

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

March 5, 1981

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

QUESTIONS

National Energy Debate

MR. ANDREW: — Thank you, Mr. Speaker. My question is to the Premier in the absence of the energy minister. Mr. Premier, the federal government with its latest, so-called Lougheed levy appears to be once again trying to make Peter Lougheed cut as a villain in the national energy debate. The March 2 issue of the *Financial Times of Canada* suggests that without Saskatchewan's support, the villain Lougheed will probably fail in his bid, if he has not already done so. My question to you, Mr. Premier, is this: would the Premier not agree that the government's taking a non-position with regard to the cutbacks is in fact condoning this vilification of one of the few people that is prepared to stand up and fight for the resources of western Canada?

HON. MR. BLAKENEY: — Mr. Speaker, I do not agree with the hon. member. The position of our government in opposition to the national energy program, or at least many aspects of the national energy program, is on the record and is not in any doubt. Our support for Premier Lougheed and for Premier Bennett in opposition to many aspects of the national energy program is a matter of record and was made particularly clear when the three energy minister met here in Regina not long ago.

With respect to the cutback itself, I don't feel it's appropriate for the Government of Saskatchewan to comment on measures taken by the Government of Alberta in the pursuit of the management of their resource. I wouldn't expect Premier Lougheed to comment on whether or not potash production should or should not be increased or natural gas or oil production in Saskatchewan should or should not be increased.

MR. ANDREW: — Supplementary question, Mr. Speaker. The same newspaper, Mr. Premier, indicates that Saskatchewan is negotiating a separate deal with the federal government with regard to oil. Can you advise me if that is in fact correct? And how do you square that with your position, as you say that you are making a united front of the three furthest west provinces on the oil question.

HON. MR. BLAKENEY: — Mr. Speaker, I believe I answered that question in effect yesterday. Our position is that we certainly are talking with the federal government, as I understand are indeed the officials of the Government of Alberta and the Government of Canada talking. We propose to keep lines of communication open. I want to make that clear. We are in no sense on the verge of reaching an agreement with the federal government. There seems no possibility of bridging the gaps which now appear to exist between the producing provinces and the federal government particularly with respect to the appropriate price for old oil, but with respect to some other matters as well, including the application of the petroleum and gas revenue tax in respect of which we expect to be litigating with the federal government.

MR. ANDREW: — Final supplementary, Mr. Speaker. I take it, Mr. Premier, what you are saying is that there will be no separate deal. My question to you then is: in view of the statements of Mr. Bob Blair, president of Nova, a parent company of Husky, as you know, indicating that unless there is a deal in place by April and at the latest May, that there will be a 50,000 barrel shut-down in the Lloydminster field, has Mr. Blair communicated to your government, to your knowledge, as to the serious question of this potential shut-down?

HON. MR. BLAKENEY: — Mr. Speaker, I am not sure whether Mr. Blair has specifically raised that in detail with the officials of the Department of Mineral Resources. I had a conversation with Mr. Blair (it would be some weeks ago now) in which he expressed his concerns and his comment that the national program was going to have a much more serious adverse effect on the heavy oil operations in the Lloydminster area than he had originally thought at first instance. Mr. Blair has called my office in the last day or so and I wasn't able to respond to the call. I want to indicate only that we are in touch with Mr. Blair and I know that Husky and Nova are in touch with the Department of Mineral Resources on an ongoing basis.

Purposes of Leeson Trip to London

MR. LANE: — Question to the Premier. The deputy minister of intergovernmental affairs was in London for two days, I believe. Would the Premier detail the instructions given to Mr. Leeson, the individuals with whom Mr. Leeson met, was one of the individuals Mr. Kershaw and what was the tenor of those conversations?

HON. MR. BLAKENEY: — Yes, Mr. Leeson was in London. His purpose was to find out anything he could and communicate to us the general feeling in the circles of the parliament of Westminster about the patriation of the Canadian constitution and generally about the resolution now before the House of Commons and the Senate.

We wished particularly to find out what would be the best way to present any representations which this legislature might make on that issue to Westminster. There may be techniques of forwarded our views which would be more effective than alternative techniques. Mr. Leeson was sent to find that information if he could.

In the course of generally informing himself, I believe he did meet with Sir Anthony Kershaw and he met with other parliamentarians on both sides of the House of Westminster as well as with our agent general and officials at the Canadian High Commission.

MR. LANE: — Would the Premier be prepared to table in this Assembly the list of those parliamentarians with whom Mr. Leeson did meet? In the discussions with Mr. Kershaw and the advice either given or asked for, was there any advice given by Mr. Kershaw as to the possible review of the unilateral patriation position by the international high court of just in Geneva?

HON. MR. BLAKENEY: — Mr. Speaker, with respect to the latter question, I am aware of the discussions surrounding any consideration of the current constitutional proposals by the international high court (The World Court, presumably, but perhaps the international high court; I am not aware of that body).

With respect to the first question that you asked, I do not think it would be in the public interest to give a list of all of the persons to whom we talked. Clearly we are attempting to find information, some of which we are perfectly happy to make public and some of which we do not wish to make public at this time. Accordingly a list of all those who

were talked to does not, in my judgment, contribute to our ability to represent the Saskatchewan case as forcefully as possible.

MR. LANE: — I think the Premier would admit that the implication has been left that Mr. Leeson met only with Labour members of parliament and not with members on both sides of the House. The government opposite is now receiving some speculation in eastern Canada as to the possibility of the matter of unilateral patriation being referred to the World Court or the high court. Is the Government of Saskatchewan considering the possibility of such review and whether such review is in effect practical or possible?

HON. MR. BLAKENEY: — Mr. Speaker, I do not know whether our lawyers are considering that possibility. We do not regard it as a likely prospect that there are any appropriate grounds for referring the current issue to the World Court. We take the view that it is primarily an internal Canadians matter and not a dispute between nations which is the primary role for the World Court.

May I advise the hon. member that Mr. Leeson did speak with Sir Anthony Kershaw who is not a member of the Labour Party but a Conservative member of the House of Commons.

Abortions — St. Paul's Hospital, Saskatoon

MR. SWAN: — A question to the Minister of Health. St. Paul's Hospital in Saskatoon has followed the practice of not allowing abortions. Will the minister give this House the assurance that the government's proposal to have a centralized hospital board in Saskatoon will not cause St. Paul's Hospital to be pushed into the position of having to practise abortions?

HON. MR. ROLFES: — Mr. Speaker, it is not the government's policy to centralize the three hospitals in Saskatoon. This was a study which I have made public and have not accepted as such. I gave assurance to St. Paul's in Saskatoon when I met with them, and also to the bishop yesterday that I could certainly give that assurance to the Sisters.

As long as the Sisters want to maintain ownership of St. Paul's, and keep the philosophy that we all, I think, support, they can have that ownership. We have no intention of acquiring ownership, and I gave them that assurance some weeks ago.

MR. SWAN: — A supplementary to the minister. I haven't noticed in any of your news releases anything to that effect going out to the general public, and there is a concern. I have a number of letters from constituents who are concerned. My question to you is: are you prepared to make a news release to that effect so that the general public is aware of it?

HON. MR. ROLFES: — Mr. Speaker, I think if the member would contact either CFC radio or TV, or CBC radio or TV, I made a statement to that effect at a news conference in Saskatoon when I was questioned by a reporter by the name of Joanne Skidmore as to what my stand was on St. Paul's and it was made very, very clear at the particular time. I have no hesitation in making another news release if that's what you want, but I think it has been made very clear what the government's policy was, and still is, at this particular time.

Federal Government Report Alleges Oil Industry Rip-off

MR. COLLVER: — Mr. Speaker, my question is to the Premier. The Premier is aware that there was released by the federal government a report charging that the oil industry ripped off the Canadian people to the tune of around \$12 billion. Although the Premier might not have had a chance yet to review the actual report, he will be aware of some of the findings. Would the Premier be prepared to comment on that report at this time to the legislature, and to give his views as to whether or not he believes that the oil industry in Canada is guilty of ripping off the Canadian people by \$12 billion?

HON. MR. BLAKENEY: — Mr. Speaker, I would be happy to comment. I saw the press reports on the study by Mr. Robert Bertrand, I believe it was, of the Department of Consumer and Corporate Affairs, saying that there had been a large scale rip-off. I am not in a position to say whether or not there was a rip-off to the extent of \$12 billion. I, myself, entertain no doubt that the major oil companies have increased their profits and increased them substantially over what they would have been had the situation been a competitive situation and not a semimonopolistic situation as exists in Canada. Accordingly, I entertain no doubt that oil prices are above the competitive level, and that the ownership of pipelines in the West has been used effectively by major oil companies.

It is my view that whatever may have happened in the past, the legislation ought to be introduced into the House of Commons forthwith to allow effective prosecution. The current legislation proved to be inadequate in the Irving newspaper cases, and in the sugar refining cases. I am not calling for any retroactive application of the law because it is a quasi-criminal statute. I am calling for a statute which deals with the future, and, if Mr. Bertrand's report is right, with the present. Accordingly, I would like to see this legislation introduced forthwith. I have heard expressions of approval, or semi-approval, from the Conservative Party, from Mr. Wilson, from the New Democratic Party, and some comments from Mr. Ouellet which at least were not negative. I would have thought the legislation could be introduced promptly and that current business could be laid aside for a brief time; this legislation could be passed and the public would at least have protection for the future.

