Trudeau. How many times in the early '70s did you hear the terminology, regional disparity and a crisis? Well, Mr. Speaker, if you think back to those days, what was a regional disparity? Regional disparity was an issue or a condition that affected the Maritimes or western Canada.

And perhaps you can recall what a crisis was. A crisis was something that affected Ontario and Quebec and, Mr. Speaker, we in the Progressive Conservative Party are very proud and pleased to stand up for the hopes and aspirations of western Canada. Now that finally historical events have perhaps tipped some of the balance, some of the economic power towards western Canada, we make no secret of the fact, we make no apology that we believe that western Canada should take its rightful place in confederation where it should have been years ago.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — We make no apology for the fact that we believe that there should be some semblance of a united front with the other western premiers on the part of this province. We don't apologize for suggesting that the Premier should have very serious consultations with Premier Bill Bennett, Premier Peter Lougheed, or Premier Sterling Lyon, as to how we should proceed. We make no secret and we make no apology for the fact that we are most upset with the way Premier Blakeney has undercut the position of the three other western premiers on numerous occasions.

Mr. Speaker, we all know that the game being played now for resource revenues is high. We all know that it's going to affect western Canada for generations to come. The decisions made in the next few years will have probably more dramatic effects on western Canada one way or the other than any other single issue, certainly in recent years.

Mr. Speaker, you bet we get upset when the Premier of Saskatchewan starts talking about giving away \$2 billion of Saskatchewan resource revenue to central Canada over a 10-year period. You bet we get upset about that and we make no apology for that. And we get upset when the Premier of Saskatchewan undercuts the Premier of Alberta at a very crucial time in his negotiation with central Canada. We make no apology for being upset at Allan Blakeney for attempting to cut off Peter Lougheed at the knees as Premier Lougheed attempts to get a fair deal for western Canada.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Mr. Speaker, can you believe it? Can you believe a situation in this province that for so many years has been a have-not province, and then all of a sudden, not by any magical creation by this government or any other government, but by some stroke of economic faith, has many of its resources in worldwide demand and has seen the prices escalate? And we finally get into that situation and central Canada says they want them. Mr. Speaker, let's face it, Pierre Elliot Trudeau won an election by very quietly in Ontario running a local campaign where they said elect Pierre Elliott Trudeau, he'll bring Lougheed into line and get you that cheap western oil.

Now what do we see? Allan Blakeney, the Premier of Saskatchewan wanting to give central Canada \$2 billion of oil revenue over 10 years. And you people over there have the gall to pass judgment on us for standing up for western Canada. Well, Mr. Speaker, let me tell you . . . now the members over there are calling me sick. The Progressive Conservative Party's saying publicly that we're standing up for western Canada, that we're going to fight central Canada to make sure we get a proper place in confederation — they call that sick. Fine, you backbenchers over there, call it sick. We call that what western Canada wants.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — If standing up for western Canada is sick, Mr. Speaker, we are guilty.

Mr. Speaker, I want to re-emphasize that we make no apology whatsoever for standing up for western Canada and I want to assure the people of Saskatchewan that we, and our leader Grant Devine, will continue to stand up for western Canada. We will stand up for Saskatchewan and western Canada and we will do everything in our power possible to be sure to accomplish a situation where western Canada will take its rightful place in confederation, something we should have had many years ago. We have no apology for that view.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Now, Mr. Speaker, I'm going to do something that very few members on the government side have done; I'm going to turn in the budget. At this stage I suppose it would be appropriate to congratulate the new Minister of Finance for being able to keep the details of his budget a secret until he was ready to represent it. I sort of had a twinge of sympathy yesterday when the former minister of finance got up at 4:30 in the afternoon, on about the sixth day of the budget debate. I couldn't help but think that must have been a bit of a comedown. But having congratulated the new minister on balancing his budget for 1980-81, perhaps you could allow me to take a few moments to comment as to his means of achieving it.

Mr. Speaker, I suppose that it's a fair question to ask what has transpired this year in contrast to last year that will allow the provincial treasury to show a surplus of \$1 million in contrast to a year ago when there was a projected deficit of some \$49 million? The answer is really simple and nothing complex. Like this socialist government so many times since 1944, they merely changed the rules of accounting. That's all; they merely changed the rules of accounting. Mr. Speaker, I want to tell you this budget is no more balanced than was the budget last year. Naturally, it's really quite satisfying to see some of the gymnastics that the government has gone through to present the illusion of a balanced budget. I suppose, Mr. Speaker, I could suggest that some of the criticism I have offered over the years concerning their failure to accomplish this makes me feel that a little bit might have got through, not very much but a little bit.

The contortions and the gymnastics this government has done to create this illusion are really very, very amusing. They were not complicated; they were simple. They were so simple, I'm amazed the former minister didn't think of them but as to the rhetorical question of how the budget was answered . . . It's really very basic. He merely took less money from the heritage fund into the consolidated fund and proceeded to pay many of the capital grants which, until this year, came from the consolidated fund directly out of the heritage fund. Did you follow that? Well, from the blank looks in the backbenches there, you really didn't follow it, so I'll try to make it a little simpler so that perhaps even some of the gentlemen on that side can understand it. Now the Minister of Labour says make it simple. Let me tell you, I don't know whether I can make it simple enough for the Minister of Labour to follow but I will try.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Instead of taking funds from the heritage fund to the consolidated fund and then disbursing them as a cash outflow, you took them directly from the



heritage fund. Really very simple, so simple I'm amazed he didn't think of it before, Mr. Speaker, in 1979, 83 per cent of the heritage fund was removed and placed directly in to the consolidated fund. Look at your past budgets. The consolidated fund is something like a current account that an ordinary business may use, but is the account from which government pays its bills for day-to-day operations. The heritage fund in contrast is derived from non-renewable resources such as oil; that's the commodity for which the Premier wants to give \$2 billion away over the next 10 years, 50 per cent of it to central Canada.

Welcome back to the Attorney General, incidentally, who just came back into the Assembly. We are talking about the heritage fund; that's the revenue derived from non-renewable resources — oil, potash, natural gas and uranium. Now, as I mentioned, Mr. Speaker, last year 83 per cent of heritage fund revenues went directly to the consolidated fund where they were spent in day-to-day transactions. Now I ask you to contrast that with this year, 1980-81, where only 60 per cent of the heritage fund revenues were placed in the consolidated fund. It would appear that the government must have been stung by past criticism, for last year transferring these large amounts from non-renewable resources. Obviously they felt sensitive enough and felt they must disguise the manoeuvre so they created something known as the energy security division to make payments out of the consolidated fund or to make payments made previously out of the consolidated fund to do exactly the same thing. Therefore because it never reached the consolidated fund it does not show as a cash outflow. Very simple but very effective and very transparent and very — well as a financial manoeuvre it is shameful.

