

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Fourth Session — Eighteenth Legislature**

**November 28, 1977.**

The Assembly met at 2:00 o'clock p.m.  
On the Orders of the Day

**WELCOME TO STUDENTS**

**MR. W.H. STODALKA (Maple Creek):** — Mr. Speaker, I would like to introduce a group of 16 students from the Golden Prairie High School, in the east gallery of the Legislature. They have been in town enjoying the Agribition program during the weekend and they are spending the day here in the Legislature, and I hope they find their day here most interesting and educational. I will be meeting with you in the rotunda after the question period.

**HON. MEMBERS:** Hear, hear!

**QUESTIONS**

**CIGOL DECISION**

**MR. E.C. MALONE (Leader of the Liberal Opposition):** — Mr. Speaker, I would like to direct a question again to the Premier in connection with the CIGOL decision.

As the Premier is aware, many legal experts are saying that the CIGOL decision will of course, affect other resource taxation, and of course in this province in particular, the potash reserve tax legislation. In view of the fact, Mr. Speaker, that some \$300 million dollars has been collected to date under the potash reserve legislation, and that is a ball park figure which I concede, is it the intention of the government at this time to bring in legislation in conjunction with the legislation Bill 42, to prevent the sum of \$300 million being possibly put in jeopardy and having to be paid to the resource industry, and have a bill, not of \$580 million but closer to one billion dollars?

**HON. A.E. BLAKENEY (Premier):** — Mr. Speaker, we are aware that on some interpretations of that judgment of the Supreme Court on the CIGOL decision, the taxation structure of almost every resource industry taxed by almost every province in Canada may well be in jeopardy. This would include possibly the potash taxes; it's inordinately hard to say the extent to which that judgment may be given narrow or broad interpretations. We are at this time, not proposing to introduce any legislation, by which I mean this week or in the next 10 days or so, any legislation dealing with the potash reserve tax or other resource taxes until we have had an additional opportunity to assess whether or not the decision can reasonably be applied to some other taxes which we and other provinces have.

**MR. MALONE:** — A question, Mr. Speaker. In view of the answer, Mr. Speaker, is the Premier prepared to give this House an assurance today that counsel for the government on the various cases involving the potash industry, and in particular the case that is due to come to trial on January 14 in Regina, will be instructed to request an adjournment of that case and other cases if there are any, to accomplish two things. Number one, to give the government an opportunity through negotiation or legislation or a combination of both, to deal with matters passed, that is, the existing potash

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reserve legislation, and, number two, to permit a meeting of first ministers to be held with the federal government, to try to extricate ourselves from the mess that has been created, for future resource taxation so that resource companies and the people of Canada will be able to ascertain who is responsible as the taxing authority, who can collect what and when and under what means.

**MR. BLAKENEY:** — Mr. Speaker, I anticipate that before the potash case goes to trial in the first instance here in January, there will be contracts between ourselves and the federal government, respecting the situation which arises not only in this province but in every province in Canada, as a result of possible interpretations of the CIGOL decision.

The Prime Minister is due to be in Regina before long and there will be a opportunity at that time to discuss matters which concern the state of confederation and the health of confederation since this particular decision clearly has a major impact, I have no doubt that this will be one of the topics discussed, and the possibility of a federal-provincial conference will no doubt be canvassed.

**MR. MALONE:** — A supplementary question, Mr. Speaker. In view then of the CIGOL decision and the possible implications involving the potash industry, is it the government's intention to reassess its position with the industry, and rather than attempt to buy 50 per cent or approximately 50 per cent of the production in this industry, are you now intending on buying 100 per cent of the industry to avoid the possible implications of the CIGOL decision?

**MR. BLAKENEY:** — Mr. Speaker, we have reached no such decision. The CIGOL decision is interesting in that it appears that ownership of the resource is the only clear way that we guarantee a return from our resources. I find that a disappointing conclusion that provincial governments do not have any effective way to tax a resource which is extracted from the province and exported outside the province, and that is certainly one reasonable interpretation to be drawn from the CIGOL decision, that ownership is the only sure basis for return. We are, because of that, somewhat confirmed in our belief that we should be proceeding to obtain 50 per cent or more of the potash industry. There are significant advantages to having, at least in my judgment, a portion and a significant portion of the potash industry not owned by the government of Saskatchewan, hence the decision to proceed in the way we indicated. We have not reached any conclusion to vary the policy previously announced, notwithstanding the fact that the CIGOL decision appears to encourage public ownership and discourage the private ownership of a resource such as that.

**SOME HON. MEMBERS:** Hear, hear!

### **KICKBACK SYSTEM ON DRUGS**

**MR. R. KATZMAN (Rosthern):** — A question to the Minister of Health. Why is there a kickback system from the wholesalers to the government of Saskatchewan on drugs bought from the Aryst Company?

**HON. E.L. TCHORZEWSKI (Minister of Health):** — Mr. Speaker, as far as I am concerned there is no kickback system. I am not familiar with the topic that the member talks about and I can take it under advisement if he could give me the details of it.

**MR. KATZMAN:** — A supplementary if I may. Would the minister deny that there is a

rebate required of the wholesalers on drugs that are bought from Aryst?

**MR. TCHORZEWSKI:** — I am sorry I missed the first part of your question.

**MR. KATZMAN:** — Do you deny that there is a rebate required from the drug wholesalers on some of the drugs they buy from Aryst Corporation?

**MR. TCHORZEWSKI:** — I am not familiar with any rebate.

### CIGOL - URANIUM TAXES

**MR. C.P. MacDONALD (Indian Head-Wolseley):** — I would like to direct also a question to the Premier in relation to the CIGOL case. Could the Premier tell me, number one, has the government of Saskatchewan collected any uranium taxes from under the new procedures, the new royalty structure, from the uranium mine at Rabbit Lake? Can the Premier tell me if anything has been collected to date?

**MR. BLAKENEY:** — Mr. Speaker, I cannot answer the hon. member's question with certainty. Certainly we have been collecting royalties from the mine at Rabbit Lake. Whether or not they are pursuant to the old royalty schedule or the new royalty schedule I cannot quite recall. We gave the Rabbit Lake mine an option either to stay on with the old deal that they had up until 1981 I believe, or to move on to the new deal whichever they preferred. The numbers proved to be very similar since the new deal provides a low level of royalty until they have made a recovery of their capital investment and the numbers, therefore, were very similar to the previous arrangement made by the government which preceded ours, which was essentially I suppose based upon the same arrangement. I am not quite sure which arrangement the company is paying under, the numbers will be similar.

**MR. MacDONALD:** — A supplementary, Mr. Speaker. Can the Premier now inform me when he purchased Duval and Sylvite potash, did he in the agreement protect himself against litigation in the future to recover those taxes if the reserve tax is challenged by two companies who now have absolutely nothing to lose and litigation might bring them back substantial millions of dollars from something in which they do not now have an interest in Saskatchewan?

**MR. BLAKENEY:** — The agreements are designed to ensure that the companies waived all of their claims against the government of Saskatchewan and withdrew from the legal actions with prejudice, as the lawyers say, i.e. that they have no right to continue any claim against the government of Saskatchewan for the return of taxes or by reason of any other claim of that nature. So we believe, if the advice is appropriate, all potential claims by Duval or by Alwinal or by HBM&S at Rocanville have been compromised and are now expunged.

**MR. MacDONALD:** — Mr. Speaker, would the Premier now not agree with the member for Regina South and the members of the opposition about the wisdom of a constitutional commission to review? I find it completely beyond me that he is sitting with the only answer, possible expropriation in the potash industry, which to me is the last consideration. Would the Premier not agree that a constitutional commission to review now, uranium, potash, oil and protect for the future of the Saskatchewan citizens hundreds and hundreds of millions of dollars that may well be in jeopardy, and would the Premier not think that his government or any government should act with a little wisdom and foresight and start taking those kinds

of precautions and those kinds of reviews immediately to try and prevent anything from happening in the future through the litigation in the courts.

**MR. BLAKENEY:** — Mr. Speaker, I suppose we would defer to no one in our desire to protect the revenues but I do not understand how a constitutional commission is going to bring about the certainty of return from our resources which the hon. member for Indian Head-Wolseley suggests. Commissions, heaven knows, we have enough of in Canada but I am not sure that they have brought certainty to our government whether in Quebec or in Ottawa or in Alberta or in Saskatchewan or wherever and I am not at all assured that a constitutional commission will somehow solve the problems of resource taxation which appeared to have emerged by reason of the CIGOL decision.

**MR. R.L. COLLVER (Leader of the Conservative Opposition):** — Then, today, the best possible way to get ourselves out of this unfortunate position in which we find ourselves, where the choices are so onerous, that he should have approached the government of Canada for a one time special event assistance to the government of Saskatchewan to ensure that the CIGOL decision does not materially affect the people of Saskatchewan.

**MR. BLAKENEY:** — I do not think this is a one time problem. I think this raises issues between the provinces of Canada and the government of Canada which are fundamental, fundamental to the structure of confederation and which needs to be resolved by a decision, either a reversal of the thrust of the CIGOL decision, or alternatively a clarification of the constitution so that the CIGOL decision is unlikely to be repeated. I do not think that will come about by us going to the government of Canada and asking for a law which will deal with this particular situation. The same logic which makes it impossible apparently for us to levy a commodity tax, any kind of a commodity tax on any kind of a resource which is mined and subsequently shipped out of our province, would apply equally to the mining of gypsum in Nova Scotia or the mining of copper ore in British Columbia or the mining of coal for export to Japan or the mining of asbestos in Quebec. If these are the facts, if it is true that the provinces cannot levy any type of commodity tax, and I think that's the fair reading of the majority decision of CIGOL, then this is a very substantial change in the constitution of Canada as we have understood it and needs to be resolved by the provinces and the federal government clarifying the rights of the provinces in the resource area.

#### URBAN TRANSPORTATION AND RAIL LINE RELOCATION

**MR. J.G. LANE (Qu'Appelle):** — I would like to direct a question to the minister responsible for Dr. Gartner who has something to do with the urban transportation rail line relocation in the city of Regina. Dr. Gartner is quoted rightly or wrongly with stating that the government seems to be backing out of rail line relocation program or project in the city of Regina for two reasons supposedly: (1) the change in the federal policy and (2) the matter of costs being uncertain and Dr. Gartner's predicting major possible cost escalations. This project has been going on for some years and discussions have been going for some years and Mr. Speaker, my question is . . .

**MR. SPEAKER:** — Order! I wonder if the member when starting out — I was in doubt because I thought maybe his initial remark was maybe facetious because I didn't know there was some minister in charge for whoever Dr. Gartner is and the member drew out his comments and was obviously providing I think more information to the Assembly than is required to elicit an answer.

**MR. LANE:** — . . .the rather sudden change in the government position after years of discussing the project. Is this the first major project, I'm referring to the timing, the first major project to be cancelled because of the economic ramifications of the CIGOL case?

**HON. G. MacMURCHY (Minister of Municipal Affairs):** — Mr. Speaker, there has been no change in the government policy with respect to Regina Rail Relocation in terms of the point put forward by the hon. member for Qu'Appelle. It is true, Mr. Speaker, that a proposal has come to the government regarding rail relocation from the city of Regina. It is true that that proposal is being examined and studied within the government. It is also true that there has been a change in federal policy with respect to federal funding. I think that that matter needs to be clarified, both by the city of Regina and by the provincial government before a great deal of further work can be done with respect to the proposal put forward by the city.

**MR. LANE (Qu'Appelle):** — A supplementary question to the minister. The reports indicate that the government has waited nearly one year to criticize the wording of a city of Regina by-law as now being irresponsible — I think, the phrase used — and criticizing also the city's cost estimates. Now you have waited a very long time before you start attacking the city of Regina's position. Would the minister not admit that in fact the government is really setting the stage for abandoning rail line relocation and its previous commitment to the city of Regina?

**MR. MacMURCHY:** — Mr. Speaker, it's simply not true that we are setting up the vehicle for abandonment. I think, we are in discussion; very clearly with the city of Regina we are in examination of their proposal very clearly with the city of Regina. I think that we have to clarify as I said earlier, the financial situation with respect to that project. Certainly, Mr. Speaker, if the federal funds are not available to the extent that it was felt they were, in terms of 50 per cent of the cost, then it must be back to the drawing board and putting forward a new proposal for consideration of the city and the province as well.

**MR. LANE:** — Supplementary, Mr. Speaker. Would the minister not admit that statements such as the city was irresponsible and that they are talking about some pretty fancy bills out there, and that the city has been in fact misleading the public as the impression left by Dr. Gartner really are not conducive to sound negotiations and can only lead to the logical conclusion that the government is really trying to renege on a previous commitment to the city of Regina?

**MR. MacMURCHY:** — No, Mr. Speaker. I think there needed to be an opportunity for discussion of this major project. The opportunity was presented to Dr. Gartner the executive director of the Transportation Agency and he expressed his interpretations of his studies that have gone on so far. I think that was legitimate and in order and hopefully the matter can be further followed up with a sound clarification coming forward with respect to the federal government's position in this particular project.