SOME HON. MEMBERS: — Hear, hear!

MR. COLLVER: — My first supplementary question, Mr. Speaker, is: in light of the Premier's response that he has no doubt that these excessive profits were taken, and the prosecution should be commenced forthwith, may I ask him who in his government, with the Department of Mineral Resources and with SaskOil, which have been participating in partnership with Shell and Gulf and other major oil companies to the tune of 50 per cent in some instances, is going to be available for prosecution? If you don't suggest any official in your particular government, agency, or Crown corporation who has been dealing with these vicious oil companies should be prosecuted, then what are you going to do about the partnership agreement which you had with these vicious rip-off artists?

HON. MR. BLAKENEY: — Mr. Speaker, one is always entertained by the way the hon. member for Nipawin phrases his questions.

May I say that I did not suggest that there ought to be prosecutions. I do not know that. I do not know whether there are grounds for prosecutions on the basis of past acts. I was calling for legislation which would deal with future acts.

I believe that most of the evidence marshalled by Mr. Bertrand suggests that the major

means by which the companies increased their profits was a concentration in the refining and the service station end. Certainly SaskOil owns no refineries and no service stations.

However, if the hon. member for Nipawin, or anyone else, has an evidence to suggest that SaskOil has operated illegally, then I am sure I would call upon the federal government to launch any appropriate proceedings against SaskOil. But I suspect that in the volume — the 10 or 12 or 14 volumes — that Mr. Bertrand has organized over seven years, and I suspect in all the list of companies mentioned, you will not find the name of SaskOil.

SOME HON. MEMBERS: — Hear, hear!

MR. COLLVER: — Final supplementary, Mr. Speaker. The Premier will be aware of his partnership with Gulf in the development in Lloydminster, in the heavy oil development. Gulf was one of the major oil companies named by the Bertrand report, and named to a very large extent. They were the first ones named, I believe. The Premier will be aware that the moneys they are advancing, and have put forward for this Lloydminster project, are moneys, supposedly in the Premier's mind and in the eyes of the NDP federally (and obviously the Premier has no doubt that they charge too much) that were illegally ripped off from the Canadian people. Is the Premier suggesting today that Gulf Oil and Shell Oil and others who are investing in the province of Saskatchewan should cease the investment in the province of this illegal money so they can return it to the Canadian people? Or once again, is the Premier attempting to speak out of both sides of his mouth at the same time?

HON. MR. BLAKENEY: — Mr. Speaker, I would like to try to make clear that I am not alleging that any illegal activity has taken place. It may, or may not be, illegal. I have no doubt that what has happened is not in the public interest. Whether or not it is illegal depends upon the form of the statute law as it now exists. I am saying that the statute law as it now exists is inadequate and ought to be replaced by effective statute law which would make any improper profits illegal. Accordingly, I am asking that the House of Commons lay aside its current business, introduce the legislation which has been under preparation for close to 10 years and under discussion for nearly that time, and get on with the job of protecting the Canadians public in the future from activities which undoubtedly have been carried on against the public interests, whether or not they were illegal.

SOME HON. MEMBERS: — Hear, hear!

Representation at Restrictive Trade Practices Hearings re Oil Companies

MRS. DUNCAN: — My question is to the Minister of Consumer Affairs. In light of this federal report which says that the oil companies have allegedly been gouging the public, is it the intention of your department to make representation on behalf of the consumers of Saskatchewan to the restrictive trade practices commission hearings which are about to be held?

HON. MR. KOSKIE: — I just want to indicate to the hon. member, as you are aware, that we first received the report this morning. I want on behalf of the government to first of all congratulate the Consumers Association of Canada for initiating the investigation. Certainly as we have an opportunity once the inquiry is set up, we will be assessing our

position and determining whether we should in fact be assisting or making representations on behalf of the department itself.

Front-Wheel Drive Vehicles and Insurance Costs

MR. LANE: — I would like to direct a question to the minister responsible for Saskatchewan Government Insurance. You expressed surprise yesterday to find out that our major auto insurance company was reducing its rates on front-wheel drive vehicles. This is one of the justifications you have given to the public of Saskatchewan for the 28 per cent and upward SGI rate increase. I am now informed that All State Insurance of Canada is lowering its premiums on the following front-wheel drive vehicles: The Chev Citation, Buick Skyhawk, Oldsmobile Omega, Pontiac Phoenix, Ford Escort and Mercury Lynx. Would the minister now be prepared to make a retroactive rate reduction by SGI to compensate those people who were, I believe, falsely accused (the automobile owners who own these vehicles) of contributing to the higher rates?

SOME HON. MEMBERS: — Hear, hear!

HON. MR. ROBBINS: — Mr. Speaker, I am always amazed at the inability of the member for Qu'Appelle to see things as they are, which has left him mystified by the obvious. The fact of the matter is in the years 1979 and 1980, the total of premiums earned by the automobile accident insurance fund was \$197 million. The total of claims incurred in those two years was \$227 million. It should be obvious to anyone that when the claims incurred exceed the premiums charged, you have to raise the rates. If you look at the facts related to the operation of the automobile accident insurance fund, it has had surpluses in 18 years and deficits in 16 years. We say it must operate on a break-even basis.

With respect to the front-wheel drive vehicle, we are told by the people in ICBC (Insurance Corporation of British Columbia) and we are told across Canada by other insurers that they have difficulty in relation to front-wheel drive vehicles. The argument is that if they are involved in head-on collision crashes, you get damage not only to the front-end of the vehicle, you get damage to the drive shaft, the transmission and everything else. The fact that All State may make this statement may be cause it may be very selective in the type of people to whom it is selling the insurance. Therefore, the question answers itself.

MR. LANE: — Supplementary. Of course the public has learned over the last couple of months to not take the figures given by the minister responsible for SGI as being an accurate representation of the facts. How does the minister now square the last part of his answers, about how dangerous these cars are and how much more damage they suffer, with the study announced two days ago by the National Data Institute in the state of California, which say, in effect, that the North American front-wheel drive vehicles in fact suffered less damage in a head-on collision and are in fact safer and easier to repair because of accessibility of components?

HON. MR. ROBBINS: — They're just more expensive to repair. That's the fact of the matter, Mr. Speaker.

Letter re Freedom of Information and Privacy Act

MR. ANDREW: — Question to the Attorney General. Mr. Attorney General, Francis Fox,

under questioning in the House of Commons committee earlier this week, I believe, indicated that he had received correspondence from your office requesting substantial changes in the proposed new freedom of information and privacy act. Could you inform the House as to what concerns you have about that progressive piece of legislation?

HON. MR. ROMANOW: — Mr. Speaker, I believe the federal minister will be tabling copies of that correspondence today or tomorrow in the House of Commons. I'd be pleased to do the same thing, either today or tomorrow or the next day or so, and you can take a look at the letter yourself. It's a 10 or 11 page letter which I have undertaken to write on behalf of all 10 of the provincial attorneys general in Canada. It's a united position that has been taken by us in criticism of some aspects of the freedom of information and privacy legislation.

MR. ANDREW: — Supplementary, Mr. Speaker. As for the criticism you're taking, Mr. Attorney General, I question the credibility of it when you, in this legislature, are unprepared to put forward progressive legislation on freedom of information and privacy. Given what you have said today, have you changed your view and do you intend to bring forward in the near future either a white paper or legislation on that question?

HON. MR. ROMANOW: — Mr. Speaker, the hon. member from Kindersley refuses to accept the complexity of this particular problem. Freedom of information is a principal this government believes in; it's a principle, I think, all members of the House believe in. The question, however, of freedom of information must be balanced against the right to privacy. That is a complicated legal matter. In a federal state such as Canada's, where there is proposed federal legislation affecting the jurisdiction of the provinces, it becomes even more complex. The complexity may not impress itself upon the Progressive Conservative members in the province of Saskatchewan. Luckily, it impresses itself on the seven or eight other Progressive Conservative governments in the Dominion of Canada. I simply say to the hon. member opposite that I will undertake, if Mr. Fox tables a copy of the letter in the House of Commons, to do the same thing provincially. You can look at it, criticize it, and make your comments after you've received the letter.

MR. LANE: — Supplementary to the Deputy Premier. Would the Deputy Premier not be prepared to admit that it's time for action on freedom of information and not for words, that the public of Saskatchewan wants freedom of information legislation? If this province had freedom of information legislation in tandem with the federal freedom of information legislation, the concerns of the provincial premiers would not be necessary and your correspondence would not be necessary.

HON. MR. ROMANOW: — Mr. Speaker, again I repeat, it is desirable to have freedom of information legislation. But the problem is not simply a matter of bringing it in, as the hon. member for Qu'Appelle says. The fact that there is only one provincial government in Canada, to my knowledge, which has freedom of information legislation (I think yet unproclaimed — that's Nova Scotia) is testimony to that fact. I believe that we are as progressive and as able in legislation legal matters as the other province but no smarter than say, Ontario or Alberta or Manitoba or British Columbia, which also have the best legal advice available to them. It's a complex area and the area is one of adjusting and balancing the right to information versus the right to privacy. The fact of the matter is that the Conservatives do the province no good at all with simplistic solutions to this complicated problem.

