

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Second Session — Seventeenth Legislature**  
**22nd Day**

**Friday, March 24, 1972.**

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

**WELCOME TO STUDENTS**

**Mr. L. Larson (Pelly):** — Mr. Speaker, I want to introduce to you and to the Assembly a group of Grade Nine students from the Kamsack Junior High School. They are accompanied by their principal, Mr. P.J. Wlasichuk and Mr. Al Roles, their bus driver. I want to welcome them on behalf of all Members of this Assembly. I hope their stay will be enjoyable and educational and I wish them a safe journey home.

**Hon. Members:** Hear, hear!

**Mr. D.W. Cody (Watrous):** — Mr. Speaker, I want to introduce today to the Assembly and to you a class of Grade Eight students from the Bruno School. They are accompanied by two fine, young teachers Barry Hassen and Randy Warick and also are accompanied by their bus driver Martin Lueschyn. We hope that the class has an informative day and an enjoyable one. And we wish them a very safe journey home.

**Hon. Members:** Hear, hear!

**Mr. R. Gross (Gravelbourg):** — Mr. Speaker, I wish to introduce to this Assembly some Grade Ten students from Coderre seated in the west gallery under the guidance of Rennie Young, their teacher. I hope as other Members do that their stay will be a pleasant and educational one and that they have a safe journey home.

**Hon. Members:** Hear, hear!

**Mr. D.G. Steuart (Prince Albert West):** — Mr. Speaker, it is my pleasure to introduce to you and through you to this House a group of students in the gallery from the Arthur Peachey School in Prince Albert accompanied by their teacher Allan Dyker. I wish them a safe journey home and I hope their stay here is very educational and very enjoyable.

**Hon. Members:** Hear, hear!

**Mr. Speaker:** — I believe there is a group here also from the Minister of Agriculture's constituency. On behalf of the Minister, he has the note, there is a group of 25 from the Tisdale High School in the Speaker's Gallery.

**Hon. J.R. Messer (Tisdale):** — If I may, Mr. Speaker, it hasn't been brought to my knowledge but I should like to extend a welcome to the group from Tisdale and hope that they find the trip to Regina enjoyable and informative in regard to the proceedings of this House.

**Hon. Members:** Hear, hear!

March 24, 1972

**Mr. K.R. MacLeod (Regina Albert Park):** — Mr. Speaker, I'd like to join with you and the Hon. Minister of Agriculture in welcoming all the people from Tisdale. That's where I took my high school and it got me through rather well. I suspect it did fairly well for the Minister of Agriculture. I assume it will do just as well for all the people in the Speaker's Gallery.

**Hon. Members:** Hear, hear!

### **PRIORITY OF DEBATE — EXODUS OF INDUSTRY**

**Mr. C.P. MacDonald (Milestone):** — Mr. Speaker, before the Orders of the Day I would like to ask leave of the Assembly to give Priority of Debate to a definite matter of urgent public importance. Mr. Speaker, the matter of urgent public importance is a motion:

That the matter of the continuing exodus of established industries from Saskatchewan with the corresponding loss of jobs, wages and provincial revenues which has been climaxed today by the confirmation that Smith-Roles of Saskatoon are moving to Alberta as a result of the Provincial Government's taxation policy by given Priority of Debate under Rule 17.

**Mr. Speaker:** — Before I make a statement on this, I wish to thank Members who have supplied me with information which has helped me to be able to be prepared to take this motion into consideration. S. O should like to make a statement:

A notice regarding this matter proposed for a Priority of Debate was received in the Clerk's office today at 11:50 a.m. for which I thank the Member. The matter before us today is similar to the one that was before us yesterday which was ruled out of order on the grounds that the future of the Smith-Roles Company in Saskatoon had not been decided by its owner. Taking into account that an announcement has been made by Mr. Roles to remove his company from Saskatoon I feel that the proposed matter can now be viewed in a different light. Due to these changed circumstances I rule that this matter does qualify as being urgent and of public importance.

This motion is moved by Mr. MacDonald of Milestone, seconded by Mr. Guy of Athabasca.

**Mr. MacDonald:** — Mr. Speaker, might I begin by reading first of all a telegram received from Mr. Clem Roles, President of Smith-Roles Limited of Saskatoon:

This reply is to your wire questioned as stated to the original meeting inquiry, no formal announcement being made or intended. However, it is not a rumor but a simple fact. Our intention is to move to Alberta. The decision based on proposed Estate Tax in Saskatchewan. This tax would literally wipe out this company, so common sense dictates our move.

Mr. Speaker, if there has been one thing that has dominated

this Session of the Legislature, it has been announcements almost daily of industries that are pulling out of the Province of Saskatchewan, industries that will not expand in Saskatchewan, industries that are not given an opportunity to locate in Saskatchewan.

This particular industry, Mr. Speaker, Smith-Roles is one that I particularly know. I know Mr. Roles. I have had the opportunity of visiting his plant many years ago. Mr. Speaker, I want to say that Mr. Roles now lives in the city of Edmonton himself. He wasted no time in moving. He is now laying plans to relocate his plant in either Calgary or Edmonton. Mr. Speaker, this man has a company of approximately 70 employees, a payroll of over a million dollars a year. He has 100 Saskatoon farmers as part time workers who are distributors throughout rural Saskatchewan and other parts of Western Canada. He produces agricultural equipment, something which we as an agrarian province should be looking for and attracting. Mr. Speaker, Mr. Roles is an unbelievable person. That's right and if some of you fellows would only go up and meet him, you would understand why we are concerned.

**Some Hon. Members:** Hear, hear!

**Mr. MacDonald:** — This man is a genius in his own right. And let me tell you there isn't a socialist enterprise in this Province that can replace him.

**Some Hon. Members:** Hear, hear!

**Mr. MacDonald:** — Mr. Speaker, but not only that, that was yesterday. Today at noon we hear another announcement in the news media. The Degelman Industries, a Regina plant has also announced that it is now considering leaving the Province of Saskatchewan because of estate tax legislation. This industry employs 90 people. Over a million dollars also in a payroll. It also produces farm equipment. Mr. Speaker, it produces probably the best rock picker in the Province of Saskatchewan. Over \$83 million in sales, the majority going out of the Province of Saskatchewan. Mr. Speaker, the interesting thing about Degelman's is that they are now at a point of expanding but before that decision will be made they are waiting for the estate tax legislation and are now negotiating with two other cities outside the Province of Saskatchewan. This has now not become a gradual exodus, it has become a stampede. Like the Charge of the Light Brigade.

Mr. Speaker, why are these industries leaving? First of all, Mr. Speaker, because they say the NDP has created an economic climate that they find impossible to live with in the Province of Saskatchewan.

**Some Hon. Members:** Hear, hear!

**Mr. MacDonald:** — And second of all, Mr. Speaker, because they say the NDP estate tax or succession duty legislation is confiscation, it's expropriation, it's theft, it's the most vicious tax that has ever been created and it is under the disguise of legitimate and legal taxation. Mr. Speaker, I say it will drive every family business in Saskatchewan right out of the province within 15 years. It will create a socialist province.

March 24, 1972

Mr. Speaker, the only two industries that will be able to live in Saskatchewan will be those that are state owned, that are socialist or those that are foreign owned. It is a deliberate socialist move to encourage nationalization of enterprises in this province.

**Some Hon. Members:** Hear, hear!

**Mr. MacDonald:** Mr. Speaker, let me give you an example and I'm taking a very simple example. A man invests \$500,000 in the Province of Saskatchewan in a business. Over a period of years that business has a capital gain of \$500,000 and is worth \$1 million. And that is not an unusual one, Mr. Speaker. Real estate gain, inflation, market, sales, business success, all could well do that. All of us are aware of a farmer's land outside Regina, what can happen in real estate. All of us know what has happened in real estate inflation over the past 25 years in Canada. Mr. Speaker, under the old Federal Estate Tax in Saskatchewan as of January 1, the man paid \$110,000 in estate tax. This is without any exemptions. This is the highest category. Now the Federal Government changed that, Mr. Speaker. They put in a capital gains tax. Now, Mr. Speaker, let's take the highest rates again. The tax on a half or 50 per cent or \$500,000 means the tax will be \$250,000. Let's assume a 50 per cent tax rate. It may be averaged and slightly lower or higher, is approximately \$125,000 capital gains tax. Now, Mr. Speaker, the Federal Government said they were replacing estate tax with a capital gains, but what does Mr. Blakeney say in Saskatchewan, Mr. Speaker? He says, "We're going to charge a succession duty tax. Let's take again the highest example or one without any exemptions, the total estate is \$1 million, less the capital gains \$125,000, the succession duties are on \$875,000. Now, Mr. Speaker, as announced by the Premier and the Treasurer what is the formula? \$91,000 on the first \$500,000, then 50 per cent on the remainder. It takes a simple mathematician, Mr. Speaker, to realize that the total succession duties on that particular estate is \$378,000, \$125,000 capital gain, for a total of \$503,000 on a business worth \$1 million in the Province of Saskatchewan. In Alberta it's \$125,000, in Saskatchewan it is \$500,000.

Mr. Speaker, who pays that tax, who pays that tax? And let me ask the Hon. Members who pay that tax? Is it some American company? Is it a multi-national corporation? Is it some fat cat capitalist sitting back in his room cutting coupons? Is it some man with a million in the bank? No, Mr. Speaker, it is a businessman with no cash and all he's got is equipment, plant, reputation, market and real estate. He may not have a five cent piece in the bank. Where does he get this \$500,000, Mr. Speaker? Because that is expropriation, it is confiscation, it says that never in the future in the Province of Saskatchewan will there be an accumulation of private capital. Mr. Speaker, don't let the Premier say I've used a maximum, one without exemption. Because even with a wife the maximum exemption, the estate and capital gains tax under that situation would be over \$400,000.

What happens to this man's business? What happens to the need for expansion if he requires capital? What happens to his employees? Like the employees of Smith-Roles or Degelman's or Burns or Quaker Oats, what can they do? You know, Mr. Speaker, there have been businesses in Saskatchewan that have been here for two or three generations. They have been serving the people

of Saskatchewan. They have been providing jobs. They have been providing employment, building homes. And now, Mr. Speaker, they've got only one device and that's to sell, to sell to get the death duties for the NDP. Who can they sell it, that's the question? Well, Mr. Speaker, they can't sell to another Saskatchewan family because they are not interested. The only people they can sell to is a national or a multi-national or an international or a foreign owned company because a corporation doesn't die, they don't pay tax, they don't pay the death duties. A man could come in here, Mr. Speaker, and they penalize the people in the Province of Saskatchewan. What else can they do? Mr. Speaker, they can sell to the socialists. They can sell to the socialists. Mr. Speaker, I say this is a deliberate socialist plot to expropriate. And I think, Mr. Speaker, it's a sell-out to Mr. Richards, I think it's a sell-out to the Wafflers.

**Some Hon. Members:** Hear, hear!

**Mr. MacDonald:** — Because the only people that will be able to purchase this industry is the Government. I wonder if that's the changes the Premier wants, and the pension funds and the superannuation.

Mr. Speaker, let me review what has happened in Saskatchewan over the last few weeks and the last few months. The flight of industry has become alarming. It is now daily. And it seems to be gaining momentum. First of all, Mr. Speaker, we had the cancellation of Athabasca and the cancellation of Choiceland. The great tragedy about Choiceland, Mr. Speaker, is that the Alberta Government announced that they are looking now to develop a steel industry and there is only room in Western Canada for one basic steel industry. Then we had Burns, a company in Regina for years. Quaker Oats another well established Saskatchewan company. We have Federal Grain, Imperial Oil, Smith-Roles, now maybe perhaps Degelman's. Mr. Speaker, what is even more alarming is that there is no new investment, there is no new investment coming to Saskatchewan.

**Some Hon. Members:** Hear, hear!

**Mr. MacDonald:** Mr. Speaker, how can a government and a Minister of Industry stand up and say nothing when an editorial and an article appears in the Saskatoon Star-Phoenix saying:

An integrated food processing plant using more than 640,000 hogs annually will locate in Alberta because Saskatchewan officials were skeptical when approached with a plan according to Ferdinand Rickford of Saskatoon a principal in North American Food Processing Company.

And you know what the Minister of Industry (Mr. Thorson) had the guts to stand up and say in this House yesterday? It's a bogus company. It will be bogus in Alberta. The attitude of the Minister, Mr. Speaker, not even to phone the president of Burns, stood up in this House several times, and finally he phoned the day before yesterday or two or three days ago. What about Quaker Oats? He didn't even know, Mr. Speaker, that they were leaving the Province of Saskatchewan. Then he stands up in this House and announces a new industry. And what is that industry? A coal mine that had been negotiated and an agreement signed with the former Liberal Government.