Secondly, they took the normal advances which the consolidated fund makes to SaskOil, Sask Power, the Saskatchewan Mining and Development Corporation and again made them directly out of the heritage fund. Again they don't show as budgetary cash outflows from the consolidated fund. Mr. Speaker, when you add up the percentages and tack them on to 60 per cent that they have already removed, you will find that the same amount of dollars are being spent on day-to-day operations in this year as they were last year — in fact, even a little bit more. Mr. Speaker, our concern is not new as to the use of the heritage fund. We in the Progressive Conservative Party view it as a tragedy. This province refuses to use revenues from our non-renewable resources, revenues which incidentally must ultimately run out in order to promote and develop long-term secondary industry.

To illustrate, Mr. Speaker, last year oil brought in 75 per cent of the entire heritage fund revenues. For 1980-81 oil is down a full 10 percentage points as a percentage of heritage fund revenues. This is a dramatic example that revenues derived from oil are going to eventually diminish sharply. The increases in the price per barrel will ultimately slow this process down. However inevitably we are going to run out and run into more and more difficulties sustaining revenues from oil production, barring a very major find.

The Progressive Conservative party has always viewed the process of buying what we already have such as land and potash mines from non-renewable resource revenues as a great tragedy and a blunder which will affect generations to come. The progressive Conservative Party regards agriculture as the number one industry in Saskatchewan and we believe that it will continue to be so long into the next century.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — It is our philosophy that revenues from non-renewable resources

should be generously invested into agriculture to promote things such as massive irrigation and research and more efficient use of the arable land which is already available to us. It is the philosophy of the Progressive Conservative Party that government's direction should be to promoting what we can do well — areas such as feedlots, meat packing plants and secondary processing, an area virtually ignored by this government. Obviously the purchase of 45 per cent of Intercontinental Packers has done nothing to spur investment in the meat packing industry. It has done nothing to slow the export of feed grains from this province to be used in feedlots elsewhere. It has done nothing to slow down—well it has really done nothing to promote anything. Instead it has had a reverse effect. This NDP government has been preoccupied with buying land, potash mines, joint ventures in uranium mines, areas that could and should be done by somebody else.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Mr. Speaker, the Progressive Conservative Party does not view the heritage fund as a heritage fund at all. The NDP government simply borrowed, or perhaps I should say stole, the word heritage from our sister province of Alberta because of the successful fashion it has been created and used, for the Alberta people and for the benefit of the Alberta people by Peter Lougheed. The Alberta Heritage Fund is truly, truly a gift from one generation to another ensuring an excellent standard of living for successive generations. Mr. Minister, I would ask you to contrast that with the heritage fund of Saskatchewan. Perhaps I should rephrase the term “contrast” and say, what heritage fund in Saskatchewan?

The Minister of Finance boasted in his budget speech that the assets of the heritage fund to the end of fiscal 1981 will rise to \$915 million. I would respectfully point out to the minister that of the \$915 million almost \$600 million is in Crown corporations. Two-thirds of the heritage fund is invested in Crown corporations such as Potash Corporations of Saskatchewan, Saskatchewan Mining and Development Corporation, SaskOil and Sask Power.

Mr. Speaker, we can argue all we want about the merit of the investment and the wisdom of such investment in these Crown corporations. You could debate that philosophy all you want. But what is indisputable about this investment in Crown corporations is that it cannot really be termed a heritage fund. To call it a heritage fund you absolutely have to stretch your mind to its limit. We don't regard investments such as causeways, airstrips, wild animal parks, etc., as a heritage fund. They may be worthy investments, but not tangible liquid assets of a heritage fund.

Mr. Speaker, of the \$915 million this government suggests will be assets of the heritage at the end of this fiscal year, only \$50 million will be a tangible liquid asset. Out of \$915 million which you claim will be there, only \$50 million will be liquid. The rest has been squandered and pilfered on the usual socialist pie-in-the-sky expenditures . . . (inaudible interjection) . . . There was a question from the member for Maple Creek as to what my father left in the treasury when you took over. As a matter of fact, I think he had more in the liquor fund than what you've got in the heritage fund.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Mr. Speaker, there is another interesting little number in the assets of the heritage fund and that's what is termed . . . (inaudible interjection) . . . well now we are hearing from the former minister of finance, the one who had to go through the

spectacle of having to speak after he was disgraced last year — couldn't balance the budget, couldn't keep it a secret, and now he is heckling over here. Of all the people I would think ought to be a little bit silent today. I suggest it should be the former minister. My concern for that minister is this: they had to create a department out of thin air and I don't know where they could find another one any smaller than that.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — There is another little interesting number in the assets of the heritage fund and that's what is shown on page 45 of the budget (and that's for the benefit of the Minister of Finance in case he didn't get that far) as 'due from the consolidated fund.' They show that figure to be \$123 million. For the benefit of members over there I will ask the rhetorical question, exactly what is that little gem? What is that \$123 million? Is it an account payable? Is it a debt owed by the consolidated fund to the heritage fund? It's not exactly either one. It's an accounting device, one which tends to show this to be a liquid asset and from viewing it you would assume it is easily convertible from the consolidated fund back to the heritage fund. But this isn't really the case.

In order to pay back that \$123 million which you list as a liquid asset (or refer to as a liquid asset), the consolidated fund would have to market its bonds, it would have to sell its short-term securities. In short, the consolidated fund hasn't got that \$123 million in cash. They would have to market debentures; they would have to market a variety of other assets to come up with it if they had. Now that's not saying they couldn't come up with it, but it is also fair to say it is not there as a tangible liquid asset. Again, Mr. Speaker, the fallacy of the \$915 million in the heritage fund is further demonstrated to be a mirage and a socialist nightmare of fiscal irresponsibility. I just overheard the Minister of Natural Resources saying what would he have us do? What I would have you do is demonstrate some fiscal responsibility, Mr. Minister.

The most shocking thing about the heritage fund for the 1980 fiscal year is the minute amount of cash which is being placed into the fund this year. Mr. Speaker, out of a total estimated budgetary revenue going to the heritage fund, and those total revenues are \$646 million, only \$14.5 million will actually go in there and stay there in the form of a liquid asset. Now, for the member for Yorkton, who is looking a little puzzled over there, I'm going to repeat that. Out of \$646 million, going in to the heritage fund (and for those people over there who are looking confused, we're talking about the budget) a mere \$14.5 million will stay there.