#### IMPERIAL OIL — CIGOL CASE

**MR. E.F.A. MERCHANT (Regina Wascana):** — A question to the Premier, Mr. Speaker. Is there any distinction whatsoever between the Imperial Oil case against the government and the CIGOL case? In short I am saying, is there any defence in that action that was not raised in CIGOL, or may we assume that that action will clearly result in a judgement against the government for \$40 million?

**MR. BLAKENEY:** — Mr. Speaker, a couple of comments there. First, that is a case before the courts; secondly it asks me for a legal opinion as to whether or not there are defences available in Imperial that were not there in Norcen or CIGOL. To my knowledge there are some additional allegations in the statement of claim. I do not know whether there are any other defences, nor do I know when that might come to trial and when it might be reduced to judgement. So far as I am aware, the pleadings aren't all in yet, let alone coming to first trial, let alone going to the Court of Appeal, let alone going to the Supreme Court of Canada. It may be that the situation is not imminent. I am not aware of any defences, I simply do not know whether there are additional defences or not.

**MR. SPEAKER:** — Final.

**MR. MERCHANT:** — Final, Mr. Speaker? Mr. Speaker then wouldn't mind if I asked a couple of brief questions.

I gather from the Premier that he chooses to attempt to continue the myth that this is only a \$3 million to \$5 million action and I ask the Premier whether he takes issue with all of the press reports, which I submit accurately report that the loss is, in fact, \$580 million? And I ask the Premier whether you were aware when you took this rather massive risk of the likelihood of a loss and why in potash and oil, you would have chosen to follow this policy even had you thought that there was a 20 per cent chance of visiting upon the people of Saskatchewan such a massive loss in the courts.

**MR. BLAKENEY:** — Mr. Speaker, shortly put, we believed that the people of Saskatchewan were entitled to a fair return on those resources. We believed we had enacted legislation that would effectively give them that. We relied upon legal advice which we thought was good legal advice. The alternative to taking the risk was to give the money to the oil companies — I know that's the policy of Liberals. There is simply no way that that money could have been obtained for the people of Saskatchewan without passing a law which would have been attacked. There is simply no way to know that that attack might not have succeeded in the Supreme Court of Canada. However unlikely that may have seemed, the facts are that the established jurisprudence at that time said we could extract that money; that our policy was we should extract that money. Members opposite say hogwash. They did not say hogwash when the Court of Queen's Bench agreed with us — they didn't say it was hogwash. When the Court of Appeal agreed with us five to nothing they didn't say the judges were talking hogwash. They didn't say that was unanimous hogwash. They have suddenly become wise as to what is hogwash and what is not hogwash. I say there has been a substantial change in the jurisprudence in Canada, a change for the worse and a change which we hope to reverse.

#### **DELTA HOLDINGS (EVICTON)**

**MR. G.N. WIPF (Prince Albert-Duck Lake):** — Mr. Speaker, a question to the Minister of the Department of Northern Saskatchewan. Last spring, in fact on May 5, on the Budget debate, you stated that the agreement that we have with Delta Holdings is by far the best agreement that you had received and that was for the housing for the DNS employees. In light of that statement, Mr. Minister, is it now true that the Delta Holdings has given the DNS notice of eviction for approximately 50 families from the DNS

apartments and homes in La Ronge and if so, when is it effective?

**HON. G.R. BOWERMAN (Minister of Northern Saskatchewan):** — Mr. Speaker, I continue to believe that the agreement that the government has with Delta, was the best agreement which the government could reach, during that occasion. I do not know, I am not personally aware of any notice of eviction from the Delta Holding group to the government or to the department to this time. If the member has information, I would be glad to have him extend the information to me and perhaps I could give him a more accurate answer.

**MR. WIPF:** — Mr. Speaker, a supplementary question then. I'll tell you I agree that you did have the best agreement with Delta that you could pick up at that time. Is the DNS and Delta at this time negotiating, or is the DNS negotiating with Delta Holdings at this time to buy the properties in La Ronge?

**MR. BOWERMAN:** — Mr. Speaker, I am not aware of a negotiation process going on between the department or the government for the purchase of the Delta Holdings in La Ronge.

### INDIAN LAND CLAIMS

**MR. L.W. BIRKBECK (Moosomin):** — A question to the Premier, Mr. Speaker. Mr. Premier, is it your intention to meet all Indian land claims in Saskatchewan and given the fact that these land claims may exceed provincial Crown land availability, is it your intention to use landbank land?

**MR. BLAKENEY:** — The answer — short answer — no to the last question. First question, is it our intention to meet all Indian land claims in the province? Answer, we propose to meet the treaty obligations with precision, i.e. to meet all of the Indian land claims that are established as land claims from unoccupied Crown lands. Now that with precision is the treaty obligation. To go beyond that where there are not unoccupied Crown lands to meet an Indian land claim, we propose to sit down with the Indian bands, see whether or not there is some way to meet their claim other than with land if they are still insisting on land, whether or not land can be procured in the area in a way which will be satisfactory to any occupants of the land, the current occupants of the land, because by definition, it's not unoccupied, and if we can find a way and the Indian bands understand that, that they do not wish people displaced. If that can be met, then we will proceed on that basis. We have talked in the same vein with the federal government, I think you can see that where there are no unoccupied Crown lands, the situation is not perfectly clear except that both governments and the Indian bands are agreed that present occupants should not be ousted from their lands.

### PRIORITY OF DEBATE

#### CIGOL CASE

**MR. S.J. CAMERON (Regina South):** — Mr. Speaker, before orders of the day, I beg leave under Rule 17 to move a motion asking for priority of debate for the purpose of discussing Mr. Speaker, a definite matter or urgent public importance and I state the subject to be that in view of:

- (a) the mineral tax and royalty surcharge provisions of Part 1 of The Oil and Gas Conservation Stabilization and Development Act, 1973 having been ruled unconstitutional by the Supreme Court of Canada despite the assurances by the Attorney General that such act was lawfully enacted;

(b) the government intends to introduce into the Assembly a new bill, which if proved unconstitutional, would be ruinous to Saskatchewan and the need, therefore, for reliable and accurate legal advice on the constitutional aspect of such bill, that this Assembly, having lost confidence in the Attorney General and his legal advisors request the Premier to appoint a new Attorney General for Saskatchewan.

**MR. SPEAKER:** — Order, order! I notice regarding this matter proposed for priority of debate under Rule 17 was received in the Clerk's office at 10:00 a.m., for which I thank the hon. member. I have interpreted the last paragraph of the notice as being the subject matter for priority of debate. The background of this matter, as stated in paragraph (a), was debated by this Assembly on November 23, 1977 and, therefore, cannot be raised again. (See Rule 17(10)(c).

Paragraph (b) of the notice, again, as background, is hypothetically based on legislation which has not been introduced in this Assembly.

Since the Assembly has already debated the matter of the effects of the ruling of the Supreme Court of Canada and has debated the solution offered in the notice and the Assembly, still has a special order presently before it where these matters may legitimately be debated further.

I rule that this matter raised by the member for Regina South is out of order.

### QUESTION OF PRIVILEGE

#### REFERENCE TO STATEMENT MADE BY LEADER OF PROGRESSIVE CONSERVATIVES

**MR. C.P. MacDONALD:** — Mr. Speaker, I rise on a point of privilege if I might.

**MR. SPEAKER:** — What is the point?

**MR. MacDONALD:** — Mr. Speaker, last week the Leader of the Conservative Party made a statement in the House which I was unable to check at the time until I had an opportunity and I will quote it to you:

Mr. Speaker, we will start again. Today the Acting Prime Minister stated in response to a question in parliament that on behalf of the government of Canada that they would consider refunding the income taxes that they would receive on the \$500 million that would have to be repayable, or approximately \$250 million to the government of Saskatchewan.

Mr. Speaker, I have checked with the federal government and I have checked with many people. The statement was never made by the Acting Prime Minister. Once again I want to ask the Leader of the Conservative Party to withdraw that statement because it certainly misled the House and misled the people of Saskatchewan. That statement was never made in the House of Commons, Mr. Speaker.

**MR. SPEAKER:** — Order, order, order, order! I would ask the member for Nipawin (Mr. Collver) if in fact he believes the statement by the member for Indian Head to have been correct. If he does then he should withdraw the remarks; if not, then I will take the matter as notice and deal with it at a later time.



**MR. R.L. COLLVER (Leader of the Conservative Opposition):** — Mr. Speaker, my information is that the acting Prime Minister did in fact make such a statement and did in fact answer such a question in that regard. I have not had an opportunity to actually check Hansard or check the record, but I have been informed by the person who questioned the acting Prime Minister at the time that he did agree to consider such a matter. I would have to have an opportunity to check before I found out whether in fact I was misinformed or whether or not ..

**MR. SPEAKER:** — Order! I think I have the gist of what the member is putting forward — he is not certain. We will then proceed with the order of business.

**MR. CAMERON:** — Mr. Speaker, on a point of privilege as well, I had asked Mr. Speaker will recall, the Minister of Finance a question the other day. The question was, "What portion, if any, of the funds payable in respect to the purchase of potash mines are payable in US funds?" Mr. Speaker, the Minister of Finance responded that no moneys payable in respect to the acquisition of potash mines were payable in American funds. Now, Mr. Speaker . . .

**MR. SPEAKER:** — Order! I think the member is raising a point of order and he should have done that before the orders of the day. We are now down to special orders. If the member can just hold the point until the next time the opportunity arises before orders of the day I will have a look at it.

### ADJOURNED DEBATE

### ADDRESS-IN-REPLY

The Assembly resumed the adjourned debate on the proposed motion of Mr. N. Lusney (Pelly) and the proposed amendment thereto moved by Mr. E.C. Malone (Leader of the Liberal Opposition) for an Address-in-Reply.

**HON. G.T. SNYDER (Minister of Labour):** — Mr. Speaker, I welcome this opportunity to contribute a few words to the Throne Speech Debate.

I want first of all to offer my sincere congratulations to the mover and seconder of the Address-in-Reply. I have been privileged to occupy a seat in this House for a number of years and I must say that the speeches of the members representing Pelly and Meadow Lake must rank at the top of the list of those that have been delivered since my arrival here.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SNYDER:** — A special word of welcome should be offered to the member for Pelly, Mr. Speaker. He has already distinguished himself as an able and conscientious MLA since he was chosen by his constituents in that by-election last June. Few members of this House, past or present can boast a kind of majority, the vote of confidence, which he received. I am certain that the people of Pelly will be well served by this member as they were by his predecessor, the late Mr. Leonard Larson.

Mr. Speaker, the burden of my remarks today must centre around the illusive and often contradictory positions being taken, and statement of members opposite which defy logic or explanation. Opposition parties in this province, Mr. Speaker, have evaded and

continue to ignore matter of major significance to the people of Saskatchewan. I want to spend a few minutes to talk about the Conservative Party's resource policy this afternoon.

Two years ago, Mr. Speaker, when the Conservative Leader first came to this House, he made his opposition to Bill 42 very clear and the philosophy behind that bill. Then he spoke against fair taxation on multinational oil companies and now he speaks against a fair taxation policy. Then he opposed the right of Saskatchewan people to have a fair return on their oil development, and now he speaks against that right. The Leader of the Conservatives continually challenges the right of Saskatchewan people to take part in the management of their resources, in particular, non-renewable resources such as oil, gas and potash. He has made his opposition to Bill 42 and the philosophy behind that bill very clear, Mr. Speaker.

**MR. COLLVER:** — He has placed words in my mouth which I deny and, therefore, I ask him to withdraw them.

**MR. SPEAKER:** — That is not a point of personal privilege, that is a debating point and the member has an opportunity like every other member to discuss it in this debate.

**MR. SNYDER:** — Mr. Speaker, if the member has a wish to stand on his feet and say how he supports Bill 42 and the principle behind that bill, then I think the member should have made his position clearer when he spoke on this Throne Speech Debate. He has made his position on Bill 42 and the philosophy behind that bill clear. He is against fair taxes on the multinational oil companies. He does not believe that Saskatchewan people have the right to a fair return on their oil which is being rapidly depleted, Mr. Speaker.

For years, Mr. Speaker, we took the word of private oil companies in this province and the multinational oil companies and we were required to rely heavily upon the leadership and the direction of these large oil companies in determining how much oil should be produced and how much we should export. It is fitting just to have a look at where it led us, Mr. Speaker.

Let me recall when we last took the word of the large oil companies in the province of Saskatchewan. Let me recall the time about six years ago when some people began to question the unrestricted export of western Canadian oil to the United States saying that we faced shortages down the road and Imperial Oil didn't like that criticism. In its 1971 annual report, Mr. Speaker, over the signature of its president, Imperial Oil said this and I quote:

The export of Canada's energy resources is being questioned; in effect, we are being asked to 'bank' our petroleum resources. Canada is not in any way deficient in energy resources. Our present energy reserves, using present technology, are sufficient for our requirements for several hundred years.

Now, Mr. Speaker, what are the facts six years later? Canada this year will have an oil deficit exceeding \$2 billion and that figure will grow to something in excess of \$10 billion over the next decade. Mr. Speaker, I disagree and I believe Saskatchewan people disagree with the Conservative Party in Saskatchewan, that we should once again abandon our role in determining the development of our oil and gas and that we should allow Imperial Oil and other foreign producers to do it for us.

