

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 11, 1981

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

WELCOME TO STUDENTS

MR. LANE: — On behalf of the member for Regina South, Mr. Rousseau . . . (inaudible interjection) . . . I'm sorry. I didn't hear the question from the member opposite. Mr. Speaker, in the past we have always shown the courtesy of allowing the introductions to proceed.

It is my pleasure to introduce two groups of students. Mr. Rousseau will return after question period and will meet with them for photographs and drinks. The first group of 54 students from grades 4, 5 and 6 from McCannel School is accompanied by Wayne Wilson, Don McDougall, Ian MacPherson and Jan Thompson. They are seated in the east gallery. McCannel School attained a degree of public notice recently with the debates and mock assembly which they had. I congratulate students, and I know all members join with me. Mr. Rousseau asked me specifically to point out the fine job done by the speaker, the premier and the leader of the opposition. The debates brought enjoyment to the parents and others who attended.

Secondly, I would like to introduce some 26 students from the W.C. Howe School. They are accompanied by Mr. Garnet Russell. Again, Mr. Rousseau will be meeting with that group after question period. I would like all members to join with me, Mr. Speaker, in wishing them an enjoyable and informative afternoon. Thank you for coming.

HON. MEMBERS: — Hear, hear!

MR. PEPPER: — Mr. Speaker, it is with great pleasure that I find it necessary to add to the words of the member for Qu'Appelle in greeting the W.C. Howe School. As one of the older members in the House, this is the first time I have had an opportunity to welcome a granddaughter, who is sitting in the gallery with the W.C. Howe School. I say welcome to Gina on behalf of all of us.

HON. MEMBERS: — Hear, hear!

MR. SOLOMON: — Mr. Speaker, it is with a large measure of pleasure that I introduce to you, and through you, to the members of this Assembly 60 grade 12 students in the west gallery from O'Neill High School in the constituency of Regina North-West. They are accompanied by their two teachers, Mr. Berezny and Mr. Hudson. I hope they enjoy the proceedings this afternoon. I am sure they will find them educational, if not entertaining. I would like to indicate to them that I will be glad to meet with them after the question period for pictures and drinks and respond to any questions they may have about the proceedings, the government of Saskatchewan or just general matters they want to raise with me. I would like to ask all members to join with me in welcoming them to this Assembly.

HON. MEMBERS: — Hear, hear!

MR. PICKERING: — Mr. Speaker, it is a pleasure for me to introduce to you, and through you, 20 students from the Crane Valley School in the Bengough-Milestone constituency. They are seated in the Speaker's gallery. They are accompanied here today by their teacher, Richard Struble. I hope they enjoy their stay in Regina and the proceedings in the House. I will be meeting with them immediately following, about 2:45 p.m., for pictures and drinks. I hope all members will join me in wishing them a safe journey home.

HON. MEMBERS: — Hear, hear!

HON. MR. McARTHUR: — Mr. Speaker, I would like to join with members of the legislature in welcoming the students and teachers from McCannel School. McCannel School will, upon confirmation of the new constituency boundaries, have the distinct advantage of being in Lakeview constituency rather than Regina South. I have, on occasion before, met with the students and teachers of McCannel School. I welcome them here again and look forward to their future visits.

HON. MEMBERS: — Hear, hear!

QUESTIONS

Condemnation of Protesters on Parliament Hill

MR. TAYLOR: — Mr. Speaker, my question is to the Deputy Premier. Mr. Deputy Premier, will you join with the members on this side of the House in support of the unanimous motion of the federal parliament condemning the embarrassing actions of the protesters on Parliament Hill, especially the burning of the American flag, and express our warmest welcome to the President on his first visit to Canada?

HON. MR. ROMANOW: — Mr. Speaker. I believe that this is a matter which best can be spoken to by the federal parliament, on the basis that this is a visit by a head of state of another country to the country of Canada, as represented by the Prime Minister and the federal government. Naturally, I would agree with the hon. member and members opposite that unseemly demonstrations, resulting in such things as the burning of American flags and the like, have no place in the Canadian political fabric.

On the question of demonstrations, of course, I would always hope they be peacefully and lawfully done, as befits any democratic society. I think, accordingly, the voice has been effectively raised by the House of Commons, and perhaps not very much more can be added to that situation by a provincial House.

MR. TAYLOR: — Mr. Deputy Premier, do you not feel that most of the people of the province of Saskatchewan were ashamed and embarrassed by the actions last night? Do you not feel it would be in the best interests of this province that a joint unanimous communique be sent from this legislature to explain and express the feelings of the people of this province?

HON. MR. ROMANOW: — Mr. Speaker, the hon. member asks me to make a judgment call as to how the people of Saskatchewan may have reacted to the incident. I have no way of judging that. That, of course, will be left to the members of the public themselves. All I can indicate is my disapproval of that kind of action personally, and I am sure the disapproval of all the members on this side of the House, and as the

member's question indicates, probably the members on that side of the House as well.

I think having said that, as I do now, and having made the points that I did in the first question in adding anything in response, I see at this point little advantage to the request made by the hon. member. I don't know whether I would want to reject it out of hand at this stage, but I do say that this is a nation-to-nation matter, and the protests are done on that basis; the national parliament with that jurisdiction has spoken and spoken clearly by unanimous voice. I think that it is best left on that basis, rather than our attempting to resurrect and to further inflame, possibly, that situation.

Proposed Outside Audit of SaskOil

MR. ANDREW: — Question to the Minister of Mineral Resources. Mr. Minister, Bill No. 32, dealing with SaskOil, proposes to have SaskOil subject to outside as opposed to provincial audit. As you know, this is going to mean that now, adding SaskOil, all the resource Crown Corporations in Saskatchewan will not be audited by the provincial auditor. Can you advise this Assembly why, when the shareholders of the Crown corporation are supposedly the people of Saskatchewan, they should not be audited and in that way brought to account through this legislature to the people of Saskatchewan, like all other Crown corporations and departments of government?

HON. MR. COWLEY: — Mr. Speaker, first of all, I think the member should realize that the legislation is enabling legislation. Whether or not some other auditor will be used to audit SaskOil will, of course, be determined in due course, on the assumption that this piece of legislation is passed.

Secondly, it is not an unusual practice in other jurisdictions, or indeed in Saskatchewan, for auditors other than the provincial auditor to audit Crown corporations.

I think to suggest that this somehow lessens the quality of information which comes to members of this House is to cast an aspersion on other auditors who are used in both the private and the public sector. Furthermore, Mr. Speaker, I think the member might be interested to note that one of the first actions of the new Conservative government in Manitoba when it took office was to take away from the provincial auditor all of the audits of Crown corporations and to put them in the hands of private auditors.

I don't think there is any question in my mind about the competence of the provincial auditor. I would be the last one to argue that he is not competent to audit the statements of SaskOil, or any other corporation for that matter. I think one of the arguments that can be advanced (and it's like most issues, there are arguments on both sides) is that from the corporation's point of view, the access to an auditor who audits many other companies in a similar line of business and does tax work and so on provides them with some information that might not otherwise be available to them as easily.

I want to say to the member that I believe there can be cases made on both sides of this issue, but I think to suggest that somehow the use of a private auditor (someone like Winspear Higgins, or you pick the names of the national and international firms that do audits) somehow lessens the credibility of the audited statements that come before this House would call into question the whole issue of auditing in this country. Furthermore, all of the audits done by private auditors are reviewed by the provincial auditor for presentation to this legislature.

MR. ANDREW: — Supplementary question to that, Mr. Speaker. Mr. Minister, is there a distinction between the resource Crown corporations, which are the ones that are going outside and getting the private auditors, and the other Crown corporations? Is there a different rule which applies to that one branch of the Crown corporations as opposed to the other?

HON. MR. COWLEY: — The only different rules would be whatever the legislation enables them to do. For example, concerning SPC, I believe and I haven't checked this out, that the legislation stipulates it is to be the provincial auditor. If that legislation were changed the same rule would apply, if by rule you mean a written rule or a law. If you are asking in terms of what the policy is, I think the policy that is generally emerging is one where the resource corporations, which do business not only in this jurisdiction but, like the potash corporation, in other jurisdictions as well where they are taxable, are using private auditors and there is a policy of using the provincial auditor for the utilities and other corporations in the province.

Out-of-Province Role in Crown Resource Companies

MR. ANDREW: — New question, Mr. Speaker, to the Minister of Mineral Resources. Yesterday on local television, Mr. Minister, you confirmed that SMDC is undertaking a mining venture in British Columbia. Your statement would seem to me to indicate a shift in the philosophy of the resource Crown corporations, in that you seem to be implying that SMDC is not unlike any other mining company and will go to the location where it can get the biggest bang for its buck. Mr. Minister, are you telling the people of Saskatchewan by this new position that there is virtually no difference between the resource Crown corporations and the national and multinational corporations other than the share structure of that thing? Are you saying that in fact you have adopted the accountability criteria of private enterprise, and thereby downgraded the primary mission of those Crown corporations, that being the pursuit of provincial interest objectives?

HON. MR. COWLEY: — Mr. Speaker, I think in responding to the member's question that he has obviously read something into my statements that I didn't say. I view our resource companies as having two mandates. Their first and most important mandate is to be active in the province and to carry out whatever provincial objectives we've given them in terms of developing our resource base. Their second, and also a very important mandate, is to be commercially successful. I'm sure that the members opposite would be the first to agree that if we are going to have companies involved in the mining industry or the oil industry in Saskatchewan, while they are pursuing provincial development goals they should also strive to be commercially successful. Part of what I was saying is that in terms of hardrock minerals in Saskatchewan, except for uranium (leaving it out for the time being), we are carrying out the bulk of our activity in this province; we are doing as much as we believe is reasonable and responsible for us to do in the province. As part of a balanced program of exploration for hardrock minerals, we have been involved in a limited way for the past year or so in British Columbia and in the Territories in some exploration. We have had activities for several years in Alberta and in Manitoba. It is a responsible position for a western Canadian mining company to take in terms of exploration because of the opportunities that are around. I was careful to point out . . .

MR. SPEAKER: — Order, order! I think the members will agree with me that the questions and answers are becoming rather lengthy — more in the nature of a debate.

This is not the opportunity to debate, and I would ask the members to try to shorten their questions and answers.

Errors in Will Drawn Through Legal Aid

MR. HAM: — A question to the Attorney General. Does the Attorney General recall a letter I mailed to him some two months ago in which I brought to his attention some obvious glaring errors in a last will and testament drawn by your legal aid department in Saskatoon? For your information I will remind the Attorney General that one glaring error was that they named one of the beneficiaries by his first name, Gerald Ernest Laughren, and at the end of the document they called him Harold Ernest Laughren, which is bad enough. Further on, Mr. Attorney General, it reads, “trust and divide the money equally between both of my three children.” Does the Attorney General recollect this letter?

HON. MR. ROMANOW: — Yes, yes.

MR. HAM: — Would the Attorney General tell us if the incompetent member of his staff in Saskatoon has been fired?

HON. MR. ROMANOW: — Mr. Speaker, the hon. member is mistaken or under a misimpression about the role of the legal aid commission, when he asks if a member of my staff has been fired. The legal aid commission is an autonomous and independent arm of the Department of the Attorney General. It is governed by the Saskatchewan Community Legal Services Commission, which has an executive director who is overall responsible for the administration of the plan, and below it are several independent regional boards — all elected under The Societies Act — which boards engage the council involved. In this particular case, there would be a particular local board, and lawyers working for the local board, who would be responsible for that kind of disciplinary action if such was necessary.

My response to the member is that the course of approach which is open to him and which he should pursue (or the people for whom he speaks should pursue) is to take this matter up directly with the legal profession. The Law Society of Saskatchewan, who, if there is deemed to be a malpractice, or some form of professional misconduct, would take action. Failing that, they could go directly to the legal aid commission itself.

Federal Government Taxation Relating to SMDC

MR. ANDREW: — A question to the Minister of Mineral Resources. Mr. Minister, your attitude is that SMDC is profit oriented, that it's just another mining company. I suggest that this could be flirting with the danger that the federal government will say that since you are a mining company not all that dissimilar to Rio Algom, operating not only in the province of Saskatchewan but in other provinces and perhaps in other countries, you should be subject to taxation similar to Rio Algom. My question is this, are you not concerned that if the federal government can make that argument stick as it relates to SMDC, they can also make it stick as it relates to the Saskatchewan potash corporation, and that in fact what we could see is an intrusion by the federal government, not only into the field of oil, but also into taxation in the field of potash and uranium — all as a result of the precedent that you have established by this development with SMDC?

HON. MR. COWLEY: — Well, Mr. Speaker, I, unlike the member for Kindersley, would assume that the courts would look behind the argument as to what is the fundamental

position with respect to the Crown in terms of taxation. If the member believes that SMDC (Saskatchewan Mining Development Corporation) is the first Crown corporation of any province that has ever operated outside of its own jurisdiction, then I think the member is sadly mistaken and needs to do a little more research. One only needs to look at Soquip in Quebec, for example. The Saskatchewan Power Corporation has been active in Alberta almost since its inception, at least since the 1940s. The member will find there are numerous examples of that. The member should look at federal Crown corporations which have operated in provincial jurisdictions such as Eldorado, whose objectives have been twofold like SMDC. Such Crown corporations have both an objective and a mission given to them by either the federal or provincial government, as the case may be. They also have an objective to be commercially successful. The potash corporation has, since its inception, been an active participant in the industry operated in this province, and in the United State of America, where it sells a large part of its potash. I think the member's argument simply doesn't hold water.

Freeze on Sask Tel Rates

MR. GARNER: — Thank you, Mr. Speaker. My question today is to the minister responsible for Sask Tel. Mr. Minister, in your answer to me last March 6, and I'll just read this, with Mr. Speaker's permission:

However, we certainly cannot give these kinds of services, the improved service which we are giving to the people of Saskatchewan, and still at the same time give the assurance that he wants that we will not have a rate increase.

Mr. Minister, I'm not asking you to cut service to the people of Saskatchewan. I'm asking you to freeze the rate of Sask Tel for one year, in light of the fact that during the last two years, you have turned a profit in excess of \$50 million, and have retained earnings of approximately \$131 million.

HON. MR. CODY: — Mr. Speaker, I don't know what he wants me to answer other than the answer I have already given, and that is to tell you that I will not give you the assurance that we can freeze telephone rates for one year. That is simply not possible. After all, as I indicated to the member on March 6, if he wants to have Sask Tel, the government of Saskatchewan, or whoever they want to call upon, give service to the public of Saskatchewan, such as we are giving to the people through Sask Tel, then we certainly cannot do it by continuing on with the same rates. We have to have rate increases from time to time so that we can generate the kind of money that is necessary to give the public the kinds of services which I am sure the member would like to have for his very own community. As I told him the other day, if he would like, we can certainly cut out some of the constituencies that he feels shouldn't have the kind of service they are now getting. I can certainly accommodate the member if he would like to have me do that.

MR. GARNER: — Supplementary, Mr. Speaker. Mr. Minister, in light of the fact that \$12.4 million was turned over to CIC (Crown Investments Corporation of Saskatchewan), as part of Sask Tel's profits, do you not now agree that this is nothing more than a utility tax on the people of Saskatchewan?

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — Order, order. I ask the members to come to order so that we can hear

the questions and answers.

HON. MR. CODY: — The answer simply is no, I don't agree.

Meadow Lake Sawmill Stock

MR. McLEOD: — Mr. Speaker, my question is to the minister responsible for tourism and renewable resources. Mr. Minister, on a previous occasion during this session, I asked the minister responsible for the Crown investments corporation about the closing of the Meadow Lake sawmill, and the fact that your government now owns 100 per cent of it. As the minister responsible for forestry in this province, I would ask what your intention is with regard to the prime timber that is now piled in the yard at that closed mill? The timber has the potential of being approximately 20 million board feet of lumber (that's a very conservative estimate), and it would bring a price even at today's wholesale prices of \$3 million. Now what is it your intention to do with that prime timber that's stockpiled there and is, in fact, now starting to rot and to deteriorate.

HON. MR. GROSS: — Mr. Speaker, it's my first question for this session. I was wondering if I were ever going to get one.

AN. HON. MEMBER: — We'll be curious to see whether you give your first answer.