Bills Re Freedom of Information Brought in by Federal Government

MR. ANDREW: — Question to the Attorney General. The Attorney General indicates that it's very difficult to bring in freedom of information legislation. I can suggest, and I'm sure you will agree, that the Clark government brought in Bill C-15, the present Liberal government has now introduced Bill C-43, and they're both very progressive pieces of legislation. They have, in fact, addressed the question of freedom of information and the question of privacy. Would you not agree that, in fact, they are models which all governments in this country can copy from and bring in and effectively change the system of secrecy of government.

HON. MR. ROMANOW: — Mr. Speaker, that comment flies in the face of reality. I just finished telling the hon. member that I was asked by my nine other attorneys general across the country, on their behalf — my deputy was the key official to look at that model of legislation that the member for Kindersley refers to and we came up with the united 10 provinces' critique of the difficulties attached there. Now, I don't know what could be more simple, more basic or more straightforward than that. If the hon. member refuses to accept it and continues on it what I think can only be sloganeering about this (I support the position of freedom of information as much, if not more than he does) and if he does not want to help me on specifics, nothing further can be done. I'll table the letter; the hon. member can take a lot at the criticisms and see if he accepts or rejects them.

ORDERS OF THE DAY

TABLING OF ESTIMATES AND SUPPLEMENTARY ESTIMATES

HON. MR. TCHORZEWSKI: — Mr. Speaker, I have a message from His Honor the Lieutenant-Governor.

MR. SPEAKER: — The message from His Honor the Lieutenant-Governor reads:

The Lieutenant-Governor transmits estimates of certain sums required for the service of the province for the 12 months ending March 31, 1982 and supplementary estimates of certain sums required for the service of the province for 12 months ending March 31, 1981 and recommends the same to the Legislative Assembly.

HON. MR. TCHORZEWSKI: — Mr. Speaker, I move, seconded by Mr. Robbins, the hon. member for Saskatoon Nutana.

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

Motion agreed to.

GOVERNMENT ORDERS

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

HON. MR. TCHORZEWSKI: — Mr. Speaker, it is my pleasure to rise in this Assembly today to present the 1981 budget for the province of Saskatchewan. You will recall that last year when I gave the budget address, I used a lectern which I indicated to the House

had been built by a constituent of mine who was a farmer from Watrous. I am very happy to indicate to the House that today I am using a lectern that was built by Futuristic Industries which is a workshop for the handicapped in the town of Humboldt. Since this is the International Year of Disabled Persons, I am happy to use this lectern in delivering this budget address.

Mr. Speaker, we have just concluded an outstanding year. Celebrate Saskatchewan, the year of our 75th anniversary was an occasion in which all Saskatchewan people drew closer together as a community. Over 800 cities, towns, villages and hamlets throughout this province celebrated our anniversary with more than 3,500 reunions, homecomings, tournaments, rodeos, parades and fairs. And the response was overwhelming. Over 7,000 people served as committee members. Many thousands more gave their enthusiastic assistance and almost everyone in Saskatchewan attended or in some way took part in those events. Our celebration reminded us that much has been accomplished in the past 75 years. It reminded us that working together, our people have created a sense of community which is Saskatchewan's greatest heritage. Times and challenges have changed but the spirit of community, which has made life in Saskatchewan both a success and a pleasure, is alive and well today. It is reflected in the people of this province. It is reflected in the social and economic institutions that they have built and supported. Mr. Speaker, this spirit of community is reflected in our budget for 1981.

In a few minutes I will announce our plans for the continued development of Saskatchewan's growing economy. I will also announce an impressive package of social programs which will enrich and improve the quality of our community life. To help Saskatchewan families cope with rising prices and high interest rates, I will announce a reduction in taxes by Saskatchewan people.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — But first let me revise the broader context in which this budget was prepared. Mr. Speaker, when I delivered my first budget speech last March, I spoke of the serious structural problems contributing to Canada's poor economic performance. I spoke of the high interest rate policies of the federal government and how those policies were impairing the investment opportunities that are necessary to create jobs and to control inflation in Canada. I spoke of the special hardships that federal interest rate policies impose on farmers, on small businessmen, on home buyers and on families renewing their mortgages. A year later we can see the results of those policies — a damaging national recession and high unemployment — and yet we have not seen the decline in inflation that was promised in exchange for the burden imposed by high interest rates.

A year ago I also spoke of the uncertainty facing Canadians because of the lack of economic leadership from our federal government. In its October 1980 budget, the federal government warned the Canadian people that the state of the national economy would get even worse. Canadians were told that unemployment will rise, that inflation will increase, that economic growth in Canada will remain stagnant, and that the commitment to high interest rate policies will continue.

Mr. Speaker, Canadians deserve better. The people of Canada are entitled to national action and national leadership which will help our country realize its great economic potential. The federal budget did not provide that action or that leadership. It increased rather than resolved the insecurity and the uncertainty of Canadians. Furthermore, the

major part of the federal budget, the national energy program, will not bring Canada energy security or the jobs and income that continued resource development in the West can provide to all Canadians. We in Saskatchewan have offered what we believe is a positive and a workable approach to Canada's economic problems.

If Canada is to attain its fully economic potential, it must undertake productive capital investments. A strong western economy will help put all of Canada out of its current economic slump. The solution to Canada's economic problems must lie in building vigorously on our strengths, rather than pursuing policies which accentuate our weaknesses.

Mr. Speaker, I have discussed some of the impediments to economic growth in this country, caused in part by the policies of our national government. I am also very concerned about the worsening of relations between federal government and the provinces. Contrary to the history and the spirit of co-operative federalism in Canada, the federal government has chosen to act unilaterally in dealing with the provinces on fundamental issues — issues such as constitutional review, energy security, and federal-provincial cost-sharing arrangements. Confrontation among governments is disruptive and creates an unstable economic climate. The ill-conceived national energy program has created such a confrontation. This program is unjust; it is unfair and damaging to our economy, and it is unacceptable as it stands.

Let me review our concerns. The Government of Canada will take a larger share of Saskatchewan's oil and gas revenues than it takes from Alberta or British Columbia, despite the fact that both of those provinces are wealthier than Saskatchewan. The federal government will receive more revenue from Saskatchewan's oil and gas than will the province itself. The petroleum and gas revenue tax is unacceptable and we submit, unconstitutional in its application to Saskatchewan Crown corporations. This tax is grossly insensitive to the economics of the Saskatchewan oil industry and threatens its viability. But prior to the federal budget the petroleum and natural gas industry in Saskatchewan was expanding rapidly, especially in heavy oil. In 1980, 1,500 new wells were drilled which is a 17.5 per cent increase. Unfortunately, we can expect lower oil production and a significant decrease in the number of new wells in 1981. And while we support efforts to Canadianize the oil industry we cannot agree to an energy arrangement which discriminates against Saskatchewan people and sharply reduces the rate of exploration and development in this province.

Now energy pricing and taxation are not the only areas of serious disagreement between the federal and provincial governments. The federal government has been steadily reducing its involvement in the joint funding of social programs. A wide range of essential services across Canada, developed with the support and the encouragement of the federal government, could be endangered. During the past year the community service contribution program was terminated, and apparently grants to Saskatchewan from the federal Department of Regional Economic Expansion and federal contributions to the cost of RCMP services will also be cut back. The federal government has indicated in its budget that it will reduce transfers to the provinces for social programs such as medicare, hospitals and nursing homes, universities and vocational training.

The Government of Saskatchewan will vigorously oppose any such cuts because of the fundamental importance of these programs to the people of this province and to the people of Canada. If federal transfers are cut back, taxes may have to be increased at

the provincial level, especially in the have-not provinces. The results will be a regressive and a chaotic distribution of tax increases which is no way for the federal government to discharge its national responsibilities.

In recent years the increasing strength of the provincial economy has made it likely that Saskatchewan would no longer qualify for equalization payments from the federal government. Saskatchewan will not be eligible for equalization payments in 1981-82. Nevertheless our evolving status as a have province will not alter our continued support for this extremely valuable program. It has served Canada and Saskatchewan well and should remain as an important mechanism for sharing among the regions of this country.

In spite of the effects of federal energy policies and despite a few consecutive years of below average crops, Saskatchewan's economy stands in good health. Clearly, diversification has brought our province stability. In 1980 Saskatchewan's gross domestic product grew by 1.5 per cent after accounting for inflation. This compares to almost zero growth for the national economy. Ten years ago, two consecutive years of poor crops would have produced a sharp drop in the output of the provincial economy and an outflow of population, especially of our young people. But with Allan Blakeney's leadership we have a strong economy, steady and significant population growth and bright prospects for the future.

By June of 1981 the population of Saskatchewan will reach 980,000 people — the highest level ever. This represents an increase of more than 10,000 residents in just one year and 80,000 since 1974. This population growth, Mr. Speaker, demonstrates that our young people are finding jobs and opportunities at home in Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — In 1980, a total of 8,000 new jobs were created by the continued growth of our service, construction, mining and manufacturing sectors. And that is building a better Saskatchewan for us all.

