

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session - Eighteenth Legislature
3rd Day

Monday, November 17, 1975.

The Assembly met at 2:30 o'clock p.m.

On the Orders of the Day.

QUESTIONS

RESIGNATION OF PRESIDENT OF POTASH CORPORATION

MR. E.C. MALONE (Regina-Lakeview): — Mr. Speaker, before the Orders of the Day I have a question I should like to direct to the Minister responsible for the Potash Company of Saskatchewan. Mr. Speaker, it is true that the first president of the Corporation, a Mr. William Schultz, has resigned or is in the process of terminating his employment with the Corporation? And if this is the case, what is the reason for his leaving?

HON. E.L. COWLEY (Provincial Secretary): — Mr. Speaker, the president of the Potash Corporation has not resigned. If there were to be any changes in responsibilities of any individuals in respect to the Potash Corporation of Saskatchewan or any other Government agency or department it would be announced in due course.

MR. MALONE: — Mr. Speaker, by way of a supplementary question, have you had notice of the intention of this gentleman to resign or have any other members of the Potash Corporation resigned or indicated their intention of doing so?

MR. COWLEY: — Mr. Speaker, no members of the Potash Corporation have resigned.

FEDERAL GOVERNMENT POWER TO DISALLOW PROVINCIAL LEGISLATION

MR. R.J. CAMERON (Regina South): — In the absence of the Attorney General, I have a question for the Premier. In view of the growing likelihood of a major constitutional confrontation with the Federal Government over the nationalization of the potash industry, I wonder if the government has considered sections 56 and 90 of the BNA Act which gives the Federal Government power to disallow provincial legislation and if so what the Government's view is as to the status and applicability of that legislation to the Potash Nationalization Bill?

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, it would perhaps be inappropriate for me to comment on whether or not we have considered the application of the provisions of the BNA Act to legislation which is not yet even before this Legislature. But replying to the general thrust of the Hon. Member's question we have, of course, considered on other occasions and with respect to other legislation the possibility of disallowance of our legislation. I have in mind some of the oil legislation. And we have reached the conclusion that it is unlikely, in our judgment, that the

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Federal Government would disallow legislation dealing with the regulation of natural resources when that area of jurisdiction is so clearly within the powers of provincial governments in Canada and when an intrusion by the Federal Government would be so clearly a violation of the spirit if not the letter of the constitution.

MR. CAMERON: — Mr. Speaker, a supplementary. In view of the power that is nonetheless there in the constitution for the Federal Government to disallow provincial legislation, I am wondering if the Attorney General or the Premier prior to making the announcement of the nationalization of the potash industry, consulted either with the Prime Minister or the National Government about that legislation? And if so, what was the result of those consultations and what was the nature of them?

MR. BLAKENEY: — Mr. Speaker, I feel somewhat constrained in answering that question and therefore I shall be relatively general in my answer. I may say that the Federal Government was contacted prior to the Speech from the Throne, both at the elected level and at the official level, and they were aware in general terms of the contents of the Speech from the Throne prior to its delivery in this House. Whether or not that is an appropriate procedure I think remains possibly a matter for dispute but in view of the fact that the contents of the Speech from the Throne contained information likely to be of considerable importance to the Federal Government we thought that an appropriate course of action and we followed it.

CONSTRUCTION AND MAINTENANCE OF PROVINCIAL HIGHWAYS

MR. D.M. HAM (Swift Current): — Mr. Speaker, I should like to direct a question to the Minister of Highways through the Premier. Is the Department of Highways organized in such a fashion that priority lists of construction and maintenance of all provincial highways, estimated costs attached to each segment of highway, properly broken down in accordance with provincial constituency boundaries so that it might be made available to Members of this Assembly?

MR. BLAKENEY: — Mr. Speaker, I am unable to answer that question definitely for my colleague, the Hon. Minister of Highways. I am able to say that the highway program of the Department of Highways is worked out in general along the lines suggested by the Hon. Member for Swift Current, indicating the next logical segment to be proceeded with an approximate costs thereof. I think the Hon. Member will realize that these calculations project three or four or five years ahead and any cost projections are therefore quite general in their nature. Also it is fair to say that the Department of Highways does not set out clear priorities. That is because the conditions of highways may deteriorate a little more rapidly in one area than was thought to be the case two years prior or as the case may be. I am sure all Hon. Members can give their particular horror story as to which highway has deteriorated rather more rapidly than was anticipated, if I may phrase it that way.

With respect to the other portion of the question as to whether or not information is available for Hon. Members in this House to the degree of precision that the Hon. Member requests, I am sorry I can't answer it but I will have my colleague, the Acting Minister of Highways (Mr. Byers) speak with Mr. Kramer and see whether we can provide that information to the Hon.

Member.

MR. HAM: — A supplementary question, Mr. Speaker. Would the Acting Minister then authorize his department to prepare a priorities list for each area of the province preferably broken down in accordance with constituency boundaries and supply this Assembly with copies prior to December 25th, 1975?

MR. BLAKENEY: — I don't know if that is the sort of question on which we can promise the Hon. Member a crystal clear answer. I am not sure, frankly, whether they are broken down into constituencies. It is fair to say that constituency boundaries are sometimes specifically regarded. I have in mind a statement from the former Minister of Highways (Mr. Boldt) who indicated that not a mile of road would be constructed in the Redberry constituency. In that regard he must have had constituency boundaries in mind. In fact most of the work is done with respect to the regions on which the Department of Highways is organized, particularly with respect to maintenance. And while they may not conform strictly to constituency boundaries I think the information would give all Hon. Members some indication of what is likely to happen in their area of the province.

NATURAL GAS BREAKOUTS

MR. E.F.A. MERCHANT (Regina Wascana): — Mr. Speaker, today I direct a question to the Minister of Mineral Resources or failing him the Minister in charge of the Saskatchewan Power Corporation. Would the Minister please tell the House what progress has been made in stopping the breakout of natural gas at the East Cantuar Reservoir and specifically would the Minister indicate or confirm that there has been a breakout at 275 feet, a breakout at 550 feet and would the Minister indicate whether there has been other breakouts? Second, what is the estimated cost which appears to be moving in the millions of dollars range of the loss of natural gas purchased from Alberta? Third, since the gas is moving three and four miles from the breakout and is dangerous to farmers and farmers' wells, would the Minister please indicate what intention the government has to advertise and caution farmers in the area that they are in danger, that the natural gas may well be poisoning their wells.

HON. J.R. MESSER (Minister of Industry & Commerce): — Mr. Speaker, the Hon. Member has asked a series of questions, all of them I think requiring some pretty specific answers. I am aware of some of the problems that he alludes to. I cannot at this time give him a specific response to those questions. I would undertake to ask my officials in the Saskatchewan Power Corporation as will the Minister in charge of Mineral Resources. Perhaps later today we could give you some response, but I cannot do that at this time.

MR. MERCHANT: — I wonder whether the Minister could indicate if he will also be able to tell this House if you are investigating the negligence within the Government so that you can tell us where the fault lies? I understand that Ashland has lost about \$1.5 million and that we are talking about a matter which runs from \$2 to \$5 to \$10 million.

MR. MESSER: — The Member is assuming that there is some negligence and I think that we would have to have an opportunity to have the facts brought to our attention and review them before he can undertake to make that assumption.

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ADDRESS-IN-REPLY

MR. M.J. KOSKIE (Quill Lakes) moved, seconded by Mr. N. Vickar (Melfort):

That an humble Address be presented to His Honour the Lieutenant-Governor as follows:

TO HIS HONOUR THE HONOURABLE STEPHEN WORBETZ

Lieutenant-Governor of the Province of Saskatchewan.

MAY IT PLEASE YOUR HONOUR:

We, Her Majesty's dutiful and loyal subjects, the Legislative Assembly of the Province of Saskatchewan in Session assembled, humbly thank Your Honour for the gracious Speech which Your Honour has been pleased to address to us at the opening of the present Session.

He said: Mr. Speaker, in rising to move the Address-in-Reply to the Speech from the Throne, I am aware of the honor that this occasion confers on me personally, and also the honor conferred on my constituency of Quill Lakes, which I represent.

I should like to welcome all the Members to this first Session of the Eighteenth Legislature. Regardless of our differing political philosophies all of us here are united in our determination to work towards making our province a better place in which to live.

This Legislature has the distinction of being a cross section of Saskatchewan society. We have men and women, teachers, lawyers, farmers, businessmen, and laborers, chosen by the residents of their respective constituencies to represent them.

Mr. Speaker, this Legislature is unique in that it marks the re-entry into provincial politics of the Progressive Conservative Party. When one looks across at the Opposition, Mr. Speaker, one is reminded of the Walt Disney movie, "Snow White and the Seven Dwarfs."

