

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session — Sixteenth Legislature
28th Day

Thursday, March 25, 1971

The Assembly met at 2:30 o'clock p.m.
On the Orders of the Day.

ANNOUNCEMENTS

Grand Champion Bulls at Regina Winter Fair

Mr. B.D. Gallagher (Yorkton): — Mr. Speaker, before the Orders of the Day I am sure it will be of interest to all Members of the House to learn that a constituent of mine, Mr. Harvey Wegner, was successful in showing the grand champion Hereford bull last night at the Regina Winter Fair. It will be of particular interest to the Member for Humboldt (Mr. Breker), whom I see in the galleries this afternoon. He thought that his area of the province had a monopoly on grand championships. I was going to, on Tuesday morning, stand in my place and announce that another breeder from our area in the province, Mr. Calancie — I don't know whether you can lay claim to him or I should, Mr. Speaker — won the grand championship in the shorthorn show. The Wegners are some of the best breeders of Hereford cattle in Western Canada. They not only had the grand champion bull last night at the show, they won the best pair of bulls and for the sixth time they showed the best group of five bulls and this morning Harvey was able to establish an all-time record for horned bulls by selling his animal to a United States firm for \$7,500. I am sure all Members will want to join with me in congratulating both the Whitesand River Ranch and the Wegners.

Hon. Members: — Hear, hear!

Mr. Speaker: — And our friend, Mr. Calancie, I want to remind the Members as to where Mr. Calancie and his famous herd of cattle belong; I claim them for the free state of Saltcoats.

Hon. Members: — Hear, hear!

Newly Elected President of SUMA

Mr. A. Matsalla (Canora): — Mr. Speaker, before the Orders of the Day I want through you to bring to the attention of Members of this House that a constituent of mine, Mr. Walter Mysak, the mayor of the town of Canora, this morning was elected president of the Saskatchewan Urban Municipalities Association.

Hon. Members: — Hear, hear!

Mr. Matsalla: — Mr. Mysak as well was presented an honorary membership in the Association for his many years of outstanding work in civic administration. Mr. Mysak's long and distinguished record of public service in local government and community organizations is well known and recognized. This was borne out at the SUMA convention when Mr. Mysak was accorded an acclamation

in the president's election.

Mr. Mysak has an interesting background. Following his studies in university he worked for many years as a civil servant with the Assessment and Land Branches of the Saskatchewan Government. For a period he operated a business in the village of Buchanan and during this time he took an active part in civic affairs, holding a position on the village council for many years. I believe it was in 1953 when he returned to the civil service with the Lands Branch of the Department of Agriculture. It was only a few years ago that Mr. Mysak was forced to leave the civil service under the undue pressure of the present Government.

While in Canora Mr. Mysak served on the town council for many years — the last six years as mayor of the town. Now I am certain that all Hon. Members want to join me in congratulating Mr. Walter Mysak on his election and wishing him well in the high and responsible position of president of the Saskatchewan Urban Municipalities Association.

Some Hon. Members: — Hear, hear!

Premier Receives Second Highest Award at Bull Sale

Hon. J.C. McIsaac (Minister of Education): — Mr. Speaker, as a supplementary comment to the remarks by the Member for Yorkton (Mr. Gallagher) I am sure that all Members of this House will be glad to hear and interested to know that the Member for Morse (Premier Thatcher) sold the second highest bull this morning at the bull sale for \$4,400 following that one from Yorkton.

Hon. Members: — Hear, hear!

Reserve Grand Champion Bull

Mr. P. Schmeiser (Watrous): — Mr. Speaker, before the Orders of the Day, I wish to inform the Members that Neil McArthur and son of Watrous won the Reserve Grand Championship with their two year old polled Hereford bull, TH Beau Mode Supreme 011A. I should also like to add to the Hon. Minister of Education in congratulating the Premier on selling his bull for one of the second highest prices paid for a horned Hereford.

I think that all Members of the House will join with me in congratulating these men on their fine animals.

Hon. Members: — Hear, hear!

Congratulations to All Winners at Regina Bull Sale

Hon. D.T. McFarlane (Minister of Agriculture): — Mr. Speaker, we've celebrated St. David's Day, St. Patrick's Day and now we're celebrating bull day so I should like to get my little licks in here as well and congratulate the different ones throughout the province who have won these meritorious awards but I think the recent sale, which is not as yet completed, indicates once again the tremendous advances that the livestock breeds have made in our province. The Regina

Bull Sale is now recognized as the largest sale of its kind in the world.

I think two things are important in the sale this year: (1) it is the tremendous increase in quality of all the exhibits; and (2) the optimism of the people in the cattle industry because they are going out there and they are paying these high prices that were announced here this afternoon, not only the high prices but a real good average price right across the board, not only in Shorthorns, Aberdeen Angus but Herefords as well. More important still I think are the prices that were paid for boars and for sows. This surprised everybody and I think it bears out once again the tremendous optimism in the agricultural industry in this great province of ours and I congratulate all the exhibitors.

Hon. Members: — Hear, hear!

Welcome to Students and Guests

Mr. Speaker: — I wish to introduce to all Hon. Members the following groups of visitors in the galleries: from the constituency of Regina South West, represented by Mr. McPherson, 14 members of the Girl Guide No. 7 Company from the Athabasca School, under the direction of their troop leader, Mrs. Thurman; from the constituency of Elrose, represented by Mr. Leith, six high school students, one from each of the high schools in the Elrose constituency, accompanied by their drivers, Mr. and Mrs. George Wilkie of Wiseton, Mr. Albert Mewis and Mr. Dave Shaw, both of Forgan; from the constituency of Melville, represented by Mr. Kowalchuk, 11 boy scouts from the Third Troop from the city of Melville, under the direction of their scout leader, Mr. Alex Yachyshen and their driver, Mr. Earl Radcliffe.

I am sure all Hon. Members will wish to extend to these visitors in the galleries a very warm welcome and to express the very sincere wish that they will find their stay here enjoyable and educational and wish to all of them a safe trip home.

Hon. Members: — Hear, hear!

QUESTIONS

SPC Bonding Hog Procedures

Mr. E.I. Wood (Swift Current): — Before the Orders of the Day I wish to ask a question of the Hon. Minister of Industry but he has just stepped out. However, possibly some other Member of the Government could answer my question. Is it the policy of the Saskatchewan Power Corporation to require large hog producers to be bonded at a cost of some \$20 or \$30 a year in order to ensure payment of their power bills?

Mr. Thatcher: — I will relay your question to the Minister.

MOTIONS

Additional House Sitings

Hon. D.V. Heald (Attorney General): — Mr. Speaker, this is a motion which we seem to come along with about this time in each session and I would move, seconded by the Minister of Education (Mr. McIsaac):

That on Wednesday, March 31, 1971, and on each Wednesday until the end of the Session, Rule 3(3) be suspended so that the sitting of the Assembly may be continued from 7:00 o'clock p.m. until 9:30 o'clock p.m.

That on Friday, March 26, 1971, and on each Friday until the end of the Session, Rule 3(3) be suspended so that the sitting of the Assembly may be continued from 7:00 o'clock p.m. until 9:30 o'clock p.m.

Notwithstanding Rule 3(4), on Saturday, March 27, 1971, and on each Saturday until the end of the Session, the Assembly shall meet at 10:00 o'clock a.m. until 5:30 o'clock p.m.; that there shall be a recess of two hours at 12:30 o'clock p.m.; and that the Order of Business shall be the same as on Thursday.

I might say, Mr. Speaker, in moving this motion that after discussing the matter with some of the Members, I can give the undertaking of the Government that we shall not be invoking this motion if it passes so far as Friday of this week and Saturday of this week is concerned and we are cognizant of the fact that some Members, perhaps on both sides of the House, have commitments for next Wednesday, March 31st in the evening which we shall try to honor and we shall be having discussions. We want to get this motion in but we certainly shall try to take cognizance of any commitments that Members already have in some of the hours that are referred to herein.

So with that short explanation, I would move this motion.

Mr. A.E. Blakeney (Leader of the Opposition): — Mr. Speaker, with the assurance given by the Attorney General that this will not be invoked this weekend, we find ourselves in reluctant support of the motion. We support it because we want, as much as does the Government side, to expedite the work of the House. We are reluctant in our support of it because of the fact that basically we feel that this sort of conduct of the business of the House is undesirable. We think that preparation time is necessary for all Members of the House and a little relief from the pressure of the House is necessary. In addition, many Members feel that, on occasion, during the weekend they must go back to report to their constituents and otherwise to deal with constituency and perhaps personal matters over the weekend.

We feel that this could have been avoided had the Session been convened when it was, in fact, first called.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — We acknowledge the fact that there were Federal-Provincial conferences and Winter Games which would have required some adjournment but the three or four or five or six days which could have, at that time, been spared by most Members a good deal more easily than it can be spared in April, would have allowed us to carry on our business in a more orderly way. However, it's no use crying over that spilt milk. We made our point at the time. Various people saw fit, I thought unfortunately, to ascribe to that position of ours a lack of enthusiasm for this or that public venture. It was not that at all, it was to avoid the very situation which we are now faced with.

We do, however, want to expedite the business of the House. I want once again to know that I am clear on this: that we shall not sit this Friday; as I understand it, we shall not sit this Saturday. Next Wednesday is the Lieutenant-Governor's dinner and accommodation will have to be made for that. I think all Members would agree with that. The following Wednesday we on this side have some commitments and we shall discuss this with the Attorney General and House Leader. And with respect to Saturdays I should respectfully suggest that an effort ought to be made to organize the business of the House on Friday night and Saturday to meet some conveniences. We admit the problems which the Government has in this regard and it must have the carriage of the business of the House because it has the basic responsibility to get the business through. But on the other hand it will be acknowledged that there will be commitments over weekends which will cause some Members to necessarily absent themselves and I know we can look to the Government to attempt to schedule the work of the House so that Members will not be deprived of their right to participate.

Then with those comments, Mr. Speaker, we find ourselves in reluctant agreement with the motion.

Some Hon. Members: — Hear, hear!

Mr. Heald: — Mr. Speaker, I would confirm what the Leader of the Opposition said and what I said earlier, that we shall not be sitting tomorrow night, being Friday night; we shall not be sitting Saturday of this week; we shall not be sitting Wednesday of next week because of the Lieutenant-Governor's dinner. So far as other dates are concerned, they will be discussed through the usual channels.

Motion agreed to.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. D.G. Steuart (Provincial Treasurer) that Bill No. 36 — **An Act to assist Athabasca Forest Industries Ltd. in establishing a Pulp Mill in Saskatchewan** be now read a second time.

Mr. J.J. Charlebois (Saskatoon City Park-University): — Mr. Speaker, in speaking on this Bill, An Act to assist Athabasca Forest Industries Ltd. in establishing a pulp mill in Saskatchewan, I think that it is significant that this Government has taken every precaution to be sure that we have a good deal for the people of this province.

The Opposition would like it to appear that this is a bad financial deal. It is not. It is a good financial deal. The NDP claim it does not mean much as far as employment is concerned for our people. This is a most ridiculous claim and they should be ashamed for trying to belittle this aspect.

This Athabasca Forest Industries deal has been examined and dealt with very carefully by our negotiating team. They have had the deal with the Prince Albert pulp mill as a guide. The Prince Albert mill is proving itself as a successful and profitable operation and a good deal for the people of this

province. The terms of the agreements for this project were well laid out and it is therefore an excellent guide for the agreements we are now considering. Besides this, in order to be doubly sure that we have a good deal, independent information has been obtained and this has been obtained from reputable consultants, each one recognized as the best in their field.

The NDP would like to create an image of Parsons and Whittemore and Mr. Landegger as nothing but promoters who do not care if the Athabasca venture is a success or not. I say this is a deplorable attitude and is done only to disturb our people and create an unjustifiable impression that the agreements are a lopsided political deal.

Let's get straight on one thing right from the beginning. Parsons and Whittemore are producers. They are proven producers with viable pulp mill operations in many countries throughout the world. To claim that they do not care if the Athabasca Forest Industries Limited is successful or not is utter nonsense.

These people who are recognized experts in the pulp industry have made a very careful feasibility study and back of this study is not only a wealth of knowledge from world-wide pulp operations but also their experience in the Prince Albert operation. This feasibility study must therefore be treated with respect. This Government has not taken the Parsons and Whittemore study for granted. They engaged an independent firm of consultants, Associated International Consultants Incorporated, to examine and criticize this study and their report is a very favorable one indeed. Not just on the mechanics of the operation to ensure a viable industry in perpetuity but also as far as the financing of the project is concerned.

The impression that the Leader of the NDP is trying to make is that Parsons and Whittemore is putting up practically nothing and that the Saskatchewan Government is putting up everything is a deliberate attempt to mislead our people. Mr. Blakeney claims that Parsons and Whittemore are putting up less than \$20 million for a 70 per cent equity. Actually they are putting up \$31.8 million and their exposure is \$149.5 million. He tries to confuse the issue by referring to the Government guarantee as if it was money actually put into the project by the Government at this stage. No one argues the risk, the risk is there only if the venture fails and this venture has been checked out in every manner possible to ensure against failure.

Certainly the Prince Albert pulp operation is proof of the confidence that we should have in this project as far as risk is concerned. Many other justifiable concerns have been very carefully checked out by independent firms.

The water supply has been properly evaluated. We are assured that \$10 million will be spent on pollution control. This will provide a system that will be one of the best ever known to this industry. Management consultants are engaged to advise on a complete new townsite. The estimate of the population of this townsite is 4,000 and surely this alone must be recognized as a very practical contribution to the economy of our province.

The matter of employment was raised by the Leader of the Opposition and referred to as if it was not very significant and he referred to the employment of our native people in the

same way. When we speak of the employment of native people, the record of this Government stands unique in Canada. We have made a very sincere effort with very practical applications and the result is certainly commendable. At the same time we must recognize some of the difficulties. Anyone who has had experience employing native people knows full well that in general terms it is a difficult thing to have these people remain steadily at any one job. While there are many examples of success in this regard there is still the fact that in a great many cases it is not an easy situation.

Let me say this, that we can be sure that as a result of this pulp mill operation, a great many job opportunities will be created for our native people as well as for others of our people. I think it should be noted, Mr. Speaker, that a training program is already under way right now in the Athabasca mill area predominantly for the Indian and Metis people.

I think we should note, when discussing the employment of the native people at the Prince Albert mill — and this was raised by the Leader of the Opposition (Mr. Blakeney) — that there are a very few native people at the Prince Albert mill. I should like to remind this House that the union insists on a grade eleven education as a requirement for employment. This is not a Parsons and Whittemore idea, this is a union requirement. Certainly it speaks for itself as far as Indian and Metis are concerned. I should like to refer to the infrastructure agreement for the Athabasca project, Article 4, page 10, under personnel.

Athabasca and Parsons and Whittemore contractors agree to make maximum use of available Indian and Metis personnel both in construction and operation phases of the pulp mill. It is the objective of the Minister that at least 20 per cent of the personnel providing services to Athabasca and Parsons and Whittemore contractors, as the case may be, will be of Indian or Metis extraction and, therefore, the Minister shall undertake the training of said personnel for these purposes.

This may be criticized as a matter of intent only but surely no one doubts the sincerity of the intent.

In regard to the employment of this project, I think we should commend both management and labor for the agreement that will be in effect on this project. Both labor and management are co-operating to co-ordinate and harmonize the activities by the unions and the companies, working together to assure that this tremendous undertaking will proceed with a minimum possibility of delay.

The Northern Saskatchewan Allied Council, which is composed of international building and construction trade unions, is working on a project-type collective agreement with Parsons and Whittemore. This project agreement is intended to prevent work stoppages due to jurisdictional disputes, strikes or lockouts. A full-time council representative will be appointed by the council to represent all employees and to assist in carrying out the terms and conditions of the agreement.

The council representative will work with the company labor relations officer on the project to abate any problems right on the site.

I think it is very regrettable, Mr. Speaker, that the Leader of the Opposition, while speaking in this debate, objected to people from Quebec working in this province and quite clearly he indicated that he didn't think they belonged here. Let me remind him that these people are Canadians and they are Canadians every bit as much as he is and have as much right to come to this province as he had when he came. I am sure that they will contribute as much in their way as he ever will in his. I should like to say this — they are here as producers in our society and not as parasites.

Mr. Speaker, my forebears came to Quebec from France in 1685 and the family has been in Canada ever since. And while I was born in Saskatchewan I should hate to think that anyone in this House would ever rise again and take the attitude that this province is not open to all Canadians, especially when he himself has had the privilege of this very opportunity.

Some Hon. Members: — Hear, hear!

Mr. Charlebois: — The Leader of the Opposition refers to the fact that no competitive bids were asked on this project. Certainly other companies, and particularly Canadian companies, were asked for proposals but, Mr. Speaker, on projects of this magnitude it is standard practice to have the project handled on a turnkey basis. This has already been done in this province on such projects as the Potash Company of America, Allan Potash Company, Duval Mine, International Minerals and Chemicals and Kalium. It is also likely to be the method adopted for the Gulf Minerals project at Rabbit lake. There is certainly nothing wrong or unusual about this manner or procedure on a project of this magnitude.

Now the Leader of the Opposition, being a relative newcomer to Saskatchewan, is probably not aware of the policy adopted by his own Party when they were the government. But let me remind him of the University Hospital in Saskatoon. This building was built on a fixed fee basis by Smith Brothers and Wilson at the request of the CCF Government of that time.

Certainly I am not indicating that anything was wrong with this procedure at that time, neither is it today. But I do say it points to the very deliberate misleading statements by the Opposition.

I should like to refer to the Reforestation Program which will assure that we shall have with this industry, an industry in perpetuity. I think it is important that we realize that this project is not like a mine which usually has a span of existence that is related to a specific deposit.

First of all stumpage is paid to the Government at the rate of 75 cents per cord for softwood and 35 cents per cord for hardwood. There is a charge of 20 cents per cord on softwood for reforestation. This pulp mill will process both hardwood and softwood. And because of this, the clear-cut method will be used. Many people, when they first see a clear-cut area, are alarmed at what they see and are prone to jump to the conclusion that vast wastelands are being created. This is another impression that the Leader of the Opposition has tried to create and also the Deputy Leader (Mr. Romanow). I say this is purely a display of ignorance. They simply don't know what they are

talking about. We can cite as an example the Province of Newfoundland where the 1905 clear-cut is now excellent forest and habitat for wildlife. But far better, let us take the examples in our own province. The Member from Kelsey (Mr. Messer) referred to the devastation caused by the logging operations of the old Le Pas Lumber Company. His claim is clearly nonsense. When we look now at the areas they logged off in the era of 1904 and the succeeding years, there we have some of the most beautiful forests in our province today.

I refer here to the Prince Albert National Park. My goodness, if you have ever gone through that park, you can see what a beautiful forest country it is. To the Emma Lake area, the Christopher Lake area, the Candle Lake area and similar areas, I say that clear-cutting when properly allowed to rotate is definitely not a devastation.

Mr. Bowerman: — They didn't clear-cut!

Mr. Steuart: — What do you know about it?

Mr. Charlebois: — You clear-cut this guy from Kelsey who made the statement. I am telling you where these people logged and where he claimed there was devastation of our forests and it is absolute nonsense.

Mr. Bowerman: — Prince Albert Company never . . .

Mr. Charlebois: — Then shove this down the throat of the Member who sits next to your seat, the Member for Kelsey, he is the one who made the statement in this House. I should like to correct that statement because these are simply the most beautiful forests that we have today, where these people had their logging permits. You had better write his speeches for him so he knows what he is talking about.

Now, Mr. Speaker, there are four plans in particular that are being considered in this province at this time and will be considered for the Athabasca project and each one of these methods has merit. Besides our own Department of Natural Resources foresters, a team from Ottawa from the Federal Government Forestry Service are researching the merits on the site and they have a lab on the site. They have it right in the present cutting area. The Canadian Forestry Association is interested in what we are doing and also the Forestry Research of British Columbia. There are many others and they have offered every assistance and they are conversant with what we are doing and they recommend what we are doing as being the very best that could possibly be done.

Of the four methods, two that are looked at with the most favor at this time are the transplanting and the scarification methods. The techniques involved will assure the rotation of a pulpwood crop every 60 years.

The scarification is a very simple but very effective method where they use a heavy four-wheeled vehicle which drags heavy anchor chains with welded spigots over the cutoff area. This serves to scrape down through the moss and it allows the seeds to germinate in the soil rather than in the moss and thereby get the full benefit of the necessary nurture and moisture of

the soil. This method has been concentrated on the jackpine cutover areas and the results of this method so far have been very highly satisfactory.

So, too, with the planting method from nursery stock. So far about 790,000 trees have been planted but this method is now going to be accelerated and in the coming season a minimum of 800,000 trees will be planted. For anyone to declare that we are ravaging our forests is simply complete and utter nonsense.

The new second growth will produce beautiful forests and because of the program here in Saskatchewan we shall have forest and wildlife habitat in perpetuity.

Some Hon. Members: — Hear, hear!

Mr. Charlebois: — There are more deer and moose in North America today than when the first settlers arrived and the reason is the harvesting of mature timber stands and the creation of young forests with abundant food and cover for big game.

Mr. Speaker, a resource unused is a resource that is lost and such waste should not be tolerated when it can be prevented.

I think that here, besides the greatest industrial complex ever to come to this province, we shall have not only new jobs for our people, we shall have it with clean environment, new forests, greater wildlife habitat — a whole new era for our North country. And believe me, Mr. Speaker, I am all for it and I am certainly going to vote in favor of this Bill.

Some Hon. Members: — Hear, hear!

Mr. W.S. Lloyd (Biggar): — Mr. Speaker, when the Minister of Welfare (Mr. MacDonald), who had adjourned the debate prior to today, began his talk last Monday, he noted the complexity of the financial arrangements and then announced his intention to clear up the confusion. I felt that by the time he had finished that he had somewhat over-complimented himself in his opening statement. What he did do, it seems to me, was to succeed in demonstrating that there are still some aspects of the financial arrangement about which the Government itself is confused.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — I am happy to be able to announce to the Legislature, Mr. Speaker, that it is neither my intention nor my responsibility in this debate to attempt further clarification of the financial terms and I say this, I may say, with heartfelt thanks. I do want to note that my colleague, the Leader of the Opposition (Mr. Blakeney) will take a later opportunity to explain again the financial implications of this proposal for Saskatchewan. When he does so, he will do so against the background of experience and of competent knowledge about corporate law and corporation structure . . .

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — . . . about economics and about public finance and I

commend those later remarks to the attention of the Government.

But there is more, Mr. Speaker, to this Bill than the financing details and the public risks. There is more even to this Bill than the way in which the Government is playing poker and shooting craps with Saskatchewan's resources.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — There is more to this Bill than the way it is mortgaging some of Saskatchewan's future to buy chips to stay in the game. I suggest in support of these comments that the Government's own statements made earlier in this debate admit that it is taking part in that kind of a game. The name of the game is then in fact identified; the fact of the risk being taken has been admitted; there is some haggling to be done about the possible total price but unfortunately only in later years will all of the facts be known.

Mr. Speaker, this Bill must be looked at against the total spectrum of current Canadian and Saskatchewan problems. These problems include some serious and some hurting unemployment in Canada and in Saskatchewan, they include the development of resources to improve quality and quantity of Canadian life.

The list of problems includes more than just more employment, it includes, equally important, how we provide that additional employment. The list includes more than just more development, equally important is the question of how we create that development. And the list includes consideration of the possibility of transferring the support proposed for the pulp mill to other segments of the economy and consequently creating other kinds of employment as an alternative to the whole effort as proposed by this Bill.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Mr. Speaker, the stresses and strains of today's society require and demand a reappraisal of our goals and our methods, a reappraisal of our means and ends of development. This may indeed be an agonizing reappraisal but I submit there is a growing demand by Canadians of all political parties that governments and politicians take the lead in such a reappraisal; that governments and politicians at least do better than we have to document the need for such reappraisal.

Politics has been called by some as the "art of the possible" and by some it is considered "the art of attempting to avoid the inevitable". I suggest that the greatest threat to democracy lies in that limited and limiting definition. Politics and government have much wider application and implication than just that.

There is a prime need for governments and politicians today to broaden and make more comprehensive the facts we use with which to make decisions. There is a prime need to broaden and make more comprehensive the effects we consider when making these decisions. There is a prime need to devise new agencies and new organizations and new models for action. This need is particularly pressing in respect of resource development from one end of Canada to the other. It is particularly pressing here in our Province of Saskatchewan.