Mr. Speaker, through the course of the past 75 years, we, in Saskatchewan, have developed a unique approach to the challenges and the rewards of life in this province. And fundamental to this approach is our belief that Saskatchewan is and will remain a community of all its citizens. All must benefit from our economic development. With good planning and a spirit of co-operation, we can live within our means and yet build effectively for the future.

For 1981 this budget places special emphasis on the following objectives: a diversified economy with a strong agricultural sector; ample education and employment opportunities for our young people; expanded health and social services; and an enriched community life in which all people can attain their fullest potential.

Let me now turn to the specifics of our budget plan, starting with the heritage fund. Our resource policy in the 1970s was based on the belief that Saskatchewan people can control the course of their own future. The enormous success of the heritage funds has justified our confidence.

The heritage fund is approaching two important milestones. First, the assets of the heritage fund will pass the \$1 billion mark early in the new fiscal year.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — In three short years the assets of the fund have more than doubled. These include investments in potash, in uranium, in heavy oil, and in grain transportation. They are building the economic future of this province — a future which all of us have helped to shape and from which all of us will benefit.

Second, we anticipate that the annual flow of revenue into the heritage fund will also exceed \$1 billion in 1981.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — That is \$1 billion a year, Mr. Speaker, compared to only \$35 million in resource revenues just 10 years ago when this government was first elected. This did not happen by accident. Our policies were opposed. We fought for a fair share of resource revenues and we prevailed. Today the benefits are enjoyed by all the people of this great province of Saskatchewan.

In 1981-82, the heritage fund will provide \$550 million to the consolidated fund as a dividend to the people of Saskatchewan. This will help pay for ongoing programs and services such as highways, school grants, the dental plan, and cancer research. It will help keep taxes as low as possible. The fund will provide \$66 million for provincial development expenditures for capital projects, such as hospitals, development roads, and municipal projects. And another \$140 million will go to help achieve the goal of energy security for Saskatchewan people.

Mr. Speaker, the heritage fund provides the financial resources needed to invest in Saskatchewan's future. I am pleased to announce that in 1981-82 we will set aside for investment in the heritage fund over \$300 million — the largest amount ever. This will raise the total assets of the heritage fund to over \$1.25 billion.

At the same time, Mr. Speaker, this budget meets the needs of today's growing population and growing economy with a sensitive balance of economic and social initiatives. The key elements of this budget are:

For rural Saskatchewan — a new beef stabilization program, new funding for agricultural research, alternative energy programs, increased grants for water and sewer projects, and a new rural road program;

For health care — increased grants for hospitals, an improved cancer program, an expanded dental care program, and new initiatives in preventative health;

For the handicapped — a new emphasis in the International Year of the Disabled.

For education — increased support for schools and universities and major new initiatives in job training.

For the North — revenue sharing and a new capital grants program.

For Indians and natives — expanded programs, especially in education and an economic development foundation;

For the enrichment of our community life — increased funding for parks, for recreation

and for the arts, and a new urban transit program.

For job creation and economic growth — a major increase in capital investment by our Crown corporations, and increased capital grants for schools, universities, hospitals and municipal projects;

For the problems caused by inflation — more support for nursing home care and for family income assistance, a strengthened day care program, a new home-energy loan program, increased bursaries for students, the indexing of Saskatchewan personal income taxes, and tax cuts for individuals and small businesses.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Mr. Speaker, since 1971, the people of Saskatchewan have benefited from the sound financial and economic policies of this New Democratic government. These policies have built a rapidly expanding provincial economy and a growing revenue base, particularly in the resource sector. We are able to enrich and to improve our economic and social programs, we are able to cut income taxes, and we are able to build up the assets of the heritage fund by over \$300 million. And yet, Mr. Speaker, even with these important measures, I am able to announce and I am proud to announce that the budget for the consolidated fund for 1981 is again a balanced budget.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Mr. Speaker, let me review in more detail our plans for the economic development of this province.

Agriculture is and will remain the backbone of our economy and our first economic priority. But a strong agricultural sector is not enough by itself. We must continue to diversify our provincial economy. The policies of this government have led to the development of our vast mineral resources in a way that will benefit all Saskatchewan citizens. This development provides us with the opportunity for balanced economic growth, both now and for the years to come. As a vital part of this development process, we must be sure that small businesses in this province can flourish, supporting the agricultural and the resource industries and providing jobs for our young people.

We must also make certain that the people of Saskatchewan have the necessary training to take advantage of these new jobs and new opportunities, Mr. Speaker, stable and diversified economic growth — that's our objective and this budget will contribute to its fulfilment.

Mr. Speaker, our Crown corporations play an important role in developing this province's economic potential. They participate in the development of our natural resources. They supply utilities to all areas of the province and they provide a variety of financial and other services to Saskatchewan people and businesses.

During the 1970s we established resource corporations to create jobs, to ensure that Saskatchewan people would have greater control over an expanding sector of the economy and to secure the financial returns from this development. The benefits to the people of Saskatchewan are already being felt. The Saskatchewan Mining Development Corporation and SaskOil have grown into major participants in the exploration and the development of our mineral resources. The Potash Corporation of

Saskatchewan has grown into one of the world's largest and most efficient potash producers.

Last year I announced that our potash corporation recorded profits for 1979 of \$78 million. This year I am pleased to report that the corporation has just completed another impressively successful year. Mr. Speaker, on behalf of my colleague, the minister responsible for the Potash Corporation of Saskatchewan, it gives me great pleasure to announce that for calendar year 1980, the Potash Corporation of Saskatchewan has more than doubled its profits reaching the record level of \$167 million.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Members of this assembly will be aware of the aggressive investment plans of the potash corporation for the 1980s. Profits earned to date have been set aside for a re-investment on behalf of the people of Saskatchewan, an investment that will pay handsome returns for many years to come. It is now appropriate that some of the financial benefits from our investments in the resource sector should be returned to the people of Saskatchewan.

And so, Mr. Speaker, it is with great pride that I announce that in 1981 the Potash Corporation of Saskatchewan will pay a dividend to the heritage fund of \$50 million.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — This dividend from the potash corporation is the first to be paid by our newly established resource corporations. It is the first dividend to be received by the people of Saskatchewan. It demonstrates the success of the resource policies of this government and it holds for the future the prospect that the best is yet to come.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — The Saskatchewan economy has been greatly strengthened by our family of Crown corporations. They are a major sources of new investment and they create jobs in Saskatchewan. The Crown corporations employ more than 12,600 Saskatchewan people, many of them in head office jobs that would otherwise be located outside of Saskatchewan and in many cases outside of this country.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — In 1981, capital investment by our Crown corporations will increase by 46 per cent to \$1 billion. This capital investment will also generate 4,000 construction related jobs or 750 more jobs than were created last year. This will be a key factor in maintaining high levels of employment throughout the year in Saskatchewan. Saskatchewan's large number and wide variety of small businesses is one of our basic economic strengths. The economic health of this province is closely linked with their ability to prosper, to expand and to provide jobs. We encourage and support the growth of these enterprises. We recognize the special hardships that are imposed on small businesses by high interest rates and rising costs. This budget contains important measures to assist small business, a 37 per cent increase for the Aid to Trade program to introduce Saskatchewan manufacturers to new international

markets and the continuation of the small business interest abatement program.

Mr. Speaker, I am pleased to announce that effective January 1, 1981, we will cut the corporate income tax rate for small businesses from 11 per cent to 10 per cent of taxable income.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — This tax will provide small businesses with a saving of \$3.6 million in 1981. The small business income tax rate for Saskatchewan will now be the third lowest in Canada. Mr. Speaker, we believe that there are great opportunities for the expansion of the small business sector in Saskatchewan. We are committed to ensuring that the Northerners and native people in southern Saskatchewan benefit from these opportunities. In co-operation with northern and native groups, we will establish an economic development foundation to help them participate more fully in economic growth of this province.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Two boards will be created within this foundation: one in northern Saskatchewan and one in southern Saskatchewan. These boards will provide financial services and encourage the involvement of individuals and co-operatives and private companies. When fully operational, the foundation will play a major role in promoting and supporting these northern and native enterprises.

Mr. Speaker, when I outlined our budget plan, I said that one of our main objectives is to strengthen the agricultural industry as the core of Saskatchewan economy. Our commitment is demonstrated by our actions. FarmStart has provided over 5,400 grants and loans totalling \$152 million. Land bank has provided land to over 2,600 developing farmers. The farm ownership board has protected farmland for Saskatchewan residents. The crop insurance program has dramatically improved its coverage. For 1980 alone it paid out nearly \$135 million. And looking to 1981, land bank's budget will increase \$35 million. FarmStart's interest rates will continue to be the lowest available to farmers. The effectiveness of our farm programs is reflected in the large number of young farmers in Saskatchewan. We have a greater percentage of farmers under the age of 25 than either Manitoba or Alberta.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Mr. Speaker, we have more farmers under 25 than both of these provinces combined. These are compelling statistics and they indicate a bright future for agriculture in this province.