I think it would be unwise for us, or for any Canadian government, to allow Imperial Oil to mislead us with false statements that we have an overabundance of oil, and that we shouldn't place restrictions on our oil exports to the United States and elsewhere. Instead, Mr. Speaker, I believe, as does this government, that if our federal and provincial governments had been part of the oil industry as a major producer over the last number of years, we could have been better informed as to what the real situation was. We wouldn't have to rely so heavily on misinformation received from the private sector, and we might very well have helped to relieve some of the strain which this country is now experiencing the field of energy.

Mr. Speaker, if Saskoil had been in existence 10 years ago, we would have been in possession of the technological and geological information and the private oil industry wouldn't have been able to mislead us. However, Mr. Speaker, the Conservatives stand ready to give Saskoil back to private enterprise so that the oil companies can mislead us once again.

I disagree, Mr. Speaker, and I believe that the people of Saskatchewan disagree, with the view of members opposite that we should abandon the principles and provisions of Bill 42. This government believes that Saskatchewan people are entitled to a fair share, to a fair return on our production estimated at something in the order of 800 million barrels. It continues to be our view, Mr. Speaker, that revenue from diminishing oil resources must provide revenue for financing of some services today but more important in the long run it must be the source of capital for investment in projects which will ensure a continuing return for future generations of Saskatchewan citizens. Thus, Mr. Speaker, our involvement in the potash industry which the Leader of the Conservative, that captain of industry, that baron of Buildall Construction, that mastermind of Management Associates Ltd., would emasculate if he were given the power to do so.

I suppose, Mr. Speaker, one might properly ask, why Saskatchewan citizens would trust the Leader of the Conservatives to lead them to lie down in green pastures. Mr. Speaker, his proven record of performance and ability is well known to his former associates to their sorrow. These are the people who trusted him, Mr. Speaker, and while mismanaging virtually everything he laid his hand upon, he has apparently provided well for himself and his own, having arranged for deposits in Swiss and Arizona bank accounts for convenient holidays and education and travel abroad. Stock transfers, Mr. Speaker, and exorbitant salaries to his immediate family. Private enterprise in full bloom, Mr. Speaker.

Well, it must be admitted, Mr. Speaker, that this financial genius exhibits the capability of worming his way into the hearts of some people. Noranda Mines has such a high regard to the Conservatives and their Leader that they provided \$15,000 to the member for Nipawin and his Conservative friends. These Tories also received \$25,000 from the Royal Bank of Canada, \$50,000 from the Bank of Montreal, \$21,703 from Gulf Oil, \$26,000 from the Imperial Bank and \$6,000 from London Life by way of campaign contributions.

Well, Mr. Speaker, these rather lavish campaign contributions ensure the devotion and the loyalty of those opposite to those who donate so generously. Here, Mr. Speaker, is a political party which has been purchased body and soul by a syndicate of free enterprises who do not have a humanitarian instinct or a drop of the milk of human

kindness in their corporate souls.

Well, Mr. Speaker, after having won the affection of the largest financial interests in Canada, the member for Nipawin then devotes a few moments to our senior citizens and their problems. Obviously the member for Nipawin is aware that a broader electoral base is necessary if political success is to be possible in the province of Saskatchewan. After all, Mr. Speaker, Noranda, Gulf Oil, London Life and the banking interests, while they may be great contributors, can't deliver up very many votes on election day.

Accordingly, Mr. Speaker, Saskatchewan Tories scan the horizon for potential votes elsewhere and they conclude that senior citizens are ripe for the plucking if the promises are sufficiently attractive. So Conservatives, Mr. Speaker, have become properly renowned over many years for formulating an election platform to stand on, to run on, to sometimes get elected on and a platform which is promptly abandoned after taking office. Accordingly, Mr. Speaker, Tories decided to promise senior citizens the equivalent of minimum wage as a basic level of income. Now, Mr. Speaker, that is a noble sentiment, and I believe that our senior citizens deserve that kind of treatment by our society. I think we in this New Democratic government, Mr. Speaker, have demonstrated our philosophy in practical ways. Saskatchewan senior citizens are the best cared for of any in Canada. We invite, Mr. Speaker, we invite a comparison with any Liberal or Tory jurisdiction in this land. To provide every senior citizen with a level of income equivalent to minimum wages is a very worthy objective. I want to remind you, however, that in order to provide this level of assistance to senior citizens, we must receive adequate financial return for the resources which belong to us.

Let's have a look what this Conservative promise would mean to Saskatchewan taxpayers if it was implemented. Let's have a look at what this would mean translated into dollars and cents, Mr. Speaker. There are presently in Saskatchewan approximately 103,000 senior citizens of whom 20,000 are receiving the full federal pension of \$255.94 a month of \$3,071.28 a year. The minimum wage of three dollars an hour times 40 hours a week in Saskatchewan, would entitle each senior citizen to \$120 a week or \$6,240 a year; that doesn't take into account the announced increase to \$3.15 and later in mid summer to \$3.25. Therefore, Mr. Speaker, keeping in mind the present level of minimum wage, in order to provide that minimum wage to one person, the Conservatives would have to provide the difference between \$3,071 and \$6,240 a year or an amount of about \$3,169 a year. This means that the Tories would have to give each senior citizen on full pension \$3,169 a year. For the 20,000 senior citizens on full pension, this would be \$63 million annually. But in addition, Mr. Speaker, there are 50,000 more senior citizens living in Saskatchewan who would qualify for assistance and in order that each of them be provided with minimum wage, this province would have to provide at least another \$110 million. In all told, that's something in excess of \$170 million the Tories opposite have promised to provide.

Mr. Speaker, these Tories want to give back to the resource companies most of the taxes we are charging them now and they have made that position even more clear in the past few days by advocating that we in Saskatchewan implement the same old oil policy which exists in Alberta. They have said in this House, during this Throne Speech Debate, that we in Saskatchewan should give the oil companies any excess over Alberta's taxation rate and therefore give the large multinational oil companies more than \$250 million. Now, Mr. Speaker, Saskatchewan Conservatives may approve of the huge tax concessions and gifts to oil companies, but our government does not approve of such an irresponsible policy. So I think it is fair, to ask Mr. Speaker, where our financial geniuses opposite would get the money to pay another \$170 million a year to

our senior citizens. Certainly not from Texaco, Mr. Speaker, not from IMC, not from Norand nor Canadian Pacific nor Cargill nor Imperial Oil.

Mr. Speaker, to do so, Tories opposite would have to increase the provincial income tax by more than 50 per cent or add another five percentage points to the provincial sales tax. But Mr. Speaker, these people opposite say that they are going to reduce taxes too. Now, Mr. Speaker, this is a cruel and a cynical political trick being played on senior citizens — a promise that the member for Nipawin has no hope, has no intention of fulfilling.

Saskatchewan senior citizens, Mr. Speaker, will not be confused or misled. They know of the benefits that have been received under an NDP government since 1971. Expenditures on senior citizens have increased fifteen-fold since 1971 to a level of over \$70 million annually. Assistance to home care programs — meals on wheels — the senior citizens home repair program — the provision of low rental housing units — financial assistance to level 2 and level 3 guests in our nursing homes — a host of other programs and services that are well known to all our people but well known particularly well to our senior citizens.

No Liberal or Conservative province across Canada can lay claim to the quality and variety of services offered here in Saskatchewan. There is no place in Canada, Mr. Speaker, where senior citizens are able to live out their golden years with the degree of dignity and independence that they enjoy in our province.

Saskatchewan senior citizens will be asking the Saskatchewan Tories then how they expect to provide major increases in spending of over \$170 million a year for senior citizens, while at the same time the member for Nipawin and his associates are prepared to give millions in resource revenue back to their political benefactors while promising at the same time to reduce taxes and increase spending. Now, to further compromise their credibility, Mr. Speaker, Conservatives stand ready at this point to distribute all the shares of the Potash Corporation to Saskatchewan voters. It is interesting to note that a year ago November at the PC Convention, the Conservative Leader told his supporters that if his party were to form a government, that any government-owned potash mines would sold off through public shares. But, Mr. Speaker, even the Tory Leader has recognized the folly of such an irresponsible suggestion. He has realized that he could never convince the people of Saskatchewan to pay twice for a mining corporation they already own. Obviously, he couldn't convince Saskatchewan people to relinquish their shares so that they be redistributed among a very small group of well-to-do people who could afford to buy them. So, Mr. Speaker, the Conservative Leader has come up with another harebrained scheme to redistribute shares to Saskatchewan voters.

During his contribution to this Throne Speech Debate last week, he now claims that he intends to give shares away at no cost, at no charge. Now if so, I think it is a fair question to ask the two single Conservative members who happen to be sitting in the House at this particular time, two single Tories sitting in the House listening to my remarks. I think it is fair to ask, Mr. Speaker, with no charge for these shares, how the Conservative Party would plan to repay the energy and resource development fund and other borrowings to finance this operation? With no price for shares with them being distributed at no cost to those who would receive them, the Conservative policy would saddle this province with an enormous debt, leaving no source of income to pay it off, except direct taxes. Now just to cover the interest on this new Tory debt, Mr. Speaker, would require an additional 6 per cent on our present sales tax. But never mind, Mr.

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Speaker, we needn't worry because I predict the Tories will once again read the political barometer and conclude that this plan won't wash either.

I predict, Mr. Speaker, that in another few months, Saskatchewan people will have before them another well contrived Tory plan disguised to fool the ordinary people but intended to benefit the multinational corporations and their affluent friends. Saskatchewan people may be forgiven, Mr. Speaker, if development and resource policies of these Liberal and Tory creatures opposite tend to confuse. They both claim to be friends of the private enterprise groups, Mr. Speaker. They both nurse at the same corporate breast and they both stand prepared to ignore the interests and the well being of Saskatchewan and Canadian citizens in their anxiety to assist their corporate friends and political benefactors. It is obvious, Mr. Speaker, that the federal government's resource policies are also worthy of consideration during a discussion of resource development.

Canadian workers, Mr. Speaker, at Sudbury, Ontario and Thompson, Manitoba will find it hard to understand the indifference of the federal government to the massive lay-offs that have taken place by INCO. This represents a major blow to 4,100 workers and their families and to the communities which will be affected in a very major way.

Thompson, Manitoba is a company town, founded for the express purpose of servicing INCO workers, INCO is the only major industry in Thompson. Mr. Speaker, the loss of 4,100 jobs is in itself a disaster but the matter is compounded in major way when these employees, who have been terminated, remember that their federal government in Ottawa provided \$77 million in loans to help INCO open mines in Indonesia and Guatemala. To further compound the felony the government of Canada has deferred \$378 million in taxes that are owing by INCO, and the next mini budget (or the last mini budget of the federal Finance Minister) allows another \$10 million in tax relief to this hard pressed Canadian company which only earned \$97 million in net profits so far in this year 1977.

Now, Mr. Speaker, these champions of private enterprise, by some obscure logic, attempt to justify loans to resource companies for the development of resources in far-away lands, ensuring the export of Canadian capital and the loss of jobs to Canadian workers.

These people opposite, Mr. Speaker, are creatures of contradiction. They nourish their corporate friends to allow them to expand abroad and abandon Canadian workers at home. They condemn public participation in resource development at every opportunity; they argue against reasonable levels of taxation in the resource industry, which ensure that our citizens may receive a just return.

I am certain, Mr. Speaker, that Saskatchewan citizens reject the archaic notions espoused by members opposite and those of the Tories who are particularly fond of saying that 'the best government is the least government.' Their simplistic view . . .and they are saying hear, hear, Mr. Speaker . . .their simplistic view seems to be that government should play the role of caretaker and act as a referee in select circumstances.

We in this New Democratic Party government, Mr. Speaker, do not believe that we can ignore our responsibility in a complex and demanding society. It is not, nor will it be, the role of responsible government in the last half of the 20th century.

I invite the Leader of the Conservatives to come to my constituency and tell my people that government should stay out of their lives and leave them alone. I invite the member for Nipawin to tell Moose Jaw citizens that government programs are destroying their initiatives. I want the Tory mastermind for Nipawin to tell my senior citizens that we were wrong in providing funding for a 93 unit senior citizens' high-rise there. I want him to say that we should withdraw support for an additional 100 unit high-rise that is presently being tendered and third high-rise that is on the drawing board.

I dare the member for Nipawin to come to Moose Jaw and tell those 642 Moose Jaw householders who received in the order of \$218,000 under the Senior Citizens' Home Repair Program that the government should stay out of their lives.

If he has the courage, I wish the member for Nipawin and other members opposite would come to my constituency and tell those 28,000 people who have received in excess of \$700,000 in benefits under our Prescription Drug Plan that this is a frill and an expendable program.

I would like the Leader of the Conservatives to tell the 400 hard-of-hearing who have received assistance under our Hearing Aid Plan and the 500 handicapped who have received wheel chairs, artificial limbs and braces, that the government has no business tampering with their lives and destroying their initiative.

Let the Leader of the Conservatives tell those 2,800 children who are in Moose Jaw schools and their parents that free dental care has been an infringement upon their personal liberty.

Let him tell the Cosmo Senior Citizens in Moose Jaw, the XYZ, let him tell the Senior Citizens Assistance Centre that our government should leave them alone to develop their own programs without our demeaning financial involvement.

