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Mr. Speaker, I should first like to welcome a group from the very important city of Prince Albert to the Chambers today. I would ask all the members that came down in the contingent to stand: Mr. Orville Erickson.

I just want you to know that that very colorful garb that he has on isn't what is normally worn in the city of Prince Albert, but is normally worn in Festival Week, and that is what is happening in Prince Albert. There are just two days to go and so I invite everybody here and everybody in Saskatchewan to go up to the number one and the original Winter Festival that takes place in Prince Albert, the number one festival in Saskatchewan.

Mr. Speaker, it has been traditional for Treasurers to wear a certain type of tie when he presents the Budget and I have on a tie that Ian MacDougall presented to me just before I presented the 1968 Budget. I notice that the Budgets are getting larger and so are the ties. As you will recall, there was the odd little tax increase in the 1968 Budget. When I finished delivering it and he came back to see me, I thought he was trying to grab the tie back, but I found out afterwards that he was trying to strangle me. I am sure that his reaction will be much more favorable when I present this Budget.

Mr. Speaker, it is with pleasure and a deep sense of pride that I present to the Legislature the seventh Budget of our Administration and my fourth as Provincial Treasurer.

This Budget is not just a series of charts or columns of figures; it is a record of past achievements and a blueprint of future actions. It is a portrayal in financial terms of the growth and development of Saskatchewan. It is an expression of our confidence in the future of this great Province.

I am proud of the record of the Saskatchewan Liberal Administration of Ross Thatcher, and, Mr. Speaker, I should like for a moment to look at that record.

We were first elected in in 1964 and this Province immediately began to move ahead.

Our first and greatest achievement was ridding Saskatchewan of an NDP Socialist Government.

This ended 20 years of regimentation and stagnation. We restored the confidence of the investors in the economic and financial stability of Saskatchewan and we triggered the greatest industrial and business boom ever witnessed in this Province.

The potash mines rolled in with a total investment of close to $1 billion. They provided thousands of high paying jobs for Saskatchewan people. Secondary industry and business followed. The oil and mining industry, sparked by incentives provided by our Government, spent record amounts in Saskatchewan and poured millions of dollars into the pockets of our people and the Provincial Treasury. We brought into production Saskatchewan's first pulp mill at Prince Albert.

This mill pumps $25 million into our economy annually and has brought unbelievable improvement to the living standards of thousands of people in Northern Saskatchewan. It stands as a monument to Liberal industrial success and NDP industrial failure.

We promised a common sense business-like approach to government and we delivered. We trimmed unnecessary government spending by millions of dollars. We cleaned up the financial mess left by the Socialists both in the Government and the Crown corporations.

We were then able to balance the Budget and have continued to do so for everyone of our seven years in office. We launched a great new highway construction program that moved Saskatchewan out of the horse and buggy era into the 20th Century. We helped build new hospital, school and university facilities by doubling and tripling the amount spent by the Socialists for these essential services. We proved our real concern for people by setting up the first Provincial Indian and Metis Department in Canada and the first Youth Agency in Saskatchewan.

Mr. Speaker, recognizing that agriculture is still the backbone of our economy, we gave the farmers real help after 20 years of NDP lip-service.

In 1965, it was our Government that made it possible for farmers to use tax-free purple gas in farm trucks to travel anywhere in the province. Our Socialist friends refused the farmers this assistance for 20 years and many of them even voted against the Bill. The same year we abolished the mineral tax on farm lands. We greatly expanded community pasture facilities in every part .of Saskatchewan and we made crop insurance available to thousands of farmers.

Concerned with the plight of local governments and taxpayers, we began programs of practical help to shift burden from the property tax to the general revenues of Province. We also provided more money for local school every year since coming to office.

We increased in a major way our equalization grants to municipalities. We brought in new grants for snow clearing and increased other grants for such things as gravelling, paving and library service.

For the home owner we began the $50 Homeowner Grant, again over the opposition of many NDP Members.

In 1967, Premier Thatcher called an election; the people looked at our record, liked what they saw, and returned us with an increased majority.

The general prosperity and growth continued into 1968, but toward the end of that year a situation new to Saskatchewan was developing. We were facing mounting surpluses in four of the commodities upon which we depend most for our economic wellbeing. We had too much uranium, oil, potash and most serious of all far too much wheat. This serious problem had been brought about partially because of a world-wide slowdown in demand and partially because of world-wide over-production.

Farm cash income took a drastic drop, oil and uranium production slowed down with a corresponding slowdown in employment and royalties. The potash industry faced disaster; with low production coupled with falling prices, some mines were actually considering total shutdowns. A threat by the United States Government to place embargoes against Saskatchewan potash for alleged dumping at cut-rate prices made the situation even more serious. This decline in our basic economy, coupled with tight money and high interest rates, brought on a virtual collapse in the construction industry, throwing thousands of men and women out of work. A prolonged strike by the plumbers and electricians further aggravated the problem.

As if this were not enough, we in Saskatchewan were, along with other Canadians, the victims of almost run-away inflation.

Now, Mr. Speaker, almost any government can look good when things are moving ahead, when the economy is on the upswing, but the true test comes when the economy is in trouble, when outside forces bring on a recession. And, Mr. Romanow, I said almost any government, because the NDP Socialists managed to look bad in good times and poor times alike.

You Socialists could and often did turn a recession into a depression, good times into a recession. Mr. Speaker, the years from 1964 to 1968 were the best years our Province ever experienced and the actions of this Administration played a large role in creating that prosperity, and I am proud of that record.

But the real test came during the... I'll deal with you later, Mr. Smishek.

The real test came during the years 1969 and 1970, both rough years, in which our Government faced not only a recession caused by growing surpluses and falling markets but also the crises of inflation. These were the years when Ross Thatcher proved his mettle as a leader and his Government showed it had the courage to take the necessary action to solve the problems facing Saskatchewan.

First, Mr. Speaker, we tackled the wheat surplus problem. We raised Cain with the Federal Government and the Wheat Board, demanding that they show more initiative and energy in their efforts to sell wheat. Our Government launched a program to barter wheat and we made good deals. Our critics and "yappers" on the other side of the House claimed that we never produced any added sales and that we might even have threatened the world wheat prices. I say, nonsense: We did create extra sales but even more important, we shook up the Federal Government and the Wheat Board and they got off their seats and started an aggressive sales policy for our wheat.

What are the results? The result has been a sharp upswing in grain sales and a vastly improved picture for our agricultural industry. At the same time we provided a rebate of the sales tax on grain storage facilities to ease the grain storage and cash problem facing many of our farmers. To help the farmers to diversify, the Government introduced The Livestock Loan Guarantee Act which permits farmers to borrow funds at reduced interest rates to purchase breeding stock.

Then the Premier took on the potash problem. The experts said it couldn't be done but he and Alex Cameron put in prorationing and made a sensible floor price stick. The Premier went to Washington and succeeded in stopping the move to block Saskatchewan potash from the United States market.