HON. MR. GROSS: — There's no problem there, Mr. Speaker. The PAPCO (Prince Albert Pulp Company) deal is in transition at this present time. There are new principles being established in the PAPCO operations. The Meadow Lake forest operation falls under that jurisdiction. The moment there is a new operation in place, I'm sure the decisions will be made in regard to the lumber the member makes mention of. I understand there are studies being undertaken at this present time in regard to the product which is lying around in the Meadow Lake yard.

MR. McLEOD: — Supplementary question, Mr. Speaker. Mr. Minister, you tell me that that whole process is in the transition process. I'll say that's right. That timber to which I'm referring is actually in the transition process as well. In fact, it is rotting and the worms are in there. Anybody who knows anything about the forest industry in that area will tell you today that if you don't do something about it . . . My question to you is this, will you, as the minister responsible for conservation and forestry in this province, today give assurance that you will do something immediately to make sure that that timber does not rot and does not waste?

HON. MR. GROSS: — Mr. Speaker, I can give the member assurance that the timber will not rot and that plans are under way to utilize the timber that's involved.

Legal Aid re Budget and the Alberta Plan

MR. HAM: — Mr. Speaker, new question to the Attorney General. In response to your answer on my previous question, Mr. Attorney General, I find it difficult to think of any word by hypocrisy. I've received acknowledgment from your office, from you, that you were studying the matter and it was under investigation. Regardless, I would like to table this last will and testament before I'm finished my question.

Mr. Attorney General, your department is asking for an increase in the budget for moneys in your department. A substantial amount of that money is designated for the legal aid department. First of all, can you justify that in light of the document I just read

and your answer previously? Secondly, maybe you should now consider starting a plan in Saskatchewan similar to the legal aid plan of Alberta.

HON. MR. ROMANOW: — Mr. Speaker, it's for the House and for the public to judge whether the expenditure is justified. Quite obviously, I think it is because I'm promoting it as a part of my ministerial responsibilities, and I'm pleased to see the Minister of Finance has agreed.

As to the question of the legal aid plan, that again is for the members to judge. I don't believe that a judicare fee-for-service system, which is the kind Alberta and Conservative Ontario have, meets the needs of a consumer-oriented plan such as the Saskatchewan plan. So, obviously, I don't agree with the member on that side either.

MR. HAM: — Supplementary, Mr. Speaker. I wonder if the Attorney General might respond to the fact that the poor people of Saskatchewan, or those less fortunate than us, are having to attend your legal clinics and have incompetent work such as this given back?

HON. MR. ROMANOW: — Mr. Speaker, first of all, I don't know if it is incompetent work. The hon. member says that it's incompetent work. He can table it. The letter which he gave to me I have asked the Saskatchewan Legal Aid Commission to examine and to take up with the general counsel to review the particular work that has been involved here. As one who has practiced, quite some few years ago now but I'm sure the hon. member for Qu'Appelle would agree with me, I find very often these kinds of allegations are far from being black and white. They're general because the directions are sometimes very unclear or uncertain; circumstances change and a variety of factors may enter into it.

I would simply say to the hon. member opposite that he ought not to judge that matter, totally and completely, immediately. Let it be judged in the normal course by the legal aid commission and/or by the legal aid society.

Saskatchewan Gasoline Tax

MR. LANE: — I'm sure the Hon. Attorney General will agree with me that all the good lawyers in the province are on this side as well.

My question to the Minister of Revenue, Supply and Services. Government statistics show that, in fact, Saskatchewan gasoline consumption has dropped 2 per cent in the last year. Would the minister be prepared to admit that in fact with a reduction in gasoline consumption and approximately a \$20 million increase in government revenues from the gasoline 20 per cent tax, that this gasoline tax amounts to nothing more than profiteering by the government of Saskatchewan on the backs of the taxpayers of Saskatchewan?

SOME HON. MEMBERS: — Hear, hear!

HON. MR. ROBBINS: — Mr. Speaker, if it's profiteering, then five other governments in Canada are also profiteering.

SPECIAL ORDER

ADJOURNED DEBATE

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Tchorzewski: "That this Assembly do now resolve itself into the committee of finance" and the amendment thereto moved by Mr. Rousseau.

MR. COLLVER: — Mr. Speaker, although I'm not Mr. Poniatowski, it is a pleasure for me to enter into this debate on this budget address. Before I make any comments on the budget, I would like to comment just briefly on the Attorney General and Deputy Premier's refusal today to take any kind of concrete action in the light of the despicable performance by several (and I say only a few) individuals, Mr. Speaker, who desecrated the American flag last night on television to the detriment, I think, of those who believe in fair play, polite and non-rude behavior in Canada and in Saskatchewan.

MR. SPEAKER: — Order, order. I would caution the member for Nipawin that this is not an opportunity to retaliate because of something which occurred during the question period. The member for Nipawin may speak of something which occurred in Ottawa, but he may not relate it to the Attorney General who gave an answer in the question period. I think that's out of order. There is nothing wrong with the member relating to an incident which might have occurred at Parliament Hill in Ottawa during his remarks.

MR. COLLVER: — Mr. Speaker, it's certainly unusual during radio time and during the course of debate on the budget, when one is traditionally allowed to mention whatever one wants, and can refer to past comments of any member in this House in question period, and raise those comments in question period which were raised in question period before . . .

MR. SPEAKER: — Order, order. The member for Nipawin has heard my decision with regard to what I just stated. If he want to waste his time debating my ruling, which is out of order, I shall sit him down at every opportunity. If he wishes to get on with his speech, I'll allow him to proceed.

MR. COLLVER: — Thank you, Mr. Speaker. I'm pleased to see that one-sixty-first of the radio time will be taken up with matters other than those of the members speaking to this Assembly. I think that it might be a little bit unreasonable to assume that any man in this Legislative Assembly who gave countenance and abettance to left wing guerrillas, in his answer to a question yesterday when asked by a member of the opposition as to whether or not left wing El Salvadoran guerrillas should receive help from the Government of Saskatchewan . . . That, I think, is despicable and may give aid to those who would perform similar actions to that which occurred on television last evening. Now, Mr. Speaker, I will get to the bulk of the remarks which I wish to make today, but I will wait until the House settles down just a little before I continue.

MR. SPEAKER: — Order. I wonder if we could have order so that the member for Nipawin can be heard in his remarks.

MR. COLLVER: — Thank you so much, Mr. Speaker. I do appreciate that.

Mr. Speaker, as you well know I represent constituency of Nipawin. Nipawin and Tisdale are known as the land of rape and honey. If you drive up to my constituency, you will see posted along the highways that very sign, "The Land of Rape and Honey." For most

years, since those signs were erected, they referred to a crop which was used to produce oil, and it referred to a product that was created by the bees in buzzing around the same crop. Unfortunately, Mr. Speaker, I'm afraid that that particular expression, "the land of rape and honey," now applies to the entire province of Saskatchewan, and in fact, to the entire area of western Canada.

Western Canadians are being raped but the people are sitting back and saying, "Oh, everything is sweetness and light. Everything is contentment. Nobody will do anything to us anyway." So I thought I would like to make a comment or two today on how western Canada is being despoiled and plundered. I don't think I'm going to make any different comments in that regard from those gentlemen opposite from the NDP, who have been saying the same thing for many years, and who are now producing propane gas in Saskatchewan newspapers. For the next 100 years or 200 years western Canada, under the proposed constitutional changes that Mr. Trudeau is putting forward, will continue to be raped and plundered.

Only this time there will be absolutely no hope of any redress. Those individuals, businesses, and directors in Toronto and Ottawa will continue their plunder of western Canada and they will not be able to be stopped because of these constitutional changes. No court in the land could rule on behalf of western Canada if Mr. Trudeau's constitutional changes are put into effect. That is why the NDP, the Conservatives, the Social Credit Government of British Columbia, and all those provincial governments in Canada which believe in a true federation in which people are able to make decisions at the local level are trying to fight Mr. Trudeau's ideas and ideals.

Unfortunately, Mr. Speaker, the people today are absolutely bored with the arguments. I say that that's too bad. It's too bad not only for the future of western Canada. It's too bad for those very same people who are bored and apathetic. I must say that there is one group in our society who is not bored and apathetic, and who is at least prepared to do something about it. It is at least prepared to fight somehow. That is a group called WestFed. WestFed is today actively pursuing actions to fight Mr. Trudeau's concept of Canada.

I don't think that the NDP Government of Saskatchewan, the Conservative Government of Alberta, or the Socreds in British Columbia, because of their political standing and because they are afraid to lose political face, are prepared to stand up and be counted on this absolutely most important issue for the future.

People don't consider it important. How important is it that half the world price of oil is being taken by eastern Canadian industry to support its inefficient behavior? How important is that? Is that supporting good in Canada? It is not. It is taking from those who have resources and putting them in the hands of those who don't know how to act with the resources, who are inefficient, who cannot produce goods and services on a competitive basis. It is taking away from the western Canadian people, the children and grandchildren of those of us in western Canada who are concerned about our future. It is taking away their opportunities and placing them in the hands of people in Ottawa who are absolutely deathly afraid of paying the world price for oil because they know that the Canadian dollar would have to fall to less than 60 cents, in relation to American money, if they allowed the world price for oil to take effect in Canada.

The fact is, Mr. Speaker, we're being plundered, not just with our oil. It was mentioned today in question period. We are being plundered for our mining revenue, and our taxation revenue in the West. We are being plundered with inequitable freight rates. We

are being plundered with inequitable customs duties and excise taxes. We are being plundered by Petro-Can. We are being plundered in a way that is beyond anyone's comprehension, but today everything seems rosy.

The people of Nipawin are happy because they have the Nipawin dam, and for that we thank the NDP government and all those in the constituency of Nipawin who worked so hard to achieve that result. But, Mr. Speaker, that's not good enough.

We have a responsibility to future generations to retain our wealth for those future generations, and not dissipate it on current obligations. That's what they are doing in Ottawa, and that's what the NDP is doing in Saskatchewan — dissipating our wealth. They are like a rich man who inherited all his wealth (and that's what we did.) We inherited that wealth from God. And what are we doing? Throwing it away today for today's expenditures, putting aside for tomorrow, never.

If things are as rosy as the NDP would have us believe in Saskatchewan, why is it necessary to borrow \$500 million in the current year? Why? Good heavens, Mr. Speaker, if we have so much wealth why are we subjecting our children and grandchildren to the payment of huge interest rates that are presently in existence and are going to continue? Why? If things are that good why aren't we using the money today to build for tomorrow? But no.

We are throwing away the money we have today on inefficient administration. Has there been any cutback on government bureaucracy? No. Government bureaucracy increased this year substantially. Has there been any improvement, Mr. Speaker, in the quality of medicare, not in the quantity of medicare? No, there has not. And hundreds and hundreds of individuals in Saskatchewan are having to face the loss of their doctors who were trained in Canada. The doctors are moving out of Canada because of the policies of the NDP government. Are we improving the situation for them? Are improving the situation for those patients who are facing the loss of their doctors? No, we are not.

Have we improved the situation for the poor? No, we haven't. The poor are just as poor as they were before. The poorest people in the world live in northern Saskatchewan. I don't mean poor in terms of character, I don't mean in terms of abilities, I mean poor, deathly poor, in terms of income per annum. I mean deathly poor in terms of accommodation. The poorest people in the world live in northern Saskatchewan. Have we done more for them? Have we built for them? No, we haven't.

What we've done, Mr. Speaker, is increase the size of the bureaucracy to pay off more political people. There isn't a person in Saskatchewan who couldn't give you a story at close hand of all the jobs that have been created in all the Crown corporations in this province on behalf of the governing parties.

We are wasting our riches in Saskatchewan. We are being plundered by eastern Canada in Saskatchewan. It is time those of us in the West recognized what's happening to us and stop wasting our future. We are sitting on, if you like, a gold mine. The people come here from all over the world. Just yesterday a chap who lives in the city of Regina, who happens to be a barber and comes from Italy, came up to me and he said that he can't understand it. We have less than a million people in this land of Saskatchewan, and we are sitting on top of the most abundant riches in the world. He comes from a country in which they don't sit on top of riches, they sit on top of earthquakes. And he says, "We are wasting our heritage, wasting our future." He is

right. He is absolutely right. We are putting it on the backs of our children and our grandchildren.

Now, Mr. Speaker, I say to you, it may be the land of rape and honey for some. People may say to themselves, "We're prepared to accept the rape; we are prepared to lie back and enjoy it," Mr. Speaker, to be quite frank with you, there are thousands and thousands of citizens in Saskatchewan and in the West who, today, are lying back and enjoying it. They are saying "Terrific, who cares; I'm all right Jack. I'm here, everything is fine, it hasn't affected me yet. It's not really good, but it's okay." They should be rich because we are a rich province. No, Mr. Speaker, those who lie back and enjoy the rape by both the federal government and this wasteful government, I say, deserve what they get. A few years down the road they are going to look to those of us who have tried to work against it, who have tried to alert people to the dangers that are happening right now, and they are going to say, "We wish we had listened."

Mr. Speaker, there are many in this province who are prepared to lie back and enjoy the rape. But I can tell you, I am not one of them and I'm going to continue to fight against this kind of plunder and this kind of wasted behavior that this government and the Trudeau government have perpetrated on the people of Saskatchewan.

HON. MR. ROBBINS: — Mr. Speaker, I am pleased to participate in the current budget debate. I wish to offer my congratulations to my seatmate, the Hon. Ed Tchorzewski, the Minister of Finance, who presented a good budget with clarity and conviction. He is to be highly commended for his effort.

The second comment which needs to be made in this debate, and which is so readily apparent, is related to the total ineptitude of the opposition benches.

A budget, Mr. Speaker, should be a servant and not a master. It should be a guide and a guard. It is a measurement of the probabilities in the financial accounting of the government. Opposition spokesmen, Mr. Speaker, suggest we do not have prosperous conditions in Saskatchewan. The evidence is all around them, but they prefer fiction to fact and persistently contend that the economy suffers stagnant economic conditions. This contention, clearly, is not demonstrable.

I hold in my hand a copy of the March 4 issue of the Saskatoon *Star-Phoenix*. The public school board, in reporting a \$748,651 surplus as of December 31, 1980, said:

The reason was the board had enjoyed significant benefits from the buoyant economy during 1980.

The income tax reduction of 2 points of basic federal tax is not 2 per cent as the financial critic says, because 2 points on the basic federal tax is much close to 4 per cent than 2 per cent. It is not unusual for the opposition critic or people in the opposition to be 100 per cent wrong. We have the fourth lowest income tax rate in Canada. Only three provinces have lower rates: Ontario, British Columbia and Alberta. Those three provinces are the wealthiest provinces in Canada. Everyone admits that. And those three provinces all levy health premium taxes: Ontario to the extent of \$480 per year for a family; British Columbia \$225 per year for a family; and Alberta, \$208 per year for a family. That hits lower income families much harder than income tax levies do.

The Conservative financial critic, the hon. member for Regina South, contends that if

his party formed the government it would reduce the income tax by 10 points — or is it 10 per cent? Who knows? The hon. member doesn't even know whether it is 2 basic points or 2 per cent, so who could tell whether he is talking about 5 points, which is 10 per cent, or whether he is talking about 10 points in relation to the federal tax. The people of Saskatchewan know better than to fall for that kind of fictional line.

The Progressive Conservatives contend that Saskatchewan people do not see any benefits from the heritage fund operation. They are wrong again, Mr. Speaker. The Government of Saskatchewan has consistently contended that non-renewable resources, a depleting resource, should provide economic advantages to the current generation and to generations yet to come.

Revenues derived from oil, natural gas, potash, uranium, sodium sulphate, coal and other minerals are directed to the heritage fund. The government follows a policy of annually paying a dividend from the heritage fund to the consolidated fund. We have consistently said we would utilize up to 60 per cent of such revenue flows to meet current revenue needs. The current budget estimates a dividend of \$550 million or 54.5 per cent of estimated heritage revenue inflows as a transfer to the consolidated revenue fund. It should be self-evident to even a completely uninitiated student of economics that this sum is a major factor in keeping down direct tax levies. Anyone should be able to understand that a resource revenue dividend equal to roughly one-quarter of the total anticipated 1981-82 revenues is of major assistance in lessening direct taxation burdens.

The members opposite should realize that if that \$550 million were not available to the consolidated revenue fund, the income tax in Saskatchewan would have to be 100 points related to the basic federal tax, and even that would not raise sufficient money to match that \$550 million dividend. If we raised the E&H or sales tax by 10 per cent, we would only then raise sufficient money from that tax (assuming retail sales stayed high enough to generate that revenue) to match that \$550 million. The public should be aware also that the Progressive Conservatives opposed such measures as higher royalties on petroleum and potash production, when they were initiated, from which the heritage fund derives the bulk of its revenues.