This Bill, I submit, ignores the facts of the 1970s. It ignores the need for some agonizing reappraisal of ends and means of development. I say that because the Bill makes a recommendation on a decision which is based exclusively on facts which are non-comprehensive. It makes a recommendation based, too, exclusively on short-sighted consideration of the effects of the Bill. It relies on yesterday's agencies and organizations and models of action. It is true, as has been argued, that it will affect many people. It is precisely for that reason, the extent of effect on people and kind of effect, that it is inadequate; it is precisely for that reason of great and broad effect that we have taken the position that we have.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — And I submit that the Government which sits to your right, Sir, is unwilling, if not unable because of its philosophy, to look at all the facts and weigh all the effects for the future. It is precisely for that reason that this Government does not have the confidence of Saskatchewan people.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — There are several specific areas in which Canadians are demanding this reappraisal, this agonizing reappraisal — if you like — by governments and politicians. Let me suggest three of those areas which are pertinent to our discussion here:

First, the management of our total environment — productive, civilizing, people-satisfying use of our resources, if you like, frequently condensed into just “pollution control” or “pollution prevention”.

Secondly, they are demanding reappraisal of what I want to call the ‘growth gospel’, the assumption that growth for growth's sake is automatically good — regardless! They are demanding reappraisal of the idea that just because something is technologically possible, it must be done and should be done. They are demanding reappraisal of the idea of holding out the Gross National Product as a kind of Holy Grail for society which must be pursued with complete dedication and devotion and all our resources.

Thirdly, people of Canada are demanding a reappraisal with respect to the ownership of our resources, with respect to the incentives which ownership gives, or does not give, to reasoned resource exploitation. They are demanding reappraisal of the flow of benefits from resource exploitation. They are demanding reappraisal because they are worried about the political control, or loss of it, which frequently follows ownership.

I submit that more and more Canadians, united in larger and larger groups, are saying with louder and louder voices; “for the sake of Canadian people today and tomorrow, reappraise the ends and means of environmental management, of economic growth and of ownership of resources”.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — This Bill, I submit, Sir, ignores that growing Canadian plea. This Legislature has a responsibility to listen

and if the Government fails to listen to growing Canadian and Saskatchewan voices, then we must vote against it. The position we take on this Bill and the direction that we must go was indicated some years ago in a statement by the last President Kennedy. I quote that statement and ask the House to listen and to heed it. President Kennedy wrote:

Each generation must deal anew with the raiders, with the scramble to use public resources for private property, and with the tendency to prefer short-run profits to long-term necessities.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — That call goes out to this generation. That call goes to this Legislature. That call implicitly and emphatically refers to this Bill. That call recommends the defeat of this Bill and the replacement of the Government that proposes it.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — The position of the party on this side, Mr. Speaker, is that public good has priority over personal profit; that long-term necessities have priority over short-term groping for growth; that there are alternative methods which will provide employment and protect environment. To achieve these, to appraise how we preserve benefits and extend opportunities for people, we need new agencies for development, we need new models for organization and we need most of all new leadership from government.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — I think it is instructive to note that the reasons given by the Government for support of this Bill are very similar to the reasons given for supporting the Federal Government's Task Force on Agriculture. These reasons, as Members of this House will know, have been rejected as invalid by a great majority of the people of Saskatchewan.

In supporting that claim I draw attention to the comments of the Federal Minister of Agriculture, the Hon. Mr. Bud Olson, when he was addressing some closing remarks to the Second Canadian Agricultural Conference meeting in Ottawa in November of last year. Mr. Olson had been listening to the dialogue that went on in that conference and he stated his opinion as to the main point emerging from that dialogue and discussion about the Task Force. He said to this effect, "that the Task Force had given insufficient attention to the social dimensions of development and overstressed purely economic considerations." So, too, I submit is the case of this proposal. The Task Force on Agriculture and this Bill must be resisted for many of the same reasons.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Let me turn then to some more specific comments with respect to the problems posed for environmental management if the Government proceeds on the course proposed by this Bill.

The information tabled by the Government, the information used by Government speakers in this debate, has been the balance sheet of accountants and economists. The balance sheet of accountants and economists. Now those sheets are necessary admittedly, but, Mr. Speaker, in the same breath those balance sheets are not enough on which to make a judgment of this kind.

Canadian people and Saskatchewan people are asking for consideration of a more comprehensive, more accurate balance sheet, a balance sheet — if you like — which is more people-based and more people-biased. Lacking in the information tabled in this House, lacking in the arguments used by those on the Government side are what might be called “the balance sheet of the social accountant.”

It is true that some jobs will be added, that some dollar values will be increased, that some short-term returns will be provided. All those are true but even with regard to these, I think we need to look at some recent experience because we recall the statements made by the Government when they were first talking about a pulp mill near Prince Albert, we recall the euphoria — if you will — produced by the sniffing of the first pulp mill and the extended exaggerated comments made at that time with regard to what we might look for in employment.

Mr. Speaker, take those promises by the Premier and the Provincial Treasurer (Mr. Steuart) and others, as to the number of jobs that would be provided. You can comb the bushes or you can count all the heads in the pulp mill and we get nothing that comes close to the promises made at that particular time.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — I submit that since this is documented by recent history, we need to look at their promises with respect to employment in this Bill having in mind the discount to be used based on that history.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — On this second trip from the euphoria of a second pulp mill, the dream is described as being sweeter and deeper but we have reason for doubts.

While it is true that some of these can be demonstrated as improvements, if you will, we don't know the other side of the balance sheets. We don't know jobs lost. We don't know about total costs including public and long-term costs. We don't know and nothing is said about the total effect on people. We don't know about the possible disruption and destruction of environment. We don't know about the erosion of other and future developmental opportunities.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — These have neither been listed nor totalled. May I make again the emphatic point that the balance sheet of accountants and economists is not enough. That's not good enough evidence on which to support a large commitment of public money, tens of millions of dollars worth; on which to support an even

larger commitment of public resources, thousands of acres of forests; on which to commit a larger and longer commitment of future living conditions.

Let me look, Mr. Speaker, at five facts which are not on the balance sheet of the accountants and the economists submitted by the Government.

First of all there is the fact of the pulp mill industry which, in part by its very nature, is recognized as one of the most destructive spoilers of our environment. That is a Canadian fact and that is more than a Canadian fact. The experience in this respect of other Canadian pulp ventures is not included in the balance sheets submitted by the Government. That experience, if it were included would be a negative factor, a minus factor, on the social and public and long-term balance sheet.

Secondly, there is the fact that most Canadian pulp ventures have access for effluent disposal to bodies of water which are larger or faster moving or less cold than that which we are considering here. That, too, would be a negative or a minus factor which is not included in the balance sheet but which should be on our social balance sheet.

Third, there is the fact that none of the other Canadian ventures intrude the effluent into a water or an area so largely unspoiled, so largely unpolluted as will be the case of this pulp mill in Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — We deal here with the great expanse of the relatively clean and pure Churchill River and the area surrounding it. The fact that this is not included is another negative factor on the social accountants balance sheet.

Fourth, there is the fact of Saskatchewan experience with the Prince Albert pulp mill. Pollution facts there, pollution potential there, are not yet known and not yet all evaluated. Enough is known, I submit, if we want to admit the truth to frighten us. We know that the situation is worse, much worse, than has been admitted up to this time. One year ago in this House the Government was maintaining that there was no cause for concern in this respect. "God's in His Heaven and all's right with the world" was their attitude, particularly with respect to the Prince Albert pulp mill and the Saskatchewan River system. Now, one year later, the Government denies its own words then, by its own actions proposed now. Now, one year later it has become necessary to add expensive equipment to purify water which according to advertising that went all across the continent a few weeks ago, was already purer than when it went into the mill at Prince Albert. This, Mr. Speaker, experience within one year shows the uncertainty of Government standards with respect to pollution prevention. It shows the inadequacy of its measurements. It shows the unreliability of its intent. All of this is proven by the Government's own words and action within a period of less than one year.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Mr. Speaker, I said in this House last year and I said

in this House the year before and I say now: we don't know what is actually happening to the Saskatchewan River system because of the pulp mill effluent being put into it. We don't really know the effect of what is happening to environment and other productive possibilities for people. I am glad that the Government is more concerned now than it was one year ago. I am not convinced that it is as yet anything like concerned enough with finding the evidence or acting on it.

That fact is another factor, negative and missing from the balance sheet proposed as supporting another mill on a much less contaminated Saskatchewan water.

Fifth, there is the most important, most monumental minus factor on the social accountant's balance sheet. That is the lack of information about pollution potential of the proposed mill or about steps to prevent pollution. The Government has talked in wide, general, sweeping terms about "X" millions of dollars to be spent. But let's read, as has been recommended to us, the comments of the consulting firm employed by the Government. As you will recall this is a consulting firm which in the words of the Premier, "was the best in the world."

I submit that if the Government reads what is in the report of that consulting firm it can get from it neither confidence nor comfort with respect to pollution prevention.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — The report frequently uses the equivocating language which consulting firms too frequently use. The report raises questions between the lines and indeed in the lines about pollution control. The report refers to the feasibility study of Parsons and Whittemore, a study which is not available to those of us in the Legislature. The report makes no mention of having referred the possibility of environmental effect to competent, disinterested scientists. It examines, in other words, only through the eyes of one more group of accountants. But the discipline and the essential point of view of the informed, concerned scientist and the conservationist is lacking. There is no perspective such as would come from the balance sheet of the social accountant.

In support of those words, Mr. Speaker, I want to ask the House to note some 10 direct quotations from the report of the Associated Consultants International which the Government had tabled in this House. I ask the Government to be warned and to be guided by what seems to be the real meaning of the report which the Government itself commissioned.

The Consultants say, and I quote:

1. It is unfortunate that information on water flow is so sketchy and actually non-existent at the probable mill site.

Now that is hardly a reassuring comment! "Information on water flow is so sketchy and actually non-existent at the probable mill site."

2. There appears to be adequate quantities of water for operation of the proposed mill.

Not there is, but there “appears to be adequate quantities of water”. Surely this suggests a lack of investigative confirmation of opinion.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — 3. The consultants comment on Parsons and Whittemore feasibility study, a study not tabled here, and they note some of their findings in regard to chemical properties of the water. They add a footnote saying this:

Omitted are single readings for iron and manganese. Both of these are so far from the average that they are questionable. In fact it is not unreasonable that they are typographical errors.

I ask you, reading that, how much confidence can we have in the accuracy of the Parsons and Whittemore report when the consultants say, “The error is of such a magnitude that it must be questionable, maybe they were typographical errors.”

The consultants say and I quote:

Analyses indicated that the water will require substantial chemical treatment.

More chemical treatment, more pollution potential. All of these are admittedly comments on water adequacy for use in production, but they have meaning for pollution prevention as well.

Note again, in those that I have already read, the questioning comment, “Information sketchy and even non-existent.” Note the equivocating statement — “There appears to be enough water,” and not that there is enough water. Note the direct reference, “Questionable information in the Parsons and Whittemore study,” of such magnitude that it must be assumed that it is a typographical error. This in a document about tens of millions of dollars and forever for environment.

Note the specific mention of more chemical additions. I submit that all of these, and I have only read four out of the ten, all of these shout, “Whoa, back up and look again. The next step is irreversible.”

To continue with quotations from the Associated Consultants International Report:

5. The effluent treatment system proposed is the one most commonly used in North America.

Good enough, I ask the Government? I ask the Government, where in North America have they found a system which is really satisfactory according to the opinions of detached and qualified observers thoroughly conversant and convinced about the need for better man-nature balance? Perhaps the Government does know of some system that I haven’t heard of.

I quote further:

6. The details of the system must be worked out and specified.

This refers to the details of the system for pollution control. In other words, not yet worked out, not yet specified. In other words, we don't really know what it is proposed that the company will install. The proposals are incomplete, not fully bought out. The information is not comprehensive.

More quotes from the Associated Consultants International Report:

7. Releasing the treated effluent into Durocher Lake is an interesting proposal which should receive consideration.

In other words the plan is not yet finalized. Some alternatives should receive consideration. I submit that reading that, the warning lights should flash again. We are asked to buy a pig in the poke as far as pollution control is concerned.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — The consultants say that, if they didn't study this why in the world did the International Consultants make a report on it and why did the Government table it in this House. They have said to us that this consulting committee is the best in the world. I am reading back to them now statements from the "best consultants in the world".

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Now, the best consultants in the world say, and I quote:

8. The volume of mill effluent would be a very substantial portion of the flow in the Beaver River during low flows in winter and dilution would be minimal.

In other words, with spring thaw, there would be an accumulated mass of undiluted effluent into the beautiful Beaver River as the result.

This one I think is particularly important to look at and I quote:

9. There should be no serious effect on the fish in the lake.

Note the wording, no "serious effect". I ask the Government this question: how much is serious? One year ago the Government said the same thing about effects after discharge from the Prince Albert pulp mill. A few months ago, Parsons and Whittemore, in full page advertisements displayed across this continent, were saying the same thing. Now they are going to add new treatment and that is to be welcomed. But how much is serious, I ask the Government? When should we find out whether it is going to be serious or not?

A few years ago the Hon. Jack Davis was making a speech as Federal Minister of Fisheries. He was talking about pollution and he talked very well about pollution in many cases. He quoted or made this statement, "Fish are our first line of defence." About that time we had the catastrophe of Placentia

Bay in Newfoundland with tremendous loss of employment and other benefits. Since that time we have had the catastrophe of pollution in the Saskatchewan River because of mercury with tremendous loss of employment and revenue and destruction of future possibilities. "There should be no serious effect on the fish as a result of what is proposed to do," say the world-wide famous consultants.

The question is: how much is serious? Fish have been the first line of defence. May I submit, Mr. Speaker, that too many fish have died in vain. The policy of this Government, the policy should be, "get facts first and fish later." Instead of that this Government is proposing that we act on guess and wait until the fish are lying belly up on the banks of the Beaver River.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Item 10, quoted from the consultants, the best consultants in the world:

Durocher Lake has been described to the writer as being highly colored.

Note that: "has been described". Described by whom? By the same people who made a report about some chemical properties of water that the writer of the report was forced to assume it must have been so badly in error that it was a typographical error? I submit that it again shows a lack of independent investigative observation, the indication again of too sketchy information.

Mr. Speaker, if you take those 10 points, I submit that this consultant's report, the report of the best consultants in the world, says the Premier, raises questions about pollution control, notes errors in the Parsons and Whittemore feasibility study, points out the incompleteness of that study. The report of the consultants chosen by the Government provides not enough confidence and not enough comfort about protection of environment to proceed with it.

Mr. Speaker, in the final analysis, of course, problems of environmental control go wider and deeper than the problems created by any one enterprise. Many of our existing values are being challenged and are being shaken by information we now have. The signs of, "Stop, Look and Listen" are flashing with demanding urgency on every front.

I think I read last year in one debate in this House some quotations from Look Magazine, January 13, 1970. I want to reread them. I reread them because they dramatically express what we have done because of our way of doing things and what we should do. This, they comment, as to what we have done:

The West has told its sons, "take from this earth as you wish, the more the better, consume what you wish, the more the better. Build what you wish and where you wish, the more the better. Dominate as many markets and as many people as you wish, the more the better. Make as much profit as you wish, the more the better."

That is what we have done. The article goes on to suggest this we must do:

The living planet answers: "Please stop. Turn around. You can't keep on doing these things. Just for you and your children to survive, you'll have to stop grabbing at every natural resource; they are running out. You can no longer build, dominate and profit without considering the true, long-term consequences of your acts."

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — It is, Mr. Speaker, consideration of the true, long-term consequences that we ask in respect to this project.

The second way in which I suggested Saskatchewan and Canadian people were urging reappraisal, and the second request which is being made but being ignored by this Government has to do with making the Gross National Product into a kind of Holy Grail.

John Kenneth Galbraith who was once United States Ambassador to India, a leading academic in the United States and advisor to President Kennedy, a former Canadian, was recently interviewed by the London Observer. I read one of his comments as appeared in that magazine on November 22, 1970. I read it because it provides a direct relationship between discussions of civilized development of our environment and this pursuit of the Gross National Product as a Holy Grail. Here are Dr. Galbraith's words:

The editors of the Economist and the Wall Street Journal, the archbishops of our economic faith, still hold that St. Peter asks applicants only what they've done to increase the Gross National Product. But the consequences are no longer theoretical. We can now see what a single-minded preoccupation with growth does to the environment. Expanding consumption isn't the guarantee of utter happiness that my friendly critics once held it to be.

Later on Galbraith adds:

The goal in this world is not consumption but the use and enjoyment of life.

Mr. Speaker, I submit that to be realistic in the 1970s and to be fair to the 1980s and the 1990s, we more and more have to challenge the idea of growth of the Gross National Product as an acceptable Holy Grail for our society. We have to challenge more and more the idea of growth for growth's sake regardless of other consequences.

In particular, Mr. Speaker, I want to argue we have to challenge the extent to which we give public resources away to private enterprise and bonus them out of public funds for the taking.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — In this, there is in this society of ours too much savage competition between provinces. In this province it has used public resources as an ante and it used tax bonuses and other public services as chips to stay in the game. I want to refer to an article in the magazine, Saturday Night. This is

in the issue of October 19, 1969. The article is written by an Industrial Commissioner of one Canadian city. The article quotes an editorial from the magazine, Trade and Commerce, a Canadian publication. Here is the quotation from the Trade and Commerce magazine:

Our Canadian industrialist never had it so good. He's been given more keys than a burglar could purloin in a lifetime. Provincial governments and cities are shelling out millions to woo and win him. With inducements and incentives pouring in from every part of the country, he figures that sooner or later he will be tempted by the big prize: an outright gift of plant, building and equipment and a firm guarantee of profits.

I am emphasizing again, those aren't my words, Mr. Speaker, those are the words from Trade and Commerce magazine which is not really a journal of Socialist thought.

And Saturday Night adds its own question or commentary. It says, "Preposterous? Not a bit." It goes on to give examples from the pages of the Financial Post based on actual Canadian experiences of this poker game with resources from which private enterprise takes the rake-off. Now admittedly Parsons and Whittemore probably didn't get the entire big prize at Prince Albert but they did well enough. Now the Government proposes to renew the game using as ante and chips the forests and environment in another area of the province. The dangers of misuse of public capital and resources without commensurate returns of employment and public benefit should be obvious. That danger is so great, I submit, in this proposal, Mr. Speaker, as to demand the defeat of this bill.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — So great is that danger as to demand the defeat of this Bill if not by this Legislature then by the people of Saskatchewan at the ballot box when they get a chance.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — The third area in which I've said Saskatchewan people and Canadian people are asking for a reappraisal by governments and politicians has to do with the ownership of our resources. This is a key Canadian question to be faced today. One key Canadian question is: "Can we afford to own our own country?" Put it in another way if you will: "Are we willing to continue turning over increasing ownership to outside corporations, losing in each case some economic and political benefit and control? But the even more pertinent question: "Do we have to do this in order to get development of our resources?" Our answer to those pressing Canadian key questions very obviously differs from the answer given by our colleagues on the Government side of the House.

Mr. Speaker, whether this Government admits it or not, there is widespread concern with respect to the extent of non-Canadian ownership of Canadian resources. This concern is expressed with varying degrees of urgency by some people within every political party. That doesn't exclude the Liberal Party. That concern is not confined, as Saskatchewan Liberals would have us

believe, to Walter Gordon in the Liberals or the Waffle group in the New Democratic Party. Let me note the concern as expressed by other people in other groups.

Hon. Members will have heard of the Committee for an Independent Canada, which is very active in expressing this concern. It is made up of well-known Canadians drawn from every political party living in various geographical areas and employed in various occupations in Canada.

Secondly, let me use the name of one whom I think my friends opposite will be acquainted with. The name is that of Mr. Mel Hurtig, an Edmonton book publisher. He is a well-known Liberal; he is or was, I believe, chairman of the Liberal Party Committee on Resource Development. I heard Mr. Hurtig commenting in a CBC commentary a few weeks ago. He was quoting a book called "Silent Surrender" by Dr. Kari Levitt. This is a book which insists we are in grave danger because of the extent of non-Canadian ownership. This is a book which insists that we, the Canadian people and our Canadian governments, can do something about it. Mr. Hurtig, this leading Liberal, recommends this book to Canadian people and he commented to the effect that if Canadians were familiar with the contents and the facts of that book, there would be a social and economic revolution.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Thirdly, let me indicate that concern from an even less political source. I read a paragraph from the Hall-Dennis Report, the Ontario Royal Commission on Education, non-political, non-partisan. You may recall that the chairman of this Report was the very well regarded Justice Hall, for many years a citizen of Saskatchewan. Here is the comment which this report on education made:

There are significant number of Canadians who are disturbed about the way in which the country is maturing. One matter about which they are disturbed is the economic and cultural dependence on foreign countries, particularly the United States, that present Canadian circumstances reflect. They document the extent to which Canada has surrendered independence. They recognize that the 'one world' concept demands some surrender of national sovereignty. At the same time, however, they believe that the nation which cannot control its economic resources cannot control its economic destiny or its culture and that of all the economically advanced nations, Canada is the one with the largest proportion of its industry and resources controlled from outside its borders.

That's from the Hall-Dennis Report.

Now, Mr. Speaker, I urge the Government to recognize the legitimacy of this concern of many, a growing number of Canadians, and to give it the importance it deserves. This Government, taking the position that there's nothing wrong that more unrestricted foreign investment won't cure; this Government in its willingness to subsidize such investment to the limit, goes against much of the best political and economic thinking in Canada today.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — There is a growing amount of such thinking being endorsed by people in all political parties, including the Liberal Party.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — If this Government refuses to discuss the problem in rational terms, then this Government indicates a lack of concern for Canadian identity and Canadian independence; it indicates a lack of understanding of how the needs of the individual Canadians and of the Canadian nation will be met. It indicates an unwillingness to take the Canadian initiative which we must take if Canadians indeed are to be masters of our own destiny and fully respected in the world family of nations.

Mr. Speaker, the New Democratic Party believes that there are resources of the Canadian spirit; there are resources of the Canadian pride; there are resources of the Canadian wealth; there are resources of the Canadian hope, which we can draw on if we will.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — The way, however, of making use of these resources is blocked by the attitude of the Government which runs this province.

Admittedly, Mr. Speaker, the problem of capital purposefully to develop resources isn't going to be solved completely by any one government of any one province. But I add this, that the problem of capital to develop resources never will be solved by a government which subscribes to the philosophy of the Government that sits opposite. Reliable economists now state without hesitation, and they document the evidence, that it is simply not true that Canada is short of capital. Let me refer again to the book, "Silent Surrender," which your colleague, Mr. Hurtig, recommended for all of you to read:

Over the period 1957 to 1964, United States direct investment in manufacturing, mining and petroleum secured 73 per cent of their funds from retained earnings and depreciation reserves, a further 12 per cent from Canadian banks and other intermediaries and only 15 per cent in the form of new funds from the United States. Furthermore, throughout the period, payout of dividends, interest, royalties and management fees exceeded the inflow of new capital.

Mr. Speaker, what that comment says is, Canada was an exporter of capital, not an importer. It says also that Canadians are increasingly being bought out using our own money with which to do the purchasing. This Bill which we are asked to approve would facilitate and accelerate the selling out of our resources and the exporting of Canadian capital. That comment which I just read says that much of the expansion and the control of Canadian resources by non-Canadian corporations has been financed by profits from the sale of Canadian resources, on goods produced by Canadian labor. It says that the lion's share of recent new investment of these companies has come from the reinvestment of profits made in Canada from Canadian resources

processed by Canadian workers, from depreciation and depletion allowances on Canadian industry and from borrowings from Canadian financial institutions.

I submit that to deny that such facts exist, to close our eyes to the effects of them, is to neglect the job of defining Canada's future and developing our capacity to build it. That doesn't say, Mr. Speaker, that there haven't been immediate economic benefits in the past which have come to us because of foreign investment. But Canada today has financial, technical and management competence which Canada didn't always have. I read again from the book, "Silent Surrender," recommended to my colleagues opposite by the Chairman of the Liberal Committee on Resource Development:

American investment has accelerated the pace of economic development in Canada but it seems likely to convert Canada into a hinterland of United States industry. To each spurt of expansion there is a corresponding shrinkage in Canada's own freedom of action, in its self-reliance, and in its ability to chart its own course for the future.

Mr. Speaker, I urge this Government to admit the problem, to discuss it rationally, at least slow down its part in being a part of the problem if it isn't willing to be a part of the solution. This Bill would add to the problem of building Canada according to our own made-in-Canada specifications.

Let me recall again some of those words from the Ontario Royal Commission report on education:

The nation which cannot control its economic resources cannot control its national destiny or its culture, and that of all the economically advanced nations, Canada is the one with the largest proportion of its industry and resources controlled from outside its borders.