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — The Leader of the Opposition is, of course, Snow White and in the corner across to the left of him are the seven dwarfs led by Grumpy. Or perhaps, Mr. Speaker, they would prefer to be known as "the Magnificent Seven."

Mr. Speaker, the Hon. Member for Nipawin (Mr. Collver) has been attempting to persuade the voters of Saskatchewan that he is in the middle of the road. After the next election we have heard that he is going to apply for a position with the Department of Highways as a white line painter to reinforce that position.

Mr. Speaker, I am not sure how many Members of the official Opposition we shall be seeing in the next few months, as most of them are seeking the job to become the official Leader of the Opposition. Such a race reminds me of a phrase attributed to Sir Winston Churchill, and I quote: "This is the first time I

have ever seen rats swimming in a sinking ship.” I hope that the Leader of the Opposition is aware of the Shakespearean play “Julius Caesar”, for “yon Tony has a lean and hungry look.” Of their leadership race it could be said it is, “Much Ado About Nothing”, and as to the third party’s aspirations to govern this province this is but a “Midsummer Night’s Dream.”

Mr. Speaker, at this time, in a more serious vein, I should like to commend the Leader of the Opposition for his contribution to public life and to all of his caucus and I want particularly to welcome all the new Members to the House.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — As well, Mr. Speaker, I should like to welcome the Leader of the Progressive Conservative Party and his caucus to this Legislature.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — I should like also to congratulate those Member from the Government side who have taken on additional responsibilities of Cabinet rank; the Member for Canora (Adolph Matsalla) to the portfolio of Tourism and Renewable Resources; the Member for Regina Centre (Ned Shillington) to the portfolio of Consumer Affairs and Co-ops; the Member for Saskatoon Buena Vista (Herman Rolfes) to the portfolio of Social Services. I am sure, Mr. Speaker, that all three will serve this province with distinction.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Mr. Speaker, I should like to congratulate you on assuming the high office. I am looking forward to serving in this House. I know that it will be a place of dignity and decorum under your guidance and under your Deputy Speaker, the Member for Weyburn, Mr. Auburn Pepper.

Mr. Speaker, I should like to say a few words about my constituency. It is a pleasure for me to represent the constituency of Quill Lakes and for those of you who are unaware of its locations, I would suggest that it is in the heart of NDP country. It is bounded on the west by the constituency of Humboldt, Kelvington-Wadena to the east, Last Mountain-Touchwood to the south and Melfort to the north. In fact, Mr. Speaker,, from Highway No. 11 in the west to the Manitoba border and from the Qu’Appelle Valley in the south to the northern boundary of Saskatchewan, with one minor and temporary exception, this area is socialist country.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — My constituency is itself a tribute to the window of the electorate who have, since 1934, elected CCF or NDP Members to the Legislature. It is an honor to follow in the footsteps of such distinguished parliamentarians as George Williams, one of the founders and first leaders of the Saskatchewan CCF, and the distinguished former Speaker of this Legislature, Mr. Fred Dewhurst.

Mr. Speaker, my constituency is a mixed farm region, with

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no major urban centres. But rather it has a network of small and prosperous towns and villages, living symbols of a way of life that is being increasingly threatened by the complexities of modern society. Threatened by those who would, in the name of progress, in the interests of economic efficiency shut down our hospitals, abandon our rail lines, consolidate family farms into sprawling corporate entities, replace our elevators with huge inland terminals, and who might well remember the words that Shelley gave to Ozymandias when he said:

“Look on my works, ye Mighty, and despair!”
Nothing beside remains. Round the decay
. . . boundless and bare
The lone and level sands stretch far away.

Mr. Speaker, I have a mandate from the electorate of Quill Lakes to fight for the preservation of a rural way of life and for a set of values which we believe offers the people a meaningful lifestyle, in a world of increasing social disorientation. We hear much about growth of crime, of delinquency, of slums, all attributed in part to the urban environment. Well, in the small towns and villages of my constituency, Mr. Speaker, in Watson, Leroy, Wynyard, Muenster, Lanigan, “family” is not a dirty name. We have a way of life in which individuals working co-operatively with their neighbors have built a society that is envied by most. And yet there are those abroad who in the interests of economic efficiency would destroy the very fibre of that way of life. Surely the time has come to say to those who worship at the altar of big business that enough is enough. It is time that you have learned that that which is economically possible but socially destructive has no part in a society which should be based on the principle of the supplying of human needs and not the making of profits.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Mr. Speaker, we must seek out a social order in which rational economic planning will supersede unregulated private enterprise and competition, and in which genuine self-government, based upon economic equality, will be possible.

There are numerous examples of individual initiative in the constituency. In Muenster we have Al's Welding, which manufactures hydraulic cylinders and employs 20 to 35 people. In St. Gregor we have three small businesses, Prairie Windows, Western Industries and Meikle Tarps. At Englefeld we have Schulte Industries which has recently expanded their plant that manufactures rock pickers and excavators. At Wynyard we have Cawford Foods, a large poultry plant, and at Lanigan we have a prefabricated home construction firm established by Federated Co-ops.

Mr. Speaker, all of these people have faith in the ability of our area to continue to grow and prosper. They know that we as a government have made a commitment to them that rural Saskatchewan will live; that rural Saskatchewan and all that it stands for will be preserved; that this is the cornerstone on which the policy of the New Democratic Party has been built.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — My constituency serves not

only the economic needs of many in the surrounding area, but also through St. Peter's College at Muenster, fulfils the educational and cultural needs of many. This college offers first year Arts to assist many of the local residents in obtaining further education. St. Peter's College is also the home of the Prairie Messenger, a Catholic newspaper that enjoys a wide audience because of its universal message.

Mr. Speaker, in my constituency there is all that is good, a home for many people from many lands, who came to Saskatchewan to forge out a better life. It is for these people that I have made a commitment to serve as their Member in the Legislature. Their problems are my problems and their successes will be my successes. All of the residents of Quill Lakes are united in their desire to continue their present way of life. It is my privilege to have been chosen by them to express their views in this Legislature. I am deeply honored and hope that I shall continue to have that respect in the years to come.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Mr. Speaker, it is heartening, as one who believes that, "It is not parliament that should rule: But that it is the people who should rule through parliament." I was encouraged to have been assisted by so many people of all walks of life in the past campaign. It was particularly pleased by the many young people who worked so hard for the New Democratic Party. For although we seek to preserve that which is good today, we are also motivated by the desire for a better tomorrow. In seeking this goal, I welcome the continuing support of all the residents of the Quill Lakes, but particularly of the younger generation who will be the ultimate beneficiaries.

Mr. Speaker, the Throne Speech outlined in some detail what the government program will be during the course of this Session. I think that before we could look at some of the problems confronting or facing Saskatchewan and the initiative taken by the government to solve these problems as set out in the Speech from the Throne, that we understand the historical background that in part has created the present conditions.

Prior to Saskatchewan's entry into confederation, the Prairies were an area of sparse population. It was considered of little economic value, although its strategic importance had been recognized by the Dominion Government. This recognition was enshrined in what has been called the "National Policy", a federal program to develop a stable agricultural economy in the West, not through a sense of altruism, but directly related to the demands and interests of the commercial and industrial East. Agriculture in the West was to be encouraged and assisted to the extent that it contributed to "a stable industrial economy," in the East.

Mr. Speaker, there remain today many who still believe that that is the role of the Prairies, to serve as a marketplace for eastern manufactured goods and a source of cheap foods. That is why even today, our farmers find themselves in a cost-price squeeze and find themselves faced with the threat of rail line abandonment. This is a concern, Mr. Speaker, felt especially by the residents of Lanigan, Sinnott, Leroy, Romance, Watson and Daphne whose rail line is one of those whose abandonment is being sought by the railways. By those same railways

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who promised, when granted 20 million acres of prime prairie land, to provide such service into perpetuity.

My government realizes that this is an area of significant concern to the residents of Saskatchewan and has established an advisory council on transportation with representation from all major organizations in the province. It will be the duty of this council to advise the Government on transportation issues and requirements so that each area of the province will have the facilities to achieve optimum development. In addition, Mr. Speaker, the Government has established a department or an agency of government directly in charge of transportation.