Mr. Speaker, this government moved quickly last spring to reduce the impact of the drought. We provided assistance for fodder and feed grain transportation, for construction of community wells, for cattle transportation and for emergency fending. Farmers and farm groups throughout Saskatchewan have said that the provincial drought relief program was both sensible and effective. In total, drought relief expenditures will exceed \$6 million.

Mr. Speaker, the Canadian Wheat Board assures us that Canada will be able to market 30 million tonnes of prairie grain by 1985. In 1980 we took action to resolve some of

the shortcomings of our grain transportation system which prevent Saskatchewan farmers from taking full advantage of expanding markets. We invested \$55 million in 1,000 hopper cars which will be hauling grain within the next six months. We must also ensure that our farmers can produce the grain which the Canadian Wheat Board has said it can sell.

Saskatchewan farmers are among the most progressive in the world, but they require better research and information on production problems and practices. I am pleased to announce a co-operative research and demonstration program involving the University of Saskatchewan, the Department of Agriculture and Saskatchewan's farmers. We are committing \$25 million over the next five years, with \$4 million in this budget for the first year of this program. This includes \$3.2 million for research, mainly at the University of Saskatchewan, emphasizing soil salinity, moisture conservation, optimum crop rotations and weed control. Regional demonstration sites throughout rural Saskatchewan are the second component of this program. They will apply the experience and knowledge of Saskatchewan farmers in testing new production techniques.

Mr. Speaker, if Saskatchewan farmers are going to increase grain production to meet expanding world markets, they must be assured of the continued availability of liquid fuels. Although it is clear that energy prices will continue to increase in years ahead, a more important concern for agricultural producers is energy security. The major thrust of this government in energy security is the exploration and the development program of SaskOil, especially in tapping our enormous heavy oil potential. To complement SaskOil's activities we established the energy security division of the heritage fund, and last year, provided \$20 million in the reserve for special energy security measures.

In 1981, we will finance significant new ventures from this reserve. First, we will construct a \$7.1 million pilot ethanol plant, possibly through a joint-venture corporation. In addition to producing fuel, this pilot plant will conduct research into ethanol and diesahol.

Second, we will establish a liquid fuel test program to examine the performance of alternative liquid fuels under prairie conditions. This budget provides \$500,000 for the first year.

Third, we will explore the feasibility of producing ethanol from cellulose, such as crop residues and wood.

Taken together, these programs will establish Saskatchewan at the forefront of alternative liquid fuels technology in Canada.

Mr. Speaker, let me now turn to the livestock industry. Our livestock producers have often been discourage from expanding because of the historical instability of livestock markets. In 1976, we introduced the Saskatchewan Hog Assured Returns Program, more commonly known as SHARP, in co-operation with hog producers. To date more than \$3.6 million has been paid out to help stabilize returns.

Following the success of this program, I am pleased to announce that this budget provides for a voluntary provincial beef stabilization program for slaughter cattle.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — There has been \$5 million allocated for the provincial government's share of premiums in 1981. This will provide coverage for about 200,000 slaughter cattle in the first year. The program will be administered by a beef stabilization board which will also provide marketing services for all slaughter cattle covered by the plan.

My colleague, the Minister of Agriculture, will be introducing legislation in the current session of this legislature.

The Government of Saskatchewan believes that it would be more effective for livestock stabilization to be handled at the national level. However, we are not prepared to see our livestock producers suffer the large losses that were experienced in the mid-1970s when the federal government ignored the need for stabilized returns.

Finally, I am pleased to announce that this budget increases veterinary service grants by more than 80 per cent to improve veterinary services for livestock producers.

Mr. Speaker, this budget meets the real needs of farmers in 1981, and beyond. All of these announcements demonstrate our continuing commitment to farmers. In total, we will increase the budget for agriculture, not by 10 per cent, not by 20 per cent, but by 30.5 per cent to \$77.4 million.

Mr. Speaker, energy security is a vital concern of Saskatchewan people. In 1980, more than 80,000 attended the energy show in Saskatoon. Through the energy security division of the heritage funds, this budget provides over \$140 million to help meet our goal of energy security.

In addition to our innovative plans for a new liquid fuel test program and a pilot plant, we will:

First, provide grants of \$63 million to assist companies in the exploration and development of petroleum and natural gas.

Second, invest \$62 million in development activities of SaskOil.

And third, contribute \$3 million to enhance projects in heavy oil and over \$4 million to renewable energy projects.

The promotion of energy conservation is an essential part of this government's energy policy. For Saskatchewan families, I am pleased to announce a \$1.5 million home energy loan program for new housing as part of an expanded Warm Up Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — The new program will provide a \$3,000 interest-free loan to home buyers who purchase newly constructed housing that meets specified energy standards. This will give new home buyers an even greater incentive to reduce energy consumption and heating costs. In total, we are committing \$2.5 million to Warm Up Saskatchewan this year.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Mr. Speaker, highways are particularly important in

Saskatchewan; important because communities are so broadly dispersed. We have more kilometres of highway per capita than any other province, including 17,000 kilometres of dust-free roads. This is a massive investment in safe, convenient and efficient transportation — a system which is well worth protecting.

For 1981 we will increase spending on highway maintenance by 17 per cent, to \$57 million. At the same time, we will increase capital expenditures for highways by nearly 12 per cent to \$110 million. This will include \$8.8 million for Highway 106 to Creighton. We will also begin construction of a new four-lane section of the Trans-Canada Highway from west of Swift Current to Webb, with completion scheduled for 1983. This is part of our continuing effort to increase the safety and comfort on Saskatchewan highways.

Mr. Speaker, we must expand our vocational and technical training programs if Saskatchewan residents are to take full advantage of the employment opportunities of the 1980s.

I am pleased to announce several new major initiatives which will increase the scope of our training programs. We will emphasize a decentralized or outreach approach which is more flexible and makes training programs more readily accessible to people outside our larger cities.

For 1981 we will expand outreach training by 15,000 training days costing over \$600,000. We will convert more of our training programs to a format which responds to the specific needs of individual students at a cost of \$300,000. We will enhance the on-the-job training program and introduce five new or expanded institute programs at a cost of \$500,000. In total, outreach training will increase by nearly 70 per cent.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — However, decentralized community training programs must be supported by our technical training institutes. Currently there are three major institutes — Wascana, the Saskatchewan Technical Institute, and Kelsey. With the rapid growth of resource activity in Saskatchewan there is a clear need for a new technical institute to meet the growing demand for skilled employees. Mr. Speaker, I am pleased to announce in this Assembly that we will build a fourth technical institute in the city of Prince Albert. This new institute will serve the Prince Albert area and provide further outreach programs throughout northern Saskatchewan. We are committed to providing a comprehensive range of training programs for Northerners.

One month ago the Key Lake Board of Inquiry tabled its final report. A major recommendation was that training programs should be offered throughout the North. I am pleased to announce an expanded program of job training in northern Saskatchewan at an additional cost of \$2 million. This will double the number of places available for Northerners to over 1,000 per year.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — As announced in the throne speech last fall, the Buffalo Narrows training facility will open this spring. Approximately 120 students will be trained each year with particular emphasis on resource-related jobs.

We will improve northern education opportunities by creating the East Side

Community College which will complement the existing LaRonge and West Side community colleges. And finally, we will continue to review on an ongoing basis the need for further expansions of training programs in northern Saskatchewan.

Mr. Speaker, the Government of Saskatchewan strongly supports economic development but not at any cost. In the last four years, the budget for the Department of the Environment has increased by more than 100 per cent. You may also recall that a year ago in the budget speech, I announced the establishment of the environmental protection division in the heritage fund. The government's initial contribution was \$1 million for each of the two operating uranium mills. In 1981 we will transfer an additional \$1 million to the environmental protection division now that operations are under way at Cluff Lake. And I am also pleased to announce that \$600,000 has been allocated for a new mines waste research secretariat in the Department of the Environment.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Mr. Speaker, I now turn to our proposals for strengthening and enriching community life in Saskatchewan. As the minister responsible for Celebrate Saskatchewan, it was my pleasure to attend celebrations last year in all parts of the province. I was moved by the strong sense of community in our cities and our towns and our villages. As a government, this sense of community is something we are determined to preserve and to strengthen for it holds the key to our future. The economic potential of Saskatchewan offers great opportunities for the enrichment of our personal and community life, and this budget will help realize those opportunities.

Mr. Speaker, the people of this province believe in the health care system which serves all the community and serves it well. As a government we are strongly committed to the principles basic to a good health care system. Most important is accessibility. Health services should be available to all people throughout the province without financial or other deterrents. Our health care system reflects this commitment. Ninety-seven per cent of Saskatchewan's population lives within 25 miles of hospital services and a resident physician. We also believe that health services should address the total health needs of our population. Because of the new programs introduced by this government in the 1970s, Saskatchewan continues to enjoy the most comprehensive health care system in Canada today.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — We have added to our basic medical, hospital and community services, such things as the hearing aid plan, the prescription drug plan, the aids to independent living program, and a dental plan for children. Important challenges remain ahead of us, challenges in strengthening and expanding our existing health care programs and challenges in developing new initiatives for preventative health.

