

March 21

Point of Order

Mr. LOGAN: Mr. Speaker, on a point of order, would you allow me to ask a question if the minister would permit it: Is it the intention that this piece of legislation will be retrospective?

Hon. Mr. NADEAU: This will no doubt be clarified when the bill comes before the committee and is studied section by section, but I don't think it is retrospective.

Mr. LOGAN: With due respect, Mr. Speaker, I am asking this question because I haven't had the advantage of having a copy of the bill. The hon. minister mentioned in his explanatory remarks that one of the purposes of the bill was to correct and to put before the appeal courts certain things which have been wrong. This is a very very serious and material matter. If the intent of this bill is to be — —

Hon. Mr. WILLIAMSON: This is very improper procedure, Mr. Speaker.

Mr. LOGAN: Mr. Speaker, I ask your indulgence. I agree that the procedure may be improper. I do not ask, Mr. Speaker, that instructions be given to me by the Hon. Minister of Labour.

Hon. Mr. WILLIAMSON: You could use them.

Mr. LOGAN: Would the minister care to answer? Are you trying to correct the law because of mistakes you have made?

Hon. Mr. NADEAU: The answer is no.

Mr. LOGAN: Thank you. That is all I wanted to know. I'll hold you to that, too, because I am going before the appeals court.

First Reading

Hon. Mr. JEAN introduced Bill No. 55, to amend the Corrections Act, which was read the first time.

Hon. Mr. LeBLANC introduced Bill No. 56, to amend the Social Services and Education Tax Act, which was read the first time.

Mr. BAXTER: Why don't you call it for what it is?

Mr. STAIRS: Mr. Speaker, would the minister please give a short explanation of this bill?

Hon. Mr. LeBLANC: Mr. Speaker, the bill is self-explanatory, and it was very well explained by my capable colleague, the Minister of Finance, the other day.

Continuing, he (LeBlanc) introduced Bill No. 57, to amend the Gasoline and Motive Fuel Tax Act, which was read the first time.

Mr. BAXTER: Shame!

Mr. LOGAN: Explain it, explain that the purpose of this bill is to place another tax burden on the shoulders of the overtaxed people of New Brunswick.

Hon. Mr. LeBLANC introduced Bill No. 58, to amend the Tobacco Tax Act, which was read the first time.

Mr. WOODROFFE: A whole barrel of laughs today!

Hon. Mr. DesBRISAY introduced Bill No. 59, Provincial Loans Act, 1969, which was read the first time.

Mr. PATTERSON: May we have an explanation, please? What is the figure?

Mr. BAXTER: He won't explain.

Budget Debate

Hon. Mr. MELDRUM, resuming the debate on the budget, spoke as follows:
Mr. Speaker:

An anonymous friend passed me a few lines during the throne speech debate, which seemed to me illustrative of the disarray of the opposition and its inability to agree on policy, program or approach:

"The P.C.'s can't agree on a leader

And it's scarcely surprising to say

Since the Tories are split,

On your left, where they fit,

They'll sit, and they'll sit, and they'll sit!"

Hon. Mr. Meldrum

March 21

Mr. BAXTER: Boy, you'd make a good leader!

Mr. CHALMERS: You haven't got a leader over there, you've got a numbskull.

Hon. Mr. MELDRUM: I thought those few lines appropriate at the time, and then one of the senior members on this side, observing the totally negative approach of successive Conservative financial critics, and having been in the House through the years of the late unlamented Conservative government, handed me some comment which put the matter into a more historic perspective. He said:

"You can't make an issue of that,

For it's neither surprising nor new

They once sat on the right

The result was a fright

They sat, and they sat, and they sat!"

Mr. BAXTER: Now I lay me down to sleep, with a bag of taxes at my feet!

Hon. Mr. MELDRUM: It is perhaps well for the people of the province to remember those two aspects of the opposition's character. They are unable to agree on program or policy. They are Conservative. The result comes out in statements which reflect not so much the facts as the way members opposite view the facts.