Now, Mr. Speaker, I could go on in greater detail, but I believe the point has been made and made fairly clearly.

Mr. Speaker, virtually every citizen of our province has enjoyed the benefits of an expanding economy since 1971. Much has been made possible by this government's resource policy. It will continue to be so as long as we have the responsibility to govern — and I think Saskatchewan people will agree that we have governed well.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SNYDER:** — Mr. Speaker, this Throne Speech indicates further progress and a continued compassionate approach for those who are deserving of the attention and concern of government.

I will be pleased to support the motion. I will be voting against the amendment.

**SOME HON. MEMBERS:** Hear, hear!

**MR. M.J. KOSKIE (Quill Lakes):** — Mr. Speaker, I am pleased, also, to have this opportunity to participate in the Throne Speech Debate. It gives me the opportunity to comment on the priorities of the government and those of the opposition.

I think it is apparent, Mr. Speaker, that there are fundamental differences between the

programs outlined in the Speech from the Throne by the New Democratic Party government and those espoused by the members opposite.

I am pleased to report, Mr. Speaker, that at our last provincial convention, one of my constituents, a farmer from Leroy, Mr. Gerald McGrath, was elected president of the Saskatchewan New Democratic Party.

**SOME HON. MEMBERS:** Hear, hear!

**MR. KOSKIE:** — Many of us in Quill Lake recognize the quality of leadership of Gerald McGrath. We are pleased that after many years of service to our constituency, he will now have the opportunity to place his skills, which we have long appreciated, at the disposal of the Saskatchewan New Democratic Party.

**SOME HON. MEMBERS:** Hear, hear!

**MR. KOSKIE:** — At this time, Mr. Speaker, I would also like to congratulate the member for Wascana (Mr. Merchant) and the member for Regina South (Mr. Cameron) on their successful nominations as candidates for the federal Liberal Party. In their short time in the House it seems to me they made a significant contribution to their party and to their debates. As forthright proponents of the capital "L" Liberalism they will be missed.

Mr. Speaker, I would also like to congratulate Mr. Norm Lusney on his maiden speech in the House. I believe that he will be an excellent representative for the people of Pelly, carrying on and adding his own special contribution in the tradition of the late Leonard Larson in the constituency of Pelly.

Mr. Speaker, I would also like to comment briefly on the Pelly by-election. The Pelly by-election was significant in that for the first time the Conservatives were very confident of victory, so confident that they started to tell the people what they would do if their leader was Premier and they were the government. Well, Mr. Speaker, I had an opportunity to work in the Pelly by-election, in the home poll of the Conservative candidate. I can tell you that the people listened very carefully to what the Conservatives had to say, and they compared it to what we had done and what we were offering and, Mr. Speaker, on election day they delivered their verdict, in the home poll of the Tory candidate. The NDP increased its total vote; the NDP increased its percentage of vote and the NDP won the poll.

**SOME HON. MEMBERS:** Hear, hear!

**MR. KOSKIE:** — Mr. Speaker, the people of Pelly listened to the PCs plan for a Conservative Saskatchewan and they rejected them. I suggest, Mr. Speaker, that when the next election is called that the people of Saskatchewan will again return a Blakeney government and deliver the Leader of the Conservative Party to the obscurity that he so richly deserves.

**SOME HON. MEMBERS:** Hear, hear!

**MR. KOSKIE:** — Mr. Speaker, I would like to relate a little anecdote from the Pelly by-election. I asked an old man if he remembered the last time that we had a Tory government and he said he did. I asked him what we could expect and he replied: "Blessed be those who expect nothing, for they shall not be disappointed."



**SOME HON. MEMBERS:** Hear, hear!

**MR. KOSKIE:** — Mr. Speaker, I was astounded, I was dismayed to listen to the Leader of the Progressive Conservative Party last Friday in this House. Mr. Speaker, in criticizing the federal government's program of bilingualism he went on to say in effect — why have a bilingual program? Why the people of Kamsack can't even speak English. Mr. Speaker, those were in the remarks of the Leader of the Conservative Party. I say that they are a scurrilous attack on the Ukrainian people, the Russian people, the German and the Polish people in the Pelly constituency. He has singled them out as somehow being inferior. Mr. Speaker, this is not the first time that the Leader of the Conservative Party has indicated racist types of comments. In fact, during the Pelly by-election the Conservatives in learning that they were losing the Indian vote, placed an ad which stated that if the Indian people received those things promised by the New Democratic Party, an area, a hall, an office building, that this would mean that other white communities could not expect to get similar benefits. Yes, Mr. Speaker, that's this man's contribution to the unity of the country, attempting to establish a barrier against a better understanding between the Indian and the white community.

Mr. Speaker, I want to go on record as saying that I believe the Ukrainian, the German, the Polish people, the Russian people and other ethnic groups in Kamsack have made a significant contribution to this country.

**SOME HON. MEMBERS:** Hear, hear!

**MR. KOSKIE:** — It seems to me, Mr. Speaker, that they have contributed much and it is ill-befitting of the Leader of the Tory Party to treat them as secondary citizens.

Mr. Speaker, in listening to the member for Nipawin he seems to believe that the key to success lies in being all things to all people. I might suggest that, what is politics after all, if one has no philosophy of one's own to live by; if he surrenders his integrity to win office, what will he live by after the office is won? Answer that question for me. I might suggest that true statesmanship lies not in changing a nation from what it is, to what it was but, rather changing a nation from what it is to what it ought to be.

Mr. Speaker, rather than proposing constructive policies for the people of Saskatchewan, the members opposite have been involved in a game of musical leaders. I would suggest to them that the official opposition in Saskatchewan are the multinational corporations and that the members opposite are but their mouthpiece.

**SOME HON. MEMBERS:** Hear, hear!

**MR. KOSKIE:** — Mr. Speaker, since we last met, the member for Thunder Creek (Mr. Thatcher) has, in the traditions established by his father, come full circle. When asked how one distinguishes between a Thatcher Liberal and a Thatcher Conservative, one can only feel, that only the label has changed to confuse the innocent.

Mr. Speaker, the CIGOL decision has been called a 'Black Day' for Saskatchewan by the members opposite and I agree with them.

Tory after Tory, Liberal after Liberal,  
Speaking as one,  
Shoulder to shoulder.

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Side by side,  
Unified in their defence  
Not of the right of the people of Saskatchewan to a fair  
return on the resources of the province.

No, Mr. Speaker, not in defence of the rights of the people of Saskatchewan to these revenues but,

Without shame,  
Without thought,  
They defended the oil companies,  
Defended the outsiders,  
Deserted the people of Saskatchewan,  
Illustrated profoundly  
Where their true loyalties lay,  
Mr. Speaker, it was a shameful day for Saskatchewan, but  
The shame lies in the opposition.

**SOME HON. MEMBERS:** Hear, hear!

**MR. KOSKIE:** — Some of the members opposite have suggested that we should have used the same methods as the government of Alberta in taxing the oil companies. The result of that approach would be a \$250 million windfall for the oil companies — and then the members opposite claim that we have spent too freely of the public purse. They are prepared to donate \$250 million to the oil companies, \$250 million belonging to the people of Saskatchewan. Well, Mr. Speaker, this government is not prepared to give a \$250 million handout to the oil companies; those moneys belong to the people of Saskatchewan, as a fair return on our resources.

**SOME HON. MEMBERS:** Hear, hear!

**MR. KOSKIE:** — Mr. Speaker, I would ask the members opposite to examine their policies carefully. What would happen to the people of Saskatchewan, if at some future date, we again had, as we did between 1964 and 1971 a government totally subservient to the multinational corporations and their policies. The members opposite call the potash deal in New Brunswick the kind of deal they would make, if they ever become the government; while such an occurrence is highly unlikely, the people of Saskatchewan have a right to know what kind of a deal they would make with the potash companies.

First they would make sure that the potash companies would be beneficiaries of a long term deal; not 10 years, not 20 years, not 50 years but on 100 years. Yes, Mr. Speaker, not until 100 years from now would the people of Saskatchewan be able to renegotiate the terms of any agreement signed by the members opposite; they would deny generations of Saskatchewan residents any opportunity to have any say in the decisions concerning their resources. The members opposite applaud the deal signed by the Tory Premier in New Brunswick. As I have said, Mr. Speaker, Liberal or Tory, Tory or Liberal, they are committed to their corporate friends; not for a lifetime, Mr. Speaker, but it would appear for many lifetimes — ready not only to commit themselves but future generations of Saskatchewan people.

Mr. Speaker, one would expect that if we are going to give away our resources and future generations access to our resources, that there would be a substantial return for the loss of the ability to control our future. Look at the terms of the Tory agreement in New Brunswick relating to potash — a 6.75 per cent return to the province of New Brunswick on sales, fixed, as I have said before for 100 years. The price of potash may double, may triple, may quadruple but the people's share remains the same, a miserable 6.75 per cent. That's not a deal, Mr. Speaker, that's a giveaway?

**SOME HON. MEMBERS:** Hear, hear!

**MR. KOSKIE:** — . . . But it's what the members opposite propose for the Saskatchewan resource control.

Whereas we get approximately \$12 per ton for our potash, they would ask \$2. We would not only lose control of our resources but we would also lose huge amounts of revenue we presently collect. Who benefits from that, Mr. Speaker? Not the people of Saskatchewan, but multinational corporations benefit. The sign, "Saskatchewan For Sale - Cheap," hung out all over North America again. It would be open season for big business all over again, Mr. Speaker. Surely we learned from the seven grim years, the seven lean years, the seven lost years, that that approach simply doesn't work. Mr. Speaker, the proof of the pudding is in the eating. The Liberal and Conservative resource policies are pretty thin gruel; in fact, I would suggest they are indigestible.

But what specifically of the Tories? Ah yes, the Tories. What sort of stewardship would they offer to us and to our resources? Well all I can say, Mr. Speaker, is that even Mr. Collver has difficulty in explaining his Tory potash policy. Perhaps the reason why he has such difficulty is because the Conservatives firmly believe, "that nothing should be done for the first time." Perhaps the problem is that the Conservative members opposite are so smart that they have difficulty understanding the obvious. Mr. Speaker, a Conservative government is pledged like the Conservative leader in Manitoba to a program of 'free lunches for the corporations' and 'acute protracted restraint' for the little people.

**SOME HON. MEMBERS:** Hear, hear!

**MR. KOSKIE:** — Mr. Speaker, I would like the Leader of the Conservative Party to explain to the people of Quill Lakes how in his zeal to make Saskatchewan a safe haven for the multinational corporations, what government programs he would dismantle? In order to reduce taxes on foreign corporations, we must spend less here in Saskatchewan; it is impossible for most people to do more with less, although perhaps in his years in Alberta, the member for Nipawin learned something about the Social Credit monetary theory — then of course everything is possible. Mr. Speaker, the Leader of the Conservative party owes it to the people of the Quill Lakes, he owes it to the townspeople of Lanigan, to tell them that the money spent on their new gymnasium, or senior citizen's home would be better spent by some corporation in Houston. The Tory Leader must persuade the people of Wynyard that they are ill-served by their new elementary school, low cost housing, that again this money would be better spent outside of Saskatchewan; that the new health and social service centre in Leroy, replacing a hospital closed by the Thatcher Liberals, is a poor investment and that money should be invested elsewhere by a foreign corporation; that moneys spent on the reconstruction of Highway No. 20 from Nokomis to Lanigan, and that the resurfacing of Highway No. 6 from Dafoe to Raymore, is an extravagance a raid on the

corporate purse.

Mr. Speaker, all through Quill Lakes can be seen the direct government assistance to people. Senior citizens' housing in Lanigan, low-cost housing in Wynyard, senior citizens' drop-in centres in every town and village in the constituency. Centres which received 40 per cent of their annual operating costs from the provincial government, everywhere visible signs of what a sensible resource policy can do. A new regional park named in honor of Max McNab, a former NHL hockey player at Watson, a proposed new arena for Watson because of the Neighborhood Improvement Grant of \$172,000, accomplished through the efforts of the Minister of Municipal Affairs — great man. Resource revenues staying in Saskatchewan so that future NHL hockey players will have a chance to come from Watson, and not from Dallas or Cleveland.

And again, Mr. Speaker, I promise that from these resource revenues will come new gymnasiums for the citizens of Muenster and Englefeld.

When the leader of the Conservative Party suggests to the townspeople of Englefeld and Muenster, that the moneys we would spend on a gymnasium for their community would be better spent on some community outside of Saskatchewan, because that is what he promises the people of Saskatchewan that he will do if he ever becomes Premier.

Mr. Speaker, the money we collect from our resources stays here in Saskatchewan and makes sure that the people of Saskatchewan can have faith in their future. This confidence is seen by the enormous number of business and corporate ventures they're getting in my community. And, Mr. Speaker, many long established businesses are also looking to the future with confidence. Only recently the Drake Credit Union opened a branch in Lanigan, and now the St. Gregor Credit Union has opened a branch office at Annaheim. Yes, Mr. Speaker, many people in Saskatchewan have expressed their confidence in the future of our province by placing their savings in the Credit Union. But there are still some, Mr. Speaker, who distrust our locally developed, owned and democratically controlled financial institutions, and choose instead to invest their money in Swiss banks.