**Some Hon. Members:** Hear, hear!

March 24, 1972

Mr. Speaker, what is the economic situation in Saskatchewan and why does that make this so serious at this time? I have a write-up here, "Jobs beginning to open up in Canada." Yes, Mr. Speaker, jobs beginning to open up in Canada everywhere but the Province of Saskatchewan. Mr. Speaker, when that Government according to Statistics Canada, when Premier Blakeney's Government took office June 23rd, the unemployment rate was 2.5 per cent. You know in September there were 10,000 people unemployed in Saskatchewan. Today, Mr. Speaker, the unemployment rate is 6.1 and 20,000 people. Mr. Speaker, a year ago or last year Saskatchewan and every year under the Liberal Government, the unemployment rate in Saskatchewan was the lowest in Canada. Go back, Mr. Speaker, the year before the Liberal Government and once again the unemployment figures in Saskatchewan were staggering. Mr. Speaker, if he is not interested in those young people the rest of this province and this Party certainly is.

Mr. Speaker, what has caused this situation. Well, other than the Estate Tax never has a government in the Dominion of Canada taken such a deliberate attack on business as this Government has in the first six or eight months of office. First of all, Mr. Speaker, they called a Special Session, they put in The Family Farm Protection Act and they say, no we won't guarantee the farmer's credit we will impose it on the little implement dealer in every small town in Saskatchewan.

We just sat down with the implement dealers two days ago. You should see their concern about July 31st or the day that Act expires. You know, Mr. Speaker, they turn in an agricultural report after having public hearings around the province saying they will not pay any compensation to losses because of their Act to implement dealers. Mr. Speaker, how they could be that kind of a hypocrite after listening to the public hearings and from what everybody has told me, including our own Members, everybody recommended that the Government of Saskatchewan should be responsible for that loss. Then, Mr. Speaker, the next thing they put in was the minimum wage. Everyone in Saskatchewan wants the minimum wage to increase gradually but to do it without any regard to business after it having just been raised 25 cents, to do it in a very few months have cost the jobs of hundreds and maybe perhaps thousands in Saskatchewan.

Mr. Speaker, on top of that they put in the 40-hour work week. Yes, Mr. Speaker, on top of two minimum wage increases without any kind of sensitivity to the problems of industry. The, Mr. Speaker, they bring in more Acts in this House, The Collection Agents Act, The Assignment of Wages Act, and, Mr. Speaker, I have yet to find one person who has asked for that Act. In the Estimates we are going to ask the Attorney General to table his correspondence.

Mr. Speaker, on top of that they turn around and say they are going to have consultation and negotiations. I have contacted three potash mines this morning, not one of the three potash mines has the Minister of Industry even communicated with. He wrote a letter to the Mineral Association, he hasn't talked to one of them. They have an agreement saying that royalty rates won't be raised until a certain year. He hasn't told them how; he hasn't discussed their individual problems; he hasn't related to their individual costs. Mr. Speaker, they are all concerned. Is this the kind of an attitude that builds up trust and confidence by business and industry in this province.

On top of that, Mr. Speaker, business and industry and particularly the potash mines are going through difficulties. First of all, Russia has huge deposits, second, apparently a commercial deposit has been found in New Brunswick and on top of that their 45 to 50 per cent of production has just gone through some very severe and hard years. Mr. Speaker, the Premier is going to kill the goose that lays the golden egg. He is going to kill the goose that is going to provide jobs for our young people. Then, Mr. Speaker, what does he do? He comes into this House with a Budget that is nothing more than window dressing and it is particularly window dressing in relation to industry. In the Department of Industry where jobs are going down, where unemployment is going up, where businesses are pulling out, he reduces the Estimates for the Department of Industry and then he comes up with a farcical program called grants to industry of \$100,000.

You know something, Mr. Speaker, what bothers me is that the Premier hasn't even seen Smith-Roles but you know he didn't mind sending the Minister of Agriculture all the way to Romania for a communist Romanian tractor. The Minister of Industry (Mr. Thorson) hasn't even seen Mr. Burns, an established Saskatchewan industry and yet he sent the Minister of Agriculture (Mr. Messer) all the way to Romania.

**Mr. Smishek:** — He's dead!

**Mr. MacDonald:** — Or Mr. Childs. The Minister of Agriculture is dead also!

Mr. Speaker, the Minister of Agriculture doesn't mind going all the way to Romania for another socialist communist enterprise but they aren't concerned about seeing one of Saskatchewan's own basic industries.

Mr. Speaker, I wonder what the future of Saskatchewan is? Are we jobless? Are we bankrupt? Are we in for higher taxes? Are we in for a brain drain? Well, I am going to tell you, Mr. Speaker, this Liberal Opposition is going to demand action from the Premier. Not only that, Mr. Speaker, the people of Saskatchewan are going to demand action from the Premier and the young people are going to demand action too. What is most important of all, Mr. Speaker, business and industry are going to demand action because if they don't there won't be any left in the Province of Saskatchewan but state ownership and socialism.

Mr. Speaker, I also want to tell the Premier it is time you opened up your door and let industry come in and see you. They say it is harder to get to see the Premier than it is to crash the Canadian Mint. Mr. Speaker, many of my colleagues want to speak on this motion but I am hoping that some of the opposition will. I'll have a few more things to say when I close the debate.

**An Hon. Member:** — You're the Opposition.

**Mr. MacDonald:** — I mean the Government, you are the opposition in this regard. I want to tell you something it isn't a joke and the people of Saskatchewan don't think it's a joke. They don't think it's a joke. Mr. Speaker, when I close this debate I'll have a few more things to say. But I hope the Government, I hope the Premier and the Attorney General and the Minister of

March 24, 1972

Industry get up and talk about their concerns and relieve the minds of business and industry in this province. It gives me a great deal of pleasure, Mr. Speaker, to move:

That this Assembly recommend to the consideration of the Government the following steps to stop the exodus of established industries from Saskatchewan:

(a) a reconsideration of a . . .

**Mr. Blakeney:** — Mr. Speaker, I rise on a Point of Order. The point of order is that any substantive motion to deal with matters can only be dealt with after this debate in which we are now engaged is concluded.

**Mr. Speaker:** — I should like to draw that to the Member's attention. I was wanting to wait to see what he had there but that is a motion that must be moved if this one is carried but not before. If it is defeated that ends it and if it is carried then he moves the motion at that time.

**Mr. MacDonald:** — Mr. Speaker, I agree, I will save that motion because I know that this House is going to carry this particular thing, because if it doesn't . . .

**Mr. Speaker:** — Order, order! I don't want to the Member to get out of order. He has sat down and closed his debate and we can't have him speaking on the motion yet.

**Mr. MacDonald:** — I sat down, Sir, on a Point of Order raised by the Premier.

**Mr. Speaker:** — I was looking at my book so I thought you had sat down.

**Mr. MacDonald:** — All I want to say in conclusion is that I know that every Member in this Assembly is going to support this motion. Because I am certain that those Members opposite are just as concerned about finding jobs for young people, for building an industry and of watching the industrial growth of the Province of Saskatchewan, for providing the kind of an economic climate that is going to reach the potential of the Province of Saskatchewan. I know, Sir, that every single one of them will support this motion.

**Some Hon. Members:** Hear, hear!

**Hon. A.E. Blakeney (Premier):** — Mr. Speaker, I am very happy to enter this debate. I want to first reply to a few of the points made by the Member for Milestone. I regret, as does he, that the unemployment rate in Canada is around 6 per cent. I regret, as does he, that the unemployment rate in Saskatchewan is 6.1 per cent. I regret, as does he, that it happens to be fractionally higher than the lowest in Canada, the lowest being 6 per cent. The Member for Athabasca (Mr. Guy) is giving figures which I imagine come from Statistics Athabasca and not Statistics Canada. Mr. Speaker, I know Members opposite will want to make their speech sitting on

their seats — they do it best from that stance — but when the Member for Milestone was speaking, I refrained from interrupting him and I am going to ask Members opposite to extend to me the same courtesy.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — The Member for Milestone suggested that to raise the minimum wage to \$1.70 was a bad move. I want to say that we on this side of the House make no apologies for raising the minimum wage to \$1.70.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — The Member for Milestone is suggesting that we are not in touch with the Burns Company. I want to advise him that the Minister of Agriculture (Mr. Messer) has talked to the President of Burns personally. The Member for Milestone has suggested that I haven't been talking with industry in this province. I don't believe there is a single potash company or a single company with an interest in a potash company whose representative I haven't personally seen and with whom I have not discussed, discussed at some length, the possibilities of the potash industry. We are certainly concerned. We are concerned with the matter of continuing exodus of established industries from Saskatchewan and I thank Hon. Members opposite for phrasing the problem that way, because it is a problem and it is a continuing problem. It is one which certainly did not come yesterday, or today, or on June 23rd last, in 1971, or in 1970 or in 1969. It's been a problem which has been with us for months and years.

Members opposite are talking about Quaker Oats but I don't remember their saying the same things when Robin Hood closed down, with the loss of 90 employees. I don't remember them saying it again when the Robin Hood Oats Mill closed down in 1967 with the loss of a further 35 employees. They talk about Imperial Oil, I don't remember them talking about what happened when Royalite closed down under their regime. I don't remember them talking about this when Husky and British American Oil in Moose Jaw announced that they would close down under their regime. Reference has been made to Anglo-Rouyn and certainly that mine is closing down or we're advised it is because the ore is mined out. But I don't remember the same comments when the little mine at Rottenstone mined out its ore body, nor do I remember the comments when the big mine at Gunnar mined out its ore body in their day. No magic wand waved by the Members opposite when they were on the Treasury Bench created ore at Gunnar in the Athabasca constituency, nor will it create ore at Anglo-Rouyn at La Ronge. Under their regime, Mr. Speaker, there was a steady, steady drain of corporations leaving this province.

I could mention the depressed state of the potash industry. I know it was in its infancy but in 1964 potash industry of this province was in a healthy infancy and could sell all the potash they could mine. In 1971 when we assumed office by the admission of Members opposite themselves the potash industry was in very difficult circumstances. If this could have been cured by a wave of the hand I am sure that Members opposite in their seven years on the Treasury Bench would have solved the problem.

March 24, 1972

The petroleum industry in 1964 was a flourishing industry. Year after year petroleum production went up, year after year the number of feet of oil wells drilled went up, but that ended under the regime of the Members opposite so that in 1970 and in 1971 petroleum production went down, and petroleum exploration went down. Members opposite then were not moving motions of concern for the jobs for our young people and for the business activity of this province. I am happy to say that in 1971 petroleum production is up and we are looking forward to a revival of the petroleum industry.

Mr. Speaker, I could mention many, many other corporations which were closed under their regime. May I mention for the benefit of the Member for Prince Albert West (Mr. Steuart) the Hardply Corporation which was closed in 1966 with a loss of close to 100 jobs. May I mention to those Members who are talking about the Burns Plant threatening to close, that in 1967 that same Burns Plant laid off 80 employees and cut its operations in half. May I point out that in 1965 Intercontinental Packers in this city laid off 50 employees. They weren't saying anything then, Mr. Speaker. Those were the days when everything was supposed to be going well.

**Mr. Romanow:** — What about that Cy?

**Mr. Blakeney:** — What are they now saying about the packing plant which closed at Melville? They never did re-open Swift Canadian at Melville in 1968 which closed with a loss of 50 employees.

The Member for Prince Albert West will well remember Norcanair's Workshop which closed down with a loss of 50 jobs when he was on the Treasury Benches in defiance of an agreement which his government had signed. Members opposite also will remember jobs that they closed out in Crown corporations in this province. They know that jobs in the Timber Board went down under their regime, they know that jobs with the Power Corporation went down under their regime. They weren't concerned about jobs then.

I look around Regina and I see out in the west of Regina a \$5 million chemical plant announced when we were the government, I remember attending the function at which it was announced and there it is built and it has stood idle year after year when Members opposite sat on the Treasury Benches. I see what's happened to our service industry. When they were the government Marshall Wells, Ashdown and indeed the entire wholesale hardware industry of this province eventually pulled out.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — I see what happened to J.I. Case and the John Deere and International Harvester Distributing plants in this province. I see in the north part of this city the Chrysler Plant standing idle year after year. I hear Members opposite telling us about their concern for jobs. When I come to work I come along South Railway Street in Regina and I see a flat piece of ground where there used to be the Regina Sash and Door Company with 100 employees but it is gone. Gone when Members opposite occupied the Treasury Benches. I see what happened to the retail industry in this city. I see old established businesses like Christie Grants and Child and Gower closed out. We've seen some other retail undertakings in this province closed out. We have seen

Thatcher's Hardware and Steuart Electric close out during their regime.