I want to speak first about our support for cancer programs. Last year we reinforced our commitment to the fight against cancer by establishing the Saskatchewan Cancer Foundation. In addition we provided \$1.2 million for a linear accelerator used in radiation treatment. For the coming year I am pleased to announce a major strengthening of our support for the foundation's important work. We will increase our grant by 30 per cent, to a total of \$10 million.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — This includes \$400,000 for a cobalt simulator at the Saskatoon clinic, and \$285,000 to launch a multi-year program of cancer research. And in addition we are providing over \$600,000 for construction work at the Allan Blair Clinic in Regina.

Mr. Speaker, I take great pleasure in announcing that the budge provides \$351 million for the Saskatchewan Hospital Services Plan. This will increase our support for the operation of our hospitals by 16 per cent over the budgeted level for 1980.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — It includes funding for 24 additional hospital beds in Saskatoon; \$1 million in operating grants for the addition to the Regina General Hospital; and grants for an extension to the Saskatoon Community clinic, and for a new health and social centre in Raymore.

We are continuing our high level of support for hospital construction with \$15 million for the Regina hospitals regeneration program., \$6 million for the University Hospital renovations, and \$4 million for renovations of new facilities in communities such as Cut Knife, Gravelbourg, Maidstone, Yorkton, Birch Hills, Indian Head and Davidson.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Mr. Speaker, Saskatchewan has the highest number of nursing homes and chronic care beds per capital in Canada. In 1981 we will take further steps to expand and to improve the system. I am pleased to announce that we will build a new 238-bed chronic care facility in Saskatoon. This new addition to our health care system will replace some existing, less suitable facilities and provide a net increase of 64 chronic care beds. These additional beds will also help relieve pressure on the acute care hospitals in Saskatoon.

A comprehensive health care system must include an effective range of preventive programs which will encourage the adoption of healthy lifestyles. In 1975 we pioneered the introduction of a dental plan for young people. Prevention was a major feature of this program from the beginning. As a result, the dental health of many young people receiving this service has improved significantly And given the success of the Saskatchewan Dental Plan, I am pleased to announce that we are extending coverage in 1981 to ages 4 to 15 inclusive.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — The special dental needs of the adolescent age group will be met through a modified version of the present system of school-based clinics in conjunction with private practise dentists. In 1981 we will increase total funding for the dental plan by 32 per cent to \$13 million.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — As part of our commitment to expand preventive health

programs, this budget will introduce a number of community-based pilot projects. These include a demonstration project for a preventive health program for our young people; two sheltered housing projects — one for senior citizens and one for the disabled; a Seniors Helping Seniors program located in 12 home care districts in the province — at Weyburn, Assiniboia, Watrous, Lanigan, Swift Current, Gravelbourg, Lloydminster, Moose Jaw, Shellbrook, North Battleford, Ituna-Lestock and Biggar; a neighborhood health centre for senior citizens; an increase in grants to city health departments for expanded preventive programs; and a pilot project to provide adult dental care in the rural area.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — In total we are providing over \$600 million for health programs in 1981 — 15 per cent more than the approved budget for 1980 and clear evidence of this government's commitment to maintain and expend our health care system for the benefit of all Saskatchewan people.

Mr. Speaker, we have inherited from Saskatchewan's pioneers a deep concern for the well-being of our fellow citizens. And we have reflected this concern in the broad range of social programs. We understand and appreciate the need for day care services in many family situations and, accordingly, the Department of Social Services has conducted a thorough public review of this important issue. As a result, I am pleased to announce a doubling of day care funding for 1981 from \$3.7 million to \$7.5 million.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — This substantial increase will bring added stability to the day care system, support expanded day care services and provide larger subsidies to more families. My colleague, the Minister of Social Services, will provide details at a later date.

Mr. Speaker, the family income plan increases the incentive for low-income wage earners with children to remain productively employed. In 1981, in recognition of the social and economic importance of this program, we will increase the maximum benefit per child by 40 per cent to \$70 per month. We will also increase the income and the asset exemption levels to broaden eligibility. These changes will cost \$2.2 million, and assist 1,400 additional low income families, including 500 previously on social assistance.

We, in Saskatchewan, owe a special debt of gratitude to our senior citizens. In 1977 we established a home-care program which offers basic services to senior citizens in their homes. This fiscal year we will provide home care services across the province at a cost of \$11 million. We are also in the process of consulting with interested organizations concerning the future structure of long-term nursing care. We expect that the new system, when in place, will significantly reduce the cost of care for the majority of nursing home residents. It will also lessen their reliance on the Saskatchewan Assistance Plan. In anticipation of these developments, we will increase total nursing home funding by almost 30 per cent to \$45.8 million.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — This budget also contains \$1 million for new initiative focussed on family and youth services. Next year we will establish a new unit in the

Department of Social Services to strengthen family support services. This new unit will help keep children together with their families rather than being brought into the care of the province.

I would like to announce that the benefits provided under the Saskatchewan Assistance Plan will again be increased this year to the rising cost of living.

The United Nations has identified 1981 as the International Year of Disabled Persons. I am pleased to say that we have budgeted \$3 million for new initiatives for the disabled, including \$1.1 million for 17 projects to provide easier access to public buildings. Also included are new community services, such as an early intervention program for families with disabled preschool children. The Saskatchewan Housing Corporation will pay grants to disabled persons for home repairs.

We will also improve educational programs for students with mental or physical handicaps through a group-treatment home for emotionally disturbed deaf children, a day care pilot project for handicapped students, a new speech therapy program, a new provincial education assessment centre for those with impaired hearing, and a new residential and education program in Saskatoon for blind-deaf children. Finally, it gives me great pleasure to announce that we will construct a new rehabilitation facility in the city of Regina.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — The Saskatchewan rehabilitation centre will serve the needs of injured workers and other disabled people. It will be planned in co-operation with the workers' compensation board and offers an appropriate first response to the recommendations of the report of the task force on rehabilitation.

Over the past decade we have seen improvements and enrichments in all aspects of the school system in Saskatchewan, including a great variety of courses available to students, new programs for students with special needs, and more and better classrooms and other facilities. The provincial government finances over 70 per cent of total school operating costs in Saskatchewan, through property tax rebates and the provision of direct operating grants to schools.

In 1981 property improvement grants will total \$74 million. I am pleased to announce that we will increase school operating grants by almost 12 per cent per student to \$260 million.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Grants for school capital projects will increase by 19 per cent to \$10.5 million, which will enable over 50 schools across the province to undertake new projects. These projects include 40 additions and renovations to existing facilities, 10 new gymnasiums and 4 new schools. Most of these projects are in rural areas in keeping with our commitment to ensure a wide range of facilities throughout Saskatchewan.

This government is aware of the financial pressures facing our universities. Accordingly, I'm pleased to announce that university operating grants will increase by 12 per cent to nearly \$101 million this year. In addition, we will continue to finance an

ambitious university capital program totalling \$16.3 million.

Mr. Speaker, this government's resource development policies have created many opportunities for employment for Saskatchewan people. In order to meet the needs of an expanding resource sector, I am pleased to announce that we will build a new geological science building at the University of Saskatchewan. This building, which will be financed by the heritage fund, will greatly improve the facilities available to geology students, many of whom will find jobs in Saskatchewan.

Finally, in recognition of the financial needs of post-secondary students, we will increase the assistance available through the student bursary program by 19 per cent.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — The Government of Saskatchewan recognizes that local urban governments must be assured of a secure and a growing revenue base. During the past decade, we have increased operating grants to urban municipalities from \$1 million in 1971, under the former government, to almost \$49 million in 1980, under the New Democratic government.

In 1978, to provide municipalities with a major revenue source linked to the economic growth of this province, we introduced revenue-sharing. As a result, operating grants to urban municipalities have more than doubled. This year, I am pleased to advise municipal councils and their ratepayers that the revenue-sharing escalator will raise the urban revenue-sharing pool by 10.2 per cent to a total of \$53.9 million.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — We have also shown strong support for the capital needs of our urban municipalities. Between 1971 and 1980, we have increased capital grants from \$2.6 million to \$36.9 million. In 1980, we will increase total capital grants to urban municipalities by 18 per cent to over \$43.5 million. We will increase the heritage fund grant to the community capital fund by 50 per cent to \$18 million.

Mr. Speaker, this is a direct investment of resource revenue in community facilities throughout Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — We're also proud that this government has helped revitalize the downtown areas of our urban communities. In 1980, we saw the opening of Weyburn Square and the commencement of downtown redevelopment in Prince Albert. Cornwall Centre in Regina, an outstanding example of downtown revitalization, will open its doors to the public later this year. We have also entered into an agreement with the city of Swift Current for a downtown redevelopment project. Furthermore, my colleague, the Minister of Urban Affairs, and the mayor of Saskatoon, have jointly announced an exciting \$100 million redevelopment project for that city.

In 1981, we will again support an aggressive and dynamic housing program. The Saskatchewan Housing Corporation will provide more than \$100 million to build 2,400 new housing units — an increase of 13 per cent. In addition, we will increase funding for home rehabilitation loans and we will raise the eligible income ceiling from

\$12,000 to \$16,500 to make the program available to more families.