He also convinced potash producers in New Mexico to cut back on their production so that we would continue to hold our share of the American and world markets. The potash industry is not operating at full production yet but it is out of danger and making excellent progress. This industry is responsible for thousands of jobs for Saskatchewan people and it pours substantial money into our treasury. It was sick and is now on the mend and one man, Ross Thatcher, with the help of Alex Cameron, deserves most of the credit for getting the potash industry back on its feet.

Mr. Speaker, to combat the unemployment caused by the slowdown in the construction trade, we embarked on a series of stepped-up public works programs. We also made it possible for the Crown corporations and the University to speed up their capital projects. Our foresight in pushing ahead with these projects has helped keep our unemployment level among the lowest in all of Canada. However, Mr. Speaker, it was in the fight against inflation that the Saskatchewan Liberal Government really proved its courage and its responsibility. We began by running the Government in a responsible and businesslike manner. We did not add to the inflationary pressures, but we suffered equally with those who did. We instituted guidelines for wage settlements even before they were asked for by the Federal Government. We used our legislative power to settle strikes when we considered the demands of some unions too high; we also intervened on behalf of working people when the wages offered by management were too low.

We have been accused of an anti-labor bias but this is not true, make no mistake. Run-away inflation and price increases not only hurt pensioners, people on fixed incomes, but working people as well. Mr. Speaker, had other governments taken the same action as we did to hold down excessive wage and price increases, inflation would have been stopped long ago.

It is interesting to note that throughout these two difficult years, the financial position of the Saskatchewan Government has remained sound and our credit rating is one of the highest in Canada.

The policies of our Government have helped move the province's economy out of the doldrums and we can now look ahead with renewed confidence to more prosperous times.

The prospect for our farmers is much better than a year ago, the potash industry is moving ahead, the Meadow Lake pulp mill will bring new life to that area, the development of the uranium mine at Wollaston Lake promises an upswing in the mining sector and the construction industry will show sharp improvement in 1971 over the last two years.

Mr. Speaker, the Budget I am about to present is also planned to bring practical help to solve social problems that still exist and must be of concern to all of us.

I refer to such things as unemployment, the pollution of our environment, and the tax burden on farms and homes. For example, you will be asked to vote money to mount a massive public works program to combat general unemployment, as well as a special program to help students find summer work.

The new anti-pollution program to be considered by this House must also be provided with funds.

Once again the Legislature through this Budget will be given the opportunity to take another major step to shift the tax burden from the local ratepayer onto the larger provincial tax base. I should again remind you that it was the present Liberal Government that began this shift with the Homeowner Grant, and a variety of other new grants to cities, towns and rural municipalities. I will tell you now that the present Budget contains substantial increases in all these grants and will be another important move in easing the tax load on farmers, home owners and small businessmen.

I also inform the House that because of our prudent management of the Government's finances, we are able to present you today with a Budget that calls for gross spending of over half a billion dollars without the necessity of borrowing one five-cent piece.

Now, Mr. Speaker, before laying out this forward-looking Budget, for the Members I would ask leave to first review for a few minutes, the highlights of our economy during the past year.

The Saskatchewan economy passed through a second difficult year in 1970. We in Saskatchewan are still dependent upon the growth and expansion of our primary industry, agriculture, for our economic well-being. The farmer experienced an extremely tough year as grain sales remained at low levels until the latter part of 1970. Farm cash receipts will reach about the same level as the 1969 receipts. The value of grain sales increased in 1970 by over 20 per cent. The benefit to the individual farmer was lessened however by his need to repay outstanding cash advances from the Canadian Wheat Board. In 1970, Saskatchewan farmers paid back $55 million more than they had borrowed.

With the prospects for grain sales in 1971 much improved and with the reduction in outstanding advances, the farm economy will show substantial improvement in this year 1971. My optimism is bolstered by the degree to which the Saskatchewan farmer has taken advantage of our programs for diversification. This year $25 million will be borrowed under our Livestock Loan Guarantee Program. The latest livestock survey shows that the cattle population has increased by 150,000 in the past year. During 1970, the number of hogs increased by over 50 per cent. These changes, along with the movement into grains other than wheat, will tend to stabilize the farm sector and improve the outlook for the future.

Mineral production in Saskatchewan in 1970 is estimated at $396.8 million, an increase of 15 per cent over 1969. Much of the increase in value is attributable to the success of the Potash Conservation Board in increasing the world price of potash.

Manufacturing will be up by almost 10 per cent. This increase is associated with the increased production in the wood, paper, food and beverage industries.

Retail sales dipped slightly below the level of 1969 with sales of new motor vehicles showing the greatest decline. Public and private investment in Saskatchewan was the softest spot in the non-agricultural sector of our economy. While public investment showed a significant increase, investment in the private sector slowed markedly.

The provincial Government's accelerated public works program resulted in a 14 per cent increase in this portion of public investment, however, the increase was not great enough to offset the decline in private investment.

Once again this year we propose to cushion the impact by accelerating our Public Works programs and we look forward to a major improvement by the two large projects now being planned for Northern Saskatchewan.

Mr. Speaker, I turn now to the current year's fiscal position.

Last year at this time, I introduced a budget calling for a level of expenditure at about $405 million with a budgetary deficit of some $10.4 million. Since that time a number of changes have occurred and we now anticipate that our expenditures will be significantly above that estimate. However, the increase in our revenues will more than offset this growth as well as the planned deficit, thus resulting in our seventh consecutive balanced Budget.

As far as capital financing in 1970-71 is concerned, the trend of rising interest rates was finally broken in the fall of 1970 to produce a strength never before encountered in the Canadian long-term debt market. This reflects the marked swing toward monetary expansion and the fact that inflationary fears have subsided considerably. Formerly the fear of inflation had been restricting the flow of money into the bond market and institutions were building up large cash reserves. It appears that these reserves are now being committed in large part to the debt market.

During the calendar year 1970, the Province borrowed $58.13 million. Funds were obtained from the following markets: $15 million from the Canadian Bond market at a rate of 8 3/4 per cent; $43.3 from the Canada Pension Plan. The $15 million Canadian debentures issue was extremely well received and sold quickly. This was the first issue of Saskatchewan debentures put on the Canadian market since 1968.

Once again, Mr. Speaker, we took full advantage of all the funds made available by the Canada Pension Plan at substantial savings and this money was earmarked of course to Saskatchewan Power and to Saskatchewan Telecommunications.

And now, Mr. Speaker, I should like to turn to an outline in more detail, the positive program which is contemplated by this year's Budget. The major aims of this record pay-as-you go budget will be to:

1. Find jobs for the unemployed and create summer work for students.

2. Speed up the development of our great natural resources and job-producing industries.

3. Take another major step to shift the municipal tax load off farmers, home owners and small businesses.

4. Give to the fight for clean environment the same high priority we are giving to education and health.

Mr. Speaker, to find jobs. Because of our concern for the unemployed, we have planned a large and comprehensive program to produce jobs and to produce them immediately. Mr. Speaker, I am pleased to announce the largest public works program in the history of Saskatchewan. In 1971-72,we shall spend directly on public works, $15.8 million, an increase of $7.4 million over this year's total.

I shall deal with the record of the NDP when it was in office - bad record.