**Some Hon. Members:** — Oh, oh! Shame.

**Mr. Blakeney:** — Indeed in 1970, retail sales in this province went down about 10 per cent and at least 100 businesses closed up in Regina.

**An Hon. Member:** — Under the Liberals!

**Mr. Blakeney:** Mr. Speaker, what was the response of Members opposite who are now telling us that they are concerned about jobs. Certainly they gave royalty concessions, certainly they did that, but did they go out after industry? Did they beef up their Department of Industry and get out there and get industry?

**Mr. Steuart:** — You bet we did!

**Mr. Blakeney:** — Let me tell you about what they did with the Department of Industry. In 1964 the Department of Industry had 78 employees. When they left office the Department of Industry had 47 employees.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — 47 employees, cutting the staff of the Department of Industry by close to 50 per cent at the time that Gulf Oil was closing down in Moose Jaw and the Swift Canadian Plant at Melville and the Prairie Bag Company at Moose Jaw and Westeel Rosco at Saskatoon, the C.I.L. plant here in Regina, the Chrysler Corporation of Regina and Dow of Canada Limited, Regina, Electrolysis Clinic here in Regina and Forney Arc Welders here in Regina, and I am half way through the list, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — And all the while, Mr. Speaker, they decided that this was no time to add staff. They could cut staff because things weren't really bad.

**Mr. Romanow:** — Shame on you boys!

**Mr. Blakeney:** — Mr. Speaker, the fact that jobs are gone is perfectly obvious from what happened to our population. I don't want to go over, once again, the story of the population of this province because everybody knows it. Everybody knows that in 1970 it was less than in 1969, and in 1969 it was less than in 1968. Everybody knows that in 1970 this province lost more people than any province ever lost in the peace time history of Canada. This is what happened while they were creating jobs, while they were expressing their concern for the young people of this province.

I am afraid, Mr. Speaker, that their policies did not work. I want to ask Members opposite this simple question, do they believe that tax concessions will work? Do they believe that tax concessions, more particularly estate tax concessions, will get industry in this province?

March 24, 1972

Let me put this to them, Mr. Speaker. Up until 1969 this province had the standard estate taxes which were applicable in seven provinces of Canada. At that time, and they still do, Quebec, Ontario and British Columbia had their own taxes. In the other seven provinces up until about 1968 all of the taxes were the same. Now in 1969 the Government opposite decided to give an estate tax rebate. In 1969 they gave an estate tax rebate of three-quarters of the effective Federal estate tax. In 1969 they made our estate taxes the lowest in Canada, the same as Alberta's and lower than the other eight provinces. This, Mr. Speaker, has prevailed until — indeed it prevails in the legal sense now — but it will continue to prevail up until December 31, 1971. So from April 1969 to December 1971 we had the lowest estate tax in Canada.

I want to put it honestly to Hon. Members, was this the time our industry grew? Was this the time when plants came to Saskatchewan or was it indeed the time that plants left Saskatchewan? They left in record number, in record numbers to go to British Columbia which had higher estate taxes and to go to Manitoba which had higher estate taxes, and to go to Ontario which had higher estate taxes.

If low estate taxes would keep industry we should have burgeoning industry and we should have got it between 1969 and the end of last year, and we didn't get it. At no time in the history of this province did we lose industry faster than we did during that period of low estate taxes.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — There is no justification for the belief that low estate taxes attract industry. There is some small justification for the belief that low estate taxes will cause individuals to change residence. There is virtually no evidence that it will cause industries to move their location. And if there is I want Members opposite to illustrate it from the history of this province, where we have had estate taxes of varying levels between 1945 and 1972. I want them to tell me why Smith-Roles blossomed as it did between 1947 and 1969. And it blossomed between 1947 and 1964 when estate taxes were the same as elsewhere in Canada, and where according to you people, the same oppressive socialist estate taxes applied.

If I may digress for a moment they talk about these high socialist estate taxes. Well I can tell you this, that when the estate tax legislation comes in and we debate it in the proper form it will be clear to all that the estate taxes in this province for someone of a moderate estate — \$200,000, \$300,000 or \$400,000 passing that estate to their children is lower in Saskatchewan than in eight other provinces in Canada.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — The Member for Milestone (Mr. MacDonald) chooses the situation whereby a plant is left to a successor and it is a million dollar plant left to a stranger. Not a wife, not a son, not a grandson, not a father, not a mother, he didn't use any of those. How often, Mr. Speaker, are million dollar estates left to strangers or indeed to even nephews, when wives and children and mothers and fathers don't share in that estate?

I have no doubt, Mr. Speaker, it would be possible to find an example in almost any tax schedule which will produce some very horrendous results. But I suggest for the estate which is likely to happen, for 99 44/100 per cent of the estates, the estate tax rates which will be brought in under this Bill will be fair and reasonable and will offer a real opportunity for people to pass on their property without oppressive taxation.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — Mr. Speaker, I think it is very, very significant that Members opposite are, in effect, precipitating a debate on the estate tax legislation before the legislation is before them, and before they can be confounded with the actual facts which are there in the Bill.

Mr. Speaker, I think we can judge from the facts that their development strategy failed. I won't bore the House with the many, many instances of their failure. We have heard them many times before — about how they were going to get a heavy water plant, ammonia plants, Volkswagen centres and iron pellet plants, Primrose forest products, asbestos pipe plants, and there was going to be a Scurry Rainbow potash mine and oh, yes, here is a new refinery likely for Lloydminster, a \$60 million refinery. And this, in 1970 — a fibreglass plant, car body plant here in Regina, and on and on as they kept announcing industries, in lieu of any industries being established.

The facts are, Mr. Speaker, that their development strategy on the record has failed. It failed notwithstanding their numerous announcements. It failed to create jobs. It failed to hold our people.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — It failed in the face of their estate tax rebate. It failed even though they gave estate tax concessions. Their policy still failed.

In our judgment, Mr. Speaker, their policy failed because it was ill-conceived. It was ill-conceived because it banked on giant resource developments which do not create many jobs. It failed because it didn't provide for balanced development.

Mr. Speaker, Members opposite have cast scorn on public corporations, but we believe that public corporations have a place, and a major place in the development of Saskatchewan.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — We believe that private industry has a major place in the development of Saskatchewan.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — We believe in co-operative investment as well. We were happy to announce our assistance to private industry a week ago when we announced the new margarine plant, the first in Saskatchewan, creating 50 jobs.

March 24, 1972

We believe that this is one of a number of industries which we can get to process our agricultural products. We don't suggest that this is going to be easy. We know we are bucking freight rate patterns and industrial patterns. We know that there are going to be obstacles, but we frankly believe, that this strategy will prove productive in the development of Saskatchewan.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — We believe that we can develop industries to produce for the Prairie market. Mr. Speaker, Members opposite are expecting miracles in eight months which they were unable to achieve in eight years.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — Once again, I will say I look around Regina and I see the industries which are here, employing any substantial number of people and I want to ask Members opposite how many were founded in the last eight years and how many were founded under the previous government? I look at SGIO, the source of much scorn by Members opposite and the Power Corporation and I look at Ipsco, and I look at the cement plant, and I look at Dominion Bridge, and I look at these which were established under our Government, and I see nothing comparable established when the gentlemen opposite were on the Treasury Benches. And if they have them, I invite the next speaker up on his feet from the Members opposite, to tell us about the industries that were established in Regina by their government. I have been looking for them. I admit that I ranged rather wider than the Member for Albert Park (Mr. MacLeod) since my constituency is very much larger than his. I haven't seen them, perhaps he will tell me what industries are in his riding.

Mr. Speaker, we believe, also that there is a place for tourism. We believe that much can be done to develop the tourist industry in this province. We believe that this type of balanced development, based upon public, private and co-operative development, based upon resource development, based upon development of the processing of agricultural products, the development of manufactures for the prairie basin and tourism will provide a balanced development offering the best hope for industrial prosperity for Saskatchewan.

Mr. Speaker, this strategy may fail. All I can say is that I am confident it will not fail in such a spectacular way as the development strategy used by the Members opposite.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — I don't believe that Members opposite are proud of their record in creating industry or creating jobs. If they are, they are very easily satisfied. Because it is a record of demonstrated failure. Now we are not relying on that. We are not setting our sights at getting a better development strategy than they developed. That would be easy. We are trying to do a much better job than that. We are trying to do the best possible job of industrial development for the people of Saskatchewan.

We believe that we are doing that. We believe that we have made a good beginning. We believe that we have had some success. We are willing to be judged by our record. We intend to proceed to carry out the policy on which we were elected nine months ago, and in which the people of Saskatchewan expressed their confidence.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — And we believe that when we have had an adequate opportunity to show what that policy can do, we are willing, and more than willing to be judged, to be judged side by side with the policy of failure over which Members opposite presided for seven lean years.

**Some Hon. Members:** Hear, hear!

**Mr. D. Boldt (Rosthern):** — Mr. Speaker, first I want to say that prior to June 23rd, the election slogan then was “Elect us and we will stop immediately the exodus of the people from Saskatchewan.” And where have you stopped it, Mr. Premier? Nowhere have you stopped it. Oh, you say you have trouble with the railway rates sure you had those trouble and you knew about those problems before. You talk about the Saskatchewan Power Corporation now having less employees than they had in 1964, it is just run more efficiently than it was in 1964. The Department of Industry and Information at that time was the Industry and Propaganda and we reduced the staff from about 70 to around 40. It was just a propaganda machine.

Before I go on any further I want to commend the Member for Saskatoon (Mr. Richards) who stood up yesterday and on two occasions . . .

**Mr. Speaker:** — Order, order! I am not going to permit debate on what happened yesterday. The motion is before us and we must stick to that motion.

**Mr. Boldt:** — Oh, I will talk about the television show where I saw him last night . . .

**Mr. Speaker:** — Order, order! The television show is not on the motion moved by the Member for Milestone. These are restricted motions and I cannot permit that because to drag a cat in by the tail won't help our debate.

**Mr. Boldt:** — Nor are some of the industries the Premier mentioned, they are not on the motion and you let him speak on it.

I want the same treatment that the Premier got and I will speak on what I think the motion contains.

**Mr. Speaker:** — I should like to refer to the Hon. Members that the motion says:

That the matter of continuous exodus of established industries.

March 24, 1972

I have allowed a wide interpretation of that from either Member who has spoken so far.

**Mr. Boldt:** — I want to commend the Member from Saskatoon who was on television yesterday, for saying . . .

**Mr. Speaker:** — Order, order!

**Mr. Boldt:** — No, I am not out of order, Mr. Speaker. I am going to say what I saw on television and he said . . .

**Mr. Speaker:** — Order, order! The Hon. Member is out of order. I am sure that if the Hon. Member wants to confine himself by the debate under Rule 17 which is a restricted debate. I hope that the Hon. Member who is an experienced gentleman of this House will abide by the rules.

**Mr. Boldt:** — Give me the same treatment that the Premier got and I will stay within the rules.

Yesterday, the Member from Saskatoon on radio said that industry was leaving Saskatchewan. And if I am out of order you tell me where I am out of order. One of your Members said it on television last night. I want to tell him that he has a difference of opinion. He said that he does not agree with the Liberal way of bringing in industry. I don't agree with him, but if the NDP don't want to do it the Liberal way then we have to do it the way the Wafflers want it.

**Some Hon. Members:** Hear, hear!

**Mr. Boldt:** — That is the only way! And I agree 100 per cent with the Member who got on television yesterday. He pointed out very plainly and I want to agree with him, and this Opposition agrees with him, that if you want to kick the industry out then let's nationalize the industry so that we can at least keep the people here that we have.

Well, you know, I heard Mr. Clem Roles on the Harasen Line — a lot of good NDP people phoned in, or at least several — and they told Lorne Harasen and Mr. Roles to get out of the province. That is what they told him. Those are your party supporters. A fellow by the name of McLeod. Oh, the Premier said that there were some industries leaving the province. Sure, there were some industries leaving the province while we were the government. Most of the industries that were leaving the province were because of the farm crisis. Today the farm crisis is practically solved. What did the Liberal Government do under those circumstances. We borrowed millions and millions of dollars for the farmers to go into the hog enterprise which the Minister of Agriculture condemned day in and day out. Now that he is the Minister he goes out and snips some ribbons on enterprises that were started by the Liberal Government.