Mr. Speaker, it is an unfortunate contrast that whereas this Government has attempted to preserve our rural way of life, the Federal Government has acted in concert with the railroad companies in their attempt to slash their operations at the expense of so many communities in Saskatchewan. Contrast the actions of the railway companies and the Federal Government with those of the Provincial Government, where they have sought to abandon these communities we have attempted to strengthen them.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — It is our concern that if the approach of the railway companies is enshrined in policy, that ultimately it is the Saskatchewan way of life that will be the major casualty. Mr. Speaker, if efficiency is to be the only concern, Saskatchewan would probably be adequately served by transforming our agricultural area into a series of large corporate farms, serviced by 14 or 15 inland terminals. With the crop put in in the spring by imported labor, custom combined in the fall by the same imported labor, trucked to terminals 40 or 50 or 60 miles away on highways constructed solely for the purposes of hauling grain, bypassing on their way towns and villages now empty - mute symbols of a way of life, Mr. Speaker, that was considered redundant by economic planners gazing out of the fortieth storey of a downtown Toronto office building. Mr. Speaker, the Speech from the Throne clearly indicates the commitment to the way of life in rural Saskatchewan and this Government will be acting to protect the interests of the people of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Mr. Speaker, surely, if the Federal Government believes that all of Canada's regions should have equality of economic opportunity, it is time, now, to build a transportation system, and freight rate policies that will assist in the development of these regions, not retard it. Surely they should realize that you do not foster economic growth by rail line abandonment — you kill it. You do not encourage industrial relocation by reducing services. You do not encourage agriculture by increasing transportation costs. You do not stimulate growth by closing down elevators. You do not encourage growth in small towns by isolating them. You do not, Mr. Speaker, foster opportunity by removing the Crow's Nest rates and leaving the farmer to the tender mercies of the railway companies. You do not encourage the aspirations of people by abandoning them. Surely these facts are self-evident, Mr. Speaker.

Contrast these actions by the Federal Government and its corporate allies with the actions taken by the Provincial Government.

By March 31st, 1975, the FarmStart Corporation had made loans and grants of nearly \$44 million to over 2,000 applicants. Of these, more than half had not been farming two years previously.

The Saskatchewan Land Bank Commission has met with similar success. Since its inception, it has granted leases to about 1,400 farmers. Here again, three out of five either were not farming previously or had operated a one-half section of land or less.

Mr. Speaker, we have also extended our program of cash advances for cow-calf operators, as well as our program of assistance to hog operators during a period of depressed markets.

Mr. Speaker, we have made a commitment to the preservation of a viable family farm in Saskatchewan. We shall honor that commitment by continuing to place strong emphasis on stabilizing agriculture and revitalizing our rural areas.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Mr. Speaker, I have discussed some of the concerns facing the people of Saskatchewan, but the single most pressing concern in our economy is inflation. Each of us is caught up in the treadmill of rising expectations. And while the large corporations on the one hand and organized labor on the other can protect themselves, the unorganized, those on fixed incomes, and those living off savings are being increasingly impoverished day by day.

Inflation is causing grave uneasiness to many in our society. The other day I spoke to a neighbor of mine, a retired farmer, who related how he had worked hard, that he and his wife had saved for a secure retirement, but now he finds that each dollar has suffered a grave loss of purchasing power.

Mr. Speaker, the Provincial Government has realized for some time that the spiralling cost of inflation could not continue unchecked. As early as 1972 Premier Blakeney urged the Federal Government to embark on a series of selective price controls on those key areas such as steel, cement, fertilizer. Yet at that time the Federal Government refused to act. Thus the province was forced to act to protect those least able to protect themselves through a series of provincial initiatives. These included: 1. An increase in the pensions to our senior citizens as of October 1st this year. 2. Substantial increases in the minimum wage and the Throne Speech indicates the minimum wage will be increased to \$2.80. 3. The implementation of a Family Assistance Plan to assist the working poor. 4. The removal of department fees, that regressive tax that penalized the young and the old and finally removal of medicare premiums and hospitalization premiums.

All of these, while the Federal Government waged its phony war in which it wrestled inflation to the ground using unemployment as its major weapon. At last it came to the realization

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that as a result of its action we not only still had double-digit inflation but 750,000 Canadians out of work. At that point the Prime Minister decided to act and did so in his characteristic fashion, doing a complete turnabout, by announcing a program of wage and price controls that leaves almost as many questions unanswered as it answered.

Mr. Speaker, I have some major concerns about the federal program. I think the major concerns of all groups that will be affected by it, is whether or not it will indeed be equitable. It seems to me that it is important that if we are going to have an acceptance of this program that we might have universal acceptance that it is just, otherwise there will be widespread discontent that will lead to reducing the effectiveness of the program.

It is very easy to regulate wages, but my concern is whether or not there is to be effective regulation of prices. Further it would appear that the lower income wage earners will, as always in cases of free enterprise economic belt-tightening, be hit hardest by this program.

Finally, the solution proposed by the Federal Government to monitor the incomes of professionals by fixing fee schedules will not be very effective in my opinion. It will not be as effective as if a federal surtax on income were imposed.

But in spite of the preceding criticisms I don't think that any individual province can reject outright the Federal proposal. I think that this would be irresponsible. Rather our course of action must be two-fold. First, to operate within the federal guidelines while seeking further clarification and amendments of key provisions of the guidelines. Second, to take such initiatives as we can within the provincial jurisdiction to shelter those in society less able to help themselves.

Mr. Speaker, I am pleased to see that in the Speech from the Throne that this government accepts its responsibilities to assist in the fight against inflation . . .

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — . . . by proceeding on several points. First, by the legislation placing control on rent increases. Secondly, by increasing contract settlements with employees in the public sector that will adhere to federal guidelines subject to appropriate adjustments to maintain fair rates of pay for various classes of employees in relation to their counterparts in other prairie provinces. By increasing the minimum wage to \$2.80 per hour effective January 1st; by assisting the anti-inflation board in monitoring price increases; by providing an avenue for relaying citizens' complaints, preferably involving all three prairie province, and finally by restricting capital spending on public works and deferring many new capital programs as well as cutting back or curtailing the increase in the civil service and the number of positions in subsequent years.

Mr. Speaker, it is my opinion that those initiatives will meet that responsibility and I endorse the Government's action in taking steps as they have.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Mr. Speaker, one of the most important items in the Speech from the Throne was setting out the Government's policy on resource issues. It seems to me that the aims and objectives of any government that is truly representative of the people of Saskatchewan should be based on four basic principles. One, to maximize the general well-being of all residents of Saskatchewan; two, to give a greater equality of the human conditions for all citizens of Saskatchewan to a more equitable distribution of benefits of development; three, implementation of effective policies and programs, which will prevent our citizens from being coerced by economic forces to leave their province or to leave the region within the province which they may wish to live; four, the proposed public participation in the process of government, and more particularly the development decisions which will affect all of our citizens in the years ahead.

Mr. Speaker, we can only achieve these four principles if we alter our view of politics. As Woodrow Lloyd said, "We must, clarify, increase and elevate our expectations of political parties and of people. We must transform our present parliamentary democracy into a system in which ordinary people increase their share in the decision making."

When we examine the structure of Canada today, we find that most of the power resides with those who control modern corporations, who reside outside our country. Decisions made by corporate directors, frequently multinational in origin, have more immediate and profound effects upon the lives of Canadians than do most decisions made by governments at any level in Canada. Decisions about the allocation of capital, production techniques, nature and prices of products and the distribution of profits that are made by a handful of men. Ostensibly they are controlled by the market forces. The Canadian economic history abounds with examples where monopolistic practices have been the rule rather than the exception in economic life.

Not only does undemocratic power remain in the hands of corporate directors, but in many sectors of our economy the vast majority of such corporate power resides outside the Canadian border. Control of our own resource industry is of particular importance for the future development of our province and our country and to determine our own investment in production priorities is essential.

Many in Canada have used the term "mixed economy," acknowledging the co-existence of private and public enterprises in our society. In Canada the mixed economy has in the words of David Lewis:

Advanced beyond the co-existence of public and private spheres. It has reached the stage where private business is increasingly being supported by the public purse for such items as incentive grants, research grants, and tax concessions. As a result Canadian businesses not only acquiesce in government involvement in the economy but they have come to depend on it.

This Government through the Department of Industry and Commerce and through SEDCO has worked hard with private business to maintain employment and to create jobs in all areas of this province.

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Mr. Speaker, this Government came to power in 1971, pledged to provide a New Deal for the people in the development of our resources. We found that large foreign owned corporations had been granted leases to practically all our timber. There had been no concern for local control, no concern for returns to the province. Even if one ignored foreign ownership, Mr. Speaker, or the financial manoeuvring behind these deals, it was difficult to accept the land and resource use practices. Large trees were turned into two by fours, vast areas were clear cut, little reforestation took place, and there was little or no provision for the utilization of by-products. To remedy this situation the Government amended the Forest Act to return control of our forests to the people of Saskatchewan.

Forest operations were diversified with the construction of a plywood mill at Hudson Bay, sawmills at Carrot River and Big River, the opening of a major post treating plant at Prince Albert, and the reopening of a planer mill at Meadow Lake and the construction of a number of smaller mills in northern Saskatchewan to supply the local demand for timber.