These projects' will be scattered throughout the province and provide hundreds of jobs for Saskatchewan people. Through grants to the University, schools, hospitals and nursing homes w~ shall make possible the spending of an additional $45 million on job-producing projects. For example, we are providing $525,000 in construction grants and $60,000 in maintenance grants for special-care homes. These grants represent the province's 20 per cent share of the total and as a result they will generate a total of $2.9 million in construction. We are continuing our program of upgrading Saskatchewan hospitals. To facilitate this program, we have included $8.2 million in the Estimates for 1971-72.

Discussions are progressing with respect to the Government's offer to authorize a $12 million construction program for the Regina General and the Regina Grey Nuns' hospitals.

We are prepared to approve construction grants totalling $8 million, with $500,000 being provided in this Budget. Construction of the South Saskatchewan Hospital Centre at Regina is proceeding on schedule. It is expected that this 300-bed hospital will be completed in the latter part of 1972. This year as in the past six years, we are setting aside funds to aid us in the financing of this $16-million project. This Budget provides an additional $2 million bringing the amount set aside to $12.8 million, with construction in the 1971-72 year estimated at $7 million.

Plans are also proceeding to convert a portion of the Saskatchewan Hospital at Weyburn into a 360-bed extended care hospital for chronically ill patients. Approximately $1 million has been allocated for renovations to this facility which will be known as the Souris Valley Extended Care Hospital.

Planning for a major extension to the University Hospital at Saskatoon has progressed to the working drawing stage. Construction is expected to begin in early 1972 and will be completed late in 1974. The extension will provide facilities that are integral to the development and expansion of the Medical School facilities, and will ensure that the University Hospital continues to meet the standards required of a teaching hospital. The extension will also include a betatron unit for the treatment of cancer patients as well as clinical facilities for the College of Dentistry. This corning year we shall provide an additional $2 million, bring the total set aside for this project to some $7 million.

Mr. Speaker, to stimulate house construction we shall continue our $500 grant to individuals for home building and have provided $500,000 for this purpose. Saskatchewan Crown corporations have been asked to play their part in fighting unemployment and have responded with a capital spending program of over $57 million.

Mr. Speaker, recognizing the plight of many of our students who want to continue their education but face the prospect of no work this summer, our Government is launching a program that will provide at least 2,000 student jobs during the next six months. We shall make 1,000 jobs available in the Government and Crown corporations. We will also stimulate the hiring of at least another 1,000 students by paying up to half their wages to farmers and businesses providing summer employment for these students. We have earmarked an extra $1.5 million in the Budget for these added student jobs. The Hon. D.G. MacLennan, Minister of Labour, is in charge of the program and will lay the details before the House in this debate. We shall also carry on with Teenpower and do everything possible to persuade the private sector of the economy to join us in this crash program to help our students finance their education. Student representatives from the schools of technology and the University will be members of a committee to advise on jobs and selection of students.

Mr. Speaker, while looking after the interests of the general public and students needing employment, we have not forgotten our native people. People of Indian ancestry make up over seven per cent of our population but they do not have anywhere near seven per cent of the jobs in this province. In 1969 we established the Saskatchewan Indian and Metis Department to help our native people take their proper place in the mainstream of the Province's development. More than 1,500 native people benefited this year from a variety of programs, including the Government hiring program, on-the-job training in industry, upgrading courses, skills and trade training and post-secondary training. It is estimated that this number will increase to 1,850 in 1971-72, an increase of 20 per cent. The Cutbank Work Training Project, which was established during the current year at a cost of $83,000, provides short-term programs to train native people for permanent employment in agriculture and resource-based industries will be continued. In fact in 1971-72, we shall be providing $146,000 for this purpose. An amount of $20,350 will be made available to finance and administer the Indian and Metis Driver Training Program. Training on-the-job contracts with industry and homemaking courses for Indian and Metis people will cost us another $33,000. The Government has set an example in contributing to the on-the-job training and placement programs for people of Indian ancestry. The Government's Supernumerary Training Program which costs over $1.3 million in the current year will be increased in 1971-72.

Now, Mr. Speaker, no one should underestimate the contribution which our highway construction program makes in providing employment for the people of Saskatchewan. In the 1967 election campaign, we promised to spend $250 million on provincial highways and another $50 million on municipal and urban roads as well. I am happy to inform this Legislature that highway expenditures under this Budget will amount in the coming year to the record sum of $65.3 million.

This means that we shall surpass our target of $250 million by $3.5 million and the $50 million goal by $2.2 million. These highway projects will provide 320,000 man days of employment plus a great deal of additional work in related industries. Our Government has been determined to build a highway system in Saskatchewan that would be safe, modern and that would provide a stimulus for industrial and resource development. Mr. Speaker, we have accomplished that goal. Our highway safety record is the best in the nation. We now have over 8,000 miles of modern, hard-surfaced highways. By the end of this year, we shall have more than 200 miles of four-lane divided highways compared to 40 miles when we took over in 1964. Since 1964, construction on eight major bridges has been undertaken. We have also answered the highway needs of the potash mines, and the pulp mill and other major industries.

During the past months the NDP Opposition has attempted to ridicule and downgrade our sincere efforts to create employment. Let's look at the facts: in the first place, the percentage of unemployed people in Saskatchewan is the lowest in Canada. It is lower than Quebec, it is lower than Ontario, Alberta or British Columbia and even lower than that working man's paradise, NDP Manitoba.

Nevertheless, we still think it is too high and that's why we have taken the massive action I have just outlined. We read and we hear of all the great things the NDP Socialists would do now that they are out of government. How did they act when they had the power? Mr. Speaker, the people of Saskatchewan should be told the truth. The truth is that the Liberals act and Socialists talk.

I just want to call to the attention of Saskatchewan people that the NDP went hysterical when I said they'd tell the truth, they haven't heard it for so long. Let us look at the track record...

Let's look at the track record of the NDP. In the fall of 1960 when their 1961-62 budget was in its preparation stages, unemployment in Saskatchewan had reached its highest level since the Great Depression. Did the Socialists speed up their public works program in the fall of 1960? Did they bring forward a massive program of capital works, the 1961-62 program. The answer is No. Capital expenditures on public works in 1960-61 fiscal year were reduced from the previous year and did not even reach the estimated level. But, Mr. Speaker, did they finally realize the urgency of the situation in their 1961-62 works program? Once again the answer is a definite No. As a matter of fact the NDP, the great friends of the workers, actually cut public works capital expenditures in half, from a sad $4.3 million to an incredible $2.3 million, and get this, they only spent $1.2 million of that. Compare this to the proposed budget of $15.8 million.

Mr. Speaker, highway construction was also cut by $2 million in 1961-62. The NDP did not discriminate when it carne to putting people out of work. They had no plan for the student, in fact they only discovered the student since we put them in Opposition. They offered the Indian and Metis people the same double talk the Leader of the Opposition (Mr. Blakeney) is now engaged in, no jobs, no upgrading, no real help, just empty promises.

He offered them nonsense, the Leader of the Opposition says, and I agree with him. Mr. Speaker, I don't think the Socialists are fooling anybody, I don't even think they are fooling themselves.

Now, Mr. Speaker, I should like to turn to review the efforts which this Government has made to stimulate and develop the economy of the province.