When a party resists all change, no matter how necessary, then it will certainly see no use for development programs. A party that refuses to accept the need for expansionist policies will be incapable of understanding the need to borrow money to expand. The whole approach of the opposition to government or to government investment is warped by its two prime characteristics: division and conservatism.

The job of a Minister of Finance is not an easy one. Probably it never has been, and one suspects that it never will be.

Mr. DesBrisay is to be complimented. In a time when the entire world is undergoing financial strains, he has to find the means to carry out development programs long overdue in this province. No minister, no government, likes to tax. It is one of the most painful, if not the most painful, and the most resisted duties of a government. The people, however, demand a program of action. The action most needed in this past couple of decades has been an upgrading of the services to our people. If we are to face those needs, and meet them, then taxes become necessary.

At a time when every province, state and nation is finding financial matters difficult the Minister of Finance has faced our situation. It seems to me that he has come up with a budget which shows reasonable balance between the need for provincial services and the need to keep our spending, and taxing, within reasonable limits.

If Mr. DesBrisay has recently reread Aristotle, he has, I hope, taken some comfort in the fact that his troubles are not new. Some 2,300 years ago that great thinker said of the need to make money "... and statesmen as well ought to know these things; for a state is often as much in want of money and of devices for obtaining it as a household, or even more so, hence some public men devote themselves entirely to finance."

Mr. Aristotle, move over and make room for Mr. DesBrisay. He knows exactly what you mean.

The opposition and their supporters have a masochist's field day of cries of anguish and screams of rage. Could they do better?

Mr. STAIRS: Of course we could.

Hon. Mr. MELDRUM: The record says "No."

Look at the opposition record in recent history. They do not believe in democracy. The right of the people to vote a government into or out of power is in the least possible way respected by their party.

In defeat they run for cover. To England, to Ottawa, by way of Sussex, and a new cabinet position the reward of a friend for not rocking the boat, or to California or Nevada to soak up the sun and await their own second coming, or their third or fourth or fifth. There is nothing new in their time in the political shadows. The Conservatives just run for cover, annoyed that the ordinary man expects service from governments and rejects those who do not serve.

And in tough times what have they done? The Baxter-Richards-Tilley lineup was illustrative. It's like a ball game—face a tough inning, strike out and

rush to the bench. Or alternately, when times are a little better and the Tories happen to be in power, they spend eight years of quiescence: Do nothing; maybe all the needs will go away. Stay still; don't rock the boat and maybe the people will forget we're here. And above all, balance the budget. Better a balanced budget than aid to municipalities. Better to show a surplus than give aid to education. Better to spend a decade "on the threshold" than spend one cent to develop jobs in the province.

Mr. PATTERSON: You had better sit down.

Hon. Mr. LeBLANC: You were "on the threshold" a long time, Don.

Hon. Mr. MELDRUM: Mr. Speaker, these times demand courage to act on long neglected needs, determination to face the province's problems and actively tackle them, in good times and in bad, and with the faith in democracy which places confidence in the ability of New Brunswickers to make sound judgments where given the facts.

Mr. Speaker, this budget cannot have been an easy one for the Minister of Finance.

Government priorities remain, as announced in the speech from the throne, education, industry, employment.

The budget contains almost \$130 million for education at all levels. That is a lot of money. It reflects the government's determination to upgrade the skills, to develop the abilities, to use the talents of every New Brunswicker, not just those fortunate 15 per cent or less who in the 50's finished high school, but the 85 per cent who were forced, for many reasons, to go out without skill or training. Their talents were undiscovered and their abilities wasted, both for themselves and for the community.

In the late 40's the Liberal government of John B. McNair developed the regional school system. They saw the need for the development of the skills of New Brunswickers. They set out to build the kind of schools which could challenge and harness those skills.

Sadly, in the 50's that work lagged. In the 60's we must catch up or our children are forever lost.