Now, Mr. Speaker, for the puzzled look on many of the member's faces over there I'm going to elaborate a little bit. I'm surprised the Minister of Finance hasn't explained his budget to them because the puzzlement over there is very bewildering to me.

Mr. Speaker, out of total revenues of \$646 million, the Minister of Finance is going to directly spend \$496 million by placing 60 per cent directly in the consolidated fund. We talked about that earlier. Now another \$50 million comes directly out into the provincial development expenditure — again, right out of revenues coming in. And then we have this energy security division which is going to take another \$51 million. All right, that gets us up to the expenditure of \$496 million that I mentioned a moment ago. Now when you take the money that is going to buy the hopper cars, or should I say the Hazen cars, that takes \$55 million. There's going to be another \$50 million advance to the Saskatchewan Mining and Development Corporation. We just spent another

\$105 million. Now, Mr. Speaker, when you get back to the energy security division with their advances to SaskOil, and Sask Power you've shot \$30 million. Mr. Speaker, I invite all members across the way to take out your calculators, for those of you who can't add and subtract and I invite you to take those figures and total them up and you will find there's \$14.5 million left.

Mr. Speaker, the heritage fund is a cruel, cynical joke on the part of the government, and a cruel, simple, shallow attempt to emulate the very successful heritage fund operated by the province of Alberta.

Mr. Speaker, I caught an interjection from the Minister of Finance in which he asked if we were opposed to \$55 million being used for hopper cars. Mr. Speaker, I'd like to answer that just very briefly. We do not oppose the use of hopper cars, but what we do oppose is the silliness, the ridiculousness of creating a Crown corporations and having to put in a duplicate staff, a totally unneeded staff. Instead of turning those hopper cars over with no strings attached to the people who can efficiently use them, you have to hire duplicate staff here to keep track of them. You bet we oppose stupidity like that. But you bet, we support getting those hopper cars going, and my suggestion to that government is, get the hopper cars working and forget about the staff.

As I indicated earlier, the budget was, in fact, no more balanced this year than last year. Specifically, the area in which the juggling act was performed is in the area of a cash outflow. Last year this expenditure totalled \$150 million. But for this year, Mr. Speaker, the capital figure has decreased to \$146 million. You don't have to have a Ph.D. in economics to see through this thin transparent bit of figure juggling. As I said earlier, all the government did was place fewer funds from the heritage fund to the consolidated fund thereby reducing cash outflows. And by paying some grants directly from the heritage fund, they simply don't list as an expense to the consolidated fund. By this very crude shallow attempt this government is claiming to have balanced its books.

Mr. Speaker, what more can I say? It is a shallow attempt at financial credibility by people apparently stung by past criticisms. We in the Progressive Conservative Party heap all the scorn and ridicule that you deserve upon this transparent attempt at financial credibility. We oppose the financial instability and the irresponsibility which is shown year after year by the NDP government. We in the Conservative Party are proud to oppose the concept of the NDP buying what we already have. We don't believe that you have to buy what you already have in this province and we believe strongly in investment for the future. We believe in planning responsibly for the future but we will never accept the concept that to pay for the future you have to buy the present.

Mr. Speaker, make no mistake, this government is living high on the hog on a diminishing revenue base. Nothing magic has happened in western Canada or in this province in the past few years to increase revenue other than our natural resources escalating dramatically in price. As has been said so often, these are non-renewable resources which must ultimately run out.

If we do not use today's resource revenue wisely, we will be left with no tax base, no manufacturing or processing base from which to spur an economy. We in the Progressive Conservative Party believe this government is making a dramatic tactical error in judgment concerning the direction that our economy must go. We believe the errors of this government may well be the great misfortunes of the next generation when many of our non-renewable resources are no longer generating revenue.

Mr. Speaker, it is with a great deal of pleasure that I support the amendment and vote against the motion.

**Some Hon. Members:** — Hear, hear!

**Mr. D.G. Taylor** (Indian Head-Wolseley): — Mr. Speaker, it is with pleasure that I join in the budget debate. I must at the outset of my remarks indicate that I have not been very pleased with the happenings of the past week. The movement of the members to their independent status and their views about joining the United States are certainly a concern to me, a concern to everyone in Saskatchewan, and I think, a concern to the people of Canada.

I must say that I do not share their ideas and I think their movement is something like the old Missouri mule — if you know anything about mules you will know that they come from rather strange ancestry, (and I will leave you figure that out) but I think the more important thing is, they have no capacity to reproduce themselves. I think that is what will happen with the movement of our friends to the left.

**Some Hon. Members:** — Hear, hear!

**Mr. Taylor:** — However there must be a reason for their actions and I think the more important question facing this House and especially the government opposite is, what is this reason? I would think that we are in agreement, and I would agree with my colleague for Thunder Creek, that we in western Canada have been milked dry in this confederation for the past 100 years. We are in a system today of taxation from central Canada without representation, elected representation. I, along with the member for Thunder Creek and all of the other people on this side of this House, will stand up for western Canada and make our views known to the people of this province.

I believe there should be a message in this movement by these two members, for the Attorney General and for the Premier of this province, the Minister of Intergovernmental Affairs. I think the lesson that should be learned is, in western Canada let's operate with unity of purpose. I would be worrying if I were the Premier of Saskatchewan and I would be saying to myself, why did this movement originate in my province? I think, Mr. Attorney General, and, Mr. Premier, you should stand up for western Canada and cooperate with premiers Bennett, Lougheed and Lyon to make our voice heard. And that is the way you will defuse these kinds of rumblings and movements that are taking place.

I would like to get to the budget because after all that is the topic of this address. I think, in this House, we have focused enough attention on this Missouri movement, which is not going to get anywhere. I say there is separation in this country and that separation is in the province of Quebec. Let's let it stay there and unite here in western Canada, a unity of purpose, Mr. Premier.

**Some Hon. Members:** — Hear, hear!

**Mr. Taylor:** — I would like to put my remarks at this time, Mr. Speaker, to the question we were elected to this legislature to address. And that is the governing of this province of Saskatchewan. I would like to focus my attention on the budget, the bills and the estimates for the remainder of this session.

I would like to start out by congratulating my colleague, the member for Regina South, who I believe gave a very good reply to the budget. Unfortunately that reply was

somewhat overshadowed by the perhaps more spectacular movement of our friends to the left. But in the long run it will be the budget and the reply of the member here that will have the most impact upon the people of Saskatchewan.