Mr. Speaker, never has the choice been clearer to the people of Saskatchewan. On the one side, regardless of the label, Conservative, Liberal, Grit or Tory, they remain the prophets of profit with their rhetoric of reaction, the disciples of doom, parties that serve foreign masters, owned and operated by the multinational corporations, standing by and for the multinational corporation. The choice is obvious — profits first or people first. The Liberals and the Tories have shown whose side they're on. They have ignored history, Mr. Speaker. Mr. Speaker, lest we forget, commencing about 100 years ago many people from every country in Europe, the dispossessed, the poor, the dreamers, the stout peasants with sheepskin coats, came to Saskatchewan seeking a promised land, a land filled with promise of plenty. Across this continent by train, oxcart, wagon, and on foot they came, bound for Saskatchewan. And here, with sweat and toil they built our province. Side by side they tamed this prairie land. Nothing stopped them, not the wind, not the rain, not the sun. Side by side these pioneers from every land, working together against all obstacles created the institutions that now serve this province so well. These early pioneers dreamed their dreams of a place where they could put down roots a place where their love and the seeds of their love could grow. Dream by dream they built a province out of this land, forging freedom for everyone of us, and from their struggles, the people's struggles, we have built that beautiful land, that promised land right here in Saskatchewan.

Mr. Speaker, we in the New Democratic Party will never allow the corporations and their adherents to destroy what so many pioneers toiled so long to build. Mr. Speaker, we know the people of Saskatchewan will never allow anyone else but themselves to control the resources of this province. They belong to the people, they are our birthright, it is our inheritance, built on the sacrifice of those who went before. We will not allow them to be squandered by a short sighted few, for it is a sacred trust.

Mr. Speaker, I would like to close with these words: that the New Democratic philosophy is based upon the conviction that there are extraordinary possibilities in ordinary people working together. Mr. Speaker, I am confident that we shall succeed in combination with the people of Saskatchewan in putting in place, our resource policy.

I will be supporting the Speech from the Throne.

**SOME HON. MEMBERS:** Hear, hear!

**HON. G. MacMURCHY (Minister of Municipal Affairs):** — Mr. Speaker, on entering this debate I want to congratulate the member for Pelly on his moving the Address in Reply to the Speech from the Throne.

The constituency of Pelly returned a New Democrat to sit on the government side of this House, and it did so by a wide majority of over 1100 votes, despite a strong campaign by the opposition parties. It is a credit to the member for Pelly that he was able to win a by-election with a vote equal to that of the 1975 general election, and I say, Mr. Speaker, that we welcome him to our ranks on this side of the House.

**SOME HON. MEMBERS:** Hear, hear!

**MR. MacMURCHY:** — I want also to congratulate the member for Meadow Lake who seconded the Address in Reply. Gordon MacNeil is one of the hardest working representatives of any constituency. His efforts have won many developments for the Meadow Lake riding and I am proud to be associated with men of his calibre.

**SOME HON. MEMBERS:** Hear, hear!

**MR. MacMURCHY:** — Mr. Speaker, the issue in the minds of everyone in Saskatchewan today is Bill 42 and the Supreme Court. Bill 42 is an expression of the belief that the people of Saskatchewan as a whole, should share in the profits from resources like oil. Prior to 1973 the price of oil was more or less steady at around \$3 per barrel. The oil companies had pumped out many hundreds of thousands of barrels and they were making good profits at that price of \$3 a barrel. It is important to see the Saskatchewan oil issue in relation to the industry. Saskatchewan is not a major factor in the oil business in the world. We produce about 10 per cent of the Canadian production. Our average oil well produces about 30 barrels per day. In Alberta the average well produces 110 barrels a day. In world terms our oil is just a drop in the bucket. Any wells in the Arab nations produce more in one week than we produce in an entire year. Anyone can see from these basic facts that what we do in this province is of very little consequence . . .

**MR. SPEAKER:** — What is the Point of Order?

**MR. COLLVER:** — Mr. Speaker, I want to apologize, but since this was raised today, in

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terms of a matter of privilege for the member for Indian Head-Wolseley, and since you asked me to do this, I have now been informed as to the exact quotation from Hansard. I like to be . . .

**MR. SPEAKER:** — Order! In order for a Point of Order to exist, some procedure of the House must have been broken. Could the member immediately cite what rule he is referring to?

**MR. COLLVER:** — Mr. Speaker, the rule that I'm citing is the fact that you asked the member for Nipawin to either withdraw a particular comment made the other day, or to justify it. I just had the Hansard record from Ottawa, that's all.

**MR. SPEAKER:** — What has that got to do with the Point of Order, I ask the member? A Point of Order has to do with the proceedings that are under way in the House. I would ask the member to acquaint himself with what a Point of Order is, and not use it as an opportunity to interrupt a member who is on his feet speaking properly in order.

**MR. MacMURCHY:** — Mr. Speaker, if I might be allowed to continue. I think it's unfortunate to be interrupted when we are discussing a very important item such as Bill 42 and the Supreme Court ruling.

Anyone can see from these basic facts that what we do in this province is of very little consequence to the oil industry, but what happens in the oil industry can be of very great consequence here in Saskatchewan.

In 1973 the Arabs decided to use their oil as a tool to put pressure on countries that supported the state of Israel. The Arabs created a cartel called the Oil Producing and Exporting Countries known as OPEC. They used his cartel to raise prices from \$3 per barrel to over \$8 and subsequently to \$11 per barrel. OPEC also practices supply management, cutting back on the amount of oil pumped out for export to the industrial nations. Here in Saskatchewan, Mr. Speaker, we found the value of our oil more than doubled almost over night. The OPEC cartel meant that someone in western Canada stood to reap hundreds of millions of dollars in instant profits not because of hard work, not because of heavy investment, but simply as a windfall from the Arab cartel.

Now some people may ask, why should this be any concern of the government? Why not stay out of it and let the market take its course? Well, Mr. Speaker, the answer is simple — oil belongs to the province, not to the oil companies. This is not just a matter of opinion, it is a guarantee that is written into our Canadian constitution. Resources are under control of the province on behalf of their citizens. Mr. Speaker, oil companies do not own the oil — they buy it from the owners. When the world price of oil builds up, we say the owners should share the increase. And that is what Bill 42 is all about. Bill 42 took the difference between the old \$3 price and the new world price and kept it in Saskatchewan.

With this money we sat down the oil companies and worked out how much they should receive in return for exploration or as compensation for pumping heavy crude and so on. We share the increased value — some for the oil companies and some for the owners of the oil.

Now, Mr. Speaker, when Bill 42 was introduced, only one party in Saskatchewan

supported it, the New Democratic Party. The Liberals you will recall fought Bill 42 with everything they could muster. The Conservative Party fought Bill 42 and they made an issue of it in their 1975 election campaign. The Liberals and Conservatives opposed Bill 42. They opposed the collection of the money in the first place. And now, Mr. Speaker, the opposition parties have in fact taken a stand in favor of giving all of the money back to the oil companies.

**MR. CAMERON:** — Oh, they have not.

**MR. MacMURCHY:** — That is their position and I will comment on that in a few minutes.

Now, Mr. Speaker, Bill 42 was not popular with the oil companies. They wanted to keep the windfall profits and they set out to find ways of defeating this law. The first thing they did was to make donations to the opposition parties. The oil companies donated thousands of dollars to the parties. Each of these donations is recorded in reports filed in Ottawa and filed in Regina with the Chief Electoral Officer. As a matter of fact, Mr. Speaker, the Conservative candidate who ran against me in 1975 in Last Mountain-Touchwood constituency received a donation from the Murphy Oil Company of Calgary.

The second thing the oil companies did was to attack Bill 42 in the courts. Canadian Industrial Gas and Oil Company (CIGOL) hired a lawyer to prepare a case against Bill 42. The name of the lawyer is Bill Elliott, a well known lawyer in the legal profession. I believe Mr. Elliott is also well known to the Leader of the Conservative Party here in Saskatchewan. It is a fact that the same lawyer who represents the Conservative Leader also represented the oil company that attacked Bill 42. Now there is nothing wrong with that, Mr. Speaker. It is quite legal and proper for him to represent both interests and I am sure he will do good work in both cases. But, Mr. Speaker, I hope for the sake of the member for Nipawin that winning his case will not require a totally new interpretation of the law as it seems to have done with the oil company.

Now, Mr. Speaker, the oil company's attempt to undermine Bill 42 in court was not given much chance to succeed. Our constitution is very clear on the issue of who controls resources. Many legal precedents exist for provincial taxation of resources. No one believed that Saskatchewan was really fixing the price of oil for export because the world price was being set in fact by the Arabs. People had every reason to believe the taxes levied by Bill 42 were sound and valid under the British North America Act. The province of Alberta agreed with our position and they sided with us in the courts. In fact so did the provinces of Manitoba and Quebec. So strong was the Saskatchewan position that the federal government felt called upon to take sides with the oil company. It is of interest that the Minister of Justice who made this decision was the hon. Otto Lang, the member for Saskatoon-Humboldt, the man who supposedly represents western Canada in the federal Cabinet.

Mr. Speaker, the oil company took us to trial in the Court of Queen's Bench and we won the decision. Ottawa and the oil company appealed the decision to the Saskatchewan Court of Appeal and they lost again — 5 to 0. Not a single judge accepted their arguments. Ottawa and the oil company had one last shot and they asked the Supreme Court of Canada to hear this case. It is interesting, Mr. Speaker, that only when the legal action reached that level, reached Ottawa, was there any hint that Bill 42 might be in danger. By a vote of 7 to 2 the Supreme Court has chosen to interpret the constitution in a way that seriously threatens provincial control over its resources.

The vote of 7 to 2 means that all of the judges who heard the case, eight found in favor of Bill 42 and only seven found against it. Unfortunately, Mr. Speaker, it is not the numbers that count but where they are located, so that the support of the Saskatchewan courts can only be a moral victory for Saskatchewan and western people. I believe it is fair to say that many observers found the ruling handed down in Ottawa surprising and difficult to understand.

As our Attorney General said last Friday, the ruling does not fit neatly into the pattern of law as it has developed to date. It seems to set a new precedent, a centralist precedent that could make it very difficult for provinces to manage the resources our constitution has placed in their care. The decision of the Supreme Court comes at a time when the attack on national unity is already strong. Any precedent that would further undermine the position of western Canada, or any Canadian region exporting valuable resources, is unwelcome when confederation is in question.

This country came together and has stayed together because we have maintained a democratic system where people can feel that they and their elected representatives can make laws and make them stick. Our national unity was founded on agreements between the provinces and between Ottawa and the provinces — agreements made by democratically-elected legislators accountable every four years to their voters. I hold the opinion that any substantial changes in the arrangements of confederation, including in particular the arrangements about who controls and taxes resources, must be made in a clear and straight forward manner by elected representatives of the people. If it turns out that our constitution is no longer suit to modern needs, we should insist that it can be amended by agreement rather than by accident. Anything less than this can only put new stress and new strain on national unity at a time when new problems are the last thing we need.

Quite separate from that it is quite difficult for me to understand the logic of the decision itself. The main grounds of rejection of the bill, as I understand it, was that Saskatchewan had imposed an indirect tax rather than a direct tax as provinces are allowed to do. The reason our tax was defined as indirect, as I understand it, was that our tax in effect set the price of oil outside of our boundaries. Now I am a farmer, I'm not a lawyer nor an economist, but I simply cannot understand how we're setting the price here in Saskatchewan when the price of oil is set by the federal government and would have been the same whether the tax had in fact existed or not.

Mr. Speaker, the New Democrats believe that our courts are fair and that a way can be found to lighten the load, a way can be found to write the law so it meets the demands of the Supreme Court decision.

We believe that the owners of the oil resource, the people of this province, are entitled to their full share of the windfall profits. The people remain entitled to this windfall regardless of the ruling handed down on Bill 42. Our government does not intend to let the money slip away to the oil companies or for that matter to Ottawa.

**SOME HON. MEMBERS:** Hear, hear!

**MR. MacMURCHY:** — Mr. Speaker, we reject the position of both the Conservative Party and the Liberals. The Liberals say to negotiate — sit down with the oil companies and decide how to give them their money. The member for Lakeview (Mr. Malone) says to negotiate and the federal representative of Saskatchewan, the minister for



Saskatoon-Humboldt in the Ottawa Cabinet says to negotiate.

I can understand why the Hon. Otto Lang says we should pay off the oil companies and negotiate this money away. Mr. Lang knows that if we hand over one-half billion dollars to the oil companies, Ottawa will pick up about half of it in taxes. I am sure Mr. Lang could find a deserving rail company that would be grateful for another federal handout — using our oil windfall.

**SOME HON. MEMBERS:** Hear, hear!

**MR. MacMURCHY:** — It is more difficult to understand why our local Liberals across the aisle would echo the policy of their federal minister, this policy of sell-out, for there is very little to negotiate unless we can be assured through legislation or through the courts that Saskatchewan people have a right to share the resource profits. I am sure the Saskatchewan Liberal Party knows how difficult it is to negotiate for money when Ottawa is not on your side.