Through these actions, we have created more jobs for our people in the North, increased the provincial revenues and maximized the utilization of forest products as well as ensuring that future generations of our citizens have access to this renewable resource.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — These actions, Mr. Speaker, have involved both the public and the private sectors of the forest industry.

The Prince Albert Pulp Mill is presently planning to expand its daily production of pulp by utilizing of existing otherwise waste materials and will also be reducing its production of harmful effluents at the same time. Thus the forest industry can be cited as an example of co-operation and development which is mutually beneficial for both parties.

In the forest industry, the private sector has accepted that corporate practices must reflect the objectives of the people of Saskatchewan. It is significant that these same corporations not only meet these public objectives but still enjoy reasonable profits.

— The same mutually beneficial arrangement has been reached in the area of uranium mining. Uranium the fuel of the future. The Government has entered into some ten joint ventures sharing the risk but also ensuring that the public will share in the future returns. One promising uranium find has already been made through a joint venture arrangement.

But in one area of resource development we have been thwarted in combining growth and expansion with an assured fair return to the people of this province. I refer to the potash industry, perhaps our most significant non-renewable resource.

Mr. Speaker, the grade of potash ore being mined in Saskatchewan is generally higher than that mined in many other countries of the world. Ore extracted by conventional methods averages 25 to 30 per cent of potassium oxide, as compared to 15 to 19 per cent in Europe and New Mexico.

Estimates of Saskatchewan's potash reserves run about 118 billion tons. At 1974 rates of world consumption, it is enough to supply the entire world with fertilizer for about 5,000 years.

From a virtual non-producer in 1961, Saskatchewan has grown rapidly in productive capacity with ten mines with an estimated total investment by the industry of about 700 million dollars, capable of supplying nearly half of the world's needs. The potash industry has considerable economic impact within the province. The industry employs about 3,500 and it is estimated that support industries for potash employ about 12,000 more.

Historically in Saskatchewan, we followed the traditional practice of offering incentives to private corporations to develop these resources. In effect, we rented their skills and knowledge, we took a part of the returns in taxes, and the companies took the balance as profits.

In 1974, the Government announced a potash policy designed to bring maximum benefits to the taxpayers of this province. That policy had four points. 1. To guarantee a fair return to the public treasury. 2. To guarantee that Saskatchewan obtains a fair share of growing world potash markets. 3. To guarantee a greater public participation in current and future development of our potash resources; as well as to guarantee a measure of security and stability to mine workers and potash communities by encouraging producers to expand production. Mr. Speaker, unfortunately, it became apparent that the potash industry did not relate these public objectives to their corporate practices.

What are some of these areas where corporate practices have clashed with public objectives? 1. They have, in spite of increasing demand for potash, shelved expansion plans. 2. They have failed to provide the Provincial Government with financial statements as provided by law. 3. They have indicated an unwillingness to pay taxation, and thus placed the Government in an untenable position. 4. They have not provided information necessary to order to provide for appropriate planning for regulation and expansion.

The significant thing here, Mr. Speaker, is that the Government entered into negotiation with the potash industry, gave them a proposal as to the tax structure, asked the industry to consider this proposal. The industry's response was that the taxation was too high. The Government then, logically, asked the potash corporations to open their books to show their financial statements in order to determine the accuracy of their allegations.

Mr. Speaker, the potash corporations have refused to justify what in their opinion is fair under the existing situation.

Given the preceding, Mr. Speaker, there is only one alternative left for the Provincial Government. We intend to acquire as was indicated in the Speech from the Throne effective control through ownership of some or all of the industry.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Mr. Speaker, we hope to do

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this first by negotiating with the companies and in the event that a satisfactory purchase agreement cannot be entered into with the present owners, and this fails, then we will by legislation be allowed to acquire these mines by expropriation. It is proposed, as indicated by the Speech from the Throne, that there will be an arbitration board — impartial arbitration board — setting a fair price based on the market value of the assets. And what is more important, any company dissatisfied with the arbitration award may seek the intervention of the court or appeal a decision to the court.

Mr. Speaker, we believe that this important resource can be developed best by the Potash Corporation of Saskatchewan, a Crown corporation. It is our intention to expand those mines in a most efficient manner, to increase the total output at minimum cost and to build new mines as they are needed. We should also keep in mind that the purchase of these mines will be based on future sales. Although the size of the potential investment by the province is large, it will be self-liquidating investment. No tax increases will be required nor will tax revenues be diverted to meet capital requirements for this venture.

Mr. Speaker, there are two basic dividends in our potash investment. It should be of some comfort to the people of developing countries to know that their supply of potash or a supply of potash to them will be controlled by governments in Canada responsive to world needs, and secondly, it seems to me, Mr. Speaker, this is a sound investment. We shall be acquiring the most up-to-date and modern mines in the world that are going to pay handsome dividends.

Mr. Speaker, I don't think that one should be confused by thinking that this is the first endeavour of government. As indicated, the Quebec Government made an expropriation of some \$600 million when it took over their power corporation. The small province of Newfoundland expropriated its power in the Churchill for \$200 million. This is a world phenomenon, Mr. Speaker. You look at the Arab states, you look at Venezuela, these people are taking control of their resources.

Mr. Speaker, as I said, this is a good investment. Just compare this investment and let us suppose that it is a billion dollars. Let us compare that with what is being spent in building the Olympic site in Montreal in the Province of Quebec.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Compare the collateral of those \$2 billion enterprises, Mr. Speaker. I suggest that it is a proper time to enter into the industry. The world demand is strong, prices are high. In 1969 a ton of potash brought in \$20 on the market, today it is somewhere between \$70 and \$80. But what is most important, all forecasting indicates a continuing strong demand and firm prices in the future, in a world that is crying for a bigger production of food.

Mr. Speaker, by this action we are going to increase the assets of the people of Saskatchewan. We are going to improve the financial position. We are going to ensure that our future is secured. We are going to achieve this by investing in Saskatchewan by buying back our potash, by exercising our right to develop a vital resource, by using a sound, simple principle

that is good business practice.

There will be some who say, "You can't do it or let others do it. You aren't smart enough, you can't do it." That has always been the excuse, Mr. Speaker, for wanting to give away our resources. This Government does not accept that assessment of our people.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Mr. Speaker, whenever we have undertaken major ventures we have found the manpower and other resources to do the job. When power was made a public utility the same cry went up, "You can't do it ourselves." Well, we did.

They said medicare wouldn't work. We'd lose our doctors. We'd bankrupt the province. Well, medicare is working.

In respect to sodium sulphate, Mr. Speaker, a Crown corporation, it's operating and operating successfully. One million and a half dollars given into the Treasury this year.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Mr. Speaker, I think the people in Saskatchewan should run our potash industry and they will.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Mr. Speaker, we have an opportunity to act, we must act, and we will act.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Mr. Speaker, we are the custodians of public trust. If we do not act, we shall surely be dragged down the long, dark and shameful corridors of time, reserved for those who possess power without compassion, might without morality and strength without sight.

Mr. Speaker, I am proud to move that an humble Address be presented to His Honour the Lieutenant-Governor.

MR. N. VICKAR (Melfort): — Mr. Speaker, as I rise to speak this afternoon, I am deeply honored and pleased that the constituency of Melfort, through me, was given the opportunity to second the reply to the Speech from the Throne.

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — I should like to thank the Premier at this time for giving me and the Melfort constituency the highest honour that could be bestowed upon any Member.

Mr. Speaker, the constituency of Melfort lies in the very heart of the Carrot River Valley. At no point in the constituency do we lack the beautiful forests that we are trying so hard to

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preserve in other areas. The Melfort constituency is noted for its most fertile soil in the Province of Saskatchewan, if not in western Canada. Where else does one find more than 18 inches of top soil, which delivers to us the necessary foods that we in Saskatchewan can supply for ourselves and for the rest of the world?

Though Melfort constituency is noted primarily for its strong agriculture, it is not the only industry that we are proud to have. We have many small towns in our constituency, which in the last four years have come a long way through the energetic foresight of individual people who had faith in the community and the province. I speak of areas such as St. Brieux, where only recently we officially opened an implement manufacturing firm. The firm presently employs in the neighbourhood of some 50 personnel, giving employment to local people the preference. Another industry in the village of Annaheim, situated not too far from St. Brieux, that has an industry manufacturing various types of agricultural implements. This industry specializes in rock pickers for local and export trade and they too employ in the neighborhood of some 50 personnel.

Mr. Speaker, continuing through the Melfort constituency and looking at practically every village and hamlet we find community established buildings that years ago were being used, and then abandoned, and now being restored for more community participation through the grant and aid program of the Saskatchewan Government in the last four years.