**Some Hon. Members:** Hear, hear!

**Mr. Boldt:** — Completely different attitude. He said the

diversification by the Liberal Party of the farmer was just lowering the hog prices and the cattle prices and now he says as Minister of Agriculture that we must diversify. Just like we said there were industries going out and the Liberal Government was concerned. So we brought in the Prince Albert Pulp Mill but the Premier didn't mention the Prince Albert Pulp Mill. Oh, he mentioned a few industries that went out with 50 people employed but we got the pulp mill industry which employs in the neighborhood of at least 1,000 people when you take in the industry surrounding it. What did they do for the Simpson Lumber Company at Hudson Bay and MacMillan Bloedel. That company was going broke and what did we do for them? What about Gulf Minerals? We brought them into Wollaston Lake and it is a wonder that you haven't kicked them out. We brought in the Athabasca Pulp Mill which would have brought jobs to thousands of people but no, they kicked them out and it cost them \$6 million to do it. Choiceland Iron Ore Mines was kicked out. The sawmill at Meadow Lake was brought in just before they became the Government, if it hadn't they would have kicked them out as well. We brought in two sodium sulphate mines, six potash mines were brought in while we were in the Government. But these are all peanuts, they think that these big industries are just peanuts. They want to put up little tourist settlements somewhere or a little tourist industry that will only be in production about three months a year. I have a list of industries that were brought in from 1964. Abel's Cartage, Anglo-Rouyn Armour Industrial Chemicals, Allan Potash Mines, Alfacrete Redimix, Alwinal Potash, Apex Concrete, Artistic Iron Works, Allied Printers, Aero Concrete, Atlas Rubber Stamp, Arc Span Limited, ABC Manufacturing of Canada, Allied Wood Preservers, Agra-Vegetable Oil . . .

**Some Hon. Members:** Hear, hear!

**Mr. Boldt:** — How many did you bring in? There is a whole list of them that we brought in but the Premier deliberately tried to shy away from this. The argument was brought up by the Premier, why would Smith-Roles go out at this time when the estate tax or succession duties were just as high in 1969. Well the argument is very simple, Mr. Roles is as old as I am. I was a young man. Today they will certainly affect everybody that has worked hard and gained a few assets at the age of 54. The defeat of the Liberal Government of June 23, 1971, was the greatest shock that the industrial and business people of this province ever experienced.

**Some Hon. Members:** Hear, hear!

**Mr. Boldt:** — And I want to say it is a crying shame to the 14 or 15 school teachers on that side who were instrumental in defeating this Government, instrumental in defeating the very people that are feeding you.

**Some Hon. Members:** Hear, hear!

**Mr. Boldt:** — And my what a change the Federation has now — they act as if we are their best brothers. They are not satisfied with you any more. But, boy I hope you fellows will suffer that you will live to rue the day, that you will never think about voting NDP again.

March 24, 1972

**Some Hon. Members:** Hear, hear!

**Mr. Boldt:** — Ever since June 23rd in private conversation with business people we are being told by them of their plans to get out of Saskatchewan. It is a sad situation. Not one new industry has come into Saskatchewan but many have left and many will be going. The Member from Milestone (Mr. MacDonald) mentioned a few. That big hog enterprise which the Minister of Industry (Mr. Thorson) calls a bogus industry. Every industry that wants to come to Saskatchewan they brand it before they have even seen it.

**Some Hon. Members:** Hear, hear!

**Mr. Boldt:** — They brand it by the name of bogus. Who is going to come in under those circumstances. I have known Mr. Roles for many, many years. I remember the day when he built the 12-volt arc welder and I went up to his house one day, he lived on Avenue D in a very modest little home, and I wanted to buy an arc welder. I went to his home and I knocked on the door. There was nobody in the shop it was a very small shop in the back yard and I asked Mrs. Roles where Mr. Roles was, I wanted a demonstration. Oh, he's teaching at the university, he's got a class there. I said I should like to have a demonstration before I buy. Oh, she said, that is possible, and she put on a smock and she welded me a bead that nobody in this room could equal for skill. She is one of the best welders that I have ever seen. Here from a little shop a very little shop somewhere in a back alley he moved up into northern Saskatoon and years later to the industrial area and he has developed one of the finest industries in Saskatoon, one of the finest citizens that ever came to Saskatchewan.

**Some Hon. Members:** Hear, hear!

**Mr. Boldt:** — Now that he has reached my age and he has gained some assets through hard work, provided jobs for many, many people from my own constituency who have worked there, now he has to close out because you are overtaxing him. It is a shame, he is moving out. Smith-Roles were a real service to the farmer and you say you want to bring in secondary services. Here we have one but I suppose you will call him a bogus industry. He serves the western farmer. I got a 12-volt arc welder from him, I've got a 220 arc welder from him, I've got a drill filler from him, I've got a drill carrier from him. He builds the type of machines that implement dealers on that side of the House know as well as I, we can use in Western Canada.

**Some Hon. Members:** Hear, hear!

**Mr. Boldt:** — Why is it that Degelman wants to leave? Why is it that our friend Morris Rod Weeder has written in? Morris Rod Weeder also a very fine company building good machines, why are they concerned? Every individual today is concerned. And I want to say again before I close, if you don't want to do it the Liberal way then I support the Richards way, 100 per cent. That is the only way that we are going to keep at least some people in the province and I want to commend the Member again from Saskatoon University for taking the stand he took yesterday.

**Some Hon. Members:** Hear, hear!

**Hon. K. Thorson (Minister of Industry and Commerce and Mineral Resources):** — Mr. Speaker, I was very pleased to hear the Member from Milestone (Mr. MacDonald) this afternoon and to realize that he is at least concerned about economic development in Saskatchewan. After listening to him I can also understand why he is not in the Government. And why the Liberal Government was voted out of office last June 23rd. Let me demonstrate how false his analysis is. Let me show in a few minutes how little he has to offer the people of Saskatchewan who are facing difficult economic problems.

**Mr. Lane:** — You're the Government!

**Mr. Thorson:** — Ah, the little fellow from Lumsden, Mr. Speaker, He ducks out of the responsibility right away, he says you're the Government.

**Mr. Lane:** — I'll be back up.

**Mr. Thorson:** — Good. We want to hear what positive programs the Liberal Party offers the people of Saskatchewan.

**Some Hon. Members:** Hear, hear!

**Mr. Thorson:** — Let me commend the Member from Rosthern (Mr. Boldt). He says in effect this afternoon if private developers will not do the economic job for Saskatchewan then the public sector should do it. That apparently is a new conversion also.

**Some Hon. Members:** Hear, hear!

**Mr. Boldt:** — Mr. Speaker, on a Point of Order. I said if the NDP Government doesn't want to do it the Liberal way then we have to side in with the Member from Saskatoon University, Mr. Richards.

**Mr. Thorson:** — That's fine, Mr. Speaker, I'll let those who heard what he said put their own interpretation on it. I've given mine.

Now, Mr. Speaker, the difficulty the Members of the Opposition are having is sort of like a man with indigestion. They over consumed on the Liberal party line. The Liberal party line is, that since June 23, 1971, there is no economic activity in Saskatchewan. And then there is something that indicates to them that there is economic activity going on, they get very upset. The Member from Regina Whitmore Park (Mr. Grant) referred to that this afternoon in the course of his remarks. He didn't think it was proper for me to say that there was a new coal mine beginning at Estevan in Saskatchewan. And the Member from Whitmore Park took great exception to the fact that I had mentioned that and objected to my use of the term new. I just point out that the Regina Leader-Post which reported the story now from me but from the company.

**Mr. Grant:** — On a Point of Order. Could we get back to the motion?

March 24, 1972

I believe you took exception to one of our Members . . .

**Mr. Speaker:** — I realize that he can't quote from debates that were in here before. We can't quote debates that have been concluded. The Member from Milestone did refer to the mine and as long as he stays to answering the statements of the Member from Milestone which the Member from Milestone used he is in order but not to quote what happened in previous debates here.

**Mr. Grant:** — Mr. Speaker, then I gather that as this debate goes on it is going to snowball I can refer to anything that this Hon. Member refers to when I get up to speak.

**Mr. Speaker:** — That is always one of the difficulties for the Speaker to try to keep that confined.

**Mr. Thorson:** — Well, Mr. Speaker, the point is of course that there is economic activity.

**Some Hon. Members:** Hear, hear!

**Mr. Thorson:** — This mine is new and the Leader-Post headline writer called it new as I do.

The Member from Milestone, the Member from Rosthern, objects to me saying that this so-called hog enterprise is a bogus proposition. The Star-Phoenix story which is headlined, "Hog Enterprise Bypasses Saskatchewan Initiatives for Alberta," contains a statement which is attributed to the man who is apparently behind this scheme, a Mr. Ricafort. And it states in this news story, attributing the statement to Mr. Ricafort, that the apathy of Canadian pork packers is the main reason why large export markets have not been found for Canadian pork. I am surprised, Mr. Speaker, that the Member for Regina Whitmore Park who is in such close communication with Burns Foods Limited, hasn't passed on to the Burns company the intelligence that this opportunity for pork marketing is available. And I am surprised, Mr. Speaker, that Mr. Child of Burns Food Limited, hasn't taken advantage ahead of this Mr. Ricafort of the opportunities which the Members opposite would have us believe are available to pork packers in Alberta but not in Saskatchewan. I suggest to you that when this Mr. Ricafort comes to Alberta if he does, they will find out just as we found out in Saskatchewan when he came here last September, that he is a fast talker but there is no action. That he really hasn't anything worthwhile to offer. And think too of the risk, Mr. Speaker, of trying to develop this very large pork packing operation for overseas markets without being sure that these markets will continue in the future. My officials in the Department of Industry and Commerce, for instance, have just been talking to the Philippine Consul in Vancouver who indicates that in the Philippines they produce 90 per cent of their own pork requirements. That they are not importing any pork from United States or from Canada. I said, Mr. Speaker, that this story refers to a bogus hog operation, I stand by it.

**Some Hon. Members:** Hear, hear!

**Mr. Thorson:** — Mr. Speaker, there are a great many companies in operation which left Saskatchewan during the period when the Members Opposite were the Government of Saskatchewan. The Premier has referred to some. Let me just in the field of mines make it clear and put on the record the ones which left. In the spring of 1964 Gunnar Mining Ltd., in the spring of 1965 the Coronation Mine of the Hudson Bay Mining & Smelting Co. Ltd., in 1966 the Rottenstone Mine Ltd., in 1969 Western Nuclear Mines Ltd. Now in that period of time of course the Anglo-Rouyn base metal mine began near La Ronge. We have heard that it will also be closing its operation this year, 1972. It will be closing for the same reason that these other mines closed, Mr. Speaker, because the ore which they were mining ran out.

The number of companies, Mr. Speaker, which left or ceased operations in Saskatchewan during the seven years 1964-1971 according to the Directory of Manufacturers, if you compare the one that was issued by our Department of Industry and Commerce in 1964 with the one issued in 1971, there are at least 85 or 90 companies which disappeared from the registry, from the directory. Now some of them may have changed their name but I would say conservatively there were at least 80 of them went out of business during the period that the Liberal Party was in office in Saskatchewan.

I am sure that you can go anywhere in Saskatchewan and find businessmen who were making more money and making a greater contribution to Saskatchewan in the years when the CCF Government was in office up to 1964 than there were in the seven years afterwards when the Liberal Government was in office.

Now, Mr. Speaker, the people of Saskatchewan like other people in the prairie area, both on the Canadian side and the American side of the international boundary with the United States, all face serious economic problems. They are problems associated with transportation costs, they are problems associated with a relatively small population, which means that the economies of scale in manufacturing and in service industries cannot be achieved very easily or readily because of the small market and the low population. These problems, Mr. Speaker, will be there no matter which party is in office in Saskatchewan, they will be there no matter how we use the public sector of our economy or how we use the private sector of our economy. What the people of Saskatchewan want to know is what we are all prepared to do about these problems.

I suggest, Mr. Speaker, that we should not panic, we should not jump every time some fast talking salesman comes along like the Mr. Ricafort whom I referred to earlier. There is no salvation for our economic difficulties in that kind of panicky operation.

Now, Mr. Speaker, should we give in to the kind of pressure which every Government will face from people who find that laws which have been passed in the public interest seem to impose a hardship on one particular sector of the community. If a government is prepared to give in to pressure from one group then, of course, we will not have in Saskatchewan, or anywhere else, proper labor standards. We will not have laws which protect our environment. Indeed, we will not have tax laws which produce public revenues. And that, Mr. Speaker, is what the Member for Milestone (Mr. MacDonald) indicated he was concerned about when he moved this motion. The loss of jobs and wages and public revenue.