I come now to a few comments in conclusion. I have discussed only three aspects of the problems posed by this Bill. 1. The management, the responsible management of our total environment. I can find neither comfort nor confidence in the measures proposed to protect our environment. 2. I have discussed where we go, where we end up if we continue to set the Gross National Product as our Holy Grail. That voyage, I submit, leads to disaster. 3. I have discussed further alienation of natural resources to non-Canadian corporate ownership. The continuation of that Canadian pattern more and more takes the handles of decision-making about Canada out of the hands of the Canadians.

Mr. Speaker, before we can properly judge this kind of development we need not just the balance sheets of accountants, we need a total balance sheet. We need a balance sheet including all public costs. We need a balance sheet including all social and political costs. We need a balance sheet including all environmental costs. We need a long-term balance sheet, not a short-term one. We need a balance sheet which reports to the people of Saskatchewan as the owners of our natural resources; a balance sheet which reports to the people of Saskatchewan as the responsible directors of the development of our natural resources; a balance sheet which reports to the people of Saskatchewan as the major finances and risk takers of this particular project.

Above all, I ask this Government and this Legislature to listen again to the statement of the late President Kennedy:

Each generation must deal anew with the raiders, with the scramble to use public resources for private profit, and with the tendency to prefer short-run profits to long-term necessities.

This Bill does not deal with the scramble to use public resources for private profit. This Bill accelerates rather than controls the tendency to prefer short-term profits to long-term necessities. Accordingly, in my opinion, it does not merit public support and accordingly, I will vote against it.

Some Hon. Members: — Hear, hear!

Mr. H.E. Coupland (Meadow Lake): — Mr. Speaker, the Members opposite never cease to amaze me with their flip-flopping. It was a wonderful thing when they were getting a pulp mill some years ago . . .

Mr. Guy: — When did they get one?

Mr. Coupland: — They never got one . . . but very bad when the Government has one and is getting the second one. They are for the people, if it suits their political purposes, but when we bring in programs that help many, many people, they oppose it. It is all very well for the Member for Biggar (Mr. Lloyd) to say we should tighten our belts. That may be fine for the people in the South who have jobs but, Mr. Speaker, we in the Northwest have been doing that for a long time. Maybe now, Mr. Speaker, we shall get on the balance sheet that the Member for Biggar talks about.

Mr. Speaker, the Leader of the Opposition (Mr. Blakeney) has said he will oppose this Bill and all his Members seem to be in agreement. I can see this from some of the Opposition Members from the southern part of the province where they feel it will not affect them politically, but, Mr. Speaker, it will shock me if the Member from Cutknife (Mr. Kwasnica) or the Member from Redberry (Mr. Michayluk), or the Member from Shellbrook (Mr. Bowerman), and especially the Member from The Battlefords (Mr. Kramer), stand up and vote against this Bill. I'm sure the Chamber of Commerce from North Battleford won't think too kindly of it.

You know, Mr. Speaker, by voting against this Bill, in plain English they are saying to the people of Northwest Saskatchewan which they are a part of, we don't care if you starve to death, we don't care if you have job opportunities in the northwest so that people can earn a decent wage to feed and educate their children, build better homes and, yes, help some of them get off welfare. Mr. Speaker, they are saying to the people of Beauval, Ile-a-la-Crosse, Buffalo Narrows, LaLoche, and all those settlements in that area, we don't care if you don't get better roads, better telecommunications, TV and jobs. This is what you are saying if you don't want development in the northwest.

Mr. Speaker, the Leader of the Opposition is saying we did not make a good deal financially. Well, Mr. Speaker, the Opposition are all good at confusing the issue with figures. He

tried that with the Prince Albert pulp mill but it turned out to be a tremendous success so now they are zeroing in on the Meadow Lake pulp mill. This is nothing but politics at the expense of the people who need the work. Mr. Speaker, this is the greatest thing that has happened in Northwestern Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Coupland: — You know, Mr. Speaker, from 1944 to 1964 we stagnated in the northwest part of the province under the Socialists. We couldn't get roads, we couldn't get tourists, we just couldn't get anything. In fact, Mr. Speaker, a group of far-sighted businessmen of the Meadow Lake area convinced the Government in 1958-1959, with a lot of their own money, that a road to Uranium City was feasible. But where did the CCF and the Conservative governments of that time start the road? Over on the east side of the province. This is the kind of thing that we have been continually getting. I think the Member from The Battlefords (Mr. Kramer) was a Minister at the time.

Mr. Speaker, the Members opposite are always condemning clear-cutting of our forest. There is nothing wrong with clear-cutting as they well know. In fact, Mr. Speaker, there was a lot of clear-cutting going on in the Meadow Lake area when the Member from The Battlefords was a Minister. It's beyond me, Mr. Speaker, why he condemns it now. Sweden and Norway have been clear-cutting their forests for over 50 years and they find it improves the forest and has increased wildlife by 60 per cent, according to a noted ecologist. They also condemn our Government for fighting fires, Mr. Speaker. I wonder what they would say if we, as a Government, let the North burn whether it be rock, tundra or whatever. It would be a desolate looking place and would destroy the cover for birds and wild animals. Mr. Speaker, the Pulp Mill Company will contribute large sums for fire protection and roads that will be constructed into the forest will help considerably in keeping fires under control.

Mr. Speaker, this development will mean an economic contribution to the province of some \$46 million yearly, most of which will be spent in the Meadow Lake area and how the Opposition can deny us this is incomprehensible. We have heard the figures before but just to refresh your memory, this \$46 million breaks down as follows: payroll — \$15 million yearly; payments to contractors and suppliers — \$22 million; payment for chemicals — \$4 million yearly. These are produced in Saskatchewan. Payment to Saskatchewan Power for natural gas — \$2 million; payment to the Government of Saskatchewan for taxes and stumpage, etc. — \$1.5 million per year; repairs and services — \$1.5 million per year.

On pollution, Mr. Speaker, and some of my colleagues have gone over this fairly thoroughly, the Company has promised to spend \$10 million on pollution control to make it odor-free and control of water effluent will ensure no deleterious effect on fish or negative impact on the environment. All Provincial and Federal regulations respecting pollution will be strictly adhered to.

Mr. Speaker, our tourist industry will improve. As I have said in a former debate, a Liberal Government has provided dust-free roads into the Meadow Lake area which they never had under

the Socialists. With this great expansion up there every tourist resort will flourish and have to expand to accommodate the increased tourist trade.

Mr. Speaker, if the Members opposite are really concerned about unemployment in Saskatchewan, if they are really concerned about people and people having a chance to improve their standard of living, they will not oppose and hold up this Bill but vote for it and let the Government get on with providing jobs for the people in my area.

Mr. Speaker, I will support the Bill and hope we can get on with the job.

Some Hon. Members: — Hear, hear!

Mr. G.R. Bowerman: — Mr. Speaker, I should like to make a few remarks with regard to what the last speaker for the Government has said, with regard to the statement that from 1944 to 1964 they were not able to get any roads into the northwest part of the province. I wonder how long the Member for Meadow Lake (Mr. Coupland) has lived in that part of the province. I can recall going to Buffalo Narrows in 1948 when the only way you could go was in the winter time on an ice road. It was simply the only way you could go and the roads into Buffalo Narrows, Ile-a-la-Crosse, Beauval and any other place that you want to name, were built in the years before 1964.

Some Hon. Members: — Hear, hear!

Mr. Bowerman: — He mentioned the road that was suggested to go to Uranium City from Meadow Lake and he said that they put that road on the east side of the province. I suggest to the Hon. Member that that road did begin proceeding from LaRonge from the central part of the province and as a result is not as yet built today. It will, in fact, go up through the Wollaston Lake area.

In regard to clear-cutting of forests, he indicated that there was clear-cutting going on in the forest areas over in the Meadow Lake area while my hon. colleague was then the Minister of Natural Resources, and I defy the Member or any Member on that side of the House to show us or give evidence to this House that there were any clear-cutting practices from 1944 to 1964.

The Member from Saskatoon City Park-University (Mr. Charlebois) also referred to some forest practices. He referred to the utilization of the old Prince Albert Lumber Company and to the devastation and the depletion of forests under that particular company. He indicated, of course, that this forest had all recovered since that time and in fact criticized the Member from Kelsey (Mr. Messer) for not bringing this to light. I want to say to the Member from Saskatoon City Park-University that perhaps he has forgotten or perhaps he never knew that the Royal Commission report on Forestry Resources of this province which was made by a Liberal Government, did in fact say that we were over-utilizing our white spruce stands in the province. This is certainly evidence that is clear, it is on the records yet, if the Hon. Member wants to review the record. I suggest to the Hon. Member that had there not been 20 years of CCF government in this province we, in fact, should not have a white

spruce stand in this province to utilize today. If he wants to check the records he can certainly do so.

Mr. Charlebois also referred to the fact that projects of this magnitude do not necessarily need to be tendered for. I should like to suggest to the Hon. Member that the whole South Saskatchewan River dam project was tendered in all its details. All its details were tendered and I wonder how the Member so conveniently . . .

Mr. Charlebois: — So what . . .

Mr. Bowerman: — It sounds as if I finally got through to the junior Member from Saskatoon City Park-University.

Mr. Speaker, I want to touch briefly on only one or two subjects with regard to this Bill. They have to do with the potential employment of this project and the way the people are receiving the news of a pulp mill in the communities of Northern Saskatchewan.

Mr. Speaker, we find ourselves in a debate that involves the usual haste which results in considerable waste of resources which has become the traditional trademark of Liberal legislation. This Bill will require the people of Saskatchewan to back an expenditure exceeding the total cost of the South Saskatchewan River dam project of the sixties. Now I ask the Members of this House to reflect on the time that it took, on the research which was necessary and was required and the preparation that was made by two governments, by the Federal Government and the Provincial Government, before we could undertake a project in which we had 100 per cent ownership and the benefits which accrue to all the people of this province as does the South Saskatchewan River dam project. Let's not forget, Mr. Speaker, that it wasn't the Liberal Government of Saskatchewan and Ottawa that built that South Saskatchewan River dam project but it was a Conservative Government and a CCF Government.

Some Hon. Members: — Hear, hear!

Mr. Bowerman: — A project, I suggest, Sir, that will far exceed in every conceivable way benefits, if any, that will accrue from a pulp mill industry either in Prince Albert or in the northwest part of this province. Yet today, after two weeks or less, we are debating the principle of a Bill calling for an expenditure over \$170 million without the benefit of even the principal feasibility study.

Yes, the report of the Associated Consultants International has been tabled and it's a grand total of 38 single pages, a dozen or so of which have been taken up by the usual covering letter, title page, table of contents, and the usual preamble to what is not the feasibility study per se but rather a review of the feasibility study. Mr. Speaker, I ask the question, why don't we have the benefit of the original study that was done? Why haven't we some confirmation of timber utilization methods that will be undertaken and some confirmation of the timber inventories that have been done by the Department of Natural Resources? Why haven't we our own expert analysis that will assure us and the people of this province that all is as the

promoters have said it is to be? I say again, as I have said before this year, that the Stanford Report does not substantiate this extensive a project for Northwest Saskatchewan, nor has this House, either through the Department of Natural Resources or by the principal feasibility report, been given any evidence to support the position that our forests are not, in fact, in jeopardy from over-utilization.

I say that on the basis of every report that has been supplied to us by the Department of Natural Resources to date, which were given on the basis of a request to know what updating had been done of the inventory from the Stanford Report, suggests that there is a danger of overharvesting the forests of Saskatchewan at the proposed rate. To debate the principle of this Bill, Mr. Speaker, I believe it is necessary to call upon the experiences of the pulp mill industry that we now have in operation. I say, let's look at the Government's performance and its prophecies about that mill in its pre-development stages. I think we shall find the pronouncements are strikingly interesting and when we find, I say, the results of the Athabasca Forest Industries are to be similar to the Prince Albert Pulp Company, then the principle of this Bill I suggest is wrong and I call upon this House to defeat.

Some Hon. Members: — Hear, hear!

Mr. Bowerman: — In dealing with employment I want to quote the Hon. Premier (Mr. Thatcher) from different sources to show that his own mind is confused and that he is misleading the people of the province by the different statements which he makes. In the December, 1965 issue which my colleague quoted from in this debate earlier in "Saskatchewan Today", the Premier said and I quote: "The development will mean employment for 5,000 people." In August, 1968 he had dropped that figure by a staggering amount of 1,000 jobs. In the Saskatoon Star Phoenix headline, August 31, 1968 he is quoted as saying: "Full pulp mill production to involve jobs for 4,000." Now before the mill had even commenced operation we had lost 1,000 jobs. From the time the pulp mill was announced in 1965 to when the mill was started in October, 1968, as I have said, the Premier was down over 1,000 jobs. Now that the mill has been operating almost three years and has increased its original capacity from 650 tons per day to almost 1,000 tons per day, how do the Premier's employment estimates stand up?

Remember that in 1965 during the excitement of the announcement of the Prince Albert pulp mill he announced 5,000 jobs. In 1968, closer to the completion of the mill but before operating commenced, he announced 4,000 jobs. In 1971, Mr. Speaker, after the mill had been operating for nearly three years, we now realize that there are only 420 persons in the mill, that there are only an estimated 210 persons in the woods operations and perhaps there are another 100 persons in ancillary services for a total of 730 jobs in the mill at Prince Albert. If the Provincial Treasurer (Mr. Steuart) has any different figures than these I hope he will give them to the House.

That's not 5,000 jobs, that's not 4,000 jobs, nor is it 2,000 but in reality it is only 730 employees or thereabouts. This figure on full employment of between 700 to 800 jobs is more in keeping with other mills of similar status in other provinces where at \$80 million is estimated to employ

approximately 700 persons. The Premier in this debate last Monday evening gave a figure of 5,000 jobs in the Churchill Forest Industries complex. What do the Associated Consultants say in their review of the feasibility study? Under a sub-heading entitled "Labor" they say and I quote:

Plans are to use a single production line at Athabasca, as at Prince Albert, but with larger equipment. This means that the number of employees in the two mills will be nearly the same.

From the consultants' review of the operation of Athabasca Forest Industries, employment will not be significantly increased over Prince Albert Pulp Company although we are increasing the capitalization by nearly \$110 million on this new mill. I say again, when the working results of Athabasca Forest Industries are going to be similar to the Prince Albert mill, then the principle of this Bill is wrong and I suggest that we should defeat it.

The Premier knows he is misleading Saskatchewan people when he uses the figure of 5,000 jobs and he is therefore perpetrating an untruth on the people of Saskatchewan in hopes that he can pump this mill into an election issue. Using the Premier's stock phrase let me refer to his pious platitudes about Northern residents and Indian and Metis people whom he says are going to be largely the major beneficiaries of this industry. I quote the Premier from the Saskatoon Star Phoenix of August 31, 1968:

Our Indian and Metis people will be among those receiving the greatest benefits because a vast area of employment in the woods area will provide them with an opportunity to obtain steady well-paying jobs and the type of work they prefer.

That was back in 1968.

Let me quote the Provincial Treasurer from the Prince Albert Daily Herald, January 21, 1966:

Speaking of some of the economic benefits the city and the area will derive from the mill the Minister said that a great number of Indian and Metis people in Northern Saskatchewan live on welfare today. This will change, Mr. Steuart said, as 3,000 persons will be employed in bush cutting operations and a great number of them will be Indian and Metis. This will give us a real opportunity to do something with and for these people, Mr. Steuart stated.

This, I suggest, Mr. Speaker, was back in 1966. It has a familiar ring indeed to what we are hearing in this House today. But what is the story in the Prince Albert operation today?

From my contact with Northern people, I am informed that from Waskesiu to Lac La Ronge there are from 35 to 50 local Indian and Metis people employed in the Prince Albert Pulp Company bush operations and that the total employment for Indian and Metis people in the pulp mill operation is approximately 67 persons. This is an area where there are equally as many resident Indian people as there are in the northwest area. I speak of the reservations of Round Plain, Sturgeon Lake, Little Red River, south end Montreal Lake, Lac La Ronge and the Metis

settlement of Molanosa. I could go into John and James Smith Reserve, into the Misstowasis and Muskeg Reserves if you would care to do that. But I say again, that there are plenty of people there who need work. The information which I have suggests to me that the total employment of Indian and Metis people in the pulp mill operation is about 67 people and in the woods operation from Waskesiu to Lac La Ronge, between 35 and 50 Indian and Metis people. Now the junior Member from Saskatoon City Park-University (Mr. Charlebois) said that this was the problem that was created by labor. Yet he went on to say that over in the new area where the new mill will be built, here labor and management, and he commends them for doing so, are getting together in order to work out a mutual solution regarding this problem. I say if they are prepared to do that in the northwest area, how come they are not prepared to do it in the Prince Albert mill?

Mr. Charlebois: — You sure misinterpreted what I said . . .

Mr. Bowerman: — Isn't that what you said?

Mr. Charlebois: — You didn't listen to what I said at all!

Mr. Bowerman: — All the Members who heard the Hon. Premier, the Provincial Treasurer and the Minister of Welfare in this debate know how much they have dragged the people of Northwest Saskatchewan around through the public eye by continually referring to the people of the Meadow Lake area as being 90 per cent on social welfare and that they have been on welfare almost all of their life.

Then they say that this pulp industry is somehow going to lift them from the morass of their social disparity. This is, I suggest, Mr. Speaker, an indignity on the intelligence of Northern people as it is on this Legislature. Native and Northern people are already saying to the Government and to Saskatchewan people, that while a pulp mill may provide a few people with jobs, their greatest fear is that the rest of their people will have neither fish, nor fur, nor forest, nor jobs and if it must be an either/or proposition as this Bill seems to indicate that it will be, then my information is that they are prepared to keep the fish, the forests, the wildlife and await their involvement in a program for Northern resources development that will, in fact, be in their best interests and security.

If the Government Members have any doubt about the position of Northern people, may I quote to them the resolution representing over 1,800 commercial fishermen who are the residents of Northern Saskatchewan. They are the Indian and Metis people of Northern Saskatchewan of which this Government so frequently and disparagingly speaks.

Mr. Steuart: — . . . throw them in jail!

Mr. Bowerman: — Listen Davey! This resolution — and I hope the Member from Athabasca (Mr. Guy) is listening — this resolution was presented to the Co-operative Fisheries Annual Meeting of 1971. You will recall that don't you, Mr. Minister? Resolution No. 17 was submitted by the Lac La Ronge Fishermen's Co-op, the key community in the Athabasca constituency. I quote:

In view of the following facts: (a) a new sawmill at Big River to provide jobs and utilize timber from Doré and Meadow Lake area; (b) the possible lowering of water in Doré Lake and area for use in a pulp mill; (c) the possibility of polluting the complete Beaver River, Paturnak, Pine House and Churchill River systems;

Be it resolved the Government do not build the proposed pulp mill in the Meadow Lake and Doré Lake area.

We haven't heard any Members of the Government, we never even heard the Member from Athabasca (Mr. Guy) mention that there were 1,800 fishermen who stood solidly behind that resolution.

In fact, Mr. Speaker, let me tell the House that this resolution passed unanimously after the Hon. Member from Athabasca, the Minister of Municipal Affairs, took the unprecedented liberty as an invited guest to the annual meeting to plow through the resolutions of that annual meeting and to speak officially to that resolution before the resolutions came before that meeting.

Mr. Guy: — I did not!

Mr. Bowerman: — I am told that the Minister spoke with great persuasion that the meeting should vote down the resolution.

Mr. Guy: — Tell the truth!

Mr. Bowerman: — That's the Member from Athabasca, that's the Member who represents the people in the northern part of the Province. Did they vote the resolution down? No, they passed the resolution unanimously. They don't want a pulp mill in Northwestern Saskatchewan.

Mr. Guy: — Bowerman was out in the back room talking . . .

Mr. Bowerman: — That's all right! Bowerman has been out in the back room before talking with people from Athabasca constituency. He knows what the people from Athabasca constituency want, Mr. Member from Athabasca.

May I additionally quote, Mr. Speaker, from a personal letter addressed to myself from a native lad in Northern Saskatchewan. I take full responsibility for its accuracy as I prefer not to table the letter in this House. I quote:

Just a short note to let you know I am fine and also to wish you and yours the best. Also to voice my opinion on the announcement of the new pulp mill today.

Don't forget, just one day after the announcement, after the Premier made it, he writes a letter:

Just recently I visited the village of Buffalo Narrows and I was approached on the matter and some people are deeply concerned on the possibility of it being the start of polluting the upper part of the Churchill River system and are not really too enthusiastic about taking Ross's word that it won't.

It is obvious, Mr. Speaker, that the Premier and his Government are not fooling the people of the province or the native people in Northern Saskatchewan any longer.

Mr. Steuart: — Who signed the letter?

Mr. Bowerman: — Someday perhaps I'll tell you, Mr. Provincial Treasurer.

We have heard the Minister of Welfare (Mr. MacDonald) as well as the Premier and the Provincial Treasurer extol on the great volumes of business and population that will burgeon forth from the development of a pulp mill industry. I recall the Minister of Welfare especially, the other day in this debate, waxing so eloquent and asking us to imagine the large quantities of garages and schools, hospitals and businesses and other ancillary services that would come as a result of the pulp mill being established in Northwest Saskatchewan.

Let's see how similar this talk which we hear today is like it was back in 1966. I quote the headline from the Prince Albert Daily Herald, January 21, 1966: "Pulp Mill Here Should Result in Unprecedented Development." The editor's note will be of interest to this House, Mr. Speaker, and may I quote it in part:

Today's article includes forecasts of future developments as a result of the mill by Hon. D.G. Steuart, Prince Albert MLA, Minister of Health and Deputy Premier.

The article goes on under subheading, "Population Growth". I should like to read for the benefit and information of Members to your right, Mr. Speaker, what the Provincial Treasurer and his Government expected the Prince Albert pulp mill to do for this community of Prince Albert and our province. I quote:

Regarding the population of the city, Mr. Steuart, who has served as both an alderman and mayor of Prince Albert, said that at present the population increases from 400 to 600 a year. This will pick up in 1966 and roll into 1967, he said. The expansion rate will double and triple until a population of 40,000 is reached, after which the expansion rate would level off at a steady increase.

The Cabinet Minister stated that this large increase in population which will be assisted by the \$6 million hospital complex, will result in a large number of new and smaller industries coming into the city to provide a side variety of services for Prince Albert. As well, other manufacturing firms connected with the forest industry are showing interest in the area, Mr. Steuart said, which will not only benefit Prince Albert but will result in more employment throughout the area.

That is back in 1966. That was the exuberance of the Provincial Treasurer and his Government in 1966. Now, after five years of this staggering growth in the city of Prince Albert and the unprecedented development of industries in or near the city of Prince Albert, perhaps we should stop a moment and look at the statistics of today.

If we take the population of the city of Prince Albert in

1964 — we could have taken in from 1968 but if we had those figures they would look worse than they do now — but in Prince Albert, 1964, the population was 22,359. In 1971, 40,000? No, there were 28,000, a total increase in seven years of 5,450 persons. Hardly keeping ahead of the birth rate. Let's look at Swift Current, away down in the southwest corner of the province. There, there is no pulp mill. No. Farmers in the southwest part of this province — half the population of the city of Prince Albert. In 1964 (Swift Current) 12,750 population; in 1971, 15,250 or a total of 3,500 of an increase. Where's the percentage? Let's look at Yorkton. Yorkton, less than half the size of the city of Prince Albert, 10,756 in 1964. In 1971 14,200 or an increase of 3,444. This will show, Mr. Speaker, that other small cities of Saskatchewan without a pulp mill have had similar growth statistics as the city of Prince Albert with its \$65 million pulp mill development.

Mr. Steuart: — . . . for mayor!

Mr. Bowerman: — That's right! It may be! You missed hearing your own quotation. On the basis of the information from the Provincial Treasurer, the former mayor and councillor of the city of Prince Albert, the normal growth rate for the city of Prince Albert would have been 3,500 in that period of time. This means that an increase of only 2,000 may have been in part the result of the pulp mill development in Prince Albert in seven years or 300 a year; not even keeping up with the average increase.

Of course the former mayor and council member for Prince Albert, the present Provincial Treasurer, grossly missed the estimated population growth — remember that 40,000 was going to roll in 1967. 40,000 were going to roll in! He missed that 40,000 figure by a staggering 12,000 persons. This really sounds like the Premier's estimate of 80,000 jobs in 1964.