Mr. Speaker, the Conservative policy on repaying the oil profits is like the Conservative policy on everything else — two-faced, confused and irrelevant. The Conservatives call for three steps.

First, they've called for a bill to be passed by the federal government to allow Bill 42 taxes to be collected. That sounds very good, until we consider the fact that Ottawa stood with the oil company when our case went to the court. Perhaps the member for Nipawin was in Paris or Switzerland at that time. It is not a good bet that Ottawa will take that advice and I do not think the people of Saskatchewan want us, as a government, to rely on Ottawa for help.

**SOME HON. MEMBERS:** Hear, hear!

**MR. MacMURCHY:** — Next the Conservatives said we should take the Alberta tax system and apply it here in Saskatchewan. That, too, sounds very reasonable until you look into the facts. I have already mentioned how Alberta's oil production greatly exceeds our own. Their average daily production per well is about five times Saskatchewan's. Alberta does not even bother to tax wells that would be among the top producers in this province. The situation is so much different that the tax methods just do not fit from one province to another.

It has been calculated that, if we took the advice of the Conservatives, our share of the oil windfall would have been cut in half, from half a billion to \$250 million. In other words, Mr. Speaker, the Progressive Conservatives are really proposing that we give back not less than one-half the revenue to the oil companies, both in the past and into the future.

Now our Conservative members have also taken a third position. I notice that the member of parliament for Prince Albert says we should hand over all the Bill 42 revenue to the oil companies. He proposes that Ottawa should then rebate to us the 50 per cent share they would collect in federal tax and we should be happy about this. I noticed earlier today that the Leader of the Conservative Party here in this House went along with the member for Prince Albert. If anyone should realize the hopelessness of depending on the Prime Minister and the federal Minister of Transport, it should be the member for Prince Albert. Yet here he is suggesting that we throw ourselves on the mercy of Ottawa and ask for one-half our share to be given back.

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For many years the western provinces have been hewers of wood and drawers of water. We would remain in this state today except for the value of our oil. No NDP government is going to hand over this once-in-a-century opportunity to the oil companies and we are not going to go cap in hand to Ottawa for something that already belongs to us by the constitution.

**SOME HON. MEMBERS:** Hear, hear!

**MR. MacMURCHY:** — We are not going to go cap in hand to Ottawa for the share to which our place in confederation entitles us.

The NDP government stands for a full and fair return to the constitutional owners of the oil resource. I am sure that the vast majority of Saskatchewan citizens agree with our position. The public will not support the opposition parties whose proposals amount to a sell-out to the pressure tactics of the oil companies or caving in to Ottawa's centralist strategy against the West.

We plan to pursue a course in which Saskatchewan people will be able to hold up their heads and be proud to be western Canadians. We will make every effort to deal with the obstacles created by the Supreme Court. We will follow up any problems in the proper forum for national unity issues, the forum of public opinion and democratic election.

Mr. Speaker, I will be supporting the main motion and opposed to the amendment.

**SOME HON. MEMBERS:** Hear, hear!

**MR. R.A. LARTER (Estevan):** — Mr. Speaker, it is a pleasure enter into this Throne Speech Debate, and I must say the members opposite haven't lost any of their touch for personal attacks, and the taxpayers of Saskatchewan are cataloguing this and it will be brought out for future reference in 1979. I thank you for many of these personal attacks.

I cannot help but be elated and confident that the future of this province and the fortunes of the taxpayers are indeed heading for happier times. How do you like that? I am not referring to the Speech from the Throne, Mr. Speaker, but rather to the results of the Manitoba provincial election which brought in a Progressive Conservative government under the leadership of Sterling Lyon, with 49 per cent of the popular vote. I am speaking also of the addition of our caucus of our finance critic for Thunder Creek (Mr. Thatcher). I would like to add my words of welcome to him and I can assure that the principles and dedication that his father, Ross Thatcher, gave to this province will be found by him in the Progressive Conservative Party. He will indeed feel very comfortable knowing that he can contribute much to this province through being part of our dedicated group, which is and will be the future hope of the people of Saskatchewan. Not only is the PC Party on the move in Saskatchewan, the last socialist province, but in only a few months Joe Clark will lead us to victory on the federal scene. Then, and only then, will the division of Canada by the federal Liberals be stopped.

Positive programs have been put forth by Joe Clark, and I might add, bold new programs that can indeed turn things around and give meaning to the word 'unity' in Canada. Never in the history of this country has such incompetency done more to divide, ruin and disgrace Canada, than that of Prime Minister Pierre Trudeau and his socialist elite bunch of bunglers.

Mr. Speaker, the furthest west Liberal province is Nova Scotia, and the only socialist province left is Saskatchewan. I can assure the people of this province that we will be working with you to rid Canada of this last bastion of so-called 'saviors of the people.'

I would also like to give my welcome, our party's welcome to Norman Lusney for Pelly. I think he knows that we were out there knocking on doors pretty hard but I guess we didn't do the job good enough. In fact, I was at the member's house a few times and I wanted to convert him but he was never home, he was always out working. So I commend him for that.

Mr. Speaker, the Estevan constituency is very fortunate in having more resources than any part of Saskatchewan, with oil, gas and coal and as well there is a very solid base in agriculture, a mixed farming area. There are a few things that I would like to mention that concern the people of this constituency.

First of all, I would like to tell this Assembly that the city of Estevan was the first city in Canada over the top in the United Appeal this year. We held a 36 hour radio and cable television telethon with a goal of \$36,000. Not only did Estevan and district raise \$36,000 but did it in 17 hours and went on to raise \$61,000 in the 36 hour period. We are very proud of this achievement and certainly it was a fantastic team effort.

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Incidentally, we have enjoyed cable television, five stations, for all of the 17 years I have lived in Estevan. I tell you this to remind this government what terrible disservice this government is doing to the people of Saskatchewan by delaying this extension to the TV rights of the people of this province.

I would say, Mr. Speaker, that for its size we have the most vibrant communities in our area that there are in Saskatchewan. Not only are we the power centre, but we enjoy junior hockey and probably have one of the best agriculture fairs in the province, a good chamber of commerce and very, very active service clubs. We are at present preparing to bid on the 1980 summer games, and with the help of some of the Cabinet ministers opposite, particularly the Minister of Youth and Culture, I hope that we can prove to you that we cannot only do the job, but we are looking for the same type of community effort that made us No. 1 in the United Appeal this year.

We have concerns over the possibility of flooding again in this coming spring and disappointed that this government did not push more aggressively towards the most obvious start on these remedies with the federal government and this is cleaning out the bottom of the funnel. I refer to the mess at the bottom of the Souris River. The people of this area realize that a three year study by both federal and provincial governments is just complete but they are becoming very impatient. The Minister of the Environment, Mr. Byers, assured me that we do not have to wait for the Qu'Appelle basin project to be completed before getting started on the most obvious. I am sure that the cleaning of this funnel could get started immediately if the proper pressure is put to bear.

We are blessed with the best bus service in the province, it's a Saskatchewan run bus service and we do have very good service there and we are very fortunate to have two truck lines still running into Estevan and area. We do however have some problems with the surrounding areas of freight beyond Estevan.

I would like to personally thank the government for letting the MLAs, even though we are in opposition, the privilege of presenting the jubilee pins and picture to the schools and other organizations in our constituencies.

I would like to now mention a few things with regard to the Poplar River power project. I would have to concur with the member for Assiniboia, that this government has done a very poor public relations job with our good neighbors in Montana on this entire project. It seemed to be a rush job with little information going to our neighbors, except through the International Joint Commission. You have everyone upset in the Coronach district with your lack of communication. You expropriated land turned even your supporters against you. In fact, your government to this date still hasn't been able to create any good will by action in the Coronach area. Both the minister in charge of SPC and the Minister of the Environment has assured this House on being questioned, that all is well and the people and the government officials of Montana are satisfied. But I say to you that nothing could be further from the truth. All is not well. You bulldozed your way through on this project and as usual have proved once again that this government cannot negotiate but only knows confrontation. I too, have talked with many government officials and citizens of Montana and they are convinced that our

pollution standards are higher than theirs but the IJC agreement of 1911, or whatever years, covers water only and only a verbal assurance on their pollution, particularly the lack of assurance on emission of sulphur dioxide is really what concerns them.

The Premier of Ontario and the Governor of Michigan on December 5, 1974, signed an air pollution agreement to be monitored by the IJC which sets out its limitations. I feel that this could possibly be done between Saskatchewan and Montana. I have a copy of that agreement here if the minister would like to see it. I am sure that in talking to the government of Montana, that it is just not now that they are worried about but looking into the future limitations so that SPC, if they were to go to the upper levels, for instance, the worst effect of sulphur dioxide pollution, they in the future might not be able to develop industries in the vicinity because SPC had already taken the air pollution to its highest level — this is what concerns them. I have no assurance on this as yet, Mr. Speaker, with the proper assurance and with a far better public relations job than this government has shown in this very important power project, I think we can satisfy our neighbors and stay on schedule and I don't believe that if the public relations had been done properly, that scrubbers are really all their big worry at this time. I think they want provisions for scrubbers but I don't really believe that if you were to work closer with them that they would have listened to you and as long as you gave further assurances that if they were needed they would be installed but so far they haven't had this assurance.

You cannot negotiate, as past experience has shown, and this government will continually use confrontation and the threat of legislation or nationalization as means of governing and God help the people of the province with this way of running a government.

I would like to briefly mention SEDCO, our bank of last resort. Yes, for many people in the province, it has been last resort because of poor advice on business projects, they never should have been involved in in the first place but SEDCO's experts gave advice and advised them right out of business. Now they are advertising to see us first. How in heaven's name can SEDCO see people first when this CIGOL ruling will not permit SEDCO to have enough money to sustain their losses. I wonder if SEDCO isn't this government's move in the Regina CCF Manifesto of 1933, which is right on target on the way towards many of its avowed goals. And Item No. 2 under this Manifesto:

socialization of all financial machinery banking, currency, credit and insurance to make possible the effective control of currency, credit and prices and the supplying of new productive equipment for shortly desirable purposes. Planning by itself will be of little use if the public authority has not the power to carry out its plans into effort. Such power will require the control of finance and all those vital industries and services which, if they remain in private hands, can be used to thwart or corrupt the will of the public authority (that is part of that).

On the Supreme Court ruling, Mr. Speaker, this once again brings home the fact that Bill 42 was ill conceived by the people that one thought in mind — control and mismanagement. This government listened to only what they wanted to hear without consultation with the oil industry, and in fact, Mr. Speaker, without even one experienced person pertaining to such a decision of such magnitude to that industry. I quote again, Mr. Speaker, from the Regina Manifesto of 1933 and this government is right on target.

In restoring to the community its natural resources and in taking over industrial enterprises from private and public control, we do not propose any policy of outright confiscation. (And that's gone by the wayside) What we desire is the most stable and equitable transition, the co-operative commonwealth. It is impossible to decide the policies to be followed in the particular cases in an uncertain future but we insist on certain broad principles. The welfare of the community must take the supremacy over the claims of the private wealth.

It goes on and on but it's all to confiscate industry and to have complete control over the private sector.

Regardless of what the minister in charge of Saskoil tells the people of this province, the oil industry will not come back and drill in Saskatchewan except to use up their production credits. The rate of return on discovery of new oil is not that bad but with the different climate of certainty in Alberta and British Columbia why should they further gamble to come to Saskatchewan and have the rules changed overnight. The oil industry notes that all of the companies bidding on leases in Saskatchewan close to the border, south of Glen Ewen, was conspicuous by the absence of Saskoil on any of these biddings. The minister knows that this basin extends into Saskatchewan and the geologists have told him such and we mentioned it a year ago but with Saskoil's head office in Alberta, they are spending most of their time drilling in Alberta. The strike south of Glen Ewen of about 2,000 barrels of oil a day, is estimated to be around 200 thus the interest in the Saskatchewan site. I believe this government has been extremely unfair with the smaller companies that are Canadian and Saskatchewan oil companies. These companies spend all their funds back into drilling but under Bill 42, taxation and the way the leasing is done it makes it almost impossible for them to operate. Foreign companies have been away from this area for a number of years and are now buying up leases to sit on and again — unfair to the smaller companies. Even when the smaller companies bring in production, they cannot sell it to our pipelines. The government's policies are forcing the people of this province to buy Alberta gas when Saskatchewan has enough gas to heat all of its homes at less than half of what they are now paying. Bison and Sasktex have entire gas fields capped at Hoosier and East Rock for over four years and two years respectively because SPC refuses to buy Saskatchewan gas to supply its home markets at any price. Co-op Refineries buy 50,000 barrels of oil a day from Imperial Oil but refuse to let Saskatchewan oil into its refineries. In fact they are buying their gas at an industrial rate so cheap they are not even burning their own burn-offs. The manager of the SPC gas resources has stated that it cost the same to find gas in Saskatchewan as in Alberta. In fact, the whole industry categorically insists that dollars invested proportionately in Saskatchewan to dollars invested in Alberta will bring the same proportionate returns. Yet, Mr. Speaker, this government is contracted to buy \$2 billion of Alberta gas over the next 15 years or \$2,000 for every man, woman and child and then besides the deadload debt of some \$700 million that SPC is carrying. Mr. Speaker, Alberta this year discovered another 11 trillion cubic feet of natural gas. Any fallacy that this government can use up Alberta gas is again negative. Only about \$3.4 million have been spent on gas and oil research in Saskatchewan over the years. Instead of spending this \$2 billion on Alberta gas, give our resources the same chance and thus, small producers a chance to give Saskatchewan people lower costs for fuel. This in turn will encourage small refineries that will in turn bring us lower gasoline costs and lower production costs for the farmers. The Alberta government has assured Saskatchewan, that as neighbors, we will always get first call on their resources after Alberta, so why the big rush to feed inflation and to take such a negative approach towards our own Saskatchewan

resources and companies — and, oh yes, the taxpayers of this province?