Before I start, I want to talk a little bit about the ancestry of our political parties and I will put it very plainly to you fellows. You know you have the great habit of prefacing your remarks with R.B. Bennett. You know, I want to be honest with you and tell you I am a little sick of hearing about this. You can say it as many times as you want but it gets a little passé, and I think you should think about your own ancestry a bit. The man for Arm River touched on it a bit last night. I wouldn't be too hard on R. B. Bennett, because you know there is Mr. Fines the socialist version of King Farouk of the Shah of Iran, with his golden building. I can tell you, Mr. Premier, as I travelled this province this summer, that isn't a very popular move out there. I told you that in the throne speech; it is still the same thing.

However let's look at the present situation. As I sat in this Chamber the other day and heard the Premier — and I must say, Mr. Premier, you give an eloquent speech, a very eloquent speech . . . I think we agree that it was a good speech, a darn good speech for your first campaign speech as leader of the federal New Democratic Party.

**Some Hon. Members:** — Hear, hear!

**Mr. Taylor:** — I would say Mr. Broadbent, or maybe Mr. Badly Bent is a better word, is in a bit of trouble and that it is probably the man I am looking at who will be taking over from him. And we will not, in the next election, be facing Premier Allen Blakeney. With his give-away plans of 50 per cent and so on, you just have to look to see what is behind this. He came from Nova Scotia and so it would be logical that he would be the man to take over from Mr. Badly Bent.

So then I come to who will lead the fine fellows opposite? Which one will be the disciple? There is some talent over there, a bit, but a lot of it is a little bit gray; it is becoming a little gray in the hair and some of these fellows with the ability, their days are over. Their hairlines are receding a bit, so I think from all the facts we can't look at them. So we look at the young upstarts, the rising stars, and we see who they are. Would it be the Minister of Mineral Resources from the Tisdale constituency? I don't think that gum chewing and swaggering would sit too well with the voters of Saskatchewan.

**Some Hon. Members:** — Hear, hear!

**Mr. Taylor:** — What about the Attorney General? You know a lot of people have touted him as being the protégé. You know, I kind of liked that guy until this morning. Out there in Saskatchewan, the story is he is a bit arrogant, and I am afraid I was a little late in seeing it.

You know, Mr. Attorney General, I think you and I as House leaders decided we would co-operate and work together and work things out for the benefit of Saskatchewan. But when I see you calling estimates you have never talked to me about, never even suggested, naming that we will be on such estimates on Monday — with these types of things. I wonder how much we can trust this fellow, and perhaps he is showing his colors. I remember my first speech in the legislature, and I was green at that time. (I might still be a bit green; you can heckle all you want on that). I remember when I said that some certain member wasn't in his seat; my friend over there threw on of this temper tantrums. He ran out to the back; he ripped his coat; I don't know what he was

trying to do. Today I understand he returned a compliment to me. If that's the way you play, buddy, you can expect to be here for a good long time.

**Some Hon. Members:** — Hear, hear!

**Mr. Taylor:** — You think the blues are full now, my boys, there are lots of questions to be asked yet.

Let's get on with the leadership. We've ruled out these two front-runners here. What about the Minister of Finance? I often thought he had some capabilities but the Premier said yesterday he's going to be there for many, many years and that's probably where he'll stay. If you look at the track record of ministers of finance, it isn't very good. Where is Edgar Benson now? I don't know where the guy is at all. I have seen Mr. Robbins get to be premier, and so on, so I think you're dug into that. I would say that there is one fellow over there you fellows in the front row had better watch and that is the Minister of Education. That is the minister of class. Do you see this document, handed to me half an hour before he spoke? That is the man I predict will take over from this man because of the fraternity of Rhodes scholars and you other boys are going to be behind the 8-ball. Today I'd like to focus my attention on these rising stars and what they've been saying in this legislature because they are probably the ones the Saskatchewan people are going to be watching . . .

**An Hon. Member:** — Comment.

**Mr. Taylor:** — I would comment on the backbenchers but really, fellows, to react to your statement in this House would be giving credence to your stereotyped socialist replies. I learned a long time ago that if you want to change the music you talk to the organ grinders and you disregard the monkeys. Let's focus on who are the rising red socialist stars on the horizon. I'd like to go on with the Minister of Education. In his introductory remarks and his fine document, do you know what he says? He says to the people of Saskatchewan these are difficult times. That's what he says. The Minister of Finance — you can look on page 3 of the budget — do you know what he says? Our prospects have never been brighter. Now which is the truth? Which is right? It can't be both ways my friends. The Minister of Education goes on to say, and I quote from this fine fellow:

We are duty bound to use our rich human and financial resources to build in Saskatchewan a society which offers equal opportunity and guarantees human dignity to its citizens.

Guarantees human dignity to its citizens? You remember the member for Wilkie the other day when he told about the woman and child, the widow with \$263, but a grocery bill of \$259, and the handicapped man with \$262.50. The member for Rosetown told us of the 100-year-old lady waiting to get into a senior citizens' home. I say to you is that your view of human dignity? It certainly isn't mine.

**Some Hon. Members:** — Hear, hear!

**Mr. Taylor:** — The minister goes on to say about the Conservatives, they would take more from individual families, the common working people of the province. He says benefits should go to the people and not a wealthy elite. Now you know in this House that I've called repeatedly for the removal of the E&H tax on school supplies and children's clothing, on such items as babies' bottles and diapers. But will they remove

it? No. That isn't strange to me from the party that holds up for abortion. Seems logical you wouldn't remove these — the abortion party of Canada. Those changes, my friend, are the changes that would benefit the people of Saskatchewan. Now the Minister of Finance — we'll take a look at him for a minute. In the budget he says this:

High interest rates are the problems . . .

**Mr. Speaker:** — Order, order! I rescue the member for Indian Head-Wolseley from the member of the Assembly and allow him to continue if we can get the level of decibels down a bit.

**Mr. Taylor:** — Thank you, Mr. Speaker. I appreciate that. The Minister of Finance says high interest rates are a problem of the Canadian economy. They are especially hard on small business, on farmers and on home buyers. Now I say to you, what have you done to help the home buyers? Have you taken the initiative that Premier Bennett has in B.C.? Have you brought in a \$2 million plan with 8.5 per cent interest to help the people who are having trouble with their mortgages in this province? No, you certainly have not.

You talk about unemployment being 4.2 per cent. I say, does the figure include the natives? You know it does not. I say to you, Mr. Minister of Finance, who do you think you are kidding?

Now we turn to our friend over there, the Attorney General. I see in the budget he gets \$15 million — \$15 million to merge the district courts and Court of Queen's Bench and to supply more staff. I would say these may be good movements, but that isn't the problem facing the courts of Saskatchewan. The problem facing the courts of Saskatchewan is the problem that this lady mentioned the other day . . . where handicapped people can be raped (mentally and physically handicapped) and the sentence is not as much as for breaking and entering. That's what concerns the people of Saskatchewan. That's what you should be addressing and not moving things together and closing court houses.