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — Most of these are community halls, skating rinks and local recreational facilities for young and old. Now that they are being rebuilt they are providing a necessary service to the community by revitalizing the communities in which they exist. A good indication that people can be kept in their community with the aid of programs such as are available through the Saskatchewan Government.

Mr. Speaker, reference was made in the Throne Speech to the housing situation. Let me supply a few examples. Using one in particular, because this is the one that I am most familiar with in the town of Melfort, which has the largest urban area in my constituency. It is true that in 1975 we saw the greatest upsurge in house building starts that we have ever had before. In the village of Spalding, with a population of under 250, we have a government subsidized program on housing which will provide 12 units for senior citizens. Funds are now approved and tenders for this project are being called this month. In Naicam, a town with a population of approximately 700 people, we have a government subsidized program that will supply some 21 units to our senior citizens. This program is now in progress. In St. Brieux, a town of approximately 500 people we have a program to supply 18 homes and tenders for this project were approved on October 24 with construction to be started very shortly. Star City, another urban area with a population of approximately 500, we are building 15 units and funds for this project were allocated on October 15th and the project is now ready for tender.

In the town of Melfort, with a population that exceeds the 5,000 mark and a town that is commonly known as the

“reluctant city”, or the largest town in Saskatchewan, I have more encouraging information. Since 1971, and until 1973, the Melfort housing program was in the neighborhood of 65 to 75 units per year. In 1974 we reached the peak at 85 units. In 1975, however, as of November 1st of this year, we have already exceeded 120 starts and we have sold the land, and weather permitting should have another 20 units on the go this year.

SOME HON. MEMBERS: Hear, hear!

MR. VICKAR: — Never before has the housing boom been so great as it is this year, an indication, Mr. Speaker, that people will provide their own homes given the necessary help from local, provincial and federal governments to do so. More incentives for people in different brackets would increase the housing starts in many other areas in my constituency and in the province at large.

We, in the town of Melfort, now have a complete complement of senior citizens' homes from Level I care through to Level II, III, IV and V. In the spring of 1976 we are constructing the first high rise senior citizen home in rural Saskatchewan and we look at an accommodation of an additional 120 units. This will complement the already 200 units that we enjoy in Melfort. All this becomes possible through government programs and the co-operation of local rural municipalities and the towns and villages in the area.

It is hoped that the Government will promote to a greater extent the decentralization of government services. Indications of this are already apparent in some parts of the province, and I am hoping that efforts will further be made to provide further services more closely to the people in the constituencies. A good example of decentralization efforts to this date by the Saskatchewan Government is the provincial building now being built in Melfort to be completed by July 1 of next year that will house most of the government offices scattered within the area.

SOME HON. MEMBERS: Hear, hear!

MR. VICKAR: — The Throne Speech makes a concerted attack on inflation, proposing several avenues which the attack may take.

Inflation, of course, is not a Saskatchewan, or even a Canadian problem; its scope is international. In world terms, our inflation rate is relatively minor. Nevertheless, it is real and unfortunately, growing. The time for action is now.

Our Government is pleased that the Ottawa Government has recognized its responsibility to lead in the effort to cut rising prices and costs. While we do not agree with many of the details of the federal guidelines, there can be no doubt that action of some sort is required if we are to prevent the economic and social upheaval that continued inflation will certainly produce. As a responsible provincial administration we accept our duty to follow through in a way suited to local conditions, and this Speech is commendable for its proposals in this vein.

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Inflation is a difficult problem for a federal country like Canada to deal with. The national government has control of some of the economic levels, and the provinces control others. Neither government can do the job alone. Furthermore, because Canada's economy is made up of widely different regional components, the solutions that are suitable in one area may be useless, or even harmful somewhere else. A workable anti-inflation program must be flexible.

Our NDP Government is determined that any steps it takes provincially are geared to our provincial needs. Even more important we are determined that controls apply effectively to all sectors. Specifically, we want prices on basic commodities like cement, lumber, fertilizer and steel to be controlled by requiring approval for increases before they are announced, not after the fact.

SOME HON. MEMBERS: Hear, hear!

MR. VICKAR: — We want allowances made for catch-up on a regional basis, so a province like our own, with a booming economy, does not find that it cannot attract and hold workers needed to keep the pace of development working ahead.

SOME HON. MEMBERS: Hear, hear!

MR. VICKAR: — Saskatchewan is in a unique position. Our wages and prices have not been leading the nation. They are below the national average in the majority of cases and even at a below the western regional average. In other words, we are not causing inflation; we are trying to keep up with the pace set by the eastern provinces. I do not suggest this means that we can shirk our duty to hold increases to reasonable levels. After all, if we tried to reach the national average here, the rate of increases within the province would unquestionably be inflationary in the terms of our economy. However, at a minimum, we must restore the traditional relationships with neighboring provinces so our people are treated fairly and our economy is able to attract the employees it needs.

I am proud that our Government is going to 'bite the bullet' and introduce a program to control rents and monitor prices. These are essential elements in a provincial program. I am pleased that a provincial or regional implementation body is being considered, along with a higher minimum wage. These steps, together with other measures that my colleague the Minister of Finance (Mr. Smishek), plan to announce in his Budget Speech later, constitute a workable and responsible provincial supplement which we can be confident will receive public endorsement.

Saskatchewan has long been known as a province which runs contrary to national trends. In the past, when the Canadian economy was booming, Saskatchewan was lagging far behind. However, a curious development has occurred in the last four and one-half years.

As the Speech from the Throne indicated, the Saskatchewan economy is buoyant. I feel it would be appropriate for me to cite a few additional statistics in this regard:

- Growth in per capita income in the province has exceeded the national average each year of the 1970s;
- In 1974, for the first time in nearly a decade, the Saskatchewan population registered a net increase;
- Every year since 1970 housing starts have increased. We are the only province in Canada to register an increase in housing starts during the 1970s.

Mr. Speaker, I could go on and on citing statistics upon statistics, but that will not be necessary. I believe that there is a better yardstick by which to measure present conditions. Mr. Speaker, I am speaking of the past.

It is in times like these when people tend to overlook the past. I remind you all that it was in the not too distant past when Saskatchewan was referred to as a 'have not' province. It was only four and one-half years ago when our province was being depopulated at an alarming rate. In the late 1960s Saskatchewan's biggest export was people. Towns were dying and farmers were leaving their farms, forced out, in droves. Mr. Speaker, I do not wish to dwell on these unhappy memories at this time, nor do I wish to inject a negative note into an otherwise optimistic speech.

In the early 1970s a trend began to emerge in Saskatchewan. The population began to level. Incomes began to rise. Small communities gained a new vitality. I believe it is more than a coincidence that the people of Saskatchewan brought an NDP Government back into power in 1971.

SOME HON. MEMBERS: Hear, hear!

MR. VICKAR: — I do not believe that all of the recovery can be attributed to the NDP Government. However, I feel that the policies of the Government played a significant part in that recovery. I believe this, Mr. Speaker, and I feel that the people of Saskatchewan who returned 39 New Democrats to the Legislature on June 11 believe it also.

SOME HON. MEMBERS: Hear, hear!

MR. VICKAR: — Mr. Speaker, the past four and one-half years have been programs aimed at the revitalization of our towns and communities. These programs have enabled our smaller centres to provide services and facilities which they might not have otherwise been able to provide. I'm thinking of such programs as the community Capital Fund, which provided \$75 per capita over five years for construction or renovation of community facilities. Programs like Open Roads, which oils the access roads to all towns over 100 in population, and all towns over 50 if within three miles of the highway, resulting in greater accessibility to our smaller centres.

Mr. Speaker, I could continue with such examples as: Operation Main Street, recreation grants, energy assistance grants, water and sewer programs for hamlets and villages, community health and social centres, and literally dozens of more programs.

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Mr. Speaker, I urge the people of Saskatchewan to take a look at rural Saskatchewan today and then to recall the situation five years ago.

Mr. Speaker, our primary industry remains agriculture. There existed a time when agriculture was our primary industry simply by default. In the past five years we have succeeded in diversifying our economy to the point where in 1974 the value of non-agricultural goods produced equalled the value of farm products. I commend the Government for its programs aimed at diversifying and strengthening our economy. Programs which have played a significant role in adding more than 1,000 jobs a year in manufacturing and processing. Programs aimed at our small businessmen, the Saskatchewan Economic Development Corporation, and the Saskatchewan Development Fund which are investing Saskatchewan money in the Saskatchewan economy. Mr. Speaker, the results speak well for themselves.

In the field of health, Saskatchewan has once again regained leadership and respect of all of North America. The Saskatchewan health system, once the envy of all, is again taking on a prominence through such programs as the universal Prescription Drug Plan, a plan which eliminates from the elderly, the sick and the disabled, and all the people of Saskatchewan, a large percentage of the cost of prescription drugs.