First, we are deeply aware of the importance of the agricultural sector of our economy. Agriculture has been, and continues to be, the most important single factor in the economic well-being of Saskatchewan.

Over the past seven years, we have taken decisive action to strengthen the agricultural industry through the introduction of new programs to enable farmers to diversify their operations and thus attain a greater measure of security. At the same time, we have encouraged and promoted the development of our resources - our potash, our forest products and our oil and gas. To achieve this development we have welcomed investment from other parts of Canada, from the United States and from Europe.

The Leader of the Opposition and his Socialist supporters have travelled the length and breadth of this province in a futile effort to shake the faith of the people of Saskatchewan in the future of their province. I should remind the Members of this House that 25,000 to 35,000 persons in our province depend for their jobs on outside investment in three primary fields - potash, forest products, oil and gas. And these people will not be misled by the NDP whose only alternative is obviously widespread unemployment. Nor will they be impressed by the arguments of people like independently wealthy Walter Gordon and some of our university people like Professor Watkins who proclaim from the comfort of their secure positions on the public payroll, "Let's keep out foreign capital, tighten our belts and be real Canadians."

Mr. Speaker, do you always notice that it's someone else's belt that must be tightened; these super patriots on the other side and across this country will fight to the last working man to build a fence around this nation.

Now who are these economic nationalists who cry about selling out Canada and demand that all outside capital be kept out or even kicked out? They're a strange combination. I said they were a strange combination. NDP Socialists, Communist professors, and a few Canadian businessmen from Eastern Canada. They've all got one thing in common, they have all got one thing in common.

They are frightened by outside competition, they are living off the backs of the Canadian people and they are afraid of losing their cosy set-up. The nonsense that is being. spread by these people that we can discourage outside investment, limit economic growth, still produce new jobs and increase welfare is a dangerous hoax. I can assure this Legislature that as long as we are in the Government, we will continue to encourage Canadian investment first, but when it is not available, we will. get outside capital to help us create new jobs and new prosperity. But, Mr. Speaker, we will also demand that foreign investors in Saskatchewan obey our laws, follow our rules, provide work for our people and if they don't they won't be in this province very long.

Mr. Speaker, last year in my budget address, I spent some time outlining the difficult situation facing our agricultural industry. This year we see some encouragement, some measure of optimism in the current and forecast situation. Grain marketing has improved. Exports of all grains this year will exceed 700 million bushels with increases in wheat, oats, barley and rapeseed. This compares to 483 million bushels in 1969-70. In spite of the marked improvement in grain marketing, the Government continues to emphasize need for diversification in the agricultural industry.

The Guaranteed Livestock Program has been widely recognized as an imaginative and effective program. During the first year it was in effect 6,000 farmers borrowed $25 million to purchase breeding stock. In addition, the Saskatchewan Economic Development Corporation approved loans of $655,000 to farmers to encourage diversification, and they made available $3.5 million to the Saskatchewan Wheat Pool to assist members in financing livestock programs. Negotiations are proceeding with the Federal Government for the establishment of a crop development centre at the University of Saskatchewan and we're budgeting $210,000 for this purpose.

In 1967 we introduced a program of grants for the building of modern hog barns. At the end of the current fiscal year, we will have made more than 700 grants totalling $1.5 million.

This program has been instrumental in achieving a major modernization in our swine industry in a little over three years. As a further measure of support to the industry, this year we will pay producers a premium of $2 per hog marketed that reaches a Federal index grade of 103 or better, at an estimated cost of $500,000.

Since our Government took office we have devoted major attention and resources to the improvement of veterinary services in the province. Completion of the Western College of Veterinary Medicine and the modern diagnostic laboratory were major milestones in this program. Last year, we provided for a large increase in the grants available to the Veterinary Service Districts. This year, we shall offer to the Veterinary Service Districts an additional grant of up to $3,000 each to be used in the construction of veterinary clinics. As a further measure of assistance to the livestock industry we shall offer to auction markets, veterinary inspection of livestock going through their sales rings. We will carry on development of new community pastures, adding over $160,000 to our budget for this purpose. And a further $2 million will be spent in the South Saskatchewan irrigation area on the west side of the river as that great agricultural project continues to grow in importance.

In summary, Mr. Speaker, we propose to spend a record total of $16.2 million on agriculture in 1971-72, an increase of 60 per cent over the 1964-65 budget we had inherited from the NDP.

Mr. Speaker, I should like to turn now to one of the great success stories for the past 20 years, the Prince Albert pulp mill.

I realize my friends on the other side of the House prefer not to hear about it. If I were in their shoes; I shouldn't want to hear about it either. Mr. Speaker, for 20 years the Socialists tried their hardest to get someone to build a pulp mill in our northland. They didn't care where the money came from, whether it was from the United States, from Japan or from Europe. But their efforts were to no avail. Now in typical Socialist dog-in-the-manger style, they are doing everything they can to harass the pulp mill and its operations. The time has come, Mr. Speaker, for the Leader of the Opposition to clarify for the people of Saskatchewan just what are his motives in these attacks on this valuable industry.

Is he so blinded by jealousy that he is willing to destroy an industry that provides employment for over 900 people and that spends $25 million in our province every year? Or is the Waffle group really dictating the policies of the Saskatchewan NDP?

A few short years ago when we had an NDP Government, the city of Prince Albert was classified as a depressed area. Today, Prince Albert has the highest average per capita income in Saskatchewan and the third highest on the Prairies.

The Prince Albert mill is a success and its very existence is a constant reminder to the NDP of their abject failure to industrialize this province.

We in the Liberal Party believe that there is a great future in our northland. It is one of the last frontiers to be explored and developed. We intend to see that it is explored and developed, that the resources of this province will be used for the benefit of all the people of Saskatchewan, and make no mistake, we will protect the environment and we will renew the resources. This is why we are planning another forest complex in the northwest part of the province. Last year, we negotiated with the Federal Government to have the Meadow Lake area designated as a "special area." We entered into an agreement with the Federal Government to undertake a number of special projects, designed to give Northwest Saskatchewan an economic boost. The agreement has a threefold objective: First, to establish a major industry in the Meadow Lake region. Second, to establish Meadow Lake as a transitional centre where the native people of the North may be brought for training before seeking employment in other parts of the province. Third, to upgrade the level of government services to the people of that area.

Mr. Speaker, we have that major industry. Work has already commenced on a new sawmill to be located just a few miles from Meadow Lake. This sawmill will provide employment for approximately 80 people in the mill and 100 in the woodlands operation. Most of the people will be drawn from the area itself. Plans are underway for a comprehensive training program which will enable residents of the area to qualify for jobs in the mill operation. Many others will find employment during the construction phase. We have also negotiated for an even larger development in the area. The new pulp mill will bring to the people of Northwestern Saskatchewan the same degree of economic benefit which the residents of Prince Albert currently enjoy.

This new pulp mill will call for an investment of around $177 million and there is no question that there is an element of risk. We have kept this risk to a minimum by having every phase of the project checked and double checked. But it will create over a thousand new jobs directly and another two or three thousand jobs indirectly in an area where the major source of income has been social aid for far too long.