First, we need teachers. The provincial salary scale moved teachers' salaries from an average of \$3,700 in 1959 to \$6,200 in 1969. This has resulted from better pay for each qualification level and more, better qualified teachers. That latter fact is demonstrated again by some figures. In 1960 we had 5,866 teachers, 434 of whom had no teacher qualification. In 1969 we have 7,537 teachers, of whom only 232 lack full qualification. So we have better teachers better paid, or better pay so we can interest more of them in becoming better teachers.

There will always be a need for more, good teachers, but in New Brunswick in 1969 the supply of teachers is better than ever. The perennial shortages are less than ever. The old situation in which many schools did not open in September because they couldn't get a teacher is happily a thing of the past. Those situations were not unique to one area, they existed all over the province. They were cured only by courageous action to consolidate districts and provide for all education from the resources of the province as a whole.

School board budgets this year are up from \$57,335,000 spent last year to \$66,633,002 expected this year. While the cost of government this year has gone up by 5.9 per cent, the cost of school board operation is up by 16 per cent. That has been possible only because the real property taxpayer has been relieved of the burden of education.

Since education costs are no longer tied to the local tax rate, a heavy responsibility is cast upon school boards and the members of the public. It is not now so easy to see the direct tie between education expenses and the tax bill, but the relationship is there. This year again the government must insist that school boards do live within the budget allotted.

Members of this assembly, as representatives of the people of New Brunswick, are being asked to pass a budget, to raise taxes, so that school boards may function. Our efforts here to keep taxes as low as possible, while providing the maximum possible service, can be frustrated by local boards if they fail to

accept the budget and live within the amounts allowed them.

Local boards have been given the responsibility of operating their own school system. Within the budget allotted they are expected to hire and control staff, to operate schools, to run a bus system and maintain functioning control of the lives of from 800 to 2,500 people. That is an important task and not an easy one. Increasingly the board must exercise control of its staff, and its finances.

We have been told of boards which never see a financial statement at any monthly meeting. We have seen examples of expenditures outside of any budget authorization which, I am sure, were never passed by the board, expenditures which, I am sure, no board would have approved had they been advised. We have seen purchases which seemed to us in the department to be beyond the needs of the district or the means of the budget to provide.

It will be the responsibility of the boards to live within the budget approved by this Legislature. If they do not, an educational system, so vitally necessary and so valuable to us all, could well become a financial millstone.

By September of this year pupils all over the province will be attending new schools. The morale of teachers and students is higher than it has ever been. As members may be interested in seeing some of the schools recently opened or to be opened soon, I am taking the liberty of tabling some photos. They represent the tangible result of the long hours of planning by school boards, teachers, architects and civil servants. Such planning cannot be rushed, and as serious as the needs may be, I would not ask that plans be rushed.

The photos being tabled show, respectively, an elementary school of 12 rooms at St. Joseph's in Madawaska County, which will be occupied in the fall; in Moncton, the New Brunswick Institute of Technology additions which will provide for a 50 per cent increase in enrolment; in Saint John, under construction, the Simonds Senior High School which will provide for 1,200 pupils; in Campbellton, a high school and a trade school, which will provide for 1,200 high school students and 400 trade school students; in Fredericton, on Priestman Street, an elementary school of 24 rooms, to be occupied in the fall, and in Forest Hill, a six-room elementary school; in Grand Falls, a high school and trade school for 1,000 high school students and 300 to 400 trade school students, and the trade school will be opened in the fall, we are assured; in Port Elgin, an elementary school of 18 rooms, and in Moncton, opened since we last met, Ecole Normale for 800 French-language students of teaching.

The photos tabled also show the 21-room Croft elementary school in Newcastle, opened since we were here last year. I would particularly commend this to members, because it is the first of the open-space elementary schools to have been built in the province. I would suggest that all members who have the opportunity visit that fine school, where the teachers are so pleased with the material given them to work with and where the opportunity is now becoming so great.

And last, but I assure you, not least, there is the Shediac senior high school which will provide for 1,000 students. This is the first of the senior high school complexes to be completed since the announcement of the program of equal opportunity.