Mr. Speaker, you cannot measure in economic terms the benefits of programs like the Hearing Aid Plan which provides hearing aids at a greatly reduced cost, or the SAIL program which provides aids such as wheelchairs, braces and special appliances to the handicapped. Mr. Speaker, it is from programs such as these that I derive the greatest satisfaction.

SOME HON. MEMBERS Hear, hear!

MR. VICKAR: — This Government continues the tradition of the party founded on the basis of concern for our fellow man. I am proud beyond measure to know that the concern for our fellow man and an attempt to better the lot of all is one principle which has not been cast aside by our Government.

It is often very simple, and indeed tempting, Mr. Speaker, for a political party to forget those less fortunate when they gain the mantle of power. In our modern age it is too easy to forget those who, through no fault of their own, suffer economic, social or physical handicap. I am proud, and deeply honoured to be part of a government that has not forgotten.

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — Mr. Speaker, I find it curious and disconcerting that very often those who most criticize government expenditures are often the very ones who purport to defend and speak up for the less fortunate in our society. Mr. Speaker, this Government has effectively channelled and directed millions of dollars of our income into programs like the Family Income Plan. This Government has not forgotten its principles in order to make political gain.

I am proud of the Government's record in terms of social legislation and I know that Saskatchewan is a better place

because of it.

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — Mr. Speaker, Saskatchewan has been blessed over the years with an abundance of leadership talent. In the 1940s and 1950s Saskatchewan developed some of the most innovative and progressive legislation under the guidance of Tommy Douglas. In the early 1960s, under the leadership of Woodrow Lloyd, the province pioneered a universal medicare scheme which has since been adopted by all of Canada and is envied the world over.

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — But perhaps at no time in our history has the leadership been of more vital importance, Mr. Speaker, in the times ahead the Province of Saskatchewan, and all of Canada, will require sound leadership. Saskatchewan has acquired a prominence and an image as never before in Canada, for years we have known this, but it has taken a man like Allan Blakeney to hammer home that point in eastern Canada.

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — There are many obstacles in the road ahead for Saskatchewan, not the least of which is the threatened destruction of our grain-handling and transportation systems. Powerful groups like the railroads, the international elevator companies, grain groups and, not least, the Federal Government, are at work to reshape the grain-handling and transportation system into a pattern consistent with self-interests.

Mr. Speaker, it is times like these when Saskatchewan requires strong leadership. It is indeed fortunate, therefore, that Saskatchewan presently has such strong and capable leadership. During the recent election campaigns one figure emerged as the most admired and respected by the people of Saskatchewan. During the campaign one leader stood out, and, that's why this man is now the Premier of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — That's why he directs a government which has a substantial majority in the House.

Mr. Speaker, on June 11, the people of Saskatchewan made it clear whom they wanted to lead the province in the next four years. They made it clear whom they wanted to speak for them and the people of Saskatchewan when both the Federal Government and powerful interest groups would not. They made it very clear to me, Mr. Speaker, and they made it very clear to all the Members of this House.

Mr. Speaker, in the past Premier Blakeney has impressed all of Canada with his leadership qualities. No one in this province needs to be reminded of this. No one in Canada needs to be reminded, and certainly no one in the Federal Government needs to be reminded.

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Mr. Speaker, I should like to turn to one of the major elements of the Speech from the Throne, the potash policy. The decision by our Government to acquire control of the potash industry marks a milestone in the province's development, a milestone, in my opinion, as significant to our economy as formation of the Wheat Pool in 1924 . . .

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — . . . or establishment of the Interprovincial Pipe and Steel plant in 1959.

I know the constituency of Melfort will support this decisive measure, and I expect a large majority of the people of the province will do so as well. They will support it, not for doctrinaire or dogmatic reasons, but because the acquisition of the potash industry is good business in the Province of Saskatchewan in 1975.

Mr. Speaker, I am a businessman. In business circles a great deal is often heard of the 'self-made man', the successful businessman who makes the most of his assets. In the same sense, Saskatchewan is very much a self-made province, a province where almost all of our successes are due to our own common sense, our own initiative and enterprise, our ability to co-operate to reach our goals. Saskatchewan owes little to the outside developers; what we have here, we have because of our own efforts.

Consider some of the examples of Saskatchewan enterprises. The Saskatchewan Wheat Pool, one of our major businesses, a co-operative formed by our farmers to serve their needs; Intercontinental Packers, a major processor of farm products, built here and kept here through the foresight of our Government.

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — Co-operative Insurance, one of the few companies with a national head office in Saskatchewan, another off-shoot of our co-op movement; or Interprovincial Steel, the major steel industry of western Canada, in our province because of the initiative of our Government.

In each case, what we have is what we went out and won for ourselves. The same holds true for potash. In potash we have an opportunity to develop one more sector of our resource industry, an opportunity to bring home the head offices of the potash industry, an opportunity which we can grasp if we are prepared to step forward and use the Saskatchewan initiative. I am proud to be associated with the NDP Government and this Throne Speech, which demonstrates the courage that will put our province on the industrial map as headquarters of the world's second largest potash industry.

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — There can be no doubt of the necessity of acquiring control in potash. The need is obvious if we are to achieve any of the three goals we have set for the industry:

- (a) to assure a fair and lasting return on the resource for its owners;
- (b) to assure expansion and growth to meet world needs;
- (c) to assure public participation the development of our resources.

The value of a ton of potash has risen in five years from \$20 to \$70 per ton. Each of these tons of potash is the property of you and me, the citizens of Saskatchewan. We rent out the rights to mine and sell it to the potash companies, all of them international corporations. These companies have resisted paying the rent, and in the last 18 months to two years, they have begun, through court actions, to challenge our right to collect the rent at all. Today we find ourselves threatened with years of court battles, and the possible result that a judge could side with the companies and order the return of hundreds of millions of dollars in public revenues. Should this happen, many public services, in medicare, education, roads and other vital areas would be jeopardized. No responsible government could permit such a dangerous situation to develop. Our potash program will prevent it.

SOME HON. MEMBERS: Hear, hear!

MR. VICKAR: — Mr. Speaker, equally as important as securing our public resources revenues is the goal of expansion. Our potash reserves are among the highest grade and the most plentiful in the world. There is a desperate need in developing countries for this potash as fertilizer. We have a duty to expand our mines to meet this need, for the benefit of those who buy our potash and for our own benefit as a potential leader in the market.

Unfortunately, the present owners of the mines have not seen fit to proceed with expansion. Perhaps, in part, this is due to the actions of the Federal Government at Ottawa, which last year began double taxing the royalty payments these companies made to the province. Perhaps the companies themselves hope to use the promise of expansion as a means of forcing the province to drop its royalties. Whatever the reason, it has become clear that growth without a give-away will take place only if we expand the mines under public control.

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — So, I am pleased again to associate myself and the Melfort constituency with this forward-looking policy.

Mr. Speaker, I am pleased to second the Address-in-Reply to the Speech from the Throne.

SOME HON. MEMBERS: — Hear, hear!

MR. D.G. STEUART (Leader of the Opposition): — Mr. Speaker, my first words must be of congratulations to you and I say that we will, in the Liberal caucus, offer you our full support and our full co-operation.

We had it explained to us by the Clerk (Mr. Barnhart) the historical significance of the fact that when you were elected

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and you were led there by the Premier and the Provincial Secretary that you struggled a bit. The reason the Clerk laid out that this is done as part of tradition. In the first Parliament I think it was eight out of the first nine Speakers were beheaded and he said, in fact, this is just a form now. Well, I thought about that and I don't blame you for struggling. It's not really such a form. The last Speaker, just had the location of where he was stabbed changed to not quite in the head, but a slightly lower than that, in the back. So I hope you keep your eyes, not on your erstwhile enemies but on your so-called friends. I wish you well in your tenure as Speaker of this Assembly.

I should like to welcome all of the Members of the Legislative Assembly, the ones who returned and those who are new. I must say that I'm really sorry that most of you are here. To be perfectly honest about it I had hoped the place would be stuffed with Liberals after the last election.

MR. MESSER: — It's rear that we get such honesty.

MR. STEUART: — I'll get to you in a minute, Jack. However, I am very pleased that I have backing me up 14 of the finest people that have ever sat in this Legislative Assembly. There is no question, in spite of the dire predictions from both sides of the House, those to the left of us and those to the front of us, that they will prove their value and that they will be sitting on that side just as soon as the Government decides whenever in the future to call the next provincial election.

Mr. Speaker, I should like to return for a moment to the remarks of the mover and the seconder. The mover started off on a very high note. I heard the Members whispering over there, "isn't he witty, really, isn't he a wit?" We listened closely, well fairly closely, and they are about half right I would say.