We should recall the howls of outrage which emanated from Progressive Conservatives and Liberals when the Government of Saskatchewan purchased three potash mines and the majority ownership in a fourth. It would, it was contended, destroy the industry. Crown-owned corporations could not logically compete in commercial markets. So much for those myths, Mr. Deputy Speaker. The results are evident for anyone willing to accept facts. The Potash Corporation of Saskatchewan (PCS) earned \$176 million in calendar 1980. It earned that \$167 million after paying \$92,646,000 in resource royalties and corporate capital tax to the Saskatchewan treasury, and grants in lieu of taxes to municipal bodies. Opposition members asserted we were sinking millions into holes in the ground. Who was right, Mr. Speaker? The evidence is there. The opposition would like very much to forget about it, and well they might, it will haunt them for years to come.

The Progressive Conservative financial critic, the hon. member for Regina South, asserts that Saskatchewan is afflicted with too much government. He will have difficulty convincing Saskatchewan electors in that respect. He argues for so-called

freedom for the people. Freedom from what? Presumably freedom from the burden of being in receipt of \$167 million net earnings from the Crown-owned potash corporation in calendar 1980, freedom from being in receipt of \$50 million dividends from Crown-owned PCS into the heritage fund in 1981-82. Yes, Mr. Speaker, freedom to have such revenue results accrue to foreign-owned corporations, rather than being retained and achieving results within the boundaries of our own province. Some freedoms, Mr. Speaker!

The Progressive Conservative financial critic contended that government members propagate myths. Yet in his financial critique of the budget delivered yesterday, he talked about New Brunswick producing potash, presumably because the policies of this government drove that private corporation out of Saskatchewan in terms of expansion to New Brunswick where more favorable royalty and tax arrangements could be negotiated. Mr. Speaker, New Brunswick has not to this date produced a single tonne of potash. Mr. Speaker, one may well ask, who engages in myths?

The hon. member for Regina South has been extremely critical of our change from a volume basis for gasoline tax to an ad valorem tax or value application. He says it's 30 cents a gallon. He's wrong again, Mr. Speaker. It's actually 23.14 cents per gallon.

We do not say that we will only spend on construction and maintenance of highways the revenues that are generated by the gasoline tax and the registration of motor vehicles. However, we do say, Mr. Speaker, that the revenues derived from these sources should bear a reasonable relationship to expenditures (capital and maintenance) on highways in the transportation system.

In 1970, these two revenue sources paid for 84.9 per cent of highway construction and maintenance. In 1980, when we altered motor registration fees and changed from a volume basis on the gasoline tax to the ad valorem levy, the percentage of highway construction and maintenance covered by those sources had dropped to 65.5 per cent. If we had not altered these levies in 1980, the percentage of revenue to expenditures would have declined to 59.9 per cent in the current fiscal year.

I am sure that people of this province want reasonable highways. We don't want to find ourselves in the position where we're simply driving on lanes again.

The financial critic does not like the ad valorem tax. Well let's look at gasoline taxes across Canada. Which province has the highest current gasoline tax? The answer is Prince Edward Island. It has a Progressive Conservative government. It has an ad valorem tax of 6.6 cents per litre or 29.96 cents per gallon.

The member for Rosetown-Elrose, the other day, talked about 30 cents per gallon tax in this province. He took 20 per cent of \$1.50 at the pump. That is not the way it's computed. The tax is included in the final pump price and it actually is 23.14 cents. Wrong again; they are consistently wrong, Mr. Speaker.

The second highest gasoline tax in Canada is in Newfoundland. You guessed it, Mr. Speaker. It has a Progressive Conservative government and a tax rate of 6 cents per litre or 27.24 cents per gallon.

British Columbia comes in third with a 20 per cent ad valorem tax announced in their new budget a day or two ago of 5.32 cents per litre or 24.15 cents per gallon. Quebec comes in fourth with a 5.3 cents per litre or 24.06 cents per gallon, and it is an ad

valorem tax, too. Quebecers, however, get one break in this process. They do not have a Progressive Conservative government.

Manitoba, with an ad valorem tax of 5.2 cents per litre or 23.6 cents per gallon is the next highest one. Now all of those have Conservative governments, with the exception of Quebec. Yes, B.C. has the most conservative government in Canada.

We are sixth in the gasoline tax derby at 5.1 cents per litre or 23.1 cents per gallon. We are closely followed by Nova Scotia, Ontario and New Brunswick, all of which have Progressive Conservative governments, with gasoline taxes ranging from 22.38 cents per gallon to 19.98 cents per gallon. Alberta, of course, as everyone is aware, does not have a gasoline tax.

Mr. Speaker, it is perfectly safe to predict that all provinces in Canada, with the exception of Alberta, will have ad valorem taxes on gasoline within the next year. We have it on good authority that two of them will be bringing them in in their budgets very shortly. Prince Edward Island, Manitoba and Quebec all had ad valorem gasoline taxes before we had them. So much for that myth.

The Conservative financial critic asserts that the PCs, if in government, would reduce the sales tax by 1 per cent per year, until it was totally removed over a five-year period. They'd never make it, Mr. Speaker. If Saskatchewan people were ever unfortunate enough to be afflicted with a Progressive Conservative government, they would not last five years and a portion of the sales tax would then obviously remain.

It is estimated that sales taxes will produce revenues of \$309.8 million in fiscal 1981-82. About 10 per cent of that figure is in liquor consumption tax, with some \$275 million in general sales taxes.

On page 62 of *Hansard* the financial critic for the PCs, the other day, in his critique of the budget made statements to this effect. He said, "Why charge him 5 per cent sales tax on virtually everything except food? Wrong again, Mr. Speaker.

Currently exemptions from sales taxes are applicable to farm machinery and repairs to the extent of \$38.4 million in a year; fertilizers to the extent of \$7.1 million; reading materials to the extent of \$2.9 million; drugs and medicines to the extent of \$2.5 million; food to the extent of \$52.6 million; construction services to the extent of \$65.5 million; and used good to the extent of \$11.7 million. The exemptions on sales taxes result in savings to Saskatchewan taxpayers which will exceed \$200 million in fiscal 1981-82.

Excluding Alberta, every other province in Canada levies sales taxes at higher rates and applicable to a broader range of goods than is applicable in Saskatchewan. And all of those provinces with the exception of Quebec and B.C. (everything but Conservative in name) are burdened with Progressive Conservative governments. By their deeds you shall know them, Mr. Speaker.

The protestations of the critic carry a somewhat hollow ring. The opposition financial critic never tires of repeating that Saskatchewan auto insurance rates are, to use his terminology, the highest in Canada. He is wrong. But you know the old adage. If you repeat something often enough someone will be gullible enough to believe it. A standard coverage and liability in collision and comprehensive on a standard car like a Chevrolet is more expensive in every province of Canada today except Prince Edward

Island.

The Progressive Conservatives should be able to differentiate between publicly owned insurance and The Automobile Accident Insurance Act, but apparently they cannot. The former Saskatchewan Government Insurance has returned \$10,320,509 in realized earnings to the government, either directly or through CIC, the holding company, and has retained \$3,138,427 in earnings within the organization. It has achieved 31 surpluses and has had 4 deficits in 35 years of operation. Mr. Speaker, in relation to the insurance industry, that is a good record.

The Automobile Accident Insurance Act fund administered by SGI has had 18 surpluses and 16 deficits, and has clearly been operating on a break-even basis in the 34-year cycle of operations, except for the last two years. Those last two years of very severe deficits occurring specifically because of the accident frequency and the inflationary trend. Our goal, of course, in The Automobile Accident Insurance Act is to ensure that the fund operates on a break-even basis. Progressive Conservatives, through their financial critic, attempt to perpetuate the myth that the deficits are the result of other causes. Mr. Speaker, they are wrong, as they are in the majority of their analyses and their prognostications. They survive on fiction and not facts, and expect to flourish electorally on their myths. It should tell them otherwise, but it doesn't because they are slow learners.

Another self-evident myth in the critic's repertoire yesterday was related to the initiation of the Ipsco plant in Regina. It began under the Woodrow Lloyd administration, which was severely criticized by the Thatcherites when they were in opposition prior to 1964 for investing in what they termed a worthless enterprise. One would think the critic would avoid the monetarist theories of Milton Friedman. Not at all, he embraces them.

Mr. Speaker, Conservatives never change. They want progress without change—an impossible combination. One can be assured they will become progressively more conservative rather than conservatively more progressive. I shall, Mr. Speaker, vote against the amendment and for the main motion.

SOME HON. MEMBERS: — Hear, hear!

MR. McLEOD: — Thank you, Mr. Speaker. Once again it is with a great deal of pleasure that I enter into debate in this House. I am pleased to be able to enter into this budget debate. We've just now listened to the member who has just taken his seat, the minister responsible for SGI, the Minister of Revenue, Supply and Services. He has once again given us a long list of statistics and a long list of numbers and so on when, in fact, in the middle of that speech he had the audacity to use the phrase that if you repeat something often enough people will believe it. Coming from a member on that side of the House, given their present tactics and their tactics in the past for getting themselves elected, it's really strange to hear.

Mr. Speaker, all across this province in recent years we have been watching an advertising campaign on billboards and in the theatres, on television and mass communications all across the province — an advertising campaign regarding the family of Crown corporations and the great services it is providing to the people of Saskatchewan, and the great economic boom that is here upon us now and so on. In the speeches in this House that we have heard on the budget debate from the opposite side of the House, we have heard announcement after announcement from different ministers about how the economic boom and the resource policies of this government

are providing — whatever.

Now, Mr. Speaker, this particular ploy is nothing but a marketing ploy. They have come to the stage now where they deal strictly with the communications industry in whatever big untruth or whatever they can tell people to be the facts; and if they tell people often enough, people will start to believe it. They feel that people in this province now believe there is an economic boom upon us. There is no economic boom upon us, Mr. Speaker, and there is no question that there is potential for an economic boom in this province. I repeat that — a potential for economic boom which certainly isn't here as yet.

As my colleague, the member for Regina South, said in his reply to the budget speech, what these people are creating — the members in that government opposite are creating with their advertising and their whole method — is not wealth. They are not creating wealth in this province with their Crown corporations and so on, but they are attempting to create wealth mentality. To them that's enough. As long as they can mould the people into thinking a certain way, well, that's fine. But, Mr. Speaker, the people of Saskatchewan are not fooled by this. The only people who have bought that bill of goods, the only people in this province who have bought that big-sell job from this government are those members themselves. I'll give you an example.

The member who just sat down, the minister responsible for SGI — all ministers on that side — have as one of the stock lines in their speeches that the economic boom is upon us because of our resources. That minister, in announcing a 28 per cent increase in SGI rates a couple of months ago, announced, "There is a 28 per cent increase in SGI rates." In fact, over 14 months there was a 48 per cent, exorbitant increase in SGI rates, and what was his reason? What was the reason that the minister gave for these increases? The same line as they use for all of their announcements — the economic boom in Saskatchewan. That's the reason for these big increases in the rates — economic boom on everything they announce regardless of what they're trying to say.

Well, Mr. Speaker, any time we discuss a budget in this House, or any government body that is dealing with the taxpayers' money, there is one very basic question to which we have to address ourselves and that is, how does that budget affect the average taxpayer in this province — the average person (and we include ourselves in there)? The average taxpayer in this province, with that 2 per cent decrease in the personal income tax, would get a benefit of about \$30 to \$40. We are not going to say that is not important. Any benefit we can get we'll say thank you, on behalf of those people. But if you couple that very meagre decrease in personal income tax with the utility rate increases coming from Sask Tel and from Sask Power, and with the SGI rate increases that I have just mentioned earlier, and with the gas tax that is not a progressive tax — I would hope that all people who are legislators, regardless of their political stripe, would not believe it to be progressive — that's a regressive tax. There is no question about it. When gas goes to \$1.50 a gallon in this province, that's 30 cents to the coffers of that government every time.

SOME HON. MEMBERS: — Hear, hear!

MR. McLEOD: — As gas prices continue to increase, that government's revenues continue to increase on the same graduated scale. If you add another 3 cents to that revenue (the 3 cents which is a hidden tax that's put on there as a straight subsidy to the Saskatchewan Government Insurance), that is another 3 cents on gas. It was just pointed out in the House yesterday that the gasoline in the city of Toronto is cheaper at

the pumps than the gasoline here in Saskatchewan. That's sad testimony against a government of a producing province in this country.

SOME HON. MEMBERS: — Hear, hear!

MR. McLEOD: — Mr. Speaker, I made some reference to the utility rate increases. Members on this side, our finance critic, the member for Regina South, others of us, this party, the Progressive Conservative Party of Saskatchewan have been calling for a public utilities review commission for a long time. We believe that that is a way that consumers can be protected from gouging by government, Crown corporations, and by monopoly utilities. Last night, the member for Regina Rosemont, in this House, condemned that proposal of ours saying that in the province of Ontario (and he used that example) there was some exorbitant increase. I think he used the figure of around 1000 per cent in hydro rates in Ontario. Now, get this and very carefully, gentlemen. The province of Ontario (and what he said just made our point) has no public utilities review commission. There isn't one in existence.

SOME HON. MEMBERS: — Hear, hear!

MR. McLEOD: — The equivalent of a public utilities review commission is not in place in Ontario. Our point is very well made by the member for Regina Rosemont, even though he sits on your side of the House.

Mr. Speaker, I have a couple of issues relating to this budget, but relating to the average taxpayer's concerns which relate to my own constituency. Certainly, there are several; there are many. My time constraints are important here, so I will just mention a couple of things. Certainly, we wanted natural gas rural distribution. The St. Walburg community should have its natural gas all down that line. The member for Turtleford, whose constituency would directly benefit from that as well, was questioning us and heckling and so on the other day when we were calling for natural gas distribution in that area.

SOME HON. MEMBERS: — Hear, hear!

MR. McLEOD: — Level 3 and 4 care is of great concern to the people in the Northwest, not only in my constituency, but in other constituencies in that area.

But the one area which I did mention today in question period, and it's very, very important to the people in the town of Meadow Lake and in the immediately surrounding area, has to do with the Meadow Lake sawmill. As people in Saskatchewan will now know, it is related to the Prince Albert pulp mill which was purchased 100 per cent by this government. That sawmill has been closed now for well over a year. I don't deny that it was closed when the government of this province bought it. That's fine. Be that as it may. The fact remains, the province of Saskatchewan, on behalf of the people of Saskatchewan, bought that mill. There are members in the cabinet over there who are so concerned with sitting on big boards of directors and being big directors of companies that they have lost sight of what those corporations are all about. Those corporations are there to protect the average taxpayer of Saskatchewan, the shareholders in those companies. That sawmill, although it is worth several millions dollars, is still very important to those people. It means over \$2 million to the economy of Meadow Lake alone. It means 150 to 200 jobs. Today, in Meadow Lake, there are 50 to 60 homes for sale, and a good portion of those homes are owned by people whom I know personally. They worked at that mill. They have to pull out of town. And where are

they going? They are going right behind their brothers and their sisters and everybody else. Former students of mine who have graduated, every year are going to Alberta and British Columbia. That's where they are going now.

SOME HON. MEMBERS: — Hear, hear!

MR. McLEOD: — Today in the House, I asked the minister responsible for tourism and renewable resources, the minister responsible for forestry in this province, what he is going to do with the timber that is sitting at that mill. That's another concern. Certainly we want the jobs. But they have timber piled at that mill from three months sawing, and from a very conservative estimate it is worth \$3 million. There is 20 million feet of potential board lumber there. That timber is prime timber. I say to the minister responsible for conservation of forestry, if you allow that to continue to deteriorate and rot (and the worms are in there now, and that's a fact), you will not hear the last of it. I'll tell you that right now.

SOME HON. MEMBERS: — Hear, hear!

MR. McLEOD: — I have one more concern which is in my area, but is certainly of concern to citizens in every part of this province. It deals with the Department of the Environment and the ineptitude of that department in not letting the people of northwestern Saskatchewan and the whole province know what they are doing and what effect the Cold Lake heavy oil project is going to have on this province. We're downstream and downwind from that project.