Members will be interested to know that the school board asked the students to write an essay to choose the name of this school. From all over the district, students wrote essays, which were marked and tabulated, and by a very wide margin, the students have chosen that their high school—the first under the program of equal opportunity—shall be named "The Louis J. Robichaud School".

I consider it a compliment to Westmorland County and to Shediac that until now the Premier has steadfastly refused to permit his name to be used by public structures of any kind throughout the province.

Mr. BAXTER: I don't blame him for that.

Hon. Mr. MELDRUM: Only because the students, by a wide majority and of their own volition, chose the name as he so consented, and I deem it a mark of respect to him and of pride to all constituencies.

Hon. Mr. Meldrum

March 21

Mr. PATTERSON: That was before March 18.

Hon. Mr. MELDRUM: We expect the maximum dollar return for our investment in school buildings. That return can only come through detailed planning and cooperative effort.

In addition to these schools, we are providing through a New Brunswick industry 100 to 150 portable classrooms each year, so that our children may receive the necessary education.

Mr. Speaker, from time to time one hears of "vested interests". I have a vested interest in education, particularly in educational improvement. It's my job. It's the role I've been asked to play and I don't want to let my people down. I want to do my job well. I have a vested interest in getting the funds, the people, the cooperation to get the job done.

School boards have a vested interest in education in their own area. It is their job to see that they have the teachers, the schools, the buses, all the ingredients to provide the education so necessary for the children of their district.

There are many forms of interest in this world, all affecting those around us. It lies on every citizen of this province to check his own position. It rests with each of us to answer that our own stand is honest and reasonable, and while carrying out the duties we must and giving emphasis where we would like it, we must still make fair and just provision for the rights and interests of those who are affected by our actions.

We are all anxious for improved education. This budget is another step in a 10-year program of improvement. It provides for 236 more teachers in the province next year. It allows for more new permanent classrooms—almost \$16 million worth. It will enable us to acquire an additional 100 portable classrooms and another 140 school buses.

Even this is only one more step, a giant step in some cases, but still only one step in a long-term program. We cannot compress the program into one or two years, nor can we permit any one school board to do so. The province cannot afford to move any faster than the limits set by fiscal responsibility. How fast it has moved is illustrated by budget figures since the program of equal opportunity became a reality in this province. In the supplementary budget for three months, January to March 1967, school board budgets were \$12 million. On a yearly basis that represents \$48 million. For the fiscal year 1967-68 the budget was \$50.9 million; for fiscal 1968-69, the budget was \$57.1 million, and the expenditures were \$57.3 million. This coming year, the budget is \$66.3 million. This does not include school buses, new school construction, repairs to schools or such similar items which are shown elsewhere in the estimates.

Those figures illustrate two things. If local communities had to find the money for school purposes, the local tax rate this year would be at least one-third higher in some cases, and the rate for school purposes alone would have doubled.

Taxpayers could not afford the rates they were paying in 1967. What would have been the case if we had listened to the opposition in 1965 and 1966? This province would then have been in the worst conceivable mess. Some school boards would not have been able to pay their bills. Mr. Speaker, this is happening in some parts of Canada today. Property owners would be staggering under an incredible load. The exodus from this province would rival the emigration from Ireland during the potato famines of 1833 and 1834.

Industry would not and could not come to New Brunswick without tax concessions whereby they would not pay their share, not an exemption of 10 per cent surtax on income, but the property tax, the tax which bore more heavily on the poor than on the rich.

The reforms enacted by this House in 1965 and 1966 have saved the people of New Brunswick from declining education and increasing property tax. If the Financial Critic found something to complain about yesterday, it is nothing compared to what he would have faced if the government had not had the courage and vision to act in 1965.

We have very short memories. Let me remind hon. members of the situation which existed just a few years ago.

Hon. Mr. Meldrum

March 21

Whenever a local school board wanted to build a school, it debated, it argued for months. Why? Because schools were expensive and the taxes would go up rapidly and for a long time. The boards and the citizens always held meetings, discussed and sometimes fought for months. Why? Because few, if any, local communities could really afford the major expense necessary for modern educational facilities.