The Minister of Agriculture came out with a statement the other day that I really couldn't believe. He did say that farmers should be moving to straight grain. I say to you, Mr. Minister of Agriculture, what have you got against the livestock industry? What about the bull sale in Regina this week where the prices are down — probably a direct reflection on your statement, Mr. Minister? You are hurting the bull sale.

**Some Hon. Members:** — Hear, hear!

**Mr. Taylor:** — I must point out another thing in this province. There are people in this province who are sheep producers and I have yet to hear that man say one thing in favor of the sheep producers. You can't even buy a meat thermometer in this province which gives you the temperature at which to cook lamb. Let's do some diversification.

**An Hon. Member:** — He doesn't like sheep producers.

**Mr. Taylor:** — He likes to spend \$100 million on the land bank. I say, what has this done? Has this brought more people onto the farm? No. There's a decrease of 8,000 family farms. This budget says that new and developing farmers are a priority. I say that



doesn't seem right. That doesn't seem what you are really trying to do boys when you have 8,000 fewer farms since you came into office.

The minister was very happy to say it was balanced budget. Our friend here called it a tax collector's budget and he was right, it was tax collector's budget. How is it balanced? I will tell you how this budget is balanced. It is balanced by taxation of the individuals of Saskatchewan. Mr. Speaker, 53 per cent of the federal tax is the income tax here in this province. Increased utility rate . . . and you do it before you bring the budget down. It is easy to balance when you go out with your SGI (Saskatchewan Government Insurance) going up 20 per cent, your power, your telephone, your natural gas. There's also increased federal equalization payments. I say to you, are we a "have" province? Not when the equalization payments are going up. Try to sell that to the people of Saskatchewan.

I notice there was no mention of the utilities in the budget and their increases. I will suggest that they will probably be going up, judging from your past track record. You fellows believe in regressive taxation on utilities and that means taxation regardless of your ability to pay. That's unjust.

**Some Hon. Members:** — Hear, hear!

**Mr. Taylor:** — Mr. Speaker, 10 per cent of the population is senior citizens. When you put increases on power and those people take in, they must pay that rate. I don't think those are policies which are putting people ahead of profits.

Now I would like to make a few comparisons here which show some of the things that have happened since you people came into power in 1971. One of the things was that from 1971 to 1980 the increase in welfare payments has been 500 per cent. The equalization payments which I mentioned before — in 1971. One of the things was that from 1971 to 1980 the increase in welfare payments has been 500 per cent. The equalization payments which I mentioned before — in 1971 this province received 20 per cent; today, in 1980, they are receiving 24 per cent.

We often talk about the government employees. I notice you sent out a little book called Good Government in Saskatchewan. I think it should be called Good Grief What is Happening in Saskatchewan. I would just like to read you what is the true situation of the employees. In December 1979 the NDP circulated a booklet to all households in Saskatchewan, entitled Good Government. On page 13 the section dealing with government bureaucracies states that there were 17,859 people employed by the provincial government. Yet on page 28 of the 1980-81 budget speech, a figure of 13,873 is mentioned. Is it not curious that the same administration differs so drastically? The most curious thought is, according to the minister responsible for the public service commission, in January 1980 there were 27,827 employees of the Saskatchewan government. I tell you, at this rate Saskatchewan will have more government employees than farmers by 1989. Which are the correct figures?

You talk about your population. I heard the minister saying the other day the population is increasing. Well just for the record, in 1971 Saskatchewan had 4.29 per cent of Canada's total population. Today it is 3.93 per cent. To me those aren't increasing figures.

You like to compare with Alberta. I'm interested in education and I'll give you a comparison with Alberta. In Saskatchewan as you well know, in 1971, 33 per cent of the budget went to schools and to education. Today it is 22 per cent. In Alberta, my friends, in 1971 it was 34 per cent and in 1979 it is 30 per cent — quite a difference I

would say, quite a difference in the priority in education.

Now, let's take a look at a little research I did this morning. Somebody said the other day that Alberta is not affecting the retail trade of western Saskatchewan. I am telling you it is affecting the retail trade right here in the city of Regina. I would like to give you a few statistics to prove it. In the Hudson's Bay store in Calgary this morning, if you were to buy a Beaumark range it would cost you \$679; a refrigerator would cost you \$769. In Saskatchewan, in the Hudson's Bay store here in Regina, same model, the cost is \$712 for the range and \$807 for the fridge. Now then, here comes the cruncher, my boys. In Saskatchewan you pay 5 per cent E&H tax on top of that. You know what they will do from the store in Calgary? They won't charge you E&H tax; they will deliver it into your home in Regina for \$15. Working these out there's a \$65 saving on the fridge and a \$65 saving on the range. You tell me that Alberta isn't affecting the economy of this province; I say nonsense!

**Some Hon. Members:** — Hear, hear!

**Mr. Taylor:** — Do a little simple arithmetic. That is how you help young families who equip their houses — buying bedroom suites, buying fridges. It is well worth their money to drive to Alberta to get the stuff and they'll ship it here for \$15.

I would mention about the population increases in Alberta but you did that in your budget speech. I certainly hope they remember it.

You people are great on tax rebates. Tax rebate should be your second name. You have the capital gains rebate; you have the farm cost reduction rebate; you have the property improvement grant and the senior citizens' school rebate. I say to you, as many people in this province say, why tax in the first place if you are going to turn around and give it out as a little gift from the Premier. The people are getting wise to this.

I just got a little note passed to me from one of my colleagues here. It is an interesting little statistic too. It says that it is estimated that 40 per cent of the retail trade in Medicine Hat comes from Saskatchewan — 40 per cent! You see the nice new shopping centre out in the . . . (inaudible interjection) . . .

Now there is one thing in your budget which I would like an explanation for. I see that you are spending \$1 billion on Crown corporation capital. I ask these questions: what are these projects and do you seriously believe that is the best way to spend the taxpayers' money? We hear a lot of emphasis on native people — two or three questions regarding native people. Where is the Head Start program? Have you forgotten about that in your community outreach, Mr. Minister of Education? What about the home care program? Do the natives qualify for the home care program? How many natives are there in senior citizens' care homes in this province? How many? I had one come to me, a fine Cree Indian lady, 88 years old and nowhere to go. They're coming more and more — I had a phone call from another one. You fellows had better address that problem if you're really sincere in helping the natives of this province.