The government sells the people of Saskatchewan gas at approximately \$1.85 a day for the average household year around. Yet, private resources in Saskatchewan can get no more than thirty five cents and then can't sell it, or a 600 per cent profit for SPC, the people's utility. The lines are so full of the expensive Alberta gas that SPC will not allow us to sell our own. Mr. Speaker, it is interesting to note that SPC buys gas from the industry at 1130 BTU's, then by pumping air into the lines, reduces this heat by 950 BTU's, or, they gain 15 per cent on the cutback. I wonder if there is anyone wondering in the province why he has to turn up his thermostat this last couple of years. The past Liberal and present NDP governments have, as I said before, been guilty of giving our resources away with cheap fuel to industry, giveaways of gas fields — both governments. The NDP government policy on 'hate the multinationals and profit' has been figmented and fostered through their own blunders and ownership ambitions.

It is interesting to note, Mr. Speaker, the increase in the oil activity in Manitoba in one short month since the Conservatives were elected, nine new locations in drilling starts; in nine months of NDP government so far this year, nine in total, three oil and six dry holes. Mr. Speaker, Bill 42 with all of its negative ramifications — your bad decisions on stopping the search for oil defeated one cabinet minister, in fact, one of the authors of Bill 42 is going to help bring down this government in 1979 or sooner.

Mr. Speaker, this government has apparently adopted a new twist in the making available of Crown lands for drilling instead of selling them to the highest bidder. The small drilling and exploration companies in this province are bewildered over the uncertainty of what is happening. They want to be told. They would like to see drilling credits more readily available to them, especially when companies let them expire. I believe that some of these are transferrable to Saskoil the way it sits now. The small oil and drilling companies believe that if the credits are not used in one year they should be forfeited, and that these credits should be available to them to be used in three to six months on a performance or activity basis. It now appears that in the case of Township No. 1, Range 19, west of the 2nd Meridian, south of Minton, a deal has been made with one company without a lease and without giving other companies a chance in this area — practically a whole township of Crown land without it going up for sale. I wonder if the minister in his deliberations can table any documents or tell us anything about these arrangements. Make up your own rules as you go along.

Mr. Speaker, I would like to touch briefly on potash. Almost one year ago in a speech, we not only warned this government of future potash mines in New Brunswick but we condemned their blundering in sending them there. This shortly became a reality and the Saskatchewan taxpayer, through the courtesy of the NDP government will eventually pay dearly for it. I wonder if this government has looked into electric static refining which is about \$10 less a ton working in their own potash mines. I would also advise the government member across this House that since they sent some potash companies packing with money they had in their slippery hands that Carlsbad, New Mexico has never enjoyed more prosperity with new industries, thanks completely to the NDP government for sending this windfall profit back to the United States. The PC party gave you fair warning when you announced the potash takeover program that you were now entering into an area that was extremely competitive and that you were gambling with the taxpayers, money. The Russians now are developing a new potash mine at Kelingrad on the Baltic Sea. I was there yesterday. You have ignored these warnings and you have committed the province to a point of questionable return.

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It is interesting to note that in the Speech from the Throne, this government has indicated that they are about to create a Resource Revenue Trust Fund. I commend the government for this action, but I've seen what has happened to our Energy Fund and the depletion of the fund for Potash Mines, using it on the potash mines. I hope that indeed this proposed fund can get off the ground and become an asset for future generations of this province. I wonder now, with the potash reserve tax of some \$200 million, if this will indeed, get off the ground.

I would like to ask the Minister of Tourism in this government if he plans on doing anything to encourage the growth of tourism in Saskatchewan in light of the exchange on the US dollar? It could be quite an advantage attracting tourists this year. I wonder if you have started a 'see Saskatchewan first'. Possibly the Crown corporations could allot some of their recklessly spent dollars on something worthwhile.

Mr. Speaker, the university, in co-operation with the federal government is planning a geothermal exploration and test facility in the city of Regina. This, if successful, could, besides providing water heating to largely centrally heated institutions, provide means to reduce the costliness of growing food under cover for the city dweller. We are almost entirely dependent on green vegetables uncertain U.S. and Mexican sources, through droughts and local demands. What is the government doing about providing security of food supplied to the urban dweller, and what has happened to our proposed irrigation programs in Saskatchewan of many years ago?

This government has never learned how to negotiate. We have been talking about this for years — mismanagement — everyone has seen in the last few days the trouble it has got us into.

I would like to make a few comments on what some of the members opposite mentioned; the Minister of Labour mentioned that shortly we would be jumping from \$2.5 billion to a \$10 billion deficit on the use of fossil fuels in this country. And it is strange that this government has done very little, if anything, to conserve the fuel that we now have. They have not gone on any large programs to curb the ..in fact, you are actually ignoring the impending shortage, you're closing your eyes to it. You are not developing your own oil and gas; you're doing nothing in the way of convincing the industry to switch to coal in certain areas. The pulp mills — there has been no program started. We have a good supply of coal here and I would like to see your program and what you are trying to do to encourage the direction towards a different fuel.

It is interesting to note also, that the member for Moose Jaw mentions the minimum wage of senior citizens — well, in Estevan, we as a private industry are required to pay a \$3 minimum wage and on government jobs for sweeping a floor, they start them at \$6.85 an hour, so I just want the people to know why the inflation starts with the government of Saskatchewan. I wonder if the strike at SPC taught this government anything. What have you done to implement mistakes that the SPC learned at the time of the last strike when the supervisory staff very capably handled the work load of this huge power project? Did you learn anything or have you done anything about it?

Again, Mr. Speaker, with a dead weight load of well over \$1 billion, with a \$580 million blunder in oil, with reserve taxes of \$200 million possibly going to potash, with over \$2 billion to be spent on fuel from Alberta in the next 15 years and because this government cannot manage but only confront and because of your blatant disregard for the people of this province. I cannot support the Throne Speech but I will be supporting the amendment.



**SOME HON. MEMBERS:** Hear, hear!

**MR. A. THIBAUT (Kinistino):** — Thank you, Mr. Speaker. Mr. Speaker, as I rise to take part in this debate, I would like to first of all congratulate the mover and seconder of the Speech from the Throne on the wonderful way that they presented the NDP programs for the coming year. It is quite clear that we will continue to make Saskatchewan one of the finest provinces to live in, and one whose economic conditions is one of the best. We are now, a 'have province' and I'm sure that the people of this province will keep us there to keep it that way.

I want to congratulate the new member for Pelly, Mr. Lusney, for the wonderful job that he did in coming here with flying colors, which reminds me of 1959 when I came to this Legislature with an overwhelming majority and the Star-Phoenix had a great big write-up before the election. They said — "Mr. Thibault is not sure of winning, but we can see he is oozing with confidence." Well I want to say that Mr. Lusney came here about with the same kind of weight. He also had it, Mr. Speaker, that the party who won Kinistino would win the general election.

**SOME HON. MEMBERS:** Hear, hear!

**MR. THIBAUT:** — We can see the trend is changing. The little upsurge that the Conservatives have had is only temporary.

I also want to congratulate the Minister of Highways, Mr. Kramer, the member for North Battleford, for the great job he has done in my constituency, especially the addition to No. 41 highway to connect Aberdeen with No. 2. It gives a great hand, it provides a hand to the people of Alvena are standing to lose their railroad. Since the federal government doesn't want to do its part in keeping the railroads in place, the provincial government will have to make some effort to provide better service to the people who are being abandoned by the federal government.

I want also to commend the Minister of Municipal Affairs, the member for Last Mountain-Touchwood (Mr. MacMurchy), for the good job he has done in defending the position of Saskatchewan in the retention of rail lines.

**SOME HON. MEMBERS:** Hear, hear!

**MR. THIBAUT:** — I know that some places will be hard hit, places like Meskanaw, Ethelton and Yellow Creek in my constituency. Nevertheless, we are lucky that we are able to save some of the lines that were slated for abandonment, such as Wakaw and Cudworth.

Now I would like to say a few words about Safety '77. I would like to go on now and talk about the work that I have done in the last year. It was a considerable amount of involvement that I have had in the Safety '77 program. I want to congratulate all those who have joined the crusade for safety. The results are now starting to show. Those who have been doing their best to reduce accidents should be commended. I am told by the police that the attitude on the highways has greatly improved since last year, and I hope this will continue.

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Another thing that I would like to mention is our injury rate in 1977. It has been reduced considerably. That is the first time it has gone down since 1970.

With regard to Safety '77 and the programs, some people deserve special mention such as the implementation committee, and the cabinet committee, that were set up and worked diligently to try to make Safety '77 work as smoothly as possible. I think the Department of Education and the work of Gordon McGregor deserve special mention for their effort in developing the DWI courses throughout the province. This, I think, is a very good step towards spreading education about the effects of alcohol, which is greatly needed, and still has a long way to go. I feel that Mr. McGregor's efforts cannot be left unmentioned.

Service clubs throughout the province have helped a lot by having safety meetings. Also, our schools have done a fine job. I want to congratulate the Minister of Highways and his department for his effort in that field. Mr. Popoff played a great part in seeing to it that Safety '77 was going over. I also want to mention SGIO and the minister in charge, the member for Regina Northwest (Mr. Whelan) who co-operated wholeheartedly in the program of Safety '77.

The alcohol question is the toughest one to deal with and consequently not as much headway has been made in that regard as I would have liked to have seen.

The Attorney General's department has done a very good job while under the leadership of Judge Boychuk, and a new traffic court has been established here in Regina. I am sure that given a fair chance this will prove to be very successful. All the police forces in the province of Saskatchewan have co-operated real well in selling Safety '77 to the public with a good shepherd approach.

The churches, also, have co-operated very well in asking their congregations to co-operate with Safety '77 and to accept their moral obligations as traffic safety is everyone's obligation to police himself or herself rather than to depend solely on law enforcement. I think that if everyone stops cheating at stop signs, quits cheating with the speedometer, quits cheating with the rules of the road and the laws of the land, that the death and the injury rate will be substantially reduced.

I also want to say that the director of Safety '77, Carl Shields, along with his staff have worked very hard with the co-operation of the Saskatchewan Safety Council. They have done a wonderful job of going into communities, having safety meetings, going to exhibitions with the road show and the convincer. These have made a terrific impact. Those who did not co-operate with the program and kept sniping at it cannot take any credit for its success. If we had 100 per cent co-operation, the death rate and the injury rate, I am sure, would have been even lower.

This year I have attended the International Conference on Traffic Safety in Australia and several conferences here in Canada, along with other Saskatchewan people. I want to say that the knowledge gained at these conferences is really priceless.

Mr. Speaker, to give you an idea of what has happened in Saskatchewan, in safety year, we have seen a considerable amount of injuries reduced. Out of 198 people killed we had only 11 people who wore their seat belts and it is clearly pointed out to us had seat belts been worn that half of those would have survived.

The survivor's club in our province is now exceeding over 100 people who say that they

were saved by seat belts — their lives and injuries were saved. I also want to say a few more words for the three months of June, July and August; there were 1,052 injury producing accidents resulting in 1,800 injuries. Of these only 266 people were wearing seat belts, 1,600 were without. This is a clear indication that there is a group of people who don't learn very easily and it will take a little more pressure to make them wear their seat belts, to convince them to wear them.

In July, the number of people injured went down by 5 per cent compared with July of last year; in August the number of people injured went down by 15 per cent; in September it decreased by 16 per cent for the same month in 1976. Now I want to say the trend is reducing the injury rate and I would like to ask all of the members of the House to join the crusade for safety and make this Safety '77 pay off. As far as I am concerned it is well on its way to success and the success will depend largely on how each and everyone of us co-operate.

**SOME HON. MEMBERS:** Hear, hear!

**MR. THIBAUT:** — Mr. Speaker, going to another subject. I believe that the fight for social justice is just as important today as it was in 1944, and we in the New Democratic Party will continue to fight for the things we believe in. We, in Saskatchewan, have been like an island in the middle of an ocean, fighting to stop a tidal wave from overcoming us. We are being sniped at continuously from all sides. Some people cannot see why resources should belong to the people of the province. They prefer to leave them in the hands of a few people who would siphon the profits off to other lands and deprive our people of medicare, hospitalization and recreation centres for senior citizens, winter recreation and so on, which comes out of our own resource money. I think it is better that way, rather than to have some industry take it and we get no benefits from it. The people who think different have tried to unseat us in every conceivable way. The Conservatives and Liberals get in bed with each other at night and pretend during the day that they're fighting. This is quite typical, a typical show that goes on and on.