The national energy program, which has shut that approval down, may, in fact, turn out to be a good decision for Saskatchewan — if you act now and do something about that. That project has potential for tremendous ill effects on Saskatchewan and especially northwest Saskatchewan — in the area of tourism, zoning, in the R.M. of Beaver River, the Pierceland area, urbanization in that whole area. All of those things are very important to my constituents and not only to them but to all people across this province who discovered northwest Saskatchewan and know the playground that it has become. Mr. Speaker, I have several other things, but I see by the clock that my time is running to an end. In conclusion, I would like to say this to the government opposite, in the interests of that average taxpayer, of whom I once again say we all are, people who are being hit in the hip pocket by this budget, people who are listening to that myth and now are realizing it is a myth (the economic boom in this province) — remember those taxpayers. When we do have industry in this province, don't go running out of province (as the minister for the Crown investments corporation and responsible for SMDC did yesterday in justifying why his Crown corporation is mining for hardrock in the province of British Columbia) while in our own province (and in my constituency) he is sitting on a mill that is not open and our people aren't working. I would ask him this question: is that Crown corporation preceding the Saskatchewan workforce or is it just following the Saskatchewan workforce that moved to B.C. over a period of all these years?

Once again I ask the government opposite in all sincerity to remember the taxpayers of this province, and remember in the environmental area to protect their interests and inform them about what decisions you make in those smoky, corporate backrooms of yours. Inform them about what effects those decisions are going to have on our people. Mr. Speaker, I'll be supporting the amendment, and I can in no way support the main motion.

HON. MR. GROSS: — Mr. Speaker, it is a pleasure to follow the emerging leader of the Tory party.

I am very pleased to participate in the discussion of the recently announced budget for the province of Saskatchewan. I would like to begin my remarks by congratulating my friend and colleague, Hon. Mr. Tchorzewski, for his able presentation of the budget in this House. Once again he has brought down a budget that clearly embodies the principles of sound fiscal management and responsible government to the people of this province.

I know that the budget will succeed in keeping our economy active, health, and alive. Speaking of active and alive, I would like to congratulate at this time, Mr. Speaker, if I may, two active and alive members of this House on their elevation to cabinet, namely, Dwain Lingenfelter for the Department of Social Services, and Bob Long, for the Department of Highways.

Mr. Speaker, if I may, I would like to take the opportunity in the budget debate to outline the highlights of my department's activities currently taking place, and the ones which are planned in the coming year.

Tourism in Saskatchewan ranks as a multimillion dollar industry. The current and potential importance of this industry to the economy of our province can hardly be overstated. In fact, tourism is the third largest single industry in this province.

Another very important area of the tourism sector is the area of transportation. In fact, it is key and is the life blood that sustains the tourism business. In that area of transportation, we have some very important problems facing us in promoting tourism. I think, Mr. Speaker, the greatest problem that faces us is in the airline business in this province.

You will be aware, back in 1979 Norcanair service to Minot was discontinued. This service is a vital transportation link to a very important United States tourism market and it was lost. It was a situation that could not go on unaddressed, and it did not go unaddressed. Mr. Speaker, because of the efforts in negotiation of this government, we have brought that situation to a successful conclusion.

Effective May 1, 1981, Frontier Airlines of Denver, Colorado, will begin scheduled jet service from Denver to Regina and Saskatoon, using a 737 jet. The air link which was formerly lost will be replaced by a much superior one, and by a much superior service that will greatly enhance the future tourism development in our province. Air transportation is important to tourism because the tourist dollars it brings in are captive tourist dollars, dollars which go directly to our tourist operators.

Mr. Speaker, another important area in the transportation section is airport facilities in this province. I should mention a recent development in the area of transportation which affects the city of Regina. It is a plan that has now been announced; we will be looking at a major improvement in the Regina airport facility. You will recall that on February 10, I met with Jean-Luc-Pepin, and with other colleagues in tourism, to discuss transportation-related issues in our industry. At the top of our lobby list was the Regina airport. Mr. Pepin informed me that during our negotiating, he would ask the federal officials to prepare a federal treasury board submission to approve this facility. The planned improvements will bring the airport into step with the demands in the '80s, and will significantly enhance the state of the tourism industry in Saskatchewan.

Mr. Speaker, I am also very pleased to announce that late last night I received in my office the first copy of the first concept planned for the new Regina airport.

In the area of promotion and development (an important area in the Department of Tourism), I am happy to say that the Accent Hospitality program will continue in 1981. It has been in place since 1979, and is a very important program. It is a program which has been developed in co-operation with the industry. It teaches the tourism trade the importance of hospitality. It teaches them important attributes which they must be very cognizant of, namely, the friendly "Hello," the "Good morning," "Thank you very much," and "Is there anything I can do for you?" — key ingredients to a solid and viable hospitality industry in our province.

Mr. Speaker, another important aspect of the tourism development program is the senior citizen and student package tours which we announced yesterday. It gave me great pleasure to announce that important and new and major program for tourism development in our province. It will be a pilot project for 1981 and it will cost us around \$165,000. It is a co-operative program between our Department of Tourism and the Saskatchewan Transportation Company. There will be two packages offered to our senior citizens.

AN HON. MEMBER: — There aren't any hotels this year.

HON. MR. GROSS: — I am coming to that. The number one package which we will be putting forward is a peak-period package in the months of July and August, which will provide one-day tours to our parks for our senior citizens. The maximum cost we hope we can keep under \$10, depending upon the destination. It will be an opportunity to take part in the park operation during a very, very busy season. Upon arrival at the parks, the senior citizens will be offered a range of planned activities. The schedule will be flexible and will allow one to partake in whatever he may want to.

The second part of the package which is important is the off-season package. This will take place in the months of May and June, and the months of September and October. Instead of a one-day tour, it will be a three-day package that will offer two nights of accommodation. And these tours, Mr. Speaker, will range in the area of \$40 to \$65 per person. A host of activities will be provided when they arrive at the park during those seasons, and they will be activities in which they will all want to take part.

Mr. Speaker, the other aspect of this total package is for students. It will commence in the months of May and June, and October and November. It was developed in consultation with school boards and teachers. The emphasis will be to incorporate what the parks can offer in light of the present normal curriculum study. It is very easy to see that biology, geography, natural sciences and the environment can play a major part here, and will offer a much more interpretative display for the education program that is in existence in the province.

This new program provides a practical and effective way to extend an opportunity to enjoy and learn from our parks to a much wider segment of our population. The parks belong to the people of this province and it should be their right to have the opportunity to enjoy them.

Mr. Speaker, more specifically about parks in general. I would like to talk about what we have done in the past year and what we will do in the years to come. In 1980 there was a

special year for this province; it was the year we celebrated our 75th anniversary. It was a great success and will be long remembered by all who took part. Mr. Speaker, 1981 will also be a special year for this province because it will be the 50th anniversary of our provincial park system. It is a system of which the people of this province can be proud as it provides high quality recreation and enjoyment for all, no matter where in the province they might live.

Today there are 17 provincial parks and 99 regional parks in this province. The responsible care of the parks system requires sound management for the present and a realistic long-range future. In the past 50 years, the provincial parks have been developed to fulfill both economic and social goals. We have set three major goals in the provincial park system and I think we have achieved these goals to a large measure. We set out to improve the quality of life for Saskatchewan residents, and I think we have done that. We have allowed the public a chance to better enjoy our natural resources. The third is that we have generated a great deal of economic activity by attracting a most important feature — the tourist dollar.

If the parks are to continue to fulfill these goals in the 80s, new trends and changes must be recognized that will affect the park system in a very significant way. There are changes in the make-up of our population. Energy costs are rising dramatically and work and leisure patterns are changing very dramatically as well. People have more time on their hands to spend a greater portion of their disposable income on recreation. To meet the challenge, our department will be taking many new and bold initiatives in the year to come.

The major initiative in the shift to year-round use of our provincial parks is very important. Our parks have been primarily a summertime operation, but today, increasing numbers of Saskatchewan residents are seeking outdoor recreational opportunities in the winter months. Not only is the cost of out-of-province travel on the rise, but there is a growing popularity of winter sporting activities. To respond to this need, I announced last year the construction of winterized accommodation in three of our provincial parks. We can group them in several ways. However the first phase we have moved into is the area of condominiums. In both Duck Mountain and Cypress, we have undertaken construction of two 10-unit condominiums. They will be completed before May of this year and will be ready for summer occupancy. Two units of these condominiums are designed for the handicapped.

Another area of accommodation that we have significantly moved into is that of log cabins. Log cabins have been constructed at Greenwater; they are energy-conserving cabins. We use logs directly taken from the provincial park to build the cabins. I think that anyone who has seen them realizes they are a beautiful addition to the accommodations in our provincial park system.

I am particularly proud to be able to say that the money for the three winterized accommodation projects came entirely from the heritage fund. Next year the move toward recreation in the parks will be continued. In 1981, \$500,000 will be spent on additional winter recreational development. Cross-country ski trails will be developed and improved. Trail shelters will be provided in many of the provincial parks. Snowmobile trails, signs and shelters, and parking will be advanced and developed. In all, this year, Mr. Speaker, over \$500,000 will be added to keep the momentum on the shift to winter recreation in the provincial parks.

In addition, Cypress Hills Provincial Park is one of our more popular parks and will see major new capital developments. Subject to local involvement in 1981-82, \$1.2 million will be spent to commence development of the Regina Beach-Valeport recreation corridor. This expenditure represents the first phase of a proposed three-year \$2.7 million development for that area. Not only will this major capital development help to stimulate the local economy, but it will provide a unique recreational opportunity within a 30-minute drive of the city of Regina. The plan to develop this area came out of the studies undertaken through the Qu'Appelle implementation program with the federal government. Under the Qu'Appelle agreement, the province will be able to reclaim \$698,000 of the \$1.2 million that will be spent in the very first year of the program.

Mr. Speaker, another area which is key to the parks program is the regional parks system. I think it goes without saying that it has been a success story ever since its inception. In 1981-82, \$1.5 million will be provided to regional parks. This new money will maintain the local flavor to park development and provide closer access to parks for rural people.

I have barely scratched the surface of the plans for the entire provincial park system in 1981. We have not mentioned what we are going to do in the Moose Jaw Zoo, the Meadow Lake Provincial Park, the Moose Mountain Provincial Park, the Douglas Provincial Park and the Good Spirit Provincial Park, because the list goes on and on and time would not permit us to go through the entire list.

Mr. Speaker, if I can switch to the other side of the coin in the department, the side of renewable resources, we have many plans for some significant development in the area of fisheries and wildlife. If I can deal with the fish side of the renewable resource question, Mr. Speaker, the first important statement to make is that it has played a major role, both economically and recreationally, to the development of our province. Ten per cent of the entire land mass is covered by the best fresh water fishing in the world. The demand for fishing is increasing at a dramatic rate. We must ensure that proper stocks are maintained at all times. Therefore, we are pleased to announce a \$1.26 million program to renovate our existing fish hatchery at Fort Qu'Appelle. In addition, lakeside rearing ponds will also be established in the North to stock larger fish and to build up the fish population.

The other area which is important in the resource side is wildlife landowner assistance. This is a program which we developed last year to compensate for and prevent loss from big game animals. The emphasis is on prevention and where prevention fails, compensation will be provided.

You will be aware, Mr. Speaker, of the strenuous effort we have made to try to resolve the waterfowl crop depredation problem as well. The issue simply is: who pays? Our farmers have been carrying the burden far too long. The province has also shared in the cost but, really, migratory birds are not our responsibility. American hunters can no longer expect us to raise 20 million ducks on wheat worth \$5 to \$6 without them sharing in the costs. The federal governments of the United States and Canada must address themselves to this issue. We can only hope that through our efforts in the past year, Canada and the United States will start the process to live up to their responsibility under international waterfowl agreements.

Mr. Speaker, the other (and probably the most important) area in the entire department is the area of forestry. It is an important area and is undergoing major changes because

of the circumstances that are now happening in the industry. I refer to the change in ownership of the Prince Albert Pulp Company. The old deal struck by the former Thatcher government was a bad deal; it was an inflexible deal; it was a giveaway of a very valuable resource. I would submit to you if there had been a Tory government in office at that time, the deal would not have been any different. In fact, the deal would have been even worse for the people of this province. Because of this change in December 1980, we have decided, as a government, to purchase the option on the Prince Albert pulp mill. This will give my department an ideal opportunity to amend the forest management licence agreement so that the people of our province will get an equitable and fair share on the return of their resources and to make sure that the management of that resource is substantially improved. I look forward to the debate which will no doubt ensue in the weeks ahead in regard to this issue.

Mr. Speaker, the other area which is of importance to our department is . . . You will recall that last year was the worst season that we ever had in the entire Dominion of Canada in regard to the forest fire situation. We had a bad season, not only in Saskatchewan, but in the entire dominion because of the extreme dry conditions which prevailed. It should come as no surprise to anyone that, because of a poor winter condition this year, we may have indeed a repeat performance in regard to fighting forest fires. We are bracing ourselves for what might be another bad year, in fact, maybe what could be the worst year in our history. Equipment readiness has been stepped up and all precautions are being taken with resources which we have available at our command.

It is important to note that we have a government in Saskatchewan which is not preaching austerity, as our friends to the south are. Government restraint on spending and hiring freezes are not the order of the day in Saskatchewan. I would only note that the President of the United States, Ronnie Reagan, has extended his order to the American forestry services. He feels that, like medicare, like education and all the other cuts that he is proposing, forestry is an extra, an additional frill. We note that he has frozen the American forestry service. We can only take pleasure up here in Saskatchewan knowing that that won't happen here.

Mr. Speaker, another area of my responsibility which I would like to report on is the Department of Government Services.

Spending in this department will exceed \$68 million this year. It will be a strong construction and capital year for the department. We will be managing 66 individual projects. There are too many to mention them all, but I can highlight a few of them.

I would start by mentioning that the Department of Government Services has recognized the Year of Disabled Persons for the year 1981. To that end, we have decided to spend \$1 million throughout the province to provide better handicapped accessibility to our public buildings.

We will also be moving forward this year with a new 238-bed, chronic-care facility to be built in Saskatoon, at an estimated cost of \$12 million. This year, 1981-82, we will advance \$478,000 to get the project under way. We hope the completion will be in 1984.

The Saskatchewan Technical Institute in Moose Jaw will also be expanded to meet increased demand on technical training in the province. It will be expanded and renovated. We hope that it will be completed for the 1983 calendar year. The total cost

will be approximately \$6 million; \$2.1 million is slated for construction this year. All the funds will be coming out of the heritage fund.

Mr. Speaker, \$1.1 million will be advanced this year, as well, in the technical area in the city of Prince Albert. It will be done to start the construction of a new facility in Prince Albert for technical training. It will cost, by the year 1985, \$13 million.

A new Saskatchewan Archives Building will go ahead this year with an advance of \$375,000 to get the project rolling and, hopefully, finished by 1984 at a cost of \$7.4 million.

The last major item on the agenda for the Department of Government Services, which I would like to make mention of today is the provincial office building at Lloydminster, which is going to cost \$2.4 million. We hope it will be open for business in '83.

Finally, although time probably won't permit, I would like to very briefly mention another area which I have responsibility for in the area of Saskatchewan minerals or Crown corporations. It's a Crown corporation which has not had much attention over the years, but it has been a total success story. That's probably why it hasn't had the attention it deserves. It has been a success story financially since 1946 and the reason I want to make mention of it is because of the fact it's moving into some very exciting developments.

It's the first institution in this province, that we know of, which will be moving into test marketing of the solar heat storage tray system for domestic application, a system which will be second to none. It is a heat storage system known to the scientific community to be 15 times more efficient than anything else which is used on the market today for solar heat storage.

We've also purchased the Carrot River Peat Moss Company in Carrot River. I'm sure, as members will find in the years to come, it will hold a very bright future.

Mr. Speaker, in conclusion, I can only say that we're proud of the budget. We're proud of the fact that it has been a responsible budget. I'm sure it will bring prosperity to the rest of this province.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. CODY: — Mr. Speaker, it is a pleasure for me to rise and support this motion which is before you. I say it is a pleasure because I know that my constituents and the majority of Saskatchewan people are happy with this budget.

I want to congratulate, first of all, my colleague, the hon. member for Humboldt, for keeping the success record of the Blakeney government alive.

The minister, Mr. Speaker, has brought in a budget which I feel is the envy of his counterparts all over Canada, even Alberta.