The decision to build would have been put off, and in practice it regularly was put off from year to year, while conditions got more and more crowded, while children dropped out of school and good teachers moved out of the province, and often out of education.

Now school boards are free to plan for education rather than fight the battle of the property tax. But the second point, too, remains clear. If school boards are relieved of fiscal worries, they must not feel totally free of fiscal restraint.

We are asking our citizens to pay for services. We hope that the amounts they are asked to pay are reasonable requests for the services demanded. Those amounts will be reasonable only if school boards and hospital boards together will control the spending of \$135 million of the \$325 million in Ordinary Account, but not if they fail to use maximum good business judgment in their demands and in their spending. To help them control expenditures, this year the government, by the use of its computer service, will handle all cheque-writing. That has enabled the elimination of 11 new positions in local school districts.

To get the greatest teaching space as quickly as possible from our capital expenditure, all future school complexes will be designed to be built in stages—classrooms, or shop, or commercial areas, etc.—to meet the greatest needs at the earliest date.

If school boards must use restraints, local pressure groups must also recognize responsible priorities. I speak now of such requests as a medical school for Saint John and a four-year program for U.N.B.-Saint John.

In the last two years this government has spent more than \$26.5 million in education in the city of Saint John. More capital expense is planned at Millidgeville, Simonds and Spruce Lake as well as at the Technical Institute and U.N.B.-Saint John.

Those figures are tremendous. They represent a major sacrifice, not only by taxpayers of Saint John but of the whole province. The kind of sacrifice is shown by the kind of tax load we ask the citizens to bear. For those who advocate more and more rapid expansion the government must ask these questions: Where is the money to come from? Can we justify a medical school when we have not yet provided enough adequate high schools? Can we justify the expansion of a university when the greatest need among the young is more room in a trade or technical school?

Nowhere is the government's desire to provide maximum possible service with wisest use of funds better demonstrated than in its handling of post-secondary education.

The New Brunswick Higher Education Commission is drawn from all walks of life in the province and is staffed with those whose very life is the university community. Its members have deep roots in every part of the province. Having established the commission, the government must heed its recommendations. It exists for the protection of the universities from public interference by government in university administration.

The moment we bypass the commission to tell a university to build in one city or another, we set the precedent that opens the door for us to direct a university, for example, which faculties to teach for economic reasons. If we so direct them for economic reasons, some will ask why not for political or social reasons? From there it is a very short step to telling who may or may not go to university. Decisions as to future capital and operating expenditures will and must be left with the commission and the universities. The government cannot interfere.

I commend those students who came to Fredericton to present the brief of U.N.B.-Saint John. They were concerned for their university. They were equally concerned for the preservation of order and of democratic debate. I commend

Hon. Mr. Meldrum

March 21

them for their concerns and for their maturity, but I commend them most of all for taking a positive approach. While I see nowhere in the report a recognition that the government in the past two years has provided more than \$5 million on capital for U.N.B.-Saint John, I do see a recognition that self-help is the best help.

Some are apt to demand that U.N.B.-Saint John be expanded, and if so, then the second paragraph of the students' brief should be emphasized. I quote their brief:

"Our purpose in writing this document is threefold. Our primary purpose is to persuade the citizens of the city of Saint John of the necessity and financial desirability of supporting a degree granting university. Several things have come to our attention during research which lead us to believe that the wealthy citizens of our city are contributing much less to our university than they are gaining from it. To date (November 1968), no private grants had been made to the University of New Brunswick in Fredericton earmarked for the Saint John campus. When we add to this the fact that most of the private capital in the province is concentrated in Saint John, an unjust situation can be seen."

Speaking of the report of the Higher Education Commission, Mr. DesBrisay on Tuesday said, and I quote:

"Mr. Speaker, it has been our policy to provide sufficient funds for university development consistent with our resources and based on objective study and analysis. Beyond that point we will not go. The universities and colleges must live within their means. There will be no supplementary grants or back-door assistance. Such moves would destroy the fair and rational system which forms the basis of our support for universities and colleges."