Mr. Speaker, to keep this investment in its proper context I should point out that the Provincial and Federal Governments in the four years between now and the end of the first year of operation of that mill, will have paid out over $140 million in social aid in this province and have absolutely nothing to show for the money.

If we deny this mill we are, in fact, telling hundreds and hundreds of people in the North to rot on social aid because we haven't got the guts to risk backing this pulp mill. The only kind of enterprise that can make it in that area.

But this is not an isolated example of the progress which is being made in the development of our resources. In the northeastern part of the province, the Simpson Timber Company sawmill has undergone major expansion. This expansion will increase employment in the mill from 125 to 165 people and increase the annual payroll to over $1 million. This mill also provides employment for 300 woodcutters and in peak periods upwards of 500 people are employed in their bush operations.

At Big River the Saskatchewan Timber Board is building a new sawmill to replace the one that was burned down in 1969. The mill, estimated cost of which is $ 400,000 will have a capacity of about 12 million board feet per year compared to the old mill's capacity of 7.5 million board feet.

Mineral Resources - one of the most buoyant sectors of the provincial economy is in the mineral resource industry. The over-supply problem which faced the potash industry is being solved. The industry can now look forward to a period when market demand will begin to overtake production capacity. During 1971, potash sales are expected to reach $140 million compared to $74 million in 1969 and $110 million in 1970. Increased activity in mineral exploration could bring expenditures to $15 million in Saskatchewan's northland. The most significant mining find in the province for a number of years was made in 1970 with Gulf Minerals announcing its intention to proceed with the development of a uranium mine at Rabbit Lake. This development will involve a capital expenditure in the order of $50 million and will employ 550 people in construction and 400 when the mine goes on-stream.

The residential needs of this development will require a new townsite with a population of approximately 4,000 people. Access to the townsite will be provided by the construction of a permanent all-weather road.

Mr. Speaker, increased demand for natural gas has resulted in an intensive exploration program in the Milk River formation underlying the Great Sandhills area in the southwestern part of Saskatchewan. Petroleum production in the province continued at the highest level that markets and transportation facilities would permit. Saskatchewan's coal resources are beginning to attract the attention of industrial users as the demand for energy in Canada increases. In 1970, lignite production reached an all-time high of 3.5 million tons and sales are active due to large orders from Ontario, the United States and the Saskatchewan Power Corporation.

During the past year the Saskatchewan Economic Development Corporation approved loans of $16.8 million bringing the eight-year lending total to $57 million. These loans were designed mainly to assist in industrial development but they were also used for the expansion and construction of highly specialized agricultural operations.

Mr. Speaker, as a further stimulus to the economy, the Government has declared 1971 as Saskatchewan Homecoming Year. The influx of tourists to the province will provide a much needed shot-in-the-arm for our tourist industry and related service industries. In addition, we have introduced a grant program to encourage municipalities to carry out local projects of a lasting nature that will add to the facilities available for tourism and recreation in Saskatchewan. The Government will contribute the lesser of $2 per capita or 50 per cent of the total cost of an approved project to a maximum of $125,000. Government grants under this program could reach $1.6 million and generate an added $6 million in local spending.

These then are some of the highlights of our continued drive to develop our resources and our industries for the benefit of the people of this province and the results show why we face the future with great confidence.

Mr. Speaker, let me turn now to an area of major concern to this Government, the plight of the local taxpayer. We all know, every year, more and more demands for services are being made upon all levels of government. The problem is particularly acute for local governments who have little alternative but to increase property taxes. Our Government has taken positive action to take the local tax load off property and place it on the broader provincial tax base. This

Budget will take another large step in this program.

In 1966, our Government first introduced Homeowner Grants as a direct method of reducing the property tax burden for thousands of our citizens.

In 1970 we increased the maximum grant from $50 to $60. During the five years since the inception of this program, a total of $45 million has been distributed to urban and rural home owners. Mr. speaker, I am pleased to inform the Members of this House that in 1971 we will increase this grant an additional $10 making the maximum grant $70.

As a result, the total annual grant will rise to $12.8 million, an increase of $1.9 million over 1970.

Mr. Speaker, the greatest single contributing factor in the overall municipal tax problem is, without a doubt, the rapid escalation of costs in the field of education. Because of our concern over rising costs, we took positive steps to control the situation. We asked school boards to exercise restraint in developing their expenditure plans: we asked the Department of Education to undertake a comprehensive review of local school budgets: we asked for an increase in pupil/teacher ratio: and we introduced the Foundation Grant program to provide a more equitable distribution of the costs of educating our young people. The results of this program are concrete evidence of our determination to assist the municipal taxpayer. When we formed the Government in 1964, 43 per cent of school operating costs were covered by grants from the' Province. In 1971-72, provincial grants will actually cover 50 per cent of operating costs.

In the 1970-71 budget, we made provision for an increase of $11.2 million in Provincial operating grants, the largest increase ever given.

Our objective at that time was simple - to bring some measure of relief to tax-weary property owners. With this added injection in Provincial grants, school mill rates were generally held with no increase and indeed in several districts the mill rates were actually lowered. Our objective in this Budget is the same. The school boards have shown excellent co-operation by bringing in their budgets with only modest increases in expenditures. As a result, we shall again increase school operating grants sufficiently to hold the line in all districts and actually reduce the mill rate in most areas.

This Budget contains an increase of $8.3 million for school operating grants bringing our total increase for the last two years to almost $20 million, the largest increase ever given to education in the history of Saskatchewan.

Mr. Speaker, the Socialists talk big about education but let's look at their record. In their best year they provided the magnificent sum of $37 million in operating grants.

This year we propose to spend $81.8 million for the same purpose, .an increase of 121 per cent over the Socialists' best year.

Again I repeat, the operating grants provided in this Budget will more than offset the cost increases anticipated by school authorities. This means that local taxpayers can confidently expect their property tax for school purposes to remain constant and in many cases it should decrease by one or two mills.

Mr. Speaker, I should now like to examine some of the features in our continuing program to help local governments. We realize the very serious problems which confront our city and town councils in their efforts to stretch the tax dollar to meet the demands for services which are made by their citizens. Last year we instituted three new grant programs to provide additional assistance to urban centres. We provided a grant to assist in the cost of snow removal. We provided a grant to help these centres to meet the cost of police protection. We provided a grant to the four largest cities to aid them in meeting the cost of reassessment. These grants, which were introduced by a Liberal government, have materially assisted our urban governments and have relieved the tax burden on the individual local taxpayers.

Mr. Speaker, we intend not only to continue these programs but also to increase the level of assistance. This year the grant to the 11 cities to assist with snow removal costs will be doubled from 50 cents per capita to $1 per capita at a total cost of $410,000.

Similarly, the grant to urban municipalities for police protection will also be doubled from 50 cents per capita to $1 per capita. This program will now cost the Government $560,000. Grants to the cities of Regina, Saskatoon, Moose Jaw and Prince Albert to assist in the cost of reassessment will be continued for another year with $75,000 being allocated for this purpose. Our efforts to assist local governments are not confined to urban centres. Through the Municipal Road Assistance Authority we have provided financial aid to municipalities for the improvement of their road and street systems. Since 1966 we have increased the equalization grant to rural municipalities from $600,000 to $2.5 million to help them meet their share of the costs of constructing roads. This year we shall add another $250,000 bringing the total to $2.75 million for rural equalization.