Mr. Speaker, we recently heard the members opposite demand action on gasohol; we heard them talk about housing; we heard them ask for four-laning; we heard them ask about income tax cuts for small businesses and individuals. We've heard them talk loud and long, Mr. Speaker, in this House. I think you will find that when this budget come to a vote on Friday, not one of the people across the way will support it. Mr. Speaker, I think

that will be a shame for the people of Saskatchewan.

They seem prepared to vote against a reduction in taxes; they'll vote against increased money for agricultural research; they'll vote against money for day care; they'll vote against money for local improvements for municipalities, and, Mr. Speaker, the collection across the way has once again taken a stand against the farmer. I want the public of Saskatchewan to know that the Tory opposition is taking a stand against every farmer in this province by voting against this budget, since there are good things in this budget for rural Saskatchewan. It is a shame to think that the Tories opposite will say that they want all these things, yet at the same time they will come in on Friday and vote against this great budget.

Mr. Speaker, I think it's time the public of Saskatchewan knows what the story is with regard to the Tories opposite.

I represent a rural constituency made up of hard-working, honest people. I know what the people of my constituency want from this government.

Mr. Speaker, they want some assistance with beef and they're getting it; they want more information and research on agriculture and they're getting it; they want an ethanol plant and they're getting it; they want assistance for construction of farm homes and they're getting it. Mr. Speaker, they want assistance to upgrade veterinarian services and they are getting that, too; they want more money for local governments and they're getting that.

Mr. Speaker, they want more assistance with drainage and they're getting it; they want us to increase spending in the agricultural sector and they're getting that too — in fact it is going to be increased by 30 per cent. What are we going to see next Friday? We'll see every Tory across the way voting against this budget.

Mr. Speaker, I say they should hang their heads in shame when they vote against the farmers of Saskatchewan who asked us to give the agriculture sector a better deal, which we are doing.

On top of this, Mr. Speaker, we have not increased taxes; we have cut income tax for individuals and small businesses, which will very much benefit rural Saskatchewan.

Why is this all possible? The answer is simple: it is possible because the New Democratic government is one of action and of careful long-term planning — a government made up of people, not corporate representatives as we would have with a Tory government.

Mr. Speaker, since 1971, the NDP government, now under Allan Blakeney, has carefully managed the resources of Saskatchewan. It has moved along a course which has seen development, not for development's sake or for a few or a high profit, but rather development in the best interests of all of the people of Saskatchewan.

Mr. Speaker, let's look a little further into the budget. Let's look at the level of taxation. With an income of \$15,000, a Saskatchewan citizen pays \$145 less than anyone in Alberta. Mr. Speaker, Tory Alberta at that! A Saskatchewan citizen would pay \$412 less than Tory Manitoba, \$1,422 less than Tory Ontario, and \$1,723 less than Tory Prince Edward Island. Mr. Speaker, no wonder we have so much poverty in Canada. We have

too many Tory governments in Canada, taxing the population of this country — that's the problem.

Now, Mr. Speaker, the opposition says, "We should follow Alberta or Ontario, or, in fact, follow British Columbia, and reduce our resource royalties, reduce them for those multinational corporations." Do they also say that we should institute health premiums for our people, like Alberta, Ontario, and British Columbia have done? Yes, Mr. Speaker, health premiums that are taxing the sick — that's what the Tories would introduce. Just like we said in the last election about medicare — they would take it away. There is no question in my mind about that.

What are the premiums in British Columbia? They are \$225, Mr. Speaker. In Alberta they are \$208, and in Ontario, \$480 — a direct tax on people who are sick.

What about people on higher incomes? I see the member for Thunder Creek was clapping his hands and saying, "Well, it may serve to help some of the people on a \$15,000 income." But what about people on a \$25,000 income? Well, in Tory Ontario, they will pay \$1,192 more than they do in Saskatchewan, and in Tory Prince Edward Island, they will pay \$1,490 more than in NDP Saskatchewan, and in Tory Newfoundland, they will pay \$1,570 more than in Saskatchewan.

There are many things people could say about taxation in this budget. One could talk for a day about what the Tories believe, and what we have been doing. I can tell you right now that they never will see the light of day, in order to get to this side of the House — never, just because of the taxation policy which they share with their counterparts in various parts of this country.

Mr. Speaker, let me now deal briefly with some of the plans for my corporation, Saskatchewan Telecommunications. This corporation, I think, will meet the challenges of the '80s — the challenges which will require not only some hard decisions with respect to services we will be providing but also challenges with regard to the ability to meet the capital requirements which will be needed.

This House has heard already, and is quite aware, of our decision made last year to proceed with the construction of an integrated broad band network, a network which will utilize fibre optic technology to provide a wide range of telecommunication services, including voice, data and, initially, one-way, but in the future, two-way interactive video communications. This decision, Mr. Speaker, will put Sask Tel in a position whereby the system will be in place at the same time as the anticipated demands for these services come upon us.

We commenced work on the broad band network last fall. This year, we expect to construct a good portion of this facility, and we will have budgeted accordingly. An almost immediate use for the broad band network will be cable television. Applications for licences to serve several areas of the province were heard last fall, and a decision is expected from the CRTC within a matter of months.

In order that the distribution systems are in place to provide cable television services, Sask Tel has commenced construction of coaxial distribution systems in about 13 towns and cities on the broad band system. This construction will be completed this year.

Let me now outline to this House some of the other projects Sask Tel will be undertaking

this year in its continued goal to provide the best communication services available to the people of Saskatchewan. Incidentally, the member for Wilkie has constantly asked a question about rates, and I can assure the member that if he would like us to accommodate him, we could certainly have those services which are planned for his constituency done away with. If that's what he wants, we can do that for him. But I believe more in the people of the Wilkie constituency than I do in the hon. member, because I think they deserve the kinds of services that we are prepared to give to them . . . (inaudible) . . . cover every facet of this corporation's operations, and which affect almost every area of the province, these projects will cost \$154.2 million in 1981, an increase of \$10 million.

Mr. Speaker, Saskatchewan Telecommunications in 1981 will continue to make substantial improvements to its urban and rural distribution systems. We will continue to modernize our switching equipment. In this regard we are panning substantial investments in digital switches in Weyburn and Saskatchewan. In addition, traffic operator position systems will be placed in Estevan, Regina, Swift Current and Weyburn. We will be continuing with a program to provide extended area service to those communities which indicate they want this service. Last year we approved 14 communities. Some of these communities are Aberdeen, Pense, Dundurn, Riceton, Delisle and Vonda.

AN HON. MEMBER: — And Dalmeny.

HON. MR. CODY: — Yes, and Dalmeny, the member says. We will also install automatic number identification equipment in a further 29 dial offices throughout the province. Our rural service improvement program, first started in 1977, is now nearing completion. This program has brought vastly improved telephone service to many farms in Saskatchewan. In 1981 we will provide 13,000 more rural subscribers buried telephone service, with no more than four parties on each one of the lines.

In 1981, Sask Tel's headquarters staff will move into its new building in the Cornwall Centre in Regina. This building which will enable the corporation to put its headquarters operations under one roof, so to speak, is now nearing completion.

AN HON. MEMBER: — Tell the people what it is going to cost.

HON. MR. CODY: — The member for Wilkie talks about the head office. I can assure him the reason the new head office is there is a good one. It is so we can have more efficiencies in Sask Tel and so that it will not cost us much for rent in every part of this province. That's exactly what we are trying to do. With the saving we get from there, we can keep the rates at a reasonable level, something I know the hon. member for Wilkie doesn't like to see.

Mr. Speaker, Sask Tel has not ignored the communications requirements of northern Saskatchewan. Over the years we have built one of the best northern telecommunications systems anywhere in Canada. Most citizens in northern Saskatchewan now have access to normal telephone service. The opening up of new mining operations has brought about further telecommunications needs and Sask Tel is prepared to provide the services which will be required.

Mr. Speaker, the telecommunications business is a high-technology business. It requires heavy financial investments. At the same time, the inflationary economy puts an even greater strain on the corporation's ability to find the necessary funds needed to provide the services. It is not surprising, therefore, that in 1980, Sask Tel's rate of

return on revenue dropped one full percentage point and 0.3 per cent on investment employed. It is only through good management that we have been able to continue to provide these services. The challenge of the '80s will be to continue to meet the needs of Saskatchewan residents under increasing financial and technological pressures. Mr. Speaker, what are the Tories saying about our Crown corporations? What did the member for Regina South say? Let me quote what he said

They talk of Crown corporations, or preventive service at lower cost. But what they really practice is Crown corporations to provide ivory towers and boardroom luxuries to their elite political friends at the taxpayers' expense.

Mr. Deputy Speaker, that was a direct quote from the financial critic for the Tory party in this House the other day. I want today to tell the employees of Sask Tel, I want to tell the employees of SGI, and I want to tell the employees of every Crown corporation and department of this government that the Tories opposite don't even want you to have a decent place to work. They don't want you to have a decent standard of living. They don't want you to have anything which might look like a decent place to work. I think that is a shame. I think that the Tory party, particularly the member for Wilkie and the member for Regina South, should hang their heads in shame for having said this about some of the best civil servants in Saskatchewan, if not in Canada, if not on the North American continent.

We now know what the hon. member for Regina South thinks of the civil service of this province and I don't think it was a very nice statement to make, Mr. Speaker . . . (inaudible interjection) . . . Yes, I just want to quote a little more from the hon. member's speech of the other day, let me quote:

Why must the captive consumer continue to be gouged?

That's a quote directly from the member for Regina South. Mr. Speaker, this statement is like many untruths and half-truths and innuendos you get from the Tory members opposite. Let me give you the facts. I know the facts will hurt, but I'll do it as carefully and as slowly as I can for the hon. member for Wilkie. Let me just give you the facts.

First of all he said that we had a 12 per cent increase in rates last year. Not so. We had a 6 per cent increase in rates last year and, incidentally, that is the lowest increase in any province in Canada. And let me give you some more facts. What are the costs of telephones throughout Canada? Let's have a look at some of the costs.

In Tory Ontario, in Toronto you can get your telephone for \$9.65 per month. What about socialist NDP Saskatchewan, in Regina and Saskatoon? It's \$6.55 for a telephone. How about their good friends in Vancouver? Well, they pay \$10.40 per month. What about this awful, socialist, gouging province of the NDP in Saskatchewan? What do we pay? We pay \$6.55. I'm sure they'll say, "Well, what about Alberta?" Well, what about Alberta? There it's \$6.60, five cents more than in good old socialist Saskatchewan, in Regina and Saskatoon.

I'm sure the next thing the hon. members will say is, "Oh yes, that's for residents, but what about the business people? You people don't do anything for the business people." Well, Mr. Speaker, I have a few more facts here that I'd like to share with the hon. members across the way.

Let's once again go down to good old Tory Ontario and look at Toronto. Toronto charges its businessmen \$30.90 per month. What about little old social have-not Saskatchewan, the NDP province in Canada? It's \$15.75, half the price they pay in Toronto. And what about in big Vancouver? Well, they charge their business friends \$31.90; in Saskatchewan it is \$15.75. And what about Alberta? I'm sure they would want me to mention Alberta. There it's \$17.15. In good old NDP Saskatchewan, in Regina or Saskatoon, it is \$15.75, Mr. Speaker.

I think the facts now are clearly on the record for the members to read. I hope they take a page and send it to every one of their constituents, so that they can straighten the record once and for all as to what the facts really are, and not have all the untruths and mistruths and half-truths and innuendos throughout the province.

Mr. Speaker, I would like to challenge any member who wants to, to look at those rates anytime he wants, and find them to be at fault. If the hon. member for Wilkie would like to do that, he is certainly welcome to do so.

Another very interesting fact about these quotes is that all of the cities which I have mentioned, with the exception of Regina and Saskatoon, come under the jurisdiction of a regulatory body or a public utility board. These public utility boards are regulatory bodies supposedly working for the best interests of the public at large. But are they? Mr. Speaker, it was a public utilities board that last year permitted CNCP interconnection with Bell Canada and allowed customer-owned attachments under that jurisdiction. One year later what have they done? I'll tell you what they've done. Bell Canada has asked for a 30 per cent increase in their rates because of the fact that they have CNCP interconnect and customer-owned attachments.

I can tell you, Mr. Deputy Speaker, I was very viciously attacked, as were my colleagues last year, when we put Bill No. 13 into this House. We were attacked by the very people over there who now are asking for a utility board and who would perpetrate on the public of Saskatchewan a 30 per cent increase in telephone rates. A 30 per cent increase in telephone rates is what the members opposite would have perpetrated on the public of this province if we didn't have the guts to stand in this House and fight to have Bill 13 put through.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. CODY: — Mr. Speaker, public utility boards are a Tory excuse for inaction where they are in place. In Ontario, the Tory government hides its head in the sand and allows a non-elected bureaucracy to make the tough decisions. It's the same in all Tory provinces where public utility boards exist. Now, Mr. Speaker, to me it is a much easier process for the politicians. There is no question about that. But I think it is the responsibility of people who are elected to make those tough decisions. We, in Saskatchewan, are prepared to make them at any time. Mr. Speaker, if I were choosing a system, I would choose the one in Saskatchewan. As a politician, I not only listen to the people but I, as well, take their concerns into account. Mr. Speaker, a public utilities board would not do that. There is just no question about it. If they would, and if they do, why then have they the high rates in the various provinces which I just enunciated?

Mr. Speaker, I want, for a few moments, turn to the Department of Co-operatives. I am proud to see that our commitment to the co-operative movement is as strong today as it ever has been since 1944. Our department — one of the very few in North America — is

at the very forefront of this commitment. It will take important new directions in the next few years to ensure that this commitment is realized. Co-operatives, Mr. Speaker, have been one of the cornerstones of this province's economy and I predict that they will only increase in their role during the 1980s.

Mr. Speaker, over 50 different types of co-operative enterprises exist in this province. Their services extend from day care and play schools to farm implements and oil refining. These enterprises are owned and controlled by 500,000 members in Saskatchewan. Co-operative memberships in Saskatchewan entail over one-half of the population of this province. Let me give you some of the examples of what the co-operatives may look like. There are house building co-operatives, native co-operatives, and recreational co-operatives.

Mr. Speaker, under joint co-operation with the Saskatchewan Housing Corporation, over 450 housing units were committed or constructed by individuals acting co-operatively in 1980. The province provided \$21 million in mortgage funds and \$700,000 in subsidies for this program. In 1981 this program will continue benefiting those who do not have a cash down payment, but are willing to put a part of themselves into their homes. Continuing housing co-operatives — under a new department initiative it is proposed to provide 300 new housing units through ongoing self-administered collective housing groups.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. CODY: — Through this process, housing will be made available more readily to old and young alike who may not have the economic capacity to provide themselves with suitable housing. My department, in concert with the Saskatchewan Housing Corporation and Central Mortgage and Housing Corporation, will make this program available within infill areas in our major cities and beyond to smaller communities. We will provide development and economic assistance to ensure the success of this important initiative.

Mr. Speaker, there are over 45 co-operative day care centres in Saskatchewan at the present time. In 1980 they received a major share of \$1.5 million. As you heard the Minister of Social Services announce the other day, that will be increased by great measure. In 1981-82 they stand to gain, as I said, substantially, and we will be expanding that kind of a program.

Mr. Speaker, in 1980 we had a terrible year for the farm implement business. Despite this, Co-op Implements, with the support from the co-operative movement and this government, showed superior performance to its much larger competitors. The federal Liberal government and the Tories in Ontario recently had to guarantee some \$200 million to keep Massey-Ferguson afloat. I think the hon. member for Thunder Creek should remember that, because he was questioning us last year as to why we would give Co-op Implements some funds, and it was nowhere near \$200 million, and it was nowhere near \$100 million. It may have been \$10 million or \$15 million, Mr. Speaker, and I think it was money that was well spent for a very viable, good and growing corporation, such as Co-op Implements.

Mr. Speaker, this government announced a major program thrust for Indians and natives living in urban areas. The objective of this program is to ensure their greater participation in the province's social and economic activity.

As in the North, the co-operative model is an excellent organizational tool for helping to ensure that these objectives are met. To this end, Mr. Speaker, my department is allocating increased resources to encourage the development of Indian and native co-operatives during 1981.