In justice, the government could not do otherwise than allow the universities and the commission to make their study and report unhindered and without political influence. That will remain the basis for government policy and action as higher education expands.

Mr. Speaker, New Brunswick is moving ahead, with new schools, new hospitals, better roads and more industry. The growth since 1960, when the people decided to elect a Liberal government so that they could finally get "over the threshold", has been well ahead of the national average. If from time to time it is necessary, for economic reasons, to slow up and reassess, that does not change the fact that encouraging things have been happening in our province.

Progress, though, has its price. Growth must be paid for. The budget is a measure of growth and the price. The two will always go together. The opposition cannot sit smugly and shout "Resign!" They share the burden. They have no ground for criticism. Their position is completely ridiculous.

Look at the record. On medicare, we are criticized for failure to go ahead. Everywhere economic conditions have deteriorated in the last few years. Britain, the banker to the world, devaluated the pound sterling. France, a year ago boasting immense reserves, this year on the verge of devaluation and in the midst of a reduction in services to try to make ends meet. United States, facing an upward swing in gold price, the measure for them of the dollar's worth. Every province and state shares our problem of trying to make sense from the conflict of rising demands and limited resources.

Mr. BAXTER: You promised to go ahead, and you didn't.

Hon. Mr. MELDRUM: When we face those changing economic facts and say that at this time we cannot afford to go into medicare, the wailing women opposite put on sackcloth and ashes and beat their breasts, crying "Bad faith!" "Resign!" "Give us our medicare!"

Mr. CHALMERS: Why can't you afford it?

Hon. Mr. MELDRUM: Look at the record. For years Albert County tried for better communication links with Westmorland County.

Mr. BAXTER: Answer his question.

Hon. Mr. MELDRUM: For six years in government the Albert County members accepted their government's policy of no action. Now, when this government has acted, while thousands cross the causeway each day, what does the opposition say? Last week the opposition became a scolding mother crying, "Shame on you!" because the job wasn't finished the day it was started. Do

Hon. Mr. Meldrum

March 21

everything, and do it at once; don't regard the cost and don't ever think of payday—that is the opposition's view of public finances.

Look at the record. With the reminder still vividly before them that services cost money, one would have thought that the members opposite on Wednesday would not again have displayed their irresponsible approach to public finance with their cries, "Build snowmobile parks!" Sure, but with whose money?

The opposition cries, "Spend, spend, spend!" but then who is to blame for rising government costs?

Mr. MOOERS: Just resign, that's all we ask of you.

Hon. Mr. MELDRUM: Where are the alternatives available to the government? What are the solutions which the opposition presents?

The leader says, as his first criticism, "The government failed to extend the tax base..." Extend it where? Perhaps he means tax food. Perhaps he would have us tax children's clothing. Extend the tax base, indeed! Who is he trying to catch? Does he want us to seek a reduction of the exemption level for income tax? Criticism for the sake of criticism is just not good enough. The people deserve something better.

What are the alternatives that were open to the Minister of Finance? There were two only: increase taxes or reduce services. We chose to raise \$29.4 million in new taxes.

Mr. PATTERSON: Did you say that at election time?

Hon. Mr. MELDRUM: Had he reduced services, we could have closed two-thirds of the hospitals in the province for that \$29 million, or, to save the money, we could have cut the school year back to 4-1/2 months.

Mr. PATTERSON: What did you say at election time?

Hon. Mr. ROBICHAUD: What did your seatmate say?

Mr. BAXTER: What did you say?

Hon. Mr. MELDRUM: We didn't make 113 promises.

Mr. BAXTER: What have you said since 1960?

Hon. Mr. MELDRUM: For that \$29 million in taxes, alternatively we could have closed the Department of Agriculture, the Department of Fisheries, the Department of Economic Growth, the Department of Justice, the Department of Natural Resources and the Department of Labour. We could have refused all grants to higher education and closed the trade schools. Each of these would have saved \$29.4 million. Which do you choose?