We have heard it said that since the pulp mill development in Prince Albert the city is now among the highest average per capita income cities in Saskatchewan. Very good. Perhaps we should review the welfare statistics because you talk a lot about welfare, a lot about what it does. Let's talk about the welfare statistics in the city of Prince Albert which indeed presents a different picture. I hope the former council member and mayor of the city of Prince Albert will listen to these figures. In February, 1967 before the mill was completed and before it was under way, the total welfare recipients in respect of whom welfare cheques were issued totalled 2,443. In February, 1971, Mr. Provincial Treasurer, the total welfare recipients in respect of whom cheques were issued is 3,022. That is an additional 579 persons on welfare in 1971 than there were in 1967. You spent \$65 million nearly. This accounts for approximately 30 per cent of the population gain, approximately 30 per cent of the population gain in Prince Albert in the last seven years who have gone on welfare.

To look at the welfare statistics another way for Prince Albert, in February, 1967, Mr. Speaker, there were 968 family heads receiving welfare cheques.

Mr. Steuart: — One head per family!

Mr. Bowerman: — In February, 1971 there were a total of 1,148 family heads receiving welfare cheques. This accounts for a total gain

of 180 more families on welfare in 1971 than were on welfare in 1967 when the pulp mill was just beginning.

Mr. Steuart: — Think how bad it would be if we didn't have the pulp mill!

Mr. Bowerman: — I can't imagine! The only reason that the Provincial Treasurer wouldn't be on welfare is because he is in Regina and because he is not in Prince Albert.

Mr. Steuart: — Same reason you are, Ted. We're living off the Government down here!

Mr. Bowerman: — These are the statistics from the city that has been endowed with Liberal industrial development.

Perhaps we should now look at what the Provincial Treasurer termed unprecedented development. All right, let's look at it! In the city of Prince Albert the Registrar, Mr. Joe Ward, has advised me that under the business licensing bylaw in Prince Albert, there has been no significant increase in business licenses since the development of the pulp mill in 1968.

Mr. McPherson: — . . . increases!

Mr. Bowerman: — Again, Mr. Member for Regina South or wherever it is you come from, under the general licensing bylaw the Registrar, Mr. Ward, advises for contractors, for truckers, for garages or service stations since the development of the mill in 1968.

Mr. Steuart: — Where was he when he gave you those figures, Ted, down in the Army and Navy?

Mr. Bowerman: — Well, he was in his office. Because the Provincial Treasurer indicated that business would spread out, you know, it would spread out into the surrounding areas, in the municipalities, I chose to contact the Rural Municipalities of Prince Albert and Buckland regarding the increases in business assessment tax since 1968. In the Rural Municipality of Prince Albert the business assessments from 1968 to 1970 have increased a staggering, or meagre, depending on which side of the House you sit on, \$13,280. \$13,280!

Mr. Steuart: — How about some 1965s?

Mr. Bowerman: — Listen to this one — in the Rural Municipality of Buckland the business assessments from 1968 to 1970 have increased approximately \$3,000. Tremendous! Unprecedented development. This is what the Provincial Treasurer calls unprecedented development in a city the population of which was to roll forth into 1967 at 40,000 as a result of the mill development in that area.

Mr. Speaker, the people of the province find little comfort in the announcement of Athabasca Forest Industries pulp

mill in Northwestern Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Bowerman: — After reviewing the practical results of the mill already established, the evidence clearly indicates that Athabasca Forest Industries will indeed be similar to the Prince Albert pulp mill. Therefore, it is not in the best interests of Saskatchewan people for us to now approve this Bill.

In closing, Mr. Speaker, may I suggest that the cutting lease of this new industry will include the headwaters of the Churchill River system. We have, in the Churchill River system, one of the few unpolluted river systems on this continent and perhaps in the world. It is unique and its great potential has not been adequately considered. That great and mighty river is composed largely of a chain of beautiful lakes linked by short stretches of river and islands of calm. This area could be developed into one of the greatest summer playgrounds of the world . . .

Some Hon. Members: — Hear, hear!

Mr. Bowerman: — . . . if only half of the money was spent on it that is now being planned to be spent on a pulp mill. The Churchill River system is Saskatchewan's waterway to the Hudson Bay, as well as it is through the Fond Du Lac and Athabasca Rivers to the Arctic Ocean. This majestic beauty and bountiful natural resource, I say, must never become the garbage pit of an industry.

Some Hon. Members: — Hear, hear!

Mr. Bowerman: — Mr. Speaker, before we so hastily proceed on an industrial course that could liberally destroy our Northern heritage for generations to come, I suggest that we establish a Northern Development Authority to plan for the long-term development of the whole northern region of our province including the sustained yield industries of forests, fisheries and wildlife. It would be an authority to set standards for town and city development resulting from industries, an authority that would encourage and plan development of tourist business, plan road development, docking facilities, restoration of historic sites, fur trade routes, power portages and canoe routes.

I say with proper planning and development over the long period, such a program will far exceed in financial and other real values the benefits, if any, that might accrue from a single industry approach and we shall still have, Mr. Speaker, our renewable resources to utilize in the best interests of the people of our province.

Mr. Speaker, I want to urge again the fact that the Athabasca Forest Industries major operation will centre at the headwaters of the Churchill River system. The denuding or clear-cutting of forest cover from these lands will seriously jeopardize, I suggest, water tables in the future. Evidence from the clear-cutting of the St. John, New Brunswick watershed has clearly demonstrated what can happen and that, I say, is ample grounds to project that the Churchill River may one day

become a minor polluted water tributary should we proceed with this pulp development.

Therefore, Mr. Speaker, I most sincerely and urgently appeal to all Members that we now opposed this Bill.

Some Hon. Members: — Hear, hear!

Mr. W.A. Forsyth (Saskatoon Nutana South): — Mr. Speaker, I should like to enter this debate pretty well along the topic of environmental effects of the proposed pulp mill. I was really quite happy to hear all these figures and statistics on Prince Albert. I don't know what they meant but they sounded quite impressive. They proved really nothing at all when the Member who just took his seat said that the population hadn't risen very much. He didn't have any way of telling us what the population would have been had there been no mill.

Some Hon. Members: — Hear, hear!

Mr. Forsyth: — It's just the sort of statistics that are meaningless. They have nothing to do with the basic issue before us.

Mr. Bowerman: — Better than Davey's figures!

Mr. Forsyth: — Yes, I suppose it really proves that the former mayor of Prince Albert couldn't add very well and he ended up with 40,000 when he might have done something else but some of the Members, I understand, who had been candidates for mayor didn't even get to the point where they were allowed to add up balance sheets.

Some Hon. Members: — Hear, hear!

Mr. Forsyth: — So that's the way it goes. I really don't want to say very much more about Prince Albert. As usual I enjoyed the remarks of the Member from Biggar (Mr. Lloyd). He added a philosophical note and if you wish to grant the thesis which he was putting forward — he made a very good presentation of his point of view.

Some Hon. Members: — Hear, hear!

Mr. Forsyth: — I, of course, question very much whether you can apply the thesis that the Member from Biggar was using in terms of the economy or the society as we know it in Saskatchewan. He's talking about the management of the total environment and the total environment in Saskatchewan certainly includes the northwest part of this province and I think that when we put forward the industrial development in the northwest part of this province, we are looking at the total environment. We are attempting to improve the lot of people who are living in that area and we are doing more than looking at the Gross National Product.

I quite agree that we have to, in some parts of this country and in some parts of the world, take a really good look at what the Member called the "growth gospel" — that we must grow and

grow and grow. While growth in some areas is good, growth by itself is not necessarily good and I think we have to make distinctions. We are looking for a broadened base for the growth of Saskatchewan, and we can supply that base through developments such as the one we are proposing here. It does not mean that the same type of development would necessarily be good in other parts of Canada and I think that we can't be led down the garden path by anybody telling us that we have reached our potential and should not proceed beyond that in the growth of Saskatchewan.

The ownership of resources is an interesting thesis. The pulp mill, he would say, is a good thing if it is owned by the people and it is a bad thing if it's owned by a private corporation. I think we are judging the pulp mill here. How can the Member say that the pulp mill is good if it's owned by one outfit and bad if it's owned by another? This just doesn't . . .

Mr. Kramer: — No, he never said . . .

Mr. Forsyth: — Yes, yes, this is the implication of an argument on public ownership and there was a strong — I read, and perhaps I am wrong but I read between the lines — that if you follow this argument through that the ownership of the pulp mill is an absolute way of judging whether it's good or bad and I don't believe that this is sound argument.

The Member from Biggar (Mr. Lloyd) was speaking of this whole matter of the pulp mill as being under-researched and referred to the documents which were filed as — I think he called them — an accountant's and economist's set of tables, a balance sheet. I am sorry that the Member really didn't take the time to peruse all that 10 pounds of documents if he really felt that this has been under-researched. He consistently referred to a report by Associated Consultants International and he spent a good deal of time in his speech in taking 10 points from that report. Now, I really don't think that the Member realized that this is only one of the reports dealing with environment and rather a minor report. Associated Consultants International were employed really to raise the questions and the very types of questions that you say they have not answered. They were saying in their report that there are other questions that have to be answered and when you read the Associated Consultants International report and then turn over to the VanLuven report, which without the maps is about 54 pages long. Have you seen the VanLuven study?

Mr. Blakeney: — Yes, but not 54 pages of it!

Mr. Forsyth: — I say with maps.

An Hon. Member: — The maps were not tabled.

Mr. Forsyth: — Is that right? There's a set of diagrams in Dr. VanLuven's report. I'm sure the diagrams are available to you.

Mr. Blakeney: — Well, not the copies you . . .

Mr. Forsyth: — No, if we're going to be specific the report itself is 41 pages without attached diagrams and I am sure that you

couldn't read the full diagrams any better than I and that's why I detached them from my copy.

But, what I'm saying is that this, Member from Biggar, is a more definitive study, a much more definitive study of the pollution problem, the effluent problem and the requirements for effluent treatment at the Athabasca Forest Industries Limited. There are many questions still left in this report and there are questions that are being answered today. This is an unknown area and we are not rushing into this area without studying the water-flow. There are people presently in the area studying the water-flow on the Beaver River at a different point from which the report quotes statistics, for instance. At one stage of the game there was no point in taking repeated findings but now there obviously is a need for more information and the VanLuven report certainly points that out.

Mr. Steuart: — And the master was tabled with it too . . .

Mr. Forsyth: — Yes, I think the master was tabled. I went into the Clerk's office to look at what was tabled and certainly they can see these technical documents.

Mr. Blakeney: — Okay. I'll come to that.

Mr. Forsyth: — The one thing that I wanted to keep away from in the remarks that I am going to make and I thought the Members have kept fairly well away from it, although they hinged on it too much perhaps, and that is nitpicking in the line of pollution. For instance, we had a little bit of talk about the mercury pollution in the Saskatchewan River. Well, you know, the only reason that we know there is mercury pollution is that about three or four years ago, or less than that, somebody started to measure it in fish but the fish of the Saskatchewan River have likely been carrying mercury for many, many, many years. It's just never been measured.

Back in 1954 the dissolved oxygen in the Saskatchewan River for a period of time was down to zero as it came into Saskatchewan. There was a heavy ice cover at the time, probably, but during the winter months this has happened quite frequently. It just hasn't been measured very often and we haven't really worried about it. But when you get a dissolved oxygen content of zero, this theoretically means there can't be any fish life. But I don't think we should be talking about this type of thing because for every argument that you can put forward, you can present new knowledge that makes it rather invalid. And the type of thing that I am talking about, and I don't want to get into, is the nonsense we've had with phosphates where it was suggested that phosphates in detergents be replaced by a substance which is likely to cause infinitely more damage to the environment. This is the sort of thing that we've got to be careful about and I hope we don't fiddle around with details of how this much oxygen content or that much oxygen content can be good, bad, or indifferent.

The questions of environmental control really have loomed much larger in the public mind in the last few years than they ever have before. All Hon. Members are aware of the real flood of literature that has come out and the number of programs that

are available on television and radio on the subject. By and large, I am very pleased that this glare of publicity has been turned on the necessity for us taking a good look at the level of husbandry that we are showing in preserving our natural resources. For too long, we, of the industrially-developed world have behaved as if there was no limit to the air, to the water, to the hydrocarbons and to the minerals at our disposal. When the Bill comes before the House setting up a Clean Environment Authority, which is the type of thing I think the Member from Biggar would agree must be done, it's another move along the way of establishing authority for control. When that Bill comes up I want to talk a little bit more in general terms about the profligate habits of our industrial nations.

The Bill that is now before us is to establish an industrial plant to harvest the forest resources, and I underline that, that we are going to harvest the forest resources which have long lain dormant in the northwest portion of the province. To me there is no question that this harvest should take place. For untold ages before the settlement of this part of the world, nature took care of the harvesting by igniting the forest and by extinguishing the fires by natural means. I suppose it could be contended that we have upset the balance of nature by our fire prevention programs. At any rate, the results of forestry studies do indicate that we can harvest trees in perpetuity if we pay attention to the basic concepts of good housekeeping.

Being satisfied that the harvesting of trees for pulpwood is justified in terms of the ecology, one must then turn to an examination of the effect on the environment of the processing of the resultant pulpwood. Here there really is a great temptation to launch into a pseudo-scientific discussion of methods of effluent control. The consultants' reports which were tabled in this House could make a very happy hunting ground for speechmaking. I hope that I don't fall into this trap.

A perusal of these reports makes it obvious that there are differences in professional opinions as to the details of the treatment methods. Here is where all the self-styled experts can get into the act with tales of horror and predictions of doom, or if their views are different, they can get in with joyful proclamations that all is right with the world.

Such discussions usually succeed only in beclouding the situation and the fact is that the Athabasca Forest Industries Limited must and will be held responsible for meeting the standards laid down in the terms of the license granted by the Saskatchewan Water Resources Commission and by our forestry officials. I repeat, they must and they will be held responsible.

Some Hon. Members: — Hear, hear!

Mr. Forsyth: — A further safeguard will be the standards established by the Federal environmental authorities.

Now, going back to the infrastructure agreement on Article 2, subsection (2) — Athabasca shall incorporate at the pulp mill water supply primary and secondary effluent treatment facilities in compliance with existing laws and regulations. In the event that new laws or new regulations require higher standards, Athabasca shall alter, modify, add to, or replace such facilities to such an extent as proven technology is available in order to comply with such higher standards.

That is a guarantee that is written into this agreement, that is a guarantee that will require policing and adds a guarantee that this Government is prepared to back with Athabasca.

Members opposite would like to throw — this sounded funny when I wrote it — red herrings into the fishing grounds in Saskatchewan by making some sweeping statements about the effect of uncontrolled effluent. So far we haven't had that from Members opposite. I think that no Member of this House should vote in favor of this Bill if he thinks there will not be adequate control. It is the duty of all of us as the elected Members of this House, as the elected trustees of the heritage of this Province, to satisfy ourselves on this score. It is not our duty, nor should it be our function, to determine the means. The end result must be the concern of all of us.

What this Bill proposes is the controlled harvesting of a vast forest without serious impairment of its functions as a recreational area and as a wildlife habitat. It is not our function as Legislators, nor is it within our competence, to pass judgment on the detailed procedures required to produce this result. It is our duty to make certain that the result is satisfactory both to this generation and to the succeeding generations.

Public interest is not served by speculation as to what might happen if this action is taken or that action is not taken. The debate on the environmental implications of this Bill should centre on whether the regulations of the Saskatchewan Water Resources Commission and our forestry management officials are adequate. Attempts to play on the fears of people by dragging in half-truths and personal opinions are nothing but attempts to confuse the issue. If any Member has any information that the regulations under which this proposed mill will be required to operate do not offer sufficient protection to the environment, let him give the details immediately. Let us not degrade this debate by dragging in side issues and half-digested technical arguments.

We, on this side of the House, take our responsibility for the entire environment very seriously. We also take very seriously our responsibility to provide meaningful employment for the people of the Northwest. In spite of the tremendous advantages which this Athabasca pulp project offers to Saskatchewan residents, I should not support this Bill if I did not have confidence in the adequacy of the regulatory requirements under which it will operate.

There can, and there will be, no relaxation of these regulations. Continuous monitoring is a basic part of the planning. It is outlined in the VanLuven report. It is mentioned in the Associated Consultants' International report. It will be the responsibility of this Government, and of succeeding governments, to maintain continuity of supervision. Our Government is prepared to accept this responsibility.

As in any major industrial undertaking, there is an economic risk. In this industrial undertaking there is risk. My colleagues have pointed out the manner in which negotiations with Parsons and Whittemore have minimized that risk. They have also pointed out that the tremendous potential economic gains justify the financial risks involved.

However, we are not prepared to take equivalent risks with the ecology of the Churchill River Basin. We are prepared to enforce adequate regulations under which the mill will be licensed. Let us have no more political manoueuvering to try to confuse and frighten the people of Saskatchewan with the bogeyman of pollution. Again, let me emphasize my belief that the portion of this debate which concerns itself with the environment must hinge on the protection offered by the standards set up by our regulatory agencies.

I am satisfied that these regulations will be adequate. Moreover, I am satisfied that we are prepared to enforce these regulations. Therefore, I am prepared to accept responsibility of voting for this Bill.

Some Hon. Members: — Hear, hear!

Mr. R. Romanow (Saskatoon-Riversdale): — Mr. Speaker, and Hon. Members, it has been with a great deal of interest that all of us, I am sure, both sides of the House have been listening to the proceedings in this debate. We have been listening to the speeches by the Government Members with a great deal of interest and care, speeches about the wonderful opportunities that will exist with respect to jobs, with respect to roads, with respect to rail lines, with respect to tourism, which the Member from Meadow Lake (Mr. Coupland) brought up today, in the midst of what appears to be wholesale devastation waiting for the northwestern part of Saskatchewan.

It seems to be reminiscent, in particular, Mr. Deputy Speaker, of debates carried out in other Legislatures not so very long ago, about great industrial complexes involving pulp mills; these debates only being carried out three, four or five years ago in the neighboring Province of Manitoba.

I took the liberty of looking up, just for my own interest, what the arguments were by the Government of Manitoba in 1966, together with some of the old clippings from the newspaper reports of those debates as to how wonderful a project this was going to be for the Province of Manitoba. I am talking now about the Churchill Forest Industries project, the project that is now, in effect, virtually bankrupt in the Province of Manitoba. In those days, Mr. Treasurer (Mr. Steuart), the Speaker who introduced that Bill in Manitoba, introduced . . .

Mr. Steuart: — A Tory!

Mr. Romanow: — A free enterpriser, and there is no difference between a Tory and a Liberal, Mr. Treasurer. No difference whatsoever between a Tory and Liberal because as free enterprisers both believe that when it comes to the natural resources of our province, they are going to give away those natural resources and that is what the Government has done. No difference at all.

Mr. Steuart: — . . . terms were?

Mr. Romanow: — Now the Treasurer knows what I am talking about. He doesn't want me to get on the record what the comments were of the free enterprise government in Manitoba in 1966. The Hon. Member from Regina North West (Mr. Whelan) says that it's the

Treasurer's speech, when he opened up the debate, and I believe the Hon. Member from Regina North West. I think that the Treasurer went to the old transcript in Manitoba to follow his fellow free-enterprisers and he said, "My goodness this is a good speech. It is going to sound very good when we go out on the hustings. I am going to take it word for word."

So I am going to give the House just a few quotes to let them know how reminiscent, in fact how almost identical, the words introducing the Manitoba Churchill Forest Industries complex were as compared to the words of the Liberals opposite when they introduced this bill.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — We are just saying grandiose promises. Mr. Evans, the Minister of Industry, said this on page 738 of the Manitoba debate, and I am quoting:

The total investments, therefore, would finally exceed \$100 million and jobs for several thousand people will be created over the next 10 years at the plant site and in the forest operations.

It is further expected that the implementation of these projects will considerably enhance the economic and industrial development of Northern Manitoba and lead to substantial export from the province.

Those are exactly the words that the Treasurer and the Premier and the Liberal Members opposite used in defence of this Bill — about several thousands of jobs, boasting about \$100 million complex, just like they did in Manitoba.

The Saskatoon Star Phoenix took up this headline, this big cry of \$100 million forest industry:

Mr. Evans said at that time that this great complex will see the creation of rail, truck and river transportation facilities, a pulpwood processing plant at Arnot . . .

And on and on it goes, predicting great and wonderful things for the Province of Manitoba. And he continued to make more promises. He told the Members of the House about the great opportunities with respect to rail and trucking but he also had something for the Indian and Metis people as well. On page 740 of the debates, Mr. Evans got up in introducing this project and he said:

The project offers Indian and Metis excellent employment opportunities in all phases — cutting and forwarding, water transportation, sawmilling, loading in the mills. Approximately half of the total of ultimate workers will be Indian and Metis.

And what did the Treasurer say in this debate, when he doesn't keep in mind, when he forgets for the moment that the agreement has no provision about the Indian and Metis people? When he is out to make a political speech in the Legislature he says exactly the same thing. They introduced exactly the same thing when they introduced the Prince Albert pulp mill and yet there are only 67 native people employed there. Less than 10 per cent of

all the employees there are Indian and Metis people and the Hon. Treasurer knows that.

Well, the Minister in Manitoba ended up with great flowing words that the Treasurer here in Saskatchewan adopted as the slogan, the rallying cry for the Liberal Party in the next election, Mr. Minister for Athabasca (Mr. Guy). The Manitoba Minister said, and I quote:

This development is a major breakthrough for the North. We shall be utilizing resources that were going to waste. It will provide new employment opportunities in the North; top grade lumber for our manufacturing and construction industries, the basis for important new industries in Winnipeg and a boost for our export industry.

And then he went on to talk in glowing terms about the developer — I'll use the word promoter — Dr. Reisser. He talked very fluently in glowing terms of the promoter of the Manitoba Churchill Forest Industries' complex. Just like the boys here talked in very glowing terms about the promotion and the project that is planned for the northwest.

Well, the newspapers, all the financial newspapers, picked that up — \$45 million. In fact, the Manitoba boys, following their free-enterprise counterparts in Saskatchewan, felt that they could do every bit as well as Saskatchewan had been doing up to that time. They didn't know that they were going to be outdone in this Athabasca Forest Industries' project, after the Churchill Forest Industries' project. I am going to give a quotation as to what the philosophy was of the Manitoba Government. I say, Mr. Speaker, that it is the philosophy of this Government in the introduction of this Bill. This comes from the Saskatoon Star Phoenix, May 14, 1966:

Some weeks ago Manitoba's Provincial Secretary, Mr. Maitland Steinkopf was criticizing Saskatchewan's Premier Ross Thatcher for the tactics used by Mr. Thatcher to lure industry into that Province. Mr. Steinkopf claimed that Mr. Thatcher's concessions to industry were, "just too juicy to turn down." It appears that he has declared open season on the taxpayer's pocketbook.

So Mr. Steinkopf, having analyzed correctly the Liberal Party position in Saskatchewan, "open season on the taxpayer's pocketbook," offers that are "too juicy" for the large industries to turn down. Manitoba said that anything Ross Thatcher can do, we can do just as well. And so they set up the Churchill Forest Industries' complex and so they went ahead and made these great promises.

I have clippings here, pictures of the Premier in Manitoba, Mr. Roblin. I wonder whatever became of Mr. Roblin? The Premier of the Province of Manitoba at that time said what a wonderful development it was. All of this, just like the speakers of the Liberal Party, all of this great development and then the great bust came, about two months ago when Schreyer moved to take over the The Pas operation because of the mess created by the private enterprise boys.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — What happened to all those roads? What happened to all the work promised to the Indian and Metis people? What happened to all of the control in pollution? What happened to the vast millions of dollars that were going to come to the Treasury of the Government of Manitoba? It all vanished, vanished in dreams, broken dreams, because of the manipulations of the free enterprise boys who controlled that government in that day, the same free enterprise boys that are in power here in the Province of Saskatchewan.

And the Conservative Party, the free enterprise counterpart of the Liberal Party here in Saskatchewan was decimated politically as a result of that scheme. Decimated! Well, you know, Mr. Speaker, as a result of that complex they couldn't get hardly anybody to seek the leadership of the Conservative Party. Do you think Mr. Gurney Evans would seek the leadership of the Party? He introduced the mill Bill. Oh, no, he didn't.

I wonder after the Premier is involuntarily retired, after the next election, whether the Treasurer (Mr. Steuart) will seek the leadership of the Conservative Party? He was the one who spoke in glowing terms. No, he didn't either. I wonder if the Provincial Secretary and the Attorney General (Mr. Heald) are going to seek the leadership of the Party here after the Liberals are turned out as the Government in the next election?

I particularly had to smile when the Minister of Welfare (Mr. MacDonald) . . .

An Hon. Member: — Did you say Wilfred?