Mr. Speaker, by the end of 1970 we had assisted in the construction of 19,000 miles of all-weather roads, including grid roads, main farm access roads, oilfield roads and resort access roads. We also initiated a program of assisting municipalities in snow removal on school bus roads by paying 50 per cent of the cost. We shall now increase our share to 60 per cent of the cost for snow removal for a new total of $360,000.

In the field of health services. An important element in the finances of local governments is the cost of regional health services. Traditionally these costs have been shared by the Provincial Government and local governments. The local governments are assessed a fixed percentage of the total cost of providing the service within the health region of which they are a part to a maximum of 50 cents per capita. Therefore, as costs go up, the Province assumes a larger share of the cost while, the municipalities' contribution remains constant. In 1964-65, municipal governments paid $332,530 or 18 per cent of the cost of regional health services. In the 1971-72 fiscal year, municipalities will be asked to pay only 11 per cent of the cost of these services. During the same period the Federal share has decreased from nine per cent to six per cent and so this year we shall assume 83 per cent of these important costs.

When the Liberal Government came into power in 1964 the Province was providing a grant of 75 cents per capita to the City Health Departments in Regina and Saskatoon. Under our Administration this grant has increased to $1.10 per capita. We are pleased to announce that once again we shall increase the grant to the Health Departments this time to $1.25 per capita - an increase of 66.6 per cent.

The grant to regional libraries will be increased to $1.20 per capita while municipal grants will be increased to 40 cents per capita.

Mr. Speaker, in summary, we shall assist local governments and thus relieve the tax burden on home owners, farmers and small businesses by increasing the following grants: homeowner education, police protection, urban snow removal, rural snow removal, municipal equalization, health, library - rural and urban.

Mr. Speaker, thus far I have spoken of the measures which our Government has taken and will take to provide jobs, economic stability and financial independence for the people of Saskatchewan. Important as these factors are they are not the whole of life. We believe that the people of this province are as concerned with the quality of life as they are with an abundance of material goods. We are proud of the health programs which have been pioneered and developed in Saskatchewan and which have provided an inspiration and an example to the rest of this nation.

We take pride in the educational opportunities which are available to our young people, far out of proportion to our population when compared to the more densely populated eastern provinces. We take pleasure and pride in the beauty of our forests, our lakes and our rivers and in the purity of our clean fresh air. Our leadership in the field of health programs and our achievements in the field of education are not accidents. They happened because we wanted them to happen and because we were prepared to make them happen. And, Mr. Speaker, the preservation of our environment will not be accomplished by leaving it to chance but rather through the conscious and deliberate efforts of the Government and the people working together to safeguard our heritage.

Mr. Speaker, in today's parlance pollution is a four-letter word but it is not something that's new. Pollution in one form or another has been with us for many years but we have become more conscious of its dangers because of what has happened in the United States and in Eastern Canada.

Mr. Speaker, the Opposition Members claim that there has been an increase in industrial pollution since this Government came into power. Perhaps they are right. The simple reason is that when the Socialists were in power in Saskatchewan, they had no industries to pollute.

We do not intend to see the same thing happen in Saskatchewan that happened in Ontario.

I'm glad you finally woke up, Fred, after four years.

It must be an election year.

The priority which this Government has given to the preservation and the development of the quality of our environment is another example of our responsibility and foresight. Let's look at the record. In 1965 we passed the Air Pollution Control Act and have since instituted certain air pollution control functions in the Department of Health.

In 1968 we established the Water Pollution Control Branch in the Saskatchewan Water Resources Commission. Each year we have increased the level of resources allocated to pollution research and control. Last year we established the Interdepartmental Committee on Environmental Pollution to co-ordinate all Provincial agencies having responsibility for protection of our environment. In addition to identifying deficiencies in existing programs, this Committee has the power to deal with and recommend appropriate action on any pollution matter.

Mr. Speaker, we are not content to stop there. This year we will introduce legislation to establish a Saskatchewan Clean Environment Authority to replace the Interdepartmental Committee on Environmental Pollution. This Authority will include not only government agencies but also representation from the public at large.

In addition to co-ordinating all pollution control programs and advising the Government on the adequacy of existing programs, it will be responsible for approving every licence and every permit issued for the discharge of waste into the environment.

This Authority with the power of the Legislature behind it will put real teeth into our pollution control program, another example of dynamic, decisive Liberal action.

In this Budget we have provided $100,000 for the Saskatchewan Clean Environment Authority to be allocated to the various areas of environmental control. This does not mean, however, that our present environmental control programs will be abandoned. On the contrary, these programs will be continued and greatly expanded. For example in 1970-71 we provided $73,000 in grants to the cities under the Water Pollution Control Assistance Act. This year we are budgeting 10 times that amount - $745,000 in grants toward the capital cost of pollution control for cities to the extent of 10 per cent of the capital cost or $500,000 whichever is lesser.

It is anticipated that payments will be made as follows: the city of Saskatoon $500,000; the city of Prince Albert $175,000; Weyburn, Swift Current, Melville and Estevan will each receive $15,000; Moose Jaw will receive $10,000.

Keep going. What about the other nine cities?

The other nine cities. I have listed out here 10 cities that you never even dreamt of when you were in the government. You didn't know they existed.

And as soon as the other nine cities, or 19 towns and villages are ready, we'll assist them too.

And we'll be here after the next election.

Through these actions and others that will be laid before this Session of the Legislature - our Government serves notice that we will not tolerate the pollution and destruction of our environment by anyone for any purpose.

Mr. Speaker, I shall now review some of the accomplishments of our Government in the fields of health, education and welfare. We do not take second place to any party or any government in our concern for the physical and social well-being of the people of the province. We believe that the citizens of Saskatchewan should have adequate safeguards against economic hardships which are not of their own making. We are firmly convinced that these should be workable programs which can be afforded, not programs leading to mass welfare which will bankrupt the Province. No government in the history of this province has given higher priority to health and education than has the present Administration.

Nevertheless we believe that we have a responsibility to the people of Saskatchewan to manage the affairs of the Province in a business-like manner matching the demands for Government services against the ability of the taxpayer to support the cost of such services. Despite our efforts to slow down rising medical and hospital costs our two major health plans will still cost close to $127 million in 1971-72. The gross budget for the Saskatchewan Medical Care Insurance Commission in 1971-72 will be $36.3 million, an increase of 6.8 per cent. At the same time the Saskatchewan Hospital Services Plan will spend $90.6 million, up almost 9 per cent over last year.

Mr. Speaker, the Federal Government is also concerned about these rising costs and recently established guidelines for each province in relation to shareable costs. We have every expectation that we shall be able to meet the guidelines which have been established for Saskatchewan but we must all realize that the Federal Government will not continue for much longer to give the provinces a blank cheque for health or education cost increases.

While much of the increase in health costs is due to increased operating costs, provision has been made in this year's Budget for a number of new hospital programs. For example, an intensive care unit has been approved for the Yorkton hospital at an annual cost of $48,000.