For the first time, Mr. Speaker, the Saskatchewan Housing Corporation will borrow \$20 million of its capital requirements from the heritage fund, yet another example of the heritage fund working for the people of this province.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Members of this Assembly should also be aware that Saskatchewan is the only province in Canada which offers mortgage interest assistance to home-owners through the income tax system. A provincial tax credit of up to \$250 per year is provided by the Saskatchewan Mortgage Interest Tax Credit Program.

This government recognizes the growing importance of quality urban transit and the need to assist municipalities with the provision of this basic service. I am, therefore, pleased to announce a new grant program for municipal transit systems. This program will increase the budget for operating assistance by more than 160 per cent.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Mr. Speaker, this is an impressive package of initiatives for our urban communities.

The vast potential of northern Saskatchewan has provided this government and the people of the North with a unique opportunity. I am pleased to say that great progress has been made since the establishment of the Department of Northern Saskatchewan in 1972. We have constructed over 1,200 new housing units. We have provided more than \$34 million for school construction. We have spent \$110 million on other capital facilities. We have greatly increased the numbers of jobs in the North and reduced dependence on social assistance from 47 per cent to 14 per cent of the population.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Over the next decade resource development will greatly strengthen and diversify the economy of northern Saskatchewan. We are committed to ensuring that northern residents benefit first from this economic development. The budget for 1981 will emphasize three key areas — economic development, job training in local government, and I have already spoken about the expansion of training programs in the North and our new thrust in economic development.

Let me now turn to local government. In 1972, local government in the North was available to only 63 per cent of the population. Today there is 100 per cent representation. We are now approaching an important new phase in this process. During the current session of this Assembly, my colleague, the Minister of the Department of Northern Saskatchewan, will table a white paper proposing changes to the structure of local government in the North. This paper will form the basis for consultations with local governments. We hope to introduce legislation providing for regional government and enhance local government responsibilities. It give me great pleasure to announce that accompanying this proposed new structure will be a five-year, \$38 million revenue-sharing program to provide operating grants to local governments in the North.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — This budget contains over \$5 million for this program in 1981. I am pleased also to announce a five-year, \$17 million northern capital grants program. This program will be funded by a combination of provincial grants and taxes of a local nature collected by the province, including property taxes on mining companies. This capital grant will provide Northerners with a direct return from resource development. After the legislation comes into effect, we will make available \$1.2 million for local capital projects in 1981. Once the new structure is in place these two new programs together will make available to northern local governments a total of \$55 million over the five year period.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — There are a number of other initiatives in this budget which will improve community life and contribute to the future economic development of the North. These include a 17 per cent increase in school operating grants to nearly \$16 million, a 24 per cent increase in community recreation grants and a \$1 million on-the-job training program to increase the employment of Northerners within the Department of Northern Saskatchewan.

The development of the North in the last 10 years is a major success story. Much remains to be done, but I believe this budget is a strong indication of our continuing commitment to the people of the North and to their great potential.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Last year we announced a major program thrust for Indians and natives living in urban area. Our objective is to ensure their great participation in the province's social and economic development. Based on initial success, many of the programs announced last year will be expanded in 1981 with the continued co-operation of our Indian and native organizations.

Education programs are a priority. They include the community schools program, the Saskatchewan Urban Native Teacher Education Program and the Gabriel Dumont Institute. In total, we will increase grants for education programs by over 85 per cent.

I have already announced the creation of an economic development foundation. In addition we will expand job training, employment and support service programs.

Two years of intensive activity will not solve a problem as deeply rooted as urban poverty, but we believe that the measures taken by this government will prove to be the formula for success.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Mr. Speaker, we are committed to strengthening further our rural communities. In 1981 we will increase municipal water assistance board grants by 50 per cent to \$3 million; introduce a new farm housing program with \$4 million of mortgage financing; place a major emphasis on rural public works construction, with projects in 36 communities; provide more staff for community planning and for municipal management services; and we will double the budget for summer fairs and exhibition associations.

Mr. Speaker, I am pleased to announce that the revenue-sharing pool for rural municipalities will increase by 10.2 per cent for 1981 to a level of \$38 million. As well, to allow rural municipalities more flexibility in road construction, we will permit the pooling of funds within revenue sharing for main farm access roads and primary grid roads.

Two other notable programs are the main street program and the business improvement district program which together have helped to revitalize the business areas of many rural communities. More than 150 communities have taken advantage of the main street program, creating more than \$8 million of improvements. For 1981, grants will increase by 12.5 per cent to \$900,000. Under the business improvement district program, many communities have received assistance to improve publicly owned land and buildings. Grants for 1981 will be \$400,000.

Finally, Mr. Speaker, fulfilling our new decade of progress commitment, I am pleased to announce the introduction of a new Operation Open Roads program. This will provide dust-free roads to communities with a population of 50 or more persons. The new program builds on the success of the first Operation Open Roads program, which provided 311 communities with a total of 470 kilometres of dust-free access roads.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Mr. Speaker, 1981 is the 50th anniversary of the provincial parks system. During this anniversary year we will begin a long-term plan to expand and to diversify our parks program. For our senior citizens there will be bus tours and excursions into provincial parks; for the handicapped, improved facilities which will allow them to participate more fully in recreational programs, and for all Saskatchewan people, expanded parks and recreational programs.

Also in 1981 we will step up our program to winterise accommodations and park facilities at Buffalo Pound and Duck Mountain provincial parks. This will permit year-round recreational activity.

We will begin a three-year, \$2.7 million development of a public recreation corridor between Regina Beach and Valeport. We will undertake new developments within the Cypress Hiss Provincial Park.

During 1980 we celebrated Saskatchewan's rich multicultural heritage. In 1981, we are undertaking a number of new measures to preserve and to enhance our heritage, a 33 per cent increase in the grant to the Saskatchewan Arts Board, expanded support for Saskatchewan's 180 community museums; greater resources for conservation activities, related to our new heritage property legislation; and increased grants for libraries. In addition, this budget includes funds for the centrepiece project emerging from Celebrate Saskatchewan, the construction of a new building in Regina to house the Saskatchewan Archives.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — This new facility will help us to conserve our heritage resources in the years ahead.

Mr. Speaker, the co-operative spirit has played a prominent role in the history of this

province. This government is firmly committed to maintaining and strengthening the co-operative movement. I am pleased to report that we look forward to important new directions for the Department of Co-operation and Co-operative Development in 1981. Also, we will take new measures to protect Saskatchewan consumers. Recently, this government established a new Department of Consumer and Commercial Affairs. Today I am pleased to announce the introduction of a new debt counselling and money management program.

Now, Mr. Speaker, I would like to turn to the subject of taxation measures. I have already announced a one percentage point reduction of the corporate income tax rate for small businesses. The tax cut will provide 55 per cent of Saskatchewan's business with \$3.6 million in benefits in 1981. This is a 9 per cent provincial tax reduction. We recognize that the continued inflation and high interest rates in Canada create serious hardships for many of our citizens. In 1978 we significantly reduced personal income taxes in the new decade of progress. We promise further personal income tax cuts. I am pleased to announce that effective July 1, 1981, we will cut the personal income tax rate in Saskatchewan from 53 per cent to 51 per cent of basic federal tax.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — To distribute the impact of this tax more equitably, we will increase the Saskatchewan high income surtax rate from 10 per cent to 12 per cent of provincial tax in excess of \$4,000. This will affect only those taxpayers with taxable income great than \$33,000.

These personal income tax changes will reduce taxes paid by Saskatchewan people by over \$17 million per year. The personal income tax cut is in addition to the \$30 million reduction in provincial income taxes from the indexation of the tax system. Mr. Speaker, when combined with our tax cut for small businesses, these measures provide more than \$50 million a year in tax relief to Saskatchewan taxpayers.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — I want to point out, Mr. Speaker, that at 51 per cent, our new personal income tax rate is the fourth lowest in Canada. I should also say that each of the three provinces with lower rates burdens its citizens with substantial health insurance premiums. As you are all aware there are no health insurance premiums in the province of Saskatchewan.

In 1981 we will continue to provide low income taxpayers with a personal income tax reduction of \$160, plus a \$50 tax reduction for each dependent child and a special \$50 tax reduction for senior citizens.

Mr. Speaker, Saskatchewan's low-income tax reductions and the surtax have made our personal income tax system the most progressive and equitable in Canada.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — For families earning \$15,000 per year, the taxes and charges in Saskatchewan continue to be the lowest in Canada. At \$25,000 per year the taxes and charges in our province are lower than all of the other provinces, except Alberta.

I have, Mr. Speaker, one further tax change to announce. Effective at midnight tonight, the tax on cigarettes and tobacco will be increased by 3 cents per package of 25 and 1 cent per 25 grams, respectively.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — The tax on cigars exceeding 40 cents in value will be increased by 6 cents, in order to bring our tax rate in line with other provinces. These tax measures will yield an additional \$2.8 million in 1981-82.

Mr. Speaker, the long-term fiscal accounting policy of this government is to balance expenditures and revenues over the economic cycle. In the first half of the 1970s, we built up \$111 million in budgetary surpluses. During the latter part of the decade these surpluses were drawn down to maintain essential programs and services. We have now entered a phase of higher revenue growth, particularly in the resource sector. As a consequence, we propose to balance the budget of the consolidated fund in 1981-82, as well as in the current fiscal year.