Mr. Romanow: — No, I didn't say Wilfred. I said the Minister of Welfare. I had to smile at the Minister's comments. He was very laudatory in his praise for this Athabasca Forest Industries' complex. He was at his usual flowery oratorical best the other day in the Saskatchewan Legislature. Mind you, he was reading a speech prepared by someone else and he didn't quite understand the legal implications. But nevertheless he is a good actor and he did read the lines very, very well indeed. I thought that the Minister of Welfare outdid the Treasurer in reading the old Manitoba debates to get some clues.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — He certainly sounded as if he did. On page 744 of the Manitoba debates, the Minister of Welfare there talked about what this great project is going to do for Manitobans. He said, quote:

I would like to say with respect to this development that for the native people of Northern Manitoba, there is no better (in terms of forest production and forest operation) than for the people who reside in that province. They have skills and the kind of ability which suits them well for working in forest industries and other industries, which have been traditionally their mainstay. I welcome this opportunity to take advantage of the opportunities that will be opening up for them.

Well, the Minister of Welfare in Saskatchewan took the words right out of the mouth of the Minister of Welfare in Manitoba, Mr. Carrol. But Mr. Carrol, Mr. Deputy Speaker, went one step better than our Minister of Welfare (Mr. MacDonald). Do you know what he did when their Churchill Forest Industries' complex was announced? Why he gave out cigars to all the Members in the Manitoba Legislature and I should have expected that the least the Minister of Welfare of Saskatchewan could have done as well. No cigars from the Saskatchewan Liberals but the same old speeches about the complexes. The same words about the great promise in Northwestern Saskatchewan that now in Manitoba has ended and a financial catastrophe for the people of the province.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — That has now ended because of the private enterprise boys, whom you fellows protect, and whom you fellows represent, a fiasco of the worst kind in Manitoba because of an improvident deal.

I want to say this, Mr. Speaker, that nobody on this side of the House, and I underline, nobody on this side of the House, wants this deal as improvident as it is, to collapse because we can't afford that. We want this deal if it is going to have to go ahead because of the majority of the Liberal Government, we want this deal to succeed because financially Saskatchewan couldn't take it otherwise. So we are not saying or hoping that the deal is not to go through. We say that the deal has got to go through if it has to be rammed down our throats by the Liberal Government, but that will not prevent us from standing in our places, as we have in this debate, and try to convince the Members opposite that it is an improvident deal and ought not to be proceeded with.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — I tell the Minister of Education (Mr. McIsaac) and I tell you, Mr. Deputy Speaker, that that does not prevent us from telling the people of Saskatchewan of the dangers of this deal as we go on the hustings this coming election. I'm going to say, Mr. Deputy Speaker, that it will not prevent us from warning the people about the dangers of pollution and wholesale forest mismanagement that the Member for Saskatoon Nutana South (Mr. Forsyth) talked about. He called it nitpicking. He said that our concern about pollution and forest management was nitpicking. He said to all the Members of the House, "Let's not nitpick about the small things like mercury pollution. Let's not nitpick about the fact that all the fish are dying in our polluted rivers. Let's not nitpick about that pale, grey slime that comes down from the Prince Albert pulp mill into the North Saskatchewan River." He says, "Don't talk to us about that." He says, "the concern ought not to be one of nitpicking." Well, I say that if that is nitpicking, then nitpicking we on this side are proud to do and we will do.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — Because I'm like you, Mr. Minister of Municipal Affairs (Mr. Guy) and the Minister of Industry and Commerce (Mr. Estey), who I thought would have taken part in this debate

but have not seen fit to do so, and I know why. I'm like them. We are concerned about our ecology and about our structures in Saskatchewan. The Hon. Member for Saskatoon Nutana South (Mr. Forsyth) said, "You know, the Government is going to make Athabasca comply with all the laws on pollution control." He said, "We are going to make them comply with the laws." How good are the laws now, Mr. Deputy Speaker? The Federal Minister of Environment, Mr. Davis, a Liberal, said in the House of Commons a few days ago that nearly half of all the pollution in Canada is due to the pulp and paper industry.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — He says, "the laws aren't good enough and we are really going to clamp down on them." And yet the Member for Saskatoon Nutana South says, "As long as this pulp mill complies with the present laws," (which will allow half of the water resources of the river basin, Churchill River basin), "don't nitpick," he says. That's the story of the Liberal Party.

What prosecutions has this Party carried out with respect to pollution of waters? He says we are not to be worried about something hypothetical. I can tell you, Mr. Deputy Speaker, that the pollution of the North Saskatchewan River is not hypothetical, it is a fact. The pollution of 7 million CB count at Cecil's Ferry. What is it, 48 million CB or about that, due to the Prince Albert pulp mill? That's not hypothetical. That is a fact. And this Government hasn't taken any action to stop it. This Government hasn't done one iota to protect the interest of the people. Now the Member for Saskatoon City Park-University (Mr. Charlebois) — I'm sorry he is not in his seat — talked about the Prince Albert pulp mill and the union insisting on minimum education standards, which tend to keep out the Indian and Metis people. That is untrue, Mr. Deputy Speaker. The union does not establish these minimum requirements. If the union only had that power. That power resides solely and exclusively, as the Member for Regina South West (Mr. MacPherson) knows, with the company, the Prince Albert Pulp Company of which the Government is a 30 per cent shareholder and with the directors as well.

Mr. Deputy Speaker, there are a few more remarks I should like to deal with and I therefore beg leave to call it 5:30.

Welcome to Guests

Mr. Deputy Speaker: — Before we call it 5:30 I might make mention of the fact that we have been honored with a group of teenagers from Savage, Montana.

Hon. Members: — Hear, hear!

The Assembly recessed from 5:30 until 7:00 p.m.

The Assembly resumed the interrupted debate on Bill No. 36 — **An Act to assist Athabasca Forest Industries Ltd. in establishing a Pulp Mill in Saskatchewan.**

Mr. Romanow: — Thank you, Mr. Speaker. I want to thank the Hon.

Treasurer for helping to applaud me to get up. It gives me a little encouragement after such a wonderful dinner, the Canadian Parliamentary Association Dinner.

Mr. Deputy Speaker, I was saying before the adjournment at 5:30, it appears to many of us on this side of the House that the Government Members opposite “borrowed” if I may use the word, many of the arguments that were advanced at the time of the Churchill Forest Industries’ complex being introduced in Manitoba, in support of the Bill that is before us today, a Bill respecting Athabasca Forest Industries. I’ll have a few words to say about that later on in my remarks.

I was also saying before the adjournment that, unlike the Member for Saskatoon Nutana South (Mr. Forsyth), we on this side of the House do not feel that concern about pollution and about forest management, the conservation of our natural resources is, to use the word of the Member from Saskatoon Nutana South, “nitpicking”. The Hon. Member in effect said two or three years ago that we didn’t know about mercury pollution and he seemed to imply, at least to me quite clearly, that because we didn’t know anything about mercury pollution, that therefore we ought not now to express our concern about pollution. That was the main thrust of the argument. The Hon. Member clearly said to the Members of this House that what we were doing with respect to pollution and conservation was “nitpicking”. He used the example of mercury pollution. He asked us not to get bogged down in the details. He said that we had to bring specific objections to his mind and I did, before the adjournment, respecting the pollution on North Saskatchewan River by the Prince Albert pulp mill. I ask the Members of the House whether or not we can expect that type of activity with respect to Athabasca. And I say, with all due respect to the Hon. Member from Saskatoon Nutana South, any way you want to cut it the sum total of his remarks were in effect that we ought not to be complaining on this issue, on the pollution issue.

Mr. Speaker, I say that a government is fit to govern only so long as the people that it governs believe in the words and the deeds of that particular government. In short, in Saskatchewan, our farmers and laborers in order to make this a responsible democratic government must believe in the words of the Government opposite or, in particular, the words of the Premier and the Treasurer. And I say this sincerely that I regret to say to the Members of this House and to the people of Saskatchewan that we have to take the position that we don’t believe anything that this Liberal Government has to say about pulp mills. The Premier and the Treasurer of the Liberal Government opposite have totally lost their credibility with the Saskatchewan people.

Let me illustrate what I mean. Firstly, the Premier and the Treasurer in their remarks throughout this debate, inside the house and outside the House, have deliberately made it appear, in fact have said, that the mill deal that we are debating is just around the corner. They have tried to say . . .

Some Hon. Members: — Hear, hear!

Mr. Romanow: — Oh, yes, the Provincial Treasurer . . .

Mr. Steuart: — . . . say that!

Mr. Romanow: — That's not correct, Mr. Provincial Treasurer. The Premier has indicated to the Members of this House that every day the Members on this side of the House debated, they were delaying jobs in respect to the operation. He is leaving with those words, the clear implication that the mill is just right around the corner, that the deal is all but completed, thanks to the actions of the Liberal Government. They have tried to say, Mr. Treasurer, that only the passage of this Bill stands in the way of the building of this mill. Mr. Speaker, the mill which is the subject of this debate is — and I'm glad that the Treasurer is softening up in his position — is a long way from being ready to start, contrary to the statements made by the Treasurer and the Premier. It is being delayed, Mr. Speaker, not by the Members on this side of the House entering the debate and putting forward the objections of the people of the Province, not because of interested conservation and pollution concerned citizens wanting to have an opportunity to make representation to the Government. It is not being delayed because of those reasons, it is being delayed purely and simply by the inability or unwillingness of this Government to finalize its very own arrangements respecting the mill. Let me illustrate. Firstly, the documents tabled in the Legislature have not been signed. Yet . . .

Mr. Steuart: — You would be the first to criticize that!

Mr. Romanow: — That's right! Yet when the Prince Albert pulp mill came in the last session, in 1966, the documents there were in fact signed and they were ready to go ahead. The Government had all the arrangements finalized and completed but these documents before us are incomplete and unsigned.

Mr. Estey: — Do you object to that?

Mr. Romanow: — I'll come to that in just a minute. There has been no arrangement, Mr. Speaker, concluded yet with respect to the cutting rights of the Meadow Lake Air Weapons Range. The cutting rights of this range are needed if the mill has any chance of economic survival.

Thirdly, there has been no arrangement completed yet with respect to the rail line that is going to connect with the mill. In fact, throughout this debate, neither the Premier nor the Treasurer (Mr. Steuart) have really told the Members of this House at what stage the negotiations are respecting the cutting rights of the Meadow Lake area and the rail-line connections.

Fourthly, there has been no commitment from Ottawa that this Government and the project will get \$12 million needed to get this venture going. When the Premier took part in the debate, the second time around, he read a telegram from Jean Marchand, a telegram, Mr. Speaker, that is now three weeks old, saying simply that Ottawa shows enthusiasm for the project but it must check out all the details just to see that the project comes within the environmental guidelines. The Premier tendered that telegram, he injected it into the argument in the hope of convincing the House and the people of Saskatchewan that the \$12 million Ottawa incentive grant was in fact a "fait accompli."

The telegram was three weeks old and today we still don't have any commitment from Ottawa in this connection. The Treasurer himself says across the Chamber in this debate that the long-term capital loan of \$107 million has not yet been arranged, at an interest rate "consistent with the economic operation of the mill." We don't know, Mr. Speaker, even after the Bill is passed whether a loan with an interest rate "consistent with the economic operation of the mill" can in fact be arranged. I tell the Members of this House that such a loan will not be arranged overnight but only after weeks of negotiations. There is no trust deed before this House. In short, the documents that are before this House are in an unsigned and unprepared state. In short, Mr. Speaker, no matter what happens in this debate and this vote, tonight or whenever, the mill arrangements are a long, long way from complete due to the Liberals' inactivity and not due to anyone else.

Now the Premier tries to convince the people that the pulp mill is right around the corner, because there is an election coming. The Premier has these four major problems. I invite the Treasurer to get up, as he will in this debate, following us, to tell this House — because it will be the first time that he will tell this House — at what stage the negotiations are, rail line, interest, arrangements with respect to the air weapons cutting range and the various other aspects that I brought to their attention. I invite him to tell us frankly and fully how close the mill is to completion with respect to those areas. When this Government says that we have a mill ready to build, when the Premier with great political fanfare announces the largest industrial venture that the province of Saskatchewan has ever known, I say to the people of Saskatchewan, as I say about all things in this Liberal Government and the pulp mills, don't believe it! Don't believe the Liberal Government because it is just not consistent with the facts. Secondly, Saskatchewan has had a terrible experience with the Premier and the Treasurer respecting past statements on the other pulp mill that's going, the Prince Albert mill. The most recent example of a very large credibility gap — that is an overplayed phrase but it could not be a truer phrase as it applies to the Liberal Government — is this question of the Liberal Government and the stockpiling of pulp from the Prince Albert mill. I have before me, Members of the House, a clipping from the Leader-Post dated March 9, 1971. The headline of it reads very grandly, "Steuart Denies Pulp Stockpiled." On the inside of the story the very first sentence and headline says, quote:

The Prince Albert Pulp Company is selling . . .

I underline the word, Mr. Speaker, is selling.

. . . every ton of pulp that it can produce and is not stockpiling it, Premier Thatcher and Provincial Treasurer Steuart said Tuesday.

This same story with that same statement was repeated in the Saskatoon Star Phoenix on March 10, 1971.

Mr. Deputy Speaker, we have two key figures of this Government saying publicly that every ton of pulp from Prince Albert is being sold, no pulp is being stored from Prince Albert. Yet what happens the very next day? The very next day the Leader-Post reports:

Approximately 50 carloads of pulp from Prince Albert are being stored in the MacCosham Van Lines' Saskatoon warehouse, Fritz Anderson, the Company's office manager said Monday.

Then the story goes on to say:

A spokesman, Vern Bodenheimer of the Prince Albert mill, says that the storage is due to the fact that the whole United States-Canadian pulp market is soft.

He goes on to say that:

Not only are there 50 carloads of pulp being stored but the total amount of pulp being stored totals 17,000 tons in Winnipeg and in Saskatoon.

That is from the President of the Prince Albert Pulp Company.

Now, Mr. Speaker, I ask the Members of this House, I ask the people of Saskatchewan: how could a Government be out by 17,000 tons of pulp being stored in Winnipeg and Saskatoon, when the Premier and the Treasurer said just the day before that there was no pulp stored and that every ton of pulp was being sold by the Prince Albert Pulp Company? Now, Mr. Deputy Speaker, were the Liberals confused? Were the Premier and the Treasurer mistaken? Did the Premier not know the true facts about the storing of the pulp? Or can we say that they did know but they deliberately tried to tell the people that there was no storage of pulp for political reasons? I say to the Members of this House that when the Premier and the Treasurer tell us about storage of pulp, I say to Saskatchewan, don't believe it. Don't believe the words of the Premier and the Treasurer.

Thirdly, the Liberal Government — and this has been stated many times — says that all the necessary pollution controls have been taken at the Prince Albert mill. To quote now from the very famous \$12,000 full-page advertisement that was put in partly by the Liberal Government opposite:

It is no joke when I say the water is cleaner when it goes out than when it comes into the plant.

Now, Mr. Deputy Speaker, everyone in Prince Albert, everyone in the northern parts of Saskatchewan who visited that area or knows anything about it, absolutely everyone knew of the pollution that was creeping down from the plant and into the North Saskatchewan River from the Prince Albert Pulp Company. Are we to believe that the Treasurer did not know of this pollution coming down from the plant? Are we to believe that the Premier did not know of that pale grey slime that I saw coming down from the mill into the North Saskatchewan River? Are we to believe that Mr. Karl F. Landegger, this man who heads Parsons and Whittemore, did not know of that pollution effluent going out of the mill? And if that is the case, Mr. Deputy Speaker, this Government should stand condemned for the worst act of negligence towards the people of Saskatchewan, if that is the case. I don't even believe that of the Liberal Government. They are pretty negligent. They are pretty incompetent but I don't even believe that they are that incompetent. So why, why did the Treasurer and the Premier and Mr. Karl Landegger buy those thousand dollar advertisements all over the place telling

the people of Saskatchewan something that they knew was an untruth? Why? Only after public pressure from those of us on this side of the House, and if it wasn't from us, it was only after public pressure from the Minister's own political seat for his own survival, and because of the election around the corner, that the Treasurer all of a sudden says, "Well, you know it turns out the water wasn't that clean. You know it turns out that we made a mistake in saying this and in fact we are going to put in now a \$1.3 million new sewage treatment plant." Now today, Mr. Deputy Speaker, they come before us with this new Bill which we are told again and again by the Member from Nutana South (Mr. Forsyth) that it will not pollute the only unpolluted river system in North America. We are told that same story again that we have been told since 1966 when everybody in Saskatchewan knew otherwise. We were told that about the North Saskatchewan River system. I say to the people of this province and I say to the Government Members of this House that when this Government talks about pollution controls, don't believe it. Don't believe this Government on pollution.

Now, Mr. Speaker, we are told that this mill will provide thousands of jobs for people. We hear the same speech said here as we heard in Manitoba when the Churchill Forest Industries' complex was introduced, about several thousands of new jobs being provided for the people. Pulp mills to prevent unemployment, they say. Yet over 21,000 people, the highest unemployment in the history of our province, are walking around today without a job, thanks to the Liberal Party and the Liberal Government opposite, two years after the pulp mill has been going. I say to the Members of this House, I say to the people of Saskatchewan, that when the Premier and the Treasurer say that the pulp mill will provide jobs, don't believe them. Don't believe the Premier and the Treasurer because it will not and has not provided jobs.

We are told by the Government that pulp mills will take people off welfare rolls and yet as the Hon. Member from Shellbrook (Mr. Bowerman) so admirably documented this afternoon, two years after the Prince Albert mill has been going, the province has more people on welfare today than two years ago. There are more people on welfare and social assistance in Prince Albert today than two years ago. I say to the Members of this House and I say to the people of Saskatchewan that when the Premier and the Treasurer say that pulp mills will take people off welfare rolls, don't believe the Premier and the Treasurer. What can you say about a political party whose credibility is shaken at every turn? Everything this Government does it turns out that it is not to be believed, that there is somebody high up in the Government disputing the action.

What do you say about the Homecoming affair, where high-ranking civil servants, the highest ranking civil servants, Deputy Ministers, high-ranking members of the Liberal Party, people who come from honored Liberal families, like the family of the late Premier James G. Gardiner, publicly take to the air waves and every way that is open to them, telling the people of Saskatchewan that you can't believe the Treasurer and the Premier about Homecoming?

Some Hon. Members: — Hear, hear!

Mr. Romanow: — This is not a New Democratic spokesman saying this. This is not a Member who happens to be on the Opposition side. I ask, Mr. Deputy Speaker, the people of Saskatchewan to keep in mind

that this is a man whose lineage, whose background, whose participation in government, although I disagree with the philosophy, has come from a time-honored Liberal family. Much more time-honored than some of the boys who are sitting opposite in the Government benches. And what does he say about the Minister of Athabasca (Mr. Guy)? What does he say about the Treasurer (Mr. Steuart)? What does he say about the Attorney General (Mr. Heald)? He is saying to the people of Saskatchewan what we are saying about this mill, don't believe the Premier or the Treasurer, whatever you do.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — I predict, Mr. Member from Saskatoon City Park-University (Mr. Charlebois), that we aren't finished yet with statements that we have to take with a grain of salt. I predict that there will yet be another statement in a day or two or in the weeks ahead that should be equally taken with a grain of salt when the people of Saskatchewan hear it, once election starts, and I for one hope that it's as soon as possible.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — I predict that we shall have another ally or "political party" coming to the aid of the Liberal Party in the election. I predict that when the election starts, these great developers, Parsons and Whittemore, aided and abetted by the Liberal Government opposite, will attempt to blackmail the people of Saskatchewan into voting Liberal.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — They will in effect attempt to frighten our farmers who are overburdened with the highest debt load they have ever had under the Liberals. They will attempt to frighten the 21,000 people who are walking around without jobs with only want ads in their pockets. They will do it by a loud and expensive propaganda campaign that they have already started with respect to the pollution — full-page advertisements, paid partly by the people of Saskatchewan, the 30 per cent shareholders — and during the course of the election, Parsons and Whittemore will try to tell the people that the mill is only assured on the basis of the documents that have been filed here and only with the Liberal Government. If that statement is made, it will be as I have described it, Mr. Deputy Speaker, blackmail pure and simple, that Saskatchewan won't buy. Not only will it be a blackmail statement but it will be one that Saskatchewan people, as I have said, will not buy. They won't buy it, Mr. Deputy Speaker, because it will be untrue. Because the truth of the matter is that there is no deal yet. There won't be a deal for some considerable time after the election even if the arrangements remain the way they are. There is no deal. There can't be any deal because of the four arguments that I have advanced — the air range cutting rights, the rail lines, the interest rates to be negotiated, the financing from Ottawa. We don't even know if we're going to get the \$12 million.

This is an old trick of the old line, free enterprise parties — to try to use their allies. We've seen how industry has tried to blackmail governments before. We saw it in Manitoba

when the insurance industry tried to blackmail Ed Schreyer and they couldn't do it. We fought that battle in Saskatchewan under the CCF in 1962 when some doctors and the Liberal Party opposite tried to blackmail us and they couldn't succeed. It is part and parcel of the tactics of the old line party. I say to Saskatchewan, don't be surprised if you see this happen. I say that we on this side of the House know that the people of the province won't buy it because we have confidence in the rationality of the people of our province and I conclude again by saying, Mr. Deputy Speaker, to all Saskatchewan, don't believe anything this Premier or this Treasurer tells you about this pulp mill because their past actions belie them.

If there is one message that I want to leave with the Members of this House today and to the people, it is precisely that; that this Government has lost its right to govern the people of our province; that it is not fit to govern because the people of our province no longer support or believe the statements made by the Treasurer.

Now, Mr. Deputy Speaker, I turn to another aspect of the discussion, that is the position of the New Democratic Party. I think it can be summarized briefly as follows: Firstly, on the basis of the documents filed in this House, the financial aspects of this mill are such that the people of the province are taking most of the risks with the benefits going to a large foreign corporation. At the same time we say the huge financial risks taken are not offset by adequate safeguards for our Saskatchewan people or our money. Secondly, we say and the Member from Biggar, the former Premier of the Province (Mr. Lloyd) said it so eloquently today, this proposed mill represents a cavalier and careless approach to our natural resources, to our forests and our streams. This negligent disregard of our natural resources will ultimately cost Saskatchewan people millions more in lost tourist dollars and an undeterminate amount in damage to the quality of our Saskatchewan way of life if this mill proceeds.

You know, Mr. Deputy Speaker, it occurs only rarely in politics or in other human endeavors that the arguments to support an opponent's case are provided by the party who proposed the argument. But the Liberal Party had to do just that. One does not expect the Liberal Party to prove the case for the New Democrats but would you believe it, Mr. Deputy Speaker, the Minister of Welfare (Mr. MacDonald) did precisely that the other night. Because he happened to be the major Government speaker or appeared to be the major speaker on the financial aspects of it, I am going to illustrate very briefly what I mean and show how unbelievably bad this deal is for the people of Saskatchewan.

What did the Minister of Welfare say? He said three things. Firstly, he tried to show the House that the financial arrangements, in fact, provided adequate safeguards for the province. He also argued that Parsons and Whittemore was taking risks proportionately to those of the province. His exact words were, quoting from Hansard transcripts dated March 22nd, referring to the Leader of the Opposition in his remarks, here are his exact words:

Not once, not once did he (referring to Mr. Blakeney) mention what the Province would receive in his entire remarks. 1. A guarantee fee of \$3.6 million. 2. A first mortgage on all property owned or which may be

owned by Athabasca Forest Industries . . . In other words, a first mortgage on the mill and the forest management license. 3. A first floating charge on all other assets of Athabasca.

Mr. Deputy Speaker, I want to say to the Minister of Welfare, unfortunately he is not here, that his speech writer did not read the remarks of the Leader of the Opposition because in the Hansard transcripts dated March 17th, the Leader of the Opposition said precisely those three things when he talked about the guarantees. He said it precisely.

Now if the Liberal Party has read those contracts that Parsons has apparently got ready to sign, as carefully as the Minister's speech writer reads my Leader's speech, then Saskatchewan is in more trouble than I think it's in. Now, all of those things were said by my Leader. All of those guarantees are acknowledged by us to be in the draft documents — \$3.6 million the first mortgage and a floating charge. But that's not the point of our objection. The point of our objection is that the so-called security or guarantee is next to meaningless with respect to the province's interest. The Minister proved just that point. A few minutes later in his speech on March 22nd he said this:

Mr. Blakeney knows that the only time that the Province's obligations under this guarantee would be enforced would be if Athabasca got into financial difficulties . . .