March 24, 1972

Indeed, Mr. Speaker, without the public revenue we will not have the social services which the people of Saskatchewan as people in other provinces have a right to expect from their governments. And we should not, Mr. Speaker, try to kid people and fool people about the difficulties we face or about what is necessary to solve these problems. We should not be phonies. We should not, for instance, announce that there is going to be a heavy water plant built at Estevan when, indeed, there is no such plan and it never can be.

**Mr. Romanow:** — Did you announce that, Gordon?

**Mr. Thorson:** — Mr. Speaker, I believe that the people of Saskatchewan were fully aware last spring and last June that the Liberal Party had no positive program for the economic development of Saskatchewan and that, in large measure, is why they are out of office. The one thing which they took such pride in talking about, economic development, is the one thing they could not succeed in doing.

I suggest, Mr. Speaker, that this Government will not solve these problems in seven months or fourteen months or twenty-one months. I am committed, this Government is committed to tackle these problems in the following ways, and we believe we will have some successes. We believe we can reverse some of these trends of plants closing, of lost jobs, of population decline.

**Some Hon. Members:** Hear, hear!

**Mr. Thorson:** — I believe it will be a long difficult job. I would anticipate, Mr. Speaker, because of the seven years of the lack of program to reverse the population loss that that will continue for some time yet. But the positive approach which I want to indicate is as follows. We need, first of all, to assess our resources, physical and human, we need to build on what we have here in the prairie area. I suggest very strongly, Mr. Speaker, that we are more likely to see expansion and development in Saskatchewan done by people who are already here than we are by trying to get people to come here. I'm not suggesting for a moment that we wouldn't welcome people from outside. Most of us, or else our families, came to Saskatchewan from some other place. We welcome new people coming in, but I suggest to you, Mr. Speaker, that we shall waste some of our time and effort chasing people outside the province, which we should channel to building up the people and the resources which are already in Saskatchewan.

**Some Hon. Members:** Hear, hear!

**Mr. MacDonald (Milestone):** — Smith-Roles.

**Mr. Thorson:** — Well, Mr. Speaker, they say that's what they did. How can that be, Mr. Speaker, when they cut the staff, personnel of the Department of Industry and Commerce and then with the ones that were left they cut the salaries, Mr. Speaker? How could they use the Department of Industry and Commerce to build up the people and resources that were already in Saskatchewan? Mr. Speaker, the Liberal Party in office made it very clear to the personnel in the Department of Industry and Commerce and to the people of Saskatchewan that they would not use that agency of the Government in the economic development of Saskatchewan.

And, indeed, they did waste time and effort chasing people who are outside the province. And I submit, Mr. Speaker, they lost opportunities.

We need, Mr. Speaker, to use Government agencies in economic development, as I said, to support and build up the people and the resources that are here. The Smith-Roles firm is an excellent example of that being done over a very long number of years, going back to the days of the Government Finance Office under the CCF Government. That firm had the benefit of the technical and scientific research and extension work of our university and our Saskatchewan Research Council. That firm had the benefit of the credit extended by the Government Finance Office, of the loans made by the Saskatchewan Economic Development Corporation.

**Mr. Boldt:** — Mr. Speaker, on a Point of Order. Mr. Clem Roles was asked this question today whether he had any government financing on his plant and he said absolutely none.

**Mr. Speaker:** — Well, the debate is in order, it will have to be established.

**Mr. Thorson:** — Mr. Speaker, I'm not going to quibble with the Member for Rosthern about a matter of fact which can clearly be established from public records. I submit to him that if he will go to the Land Titles Office for the Saskatoon Land Registration District, he will find there mortgages on the Smith-Roles firm land, securing loans extended to them by this SEDCO organization.

**An Hon. Member:** — A socialist organization!

**Mr. Romanow:** — Saskatchewan people's money!

**Mr. Thorson:** — Mr. Speaker, I should like to see more of that kind of thing done. The Government agencies, the University, the research facilities and the personnel of our province ought to be used to help people in private business and co-operative business to provide goods and services for the Saskatchewan market.

We need to use Crown corporations, to enter into commercial activities directly. There will be, I'm sure, plenty of opportunity to debate that. I know the Members opposite like to talk about the shoe factory and the tannery as though this was some terrible things for a government to do, but the Saskatchewan Water Supply Board, that's apparently all right to do. There are all kinds of examples in this Province and outside this Province and the use of Crown corporations to provide goods and services and, Mr. Speaker, there will be in Saskatchewan and in Canada, increasing joint ventures between government agencies and private agencies in the commercial and industrial activities.

We need in Saskatchewan, Mr. Speaker, to take advantage of the assistance financial and otherwise, which can be made available from Federal Government agencies. The reason the Liberals were not taking advantage of these Federal agencies when they were in office is because they had neither the staff nor the budget to pursue the various Federal Government agencies and to develop programs in Saskatchewan which could make use of the

March 24, 1972

assistance that was readily available. I may say, Mr. Speaker, for instance that we are now jointly, in the Department of Mineral Resources, with the Federal Department of Energy Mines and Resources, entering into a study to assess the extent of our lignite coal reserves in Saskatchewan and half of the cost of that study will be paid by the Federal Government agency.

We are also submitting to the Department of Regional Economic Expansion a proposal that they assist us in exploring our Pre-Cambrian mineral area of Saskatchewan. No reason at all why the former Government couldn't have done these things if they had had the staff and the budget and the inclination, Mr. Speaker.

We intend, in the Department of Industry and Commerce, to give a new thrust to our efforts to help Saskatchewan people and Saskatchewan business. Before this Session of the Legislature is over there will be opportunities for the Members to consider new legislation and our budgetary proposals. But let me just outline briefly what we have in mind.

We intend to have the staff and the budget to discover new opportunities for investment, for development in Saskatchewan. We intend to enter into the field of helping directly the business community, to implement new ventures. We are hoping to establish as quickly as we can a business assistance branch which will provide advisory and extension services to businessmen in much the same way as the agricultural representative service provides advisory services and extension services to people in the farming sector of our economy. The Member for Rosthern (Mr. Boldt) sees that and tries apparently to belittle our effort. For instance when we talk about tourist promotion he says that we are talking about something that lasts only three months of the year.

Mr. Speaker, it's a sad thing to see that kind of belittling attitude and approach to economic development in a particular sector in Saskatchewan. It's just such an attitude that is responsible for the lack of action by the Members of the Liberal Party when they were in office and it's just such an attitude and lack of action that lost them the confidence of the people of Saskatchewan.

**Some Hon. Members:** Hear, hear!

**Mr. Thorson:** — We don't think the promotion of the tourist industry, the use of Saskatchewan resources to attract tourists from outside of the province, to supply them with recreation, food, travel and assistance, we don't think that's something small and insignificant in our situation. We think that our lands and our lakes, our forest, our prairie areas have something worthwhile and attractive for the travelling public and tourists who come from all over North America and outside North America. We want to build them up. We want to assist the people who are in the tourist industry to attract people from outside and we intend to do so.

Mr. Speaker, while this Government is in office we shall be announcing various new programs in the economic field. In this difficult problem, as I said, of developing the economy of the prairie area, we have to face up to the fact that all governments in Canada, Federal and Provincial, have to make hard

decisions about where investment should take place and what kind of investment should take place. The fact is that in the prairie area where through mechanism, through improvements in technology, our farms get larger with fewer and fewer people. And I'm not one who decries that. I don't think that we would want a situation where our farms are not productive or fail to take advantage of the latest of improvements in agricultural technology; but as that takes place there are fewer and fewer jobs available in primary production in agriculture. The people who are displaced from our farms must have opportunities for employment, either here in the prairie area or they must go elsewhere. If we simply allow private investors to make decisions about where new plants will be established, where growth will occur, then, Mr. Speaker, I submit that the people of the prairie area, the people of the Maritimes, the people of the far north in Saskatchewan, in Canada, will find that they must move increasingly to areas which are already heavily industrialized and heavily populated. The alternative, Mr. Speaker, is that the people of Canada will insist, through their governments, that development, investment, job opportunities, will take place in the regions of Canada such as the prairie area where there is room for expansion and a need for job opportunities for our people.

Now, before I sit down, Mr. Speaker, I want to make it clear that the prospects for the immediate future are certainly more encouraging according to most of the economic indicators, than has been the pattern of our economic life in Saskatchewan in the last few years. For instance, in 1964 our retail trade was under a billion dollars in Saskatchewan - \$924,000,000; in 1971, according to an estimate of Statistics Canada, our retail trade in Saskatchewan will be \$1.1 billion - \$1,141,000,000, so there is some improvement.

Our realized net farm income in 1964 was \$451,000,000, in 1971 only \$364 million. We are not as well off now as we were seven or eight years ago in our farming communities, but we are much better off in 1971 than we were in 1970 when realized farm income was only \$193 million compared to the 1971 figure of \$364 million.

Again, Mr. Speaker, if we look at housing starts in Saskatchewan, in 1964 — 7,130; in 1971 — 3,560. We are not nearly as well off now as we were back in 1964 but we are better off in 1971 than in 1970 when there was only 1,743 housing starts.

Public and private investment, Mr. Speaker, in 1971 is up to \$934 million compared with \$886 million in 1970 and \$884 million in 1964.

The value of our mineral production, Mr. Speaker, rose to \$421 million in 1971 compared to \$383 million in 1970.

Mr. Speaker, the motion moved by the Member for Milestone indicates a concern about jobs, wages and public revenues. There is improvement in our economy in all these areas since this Government took office. I am confident that there will be continued improvement and I submit, Mr. Speaker, that the statistics I have quoted bear out that confidence.

Mr. Speaker, in this country of Canada we often hear public officials and people seeking office and people in public office, making speeches about the need for Canadian unity. In that

March 24, 1972

context people talk about language rights, about civil rights but the most significant issue in Canadian unity is in the economic field. The most important thing to know about a man whether he is questioning himself or being questioned by others is: how does he make a living and what kind of living does he make? When, Mr. Speaker, we can say to all of the men and women of Canada that their living standards are high, that there are employment opportunities for every able-bodied person then we can be content that our Canadian unity has real meaning for the people of Canada.

Unlike the Members opposite, Mr. Speaker, I don't want to go around preaching doom and gloom for the Province of Saskatchewan or the people of Saskatchewan. I don't want to kid them and try to fool them either. I think all the people of Saskatchewan like the Government of Saskatchewan, have to face up to the facts, have to define its goals, have to work hard to achieve these goals. It is 70 years ago this spring since my grandfathers came to Saskatchewan. They came as pioneers to this province, Mr. Speaker, where everything has not been done, where there are opportunities for the people who are strong enough and willing to take up the challenges. It is not a place where you can lean back and let somebody else do it, where you can hope that some private investor from outside will come in and save us from our economic problems. Mr. Speaker, I want to assure the people of Saskatchewan that in the economic problems we face, in the development programs that are necessary in the private sector, in the public sector and with co-operative effort this Government will do its part. And we are confident that the people of Saskatchewan will support us.

**Some Hon. Members:** Hear, hear!

**Mr. G.B. Grant (Regina Whitmore Park):** — Mr. Speaker, I am an individual who doesn't mind admitting his mistakes and believe me I made a mistake on February 24th or thereabout when I looked at the Hon. Member from Souris-Estevan (Mr. Thorson) and congratulated him and said I had high hopes for him because he was a man of good education, good quality and I felt that he was really going to contribute something to the future of this House. Today, Mr. Speaker, was his one chance to shine forth as a leading light but what did he do, he fluffed it, fluffed it completely. Never in my life have I heard a poorer defence of the Industry and Commerce Department than the Hon. Member just made. What did he say? Absolutely nothing! Now merely because he spoke slowly and deliberately, I am sure didn't impress you and didn't impress us. Most of the Members on the other side were almost asleep or had left the room. I would suggest, Mr. Speaker, that it is too bad that a young man of his potential and his age is being wasted because I still think he has potential and I would suggest that he collaborate with the former Dean of the House, Mr. Brockelbank who had the happy faculty of speaking off the cuff, retaining attention and doing a good job. I hate to see him continue in the vein that he is doing because he did a very poor job.