Last year we gave grants in the amount of $60,000 to health agencies which provide residential care for children with severe emotional problems.

Mr. Speaker, I am happy to announce that this year we are providing double that amount or $120,000 for the same purpose.

We are continuing our program of expanded dental health services for children in our Northern communities and this year the program will be extended to Uranium City, Molanosa and Beauval.

In the 1969 Budget speech I announced that the out-of Canada in-patient hospital rate would be increased to $30 per day for adults and $7.50 per day for newborn infants.

Mr. Speaker, while this increase has eased the burden some what on our citizens who have to obtain hospital care while travelling outside Canada, we are still concerned about the financial effect on these people. I am therefore pleased to announce that the out-of-Canada in-patient hospital rates will be increased to $50 a day up to a maximum of $2,000 for anyone case.

As part of our program to expand our out-patient diagnostic and treatment services to children who are experiencing emotional problems and behavior disturbances, we have increased the professional staff complement of the Munroe Wing in Regina by one additional psychologist and one social worker. In addition it is our intention to move the Youth Service Unit to new quarters which will provide them with much needed additional space.

Other improvements in our over-all health services will be outlined by the Minister of Public Health (Mr. Grant) when he reports for his Department.

Mr. Speaker, economic problems, even of a temporary nature, have a direct influence on the costs of welfare. Problems affecting the entire country as well as those created by a lack of grain sales, contributed to a situation in Saskatchewan, which called for an expenditure under the Saskatchewan Assistance Plan last year of almost $35 million. While the future looks promising we plan to budget a similar amount for the 1971-72 year to meet existing needs and to continue programs designed to assist our less fortunate citizens to reach a position of self support. And we are all pleased that the Hon. Mr. MacDonald, Minister of Welfare, announced the increases to those in need in this House yesterday.

The record of the Liberal Government in encouraging and assisting in financing the establishment of special-care homes for the aged and infirm is an enviable one. From 2,583 beds in special-care homes in 1964, the number has more than doubled to a total of 5,787 beds now in operation as well as 737 under construction.

Accommodation in self-contained housing units in 1964 was 2,084; today it is 2,991. Yet in a few areas of our province beds for specific levels of care are still needed. To encourage the establishment of facilities that will increase the number of beds for the levels of care needed in these areas, construction grants will be provided in the amount of $525,000.

In addition, we shall begin making funds available on a cost-shared basis to communities to provide a variety of services such as activity centres and shut-in services for the aged. All these services are designed to make life more meaningful for elderly people in their own communities. A program initiated during the current year to encourage development of day-care centres in urban areas will be continued and expanded, with $65,000 budgeted to provide for starter grants, development and operating grants and financial assistance, where necessary, for those using the service.

Mr. Speaker, the welfare of all citizens is a prime consideration of any government. In every society there will always be some individuals who require an extra measure of assistance in achieving their potential. In 1971-72 we shall be providing an additional $92,000 for a variety of new and expanded rehabilitation programs. Included in these is a Work Release Residence at the Provincial Correctional Centre in Prince Albert as well as a capital grant to the Haven of Hope Residential Farm near Kinistino to provide 50 per cent of the costs of their renovations.

We have not forgotten our young people in the development of this Budget for besides our program to create summer work for students we shall also increase youth and recreation grants to $336,400 to encourage local recreation programs.

Mr. Speaker, this Budget also provides for $32 million to the University in operating grants and $11.5 million in construction grants.

Although this represents an increase over the amount provided in the current year, the percentage increase is somewhat less than the percentage increase of the current year over 1969-70. Most of this is due to the new way we shall handle scholarships and bursaries. Construction grants will remain the same as in 1970-71 for the University. This is entirely logical since enrolments are levelling off and so should construction on the campuses.

We have also asked the university to take steps to eliminate duplication of courses between the University of Saskatchewan and the universities in Alberta and Manitoba. We have asked them to increase their student-teacher ratio. We hope to have their co-operation and thus provide top quality university education at less cost to the people of this province. This will in turn leave more money for other priorities in the field of education. Mr. Speaker, ever since we came to office we have given education our highest priority. Because of the fantastic increase in costs, it is becoming evident that priorities within the educational field must also be established. I have mentioned a levelling off of enrolment at the universities.

However, there is another field - education in the technologies, the trades and the whole area of educational upgrading that has and must, continue to receive increased attention from the Government because after all, the vast majority of our students will look to this kind of education before they seek work. It is thus our intention to devote an even higher priority to this field in the coming year. So in 1971-72, we shall provide $9.9 million for training in the technologies, trades and upgrading courses, an increase of over $1 million over the Budget of 1970-71.

This will provide for enrolments of approximately 9,000 students in technical institutions in addition to those who receive training at centres spread throughout the province.

In addition, a new facility will be constructed in Regina at an initial cost of over $2 million, providing training for students in the area of the Health Sciences. Mr. Speaker, this Administration enacted legislation making it mandatory for all school boards to provide educational services for handicapped children after September, 1971. The Budget includes support for these services whether provided directly by a school board or indirectly by purchase of services from another board or agency. We know that the people of Saskatchewan will support this progressive decision because they are aware of the great need in this field.

Renovations and improvements to the School for the Deaf will continue in 1971~72 with expenditures expected to be about $776,000.

During 1971-72, the Chinook Regional Library will be established to serve residents of the Swift Current area.

This is the fifth regional library to be established Initially 45,000 persons will be served by the Chinook Regional Library and this will eventually increase to 70,000. The establishment of this regional library means that over 325,000 people in this province will have direct access to a regional library.

Mr. Speaker, it is interesting to note that although they had the legislation on the books, our Socialist friends were able to establish only one regional library during their 20 years in office while the Chinook Library will be our fourth in only seven years. This is one more example of NDP talk and Liberal action.

Mr. Speaker, I shall now deal with the revenue aspects of our budgetary proposals. Mr. Speaker, the prospects of increased sales of grain along with an improvement in the non-agricultural sector of our economy lead us to anticipate a growth in Government revenues in the neighborhood of nine per cent. Given our current tax rates and some significant adjustments in payments from Ottawa, we expect revenues in 1971-72 to yield over $451 million. This revenue will come from the following sources in general.

For the coming year, we anticipate that our Education & Health Tax will yield $68.8 million. This level assumes a modest growth in retail trade as well as the movement from the current quarterly basis of payment to monthly remittances by vendors. Gasoline taxes will yield $51.4 million; liquor profits will increase to $26.6 million; tobacco taxes are expected to bring in over $6 million. Total consumption taxes are expected to yield $152.8 million as compared to the $145 million estimated for the current year.

In 1971-72, we estimate that personal and corporate income taxes will yield $84.6 million. Of this amount, individuals will pay $69.3 million with corporations paying the remainder. This year we expect to receive $70.6 million in equalization payments from the Federal Government. This amount includes the equalization payments on account of 1971-72 as well as upward adjustments for underpayments in previous years. The upward adjustment is offset to some extent by downward adjustments of personal and corporate income taxes as a result of overpayments in previous years under the Tax Collection Agreement. The post-Secondary Education Program equalization or adjustment payment will amount to $16.4 million. This coming year, the Province will receive $7.5 million as the final payment in the phase out of the capital program under the Adult Occupational Training Act. This brings us to our full entitlement under this Agreement.