Yesterday, we heard the opposition demand that we spend more and tax less. How ridiculous!

Tuesday evening, I was talking to a leading national figure in one of the other parties. He said, "We couldn't do any better. We wouldn't be able to take the taxes off. But your taxes give us a great point to criticize." "A great point to criticize"—is that what we're here for, to talk and criticize? Have we become tinkling brass and sounding cymbals? Shall we talk, talk, talk without meaning what we say?

Mr. Speaker, I do not intend today to comment in detail on the remarks of the Financial Critic, Mr. Baxter. This will be done by others in the course of the budget speech debate.

First and foremost, most of what Mr. Baxter had to say has been heard year after year in the House from the opposition benches. The Financial Critic's lacklustre effort displayed the usual inconsistencies which we have come to expect from members opposite. I think that the lack of a positive approach is probably the most notable lacking characteristic of his speech.

Mr. Speaker, it is not enough to merely criticize. To be credible an opposition must show that it is capable of providing leadership and alternatives. I suggest that both leadership and alternatives have yet to be provided on the opposition side of the House; in fact, Mr. Speaker, I would go further and say that neither of them has been or is being provided by the opposition.

It is hard to know what to say about the speech of the Financial Critic yesterday. Who knows how many inaccuracies exist in his speech? What individual can check them all? If I find one, it could be an accident, but if I find two, I ask, how many more? And I suspect the whole speech.

Hon. Mr. Meldrum

March 21

I was personally shocked to hear the Financial Critic say he had an answer to an inquiry which showed only 101 new classrooms in 1968. He received no such figure. The only figure he has shown is 159 teaching stations. Why distort the figures he is given? They are part of the record, for all members to read. Why ignore 58 teaching stations? To do this once could be an accident.

Mr. PATTERSON: Would you permit a question?

Hon. Mr. MELDRUM: Yes.

Mr. PATTERSON: Are you confirming that the figure of 159 is correct?

Hon. Mr. MELDRUM: This is the report for which I am responsible. I confirm that 159 is the right figure, and I confirm that 374 is the right figure for the last two years.

Mr. PATTERSON: We'll see. You're wrong, you know.

Hon. Mr. WILLIAMSON: Did you write the speech?

Mr. PATTERSON: He thinks he's right, but he's wrong.

Hon. Mr. WILLIAMSON: He did write it!

Hon. Mr. MELDRUM: The hon. member went on: "... \$43 million interest," he said. I thought it was a slip and it didn't really matter, because members can read and they know the figure is \$27 million. The Financial Critic can't fool the members, so it didn't really matter. But then on television and radio he repeated the figure to people who may not know and don't have the means to find out the facts. Why distort the facts? Why give the wrong figures?

Only the Financial Critic will know his reasons. One mistake could have been the only one, but when he made two I suspect the whole speech, and so do the people of this province.

Mr. Speaker, I return to where I started. I compliment the Minister of Finance. In a time of world-wide economic trouble he allowed us to provide a high level of public service and has shown the wisdom to apply the taxes necessary to pay. Within the next few weeks it will be seen that our tax levels are not out of line with those faced by our neighbors.

New Brunswick remains a good place in which to live and work and raise our children.

Mr. STAIRS continued the debate as follows:

Mr. Speaker:

In rising to participate in this extremely important debate, I wish first of all to express my best wishes to His Honour the Lieutenant-Governor and Mrs. Bird.

To you, Mr. Speaker, I extend my best wishes and my appreciation for the manner in which you carry out your duties.

To our House Leader, Mr. Hatfield, I would like to express my congratulations for the excellence of his remarks in the throne speech debate and for the very commendable manner in which he has fulfilled his very important role in this House.