**Some Hon. Members:** Hear, hear!

**Mr. Grant:** — The Hon. Member behind him could have done a lot better.

It is quite evident to me from the words of the Member from

Souris-Estevan that the Government opposite is on the defence. I have always been under the impression that the best defence is offence, but believe me they haven't said one word that would lead you to believe that they are on the offensive today. They have been living in the past; here is a young man who has been guilty of living in the past; it is all right for me at my age but not at his age, I warn him to avoid that.

He spoke of the fact that we had failed to take advantage of the Federal Government agencies and the assistance that we could get from Ottawa. I should like him some time in the future, not today, to be specific about the opportunities that we missed. I believe the Hon. Premier made the same statement that they were setting up a branch of government to make sure they didn't miss any of these opportunities as we did of sharing in the goodies in Ottawa.

At one stage I was almost ready to become enthusiastic about the Hon. Member because he started to make some suggestions but he immediately spoiled it by saying it is going to be difficult, it is going to take a long time because of the bad mess that we made in the previous seven years. Mr. Speaker, the Premier took most of his time to point out difficulties under our administration. Now whether he is right or whether he is wrong I think it will have to be admitted that we tried harder.

Mr. Speaker, what are we debating? The very first part of the motion says "the continuing exodus of established industries from Saskatchewan." The motion made no reference to when it started, laid no blame on anyone as to the start of it, but the Premier was very careful to name the industries that the former Government were able to set up here way back in the 1950s. He referred to the Steel Mill, the Cement Plant, both heavily financed by Government money, he referred to Thatcher's Hardware on 11th Avenue and all the other things and asked us to name some of the things that came to Regina during our seven years. Well I'll name a few they are still here doing business and employing a lot of people. First of all there is the Regina Inn, a big employer of labor; the Midtown Centre, a fine development; the Vagabond Motel Hotel; the Holiday Inn; the Avord Towers; The Bay. Now I think those are pretty fine examples. During that period the core of Regina changed entirely, up to that point there was great fear that the downtown section of Regina would rot and disappear. But these businesses that came in here in that period helped to anchor the downtown part of Regina.

Mr. Speaker, I am certainly not going to be guilty from here on in of blaming either the Government opposite or blaming anybody in particular. But I want to point out that business has many choices of location they don't have to locate any particular place unless it is a case similar to the potash industry that had to locate here because of the vast deposits and no sizeable deposits elsewhere. Business is very fluid it will go where it can do the best and we have been watching this for years and years.

A good example is the electronic industry that has moved over almost holus-bolus to Japan in the last few years. In other words, competition is keen, we recognize that and governments just can't corral business within provincial boundaries unless they follow the advice of the Hon. Member from Saskatoon University (Mr. Richards) and make it a Crown corporation or

March 24, 1972

make it a government operation. The Saskatchewan Government Insurance Office certainly accomplished this to some degree when it was established because they made it compulsory for the hospitals, schools, Crown corporations to buy all their insurance from that corporation. This is one way of doing it. I don't approve of this and I am glad we changed it and I hope the Government opposite is not so short-sighted in its desire to promote government operated business that they will reinstitute this very bad feature that existed in SGIO from the early days. Just as soon as this type of compulsion comes in, the private sector shies away, you can't blame them, it is natural, there is just no place for them. Actually what I am saying is that government entry into the private sector area is dangerous, is detrimental to the creation of investments in your province. I would warn Hon. Members opposite in their head-long rush to expand government participation in business that they make sure that they are not at the same time chasing out the private sector.

Actually business is very openly concerned about big government. One only has to read what was said recently by the President of the Canadian Manufacturers' Association when he said:

The share of national income annually taken by government expenditures of one kind or another at the expense of the private sector had been mushrooming at a frightening rate and continues to do so.

I was warning of this when I spoke in the Budget Debate and gave figures of what has happened here in Saskatchewan. I am quoting from the same gentleman.

People and their productive capabilities should not be permanently lost to the private sector because that is where they can make the greatest contribution to the real growth of Canadian economy.

Mr. Filion said:

If government spending keeps going up costs to industry will increase. Canada's export position will be less competitive.

Mr. Speaker, it just seems that the present philosophy of the present Government, in my opinion, is detrimental to business. Many of its actions to date have discouraged employment, many of the pieces of legislation that are before us, is worrying employers and it is resulting in a lay-off in some cases, and I refer to the shorter work week, shorter hours and the higher minimum wage. I think the statement made by the Hon. Member from Souris-Estevan when speaking to the petroleum industry has already caused damage. I don't know how he can re-affirm the welcome that he tried to extend that day because he ruined it in his final statement. I know the petroleum industry and others have been to see him expressing their concern. I don't know whether they have been successful in making him change his mind and make sure that he has two feet on the ground and not one in his mouth. The Hon. Member from Watrous (Mr. Cody) seems to take every opportunity, whether it is in this House or in Crown corporations to slap big business. He's quite ready to favor the little businessman, but big business — he is against it. Mr. Blakeney, the Premier quite early announced that one of the ways the present Government

is going to finance all these social programs that they are expounding is by an increase in the corporation tax. That certainly is a wonderful way to attract business. In other words, Mr. Speaker, the present Government is just not in tune with business.

The Family Farm Protection Act was the first move that they made in this direction. The trouble is, they are like the Hon. Attorney General, they just won't admit their mistakes, it took a long time to get him to admit his mistake and I was pleased that he did. As a government they still haven't admitted that The Family Farm Protection Act was a bad Act. But they will, they will and I think the fact that they are not renewing it after July 1st is an indication that they recognize it as a bad Act.

The Collection Agents legislation is another dandy. I should like to have the Attorney General tell me just how many requests he has had for this type of legislation. I doubt whether he has had any, because I expect these collection agents are like anybody else. They want to work a five-day week, 37½-hour week; they don't want to work Saturday, Sunday and holidays, they don't want to phone people before 8:00 o'clock in the morning and I am sure they are not chasing too many people after 9:00 o'clock at night. But here we go, this is a wonderful way to improve the credit of the people of the province. Assignment of Wages Act, that's another one that creates in my opinion a poor atmosphere in Saskatchewan.

**Mr. Romanow:** — Like it did in Ontario!

**Mr. Grant:** — I don't care what Ontario does, one iota. The Sale of Training Courses Act, I haven't really looked into it but it is another inroad or another restriction. The Termination of the Athabasca Pulp Mill Act, that's a new one and certainly it doesn't encourage business in Saskatchewan. The Land Bank Act, I think that could be classed in the same category because I have a feeling and I will admit my limited knowledge about the agricultural industry that it appeals more to the seller interest than it does to the buyers. Last but not least, The Succession Duty Act. And that is all that I am going to say about that because there has been enough said about it.

Mr. Speaker, I should love to see this Government be successful in encouraging business to come into Saskatchewan to the point that instead of getting a front page announcement for \$900,000 expansion to a plant that was in bad shape in 1964, if you want to look back on Agra-Vegetable Oils, it was hanging on the ropes. I am glad they are expanding. But I happen to have the March 20th issue of the Kelowna newspaper and way down, I think it is about the fourth page that I am on, is a little article one inch in one column. It says:

New plant. Buckerfields Limited are building a \$700,000 feed plant and warehouse in Armstrong. The company is also located on Highway 97 near the Kelowna limits.

Armstrong is not a very big place and you can see the impression that \$700,000 plant makes in British Columbia. We are in bad shape in this Province and I agree with the speakers on this side of the House that this is an emergency. We have to pull all the stops and do everything we can and I urge the Government to come forth with some positive worthwhile suggestions.

March 24, 1972

**Some Hon. Members:** Hear, hear!

**Mr. T.L. Hanson (Qu'Appelle Wolseley):** — Mr. Speaker, I really find it interesting getting into this debate, the emergency debate, over the whole Smith-Roles question.

The Member from Milestone (Mr. MacDonald) really tired to hammer home the fact that the Minister of Industry and Commerce (Mr. Thorson) hadn't been in consultation with every business that was going to pull out of the province. But I should just like to point out the fact that the business community doesn't phone us on every day, dictating the policies that we should take because they don't control this Party that the Members here sit for. I say that it is time that we put an end to the free ride for the friends of the Liberals.

While Mr. Thorson, the Minister of Industry and Commerce was speaking, I heard some cries of filibuster from the other side of the Chamber. But I say to the people in the galleries that we have, sitting in Opposition here in this House, the best example of the say lots, mean little, do nothing politicians on this continent.

**Some Hon. Members:** Hear, hear!

**Mr. Hanson:** — Now I should like to take a close look at the company that brought on this debate — the company of Smith-Roles — and I will agree that it is indeed a shameful act that he chooses to leave the province, but I want to bring to the attention of the Members here, whom should we put the blame on? After having established a plant that produces quality farm equipment, I want to ask the Members here, how did he get to the terrific size of plant that he is at today? And I maintain that it was through help from the public purse, in co-operation with the Saskatchewan farmers purchasing made-in-Saskatchewan goods, because mainly every farmer in this provinces tries to purchase made-in-Saskatchewan goods if it is at all possible.

The Member from Rosthern (Mr. Boldt) wanted to get emotional over this thing and say, "I purchase Smith-Roles stuff." Well I should like to point out that I own a welder, a compressor and an acetylene outfit and a drill fill all made by Smith-Roles. My brother owns exactly the same equipment, about an \$800 investment out of every two farms in Saskatchewan is just about in the same category, purchasing from Smith-Roles, between \$200 to \$500 worth of equipment.

We supported this industry as did every other farmer in this province, directly or indirectly, through government loans such as SEDCO and the industrial development fund. Now when we want a fair share, and the people of Saskatchewan want a fair share back, what does Mr. Roles do? He cries foul, foul! My free ride is over he says.

I should like you to look at one of his projects in detail and that is, the combine grain monitor, which is one of his major exporting commodities. Where was the machine developed? Where was it researched? By the Saskatchewan University! This for the farmers of Saskatchewan, to save their grain from being thrown over their combines, built under contract by Smith-Roles,

and at what payment to the University or to the Government for the use of that patent?

I would invite the Members opposite to table all documents with regard to the public assistance to Smith-Roles and all contracts with the university and other government bodies that Smith-Roles enjoyed. Then I think we should ask ourselves, and ask Clem Roles, where is his conscience, where is our conscience? I think we have given him a very good deal from 1947 on. I think it is his responsibility to remain in the province with . . .

**Some Hon. Members:** Hear, hear!

**Mr. Hanson:** — . . . his industry at least. There is no reason at all why he has to pull his industry out if he has been the genius of a businessman that you claim him to be. Even Wilf Gardiner reprimanded him this morning on the Lorne Harasen show and said that he, indeed, owed Saskatchewan something. And before I sit down, I should like to point out to the people in the gallery, Mr. Speaker, as well as to the Members, what the Liberal Party's attitude towards fair taxation is. I should like to point out a specific case — and they are great at using figures — a specific case of a gentleman who is unmarried, without any dependents, earning \$10,000 taxable income under the new Federal tax laws.

If he is a farmer or a worker, someone earning money through sweat, he will pay \$2,285 in income tax, but if he is making his income, his income, through capital gains, through resale of property that he has already accumulated, he will pay how much? \$1,500? No, \$844. Still not too bad you might say. But then, and this is the real guts of the whole Liberal philosophy — what if he makes his living out of dividend clippings and from shares. How much do you think that he will pay in to the income tax in to running the Government of Canada? Not \$750, not \$500 but \$193 into the coffers of this country while the farmers and workers of this country pay \$2,285.

With that I think that the people of Saskatchewan . . .

**An Hon. Member:** — How much do corporations pay?

**Mr. Hanson:** — That's not in my speech. I am not concerned over the corporations. I am concerned about the individuals in this country. I think that the people of Saskatchewan and the people of Canada can judge whether our priorities are right in taxation or the priorities of the Liberal Party are right.

**Some Hon. Members:** Hear, hear!

**Mr. A.R. Guy (Athabasca):** — Mr. Speaker, I am certainly pleased to participate in this special debate today and to second the motion of my colleague the Member for Milestone (Mr. MacDonald).

I think if we need any answer to some of the questions we have raised today we had it from the three speakers opposite. The last one to speak, I think he is from Qu'Appelle-Wolseley (Mr. Hanson) and I suppose coming from a relatively rural constituency, might be forgiven for having no understanding

March 24, 1972

about the requirements of industry or business. Like all the other Members on that side of the House, he has one theme and that is, attack business with a big stick, criticize them, and like the Member for Estevan (Mr. Thorson), call them fast-buck artists, big talkers, bogus industries, and then wonder why everyone is pulling out of the province.