The Minister of Finance said in his budget speech that political promises often fade with the last ballot. I'd just like to go back to 1975 for the boys opposite. Do you remember your election promises? You should remember them because it falls under your jurisdiction. The Saskatchewan Wildlife Federation is well aware of it my friend, and that is that you promised in 1975, Mr. Premier Blakeney, to bring in an ecological reserves act. I haven't seen it. I guess there was a draft of it in '78 that went into the

garbage pail, like the thumb. Where are these things? Where are some of your promises?

So in conclusion, Mr. Speaker, I would say it is without doubt that these people sitting opposite are certainly the socialist tax collectors of Saskatchewan. I want to give you a little bit of advice. People vote against governments. They vote against government when they're mad at them. The Attorney General knows this. This is why he's always trying to deflect attention on to minor issues. He's always attacking us and saying the Conservatives aren't very effective. Do you remember the old adage? If that is true, dead dogs don't bite, and he pays an awful lot of attention to us so I know he is concerned.

**Some Hon. Members:** — Hear, hear!

**Mr. Taylor:** — I tell you that the members of this caucus are going to spend the next two years, or until you care to call the election, telling the people of Saskatchewan the true facts about the socialist tax collectors. We will create a case so they realize how much they are being taxed in this province and we'll defeat you in the next election.

**Some Hon. Members:** — Hear, hear!

**Mr. Taylor:** — I think it's evident that I don't support the budget and I will be supporting the amendment.

**Some Hon. Members:** — Hear, hear!

**Mr. E.A. Berntson** (Leader of the Opposition): — Mr. Speaker, I just thought I'd briefly . . . (inaudible interjection) . . . because I didn't want to give the Minister of Finance any more than was justly coming to him and the rules clearly state that one-half hour before normal adjournment he gets to put the question and close debate. I want to read a little article.

You'll enjoy this — Boom Times in Saskatchewan:

This year both Saskatchewan and Alberta are celebrating their 75th Anniversary but one government is being far more generous with cash than the other. The Kerrobert Celebrate Saskatchewan committee can expect to get about a \$1,200 grant from the provincial government to fund its activities. In its January 23 edition the Hanna Herald states that the town of Hanna, population 2,756 will be receiving \$55,120 from the Alberta government to fund the town's anniversary celebrations. This works out to about \$20 per capita. Alberta and Saskatchewan are recognized as the country's boom provinces. But from looking at the figures, they obviously have a different definition of boom.

I also have some concern, Mr. Speaker, with things the Minister of Agriculture has been uttering lately. I'll deal specifically with the education and health tax on equipment used for production of agricultural goods. This is a judgment on a case between Poundmaker Feeders Limited and the Minister of Revenue, Supply and Services. The Poundmaker Feeders were being sued for back taxes, education and health taxes, on equipment they were using in the feedlot to produce finished beef. The reason they were being sued is because your revenue collector over there said a feedlot is not a farm. A couple of experts from the University of Saskatchewan said a feedlot is a farm because it produces an agricultural product. Dr. Furtan went a little further. He said a

farm is a place where biological transformation occurs for an agricultural purpose.

We now see the Minister of Finance is going to redefine farm. I wonder if it doing to be redefined to cut these people of the benefits of not having to pay education and health tax, or is it going to be redefined to help you balance your budget, to tax the farmers of rural Saskatchewan and to further erode rural Saskatchewan? The population of Regina and Saskatoon has almost doubled in the last 30 odd years; the population of Saskatchewan has remained pretty much the same. Clearly, your rural programs have failed. We have lost 8,000 farmers in Saskatchewan since your happy little program of land bank was brought into effect. Clearly, Mr. Speaker, the program hasn't worked. Farms are getting bigger; net deflated incomes are becoming less and less. Mr. Speaker, I really can't say that this budget address is any . . .

**Mr. Speaker:** — Order, order! It is incumbent upon me, according to Rule No. 14(3), to now allow the Minister of Finance 20 minutes to close off the debate.

**Hon. E.L. Tchorzewski** (Minister of Finance): — Mr. Speaker, let me first of all in closing this debate, express my appreciation to the members on the government side of the House and my commendation for their contribution to this debate. I think they have clearly stated government policy, clearly stated the direction of this New Democratic Party government and I think that holds up well the tradition of this government as it has been clearly indicated since 1971 when we were first elected.

In particular, I would like to comment on the Attorney General and our Premier, who so eloquently made our position in this House on the question of unity in this country and the role that we, in Saskatchewan, want to play in that.

Mr. Speaker, I listened to the member for Indian Head and I am not going to respond to him except to say that at one time I thought he would have been a better choice for the leader of that Conservative Party; I am not so sure today.

The member for Souris-Cannington, Mr. Speaker, made comments about Celebrate Saskatchewan. I want to tell him that although Alberta may have the community of Hanna that has a celebration going, in Saskatchewan there are 769 communities planning events for Celebrate Saskatchewan. Although Alberta may have money in their program, we have a lot of people in Saskatchewan involved in our program and we are proud of that.

**Some Hon. Members:** — Hear, hear!

**Mr. Tchorzewski:** — Mr. Speaker, eight days ago in this Assembly, I had the privilege of presenting this government's budget for 1980-81, a budget which builds upon the foundation laid in the 1970s and prepares this province for a new decade of progress. I was honored to do that on March 13 as a member for the constituency of Humboldt. I want to put on the record here my appreciation to my constituents for returning me to this Assembly as their representative now, three times in a row, in order for me to have the opportunity to present this budget.

**Some Hon. Members:** — Hear, hear!

**Mr. Tchorzewski:** — Now since budget day, Mr. Speaker, we have been afforded the opportunity to hear comments on the budget from the opposition. The response has been, I suppose, predictably negative, based largely on incorrect information and the

turning around of some facts. The only favorable comment we were able to detect in that time was that the budget was balanced. I am sure if the financial critic for the opposition had not spontaneously congratulated the government for this achievement on budget day this too would have been under fire.

The opposition response was, I think and I have been trying to find a way to describe it, a desperate attempt to discredit this budget. A desperate attempt that began to fail when the member for Regina South stood in his place to respond to the budget speech. Mr. Speaker, their accusations, as I indicated, could be described as misleading at best. In fact, they tell us much more about the quality of the opposition than the quality of the government or the budget.

**Some Hon. Members:** — Hear, hear!

**Mr. Tchorzewski:** — The quality of the opposition has taken a substantial nose-dive since their leadership convention. Mr. Speaker, the finance critic accused this government of raising the personal income tax rate by 45 per cent since 1971. To the layman's eyes and to the way they would like to interpret it across the way, the provincial portion of our personal income tax has indeed risen since 1971. But the member for Regina South fails to mention that in both 1971 and 1977 Ottawa transferred — and I emphasize the word transferred — substantial tax points to Saskatchewan in place of cost-sharing dollars. This reduced the federal income tax rate and raised the provincial rates an equal amount. And was the member, I have to ask, unaware of these basic facts or did he just choose to ignore them?