This year we expect to receive $36 million in mineral resource revenues. The only significant decrease we expect is our receipts from the sale of petroleum and natural gas Crown leases.

When we took office in 1964, our Government promised to put the Crown corporations on a business-like and profitable basis. And we have done that.

This coming year, the Saskatchewan Power Corporation will pay the Government of Saskatchewan a dividend of over $10.2 million, again without increasing the rates to our people.

The dividend from the Sask Tel will be $5.9 million and $1 million from the Government Finance Office group of corporations. These payments were made possible by effective management and the growth of industry in this province.

The receipts from all other sources are expected to amount to $66 million. Thus, we expect total budgetary revenues of a little over $451 million in 1971-72.

Now, Mr. Speaker, before I present the motion that will begin the Budgetary Debate, I should remind the Legislature that this Budget will definitely accomplish its major aims of creating jobs, easing local taxes, putting new muscle into our pollution control and speeding up industrial development. It will be interesting to hear the reaction of the NDP Socialists as they oppose these progressive programs. And I have no doubt they will oppose and criticize everything we bring forward because they are becoming more negative everyday.

Let me give you just one example of what I mean by the negative, destructive attitude of the NDP Socialists. First they cry about unemployment. They weep crocodile tears over the plight of the jobless. And when we announce a new pulp mill and new uranium mines to employ three or four thousand people or more directly and indirectly, how do they react? Are the NDPs happy about all these new jobs and high wages? Do they welcome the new revenue to pay for schools and hospitals? They do not. They whine about outside capital; they wring their hands over the use of our resources; the NDP fill the air with cries of anguish about keeping the trees for generations yet unborn, like they tried to do. Only the trees didn't co-operate. They rotted and burned down while they waited for the Socialists' Utopia.

Well, Mr. Speaker, I decided to see how the NDP would develop our resources if they ever came to power so I looked up the new platform they just published. Under Resource and Economic Development the NDP promised, if elected, to give first priority to public ownership, and second to co-operative development.

"Hear, hear," he says, "There, there," he'll say in a minute.

We know their failure with Government ownership, the box factory and the woolen mill, the shoe factory - they are monuments to the lack of NDP business ability. This is typical of the Socialists because most of them couldn't succeed in anything else.

Mr. Speaker, how would they treat the co-operatives who dare to venture into the industrial field? Mr. Speaker, there is a co-operative in the chemical business in Saskatoon, the Interprovincial Co-op and they have had a few problems lately. Did the great co-operators in the NDP rush to the rescue? Did they defend the Co-op in its hour of need? The NDP here in Saskatchewan and in Manitoba not only failed to help or defend the Interprovincial Co-op when it was down and nearly out, they did their best to put them out of business...

The Interprovincial Co-op found itself in financial difficulties because of a sharp decrease in sales. This decline in sales was caused by a number of reasons, not the least of which was the shutdown of a firm in the United States with which IPCO had a large contract for agricultural chemicals. They had also made a bad deal with the pulp mill for industrial chemicals. They had, as well, been accused of polluting the Saskatchewan River by the NDP Government in Manitoba. Accused, Mr. Speaker, I said accused, not admitted, not proven. But who jumped in and joined the NDP from Manitoba accusing IPCO of polluting?

None other than Mr. Smishek, none other than Mr. Romanow, Members from Regina and Saskatoon.

Has IPCO been tried in the courts, has IPCO been found ? The answer is, No, absolutely, No.

But here is a press clipping. What does Smishek say? He finds the Interprovincial Co-op guilty of polluting the Saskatchewan River.

He didn't wait for a court hearing or a judgment, he was so eager to smear the Government that he walked all over the co-op movement just to get at us.

Here is another report. It says:

Romanow calls for takeover of chemical plant by Government."

Young fearless Roy. He didn't wait five minutes to give the Co-op a chance to recover. He demanded that they be socialized immediately. He also played judge, but it may be his only chance. He played judge and declared the Co-ops guilty of pollution on the unproven evidence of his NDP friends in Manitoba. Mr. Speaker, if this is the way they treat their friends, God help their enemies. By their actions the NDP in Manitoba and in Saskatchewan put into jeopardy the jobs of dozens and dozens of workers in Saskatoon, in Winnipeg and in Toronto, who also work for the Interprovincial Co-op.

I see his leader is writing out some statements for him.

They also threaten...

I hope they are better than the ones he used to make when he was the critic.

They also threatened the investment in this firm of almost the entire co-op movement across Canada, including Federated Co-ops of Saskatchewan, United Co-ops of Ontario, the Wheat Pools and the Credit Unions.

But you know fortunately we didn't listen to these hysterical outbursts. What did we do? Why we simply helped the Interprovincial Co-op get a better deal from the pulp mill. We helped them with a refinancing plan and as a result they are still in business and they are still providing jobs for Saskatchewan people.

You know, Mr. Speaker, these actions prove more conclusively than any words, that the NDP have become a negative force, bankrupt of any new ideas or positive suggestions to really help our people find jobs or prosperity. We will give you one last chance, fellows, one last chance - for most of you it will be your last chance - to prove that you can really think positive. I invite you to support this great Budget and thus show the people that you haven't become totally blinded.

Mr. Speaker, I ask you, how can the Members opposite vote against this Budget? How could Mr. Romanow, the defender of youth, the youth in shining armour, vote against the student job program? How could my friend, Bill Berezowsky, vote against a greater pollution control program? I think I'll get his vote, I think we'll get Bill's vote. How can Walter and Bill Davies say "No" to our massive public works program to create employment without revealing their anti-labor bias?

Will Henry vote against the added hundreds of thousands in extra grants for Regina now that he is an ordinary citizen like the rest of us?

Will Art Thibault show his courage and vote against the Homeowner Grant? Or does he want another term as an MLA?

I'm sorry Arthur. Arthur didn't show his courage the last time he voted for it.

All these questions and more will be answered when this Debate ends and I predict the NDP will fail the acid test of true statesmanship and will vote against this great Budget, putting politics ahead of people.

Mr. Speaker, I have outlined just some of the highlights of our 1971-72 Budget. This is a Budget designed to provide our people with jobs, economic well-being; reasonable taxes and higher quality of life. It will be a record budget, calling for a net spending of $450.7 million, an increase of $45.7 million over the current year and a new high for Saskatchewan.

Mr. Speaker, all this will be done, as I said at the beginning, but absolutely no borrowing. I am doubly pleased to announce that it will also be all done with absolutely no increase in taxes or charges.

That our Government can produce its seventh consecutive balanced budget calling for a net expenditure of $450 million and total gross spending of over $600 million with no tax increases bears testimony to the sound way that we have conducted the Government's business.

It is also proof positive of the soundness of our economy. It is the basic reason we have every right to be optimistic about the great future of this province.

I believe that all, but the most hardened and pessimistic Socialist will rejoice with us over the story this Budget unfolds and will give us their unqualified support.