Then, Mr. Speaker, Hansard shows an interjection by myself where I shouted across to the Minister, "If the mill goes broke, what worth is the mortgage?" He didn't hear me the first time and I yelled again, "If the mill goes broke, what worth is the mortgage?" And do you know what the Minister, speaking for the Liberal Government, said, "Because we get the \$107 million assets if it goes broke, that's what it's worth."

Some Hon. Members: — Hear, hear!

Mr. Romanow: — Now I ask the Members to contemplate the answer for just a second. Why, Mr. Member from Cannington (Mr. Weatherald), why would the province be called upon to meet the payments of the guarantee loan of \$107 million? Clearly, the people of Saskatchewan would be asked to pay up if the mill could not be made to succeed. You can be sure that if it is made to succeed, Parsons and Whittemore isn't going to give it up. In effect, if the mill doesn't work and Parsons decides to walk away from its obligations, then guess who is stuck for the \$107 million? Everyone in this Chamber plus a million other people, to the extent of over \$1,000. But the Liberals say, don't worry, we've got you protected because we've got the buildings and the machinery. I'll repeat this once more for you, Member from Cannington.

Mr. Weatherald: — Why didn't Manitoba take it over?

Mr. Romanow: — What good would it do for Saskatchewan to have ownership of a mill in the northeastern part of the province when the mill can't be made to succeed? It isn't viable. In that type of a case you couldn't make money on the pulp mill operation but you would still have to meet the \$107 million in loan

payments. What the Liberal Party has said is this: "If the mill goes broke, the people get the mill." That's their security.

I want to tell the Members of this House and I want to tell the Member from Cannington (Mr. Weatherald) that that's precisely the situation that Churchill Forest Industries in the Province of Manitoba is in right now. I want to tell the Member from Cannington that Churchill Forest Industries couldn't or wouldn't meet its financial obligations and so now that Province has realized on its mortgage and what has it got — a bankrupt mill in Manitoba.

An Hon. Member: — Tell Schreyer that!

Mr. Romanow: — I want to tell the Member from Cannington, in case he doesn't know, that in Nova Scotia they have another huge multi-million dollar enterprise known as a heavy water plant that the Premier can thank his lucky stars he didn't catch for Weyburn and Estevan. I want to tell the Member from Cannington, the Minister of Industry and the Treasurer, that that heavy water plant hasn't produced anything since it was on the drawing boards. I ask the Treasurer and the Minister, would you take over that multi-million dollar water plant when it's a bankrupt operation? Well, maybe the Treasurer would take it, knowing his financial skill. After all, the former Minister of Public Works says, "What can you do with a government when you come into power and no one knows how to read a financial statement over there." That's what Mr. Gardiner said. He said, "I have the Premier, I have the Treasurer, they can't read a balance statement." Now I don't know but I shall take Mr. Gardiner's words for it that the boys opposite don't know how to read a financial statement and if he says he'd take over the old Churchill Forest Industries' plant, that proves it to us.

So, Mr. Speaker, the same situation applies with respect to the floating charge. In short, what the Minister of Welfare (Mr. MacDonald) did was prove precisely the point that the Leader of the Opposition (Mr. Blakeney) has been saying and that is that the only real and meaningful security the province gets back from \$107 million is a fee of \$3.6 million, nothing else. The Minister of Welfare tried to belittle those who tried to explain to him — I wish his speech writer had explained it to him earlier — that what this guarantee means for the farmers and for the laborers and for the small businessmen of our province.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — He tried to say that this \$107 million encumbrance meant nothing for our fishermen in our constituency of Athabasca, or our farmers in the constituency of Notukeu-Willowbunch, or nothing for our businessmen in the constituency of Nipawin. That's what he tried to say. We say that if this mill runs into these problems, as happened in Churchill Forest Industries in Manitoba, every man, woman and child in this province is encumbered to the tune of at least \$1,000 if not more and the Government says that this is really not a debt.

Mr. Speaker, the province's guarantee of \$107 million loan places the province in the same legal position as the maker of

the loan. It's the same as if the local farmer went down to a bank and guaranteed a note for his farmer friend. He stands in the same shoes as the farming friend who made the deal.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — And I say to you, Mr. Treasurer (Mr. Steuart) and to the Minister of Welfare (Mr. MacDonald), slice it any way you want — \$107 million guarantee means a legal and moral obligation for a huge financial payment if this thing gets into trouble. And that's a financial payment enforceable by law and that's an encumbrance. It's just not good enough to say that there is no transaction. In fact, this guarantee by the Provincial Government is absolutely essential, in my view, to the obtaining of the loans by Athabasca. Athabasca is the maker of the note but it's a company with relatively few assets compared to its financial needs in that type of an undertaking. No lending institution anywhere would lend a company like Athabasca \$107 million on its own strength. The financing of the operation depends almost entirely on the strength of the province putting up the guarantee of the \$107 million to the company.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — The Minister can belittle and berate and joke and mock and mimic all he wants about contingent liabilities. He can cover it up any way he wants, but I can tell the Members of this House that I and every one of the Members on this side intend to tell the farmers of our province that the Liberal Government is putting them on the hook to the tune of at least \$1,000 for a foreign-controlled company.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — I also intend to tell the farmers and laborers and the small businessmen in Morse constituency, I'm sure Mr. Gardiner will tell them, that the Liberal party can devise ways and means to help foreign corporations make a killing off our natural resources but somehow they can't find one way to help the farmers out of their worst economic depression.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — Now, secondly, the Minister of Welfare tried to show that Parsons and Whittemore had more than \$20 million exposed to this venture. The Minister says that they put up their share of the equity — \$16.8 million, that's true. We agree with that. Then he says, quoting from the Hansard transcripts and referring to Parsons and Whittemore:

They are responsible for the project and equipment financing under Article IV of the Guarantee Agreement to the extent of \$12 million.

Then the Minister implored my Leader to read the Article. I tell the Minister that the Leader has read the Article but the speech writer of the Minister's didn't read the Article. I read the Agreement and the Article. If Members will read the Article IV (3), it will be seen that Parsons is obligated

to ‘arrange’ credit facilities, Mr. Deputy Speaker. Note that Parsons is obligated to arrange the credit. When is Parsons obligated to pay the credit? Under the Agreement, Parsons is obligated to pay only when there is an “event of default as defined in a certain trust deed.”

But we don’t have a Trust Deed. No such document has been tabled and to my knowledge none exists. We don’t know how the Trust Deed will define an “event of default”. This we don’t know when or if Parsons and Whittemore will be responsible. All that we have is the Minister of Welfare’s statement that Parsons and Whittemore are responsible boys, take my word for it — period. It’s not in accordance with the documents tabled in this House. The best that can be said is that they may be responsible for the \$12 million if this mysterious and yet unseen Trust Deed defines “event of default” in such a way as to make Parsons and Whittemore liable. But as of now there is nothing that obligates Parsons and Whittemore to that \$12 million.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — Nothing! And I defy the Treasurer to say that there is. Then, the Minister (Mr. MacDonald) said that Parsons and Whittemore has committed itself to a turnkey price of \$117.7 million for the construction of the mill. Members ought to clearly understand — I invite you to take notes, Member from Athabasca (Mr. Guy) — that \$117.7 million is contracted with two subsidiaries but totally different legal entities of Parsons and Whittemore. It is correct to say that Parsons and Whittemore will guarantee the work of its two subsidiaries. That guarantee simply says that Parsons and Whittemore will stand behind its other two Parsons and Whittemore companies to see that the mill is built. Big deal! Has the Treasurer ever heard of a construction and equipment contract that does not have such a guarantee that a building will be built? Would any government, even a Liberal Government opposite, sign a construction contract that didn’t have a simple straightforward clause saying that the contractor agrees to contract and guarantees to build the building?

But the Minister, he tries to blow this way out of proportion. He says:

They put the whole Parsons and Whittemore empire on the line because they believe in the future of this mill.

Now I ask the Members how much is any contractor or company going to lose on a construction job when that contractor sets his own price for the construction job?

Some Hon. Members: — Hear, hear!

Mr. Romanow: — In this case there were no bids. Does the Liberal Party say that the company has guaranteed to build the mill and supply the equipment at a price so low that they will take a financial beating? Does the Liberal Party say that Parsons and Whittemore equipment, Parsons and Whittemore contractors and Parsons and Whittemore Incorporated have committed themselves to build knowing that they’re going to lose their entire financial shirts? In no way. Rather than losing money, the Financial Post predicts that Parsons and Whittemore and

its subsidiaries, far from losing on this \$117.7 million turnkey job, will make a normal 10 per cent or \$12 million profit.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — They're going to make \$12 million without one ounce or ton of pulp being produced, without one red cent going into the coffers of the Provincial Treasury and to the people of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — And even if there is no market after the mill is built or if there is insufficient timber, as some of us worry that there might be, even if Parsons and Whittemore and its subsidiaries say that we've made our \$12 million on the turnkey and we're shutting her down and we're going away, who gets stuck with \$107 million? You and I do and everybody in Saskatchewan does.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — Thirdly, the Liberal Party argues that the province has controls in this operation through the board of directors of Athabasca. The Minister of Welfare says that five out of six directors are required to approve any major decision respecting contracts, and I agree that statement is true. But I say to the Treasurer (Mr. Steuart), that works both ways. It means that Parsons and Whittemore can't change the contract without approval of a government appointee — that's true. But it also means the province can't change any of the contracts without the four Parsons and Whittemore nominees approving. And that means, Mr. Treasurer, and Members of this House, that those agreements had better be pretty good as far as the province is concerned right now.

What does this mean with respect to those contracts? I'll give you an example. In the Sales Agreement, Article IV, the Government commits itself to a sales commission of three per cent to the Parsons and Whittemore Company. But by that same Agreement, that Sales Agreement is good for — and get this, Mr. Deputy Speaker — for five years and "thereafter for an undetermined period of time until or unless terminated by Athabasca". "Until or unless terminated by Athabasca." In other words, the moment we signed that Agreement, we're committed to paying three per cent of sales commission, so long as Parsons and Whittemore wants us to pay three per cent and we can't change that Agreement.

Mr. Speaker, if it's found that that commission is too high, if the province should want to try to renegotiate it, can we do it on the terms of the Agreement?

Some Hon. Members: — No!

Mr. Romanow: — No, our hands are tied because you need the other four Parsons and Whittemore directors to agree.

Let me give you another example. The Management Contract.

The Management Contract says the same thing that it's going to be good for five years and thereafter for an undetermined period of time until or unless terminated by Athabasca. How can Athabasca terminate it? Only if all four Parsons and Whittemore nominees vote for a change. What if the Government discovers that it wants new management? Will we be able to terminate the Agreement if Parsons and Whittemore says no? All the cards are in the hands of Parsons and Whittemore. Our hands are tied by Parsons and Whittemore so long as Parsons and Whittemore wants them to be tied.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — That's the Agreement that the Treasurer would want us to sign and to consent to.

Mr. Speaker, I say that the Minister of Welfare's arguments only prove the arguments of the New Democratic Party and my Leader.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — I say his attempt to get into the political area of the argument was shallow. We say, admit to the true nature of the deal. We say, admit that it's a financial giveaway. Admit, like the Minister of Highways (Mr. Boldt) admitted in Moose Jaw on March 19, 1971 with a picture of the candidate, Herb Taylor, and he said this — he noted with unemployment the way it is:

Every fair-minded person should be pleased this Government should be willing to risk everything to get a second pulp mill in Saskatchewan.

The Minister of Highways says that we should be pleased to risk "everything" that we have in order to get the second pulp mill. Well, the Minister of Highways can risk everything but we on this side won't risk everything for the people of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — In reality this is a public enterprise with a private front. It's not wise and prudent handling of the taxpayer's money. Rather it is a wanton and reckless giveaway of our natural resources, backed by the public purse to boot.

And, Mr. Speaker, come this election, we'll be telling the people that this may be one of the most financially imprudent deals in the history of the Province of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — And if we did not tell the people of this province, we should not be fulfilling our duty as the official Opposition to the people of this province.

Now, Mr. Speaker, I want to say in conclusion the following: I want to raise some very few questions about the viability of this project. I read the feasibility report that was tabled by the Government. It did not appear to me that the report was

as convincing or as convinced about the feasibility of the project as the Liberal Government opposite interprets it. To be true, the report said that in the end:

. . . barring major unpredictable developments, the mill will be a viable enterprise.

Notice, Mr. Minister, the escape hatch. But I ask the Government to weight that recommendation against the following points brought out in the report:

Firstly, the report says that Athabasca will have a very “high cost aspect because of its location”. In this regard, the long-hauling distances pose a particular problem.

Secondly, building costs will be maximum because of the severe weather conditions we experience.

Thirdly, the United States market, our largest market, is not going to expand. This means in order to get markets we’re going to have to expand to Europe and the Far East. In this regard, the mills on either coast of Canada are going to have an advantage because of freight in shipping the product through their coastal access.

Fourthly, I suggest to Members that the Consultants’ report is not decisive about the quality of the water to be used, as brought out by the Member from Biggar (Mr. Lloyd). The report says that the information on the river is actually nonexistent.

Fifthly, because of the weather and the location of the mill, it’s suggested that labor costs will be larger than usual in order to attract the skilled people needed for such an undertaking to that operation.

Mr. Speaker, when we combine these factors together with the fact that no final arrangements have been made in the four major areas that I have talked of, the grants, the rail, the interests and the cutting, you can see why any right-thinking person in Saskatchewan has grave and serious reservations about this project.

We base our objections on these facts and the fact that this Government has failed or refused to answer the people straightforwardly about these questions that we have posed to them. And when you add on top of this the fact that we can expect huge financial commitments of all hard-earned taxpayers’ money with little or no security for that money, then I say the entire deal becomes absolutely questionable.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — And when you add on top of this without elaborating the point of conserving our natural resources, so ably set forward by the speakers on this side — and I know the cutting practices of clear-cutting and devastation and soil that looks like sand in that area — it’s not going to be any different for Athabasca. The Consultants’ report says that every effort must be made to minimize the cost of wood delivered to the mill. “The most modern, low-cost harvesting methods must be used.” You slice that any way, Mr. Speaker, and that means clear-cutting for Athabasca like Prince Albert. I am not going to elaborate at

length on the business of water pollution. We've touched on that already. To have our rivers polluted and our lakes destroyed, I can tell this Government that the fishermen don't want it, as the Member from Shellbrook (Mr. Bowerman) says.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — And when you add on top of this, Mr. Speaker, the potential for tourism in the North being destroyed, tourism and industry that is far greater and more potential for that area than a mill of questionable viability, then you can see why we New Democrats raise the questions that we do.

And there has been some talk in the press, and I conclude from the press, about an election on this issue. The press keeps speculating that the Premier might call an election on this issue.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — Maybe the Treasurer (Mr. Steuart) is going out to advise him to do it now.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — The press says that this is an explosive issue. It's an explosive issue, all right, for the farmers of Kendal and for the farmers just north of Swift Current, and the farmers even in Melville and the farmers in Prince Albert. Two people on an hour-long television program asking questions of the Premier. I say, Mr. Speaker, that we on this side would welcome the Premier to issue the election writs right now on this very issue.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — Because we intend to say, when we talk about this pulp mill issue and the \$107 million commitment, we intend to tell the farmers that they give \$107 million for a foreign-controlled company but zero for the farmers. We shall tell the laborers of this province that they give \$107 million to a foreign corporation but zero to the laboring people of this province. We are going to tell the small businessmen of this province that they've got money for large businesses but none for our own Saskatchewan small businesses.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — And when we talk about a \$107 million mill we're going to tell all the people about the destruction of our natural resources, our forests and our rivers and our pollution by the Members opposite.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — Therefore, I say to the Members opposite and to the Premier . . .

Mr. Kramer: — I heard the word “lie” from the Member for Souris-Estevan (Mr. MacDougall).

Mr. Speaker: — Order, order!

Mr. Kramer: — I said I heard the word “lie” from the Member for Souris-Estevan. Now you’ve had a very strict rule about that, Sir.

Mr. Speaker: — Order, order! I heard the word but I don’t know where it came from.

Mr. Kramer: — Well, I heard it.

Mr. Speaker: — Wherever it came from, I suggest it was out of order.

Mr. Kramer: — If that Member would stand up and admit it. Stand up, Member from Souris-Estevan.

Mr. Speaker: — Order, order!

Mr. Romanow: — Mr. Speaker, I only have to take into consideration where that word came from and it doesn’t bother me whatsoever because he makes no contribution to this House whatsoever.

As I was saying about the election, we New Democrats should be pleased to have it called.

We urge the development and the spending of this money for the development of camping grounds, roads to camp sites, encouragement of industry to build cabins and motels. In general the development of what could be the most important industries in that part of Saskatchewan, namely tourism and recreation.

Mr. Speaker, this Government has not even thought of preservation. This Government thinks only in terms of destruction. This Government has not even thought in terms of the needs of native and Northern people. This Government thinks only in terms of destruction of the resources for those native people. This Government has not thought it its duty to think of our children and their children and how we leave those resources for them. This Government only thinks in terms of destruction when it comes to them.

I conclude by saying that I believe in the industrial growth of this province. I believe that we should rationally encourage the promotion of industry in this province. We need jobs for the young, for all of Saskatchewan. We on this side, when we become the government, will work to get jobs for the people of Saskatchewan. Above all, I believe that all planning for jobs and industry must be based on the overall consideration that always after we are finished with the resource, we improve that resource, rather than weakening our great province. I believe in jobs but I do not believe in jobs for the very short run that will only cause unemployment and more unemployment and destruction of our resources in the long run.

I say to this House that New Democrats will get this Province rolling again for our young and old once we become the government, but we'll do it while we improve our natural resources and our society and our environment around us, because I do not believe that this Bill will do that, because I believe the documents are incomplete and unsatisfactory and do not satisfy me that I am acting in the best interests of the majority of the people by supporting those documents. I cannot support this Bill. I will not support this Bill and I urge all Members of the House to do the same.

Some Hon. Members: — Hear, hear!

Mr. A.E. Blakeney (Leader of the Opposition): — Mr. Speaker, I intend to add a few comments to the remarks which I addressed earlier to this House on this debate. I first want to deal with a few remarks which have been made by other speakers.

There was much talk this evening when the Member for Saskatoon-Riversdale (Mr. Romanow) referred to problems which have arisen with respect to financial transactions similar to this; the heavy water plant in Nova Scotia, Churchill Forest Industries at The Pas! Much talk has come from the other side of the House saying, what does this prove? What does this prove? The answer is simple. In both cases it is this; that large financial commitments were undertaken, guarantees were given and now the taxpayers of Nova Scotia and of Manitoba find themselves today responsible for every payment of interest, every payment of principal, every payment of any kind on those obligations which were originally mere guarantees. That's what it proves. It proves that a guarantee cavalierly given by a free enterprise government that is looking for stars in its crown for industrial development, can load on the back of taxpayers, like the taxpayers of Nova Scotia and like the taxpayers of Manitoba, heavy obligations of principal and interest.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Mr. Speaker, I want to add a few comments with respect to what was said by the Minister of Welfare (Mr. MacDonald). I am sorry he is not in his seat. We are always treated to a little bit of mild entertainment when he addresses this House. He has got an amazing capacity for being surprised. He has got an amazing capacity for being indignant. I ask Members to think. Did they ever hear the Minister of Welfare stand up and give a speech which did not contain the phrase, "Never in all my time in this House have I heard such nonsense," or "Never have I heard such political dishonesty." Always, always it is a new experience for him. He is like a dewey-eyed lass of 13, each day a new learning experience.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — It is just a pity that he brought to this debate the same powers of financial and legal analysis as that same dewey-eyed lass of 13. He was upbraiding me because he said I hadn't finished my analysis of the documents and I still had expressed my opinion and I was going to vote against this Bill. Then he expressed his opinion that he was going to vote for the Bill.

He hadn't finished his analysis of the documents. So far as I was concerned he hadn't started his analysis of the documents.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — What was the burden of his remarks? He was saying that New Democrats are opposed to this Bill not on economic grounds, not on social grounds but on political grounds. That is surely pretty remarkable because when the Prince Albert Bill was in this House, I supported the Bill, most Members on this side of the House supported the Bill. There wasn't any political objection to a pulp mill then. The fact are that the bitter, bitter experience of the Prince Albert mill has led us to believe that a new look has to be taken at the Athabasca mill.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — More facts are now available. It is now clear, with the documents filed as late as this year, that the Prince Albert deal was a bad financial deal. But even more, it is clear that there are no steps taken to protect our waters from pollution, and it is clearer still, that nothing is done to protect our forests.

With respect to forests, it is useful to point out that when the Prince Albert deal was introduced in this House, nobody ever mentioned clear-cutting. When that mill was introduced in this House it was with documents requiring the delivery of wood in eight foot lengths. Elsewhere in Canada the delivery of wood in eight foot lengths usually is associated with selective cutting and not clear-cutting.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Then the Government opposite, without telling this House, without tabling any agreements until years later, changed the whole basis of wood harvesting from selective cutting to clear-cutting and thereby endangered our forests.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — In my earlier remarks I pointed out that the financing of the Athabasca mill was no ordinary type of financing. I pointed out that in an ordinary type of financing shareholders put in their money first and the bondholders money goes in last. I pointed out that in the documents before us this wasn't so. The equity money, this \$24 million in shares, \$16.8 million of Parsons and Whittemore, the rest of Provincial money didn't go in first, it went in only on the same basis as the bondholders money went in. Now this is a unique way to finance any industrial venture and it is a way which increases the hazard for the bondholder. I need hardly say that anything that increases the hazard for the bondholder increases the hazard for the people of Saskatchewan. The Minister of Welfare said, what is so strange about that? I wish he would have referred to some other financial deals in Canada where the equity money only went in pro-rata with the bond money. I wish he had asked the Minister of Industry (Mr. Estey) whether that is what SEDCO does. I wish he had asked the Minister of Industry whether when a hog farmer goes to

SEDCO and says he's got \$20,000 and wants to borrow \$20,000. I wonder if the Minister of Industry says to that fellow, "Oh, we'll put in \$20,000 and you can put in your money at the same rate as we do." No fear of that! For Saskatchewan farmers, they put their money in first and SEDCO puts in their money last.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — But these little goodies about not having to put your equity money in, they are not for Saskatchewan farmers, they are saved for New York developers.

What was the Minister of Welfare's "piece de resistance"? Well, his big point was that we had security for this \$107 million. We had the security of the first mortgage on the undertaking. I don't want to add too much to what my colleague from Saskatoon-Riversdale has said, he has exposed the fact that while that is true in words, it is economic nonsense. The Minister of Welfare is, of course, right when he says that only when the mill is in difficulty that we'll be called upon to pay the \$107 million. It is only when the mill can't meet its own payments of interest, only when the mill can't meet its own payment of principal that we, the taxpayers, will be called upon to pay. But he says, never mind, we have assets worth \$107 million. The short question I want to ask him is this: to whom are they worth \$107 million? To whom is the pulp mill worth \$107 million when it can't even meet its interest payments on its bonds?

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — If this mill doesn't go, if it doesn't go because wood costs are too high or because the market goes sour or because the exchange rate goes against us, and if because of that, the mill can't pay the interest on its bonds — to whom is it worth \$107 million?

I have no reason to believe that Parsons and Whittemore are poor pulp mill operators. If they can't operate a mill so that it can meet its interest on its bond payments, who can operate it so it will meet its interest on its bond payments? Who will pay \$107 million for a mill which can't be operated by efficient operators like Parsons and Whittemore, even to the extent of meeting its interest payments? In short, it will not be worth \$107 million. It will be worth its salvage value and nothing more. Let's go over that again. If the mill makes a profit, it belongs 70 per cent to Parsons and Whittemore, 30 per cent to the people of Saskatchewan, and the maximum cost to Parsons and Whittemore is \$16 or \$17 million. But if the mill makes a loss, if it goes broke, if it is next to worthless except for the salvage, then it doesn't belong to Parsons and Whittemore and the price isn't \$17 million. Then it belongs to the people of Saskatchewan and the price is \$130 million!

The Minister of Welfare described the deal very well. If the mill goes broke, it's ours for a paltry \$130 million. If it makes money, it belongs to Parsons and Whittemore as to 70 per cent, for less than \$17 million.