I bring greetings to the new Member for Quill Lakes and the Premier also, from the former Speaker. I was with him in India. You will be pleased to learn that the scars are almost healed. I'm sure Mr. Dewhurst is looking forward to the "Mr. Dewhurst Day" they are having at Quill Lake. It will be the height of something if the Premier goes there. It will be the height of something else if the Member for Quill Lakes goes there. I am sure they will and pay great lip service to this wonderful man who stood for that area from 1946 or 1947 and then while he was sitting in her presiding over the House the Premier sent one of his happy little aides scuttling over there to get the nomination — which he did. It is very interesting that they have the gall to stand up here in the House and say how concerned they are about humanity and what a wonderful Christian or non-Christian outlook they have on life.

The new Member for Quill Lakes spoke bravely about congratulation the new Cabinet Ministers, but I got the feeling that he was twitching a little and that we was getting ready to make the great leap forward. In fact I was sure of it when I read in the paper where he was one of the loyal ones who got up and in the face of the mover of some of the labor movement in Saskatchewan to have the Government walk away from the federal

anti-inflation plan, that he stayed loyal and voted on that amendment supporting the Government. I'm not sure why they had to have that amendment. I'm not sure why anybody at the NDP convention had to speak about it because I'm not sure what the Government is going to do except pay lip service, which is all they have done so far on the anti-inflation program. I hope that some of the new Members who speak will get a new speech writer. John Burton has done a loyal job. We missed him those few years he was in Ottawa; he's back now to stay I'm sure, but I wish they would get a new speech. We've heard that one so often, and I think even some of the NDP Members are getting a little tired of it.

I was also interested that the Member for Quill Lakes (Mr. Koskie), is another instant expert on our timber industry. I suggest that he come up and take a look at the timer industry and what is happening tin the Prince Albert Pulp Mill. I've known cocker spaniels that have known more about timber than most of you fellows over there.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — I have news for him. If the pulp mill in Prince Albert is thinking of expanding, this is good new, I am sure. I think the first thing they should do is get it off the strike, so they can produce the 600 or 700 tons a day they are capable of.

I will tell him that the forest industry — and I will refer to it tomorrow when I speak — in northern Saskatchewan is in the worst mess under the NDP than it has been in for over 30 years.

I found the remarks of the Member for Melfort (Mr. Vickar) very interesting. I kept waiting for him to join with the Member for Quill Lakes (Mr. Koskie) in cursing the profit motive and to come down on all the multinational corporations. He about did it but not quite. Then I remembered why he isn't mouthing the same thing about those dirty multinationals, especially those Yankee corporations, all those dirty hounds making a profit off the people. He is a tool, that's what you people would say, he is a General Motors' dealer and a very successful one. In fact, if he isn't, it is just recently that he isn't, but he was. In fact I recall seeing his picture in that Yankee publication, that terrible publication, Time Magazine, as the dealer of the year. You don't get your picture in Time Magazine as the dealer of the year for a multinational car corporation unless you have been able to turn a buck or two of profit. I don't know how he fits himself into the NDP general membership. Again I wish him well. I was very pleased that he has joined the mad race for the Cabinet.

If you people think there is a mad race for my job, I tell you there is an even madder race for the front bench, and we welcome two new contestants for it today.

Mr. Speaker, I should like, before I adjourn the debate, to review some of the last few months, especially since the last election. Some of the people were talking around where I have been and they are questioning whatever happened to the old Cabinet Ministers who were defeated. We have done a little research and I am pleased to put their minds at rest.

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Mr. Taylor is well looked after, I understand, in the Department of Health, or maybe it is in the old Department of Welfare. I think it is the Department of Health; I am not sure. We don't know what his age is.

MR. ROMANOW: — Lost . . .

MR. STEUART: — I really say this in all sincerity that I hope none of it comes back to haunt you like that one haunted some other people.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Mr. Cody, I guess based on the fact that he once sold an insurance policy or something, is in the SGIO at a very high salary. They say that corporation is in a state of shock and I wouldn't doubt it.

I was rather worried about Mr. Thorson. I wondered what happened to Mr. Thorson. Why didn't he get a good government job? Then I found out that he had done even better than any of them, he joined the law firm of Griffin, Beke, etc., etc., the old law firm of the Premier of this Province, Mr. Blakeney. I further understand that last year they did anywhere from \$300,000 to \$350,000 worth of government business and Crown corporation business. I don't know whether the Attorney General is going "eehh!" because he doesn't believe it or "eehh!" because he's jealous.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — But either way — a little of both — either way. I would be very pleased when the Premier speaks if he would clarify that. We should like to know whether it is \$300,000 or \$350,000. But I am sure whatever it is, that our good friend, Kim Thorson, will do much better than he was doing when he was there as the Minister of Industry or the Minister of No Industry.

I am pleased to see you haven't moved the former Minister of Agriculture, even after you fired him and it is no wonder you fired him. Thanks to Happy Jack Messer, the then Minister of Agriculture, and the Land Bank and their approach, you might have got 28 or 29 per cent of the farm vote, but I doubt it. You dropped by the lowest point you have ever received in the popular vote since 1944. There is no question if you analyze the farm vote that you got 30 per cent or maybe less than 30 per cent of the farm vote. So it is obvious that Mr. Messer had to go. They moved him over to Minister of Industry and I must say I congratulate him. Up to this point in time he has been just as successful as the last Minister of Industry. You could even say he has been two or three or four times as successful, because four or five times more is still zero. We have hope, we still have hope and we are waiting patiently for Mr. Messer to spring to his feet and announce a new industry. Before he does, I wonder if he would look into the question that has been raised, I haven't raised it in the question period, but I will raise it. We understand that Intercontinental Packers has laid off 40 or 50 people in Regina and they may be on the verge of

closing; I wonder when he speaks in this debate if he would either affirm this or tell us No, it is not true.

Speaking of the Land Bank, we were quite interested when you had a famous American, a famous world man, Senator McGovern, on the political world stage you might say, come up here and speak so glowingly of the Land Bank and rush back and say he is going to introduce it into the Senate of the United States. I met him out in the hall. I always wonder what kind of a man could be beaten by Richard Nixon by 10 million or 15 million votes. I found out it is the kind of man who comes up to Regina and get hoodwinked by the NDP into thinking the Land Bank is a good thing and something that should be tried in the United States of America.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — I was pleased to see that they invited Gary Lane down there to tell the truth about the Land Bank. He is down there doing that right now.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Premier Blakeney brought in Bill 42 against the oil industry, he has taxed the oil industry, the mining industry and the potash people with taxes the height of which has never been seen in the country before. He crippled them with red tape and regulations and now he is moving in to take them over. Really, when the history of the province is written, when people look at it, they will say that the meanest shaft of all was when he made Ed Whelan the Minister of Mineral Resources. However, Ed is not here, I guess he is out negotiating for a potash mine, or maybe he has joined . . . I beg your pardon?

MR. BLAKENEY: — . . . the good stuff!

MR. STEUART: — Okay, I look at Walter Smishek. Walter has been moved. We have had Jewish jokes, Irish jokes, Ukrainian jokes, now we have an NDP joke, Walter Smishek, as Finance Minister. Well, they had to move him, after what he did to the nurses, what he said about the doctors. There is no question they had to move him. I must admit that I read with considerable amazement when they made Walter the Minister of Finance. The Premier said when he made the Cabinet changes that there were no losers. I read that again and I am sure some of the Members over there read that with a great deal of interest. I think there were many losers. There is one over there from Arm River (Mr. Faris), I bet he thinks he was a loser; Mr. Dyck, I bet he thinks he was a loser; then there is Henry, I don't know where Henry is, down building his City Hall. I notice Henry has moved up to the front bench, now if we could just get him moved over, from our point of view, to the right a little, I suppose from your point of view to the left a little, he may make it finally into the Cabinet. I really think when you look at the whole Cabinet shift, that the real losers were the people of Saskatchewan.

Mr. Speaker, I just came back from India, and I was very pleased to have been sent over there to the Commonwealth Parliamentary Conference. I was unable to attend most of the

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Conference. I got the Indian equivalent of Montezuma's "revenge" or Gandhi's "gottcha" or whatever they call it. I found many interesting situations. First, we enjoyed tremendous hospitality by the Indian people. I also found something I thought would be rather pleasant if we could make it retroactive. Mrs. Gandhi knows how to deal with the opposition, she just puts them in jail. But she has promised to let them out before the next election, not much before, but just before. It is an interesting ploy. I don't know whether the Premier is thinking about it but I will tell you one thing, it evidently shortens up the election even if it might not be very democratic.

MR. BLAKENEY: — Did you bring back a copy of the Bill?

MR. STEUART: — I have one. I am going to hand it over to whoever becomes our leader so that when they come to power they may put it in.