Do you know, Mr. Speaker, the present NDP Government have reached new heights in the last seven months. We all saw the performance for 20 years of failure to get new industry, but we never dreamed that the time would come in Saskatchewan when we would be chasing out the industries that we already have day by day, week by week, month by month.

**Some Hon. Members:** Hear, hear!

**Mr. Guy:** — Never in the history of Canada has any government chased as many industries away in as short a time, as the NDP sitting opposite. And the speeches that we have heard today from Members opposite in this debate is the exact reason why these industries are leaving. At a time when unemployment is at its highest peak in Saskatchewan, higher than it was at this time last year, jobs are being lost every week in industry, due to the harassment of Premier Blakeney, the Attorney General, the Minister of Industry to the Wafflers. Then the Premier has the nerve to come into this House and say that unemployment in Saskatchewan is just a wee bit higher than the lowest, leaving the impression that the lowest unemployment is probably 6 per cent. But we asked him to quote what Alberta's was he didn't have the guts to do it.

**Some Hon. Members:** Hear, hear!

**Mr. Guy:** — Do you know what Alberta's unemployment rate is today? It is 5 per cent! Saskatchewan is 6.1 per cent and he says it is a little weeny bit higher than the lowest province in Canada and he said it was the Maritimes.

We all know that the Liberal Government was right last June when we told the people of Saskatchewan that if you elect an NDP Government you have seen the end of industry and the end of resource development in this province.

**Some Hon. Members:** Hear, hear!

**Mr. Guy:** — In seven months they have destroyed seven years of hard work under the Liberal Government. The Liberal Government tried to widen the tax base, tried to provide jobs and opportunities. We are not suggesting that it is the easiest thing in the world to attract industry. In fact, we are suggesting that is why we have to have an atmosphere and a philosophy that is conducive to bringing these companies in here, instead of the constant harassment from day to day by Members opposite against industry and against business.

**Mr. Rolfes:** — Big giveaways!

**Mr. Guy:** — You know there is a fellow from Saskatoon I think he is

from — well I don't know what constituency he is from and I don't think he knows himself. But if there is any Member in this House that should be standing on his feet requesting the support of industry is the Member Nutana South (Mr. Rolfes).

**Some Hon. Members:** Hear, hear!

**Mr. Guy:** — And yet on other occasions he is one of the first to say, let industry go, who case. There is only one Member from Saskatoon that deserves commendation for his approach. I don't support his approach, but I at least support his courage for standing up and making a speech on behalf of industry. I tell you that after the next election if there is one Member — and there may not be — but if there is one Member from Saskatoon it will be the Member from Saskatoon University (Mr. Richards) who will be back in this House. And he will probably be the leader of that Party over there by that time, and Minister of Industry.

On June 23rd the wrecking crew moved into this province. First of all they wrecked the pulp mill with hundreds of jobs gone down the drain. Revenue and opportunity for our Indian and Metis people was all thrown out the window. Next they wrecked the Choiceland Iron Development. Then the Wafflers came along and they said, "Oh, you fellows aren't moving fast enough," to their own Government. "You have to nationalize the oil and you have to nationalize the potash industry." Then they brought in the Implement Dealer legislation the first few months they were in office.

Industry was waiting for the first example of what the atmosphere would be like under the NDP Government and believe you me they saw it in no uncertain terms. Industry today is filled with fear of the people that sit opposite. The first few months told them that the new Government was anti-industry as they had the reason to believe.

Their worst fears came to pass and since then the surge of industry out of this province has become a flood. And those who are still here are now trying to get out before it is too late in view of the Estate Tax legislation and the legislation which my seatmate mentioned just a few minutes ago that I am not going to take the time to review.

What has been the Government's reaction to this? Instead of trying to stem the flood, build up the confidence of the business community, the Premier and the Government has resorted to the big stick.

Imperial Oil October 1st, less than three months after they took office, announced plans for consolidation. The Premier's only reaction was to threaten the company. They received the same threats in Manitoba and I suggest it is no coincidence that there is an NDP Government in both provinces. Instead of sitting down and saying, well now let's see if there is anything that we can do to help you, the Premier blamed the industry for their move. This is what the Premier said:

Saskatchewan Premier Allan Blakeney said the Imperial plan is bad regional economics.

He was down East and he didn't even come home and discuss with Imperial Oil the leaving of the province before he had all

March 24, 1972

the answers. In a telephone call from Montreal Mr. Blakeney said:

The move is another example of consolidation which is designed to serve the narrow interests of the corporation.

He couldn't wait to get back to Saskatchewan and to attack the corporation. I now suggest to you, Mr. Speaker, that if it was the corporations that he was visiting in Montreal to try and get some money from, it is no wonder that he came home with an empty purse and an empty pocket as far as any industry or any development in this province. He couldn't even wait to get back to attack the industries that we already had.

And then he said that the company will be advised that any phasing out of its refinery will force the province to reconsider its purchasing policy. And to consider steps to encourage the continuation of petroleum refining in Saskatchewan by our own company.

Was he sorry to see Imperial Oil go? I would suggest to Members of this House that he wasn't particularly sorry to see Imperial Oil go. He wants these refining companies out of here so that he can start one of his socialist fiascos that he was so keen on back in 1944. If you will look at the record, Mr. Speaker, you will find that there was not one — and I am saying not one Crown corporation started from 1944 to 1964 that was successful, that didn't have a complete monopoly in this province.

Now he says that we are going to develop Saskatchewan by Crown corporations. The only way that he is going to do it is to completely abolish the private sector, because no Crown corporation will survive under the management and the administration of the socialists unless they do have a complete monopoly.

Then he went on and continued his attack on Imperial Oil by saying it is reflecting the image of big corporations that couldn't care less. Instead of sitting down and talking with this corporation all he could do was wield the big stick.

Then he brought in the oil explorations policy, which had been tried before 1964 and found wanting, opposed by the oil industry, but again, they brought it in with no consultation. Then on February 15th the new Minister of Industry, a man who we thought was going to bring a new breath of fresh air to the development of industry in this province could hardly wait to get on his feet as the new Minister of the Crown to attack industry. He threatened the oil industry. Then one week later the Waffle urged the taking over of the oil industry. Then about a day after that there was an attack on Gulf Minerals. Fortunately, this company is not connected in any way to the Government. They are bringing in a uranium mine in northern Saskatchewan in spite of the NDP. They want to be left alone. They don't need any particular assistance from this Government because their first relationships with them have been completely a failure. The townsite is gone. They are going to have to provide other means of getting their men to work. They've receive no co-operation, but then why should they, they're a big corporation. They are a private enterprise corporation. Mr. Speaker, is it any wonder in view of these concentrated and constant attacks on the oil industry that they are frustrated and leaving the province? They don't have to face threats in

the Province of Saskatchewan and Manitoba when they are welcome in the Province of Alberta.

The potash industry is another example. They were threatened by the NDP before the election, during the election and after the election. In previous debates I have shown the fear that was created and is existing and the effects on the industry of not knowing where the Government stands in their relationship to nationalization which they have been talking about for more than a year. They don't know what's happening. they don't know what to expect. They've heard that the Government is going to bring in new potash royalties at a time when they are just beginning to get on their feet. Again, this was done without consultation. The former Minister of Mineral Resources who was so against prorationing, met with them last December and in his first speech to the potash industry said, "Fellows, we've got big news for you. We're going to increase your royalties." That's the first message they got across to the potash industry. So, it's no wonder, Mr. Speaker, that when resource and primary industry have been threatened from the very day that these people have taken office, that secondary industry today are beginning to wonder when their turn is coming and they know now that it has already come.

The Government has stood idly by, let these industries go, in many cases assisted them to go, not caring or trying to stop them. Their only intent as I said earlier is to get all of private industry out of the province so they can fill the vacuum with kooky socialist enterprises without fear of competition.

**Some Hon. Members:** Hear, hear!

**Mr. Guy:** — Today we are debating as a result of the confirmation that Smith-Roles is moving out of the province. And the Government was taken by surprise. All I can say is, what is new about them being taken by surprise when industry leaves the province? We have here in the Leader-Post of March 21st that Quaker Oats mentioned they were going to close down and the Government was unaware of the mill closing. And on the same day Anglo-Rouyn announced that they were going to close and again the Government said, "Well, closing of the mine has been rumored for some time but we met with the officials last week." That Government over there, Mr. Speaker, is a complete failure when it comes to getting in touch with industry. They don't know how to consult with industry. They don't have any means of communicating with industry. They don't want industry, is the only conclusion that any sane-minded person can reach. I think they should have made the former mayor of Regina the Minister of Industry. At least he has made speeches in this House where he shows that he appreciates the development and the benefit of having industry in a community.

Now, of course, Mr. Speaker, we've got to look and see what the future holds for industry. And this is one of the main failures of speeches opposite today. They have dwelt completely in the past. They had a long list of industries that left when the Liberals were in office. What they didn't mention was a long list of industries that came in while the Liberals were in office. Today we've got a long list of industries leaving the province because of the NDP. But we haven't got one, and I remind you, Mr. Speaker, not one new industry that is coming to take the place of those industries that are leaving. At least the Liberal Government was able to maintain a balance between

March 24, 1972

those coming and going. This Government over there, they've got only one direction, and I think it was quite significant that in the Budget the Premier and Provincial Treasurer said, "We are going to take a new direction with industry." They've taken a new direction all right. And it's a direction straight away from Saskatchewan. That's the only direction they've got, straight away from Saskatchewan.

**Some Hon. Members:** Hear, hear!

**Mr. Guy:** — No, Mr. Speaker, as bad as the past and present have been for industry under the NDP Government the future is going to be worse. The harassment, the threats continue, the attacks on the corporations and business continue as my colleague and seatmate mentioned. There isn't a day that goes by in Crown corporations that the Member from Watrous (Mr. Cody) or the Member from Saskatoon Nutana (Mr. Robbins) get up and condemn the banks, condemn any corporation that has got more than one member or one shareholder. That's what they call big business. And you know those are the ones — he's getting up on the edge of his chair — one of these days I think that he might get up in this House and make a speech in favor of industry. And if he does, no matter where I am in this Province, I hope you'll let me know so I can come and hear it. I want to hear any speech that the Member for Saskatoon will make on behalf of keeping industries in the province. You know, the new Senator from Saskatoon was a little disappointed in them. He said that if they don't get the Romanian factory up there that everyone of them should resign. I think that probably we agree with that.

You know, Mr. Speaker, there has been a never-ending attack on industry. There has been an ever-growing crescendo of abuse aimed at business. Anyone that makes a profit, anybody that has a business of his own, they are the bad guys according to our friends opposite. The legislation has already been mentioned here today and the effect that it has had on industry in this province. We've had them leaving as we see, Burns Foods caught them by surprise, Quaker Oats caught them by surprise, Anglo-Rouyn caught them by surprise, Smith-Roles caught them by surprise. You know, one begins to think that there is only one thing that happens over there, they get surprised. Yes, and I'll tell you there may be some other surprises as well.

One of the problems of our friends opposite, of course, is not taking this in a serious vein. They are laughing. Look at our Members over there presently laughing. The Minister of Industry got up earlier today and said, "The people on June 23rd gave us the mandate for this." Now, I don't know what he means, a mandate for this. Because what we are debating is the industry leaving the province. So I can gather from his comments that exactly what they are doing and that's exactly the attitude that our friends opposite have taken towards industry.

**Some Hon. Members:** Hear, hear!

**Mr. Guy:** — Whenever they get up to make a statement about getting in touch with industry it's always too little and too late. They are already out.

You know, there is one man who has to be responsible for this, I forgive the Minister of Industry for this. He's young,

he's coming in through the door, not very spritely I must admit, after all he did make a long speech today. It wasn't particularly enlightening, but it was long. I had a little sleep, I must admit, I missed a little bit of it. If the last of it was no better than the first, I don't suppose I missed much either. But I'm not blaming him. He's a new man. He's tired after the campaign he waged down in Estevan. The one man to blame for the exodus of industry is the Premier of this Province.