Then the Minister went on to discuss turnkey contracts. He would have done better if he had discussed Thomas Aquinas or something with which he was a little more familiar. He

seems to have the idea that a turnkey contract has something to do with whether tenders are called or not. That's what he said. Obviously the Provincial Treasurer (Mr. Steuart) knows better than that, but the Minister of Welfare (Mr. MacDonald) did not. A turnkey contract, after all, is nothing more than a contractor agreeing to do a complete job for a fixed price. Turnkey contracts can be negotiated, they can be tendered, they can be tendered by invitational tender or they can be tendered by open tender. He then went on to say, "we wanted a turnkey contract and there wasn't a company in Saskatchewan or a company in Canada who would take this job on a turnkey contract." Well, that is certainly a remarkable conclusion. There must be 50 pulp mills in Canada. Two of them were built by Parsons and Whittemore; who built the other 48? Who built the other 48? Whether or not there was another company in Canada who would take this job on a turnkey basis — it's not for the Opposition to provide the answer. It is up to the Government to provide that answer.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Mr. Speaker, if the Government was going to build this mill or have it built on the basis of a financial commitment of \$130 million of public funds, then it should have canvassed Canada from one end to another to find out the cheapest possible price to have a mill built. It could have done this by competitive tender. If that wasn't a sensible way to do it, it could have done it by invitational tender. If that wasn't a sensible way to do it, it could have gone from contractor to contractor and got a price. If the Government had tried to do this and having failed, it could then justifiably come to this House and ask for guarantees of \$130 million but it did not, it gave this plum, this contract for \$117 million, to Parsons and Whittemore without scouring this country from one end to the other to see whether it couldn't be done cheaper. For if they didn't scour this country, and I suggest that they didn't, then they should not come to this House and ask the people of Saskatchewan for a commitment of \$130 million.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — The Minister of Welfare then dealt with the protections which the Government had; talked about the fact that two Parsons and Whittemore subsidiaries were going to undertake this work and we were fully protected because the Parsons and Whittemore senior company was going to guarantee their performance. Well, what do you know! The senior company is going to guarantee the performance of its two subsidiaries. Big deal! We were told we are very, very fortunate that we have this guarantee from Parsons and Whittemore Incorporated. We should be glad that the whole Parsons and Whittemore empire was on the line. Well, Mr. Speaker, is it true that the Parsons and Whittemore empire is on the line? Well, let's look at some of this Parsons and Whittemore empire.

Mr. Speaker, I am not going to burden the House with going through all the Parsons and Whittemore empire but I should like to refer to the number of Parsons and Whittemore companies that that Government opposite has either signed contracts with or proposes to sign contracts with. I'll wager there is not one person sitting in his seat over there who can even name the Parsons and Whittemore companies that they have signed contracts

with or propose to sign contracts with. I don't think there is one who could do it. I did a little count and I may not have got them all but with respect to companies controlled as to at least 70 per cent by Parsons and Whittemore or bearing the name of Parsons and Whittemore, I reached a total of 10 that we have signed contracts with or proposed to sign contracts with. There may be some more. There may well be, these are the ones which we signed contracts with. I am not talking about Black, Clawson and some of these who are undoubtedly going to provide equipment for the mills and who are referred to in the contracts. I am talking about ones where we have commitments and contracts signed. How many of these are "on the line"? Parsons and Whittemore Incorporated? Yes. Parsons and Whittemore Industries Incorporated? They are not on the line in Athabasca. Parsons and Whittemore Contractors Limited? No, I don't think they are on the line. Parsons and Whittemore Mill Machinery Limited? No, they are not on the line. Prince Albert Pulp Company? No, they are not on the line. They are all part of this Parsons and Whittemore empire but they are not committed to anything in Athabasca. Parsons and Whittemore Equipment Corporation? Yes, I think they are on the line. Athabasca Forest Industries Incorporated — that's a Delaware corporation? No, they are not on the line. Athabasca Forest Industries Limited? Yes, we can say they are on the line. Parsons and Whittemore contractors Corporation, that is one of those Delaware corporations? Yes, they are on the line.

So of all of these companies, these three Saskatchewan companies and two Dominion companies and two New York companies and three Delaware companies that we have entered into contracts with, or have proposed to enter into contract with, six of them are in no way committed at Athabasca. Yet we were told that the whole Parsons and Whittemore empire is on the line.

Now he went on to say, "But Parsons and Whittemore had big assets in Saskatchewan." Look at the Prince Albert mill. He said that Parsons and Whittemore holdings in the Prince Albert mill were a guarantee that they would deliver at Athabasca. Now the Minister knows that is false. He knows that Parsons and Whittemore Equipment Corporation doesn't have any interest in the Prince Albert mill. He knows that Parsons and Whittemore Contractors doesn't have any interest in the Prince Albert mill and he knows that the base company, Parsons and Whittemore Incorporated, doesn't have any interest in the Prince Albert mill.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — The Provincial Treasurer (Mr. Steuart) should have told the Minister of Welfare (Mr. MacDonald) that the 70 per cent interest in the Prince Albert mill is not owned by any of these Athabasca companies, it is owned by another company, Parsons and Whittemore Industries Incorporated. And so far as I know, and so far as can be shown by any public document in Saskatchewan, Parsons and Whittemore Industries Incorporated has no connection whatever with any of the other Parsons and Whittemore corporations.

So it looks as if the Prince Albert mill is a success as some say it is, then Mr. Landegger is making himself a handsome profit. But let's be perfectly clear. He is not risking that profit on the Athabasca mill, or if he is, it cannot be shown by any public documents in Saskatchewan.

The Minister attempted to deal with the service contract. I shall come back to that in a moment. I just want to sum up once again. So far as any record is concerned in Saskatchewan, there is no evidence that any Landegger money or any Landegger interest in the Prince Albert mill is in any way committed to the Athabasca project. If this is false, we should have the facts.

The Minister then went on to say that I was wrong when I said that Parsons and Whittemore would make a profit even though the mill didn't make a profit. Here is what he said:

Mr. Blakeney said that Parsons and Whittemore will make a profit whether the company makes a profit or not. This is false. Athabasca must make a profit before Parsons and Whittemore makes a cent.

That statement is simply and bluntly false. Mr. Speaker, that is the nub of the whole matter. Our basic objection to this type of financing is that Parsons and Whittemore can make a profit whether or not the mill ever makes a profit.

This is the basis of all our objections. To go over it again: It is entirely possible and entirely probable, as the Member for Saskatoon-Riversdale (Mr. Romanow) pointed out, that the mill can be built for much less than \$117 million. After all, no tenders were called. This is a sweetheart contract. If they can't build a little bit of profit in a sweetheart contract, they are not the businessmen I think they are. No alternative bids have been received, no alternative bids were even solicited. It is entirely possible that Parsons and Whittemore could make \$12 million, \$16 million, on this contract. Now suppose they made \$16 million or close to it, then it only remains for the mill to operate for three or four years at a break-even level for them to make another couple of million dollars on the sales contract and the management contract.

Suppose that the mill then runs into a little bit of difficulty because of wood costs, freight rates or exchange rates or whatever? It is entirely possible that under those circumstances Parsons and Whittemore could walk away with a profit in their pocket and leave the whole mess to the people of Saskatchewan with a \$130 million price tag.

Members opposite are fond of telling us that Parsons and Whittemore will sell this pulp and that they are good salesmen. I ask you, Mr. Speaker, when they have next to no financial commitment in this mill and when they have a mill in New Brunswick worth about \$60 million, where the Government of New Brunswick has guaranteed only \$28 million and when they have to decide whose pulp will be sold, say their New Brunswick pulp or Athabasca's, guess whose pulp will be sold?

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — All this can certainly happen, Mr. Speaker. People of Saskatchewan can lose well over \$120 million without having any claims on any of these performance bonds which the Minister talked about so irrelevantly.

I want to touch again on two other contracts which the Minister of Welfare mentioned, the Sales Contract and the Management Contract, and what he said about my remarks being absurd.

I said that those contracts were set up so that in effect Landegger was negotiating with Landegger, and he said that that's absurd. And why did he say that? He said that it was absurd because, as he said, "Athabasca could not cancel that contract without the consent of five of the six directors." He didn't know that the contract went on year after year. He didn't know that these were in effect contracts in perpetuity. The only thing that will save us — and I look to the Member for Saskatoon Nutana Centre (Mr. Estey) and Member for Lumsden (Mr. Heald) — is maybe the rule against perpetuities. It may save us in this case.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — But on the face of it, these contracts go on indefinitely and cannot be changed unless Mr. Karl Landegger in his capacity as Parsons and Whittemore agrees with Mr. Karl Landegger in his capacity as Athabasca.

Mr. Speaker, I have said enough to indicate that with respect to the financial part of this transaction, it is a giveaway. I call the transaction with respect to Prince Albert the biggest sellout since Manhattan Island was sold to the Indians for \$24. All I can say is . . .

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — . . . the price for Athabasca has dropped to \$12.

Now let's turn to a couple of other aspects of this. The Member for Biggar (Mr. Lloyd) dealt with the water pollution matter. I want to deal with some aspects of it because Members opposite were very critical of the Member for Biggar because he did not quote at length from the VanLuven report. He relied on the other consultants' report. Well, it doesn't matter which consultant's report that you look at, this House should not pass the Bill unless the Government can give us better assurance that there will be protection for our waters.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Mr. Speaker, I put it to you and I ask the Member for Saskatoon Nutana South (Mr. Forsyth) to agree with me, that this House should not pass this Bill unless the Government tells us not only that there will be pollution control but what pollution controls there will be.

We are not satisfied with a Government assurance that proper steps will be taken. We are not satisfied because we don't think the Government knows what proper steps should be taken. We had these assurances with respect to the Prince Albert mill. We had these assurances. They were specifically asked for in this House and they were specifically given and then we were deceived.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — We were told that the latest methods of controlling water pollution would be used. We were deceived! As far as we are concerned, as far as the people of Saskatchewan are concerned, once bitten, twice shy!

This Athabasca mill has been in the planning stage for well over a year. It was virtually announced in this House last year. I say, on a reading of all these documents it is perfectly clear that after one year of planning, nobody knows what the water pollution controls will be. And if this is so and I say it is so, then this means that pollution control is not very high on someone's priority list. The clear conclusion, and the only conclusion that can be drawn from this debate and from the information tabled, is that the Government doesn't know what the pollution controls are going to be.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — And that wouldn't be so bad but the Government does not know that it has put itself into a position where it can't be tough. After all the self-congratulation that we have heard from Members opposite, after all the breast-beating the Government has engaged in with respect to this Athabasca mill, it doesn't dare back out now. It has itself into a position where it virtually has to agree to what Mr. Landegger says and Mr. Landegger knows it. This is exactly the same position that Mr. Duff Roblin got himself into with respect to Churchill Forest Industries. I want you to read that story, it is a very, very instructive story.

In Manitoba there were big announcements about a pulp mill immediately before the election. After the election, there were no documents signed. Because the Government felt that it was in a political box it went down the road and signed whatever the promoters wanted. And they are now in the position in Manitoba, the taxpayers of Manitoba are in the position, where they are left holding the bag.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I suggest to you that the Government of Saskatchewan is getting itself into exactly the same position with respect to pollution control.

I say this, Mr. Speaker. If the Government opposite doesn't have the Landegger interests tied down on pollution control now, then we and our resources are in deep trouble. The Government should have them tied down and I suspect that they haven't. I suspect the Landegger interests have not agreed to any pattern of pollution control and our resources will suffer.

I want to make it clear, Mr. Speaker, that the stakes are high. I can do no better than to quote the Government's own consultant, the one whom I was being urged to consult by the Provincial Treasurer (Mr. Steuart) and by the Member for Saskatoon Nutana South (Mr. Forsyth), Mr. VanLuven. Page 19:

It is essential to consider the total BOD (biochemical oxygen demand) and the reaction times in the Churchill River system. It is quite conceivable that the entire system would become seriously polluted from Durocher Lake to Hudson Bay.

This is what VanLuven says:

It is quite conceivable that the entire system would become seriously polluted from Durocher Lake to Hudson Bay.

Seriously polluted! And the Churchill River system is the last major river system in settled North America that is not significantly polluted.

The Government's consultant says that there is a risk of the entire system being seriously polluted. We ask in this debate, what are you going to do to guard against that risk? We ask: What proposals do you have to guard against this risk? And what are we told? We are told, "We don't know." We are told, "We are working on it." We are told, "Nothing is finalized." And VanLuven says as clearly as words can say it — no system has been finalized.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — The Government opposite in effect says, "We don't have any final plans. We don't have any answers." But the Member for Nutana South says, "Leave it to us. It is in good hands. Don't worry. Don't nitpick."

Well, Mr. Speaker, it is not good enough for this House and it is not good enough for the people of Saskatchewan.

Let's look a little further. The consultant says again and again that he doesn't have the facts. He says that more tests are needed. On page 15 he says:

. . . that more study of the area in summer weather is required.

On page 28 he says:

. . . it will be necessary to operate a pilot plant under severe winter conditions.

These tests have to be done. Summer tests have to be done. Winter tests have to be done before we shall even know what kind of a pollution system we should be building.

As far as this House is concerned, we don't even know that these tests have started. So far as this House is concerned, we have not been told one word about these tests. And yet, Mr. Speaker, notwithstanding the fact that their own consultant says that we need summer tests, we need winter tests, and notwithstanding the fact that these tests have not been completed and probably haven't even been started, the Premier is saying that construction starts in three months.

These tests are needed even before the system can be designed. Tests not done. Winter tests not done. Summer tests not done and even before the pollution system can be designed the Premier says construction starts in three months.

So much for their concern about water pollution. They are willing to risk serious pollution of the whole Churchill River system, in the words of their own consultant, rather than offend the Landegger interests, rather than demanding that a proven pollution control system be part of the design before it starts. And I charge you, I charge you with allowing this mill to start construction before a proven pollution system is even designed. But they say, "What of it, it's only the Churchill River system." Only the basis of the way of life for 4,000 or 5,000 of our Saskatchewan citizens. What's that, when balancing it against

the Landegger interests. Only the basis of the best tourist potential Saskatchewan has. What's that? What's that when balancing it against the Landegger interests? Mr. Speaker, I could not vote, and I would not vote, for a Bill to authorize agreements that do not spell out in the clearest possible way the manner in which our water is going to be protected.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I say, Mr. Speaker, that the people of Saskatchewan are demanding this protection of their heritage. The Government has no answers. The Government says construction will start before it has any answers, before the tests are even done to provide answers. This is not good enough. It's not good enough for the people of Saskatchewan and it shouldn't be good enough for this House.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — To illustrate the way in which we have been dealt with in this debate, we have had the Provincial Treasurer (Mr. Steuart) tell us that they are going to require pollution control, that we shouldn't indulge in mass hysteria, that they are going to make provisions for \$10 million for protection equipment. That's on one day. A couple of days later the Premier (Mr. Thatcher) says, "We expect Athabasca to put in the most modern anti-pollution devices available and my information is that they will cost in the neighborhood of \$7 million." The Provincial Treasurer says \$10 million, the Premier says the next day \$7 million. Could anything be clearer than that? They don't know what's going in there and they don't know whether our water will be protected.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Mr. Deputy Speaker, there are indeed other difficulties with respect to this project. These agreements do not offer any protection for our forests. These contracts do not required the Pulp Mill Company to do any reforestation work. I invite anyone to find anywhere in those contracts any provisions whereby Athabasca shall plant a tree. As I read the contracts, and I may be wrong, the entire cost of reforestation is to be borne by the taxpayers, the entire cost. For this we are to get 20 cents a cord of what Athabasca are cutting. Now I think a very generous estimate of how many cords will be cut when this mill is going well is a million cords a year. Now that's \$200,000 a year. I say that's generous and certainly on the basis of anything coming out of Prince Albert, it is far more than generous.

I wonder if people know just how little this Government has got out of the Prince Albert Pulp Company Ltd. You know that in its first year of operation we got a total, and this includes dues and ground rentals and lease area payments and all the rest of it, both from the Pulp Company and Saskatchewan Forest Product's pulpwood subsidiary — how much do you think we got in this first year of 1967-68 — \$42,000. Next year we were in trouble again — back to \$105,000. These are the people who are telling us that Athabasca is going to yield \$1 million in dues and fees. \$1 million when the Prince Albert mill in its first

three years hasn't yielded \$300,000. And I can say that I haven't deduced from this the \$800,000 in losses that Saskatchewan Pulp Wood Ltd. has suffered.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Even though estimates up until the end of 1972 indicate annual payments of less than \$300,000 a year. Oh, but they've got all that fire fighting covered there. Nothing nasty like charging Parsons and Whittemore for its fires. If it's a little fire, yes. But if it's a big fire costing more than \$15,000, the Government picks up the tab after that. I say that the \$200,000 provided is far, far too little. That won't even buy the seedlings necessary to replant the area.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — The Member opposite is wondering whether I am being a little expansive in my argument. If indeed it will buy the seedlings, it won't get a quarter of them into the ground. I say, Mr. Speaker, that this is far, far too little to pay the reforestation costs of a program involving a million cords over a widely dispersed area. If our forests are to receive even minimum protection it will take annual expenditures of \$500,000 or \$1 million protection and reforestation. Certainly regeneration is not in any sense guaranteed. Let's be absolutely clear. These people are talking about our 1,400 ton a day mill. I don't know when those trees got there but in January of 1966 the Premier told us that the Meadow Lake mill was ruled out. He said a survey of the Meadow Lake area had indicated there was not enough wood in the area adequately to support a mill. So I gather that since 1966 we've grown enough to support the largest pulp mill in Canada.

Mr. Thatcher: — Well, since that time of course we got all that land added in from the Federal Government.

Mr. Blakeney: — The whole Cold Lake area was there in 1966 and it is there now. We had no right to cut it in 1966 and we don't have any right to cut it now.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — It is true, Mr. Speaker, that the Premier may have been talking only about a softwood mill. It is true that maybe he did not at that time take into account the possibility of a hardwood mill. But at any rate I say to him that if there was not enough for a small softwood mill in 1966, that's for a 400 ton mill, there is not now wood there for a 1,400 ton mill, half of which will be softwood.

I want also to point out to Hon. Members that this wood has come there since 1966. It grew very rapidly, it may be that some Members opposite have been up there contributing their particular brand of fertilizer, I don't know.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — But all I can say is that I have here the Parsons and Whittemore Feasibility Study for the Prince Albert mill and when this Feasibility Study was prepared, at that time it was indicated that the possible size of a pulp mill at Meadow Lake could not exceed 480 tons a day. I refer you to page 120 of the Parsons and Whittemore Feasibility Study. Now I am not surprised that they don't file the Feasibility Study for the Athabasca mill, if the Feasibility Study is going to say that there is only enough timber for a 480 ton mill on a sustained yield basis and they are putting in a 1,400 ton mill. It is hard to know what this next Feasibility Study might say. If I were they, I think I wouldn't table it either. Instead the Government has filed a document called their Fact Finding Report. I wonder whether people have looked at this Report. On the basis of this Report they say that there is enough timber for a 1,400 ton mill. And do you know what they class as pulpwood? Do you know what this Report classes as pulpwood? They class as pulpwood any tree, hardwood or softwood, of any species which, five feet off the ground, is four inches in diameter. Four inches in diameter; that's a ruddy toothpick! I should like to know of any mill in Canada which was ever based on pulpwood of a four inch size.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — And I want to tell you that in your own Forest Management License you define pulpwood as a very different thing. You don't say that in your Forest Management License that four inch breast-high wood is pulpwood. You say that it isn't pulpwood unless it is four inches in diameter at a 17-foot level and that's a very, very different tree. But in order to show that they've got enough wood up there, they are measuring every twig and every toothpick in Northwest Saskatchewan.

Mr. Speaker, with respect to Prince Albert, the Minister says he is experimenting with every method of reforestation. Well, what does this mean — experimenting with every method of reforestation? He talks as if this was the only pulp mill in the world. There is a pulp mill at Hinton in Alberta. There is a pulp mill at Pine Falls in Manitoba. Why can't he use their methods of reforestation? I'll tell you why he can't use their methods of reforestation, it is because he is not willing to accept the limitations with respect to wood harvesting that are imposed in Alberta and Manitoba.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — No, Manitoba and Alberta are not permitting clear-cutting over vast areas of square miles such as the mill at Prince Albert is and that is why he has a new and different problem. That's why he is experimenting. That's why three years after that mill is in operation he hasn't really started reforestation. He is trying to find out how he should do it. He hasn't even got at the job yet.

Mr. Speaker, if clear-cutting is not permitted, it is perfectly clear in these documents that the Athabasca mill may be a highly marginal economic venture. And if it is permitted then reforestation costs are going to be high. They are going to be very, very much higher than \$200,000 a year and it is going to involve a continued and perpetual subsidy by the people of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — These agreements commit every tree in northwest Saskatchewan, the exceptions are trifling. For fifty years we are committed. Fifty years, Mr. Speaker, is a long time. Who can tell what developments will happen up there in 50 years. If in 20 or 30 years we want to develop some tracts up there for tourist development we shall have to buy it back from Athabasca. If in 10 or 15 years there are a number of tourist developments up there, they have fire places and the Indians want to cut a little hardwood for sale, can it be done? It can't be done, it is prohibited by this agreement. Prohibited! Native people in the North are not permitted to cut a single stick of wood for sale in northwest Saskatchewan. These agreements sign away every stick of timber in northwest Saskatchewan. They provide no assurance that our forest will be renewed. They offer no protection to thousands of citizens who depend upon these timber resources. They offer no protection for our tourist potential. On these grounds alone, this Bill should be defeated.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Mr. Speaker, I have reviewed the facts and on the facts these agreements fail to protect our forests; they fail to guard our heritage; they fail to guard against water pollution; and they add up to a gigantic financial give-away. They mean that the Government will provide by cash or guarantee all, or almost all, the money; take all, or almost all, the risk and get 30 per cent of the equity. They mean that Parsons and Whittemore will put up little or no money, will take little or no risk and get 70 per cent of the equity. They mean that we, the people of Saskatchewan, will be bankrolling Parsons and Whittemore for a chance to make a great deal of money and if it doesn't pay off we pick up the tab and if it does pay off they pick up the plum. On this ground and on this ground alone, the Bill should be resoundingly defeated. I see the Premier is in his place and I say to him, if he wants to go to the people on this Bill, then let's go to the people on this Bill. Let's go to the people on this Bill!

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — If he wants to call an election, we shall welcome it, Mr. Speaker. But I say, if he does, he will be resoundingly defeated and I say that this Bill should be resoundingly defeated. It's a bad Bill for Saskatchewan. It won't be defeated in this House but it will be defeated by the electors of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — Take it as read!

Hon. D.G. Steuart (Provincial Treasurer): — Wouldn't you like to take it as read, Mr. Romanow. Wouldn't you like those half-truths and innuendoes to go unanswered. Wouldn't you like that little academy award performance you put on for the gallery up there to go unanswered. Oh, you'd love that, you and Mr. Blakeney.

You know, it was an interesting contest, Mr. Speaker. First of all we heard motor-mouth from Saskatoon get up and rave and rant and put on an academy performance trying to prove to his backbenchers that they made a mistake when they picked little Allan. Then Allan got up and practically repeated the performance word for word, only with greater histrionics, to prove that they didn't make a mistake. Well, I can tell them both, Mr. Speaker, just as soon as we go to an election, little Allan in turn with poor Woodrow will be the second victim to lose to Thatcher, two in a row.

You know, Mr. Blakeney says the Prince Albert mill was a bitter experience. "A bitter experience," those are his words. Well, it was a bitter experience, a bitter experience for the Socialist NDP, it's a monument to Liberal success and a monument to Socialist failure.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — I am sorry to see the big former Department of Natural Resources Minister leaving because I have a few words for him. You know, Mr. Blakeney likes to talk about the turnkey contract, the "little sweetheart deal" he calls it. A deal that was made at arm's length. He knows what it means all right because he had been imported out from the Maritimes as one of their little backroom planners when they made a similar kind of deal with the steel mill. Just let me tell about it and we're not complaining. The steel mill was a good thing in spite of the NDP, in spite of the Socialists. Let's just talk about the kind of a deal that you put your money into when you Socialists were in power. It's a terrible thing when we do it but a great success when they did it. Now if you'll close your mouth and open your ears, you might learn something if it's not too late.

Interprovincial Steel Corporation Limited was incorporated as a private Saskatchewan company December 24, 1957. By contract dated October 7, 1958 with Industrial Consultants Limited, J.W. Sharp and J.N. Turvey were the beneficial owners of all the issued shares of Industrial Consultants Limited. The Company agreed to a fee of two per cent of the total cost of constructing and equipping the plant for contract supervision and company management until the plant operated effectively. A fixed-price turnkey contract for construction of a 100,000 ton per annum plant at a price of \$10,865,000 was entered into under date of October 14, 1958. In 1958 the corporation known as Industrial Consultants Limited acted as agent for the Company. Was that a sweetheart deal? Did Mr. Blakeney, who was then a civil servant, go up and down the country searching from one end of Canada to the other to see if he could find someone who would build this steel mill at a competitive price? No. It was a turnkey contract handed over to these people. What interest did the government have in it? You may say, "Well, why was the government interested?" The government was interested in this to a far greater extent than we are even suggesting we should be interest in the Athabasca pulp mill.