I say, Mr. Speaker, to this House and to you that ours is the most progressive provincial tax in Canada.

**Some Hon. Members:** — Hear, hear!

**Mr. Tchorzewski:** — Mr. Speaker, with the increase in the child tax credit, and the introduction of the \$50 tax cut for senior citizens, we are continuing to keep it the most progressive income tax of any province of Canada.

**Some Hon. Members:** — Hear, hear!

**Mr. Tchorzewski:** — I invite the members opposite to take a look at the budget. I ask them to look on page 49. I ask them to look at the chart which talks about the income earner in Saskatchewan who earns \$15,000 and claims two children and a spouse. They will see that in Saskatchewan that income earner will pay income tax of \$515; in good old Conservative Ontario \$545; in Quebec \$969 and the list goes on.

**An Hon. Member:** — Tell them about Alberta.

**Mr. Tchorzewski:** — Yes, I'll tell you about Alberta right now. They will say, well look at Alberta. Well, I'm looking at Alberta, Mr. Speaker, I'm looking at the Alberta income tax on this same \$15,000 earner and he does pay \$515 in income tax but he also pays \$184 in a health tax. The Saskatchewan people don't pay that. And, so his real tax is \$599, \$80 higher than it is in the province of Saskatchewan, Mr. Speaker.

**Some Hon. Members:** — Hear, hear!

**Mr. Tchorzewski:** — Mr. Speaker, the finance critic also condemns this government

for introducing a corporate capital tax, a tax which he describes as a vindictiveness towards business and resource development sectors. Well, Mr. Speaker, I ask you how vindictive it is to apply a tax in Saskatchewan which is already in effect in several other provinces including Manitoba and Ontario; secondly, to set the tax at a rate similar to Ontario's; thirdly, to offer an exclusion clause for smaller corporations which is far more generous than anywhere else in this country. If this is vindictiveness, I welcome the opposition's comments on the negative attitudes of the Manitoba and Ontario governments toward private businesses already paying this tax — in some cases for almost 100 years.

There were several statements also about Saskatchewan's public debt in this debate and, according to the opposition, Mr. Speaker, it is alarming. They cite the interest on the public debt as \$272 million. In fact, the real figure for 1980-81 will be \$211 million. But aside from the usual problems with accuracy, the finance critic fails to recognize some very important and relevant facts. Public borrowings by the province result largely from the capital needs of our Crown corporations and these are basically revenue producing entities such as Sask Power and Sask Tel, which by the nature of their business require large sums of loan capital for expansions and improvements.

Mr. Speaker, do the members opposite suggest Saskatchewan Power and Sask Tel should not expand? Do they suggest they should not develop the capacity to meet the needs of Saskatchewan people? Do they suggest as industrialization grows in Saskatchewan, Sask Power should stand still and not prepare for the greater power it will have to have to serve this industry? Do they suggest, Mr. Speaker, that Sask Tel should not proceed with the fibre optics program? Are we to believe from their comments that they would freeze any such developments if they were the government of Saskatchewan? I think maybe that is a pretty good deduction.

Mr. Speaker, this is no different from the private utility companies in the United States, which they admire so much. No different from Ontario Hydro or Manitoba Hydro and no different, as well, from private manufacturing companies. I cannot believe the member for Regina south does not understand the role of loan capital in modern corporations. Would the hon. members, for example, seriously consider rising at the next shareholders meeting of the American Motors Corporation to protest the modernization of an automobile factory because it will be done partly through loan capital? I doubt it.

Mr. Speaker, the interest payments for the government's own day to day operations are deliberately modest by comparison — only, and I say with some emphasis, only \$16.3 million out of the total \$211 million in interest. And, Mr. Speaker, the interest the government earned on its financial assets is estimated at \$21.4 million. In other words the government earns more interest than it pays out.

Mr. Speaker, I cannot believe the financial critic for the opposition does not have access to reliable data comparing our total debt load with that of other provinces. I refer, hon. members, to the July 1979 issue of Provincial Summaries published by the Bank of Montreal. This publication contains a table comparing the total debt per capita of the 10 provinces as of March 31, 1978 — the latest information that's available. I emphasize that this is the total public debt and includes Crown corporations, Mr.

Speaker. The Leader of the Opposition should listen to this. Saskatchewan, you will note, has the second lowest debt per capita, second only to Prince Edward Island, which has a very modest Crown corporation sector.

Now, Mr. Speaker, the Ontario debt per capital is slightly higher than the Canadian average and in 1978 was 49 per cent higher than that of Saskatchewan. Now the opposition might find it desirable for Saskatchewan to be the very lowest in Canada, but would they choose to trade some of our modern infrastructure of power generation facilities, or transmission facilities, or telecommunications facilities, in order to beat out Prince Edward Island for that title? And, Mr. Speaker, the opposition finds problems with assets as well. They claim that the heritage fund assets must be liquid assets. They seem to be saying you take your money, put it in a tin can, and when you need it some day down the road, you take it out. How absolutely silly!

If the members opposite had \$100,000, would they take that \$100,000 and put it in to the bank or would they invest in some real assets? Mr. Speaker, the figure of \$50.4 million in total liquid assets is incorrect because it includes only the resource division of the fund. Mr. Speaker cash and marketable securities from the other two heritage fund divisions raised this figure to \$73.5 million in cash and marketable securities.

**Mr. Speaker:** — Order, order. The member for Thunder Creek had ample opportunity to make his speech earlier today. I don't recall at one opportunity having to bring the House to order because of other members interrupting him. Now the member for Thunder Creek is taking the opportunity, which isn't his, to interrupt the Minister of Finance, who is committed to a certain schedule with regard to closing this debate. I'll ask all members to adhere to the rules of the House, which they themselves have established. If they want to change the rules, that's fine, but please adhere to the rules that we have in place now.

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. As I was about to say, in addition, an estimated \$123.7 million is due from the consolidated fund as a short-term current asset, bringing the total current assets estimated for March 31, 1981 to \$197.2 million, not the \$50.4 million the members over there talk about. Now the critic across the way appears to be attacking the heritage fund for furthering the economic development of the provincial economy. But the purpose of the fund is not as a passive savings account. The heritage that we pass onto future generations will be much more than money in the bank, it will be a stronger and a more diversified economy where Saskatchewan citizens can enjoy a standard and a quality of living which otherwise would have been unobtainable.