I don't believe that the people of Saskatchewan are going to be misled by people whose heart is so close to the old line parties. We, in the New Democratic Party will have to continue knocking on doors and do our work on foot because we do not have control of the media, and have all the facilities to try to mislead the public in every way conceivable. The people of the New Democratic Party have fought and continue to fight for social justice and have nothing to be ashamed of our party with leaders such as Tommy Douglas, Woodrow Lloyd and Allan Blakeney, a record that any political party would be proud of having for themselves.

Mr. Speaker, some people are asking me, "Why not try the Conservatives?" Oh, I tell you, I am 63 years of age. I tell these people I am 63 years of age and I have had a taste of the Conservative Party when I was 13 or 14, and believe me anyone who had a taste of that, would have to die twice before he would forget the vicious and malicious treatment that that party gave us.

**SOME HON. MEMBERS:** Hear, hear!

**MR. THIBAUT:** — And a breed of cats, Mr. Speaker, that's sitting across the way are no different than those that we had in the dirty 30's. It is no accident, Mr. Speaker, that they were kept out of office for 40 years. I know that it would be the worst thing that could happen if we elected a Conservative Government to our Parliament or our Legislature. I know that young children, why you try to tell them not to touch the stove because it's

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hot, they have to find out for themselves by touching it, and then they learn. But I want to tell the people of all ages that we got burned once. Believe you me, that 30 years ago, we got burned good and proper and now the same group of people, with the same philosophy, the same ideas are asking the people for another chance. Believe me the damage that these people can do, is too great to take a chance. I appeal to the people of all ages to think twice, work for a party who works for the people and wants your welfare rather than going for a party that talks only about free enterprise, which looks good on the surface but doesn't mean anything when put into practice.

I think it is quite clear, Mr. Speaker, that I will support the motion and I will vote against the amendment.

**SOME HON. MEMBERS:** Hear, hear!

**MR. W.H. STODALKA (Maple Creek):** — Mr. Speaker, I am pleased to participate in this debate and initially I would like to congratulate the new member for Pelly. I noticed that while he is a new member, his speech is as old as the speeches I have been hearing ever since I entered this Legislature some years ago and would also like to suggest unless there is some new thinking taking place on the other side of the Legislature that they are not going to be members of the government for very long.

We must be reminded I think, that the contemporary voter is a person who is primarily interested and concerned about the present and the future and not the past, and certainly too much of your time seems to be dwelling on things that happened many, many years ago and trying, I suppose to refresh minds that can't even remember what happened at that time.

Now as my responsibility within our caucus is education, I would like to deal with two topics at this time. The first is the matter of school law revision. Now the white paper used by the government to initiate discussion on school law was a good idea. The opportunity afforded those interested in education, to criticize and to offer suggestions was also commendable. The Minister had indicated, as a result of the various submissions that he received that there will be substantial changes made to the suggested legislation contained in the white paper. Those involved in the discussion held up until this time are anxiously awaiting the tabling of the final bill to see what those changes really are.

I would suggest that the bill be presented shortly so that ample time would be available to those who are affected by the legislation. While I commend the way that the department has solicited and received public input up until this time, I do hope that the Minister will continue to have an open ear once the legislation is tabled in the Legislature. To ensure that interested parties have an opportunity to offer their suggestions and criticisms, I would ask the Minister to consider a number of suggestions I would like to make at this time.

First, I would ask that he table the bill before we adjourn at Christmas and delay the second and third reading until the spring session.

**SOME HON. MEMBERS:** Hear, hear!

**MR. STODALKA:** — Secondly, I would like the Minister to use the education committee of this Assembly as a second step in passing this legislation. This committee of Assembly has been set up year after year and seldom if ever meets. I know it has never met since the election of the

present sitting of the Legislature. I asked the members of the Clerk's Office to find out when the last time the education committee had ever met in this Assembly, and from the information that we were able to receive it was some 54 years ago that the education committee in this Assembly met. And when it did meet, the problem that it was concerned with at that time was whether or not the school system, the local school districts that were in existence at that time, should be turned over to the rural municipalities to operate the school system. So that's a good 54 years ago, since this committee met and if each and every year we have the committee being reappointed, it would seem that if the committee is going to serve some useful function, then certainly this is one time when it might be able to be used.

All of us recognize that passage of the new Education Act will be a milestone. The Premier in his remarks in the Throne Speech recognized the importance of the Legislation. Certainly, Mr. Speaker, important legislation such as this requires a great deal of study before passage. The Minister should immediately advise the public that the education committee will receive submissions once the bill has been presented. Upon receiving these submissions, committee members would have the opportunity to ask for explanations. Those presenting briefs would have the opportunity to elaborate and to defend their positions. Certainly, the aforementioned procedure would provide members of this Assembly with a deeper understanding of the Legislation they are going to be asked to pass.

The fact that there is a recess between the fall session and the spring session should provide ample time for the committee to receive submissions. In conclusion, Mr. Speaker, if the education committee is not to be convened to study this massive change in education legislation can one even justify its very existence. After all, a legislative committee is not a vehicle designed to give the public a chance for input and here we do indeed need that input.

The second matter that I would like to discuss as it relates to education is the teaching of a second language in our schools. At the outset I would like to indicate that what I am about to say are my personal views and not that of the Liberal Party. It is my personal opinion that present second language instruction, particularly in French instruction in most instances, is inadequate. Reasons for this are numerous. Presently, most schools within the province begin an oral program in Division 3 or Grade 7, if you like. The introduction of the program at this level results in a number of problems. First, Mr. Speaker, students of this age appear to have greater difficulty in learning a second language. The older the child, the more reluctance there is to become involved in trying something that may cause his peers to laugh at him. Older children develop inhibitions that younger children simply do not have. Secondly, the older child comes into the program with preconceived ideas as to the value of the second language. Often the community and the home may have had a detrimental effect on the child's attitude about the language. Thirdly, the fact that the Division 3 program is compulsory creates a situation in which the teacher has the responsibility to try and motivate the class in which there are a number of students who are just waiting for the day in which they can drop out of the class. Fourthly, classes in Division 3 are usually too large to offer any extra attention, the extra attention that students need. Finally, most school students do not have the language laboratory equipment used in the second language. This is particularly true of the small high school in Saskatchewan. Language laboratories in which school students can practice are simply not there. Now there appears to be a general recognition that something should be done. I refer to the fact that additional

funds are being made to the foundation grant; boards have been asked to outline how these funds were to be used and to justify their spending. Others are suggesting that the university should revert to its practice of requiring a second language for admission to certain colleges at the university. While this may result in a few more university oriented students taking a second language, it will really do very little to solve the basic problem because the requiring of a second language eliminates those who do not take a second language in high school from a university education in Saskatchewan it is certainly detrimental. Some of these students would probably evade the requirement by seeking out a university in other provinces or in the states of the United States as they did in the past for a university that simply does not ask for a second language requirement.

It is my opinion that if we are to be successful in second language instruction we must begin at an earlier age. Suitable programs with adequately trained teachers, properly equipped classrooms would have to be made available. The introduction of such a policy would only offset the university bound student and what about the majority who would not be bound to the university and I refer to the policy of making French required at the university level. What about the great majority of students who have absolutely no intention of going to university?

We must not continue the practice of the past in which we have developed programs and then started worrying about teachers. The development of a program and the training of teachers should be simultaneous, done simultaneously. It probably would be essential to provide financial assistance in the form of bursaries in order to attract interested and potential teachers. Because of the strong objections of some parents to the program it should at least initially be a voluntary program. Compulsory attendance I am afraid would have far too many negative effects.

Mr. Speaker, if we are serious about teaching a second language, particularly one of our official languages, changes will have to be made. More and more Canadians are beginning to recognize that the unity of this great country depends on the acceptance of the fact that there are two official languages in this country and forcing those who do not wish to learn a second language can only be damaging. But, Mr. Speaker, we do have a responsibility as Canadians to permit those who do desire to become bilingual to enable them to also learn a second language if they so desire.

I would now like to turn to a couple of matters that affect the constituency of the area which I represent. Certainly some of the things that I am going to say also affect some of the other rural members of this Legislature.

The first thing I would like to say a few words about is the matter of cablevision. Mr. Speaker, during the last two years many hours in this Legislature have been devoted to this idea and the issue of cablevision. We have heard many arguments pro and con as to who should own the cable, who should own the hardware, who should build the transmitter, who should control the lead-in, who should operate the system. All of these discussions have been held and all this time has been spent for only those people who live in Regina, Saskatoon, Moose Jaw and North Battleford. Not the rest of us, just the people in those four cities, a group of Saskatchewan citizens who already have at least the two major networks providing television for their homes.

The issue of cablevision for Saskatchewan and the arguments with the CRTC have received a great deal of attention and yet many people still do not understand it. People

have been lead to believe that the argument concerns all of Saskatchewan. There are many who feel that when the issue is finally resolved there will be a massive extension of cablevision into rural Saskatchewan. But such, of course, is not the case.

Mr. Speaker, government officials have quietly indicated that cablevision will not be available for the smaller centres in Saskatchewan. They say it would be far too costly to provide cablevision services to the people of rural Saskatchewan. I would therefore like to remind all rural members of this Assembly that the millions of dollars that is being spent by Sask Tel will be of little or no benefit to those of us who are living in rural Saskatchewan. Just remember that through Sask Tel we are helping to supply the funds and the expertise. Remember we are also helping to provide the millions of dollars and grants to the co-operatives who will be providing the service. But what can we in rural Saskatchewan expect, Mr. Speaker? These huge expenditures will be of no benefit to those people who live in rural Saskatchewan.

What concerns me most is that the priority of this government is in providing Regina, Saskatoon, Moose Jaw and North Battleford with a third, fourth, fifth, sixth or seventh television channel. It is not concerned with providing the help necessary to provide areas of rural Saskatchewan with the benefit of at least one Saskatchewan channel or a second network. Surely the government's first priority should be to provide these minimum services before they spend the millions of dollars for cablevision in four centres.

A number of rural areas in Saskatchewan, including Leader in the constituency of Maple Creek, have been so determined to bring television outlets to their areas that they have proceeded on their own initiative to provide services. They have collected funds and built a transmitter of their own when neither the CBC, the CTV or their affiliates would provide the services. They are presently operating them and paying the maintenance costs, costs which residents of the cities and surrounding areas are not obliged to pay. Here we are spending millions of dollars on cablevision for cities which already have multiple outlets and yet what are we doing for those areas of rural Saskatchewan who have fringe or limited television services?

Why is the government not providing the expertise and at least a portion of the funds necessary to help community organizations, co-operative or otherwise, build local transmitters? Why not help those who do not have a second network, help those areas where the CBC or CTV affiliates will not build? Secondly, if the microwave rental fee is too high to encourage present operators to provide services or extend services into unserved areas, why are there not special microwave rate provisions made for these areas? The government should be doing its utmost to encourage present operators to provide television in unserved areas. I ask you to consider though, what are they doing?

I ask other members of the Assembly representing rural areas such as the area I represent, to consider the present priority of the government. Millions of dollars are being spent to provide cablevision to these cities when we in the rural areas do not even have minimum service. I would ask those rural members, particularly on the government side, to pressure their caucus to try to rectify the situation as it presently exists.

The government has indicated they want to improve life for those living in rural Saskatchewan. If they are serious they must reconsider their priorities. They should be developing programs that will provide a minimum of service in rural areas before spending these millions.

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Lastly, I would like to make mention of the changes that the Minister of Agriculture made last year in the policy of allocating lease lands to ranchers and farmers. Last year the Minister of Agriculture changed the policy used to allocate provincial lands to ranchers and farmers. Now if the minister had deliberately set out to ruin the ranching units of southwestern Saskatchewan he just couldn't have done a better job. The change in policy does not permit the transfer of lease land to purchasers of existing ranch units. The resulting effect is that it is difficult to sell a ranch when no guarantee can be secured from the Department of Agriculture that the lease land will be transferred. What has been and will continue to be the effect?

Now, first of all the policy breaks up existing units. Units that cannot be operated economically without the necessary lease land. Secondly, the policy has a depressing effect on the prices of the ranches. Potential purchasers will not buy a ranch that has only a few quarters of deeded land and needs the lease land in order to make it an economically viable unit.

The Minister of Agriculture has argued that the policy was necessary because ranchers were selling ranches at exorbitant prices, prices that were too high because the seller was in effect selling government Crown land. If the minister felt that such was the case he had the power under the previous legislation to prevent such a sale. Why wasn't this policy used, why was it necessary to change and make it impossible or nearly impossible for any lease land to be transferred with the sale of a ranch? The question is, why did the minister not use that option rather than adopting a new policy which has had such a devastating effect on the sale of ranches in our area!

I urge the minister to reconsider his policy, to adopt a policy that aids the industry rather than destroys it.

Mr. Speaker, in conclusion I think you can see that I will not be supporting the motion but will be supporting the amendment.

**SOME HON. MEMBERS:** Hear, hear!

**MR. D.G. BANDA (Redberry):** — Mr. Speaker, I have a fair amount of remarks that I want to make on the Throne Speech Debate and due to the time I wonder if we might call it 5 o'clock.

The Assembly recessed until 7:00 o'clock p.m.