Mr. Speaker, over 350 recreational co-operatives exist in Saskatchewan today. Co-operative organizations have enabled rural communities to plan, own and control the types of recreational facilities desired by each. Recreational co-operatives provide a wide range of services from curling rinks and swimming pools to complete recreational complexes. These are only a few examples of the kind of activity the Department of Co-operation is involved in.

The essence of the co-operative form of organization, no matter what its scale, is mutual self-help. In the 1980s, we must strengthen these co-operative programs to meet new challenges. My department will, in 1981, renew its ties with the grass roots of the co-operative movement to help ensure that the movement remains a vital force in this great province. Mr. Speaker, this means that my staff will be expanding its activities in local communities to determine local needs and to provide local groups with the assistance required to establish and operate successful co-operatives.

The Department of Co-operation is committed to the co-operative movement, for if the movement is strong, the co-operative system will also be strong. Co-operatives will survive and grow in strength in the 1980s, because they can accommodate a wide range of views of the good society. Saskatchewan, in the 1980s, is a tapestry of such views. I believe, and I know the Tories opposite do not, that co-operatives in this province will grow substantially in the 1980s.

Mr. Speaker, in concluding my remarks today, I want to deal with one more subject which I have touched on briefly, and that is the question of leadership. I think it's a very important question.

Mr. Speaker, what kind of leader do the members opposite really have? They belong to a party which assigns a significant area of responsibility to the member for Thunder Creek who, I must say, is at best not at all that often in the House. Yes, Mr. Speaker, the Devine bunch over there chose to reward the member for Thunder Creek (I'm not sure if they're trying to keep him quiet or what) with the responsibilities of agriculture, and industry and commerce — two very key departments. And what do we see? He is not always, or I should say rarely does he appear in this House.

I say, Mr. Speaker, when you look at a very vital department such as agriculture, and a very vital department such as industry and commerce, for the people of Saskatchewan and the small business people, I think it doesn't augur very well for the leader of that party to have made that choice.

The members opposite pride themselves in being the defender of Saskatchewan interests. But I'm confused because of what I read in a May 20, 1980 press release. Let me quote Mr. Devine:

The Prime Minister and the premiers of the provinces must perform and not procrastinate to get on with the job of bring home the constitution. We cannot wait another 100 years.

He went on to say, Mr. Speaker:

We must work together, united, with respect for each other's difference to make this Canada a model the world.

Now, Mr. Speaker, less than a year later, he and his elected members have chastised this government for doing exactly what he has asked us to do, and that's negotiate, get together. What kind of a leader is that, who would one year say that and the next year would say this:

That is a kind of a decision that I don't think we can live with in a province like this.

I certainly can't understand why the leader of your party would take one position one day and another position another day. Mr. Speaker, it is also interesting to note what Mr. Devine had to say while in Ottawa. I want the members to listen carefully to this, and I quote:

One also hears that the provinces should be given more power over communications. If this argument is correct, it is really not necessary to change the division of powers, for the federal authority could easily delegate such powers to the provinces. Indeed, this may well be a clue to where the problem lies, that is, a failure to have give and take and good will between legislative bodies which could create a good working relationship.

Now, Mr. Speaker, what did this government do? Did we not negotiate? Did we not have good faith? Did we not do this in the best of good will? Exactly what your leader asked us to do is what we've done. And now they say, "Oh, no!" The member for Maple Creek says "Oh no, that's not the case." Well I can tell you, if that's not the case, I would ask that your leader maybe put a correction into the newspaper, or put a correction somewhere saying he didn't mean what he said when he was in Ottawa. That's exactly what I hear from the members opposite.

Mr. Speaker, he goes on:

In the end when one considers the BNA Act, 1867, and amendments, together with the other statues and laws which make up our constitution there is an inescapable feeling that a new constitution is not really necessary.

Well, Mr. Speaker, if a new constitution is not necessary, is the leader of the Tory party then telling us that he really believes the Cigol case should have been struck down? Does he really believe that the potash decision should have been struck down? Is he really saying that the money we get from our oil royalties should not come to Saskatchewan? I know the member for Kindersley believes that, but I don't believe that. I am hoping your leader doesn't believe that. Mr. Speaker, I can tell you unequivocally that the Tory party has no knowledge, in my view, of what they want to say about this constitution. As a result, what are we getting? We are getting one decision one day, one decision another day, and now Grant Devine comes along and says we don't need a constitution at all. Mr. Speaker, I think that it is time someone set the Tories straight with regard to what their decision is going to be on this constitution.

Mr. Speaker, I am sure that by now you will have gathered that I will be voting for the

main motion. I certainly will not be voting for the amendment. I think the amendment, Mr. Speaker, simply doesn't do what my constituents asked me to come to Regina to do, and that is give them the type of budget that I think the member for Humboldt has given them. Mr. Speaker, I will be voting for the main motion. I will be voting against the amendment.

SOME HON. MEMBERS: — Hear, hear!

MR. MUIRHEAD: — Mr. Speaker, it is with pleasure I rise once again to give my remarks on the budget speech. I'm very glad that I'm following the Minister of Telephones; I wish he'd just sit for a few minutes because he has pretty nearly made my speech. I don't know why, Mr. Speaker, the Minister of Telephones is so interested in the Conservative Party and what we have to do. He must be a worried man. I think you'd better worry about your leader and not worry about ours. I think, Mr. Speaker, he'd better start worrying about where the Premier is (he only sits here half-an-hour a day, and last year he only came 60-some days) rather than worrying about the member for Thunder Creek. He's never here; you worry about your people and we will worry about ours. You don't see us nitpicking at individuals over there like you do at the members on this side of the House. Every time you get up over there, any one of you, you are down on the Leader of the Conservative Party. You are not worried about the Leader of the Liberal Party because there isn't a Liberal Party. You are worried about the person who is going to put you out because we are going to be sitting over there.

SOME HON. MEMBERS: — Hear, hear!

MR. MUIRHEAD: — Mr. Speaker, when I heard the budget speech the other day it sounded all right. But once you start to analyze that budget . . . You really analyze it when you go out in the boondocks and hear what the people have to say. When a government presents a budget, Mr. Speaker, it is presenting a budget on behalf of the people of Saskatchewan. I challenge any one of you people to go tonight and talk to a taxi driver, talk to any businessman in this town, got out in the city and in the country and talk to people, and ask, "What did you think of the budget?" Mr. Speaker, they will say, "It didn't do anything for my back pocket." That's what the word is out there, so don't go blowing yourselves up about a budget you think was so good.

Last year you balanced a pretty good budget; this year you say you balanced again, it doesn't mean a thing and you know it doesn't mean a thing because you go a few million dollars over anyway.

SOME HON. MEMBERS: — Hear, hear!

MR. MUIRHEAD: — Mr. Speaker, the other day the finance spokesman, my colleague for Regina South, outlined the Progressive Conservative blueprint for economic sense. This comprehensive 31-point program is designed to increase economic activity in the province while at the same time declaring war on inflation. It is a program to bring Saskatchewan into the mainstream as a have province. It is a program which I am confident my constituents in Arm River will support. It is a program which a Progressive Conservative government will initiate.

Mr. Speaker, the trends are crippling the economy of Saskatchewan. There should have been a 10 per cent across-the-board reduction in the provincial income tax. Why brag about a 1 per cent? It is a disgrace to the people of Saskatchewan. Despite what the

government keeps trying to tell us, people in this province are really hurting because of ever-increasing costs.

Was there anything in that budget to really help the people? We are experiencing double digit inflation with the consumer price index rising every month. Interest keeps going up, making the cost of borrowing almost prohibitive to the average wage earner. Those same interest rates are making it very difficult for people to get into the housing market, and that in turn means that the construction industry is suffering, with new home starts down 50 per cent.

The unemployment rate now stands at 6 per cent in Saskatchewan and it is even higher in Saskatoon at 8 per cent, and 7.5 in Regina. Sales are down in almost all sectors and this in turn is hurting small businesses that are paying high interest rates on financing for large inventories. How many small businesses have gone broke in Saskatchewan in the last six months? Did you take a look at that when you made up your budget?

In four big malls in the city of Saskatoon, 37 small businesses went broke in December and January. Did you take a look at that? It is a dismal picture and it will only get worse in the coming months unless the government takes action now.

The first thing the Minister of Finance should have done in his budget was to give a 10 per cent decrease in personal income taxes. When you take the multiplier effect of that spending it would mean a \$100 million boost for the Saskatchewan economy. A 10 per cent drop would mean \$35 million to the people of Saskatchewan. Now it is only a small amount to big government, but when you multiply it, it in fact is a \$100 million boost for the Saskatchewan economy. A Progressive Conservative government would help Saskatchewan residents cope with rising costs.

Mr. Speaker, I support the initiation of a one-year freeze on utility rates. I see that a few years ago the Attorney General supported it. I am going to read an article stating what the Attorney General said out of *Hansard*, February 26, 1971, and I wish he were here so that he could maybe eat some of these words out of the budget on the high cost of utilities.

If it weren't for Crown corporations this government would be flat broke. If it wasn't for the corporations, and the surplus from their revenues this government would be broke. Oppose this form of activity because it is a form of taxation. These corporations, if they are making profits, are there to provide a service at the least possible expense to the people of Saskatchewan.

That's from Roy Romanow, *Hansard*, February 26, 1971.

Mr. Speaker, I ask the minister of Sask Tel: is that what you have in mind? Are you running Sask Tel for the people of Saskatchewan, or are you running it to build golden palaces downtown? What have you in mind? Well, if you can't stand the heat, Mr. Minister, leave the kitchen because I think he's going.

If this government has so much money, why don't you pay some of your bills with it? Usually when you have extra money . . . You blew about how well the government was doing. When I have extra money I try to pay some of my bills. I don't have it, but you people have sure got it. You blew about it. Did you ever think that you could have lowered the power rates in Saskatchewan? You could have lowered Sask Tel rates. You

could have lowered SGI rates and lent some of you profits. Yes, you could have lowered the automobile rates instead of increasing them 48 per cent. Why do you increase them when you blow about making all this money? The minister responsible for SGI says that he wouldn't even give his word there wouldn't be another multimillion-dollar building built.

When the Crown corporations have over a billion dollars in retained earnings, there is no reason why the people of Saskatchewan have to pay higher and higher rates for public utilities. Now \$1 billion is a lot of bucks. Corporations like Sask Power which made \$40 million, would make lower profits, and, if necessary, improve efficiency to provide the best possible services at lowest possible cost. I support the creation, Mr. Speaker, of public utilities review commissions to ensure that any future rate increases are justified and fully explained to the people who have to pay the bills.

I support the creation of a senior citizens sales tax program. Senior citizens are among the people who are hurt most by the rapidly escalating inflation. They represent 12 per cent of Saskatchewan's population, and the rebate program would mean an estimated \$4 million to \$5 million in additional spending power for them.

Mr. Speaker, I support a reduction in oil royalties to stimulate exploration and development. We have to bring the rigs back. Mr. Speaker, what has the government done? They've chased them across the border, with the help of the Prime Minister of this country. The Minister of Agriculture in question period a while ago was so worried about me being in bed when I was two hours in Ottawa. Well, I tell you I couldn't get into that bed, Mr. Speaker, because it was so full of NDPers. But I didn't want to get in there anyway. We'd have to cover the province with a fine-tooth comb to ensure that we discover and utilize all possible sources of oil and gas.

Mr. Speaker, I support the reinstatement of the farm cost reduction program. And I'll tell you the farming community in this province surely supports it. This program, which would provide a rebate for farm fuels, was cancelled without any consideration for the plight of Saskatchewan farmers at all. It mean \$16 million in rebates during the 1980 calendar year, and the government should have increased it this year rather than throwing it out the window.

Mr. Speaker, does the Minister of Agriculture not realize that we have the highest inflation in the history of this country; we have the highest rates of interest; we have the highest rates of debt in this province? And so what do they do? They hit the poor fellow some more and take the rebate off. He has asked and he has asked the Minister of Agriculture to do something about the semi trailer, so they can burn purple gas — the farm trucks with an R-plate. What is his answer? He says, "Oh no, because they might be hauling something on the highways that they shouldn't be hauling."

Well, I'll tell you, Mr. Minister, than an R-plate restricts you to less hauling on public highways than an F-plate did. But he hasn't taken a look at that. We have a truck with an R-plate on it on my farm and I can't haul anything but wheat or my own commodities. I can't haul one thing for the neighbor, so why should I not be burning purple gas? Why should I have to pay that tax? You've been asked and asked by the farmers but you're not interested, because there's not enough of them yet. The Minister of Agriculture believes this. He believes that he is representing 48 per cent of the people in this province — the popular vote of the NDP government. But what he doesn't realize is that two-thirds of that vote came from the urban centres. We represent the other 52 per cent of the people in this province, with two-thirds of them coming from the rural areas.

Mr. Speaker, I support the development of a short-term mortgage interest program that would bring housing starts and sales back to an acceptable level and thus stimulate both the construction and forest industries in this province. The government should make \$100 million available for this program. The interest rate should be 0.05 per cent above the government borrowing rate and the term should be for five years. The program should be administered by the banks and the credit unions. It would mean a \$300 million injection into the economy in terms of new construction and sales activity. It would also mean additional tax revenue for the government which would, in turn, reduce the amount of original investment.

Mr. Speaker, I support establishment of a one-year, short-term loan program to help people who are facing mortgage renewals at outrageous rates and who could lose their homes because they can't afford them. Is there anything in your budget to help them? The loan should be available at current government borrowing rates plus one-half for administration costs. The program should be reviewed at the end of the year in light of what happens to interest rates in the meantime.

Mr. Speaker, I support the expansion of the inventory assistance program to assist small businesses which are currently paying high interest rates to carry their inventory. How many small businesses have gone broke in this province? Mr. Speaker, I wonder if the Minister of Revenue has even broadcasted to his people that there are loans available at half interest rates plus one to help small businesses? Have you helped to get this advertised to the people of Saskatchewan?

AN HON. MEMBER: — It's not in the public interest.

MR. MUIRHEAD: — It's in the public interest to know that in all banks in the province of Saskatchewan right now, if you were starting a new business, you could get a bond and borrow money at half prime plus one. Why haven't you people been broadcasting? I sat in parliament a week ago down there and I heard the Conservatives standing up broadcasting it so they'd know across Canada that it was available. Mr. Speaker, in 1979-80 the program handled 490 applications and rebated \$240,000. The government should make \$5 million available for the program and increase the rebate from the present maximums of \$250 and \$500 to \$1,000.

Mr. Speaker, I support the implementation of amendments to The Income Tax Act that would allow tradesmen to apply the cost of their tools against their homes. This is an amendment which we tried to get passed during the last session of the legislature. We need help for blue-collar workers. But this government which so righteously claims to protect the interests of working men and women, shows how phony those claims are by turning it down. Mr. Speaker, I agree with the Progressive Conservative finance spokesman when he said, "We must do battle with inflation."

Mr. Speaker, if government fails to protect senior citizens on fix incomes, wage earners, small business people, farmers and so on, then who can the people count on to protect them? They cannot count on you people opposite, certainly not the government we presently have.

Mr. Speaker, the sales tax is an unfair tax. The Progressive Conservative government would eliminate this unfair tax. We would do it in stages over five years. I am proud to say we would immediately bring about a sales tax rebate program for senior citizens.

Mr. Speaker, the blueprint for economic common sense is a program for the type of Saskatchewan which the voters of this province will endorse in the next election. My constituents, the people of Arm River, elected me because they believe in the kind of Saskatchewan a Conservative government would build.

Mr. Speaker, the record will show that in 1944 Tommy Douglas and the CCF promised the removal of the sales tax. Now, 37 years later, the very same party which promised removal of the sales tax refuses to take action. Where is the promise of your beloved Tommy Douglas? He made the promise in 1944. With inflation taking its toll on all people, I would strongly urge the government to support our proposal for the elimination of the 5 per cent sales tax.

We know it's more likely that this government will (and I want it on the record now), when the next election comes, probably take our idea and eliminate the 5 per cent sales tax. But let us have it on the record that it's the Progressive Conservative Party that's doing it. Let's have it on the record now. It will be our promise and we're the ones who are pushing it.

Mr. Speaker, one wonders if the proud words from the Minister of Finance that the budget is a sensitive balance of social and economic issues will bear up under scrutiny. That's what I was talking about in the beginning. The people who scrutinize this budget are the people out in the boondocks — not you people sitting here with your hacks who make up that budget. It's the people out in the country . . . (inaudible interjection) . . . Well, you wouldn't know what boondocks are because you haven't been there for a few years, Mr. Minister . . . (inaudible interjection) . . . I said the hacks over there who made up the budget.