Mr. Speaker, I regret to say that that is the end of any compliments I have today. I must confess that following the previous speaker leaves something to be desired—I have never before followed Groucho Marx in an act. I have been very tempted to reply to some of the cynicism, sarcasm and slop that he put forth today, but I will only say this—I will even compliment him—I give him great credit for intestinal fortitude. Any man who would stand up in a public place and mouth the garbage he did today must have intestinal fortitude. We in this House have become used to his pork-barrel politics and we don't mind them too much, but in case the public doesn't know, it is time they did, and I think that if I were marking his speech I would give him a "B" for brass.

Mr. Speaker, on Tuesday the people of New Brunswick were dealt a punishing body blow by the Minister of Finance. Even the greatest pessimists could hardly have anticipated the cruel and shattering effect of this taxation barrage. Most people knew that the finances of the province were in bad shape, but now we know just how bad!

This government's record of deception and mismanagement is unequalled in our history. Broken promises, grandiose schemes, unbelievable incompetence and arrogant disregard for the people have brought this shoddy government to a deathbed admission of utter and complete failure.

Mr. Stairs

March 21

Mr. Speaker, this budget is the death rattle of a sick, sick government. I must confess I have no tears to shed upon their passing. My tears are for the good people of this province, a people misled, browbeaten and almost destroyed by an arrogant, incompetent and unworthy government, a government that, heedless of our advice and that of others, chose to plunge blindly and headlong over the precipice of reality. No, Mr. Speaker, one cannot find any sympathy upon the demise of this blundering group of misfits. Since assuming office, they have steadfastly refused to act in anything resembling a responsible manner.

We on this side of the House have consistently charged the government with mismanagement and misrepresentation. We have pointed out, time and again, that their credibility was stretched to the breaking point. How could anyone believe in a government when they don't even believe in themselves? They have lost all touch with reality.

The Premier stated in his New Year's message that "Economically, New Brunswick has had another good year." Well, Tuesday's budget certainly put the lie to that statement.

The document presented by the Minister of Finance left no doubt as to the desperate situation in which this government has placed our province. Our people can ill-afford this intolerable increase. There is a limit to their endurance, and I submit that limit has been surpassed.

It has been said that if the people want services they have to pay for them. I can find no fault with that basic philosophy, but in this case, one must ask: What services?

Normally, when a government increases our tax load by nearly \$30 million, we should be able to expect a vastly expanded program of services. Such, however, is far from the case.

We have a freeze on hospital construction; capital spending on permanent highways is cut almost in half compared to last year; Trans-Canada Highway shows a drop in planned expenditure of over \$1 million; budget estimates for provincial buildings and public schools are down, and Department of Agriculture expenditures are to be reduced, as are those of the Travel Bureau and Tourist Promotion. Yet, even with these cuts and others, we still have a budget forecasting nearly \$30 million in increased taxes and a deficit of some \$10 million.

Nor is this the whole story. Prior to the introduction of the budget, our people had already been subjected to an unreasonable and inequitable increase in the cost of motor vehicle registration and license fees, as well as the extra tax imposed in connection with vehicle inspection. In addition, many citizens are paying higher property taxes as a result of increased assessments.

Sir, we have had enough! We cannot tolerate this burden any longer.

Although the Minister of Finance attempted to place the blame for the present financial mess on Ottawa, certainly the greatest share of responsibility must rest with himself and the government.

They are the people who, in 1960, promised to pay for Hospital Services out of general revenue, without increasing taxes. What a hoax! They are the people whose industrial fiascos produced more debts than jobs.

It was this Liberal government that promised improved services, greater efficiency, better administration and a more equitable tax burden through their pie-in-the-sky scheme of centralization. This is the government that said the cost of financing this so-called program of equal opportunity was well within the province's means.

On December 7, 1965, the present Minister of Finance made the following statement in connection with the financing of their program, and I quote his words:

"I turn now, Mr. Speaker, to the problem of financing these additional costs. In approaching this question, the government began on the entirely sound assumption that our normal expenditures, aside from this program, are well under control and within our capabilities. We were therefore able to establish as our target that the new programs should be financed so as to