Just let me give you the facts. Let's look at the proposed financing as provided for in an agreement dated March 17, 1959 between the Provincial Treasurer and the sponsors: total cost of mill and equipment, \$12 million; provincial guarantee, \$10 million — out of a total cost of \$12 million, \$10 million.

Then they purchased some shares on another little deal — \$108,000 worth of shares purchased by the provincial government. In other words, using NDP arithmetic, the Province's exposure was \$10,108,000 on a \$12 million project. Now did the sponsors assume a similar exposure? No, their exposure was limited to \$78,000 equity and a \$1.5 million in convertible sinking fund debentures. Now is that the end of it; was this the end of it; was that all? Oh, no, this was just the beginning. In April of 1960 the government provided a guarantee, another guarantee of up to \$2 million for a line of credit for the company. Why? The Company couldn't get going; they had some trouble starting up; they had some problems getting to a profitable position. But the government guaranteed another deal, another guarantee of \$2 million at the bank. That wasn't the end. In August, 1960 the government provided a further guarantee of \$2.5 million. Again, in May, 1961 the government finance office guaranteed a further capital working loan. Now, was this a bad deal? No, it turned out to be a good deal. There are hundreds and hundreds working out in that mill.

Mr. Kramer: — Tell us who built . . .

Mr. Steuart: — The same people who owned the mill built the mill. They didn't put it out to contract. Sweetheart deal you call it.

Some Hon. Members: — Hear, hear!

Mr. Kramer: — You are running out of steam!

Mr. Steuart: — You know, the Hon. Member from The Battlefords . . . I heard the Hon. Member from The Battlefords (Mr. Kramer) speak at the nomination for the former mayor of Regina. There were 80 people to start with and five minutes after he started speaking only 35 were left. I don't know, maybe they don't listen to him over there.

We don't say it was a bad deal. It provides jobs for hundreds and hundreds and secondary jobs for thousands of people in Saskatchewan. But it is an amazing thing, Mr. Speaker, what was a good deal for the Socialists, what was hailed as a triumph for the Socialists is now pointed to as a bad deal. A terrible risk when we introduce it to try to do what? To try and help the people of Northwestern Saskatchewan. You know, Mr. Speaker, I am really pleased the NDP are not supporting this mill because they are showing their true colors all the way through this debate. When they were in government and since they have been in Opposition, they talk one way and they act another. They like to play at being bleeding hearts and shed crocodile tears about the plight of the unemployed, those out of work. But when we came in here we tried to bring a mine to the Wollaston Lake area to spend some money there, they oppose it. When we bring in a new pulp mill that really in fact will put to work directly 1,200 people during construction, another 900 or 1,000 people when the mill is in operation and generate another 2,000, 3,000 or 4,000 jobs, most of which will be held by Indian and Metis people because they are the largest percentage of people who live in that area — what do they do? They oppose it. They like to talk about the Indian people. They are the friends of the Indian people. The Hon. Member for Shellbrook (Mr. Bowerman)

left — he is coming back in now — the great friend of the Indian, the Hon. Member for Shellbrook. What did he do when he worked for the Department of Natural Resources? How did he show his friendship for the Indians? You know he had the nerve to talk about the Member for Athabasca (Mr. Guy) attending a meeting to try and talk to the Northern fishermen but when he was the head of the Fisheries Branch, or second in command of the Fisheries Branch, let me tell you what they used to do. They used to dress in civilian clothes and attend the meetings that were held by the Indian fishermen up North to vote on whether they would fish at this lake or they'd fish at that lake and who they would sell their fish to. Instructions were sent out by that man or somebody close to him to say: "Don't wear your Department of Natural Resources uniforms because the natives up there would recognize you when you vote. It will upset them." So they used to vote and control the native people.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — What did they do? Sure they did. They voted and forced the Indians to fish the lakes favored by the Department of Natural Resources. If they didn't fish in the designated lake, if they didn't sell their fish to the Co-op Fisheries or whoever the Department wanted them to, they hauled them to the courts and took their equipment away. He was involved in court cases brought up in this very House. He helped take the equipment away from many Indians, either he or the men working under him, took away the nets and the boats of many fishermen up in Northern Saskatchewan, most of them Indians.

They like to talk about pollution. The Hon. Member for Saskatoon-Riversdale (Mr. Romanow) stands up in this House and talks about pollution. What about pollution in his own city? Has Mr. Romanow ever stood up in the city of Saskatoon and said, "Let's put a halt to the polluting of the Saskatchewan River by over 130,000 people dumping their raw sewage into the River," where they have dumped their raw sewage into the River for 20 years, when the Socialists were the government . . .

Some Hon. Members: — Hear, hear!

Mr. Steuart: — . . . when your father, Mr. Brockelbank, sat in this House and did nothing about it, when the Hon. Leader of the Opposition (Mr. Blakeney) sat in this House as Treasurer and did absolutely nothing about it, and now they cry crocodile tears about pollution.

Let's talk about this so-called sellout. They say we are selling out our resources, selling them out to, of all people, the Americans. Well, let's take a look at some of these deals the old CCF government made. I tell you when the NDP or the Socialists were in power, we all know they promised pulp mill after pulp mill before elections. They tried to peddle the resources of this province all over the continent to anyone who would buy them. They offered a deal to any promoter who would stop in Regina for 10 minutes and help them announce a pulp mill. I've got a few of those deals here.

Let's look at what they put out. In 1961 they put out a pamphlet called "Saskatchewan Pulp and Paper Potential" under the auspices of the Department of Industry. They've got a little

pulp mill floating about 1,000 feet in the air above the city of Prince Albert. They really never got it down out of the air. Well, let's look at this. Mr. Blakeney says ours is a bad deal. Considering the size of the guarantee the Province should obtain a larger percentage of the equity. When they put out this pamphlet in 1961 it was a brochure entitled, "Saskatchewan Pulp and Paper Potential." It was put out by the Department of Industry. This brochure is based on a report, "Prospects for Pulp and Paper Mill Development in Canada," by Sandwell and Company then referred to as the "Stanford Report" developed at the Stanford Research Institute in mellow California. Here are some of the comments from this brochure:

Saskatchewan pulp and paper potential is ripe for development.

It states that:

The Saskatchewan Government would offer substantial financial assistance in the form of loans or guarantees.

It says on the second last page:

A guarantee might support up to 60 per cent of the company's financial proposals.

Nowhere does it say anything about equity, what the government would want in return. They were prepared to support up to 60 per cent of the company's financial proposal. No mention was made of the government receiving any equity or share of the ownership in spite of the fact that the NDP agreed or were prepared to guarantee 60 per cent of any financial proposals. Now in addition, the government is prepared to provide more help than the 60 per cent. In the next line it says:

We will also give you wholehearted co-operation from other government agencies and Crown corporations.

And on the next page — and I would point this out to Mr. Blakeney, who just before he left the House bitterly attacked the fact that this pulp mill will pay a three per cent commission on the sale of pulp. Well, in 1961, according to the same brochure, the economic summary of gross earnings estimates and included a sales commission of three per cent. Well, Mr. Speaker, if a three per cent sales commission was acceptable in 1961, why is it so terrible now?

Some Hon. Members: — Hear, hear!

Mr. Steuart: — In 1961, Roy, your boys offered three per cent in perpetuity. It was fine in 1961, why is it so terrible in 1971?

Let's take a look at what they said about pollution. Mr. Blakeney and Mr. Romanow expressed concern for our Northern environment; the effects of a pulp mill on our lakes or rivers. Well, what does this brochure say about pollution control? Just one sentence:

A good water supply and effluent disposal are provided by the North Saskatchewan River which flows through the city.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Then there is the same Sandwell Report — it is a little more specific. On page 29 it suggests the following:

Water for a pulp and paper mill may be obtained from the North Saskatchewan River which will dilute the mill effluent sufficiently so as to require the installation of only nominal effluent treatment equipment.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Further to that the report stated:

. . . that there were no communities for some distance down the stream that would be affected by the mill effluent.

No mention of primary disposal treatment, no mention of secondary treatment. Compare the facts, Mr. Speaker, compare the facts as laid out before the Opposition in this deal we are proposing with the Athabasca Forest Industries Ltd. and that is, we shall spend in fact up to \$10 million or more if it is necessary to protect the environment.

Mr. Speaker, I want to deal with Mr. Kramer, the former Minister of Natural Resources. It will take a little while because he rose in his place in this House and made an incredible statement the other night talking about this pulp mill, in talking about our fire fighting and he said, “Why does the Government waste money fighting fires in the far North? It is a terrible waste of money.” “In fact,” he said, “what are they fighting those fires for? All there is up there to burn is a little tundra.” Well, I don’t know how far he has been up North or just where he has been in Northern Saskatchewan. There is a little tundra in Northern Saskatchewan, it is over in the northeastern part, a little tip in the corner of Saskatchewan. What is in the rest of the province that this former Minister of Natural Resources would turn over and let burn, let it go? Where do you draw the line? Where do you draw the line — 57th parallel? Would you let Ile-a-la-Crosse go? Would you let LaLoche go?

Mr. Kramer: — No!

Mr. Steuart: — Well, you are the one who made the statement. You are the one who said, “Let it burn. It is a waste of money to fight fire in the North.”

You know, Mr. Speaker, we have seen the Wafflers in this province and we know they are what they stand for. At least they are honest. But now we’ve got a new bunch. They are Blakeney’s Wigglers. You know the trouble with those people across the way, they haven’t got the guts to be Socialists and they haven’t got the brains to be Capitalists.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Let’s look at their claim and let’s look at their records. I’ve got a contract here that was signed. It was signed by a Mr. K. Malcolm of Toronto. It is an agreement for

a pulp mill signed and dated March 24, 1959. Let's look at the safeguards. Let's look at the deal. Who was it signed by? Well, it was signed by Alex Kuziak and he is gone but not forgotten, just as most of you will be after the next election. What was the stumpage rate charged by these Socialist protectors of the forests? Well, the first six years was one-third of the basic stumpage rate. For jackpine the basic stumpage rate was \$1.10. So what were they going to give the pulp away to these people from Toronto for? 37 cents a cord. What are we going to get for it? \$1.00 a cord. And the next six years, 74 cents a cord. What are we going to get for it? \$1.00 a cord. What about provisions for water pollution? Well it says:

The licensee shall comply with all relevant provisions of the Pollution Streams Act.

And the Pollution Streams Act under the NDP was the most anaemic piece of legislation ever forced on to the public and they tried to pass it off as anti-pollution control. It meant in effect that they would have to do absolutely nothing. What about fire protection? 5 cents a cord? No. 3 cents an acre is all they get. What about reforestation? Not a nickel. Not one cent is mentioned in this contract signed by Mr. Kuziak about reforestation.

Another thing. They talk about the streams and the rivers. There isn't a mention in this contract for a reservation of cutting the timber within 300 feet of the banks of lakes, rivers or streams. No reservation in this contract for cutting timber within 600 feet of the centre line of a bridge or highway as we have in these contracts and as we have with the Prince Albert pulp mill.

Mr. Speaker, there is not one word mentioned in these NDP contracts about employing one single native or Metis person.

Now we come to 1963. You see they didn't get that pulp mill they promised in 1960. As a matter of fact it was just before the 1956 election that they promised one. Then just before the 1964 election they tried again. They thought, "We should try again." They could smell defeat coming, they knew their days were numbered. In fact, they were so hopeless they appointed a man called Mr. Kramer as the Minister of the Department of Natural Resources. Well, that's the man who signed this particular deal. Mr. Kramer!

Some Hon. Members: — Hear, hear!

Mr. Steuart: — I don't know whether he can write or not but his name is signed to this. I tell you I don't know whether he can write or not but he sure couldn't read because he didn't read this contract.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Whom did this defender of the great resources of Saskatchewan sign the contract with? Did he sign it with a Saskatchewan firm? Did he make it with a Saskatchewan Crown corporation? Would it be government-owned? Oh, no. He signed it with the Green Bay Packaging Company of Wisconsin, an American firm. It is what he calls today a great sellout!

Mr. Michayluk: — . . . destroyed in 1964!

Mr. Steuart: — This was in 1963, Dick, that was just before . . . No, I guess we didn't defeat you. We shall this time, though.

All right, what about this contract? Did the great Mr. Kramer, the defender of the North, mention the man who is going to look after pollution, who is going to look after reforestation? Not one mention of timber reservations again within any 300 feet of any lake, river or highway. Did the Minister obtain additional stumpage dues from this American company? Well, let's look at the stumpage dues. 37 cents for the first five years, 74 cents and then \$1.10 for eternity. Some deal, some big deal you made, or tried to make!

What about reforestation? Now a word in here about reforestation. What about pollution control? Well, I can't find any. Not a word. Nothing! What about helping the native people he now bleeds so pathetically for and cries crocodile tears about? Not one solitary mention of providing employment for any of our native people from this American company. You know, Mr. Speaker, the irony of this is that they didn't even get a pulp mill. They ran all over this country, up and down the United States, entertained any promoter that would come and after they tried to give it away and made idiots of themselves, they couldn't even give our resources away, never mind selling them.

Mr. MacLennan: — Come on, Jack, you can take it. You are a bigger man than that!

Mr. Steuart: — I don't blame Jack for leaving. He is the only Capitalist Socialist I know on that side of the House. I think to be fair to him, he married into the Party and he may see the light of day one of these days.

Mr. Speaker, they tried to peddle the resources of the province at cut-rate prices from one end of this country to the other and they failed. Why are they doing this? Why are they so full of bitterness and so full of hate? Why are they so negative? Why are they crying sour grapes? We were surprised, frankly, when they opposed this. I don't think, to tell you the truth, that they give a tinker's damn about the pollution. I don't think they give a tinker's damn about the Indians and the natives. I think our friend, who just came in who quoted the Manitoba situation and said, "Look what those free enterprisers did in Manitoba." This is the Member for Saskatoon-Riversdale (Mr. Romanow). "What a terrible deal." But what he forgot to tell the people was that when his hero, Mr. Schreyer and the NDP took over, they could have stopped that Manitoba pulp mill deal in its tracks. They could have passed an Act in the Legislature to outlaw the whole transaction and stopped it. But did Mr. Schreyer stop it?

Some Hon. Members: — No!

Mr. Steuart: — No. He paid out over \$40 million, not in contingency guarantees but in cold hard cash and the mill isn't going. It sits there, a 450 ton mill, a failure before it ever got off the ground and the NDP in Manitoba should hang their head

because they didn't have the guts to stop it. Do you know what Schreyer said when asked why he didn't stop it?

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Equity! They haven't got a 5-cent piece of equity in it. And do you know what Mr. Schreyer said when they asked him why he didn't stop it? Well, he said, "You know we're a Socialist government and a lot of people think that we're against private enterprise and we just got going and we were down in New York trying to get some money and we went down to Bay Street trying to get some money and if we'd have closed this thing up immediately, people would have said, 'you're anti-private enterprise,' and it would have hurt our future." So he let it go and the price of his gutlessness was another \$40 million cost to the taxpayers.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — The Member for Saskatoon-Riversdale (Mr. Romanow) says, "Look at it. That's the deal made by the Conservatives and they're private enterprisers and you Liberals are private enterprisers so you are all in the same pot." I wonder if he follows that through with that famous quote that the Minister of Highways, Mr. Borowski or whatever they call him, from the Government of Manitoba. I wonder if you New Democrats feel the same way about the native people that he feels. He said, "We don't want any drunken Indians working around here." I wonder if you feel the same way about veterans as he does. He wanted a veteran fired out of the Legislative building. He said that the man was too crippled to do the job, he didn't want him around the buildings.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — What was the attitude of the NDP about Indians? What was their answer? I'll tell you what their answer was. They didn't have five per cent Indian and Metis people like we have working in the Government. They didn't have four per cent or three per cent. They didn't have one per cent. They never had one clause in any contract that they signed, any contract, a road contract or any other kind, demanding or even asking them, never mind forcing them, to give our Indian and Metis people a chance. What did they do for the Indian and Metis people? They turned them over to the direction, guidance and dictatorship of some fellow called Woollam whom we fired about two months after we came to office. What's their answer to those people up in Northwestern Saskatchewan? I'll tell you their answer. It's "let them rot on welfare," that's their answer.

What about our resources? What's their answer? They said, "Oh, we would take that money and we'd develop great tourist facilities." Well, Mr. Speaker, what tourist facilities did they develop in Northern Saskatchewan when they were the government? Let them stand up here and name any tourist facilities they developed in that part of Northern Saskatchewan. Not a five-cent piece did they spend on tourist facilities.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Now when they are in Opposition they say, “Oh, we’d take that money and we’d create all kinds of employment.” Well, I’ve pointed out to the House that there are 60 part-time jobs in the tourist industry in the Meadow Lake area. What about our resources? What was their answer when you, Mr. Kramer, were the Minister in the Department of Natural Resources? Your answer to our Northern resources, if you couldn’t handle it under the Timber Board — and they had an iron grip on the Northern timber resources — you let them burn and you let them rot. What was your answer to pollution? What was your answer in the city of Saskatoon? What was your answer, Mr. Blakeney, when you sat over here? You had none!

Mr. Guy: — Dump it in the river!

Mr. Steuart: — The river of the North Saskatchewan was dirty and it was polluted for all the 20 years that you were in office and you never lifted a finger. You never lifted a finger and in fact when the city of Prince Albert asked you for help, you sneered at us and wouldn’t even go to Edmonton to talk to the Government of Alberta to see if they would do something.

What about your record with the Interprovincial Co-op plant that started in Saskatoon under your government and you like to wave it in our face now? Push them a little deeper into the trouble they are in. When that plant started, did the former CCF government, the Socialist government, go to them and say put this pollution control in or that pollution control? They did not. They had nothing on the books. They had no laws at all. They had absolutely no policy.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Let me tell you this, Mr. Speaker. We’re moving into Committee on this Bill now. Every day that they block this Bill will be just one more day that there are no employment opportunities for the people in Northwestern Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Now let me just tell you about that. Mr. Blakeney said, and Mr. Romanow says that the Government has no deal. He says they come in the House and say we’re holding it up. Well, I explained to them the sequence of events. I think what they need to do is hire a good lawyer, they’re having a little conflagration, a little tete-a-tete there, boys, what you really need to do — Tweedledee and Tweedledum-dum — is to go out and hire a couple of good lawyers to straighten you out on this whole deal.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — We need to get this Act through this House. At the same time we’re working with the Federal Government, and of course they haven’t put their okay on it. And they won’t put their okay on it until they’re satisfied, just as we must be satisfied, with things like reforestation and pollution control. Once they put their okay on it and we get their \$12 million, we shall go to the markets and we’ll raise the money.

Let me tell this House and the people of Saskatchewan — and I make this commitment on behalf of the Government — Mr. Blakeney said you're too far gone, it's too far down the road . . .

Mr. Romanow: — Don't believe it!

Mr. Steuart: — You wouldn't believe the Lord's Prayer if you knew how to read it. Let me tell you this. I make this commitment on behalf of the Government that if we're not satisfied with the pollution control, if we're not satisfied with reforestation, if we're not satisfied that this mill will be viable — just as the Prince Albert mill was viable — a sound economic complex — we'll stop it and we'll stop it in its tracks, and so will the people we're dealing with.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — And why will we do this? Because we have some common business sense on this side of the House, something that's absolutely foreign and missing on that side of the House.

You know, Mr. Blakeney stood up in this House when he first talked on this Bill and he said, "I haven't been able to study all the documents. They are voluminous and they are intricate and they're complex," and that's true. And so he said, "Before we'd make a judgment, I have to study them." But just before he adjourned the debate, he made the most unbelievable statement of all for a lawyer. He said, "Before I even look into it, I'm not going to vote for it." But it's a good thing that they never made NDP Members judges and probably never will.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Because that would be a great attitude on the Bench. Bring in the accused, first we're going to hang him, then we'll listen to the evidence.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — You know, Mr. Speaker, we had to listen when this debate first started to the former Leader of the Opposition, Mr. Lloyd, and he came in here and gave us his usual philosophical speech and then he picked up this report and he gave the most dishonest performance I've ever seen in this House. And I mean that. He picked up this Associated Consultants Incorporated Report, tried to pretend that it was the report on pollution, which it wasn't, and said, "Let me read from it." And he read very careful excerpts. The Hon. Member from Saskatoon followed his example. He thought he'd get in on the act a little bit too. He said, I'm quoting Mr. Lloyd now:

It is unfortunate that information on the waterflow quality in the beaver River is so sketchy.

Then he said the Government doesn't even know what they're doing. He forgot to read the next line which is as follows:

The estimate in quantity of effluent below Dorintosh where some measurements have been taken are sufficient.

In all probability the flow in the Beaver, except at extremely low levels, will be adequate for the mill's requirement.

An Hon. Member: — Yes, why didn't he read that?

Mr. Steuart: — Now then, he got down to the best one. He said, "Let me read you something . . ."

Single readings for iron of 6.76 and for manganese of 1.00, both of these are so far from the average that they are questionable. In fact it is not unreasonable that they are typographical errors.

And then he made a great fuss. He said, "Isn't this terrible? They admit it could be a typographical error and this is the kind of information they will use to build this mill on." What he forgot to tell the House is that the report stated these readings were omitted. The report measured color, turbidity, iron manganese, total hardness — every measurement of pollution that they could take in that river. They've got it all listed in the report. Down below with an asterisk they said this reading was omitted. One single reading was omitted because it was obviously an error. He tried to pretend to this House that he didn't know any better and that it was in there as part of the report. It was a dishonest statement just as his entire so-called philosophical approach about the protection of our environment was dishonest. You're all dishonest on this and you haven't got the guts to admit it.

Mr. Speaker, you have to say to yourself, why are they doing this? Why are they doing this? Well, let me tell you this: they are doing it for politics. They say they'll fight an election on it and I'm glad that they will. I'm glad they will.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Yes, and young Mr. Lawyer who hopes some day to be a corporation lawyer, and if you don't learn more about reading a balance sheet, you never, never will be.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Let me tell you something. Well, I think Wilf Gardiner knows about as much about a balance sheet as you. You'd make a good pair, I think.

Let me tell you something. I'll tell you why you're opposing this mill. Because you're bitter. The minute that anyone raises the question that this company might make a profit, you all rise up and every one of you pound the table and you get hysterical. You can't stand the idea. You can't stand the idea that private development has brought this nation and this province to the second highest standard of living in the world.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — You can't stand the idea that private initiative and

private enterprise in the Prince Albert pulp mill is the greatest success story in the industrial development of this province. It succeeded while you people with your box factory and your woolen mill, you failed and you failed miserably. And I'm going to tell you something . . .

Some Hon. Members: — Hear, hear!

Mr. Steuart: — . . . in the last election you were aptly named “the wrecking crew” because you are negative, you are bitter and you had nothing new to offer. And when those Wafflers stand up and say they don't want any part of you, I don't blame them — for a different reason. They say you haven't got anything new. As I said before you haven't got the guts to be Socialists and you haven't got the brains to be private enterprisers.

I'm glad and I'm happy that you're opposing this because there never was a single issue which showed the philosophical difference between our Party and your Party.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Nothing! Nothing, and I'll tell you why, why there will never be an NDP government in this country. We believe in the people, we believe in our resources.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — And we know, we know that you have to develop those resources to help the people. We don't pay lip service to the Indian people or the disadvantaged or the jobless. We get out and we do something practical to help them.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — And you, you with your bitterness, your hatred, your sour grapes will be turned down by the people just as you were turned down in 1964, just as you were turned down in 1967 and you'll be turned down to an even greater extent in 1971.

Some Hon. Members: — Hear, hear!

Motion agreed to and Bill read a second time on the following recorded division:

YEAS

Messieurs

Thatcher	Howes	Cameron
Steuart	Heald	Guy
Barrie	Loken	MacDougall
Grant	Coderre	Larochelle
Estey	MacLennan	Gallagher
Hooker	Breker	Leith
Radloff	Weatherald	Mitchell
Gardner	Coupland	McPherson
Forsyth	McIvor	Schmeiser

NAYS

Messieurs

Blakeney
Messer
Davies
Berezowsky
Whelan
Brockelbank
Matsalla
Kowalchuk

Bowerman
Wood
Dewhurst
Smishek
Snyder
Baker
Wooff
Byers

Kramer
Romanow
Meakes
Thibault
Michayluk
Pepper
Kwasnica

- 23

The Assembly adjourned at 9:30 o'clock p.m.