AN HON. MEMBER: — You're calling civil servants hacks.

MR. MUIRHEAD: — Go on! The civil service never made up this budget.

Mr. Speaker, the Minister of Telephones thinks that the civil service makes up the budget. Well, I'll tell you, the civil service doesn't do it. I'll put it on record that it's people like him . . . (inaudible interjection) . . .

Mr. Speaker, the Minister of Agriculture says he will take all the blame for this budget. Let's have that on the record.

He says in his speech that the benefits provided under the Saskatchewan Assistance Plan will again be increased this year in response to the rising cost of living. How much? The social services estimates show spending under public assistance at \$9.1 million — an increase of only 5 per cent from \$86.6 million projected last year. That's keeping up with inflation, isn't it? The supplementary estimates show actual spending on public assistance last year was \$90.1 million which makes the assistance increase only 1.1 per cent. Someone in the Department of Finance is awfully optimistic about economic growth pulling people off welfare.

He did give a nice increase to the family assistance plan. Day care spending is doubled. Mr. Speaker, why are they worried so much about the day care plan (which I think they should be) in cities but forget about people who would like to have day care programs in the small towns. They don't have a chance out there. I would go for this, but they had better get it all the way or not at all. They just want it in the big cities, where the votes are.

Mr. Speaker, the thrust of the budget, again, is more economic than social, although it's time for a social budget. For the record, I want to outline for this Assembly the Progressive Conservative blueprint for economic common sense. The job creation program offer the people:

1. Initiatives to encourage exploration and development of Saskatchewan's marginal oil wells;
2. Development of Saskatchewan's heavy oil reserves;
3. Construction of a heavy oil upgrading facility at Lloydminster;
4. Encouragement of energy conservation;
5. Encouragement toward the use of alternate fuel sources;
6. Limited temporary equity participation in new industrial development;
7. Encouragement of equity participation by employees;
8. Development of a rural gasification program.

When are you going to do something about gasoline? I know when you are going to do something about putting natural gas out in the country — during the next election. That's why you are keeping quiet. We have already heard from some of your people who have come out. In the Elbow-Outlook area, my people have been in and have talked to Sask Power about gas. Sask Power said, "We've already heard. Cool it, we'll get it in, in the next election." They are going to get it in the next election because Grant Devine, the Leader of the Progressive Conservative Party, has been pushing natural gas. That's the only reason you are going to get it.

SOME HON. MEMBERS: — Hear, hear!

MR. MUIRHEAD: —Mr. Speaker, I ask the Minister of Agriculture: where are the processing plants in this province?

We had a hog marketing board in this province quite a few year ago, but they forgot to consult the hog raisers. We had 1.3 million hogs butchered that year. The figure now is between 300,000 and 400,000 a year. What did the hog marketing program do for the Saskatchewan hog producers? It put them out of hogs. Now what is coming in? He is bringing in a program: beef stabilization. It just may be a good plan. I haven't had a chance to look through it. It may be good. The people I have talked to so far, Mr. Speaker, are the cow-calf men. They say, "There is nothing in it for us." The main thing I am concerned about is this: whom did you consult before you put this in? During question period, December 2, 1980, on page 89 of *Hansard*, you said that you would do nothing to move into this program without the support of the people. You didn't do that. What do you call putting in a program without consulting the people? You call it dictatorship.

Mr. Speaker, was there anything in the budget for irrigation? No, there wasn't. Was there something really big in the budget for the farmers who are paying their taxes, and all the people in urban areas, through urban affairs and municipal affairs? No, nothing to keep up with inflation. The Minister of Municipal Affairs made the statement that

there is going to be a 6 per cent to 8 per cent increase in mill rates. Well, I can prove to you that in my municipality it will be 22 mills. We'll be discussing this, Mr. Speaker, after the annual meetings in April, then we'll know the mill rate. I will guarantee that the Minister for Municipal Affairs is wrong.

Mr. Speaker, when I listened to the spokesman from the other side of this Assembly sing praise of the budget, I would like to have paraphrased Winston Churchill. "Never in the history of mankind was so much said about so little." See, I'm running short of time, Mr. Speaker. I have just one more comment I am going to make and I am going to wrap this up. I'm not quite through.

Last night there were some remarks made in this House which really bothered me. Mr. Speaker, when I hear members from the other side of this House start to bring our spouses into this legislature and condemn and name people, it hurts. You will never hear, from this side of the House, any of us doing that to you people. It lowered the decorum of this House. I don't know whose fault it was, or who should have stopped this, but whether Mr. Speaker likes it or not, I put the blame on him, for he should have control of this House and stop such carryings on. If we were tried it, we would be forced to sit down and . . .

MR. SPEAKER: — Order, order. The member for Arm River, I think, should realize that he is being critical of the Chair, not necessarily me, but the institution of the Speakership of the House. Now, if the member for Arm River felt that at some time in the past some incident had occurred in the House which he thought was unparliamentary or should not have occurred, then he should have risen at that time, rather than be critical now about something that occurred previously.

MR. MUIRHEAD: — Mr. Speaker, on closing I just want to say that I will not be supporting this budget. Thank you.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — Before accepting the next speaker, I want to say that I am sorry I did not hear a retraction from the member for Arm River. However, I'll leave it at that and go on to the next speaker.

MR. MUIRHEAD: — Mr. Speaker, I'm sorry I didn't hear the remarks which you wanted me to retract. If there is anything which you wanted me to retract, I do so. I am sorry. I just didn't understand your words. I thought you were just saying something . . .

MR. SPEAKER: — I think it was clear. I thought I made myself clear that the member was being critical of the Speaker for something that occurred at some time prior to this which the member thought was out of order. I think it is incumbent upon the member, or any member, or me, to bring it to the attention of the House at the time it occurs, and not be critical later because somebody didn't bring it up. I think that was an unfair criticism of the Chair. That's what I was saying.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. LONG: — Mr. Speaker, this is my first opportunity to address this Legislative Assembly as Minister of Highways and Transportation and as minister in charge of the highway traffic board.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. LONG: — Mr. Speaker, I would like to commend my hon. colleague, the Minister of Finance, for the budget speech he presented to the people of Saskatchewan. This budget reinforces the fact that Saskatchewan is moving ahead rapidly.

Mr. Speaker, highways are a vital component to the development of our provincial highway system. Saskatchewan highways and transportation will maintain a level of construction activity which will complement development and growth in all areas of our province. Mr. Speaker, the last three months have been a very exciting time for me. I've met department staff from throughout the province and I am extremely impressed. There is a willingness on their part to respond to problems and to get themselves involved with developing innovative solutions. Such initiative will result in Saskatchewan Department of Highways and Transportation meeting the challenges of the exciting decade ahead.

Mr. Speaker, upgrading and maintaining Saskatchewan's 21,000 kilometre highway system is a tremendous challenge. It is also very expensive. Regardless of the exciting future prospects in Saskatchewan, spending levels must not exceed what we can afford.

The lack of federal policy has hindered transportation development, not only in Saskatchewan, but in all of Canada. Cutbacks in federal transportation spending in recent years have put a much greater burden on the provincial taxpayer.

Decisions allowing railway companies to abandon and neglect branch lines have shifted the movement of more goods onto the provincial roadways. Provincial taxpayers have been required to pay the cost of these decisions. It is totally unfair and unacceptable to Saskatchewan, particularly when compared with the millions of tax dollars that the federal government collects annually from Saskatchewan's crude oil and retail gasoline sales.

It has been some 24 years since the original Trans-Canada Highway cost-sharing agreement was concluded in Saskatchewan, and that agreement only included construction of a two-lane facility. Since that time, Mr. Speaker, provincial taxpayers have paid for over 300 kilometres of four-laning on the Trans-Canada Highway.

Failure on the part of the federal government to adopt a cost-sharing program for upgrading highways, which are national in scope, Mr. Speaker, is very unfair. I am confident the people of Saskatchewan will agree with me. For example, a very high volume of traffic on the Trans-Canada and Yellowhead highways in our province is interprovincial in nature.

I do not believe that we should have to delay highway upgrading work in many other areas of the province, in order that more provincial funds be used to accommodate this high volume of interprovincial traffic.

I respectfully request the support of this legislature in my efforts to encourage federal participation in a national cost-shared program for upgrading highways such as the Trans-Canada and the Yellowhead.

It has been a number of years since we have undertaken major four-laning work on the Trans-Canada Highway in Saskatchewan. However, despite the lack of federal participation, a four-lane upgrading project will be undertaken this year on the Trans-Canada. However, Mr. Speaker, this must not be seen as a signal to be less vigorous than before in pressing for a national transportation policy which includes cost-sharing provisions. In fact, just the opposite is true, Mr. Speaker. Efforts must be increased.

Before getting into the specifics of the department's 1981-82 program, I wish to direct some comment to the Saskatchewan road-building industry.

I recently attended an annual meeting of western Canada road builders in Winnipeg along with other highways ministers from western Canada. I came away from that meeting with a very good impression of the Saskatchewan road-building industry. Mr. Speaker, we can be very proud of this industry. It is strong and it's also very much respected by others and it's providing taxpayers in Saskatchewan with a good return from public expenditures for highway development.

A contributing factor, Mr. Speaker, is the excellent relationship between the industry and the department. This relationship and open communication have resulted in many potential problems being resolved to the mutual benefit of both the department and the contractors. I might say I will do everything possible to maintain and strengthen the lines of communication which presently exist.

There are many challenges ahead for both the private contracting industry and the department, as we move forward into the exciting decade of the 1980s.

Mr. Speaker, a major priority of the 1980s will be an acceleration in the activities to improve traffic safety. This will require the utmost attention from legislators, private agencies and citizens of Saskatchewan. Traffic safety is not a problem that can be left up to one person, group or agency. Mr. Speaker, every community in Saskatchewan must be encouraged to organize a local traffic safety group. Safety improvements must begin at the grass roots level.

Safety programs must become a priority. We cannot afford to lose between 250 and 300 people in traffic accidents each year. A number of years ago, the federal government co-operated with the provinces to formulate a number of overall goals for traffic safety in Canada. Saskatchewan took up that challenge and has been successful in achieving a 25 per cent decrease in the number of injuries and fatalities occurring from traffic accidents.

Since that initial goal-setting conference on traffic safety, the federal government has left the problem with the individual provinces. I will encourage this legislature, and my counterparts in other provinces, to join me in persuading the federal government to become more involved in this work.

We have proven in Saskatchewan before that when efforts are concentrated on solving a problem, positive results can be achieved. In 1979 Saskatchewan reported 47,510 traffic accidents which resulted in 9,081 injuries and 292 fatalities. In 1980, Mr. Speaker, accidents increased to 48,274 but there were fewer injuries — 8,884 — and fewer fatalities — 265.

In the last eight years we have had many successful traffic safety programs. This activity

started with the Thibault report on traffic safety. Many of those recommendations have now been implemented.

The fatal accident rate in Saskatchewan during 1980, at 2.0 accidents per 100 million kilometres of travel, is at the lowest level in the last 20 years. However, even greater improvements in traffic safety can be achieved.

Over 70 per cent of all accidents occur on urban streets. We must concentrate special efforts in this area.

Safety belts are another area demanding immediate attention. General compliance with the law has decreased to less than 65 per cent, as compared with a previous high of 80 per cent. We must look at stronger enforcement and other methods of strengthening attitudes about the value of wearing safety belts.

The department's traffic accident information system statistics indicate that 75 to 80 per cent of the 265 fatalities recorded during 1980 involved people who were not wearing safety belts.

Mr. Speaker, if every person riding in a vehicle had been wearing a safety belt, as the law stipulates, it is reasonable to believe that 100 of the 265 people fatally injured in 1980 would be alive today.

There are now more than 1,300 members in the Saskatchewan Seat Belt Survivors Club. This is an exclusive club in which members have voluntarily said that their lives were saved or their injuries reduced because they were wearing a safety belt when they were involved in a traffic accident.

Designing safety into highways is standard practice when upgrading projects are being planned. On existing highways, many safety improvements are undertaken annually. This involves removing and relocating approaches, flattening side slopes, installing guardrails, improving intersection alignments, and many other activities. The purpose of this is to make highways as safe as possible for the travelling public.

This work is paying dividends. In the last few years the injury and fatal accident rate on the provincial highway system in Saskatchewan has decreased by 35 per cent. As well, the number of accidents on the provincial highway system due to vehicles hitting roadside object decreased by 28 per cent during the last seven years.

We have the expertise, Mr. Speaker, to develop safety countermeasures and programs that provide positive results.

Mr. Speaker, transportation is important to the advancement of our province's economy, to our way of life, and to the personal effect it has on our social and recreational activities. In 1981-82, the department's budget will be over \$184 million, which is approximately 12 per cent more than last year's appropriation.

The department will fund a capital construction program of approximately \$110.7 million, and a highway maintenance program of approximately \$57 million. Of prime interest, Mr. Speaker, is the department's capital program, and I will provide a detailed project array to the legislature when I conclude my speech.

Department capital plans for 1981-82 will provide approximately the same level of

work for the road-building industry as last year. We were hoping for an increase but the final outcome will depend on the rate of inflation.

Approximately 560 kilometres of grading will be undertaken, as will approximately 515 kilometres of paving and 200 kilometres of oil treatment. We are confident the road-building industry will have a busy season in 1981.

In 1981-82 department plans will include:

1. Continued upgrading work on secondary highways throughout Saskatchewan;
2. Continued upgrading of major northern routes such as Highway 155, Highway 2 north of La Ronge, and Highway 106 (the Hanson Lake Road);
3. Continued upgrading of the Yellowhead Highway;
4. Continued efforts to maintain a reasonable level of assistance to improve highway connector and arterial roadways in urban centres;
5. Extending the Operation Open Road program to benefit people living in rural communities;
6. Extending the four-laning of the Trans-Canada Highway in southwest Saskatchewan. The department will begin work this year to extend four-laning on the Trans-Canada Highway west of Swift Current, from the junction of Highway 32 to Webb. The first grading work on this 23.5 kilometre project will start this summer with completion scheduled for 1983. The department will extend its Operation Open Road program to oil treat roadways to communities of between 50 and 100 in population. There are approximately 30 communities eligible to participate in Operation Open Roads 2. The Department will fund \$1 billion of work under this program in '81-82. Approximately 65 kilometres of roadway will be oil surfaced, improving greatly the quality of highway services in rural Saskatchewan.

In the southern provincial highway system, the department will continue upgrading intra-regional arterial and collector highways. This thrust started a number of years ago, and steady progress has been made. Some of the grading projects completed last year include Highway 2 from Assiniboia to Scout Lake; Highway 15 from Milden to the Highway 4 junction; Highway 22 between Lipton and Cupar; Highway 26 from Meota to Edam and to the Turtle Lake Bridge, a distance of 55 kilometres; Highway 43 from Highway 2 to Mazenod and Gravelbourg, and many others, like Highway 13, where four grading projects were completed, including the extension of the highway from Govenlock to the Alberta border.

Many paving and oiling projects were also completed last year. Some of these projects include Highway 3 between Shellbrook and Shell Lake at a distance of 23 kilometres; Highway 4 from Biggar northward; Highway 12 from the Petrofka Bridge to the junction of Highway 312; Highway 23 from Weeks to Carragana; and many others where work is very near to being complete.

I wish to emphasize, Mr. Speaker, our determination to continue upgrading these inter-regional secondary highways. Significant progress has been made to improve the Yellowhead Highway between Saskatoon and Lloydminster in recent years. This work will be continued.

Much of Saskatchewan's future economic well-being relates to the vast Canadian Shield area in the North. Expenditures in the North this year will be approximately \$12.5 million. This will allow the department to maintain the objective of providing quality highway services to support mineral exploration and serve the residents of northern Saskatchewan. An oil surfaced highway has been completed into Buffalo Narrows. We'll continue the grading work on Highway 155 between Buffalo Narrows and LaLoche. In central Saskatchewan, we will continue upgrading Highway 2 north of La Ronge. We've accelerated work on the Hanson Lake Road. In the past, the department has played an important role in developing timber access roadways. This work will also be continued in '81-82.