There is no question the NDP haven't gone that far but they have their own little system, and I will tell the new Members of the Opposition, the Conservative Party, that if they are not aware of The Election Act I am sure they soon will be and that is, whatever we in the Opposition spend in trying to publicize our own political party between now and the next election, that is counted against us. But the NDP don't quite play by the same rules. I notice, for example, the Premier went on television 15 minutes, which costs several thousand dollars and I am sure that didn't come out of the NDP coffers. They spent, I am sure, several thousand dollars on quarter page ads in all the papers, urging the people to listen to his speech. I listened to it. I thought it would be something different. It wasn't. It was just a rehash of the Throne Speech. While I think it is quite acceptable and understandable if the Premier of this province wishes to go on province-wide television to explain some program that has not been explained up to that time, that's understandable. This T.V. program was purely political and I think in fairness should be paid for if it hasn't been by the NDP political party and counted, as we'll have to count any expenditures, against what can be spent in the next election.

MR. MESSER: — . . . the Prime Minister.

MR. STEUART: — Well, you deal with the Prime Minister, you have some people down there, if they wake up, you have them deal with the Prime Minister. If he does the same thing, that doesn't make his sin, if it is a sin, any better than the sin of Mr. Blakeney.

Here is one sin I don't think has been found in Ottawa yet. We had a Throne Speech. It was quite well publicized in the newspapers of this province, the dailies, the weeklies, and the news media. The Government wasn't satisfied with that, they take the taxpayers' money and put a full page ad, "Saskatchewan Government Highlights of the Speech from the Throne".

Mr. Speaker, I will tell you some other things. The Blues, the things we get put on our desks every day are again being printed, without tender, without any reference to any other printing company in the province, again this year they are

being printed by the Service Printing, a company that is wholly and totally owned by the NDP's political party. We bring this up every year, of course they smirk, they laugh and they giggle about it but it doesn't make it any different. This kind of advertising such as that ad has been running daily or two or three times daily about Saskatchewan Minerals, through we don't sell any Saskatchewan mineral products in the Province of Saskatchewan. If we do, we have a captive market, some of it may be sold to the pulp mill. This is nothing more nor less than political propaganda put out on behalf of the NDP and paid for as this is by the taxpayers of this province. Not only that, again that political party over there in spite of its sanctimonious utterings, plays by one set of rules while they force us on this side by law to play by a different set of rules. It also makes a mockery of the Premier's utterances that his Government is going to cut down on spending and urging Ottawa and other governments in this country to do the same.

When you look at that building they are building out in the back here, the one they are building in Saskatoon, the hirings they have done in the public service, this kind of blatant political propaganda put out in the form of government advertising, then you read or listen to the pious utterings of the Premier saying his government is clean, that they have cut down, it is hypocrisy and he knows it.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — We also know, that again after his election they are carrying on this immoral practice, and I think if everybody called a spade a spade, the illegal practice as well as a conflict of interest of the worst kind, that is handing over government business to their own printing company, the profits of which are funnelled into their own political party. They might just as well put their hand in the taxpayers' pockets and steal the money for their own political party and that is exactly what they have been doing and they are doing it again.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Mr. Speaker, I just want to talk for a moment about the treatment they gave Mr. Dewhurst, the former Speaker. Again there was a little smirking and laughing over there. I want to come back and say that I don't think in the history of any political party in this province has any Member who has served his party and this province as loyally as the former Speaker been treated as badly. He was embarrassed when we talked about it last year, but he is not here now. Was there ever a more blatant example of the inhumanity of that political party! First, they sent a man out from the Premier's office to get that nomination. Then they even held the nomination on a day when the Speaker was forced to be in his Chair in this House fulfilling the duties given to him, placed on his shoulders, by his own political party.

That isn't the only example. I want to just touch on the treatment of two long time employees of the Saskatchewan Power Corporation. I don't know whether Mr. Reed and Mr. Keith were fired to satisfy the ego of the Minister of Industry. I don't know whether he did that because he was outraged since he had been publicly taken out of the Department of Agriculture and

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literally demoted for everyone to see. I don't know whether he wanted to show what a man he was, how strong he was and he had the support of his desk mate, the Member for Moose Jaw South (Mr. Snyder) and fired these two people. What was their sin? Mr. Reed had worked for the Power Corporation for over ten years, he had been a faithful employee, he had been a good employee. If he had any sin, he had neglected to mention for about two weeks an oversight by someone in the Corporation about a contract.

MR. MESSER: — Get your facts straight.

MR. STEUART: — I got my facts right, you get yours right, you try going over to that building once in a while and find out what is going on.

There may have been some excuse for Dick Keith. He was the General Manager, but again he had worked for the Saskatchewan Power Corporation for over 40 years. There was no question about his involvement politically in any way. I don't think anybody ever questioned that. He made a mistake, no question about that. He should have reported that error as soon as he was aware of it to the Board of Directors. To publicly fire the man after 40 years, ignoring the fantastic service he had rendered to that Corporation, the millions of dollars he made for the people of Saskatchewan and some of the good deals he made, I think is a clear indication that when those people mouth words about humanity first and about their concern for people, that's exactly what they are doing, they are mouthing words. It's superficial, it doesn't mean a thing.

We had an example just the other day, Mr. Stewart McMillan, again an employee of this Government for about 40 years, head of the Local Government Board. He was fired, ostensibly because some of the towns and villages and maybe the Mayor of Regina were unhappy about the fact that he was a little conservative.

AN HON. MEMBER: — Say that on the radio.

MR. STEUART: — I sure will. I'll say it on the radio; I'll say it in public and I'll say it anywhere.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — One of the reasons that we have a pretty sound municipal financial system is thanks, over the years, to the Local Government Board; people like Cam Lane, people like Stewart McMillan, people who have had the courage and been allowed the independence by successive governments, Conservatives, Liberals, CCF, been allowed the independence of action to judge each case of local government financing on its own merit. This man was too tough for somebody. Again with two years to go, instead of letting the man go gracefully. It is your right as a government if you decided you wanted to move the Local Government Board in a different direction. Then surely have the courage to come in and change the Act, surely have the courage to come in and change the policy publicly, but No, What did you do? You did the same thing as you did to Dick Keith when you put his head on a platter and handed it to the Oil Chemical and Atomic Workers' Union. The Union wanted Dick Keith's head on a

platter. You people had forced that union back to work and they were made at you. So you promised them before the election, "Just wait until the election is over, boys, and we'll give you Keith's head on a platter." That's exactly what you did.

MR. MESSER: — . . . totally confused.

MR. STEUART: — I am not totally confused. The problem happened before the election and you did nothing about it until after the election. When the election was safely out of the way, you fired him and I am not confused at all. It is you people who are confused.

MR. MESSER: — It was the IBEW.

MR. STEUART: — Well it might be the IBEW, either one of them. Well, which one? They both wanted his head on a platter, does that make your sin any better, the fact that you gave in to the International Brotherhood of Electrical Workers or you gave in to the Oil Chemical and Atomic Workers. Don't kid yourself, Mr. Snyder. We know whom you are taking your orders from, and we know exactly when they pull the strings you jump.

AN HON. MEMBERS: — You're embarrassing your caucus.

MR. STEUART: — Mr. Speaker, I think the handling of these long time public employees was disgraceful. I don't question your right, obviously you had the right, but I do question whether what you did was moral and I think it was inexcusable.

Mr. Speaker, I intend to speak tomorrow about two of the major items brought up in the Throne Speech. The Provincial Government's so-called readiness to co-operate with the Federal Government in the fight against inflation. Again I question why it should have been a matter of great concern at the NDP Convention. Because if you get past the Government's words, they haven't done anything and there is no guarantee that they intend to do anything. The other is moving in on the potash industry to threaten nationalization of all or part of the potash industry.

Let me say this afternoon that the question of whether a government shall be in business or not, that debate was settled a long time ago. Governments in this country of all political stripes decided many years ago to be in the Power Corporation business or Telephones, of Post Office and so on, so let's not try to make this debate a question of whether the government should or should not move into business if they think it in the best interest of the people. They have done this in the past, and I agree with it. What this boils down to is simply this. What will this action do in the short run and the long run, what will it do to the people of Saskatchewan? Those are the only criteria we should measure this move by. I say this, that by every yardstick you measure, whether you measure it by the yardstick of a good business deal or whether you measure it by the yardstick of what will it do to our reputation if we hope to get other people to come into our province and invest their money, their time and their skill, I say it is a very, very bad idea. I am sure I can prove it.

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Mr. Speaker, I have a great deal more to say about the Throne Speech and the action of this Government. I beg leave to adjourn this debate.

SOME HON. MEMBERS: — Hear, hear!

Debate adjourned.

The Assembly adjourned at 4:28 o'clock p.m.