It is evident from the initiatives I have outlined today that we are continuing to improve our social and economic programs. We have balanced the budget. We are providing significant tax cuts for individuals and small businesses. And, at the same time, we have strengthened our overall financial position. I note in particular that the assets of the Saskatchewan Heritage Fund will exceed \$1.25 billion by March 31, 1982. Saskatchewan's public sector debt remains the second lowest per capita in Canada and 88 per cent of the province's gross debt has financed investments by our Crown corporations.

Mr. Speaker, sound financial management practices have enable us to build for the future while strengthening and improving our overall financial position.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Mr. Speaker, in spite of adverse weather conditions and other unforeseen developments, the financial position of the province remains strong.

In the budget I presented one year ago, I estimated that budgetary cash outflows would reach \$2.18 billion and budgetary cash inflows would amount to \$2.19 billion. The unusual dry conditions last spring and summer resulted in unanticipated fire fighting and drought program costs of over \$20 million. Wage settlements in the hospital sector, plus the increased utilization of insurance health programs, added a further \$18 million to the budget.

At the same time, higher revenues from oil and potash have raised heritage fund revenues by \$112 million over the original estimate. This, Mr. Speaker, has enabled us to increase the heritage fund dividend to the consolidated fund by \$60 million. We now estimate that the year-end surplus for the heritage fund will be \$187 million.

In the consolidated fund we anticipate that receipts from the federal government will be \$50 million below our original estimate. Overall, we plan to balance the 1980-81 budget with cash inflows and outflows at approximately \$2.45 billion. I originally estimated that the 1980-81 budget would yield a combined net cash increase of \$150 million for the consolidated and heritage fund. I now estimate that the net cash

increase of the two funds will total \$187 million.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — For 1981-82, consolidated fund revenues are estimated to be \$2,287 million with expenditures of \$2,285 million leaving a small surplus of \$2 million. Mr. Speaker, a strong and growing economy will lead to significant growth and revenues from personal income taxes and from the education and health tax. It also should be noted that the strength of our economy has led to a reduction in receipts from the federal government, largely because the province is apparently no longer entitled to equalization payment. The revenues flowing into the heritage fund will increase by 56 per cent, \$1,010 million. The increase in estimated oil revenues to more than \$600 million is largely the result of the efforts of this government to have the revenue generated by the export of oil returned to the producing provinces.

Unfortunately, federal energy policies have created very real uncertainty in the oil industry, and, as a consequence, it is difficult to estimate oil production, oil exports and the yield from the sale of Crown leases. Given this uncertainty, our estimate for oil revenues is a cautious one. Potash production, Mr. Speaker, remains the second most important source of revenue to the heritage fund and will increase markedly to \$294 million. The heritage fund dividend to the consolidated fund acts as an important stabilizing influence in 1981-82, the dividend will be \$550 million, representing 54.5 per cent of total heritage fund revenues. The total budgetary expenditures from the heritage fund, including the dividend to the consolidated fund, will be \$697 million, leaving a surplus of \$313 million for investment purposes. Of this, \$239 million will be lent to or invested in our Crown corporations. The remaining surplus will lead to a net increase of \$77 million in the current assets of the heritage fund.

The combined surpluses of the consolidated and the heritage funds for 1981-82 is expected to be \$315 million.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Mr. Speaker, earlier in my remarks today, I described our budget plan for 1981 and our initiatives for a new decade of progress. I invite every member of this Assembly to recall some of the highlights: a new beef stabilization program; a new farm housing program; a new pilot ethenyl plant; a new home energy loan program; a new urban transit program; new rural roads program; a new local government package for northern Saskatchewan; a new technical training institute at Prince Albert; a new geological science building at the University of Saskatchewan; a new provincial archives building in Regina, a new rehabilitation centre for the disabled; a new chronic care facility in Saskatoon; new preventative health trusts and new funding for day care and cancer research and nursing home care. Plus, Mr. Speaker, there are income tax cuts for both individuals and small businesses. And, Mr. Speaker, for the first time, there is a \$50 million dividend from the Potash Corporation of Saskatchewan.

This budget builds for the future, with a balance in the consolidated fund, with a surplus for investment of over \$300 million in the heritage fund, and with a wide range of exciting new economic and social programs that address the challenges of the 1980s. This is all possible because the Government of Saskatchewan took the hard decisions in resource policy, created and developed our Crown corporations and established a heritage fund. We, in Saskatchewan, now have the foundations. With Allan Blakeney, we

have the leadership. And we have the opportunities for enormous progress. I am confident that throughout this budget, and other to follow, we will build, together, an even better Saskatchewan today and for the future.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TCHORZEWSKI: — Mr. Speaker, it is my pleasure, therefore, to move seconded by my colleague, Mr. Gross, the member for Morse:

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

MR. ROUSSEAU: — Mr. Speaker, I intend to make my remarks reasonably short today, but believe me, I'll give them to you on Monday.

SOME HON. MEMBERS: — Hear, hear!

MR. ROUSSEAU: — You ain't heard nothing yet, wait until Monday. The minister started out today, Mr. Speaker, attacking the federal government and the Canadian economy. I would like to remind the minister and the government opposite that the Government of Canada today is a Liberal government. And I would further like to remind the government opposite that the NDP put them there. If they have any complaints about the economy of Canada, take them up with the NDP, Mr. Broadbent, and his people in Ottawa. This is not a place to discuss it . . . (inaudible interjection) . . . Not my crowd, but the minister's crowd, please. Mine are staying.

Mr. Speaker, I listened to the laurels of the heritage fund today about the \$1.25 billion coming into this fund; and I'm sure that the people of Saskatchewan, as I did, would probably anticipate a tremendous cut in their costs, an addition to the money in their pockets by such resources and such revenues.

Well, what we heard in this budget today, Mr. Speaker, is nothing but a sham. It is another one of their myths. It is a most deceitful budget that I think I have ever, ever heard. The minister gave us a reduction in come tax — 2 per cent of the personal income tax, 1 per cent of the corporate tax. I didn't hear him say anything about the increase in the gasoline sales tax, which will generate far more revenue than the saving of the 2 per cent or the 1 per cent. But he didn't mention that today. And who pays that tax that's paid? Everyone, the workers, the senior citizens, the young people.

We hear of a 2 per cent and a 1 per cent reduction. Mr. Speaker, the 2 per cent and 1 per cent are going to be remembered in this province for a long time. When we talk of a \$1 billion heritage fund, we talk of a 2 per cent income tax reduction. It still bring \$45 million more than last year into your coffers directly from income tax — directly from the pockets of the people of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. ROUSSEAU: — The total budget which we heard today is exactly 13 per cent more than last year. Coincidentally, that is the same as inflation. Now, what have you done? What have you given to the people of Saskatchewan? You've given the same thing. There's nothing more. You've talked of a lot of programs; you've talked of percentages. But percentages — 80 per cent of nothing is still nothing.

AN HON. MEMBER: — Have a good rest over the weekend, boy.

MR. ROUSSEAU: — I'll be all right Monday, Gord. I'll be all right Monday.

The 20 per cent sales tax which we now are faced with today in the gasoline tax, in addition to, I might add, the 3 cents which the minister, your seatmate, keeps getting for his insurance company, which is always losing money . . . Twenty per cent is an additional — today, this year — \$20 million paid for out of the pockets of the people of Saskatchewan.

We called this week for a program to stimulate the economy of Saskatchewan, Mr. Speaker, He talks of a 2 per cent reduction in income tax. We asked for a 10 per cent cutback. With a \$1 billion heritage fund, you could have done it.

We called for \$100 million to be injected into the economy for mortgage assistance at not cost to the government because it would have been borrowed money, put out for the people today who are faced with 17 per cent mortgages. But there's nothing in your budget! In what way could you have stimulated the economy better than to inject \$100 million into housing? You were 50 per cent down last year on your housing starts in Saskatchewan. You're offering a \$3,000 interest-free loan. What do you want to do, heat up homes which will never be built? That's what it amounts to.

We called for the freeze on public utilities. There has been \$65 million in profits and we get 20 per cent increases. This is direct taxation, I might add — direct taxation on the taxpayers of this province, paid for out of the pockets of the people of this province. And you have a \$1 billion heritage fund?

We asked for a stimulant in the oil industry. You are estimating \$600 million. Half of them are closed.

Finally, just for today, Mr. Deputy Speaker . . . (inaudible) . . . I will resume this on Monday. In the year of the handicapped you budget \$3 million for that program; \$1.1 million of it is to do what you're supposed to do anyway — provide access to public buildings. Mr. Minister, the handicapped or disabled of our province deserve far more attention than what you have paid to them today.

Mr. Deputy Speaker, I intend to cover all areas of this budget on Monday, all areas of the programs which we have offered, and I will probably take as much time as the minister did; until then, I beg leave to adjourn debate.

HON. MR. TCHORZEWSKI: — Mr. Speaker, before the House Leader adjourns the House, I would like to move, seconded by the Hon. Mr. Rolfes, by leave of the Assembly:

That debate on the motion: "That this Assembly do now resolve itself into the committee of finance" be resumed on Monday, March 9, 1981.

Motion carried.

The Assembly adjourned at 4:08 p.m.