Mr. Speaker, bridges are an important aspect of a good highway system. Last year the department completed the George Willis Bridge, spanning the Saskatchewan River on Highway 6, between Gronlid and Choiceland. This structure replaced a ferry service which operated in that area for more than 30 years. At Buffalo Narrows, Mr. Speaker, a major bridge was completed spanning the Kissis Channel. This bridge replaced a ferry service, and eliminated a major bottleneck for traffic travelling northward on Highway 155.

This year, work will continue on a major bridge to span the North Saskatchewan River on Highway 17 north of Lloydminster. Preliminary site investigation has been completed; work on the approaches to the bridge will begin this year. This new highway bridge project and the new airport at Lloydminster are two projects undertaken and cost-shared with the province of Alberta. Alberta transport officials are managing the airport construction while Saskatchewan highways and transportation staff will manage the bridge construction project. These two projects are proof of the progress that can be made when jurisdictions co-operate and work toward common objectives.

Mr. Speaker, urban governments throughout Saskatchewan can also expect a greater financial assistance from the department in 1981-82 to improve connector and arterial streets. The department's funding for urban assistance projects will be approximately \$14.3 million this year. Every city in Saskatchewan and many smaller communities will benefit to some degree by the department's urban assistance program.

Maintenance of provincial highways is an extremely important job carried out by department staff, seven days a week, all year long. The department has staff throughout the province in about 120 communities. The maintenance budget this year will be approximately \$57 million. This winter has been particularly demanding and despite the mild temperatures there have been severe ice problems. Icy highways are expensive to clear and the work is very demanding for our staff.

The job done this winter by maintenance staff exemplifies most strongly the willingness of the staff to respond to problems and become involved in developing solutions. This attitude prevails throughout the department and as a result Saskatchewan taxpayers have one of the best highways and transportation systems in Canada.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. LONG: — Mr. Speaker, a modern workable transportation system is essential to the continued development of our province. Saskatchewan highways and transportation will keep us at the forefront of development.

I am very pleased this afternoon to table the 1981-82 project array. I would ask the pages to distribute it to the members at this time.

Mr. Speaker, in closing, as Minister of Highways I also have another responsibility, and that is as minister in charge of the highway traffic board. I would like to take this opportunity to point out the important role that board performs in the Saskatchewan transportation picture. The highway traffic board regulates all matters concerning drivers and vehicles on our roadways, and in this respect, has an influence on the day-to-day activities of the trucking industry and motorists in general. I am pleased to announce this year that the highway traffic board will undertake a traffic lane program to check vehicle safety and fuel consumption, and will be obtaining additional equipment to improve the testing and licensing of motorcycles.

In closing, I will be vigorously supporting the budget presented by the Hon. Minister of Finance. Thank you very much.

SOME HON. MEMBERS: — Hear, hear!

MR. MINER: — Mr. Speaker, I am pleased to be able to participate in this year's budget debate. All you, I am sure, will know that this is my first opportunity to do such a thing. I am extremely pleased because it is an excellent budget. This budget shows that Saskatchewan's economy is strong. The budget offers a measure of tax relief for our population, while offering benefits to many — especially in the fields of social services, health, agriculture and resource security.

We are indeed fortunate to live in Saskatchewan. Our population is at an all time high while unemployment continues to be the lowest, or the second lowest, in Canada. Members opposite question that Saskatchewan's economy is strong. Just witness the member for Regina South, who refers to our budget as a "2 per cent" budget, claims we are in an economic crisis in this province, and retorts, in a rhetorical way, with a call for "Economic sensibility — conservative style." Then he proceeded to outline a program that is either a call for programs already in place, or a call for programs that fail to meet a test of either being sensible or economic.

Mr. Speaker, the people of Saskatchewan know that Liberal and Conservative economic policies differ very little. Liberals believe you should take from the poor and give to the rich; Conservatives believe you should not fool around with such a needless transfer — just let the rich take it for themselves. Now this is the basic motivation for the constant call of the Conservatives for less government.

Mr. Speaker, I invite the people of Saskatchewan to examine this budget carefully. They will quickly see that it is a truly sensible budget and the economics are truly sound. Just look at some of the facts, and I will quote you only a very few.

Last year there were 8,000 new jobs; wages and salaries increased by 13 per cent; the value of mineral shipments grew by 24 per cent; mining and manufacturing grew by over 20 per cent — after allowing for inflation, that means the investment increase was

actually much closer to 30 per cent. The budget was balanced last year, and there will be a slight surplus this year. Spending is up, but so is income. Now that, Mr. Speaker, is a truly economic sensibility.

SOME HON. MEMBERS: — Hear, hear!

MR. MINER: — Mr. Speaker, Canadians today are living in a time of uncertainty. Unfortunately, nationally we see a zero growth rate. We see a federal government unable or unwilling to deal with high inflation, high unemployment, and high interest rates. We see a national energy program that has cast a dark cloud of uncertainty over the oil and gas industry, affecting even Saskatchewan's ability to predict our oil resource revenues. Now, against this backdrop of economic bungling, we see a power hungry federal government, determined to run through a phony constitutional reform package that is really little more than an ill-disguised campaign to centralize economic and political powers in the hands of these bunglers. Now these unnecessary acts are causing severe unrest and uncertainty in our country.

Today, Mr. Speaker, I would like to examine some areas of great importance to Saskatchewan, and contrast the Saskatchewan model of development to that of the federal Liberals, remembering that Liberal and Conservative economic policies are not dissimilar. In agriculture, resource development, and social programming, there is ample evidence of the responsiveness of the Saskatchewan government to the needs of its people.

Agriculture, as an example, has always been of great importance to Saskatchewan, and is of particular importance to my constituents because so much activity depends upon its strength. This budget contains much to strengthen the agricultural industry.

This budget recognizes the importance of research in strengthening that agricultural industry. In 1981, we will see \$4 million spent as part of a 5-year, \$25 million crop research and demonstration program. Construction of a \$7 million ethanol plant will begin this year. Now I think we should remember that this plant is there to provide us with knowledge of ethanol operations under Saskatchewan conditions, information on the handling of ethanol by-products, or stelage, and it will generally add to the body of knowledge about possible and potential alternative energy sources for this province.

In agriculture, there will be over \$5 million for a budget to start a voluntary beef stabilization program. Overall, Mr. Speaker, spending on agriculture will increase by more than 30 per cent this year — solid evidence of this government's commitment to that industry.

Yet there are very serious, unanswered questions facing prairie producers today. The federal government seems ready to change the crow rates despite the fact that the crow is essentially a constitutional right of the farmers. The railroads refuse to haul our grain, saying, "It's uneconomic." This is despite the fact that the railroads have built up huge financial empires from the land grants and the cash grants which were given to them in the early day of the West. Land grant, cash grants, and mineral rights were paid to them under the agreement that they would move grain at set rates forever. Not just when they felt like it — forever.

Prairie farmers are still waiting for the long-promised compensation due them from the Soviet grain embargo. Federal Conservatives will remember that embargo. It was their idea in the first place — one which was continued by the Liberals. It was an idea which

will cost Saskatchewan farmers \$100 million in lost wheat sales alone. It will continue to cost Canadian farmers long into the future, because the multinationals ignored the embargo completely and moved in on what were traditionally Canadian markets, in the Soviet market area.

Our farmers were assured that the costs of this embargo would be shared by all Canadians. That has not been done. They have not received one dime in compensation. The federal government, as usual, has been long on promises and short on action. We don't intend to let the federal government forget its responsibilities.

Mr. Speaker, equally upsetting is the federal ineptitude in handling a program which I know a little about — the herd maintenance program. For months, the federal government was told (and I have knowledge of that because I personally told them) that to base the criteria of their program on rainfall on a township basis would be grossly unfair and totally inadequate. Crop yields are not a particularly useful indicator of the criteria upon which this herd maintenance program should be paid. Hay yields, yes. Crop yields, no.

Now the program is in a mess. There are over 10,000 appeals which have been launched. Farmers, meanwhile watch as the senator in charge of the Canadian Wheat Board charges about the province promising settlements and payments tomorrow. He also promises payments for the embargo tomorrow. He also promises the transportation mess will be straightened out tomorrow. Well, Mr. Speaker, tomorrow is just not good enough. Saskatchewan producers are entitled to answers and payments today.

Members opposite ask, "What are we going to do about it? What have we done about it?" Well, I can tell you that our own drought program operated with hardly a flaw. Our own efforts in terms of grain transportation are not insignificant, with the announcement of the hon. member for Last Mountain-Touchwood that the grain cars will be on stream in the very near future in total, hauling grain from the western prairies out to the seaports. Now that is a fairly significant contribution.

Mr. Speaker, at the outset of my remarks I mentioned with pride the fact that Saskatchewan's budget is again balance this year. I take pride in that because while living within our means and avoiding a deficit this government has expanded assistance for the disadvantaged.

The Saskatchewan Assistance Plan has been expanded; \$2 million has been set aside for a revitalized family income plan. There will be a 40 per cent increase in minimum benefits per child through the family income plan. As well, a 30 per cent increase in subsidy funding will reduce the cost of care for the majority of special-care residents. A new special-care system will also be implemented. Over all, social service spending will increase by almost 15 per cent and health spending by over 15 per cent. Those increases include 24 per cent to the drug plan and 34 per cent to the dental plan, which has now been extended to cover ages 4 to 15. Saskatchewan's balanced budget also includes over \$350 million for operating grants to hospitals, which represents a 16 per cent increase. Over \$25 million will be spent on hospital capital expansion.

Funding for the medical care commission has been increased by 15 per cent to \$107 million for 1981. Operating grants for community clinics have been increased by 18 per cent. There is a \$10 million grant to the cancer foundation. This is a very significant increase, Mr. Speaker.

The list could go on, but I see that I don't have a lot of time left, so I won't list all the things which are included in this budget. I invite the members to read it for themselves.

Mr. Speaker, 1981 will be the first year for a package of new preventive health programs. Members opposite have often asked how we can continue to support the ambitious (although they don't use the term) health program which we have in Saskatchewan. The logical way to be able to afford it in the future is to move now towards preventive health programming. I believe that this is the beginning of a very significant move on the part of the province to a much-needed and long-awaited program. I congratulate the Minister of Health for having introduced it. I wish him success, and hope he finds speedy methods of reducing the undesirable element of health care; that is, caring for people after they have become sick, rather than avoiding that sickness in the first place.

In my own riding, Mr. Speaker, there will be a prenatal nutrition and therapeutic diet counselling program, which will be implemented on a pilot project basis. With success, it will spread.

A senior citizens neighborhood health centre pilot project will also be established to provide a number of preventative health programming and information services to senior citizens.

As well, Mr. Speaker, there is a 32 per cent increase in the funding to the health research board. Again, research for health and for agriculture is provided for within the confines of a balanced budget in Saskatchewan — unlike Tory provinces to the east or west, which still maintain taxes like health premiums. Health premiums are nothing but a tax on the sick — profiteering for misfortune. When one includes health premiums as taxes (which they are) Saskatchewan's tax rate, with the cuts announced in this budget, is the second lowest in the country.

I also want to say a few words about taxes. This balanced budget, with major new initiatives in agriculture, health, and social services, also reduces personal income taxes and small business taxes in Saskatchewan. A taxpayer with a \$20,000 income (this is just one example, and there are many), claiming a spouse and two children under the age of 16, will have his or her taxes reduced by \$157 a year. As well, this year Saskatchewan will continue to provide low-income taxpayers with a personal income tax reduction of \$160, plus a \$50 reduction for each independent child. Similarly, the small business income tax cuts amounts to about 10 per cent, and that will save small businesses about \$3.4 million this year alone. Small business will also benefit from a 36 per cent increase in Aid to Trade funding, and the continuation of the small-interest abatement program.

Mr. Speaker, we are proud of this budget. The budget is balanced; it contains tax cuts and significant increases in funding for agriculture, health, and social services. Yet, Mr. Speaker, as I mentioned earlier, federal mismanagement of the economic and political issues poses grave threats to our well-being.

The national energy program, for example, is nothing more than another raid on provincial resources. Ottawa has, with its new taxes, made many oil wells in Saskatchewan uneconomical. Indeed, oil production in Saskatchewan is already down significantly this year, after a record year in 1980. It is down, Mr. Speaker, not because of provincial taxes, and not because of provincial restrictions or an unfriendly business climate, as claimed by the hon. member for Regina South, but down because of the

federal government's energy policies. The federal government says (and so say the Conservatives opposite) that we ought to reduce our royalties — in effect, give up what is rightfully ours. Ottawa says we ought to reduce our royalties to provide room for their taxes, despite the fact that other components of the federal energy policy will cost Saskatchewan \$1 billion this year. The Conservatives also say we ought to reduce our royalties — not to give the money to Ottawa, but to give more money to the companies. Both federal Liberals and provincial Conservatives are calling for the same thing — less money for the people of Saskatchewan, less money for the people who own the resources.

I referred earlier to Ottawa's grab for more political and economic power. I talked about the economic side of it. Now let's look at the political power. This constitutional amendment will give the Senate new powers, Mr. Speaker — powers they never had before. The Senate, along with the provinces of Ontario and Quebec, will have a veto on any constitutional proposal. The Senate is controlled by the federal government because the federal government appoints them, with the result more power to Ottawa. We are also told the referendum mechanism is to be provided in the constitution — a referendum that can only be called by Ottawa and can only be worded by Ottawa. Entrenchment of the Senate, a referendum — Mr. Speaker, it is simply a crass, politically expedient entrenchment of Liberal-Conservative old boys' clubs in Ottawa. The referendum procedure is stacked against the provinces.

While it raids provincial revenues and attempts to centralize political power, the federal government is attempting to back out of some of its major obligations and responsibilities — for example, to cut back on RCMP services. In my own constituency, both the city of North Battleford and the town of Battleford will experience increases in RCMP service costs of up to 100 per cent. Now, that move will greatly increase the policing costs for other communities as well, ranging, as I said, up to 100 per cent. We've seen federal cutbacks in health spending and various community cost-sharing programs. And at the same time Ottawa is attempting to grab onto provincial revenues. That makes budgeting a little more, difficult, at the same time, Mr. Speaker, in the face of all that pressure, we were able to manage a balanced budget.

Mr. Speaker, I stated earlier the results of federal mismanagement: high inflation, high interest rates, high unemployment, and a very high federal deficit. Such conditions have resulted in a national recession and will continue to hinder the growth of provincial economies. That's the sorrow of it all. We can't avoid the impact of this mismanagement by Ottawa — both in terms of political and economic power-grabbing on the budgets of Saskatchewan.

Nationally, there will be zero growth. Saskatchewan's budget is balanced, as I've already said. Everywhere else the deficits grow. Saskatchewan's personal tax is among the lowest in the country. Health and social spending increase. Elsewhere in Tory provinces, health premiums are all cut back. In Saskatchewan, we believe that the wealth should benefit all of the people. We do not believe we should cut our oil royalties, and we won't — or give our resources away, which we won't. Remember, Mr. Speaker, that it was not the Liberals or Conservatives that pioneered obtaining a greater share of resource revenue for the provinces. It was the CCF and the NDP in this province.

SOME HON. MEMBERS: — Hear, hear!

MR. MINER: — Mr. Speaker, I will oppose the amendment proposed by the hon.

member for Regina South. I will oppose it because it is not based on fact. The amendment, Mr. Speaker, shows a shocking lack of understanding for the extent of this budget and the effectiveness of this government's programs.

Mr. Speaker, the people of Saskatchewan receive assistance from the ravages of inflation through the superior management of this province's resources and through a host of measures introduced in this budget, for which, Mr. Speaker, on behalf of the people of The Battlefords constituency, I want to express my sincere appreciation to the Minister of Finance.

Mr. Speaker, this budget offers increased assistance to the impoverished and moves to assure energy self-sufficiency; it provides a healthy economic climate for the private sector and provides leadership that will result in a healthier agriculture industry. Contrary to the allegations contained in the proposed amendment, this is a good budget for the people of Saskatchewan. I am proud to support this budget. It is a budget that demonstrates what responsible administration is all about. We have already heard the opposition suggest that the government should be deficit financing. That we reject at a time when interest rates are high and costs are soaring. The opposition may object to a balanced budget; they may object to tax cuts; they may object to increased spending on health and social services; but we do not, nor do we believe that the people of Saskatchewan object to these measures. It is a responsible budget and a budget which I am pleased to support. Mr. Speaker, I see the hour for adjournment has arrived (and passed). I beg leave to adjourn this debate.

Debate adjourned.

The Assembly adjourned at 5:18 p.m.