The heritage fund, by the end of March 1981, will have assets of over \$950 million and that is quite an achievement, Mr. Speaker. Now, we've heard in the debate from the opposition members, criticism that this government is using resource revenues for year to year expenses. And there is chicanery involved here, except maybe on the part of the opposition. They fail to recognize that when the heritage fund was established by this government we gave up our traditional access to the non-renewable resource revenue which most governments across Canada use to fund their activities. The heritage fund not only provides for the future but also is used to benefit the citizens of Saskatchewan today. And no province other than Alberta sets aside part of their non-renewable resources revenues for long-term investments.

Are they suggesting that the \$387 million as a dividend from the heritage fund, which is going in to the consolidated fund, should stay in the heritage fund? Are they suggesting

that the \$301 million in the Saskatchewan Hospital Services Plan should be cut in half? Are they suggesting we should spend less than \$64 million in the Department of Agriculture? Are they suggesting that the \$223 million provided in operating grants to schools should be reduced? I think, Mr. Speaker, that the people of Saskatchewan deserve for the future, a guarantee of revenues because of money invested from non-renewable resource revenues today. They also deserve and should be able to expect some benefits today from the revenue that comes out of non-renewable resources. While Alberta channels 70 per cent of its non-renewable resource revenue into its consolidated fund for government expenses, in Saskatchewan we are directing only about 60 per cent of our resource revenues to the consolidated fund. The member for Thunder Creek rose in his place this morning and he opposed the energy security division.

Let me make our position very clear. We have made a commitment as a government in this budget as we have before, with the establishment of the energy security division to work towards insuring a supply of energy for our people and our farmers in the future. The members opposite apparently would like to leave it in the tender hands of the multinational oil companies. They would leave the future supplies of the gasoline and diesel fuel for our farmers in the tender hands of Shell Oil or Esso. That's not our position, Mr. Speaker, and that's why we have established the energy security division. Contrary to the words of the members opposite, Mr. Speaker, the newspapers of the province have reported a favorable public reaction to this budget.

**Some Hon. Members:** — Hear, hear!

**Mr. Tchorzewski:** — Across Saskatchewan it is recognized that this budget provides the direction needed from government now and throughout the new decade. The foresight shown by this government in the '70s gave us the opportunities we face today. This new budget builds upon that foundation towards a healthier and a stronger Saskatchewan. We in this province know that Saskatchewan is an excellent place to live. Now more than ever Canadians elsewhere are recognizing this fact. Saskatchewan has got everything going for it. Not a boom and bust economy, but steady, strong economic growth, and with it continued and widespread improvements in our quality of life.

**Some Hon. Members:** — Hear, hear!

**Mr. Tchorzewski:** — This budget reflects, Mr. Speaker, or maybe I should say fosters that new reality. We in the New Democratic Party in this government believe that governments must do all in their power to encourage and develop favorable economic prospects. We have worked hard to build a new economic future for Saskatchewan, rather than merely reacting to economic circumstance as they developed. This took foresight, and also a certain amount of moral strength and courage. It took foresight to challenge multinational corporations in the '70s for a fair share of revenues from Saskatchewan resources. It took foresight to create and build the Potash Corporation of Saskatchewan into a major international force and a profitable one too.

**Some Hon. Members:** — Hear, hear!

**Mr. Tchorzewski:** — You will recall that in the budget speech I announced the profits in the potash corporations of \$78 million for 1979. Unlike the remarks of the finance critic for the opposition, this figure can be backed by an audited financial statement. The financial critic talks about their auditors who have said otherwise, and I ask them,



Mr. Speaker, to have that phantom audit company that gave them that advice challenge Winspear and Higgins who did this audit.

**Some Hon. Members:** — Hear, hear!

**Mr. Tchorzewski:** — Let that phantom audit company of theirs challenge the provincial auditor who signed that audit. Mr. Speaker, the New Democratic Government of Saskatchewan has kept, and will keep, its commitments to the people.

**Some Hon. Members:** — Hear, hear!

**Mr. Tchorzewski:** — We will continue, Mr. Speaker, our record of sound government management, and we will strive to keep Canada a united country no matter what the offshoots of the Conservative opposition have to say about it.

**Some Hon. Members:** — Hear, hear!

**Mr. Tchorzewski:** — Mr. Speaker, Saskatchewan does not need a boom and bust economy. What we do need and what we now have is a solid economy and a strong future, an economy which is expanding and diversified. Economic growth is the means to continued improvements in our quality of life, but with economic growth we also need stability and wherever possible major economic decisions affecting Saskatchewan should be made within Saskatchewan, not in the multinational headquarter in New York or somewhere else, as some of the members opposite would have liked.

Mr. Speaker, I close by saying that I appreciate the many comments . . .

**Some Hon. Members:** — Hear, hear!

**Mr. Speaker:** — Order, order!

Amendment negatived on the following recorded division:

# **Yeas – 13**

Berntson	Lane	Pickering
Thatcher	Taylor	Garner
Birkbeck	Rousseau	Katzman
Larter	Swan	Duncan
Andrew		

# **Nays – 37**

Blakeney	Shillington	Tzchorzewski
Pepper	MacMurchy	Koskie
Bowerman	Banda	Matsalla
Smishek	Kaeding	Lusney
Romanow	Hammersmith	Prebble
Messer	Kowalchuk	Long

March 21, 1980

Snyder  
Robbins  
Baker  
Skoberg  
McArthur  
Gross  
Solomon

Dyck  
MacAuley  
Feschuk  
Vickar  
Rolfes  
Cowley

Nelson  
Thompson  
Engel  
Poniatowski  
Lingenfelter  
White

Motion agreed to on the following recorded division:

**Yeas – 37**

Blakeney  
Pepper  
Bowerman  
Smishek  
Romanow  
Messer  
Snyder  
Robbins  
Baker  
Skoberg  
McArthur  
Gross  
Solomon

Shillington  
MacMurchy  
Banda  
Kaeding  
Hammersmith  
Kowalchuk  
Dyck  
MacAuley  
Feschuk  
Vickar  
Rolfes  
Cowley

Tchorzewski  
Koskie  
Matsalla  
Lusney  
Prebble  
Long  
Nelson  
Thompson  
Engel  
Poniatowski  
Lingenfelter  
White

**Nays – 13**

Berntson  
Thatcher  
Birkbeck  
Larter  
Lane

Taylor  
Rousseau  
Swan  
Pickering

Garner  
Katzman  
Duncan  
Andrew

**COMMITTEE OF FINANCE – AGRICULTURE – VOTE 1**

**Item 1**

The committee reported progress.

The Assembly adjourned at 1:03 p.m.