**Some Hon. Members:** Hear, hear!

**Mr. Guy:** — Because he has shown the almost unbelievable lack of concern. He sits there in his little ivory tower where the businessmen can't get to see him. The Throne Speech had nine lines in it to say that they are going to do something for industry. And I pointed it out in an earlier debate, it was just a tremendous program for industry. I had it figured out, \$2 for each business. That was the big program that he went up and down the province from one end to the other saying we're going to help small business, we're going to give them \$2 each, it won't even pay for the stamps. You know, Mr. Member from Nutana South (Mr. Rolfes) that won't even pay for one phone call to tell the Premier that they are pulling out of the province. It won't even pay for one phone call to tell them that they are leaving the province. Then today he says, we've got a new program for tourism that is going to be the salvation. We hope that they do get tourism in this province. But we've got to face the economic facts of life that tourism is only a four or five month proposition. What are you going to do with the rest of the people for the other seven or eight months of the year if you are not going to have some basic resource industries. We know that tourism will thrive if you get some of these other developments. So while tourism can be important and no doubt will be important, I don't think it's the 'key' as the Premier says, to solving all the problems of unemployment and jobs for our students today. And if we ever had any doubts, if we ever had any reason to believe that the Premier has fallen down in his responsibilities to business and industry, the unemployed, the students of this province we heard it today in his speech. Never in the history of this Legislature has the Premier of a province got up on a Priority Debate or any other debate with as weak an argument as he had today.

**An Hon. Member:** — You weren't even listening to him.

**Mr. Guy:** — He took almost the full time that he was on his speech talking about what had happened from 1964 to 1971. Well, Mr. Speaker, if that was what we were interested in we would have put that as a Priority Debate. What the people of Saskatchewan want to know today is what the Premier and the Government opposite are going to do now, what are they going to do today, tomorrow and next week to bring the exodus of these companies to a halt and he didn't have one suggestion. And the Minister of Industry said, "We're waiting for the Liberal Opposition to provide us with some suggestions." Well, I can give him one suggestion which will cover the whole side of that House.

**Mr. Lane:** — Resign!

March 24, 1972

**Mr. Guy:** — Yes, the Government could resign, but I don't think even that would help. No, Sir. There is only one suggestion needed and that is to get off the back of industry. Get off the back of industry and give them an opportunity. Sit down and consult with them.

**An Hon. Member:** — Sell them up the river not down the river!

**Mr. Guy:** — Sit down with them and say, you're welcome in this province, instead of getting up and attacking them at every opportunity. That's the first and foremost thing that you can do to create confidence, create an atmosphere where industry will feel welcome. But I think that's a little too much to ask from our friends opposite. Yes, that Member from Saskatoon he's done a lot.

It was regrettable today that the Premier of the Province, and the Minister of Industry had not one, not one solution, not one suggestion as to what they could be doing to keep industry in this province. They spent the entire time that they took in this debate going over the list of what has happened in the past. And then they go on to say, that on June 23rd they were given the responsibility for the future. And yet not once did they take the time to show what the future holds for industry. The industries are judging the future on the past and present of that Government and it's been a sorry one. Here was the opportunity for the Premier to once and for all tell industry and tell business that they do want them here in the province and he blew it. He was like the former Minister of Mineral Resources who every time he had the opportunity to give industry some security and some peace of mind, he blew it. No, Mr. Speaker, the problem is not what happened yesterday or what happens today. That wasn't why this Priority Debate was called for. The debate was called for one reason only, to find out what plans the Government has for tomorrow and we found that they haven't any. They are completely bankrupt. They have no concern for industry. They have no concern for anything but their little pet Crown corporations which they are going to establish when and if they are able to get industry out of this province.

Well, Mr. Speaker, I could go on for another hour about the shortcomings and the weaknesses of the Government opposite, but I know there are a few others who want to take some time in this debate. I think I have pointed out the basic philosophy of those people opposite. Their only answer to the problems of industry is to let them go and set up their own oil refinery and their own exploration and development companies or threaten to nationalize uranium, potash and oil resources. Three Members have spoken over there. Not one of them has had an answer. And the Premier was the biggest disappointment of them all. They blame industry, they blame the Liberals, they blame everybody. Their eyes are shut. They've got no answer, they have no responsibility and it's too bad that we have to wait three years before we get the opportunity to remove them.

**Some Hon. Members:** Hear, hear!

**Hon. R. Romanow (Attorney General):** — Mr. Speaker, in this special emergency debate, I know that the Member for Albert Park (Mr. MacLeod) from time to time

in other debates talks about rules and the like, written and unwritten. I am sorry I don't want to be inflammatory in what I say, I'll back down. I'm sorely tempted but I'm not going to be moderate in that regard at any rate.

May I say, Mr. Speaker, that this debate certainly for me has been an interesting debate, it's not for the reasons that some of the Members of the Liberal Party opposite think that it is interesting. Very frankly I think when this is reported in the newspaper and on radio and television, the people of Saskatchewan will realize that what we have seen here for the entire afternoon by the Liberal Party is a regurgitating and rehashing of the same old tired election slogans and the tired old election speeches made eight months ago on June 23rd. The same old Liberal rhetoric. In 1971 during the election campaign I had the pleasure of touring the province, everywhere that I went there was a newspaper report of some Liberal saying that if you elected the NDP everything would be done in a detrimental way with respect to industry. So I don't think that there is anything new that the Liberal Party is offering in this debate. I say that it will come out in the Press of Saskatchewan and to the people of this province that it's the same old, tired, jargonized, stylized Liberal rhetoric that the people of the province overwhelmingly rejected on June 23rd.

**Some Hon. Members:** Hear, hear!

**Mr. Romanow:** — But I did say that the speech was interesting and that it was, Mr. Speaker. Because for a while there after the defeat of June 23rd I thought the Liberal Party was chastised. We had a new Leader of the Liberal Party, we had a new Liberal Party and an offshoot of it, Group 171. This was going to be a Liberal Party that learned that it wasn't going to be able to win elections on sloganeering. This was the Liberal Party that realized that they called some people some names and the people of Saskatchewan didn't go for it. This was the Liberal Party that was going to present a new image of alternative positions to the people of Saskatchewan. And I thought for a while that many of the Liberals forgot the use of the word socialist until I heard the speeches this afternoon and realized it was that same old reactionary Liberal Party. They couldn't keep it covered up for much longer than eight months. There we had the deputy leader of the Liberal Party, the Member from Milestone (Mr. MacDonald) talking about socialist communist enterprises, as he pounds the table. One other word that I hadn't heard for a long time was the word used by the Member from Athabasca (Mr. Guy) about kooky socialist. I should tell some of the new Members in this House, on this side of the House that this was one of the favorite words of the former administration, kooky socialists. They used to call our young people 'kooky young people'. They used to call trade unionists, who objected once in a while to some of their abhorrent labor laws, kooky or socialists or communists, they rebaited eight months ago. We thought that this was a brand new Liberal Party.

**Mr. Guy:** — You forgot one.

**Mr. Romanow:** — Which one did I forget?

**Mr. Guy:** — The teachers.

**Mr. Romanow:** — Yes, sure, I forgot lots, kooky, socialists, a number

March 24, 1972

of these name-calling techniques, the Liberal Party did it. You know I was very surprised that the Member from Milestone slipped out of his new political posture because you know it doesn't enhance his image. He was beaten, his government was beaten for a number of reasons, one of which was that type of jargonized approach of being kooky and being socialist and being communist and all these other things. He was defeated on it, he was going to buy that, he was going to be one of the new white hopes of the new Liberal Party. He used this emergency debate and back they came to the same old, traditional posture of the Liberals for years. You know, Mr. Speaker, I want to tell some of the younger Members of this House the first time I heard that type of speech that the Member from Milestone and the Member from Athabasca gave today was back in 1961-62 when I was in university. I then heard, and I say this sincerely, the respected Leader of the Liberal Party, the late Mr. Ross Thatcher speaking that way because he had a clear position. I didn't agree with it at any time, that type of hard-nosed approach, pro-business all the time, anti — what I think is — humanitarian but he took it as a clear position. He advocated it with honesty. In 1961-62 that slogan was on the rise in the Province of Saskatchewan. They won power in 1964 on that slogan and they won it in 1967 and they maintained and used it. I recall in 1969 I said, the Members of our side, you've lost touch boys. The people of Saskatchewan don't react to kooky and socialist anymore. They don't react to fears of slavery that are being injected by the Members of the Liberal Party opposite. We were saying it and we were proved right on June 23rd. Now if you think it was funny in 1962 and 1969, how do you think it was today to hear the Member from Milestone, ten years later when the Party is at its decline, repeating those slogans that defeated them June 23rd.

Well, I'll tell you, Mr. Speaker, that I personally had two feelings when I heard socialist and kooky and all the scare talk by the Liberal Party. I had two reactions, I was both saddened and I was relieved. I was sad because although I will always object to the Liberal Party of Saskatchewan in its reactionary base that it has now reconfirmed itself in. I'll always be opposed to that. I was sadden because I don't ever think that that form of debate contributes one iota to the resolution of public issues in the Province of Saskatchewan. I think the people of Saskatchewan thought that on June 23rd, that's of a bygone era. So I was saddened. But I was relieved as a politician that the Liberal Party hasn't realized that the people of Saskatchewan rejected that approach. I was relieved to realize that it's the same tired old party that talks the same old tired old slogans. Members opposite said in 1964 when they came into power that it was going to be they who industrialized this province. They came out with the most leather-lunged propaganda machine in 1964 that the province had ever seen in its history under the Liberals. One of their best known advertisements was in 1964, almost a quarter-page ad, the headline is "The New Government in Saskatchewan," a statement by the Hon. W. Ross Thatcher, Premier of Saskatchewan. It starts out saying:

As everyone I think realizes Saskatchewan from 1944 to the middle of 1964 had a socialist government. It was our good fortune last April to defeat that government.

What kind of government are we going to provide? We're going to provide middle-of-the-road government.

Error number one. From 1964 to 1971 if it was any type of a

government that we had in Saskatchewan, it wasn't middle-of-the-road. He goes on to say, "We're going to have major tax reduction."

Mr. Speaker, my first session in the Legislature was in 1968, the major tax reduction that I saw a tax on every conceivable item that could be taxed under the Education and Hospitalization taxes in almost every are placed by the Liberal Government. But in 1964 that's how they were going to introduce industry into Saskatchewan. That was the statement, the new Government of Saskatchewan. And the ad says this:

The expansion of industrial development and investment to provide jobs in Saskatchewan will require a spectacular advance in industry.

That was in 1964 right after the Liberal Government campaigned in April 1964 that they would get 80,000 new jobs for us. The final statement was:

The paramount aim of the new administration will provide the favorable atmosphere and incentives that will enable such expansion to take place.

Mr. Speaker, nothing has proven to be more false than that ad that cost us something in the neighborhood of \$5,000. The failure of the Liberal Government from 1964 to 1971 will forever be written on the history books of Saskatchewan when it comes to industrialization.

I want to say when the Member from Whitmore Park (Mr. Grant) gets up and says, oh, we had our difficulties. Difficulties, it was a disaster area for industry under their part in 1964-71. It was a disaster area because of your economic policy. You had none — catch as catch can. You were aided and abetted by your Liberal colleagues and friends in Ottawa — they had none. It was almost a depression in 1969-70, the climate in the Province of Saskatchewan was terrible. Why do you think we won with 45 seats and you fellows lost with 15. That's what your policies produced. Those are the policies that we are now trying to reverse. Any business failures for which the Liberals opposite try to say we are at fault, I want to tell the people of the Province of Saskatchewan that everyone of these industries can be blamed to the Liberal Party for withdrawal.

**Some Hon. Members:** Hear, hear!

**Mr. Romanow:** — Make no mistake about it that if there is any destruction or diminution of our industrial growth today in Saskatchewan after eight months of NDP Government it is the Liberal Party to blame. The people of Saskatchewan have got them to blame for it.

What about the Liberals? They say, well you closed down Imperial Oil. That's what they say in their speeches today, yet you look in the newspaper after the Speech from the Throne and the Leader of the Opposition appears to say that you can't blame the Government for the closing down of Imperial Oil, after all it's technology. It was widely rumored and the Member for Regina Lakeview (Mr. McPherson) I'm sure would corroborate this, it was widely rumored for about a year before they actually

March 24, 1972

closed down in 1970-71, that Imperial Oil was going to close down. The Liberal Government knew about it. The Member from Milestone knew about it. Yet you did nothing to maintain that industry for the Province of Saskatchewan. Some of you people don't know what the word automation means and the impact it has on the growth of Saskatchewan. Because if you did you would be planning for it. You sat behind your big desks, smoking cigars, talking about private enterprise while the province was on the verge of bankruptcy, thanks to the Liberal Party of Saskatchewan.

Then they talk about Quaker Oats, they talk about Burns. You go through the newspaper clippings and what do you see that management officials say. They will tell you that they are having problems with respect to inadequate facilities, they are having problems with respect to automation and technology. Quaker Oats as an aside, is having problems with the export market. This is something that comes under the jurisdiction of your friend and colleague, Otto Lang. Rather than talking to us and wasting the time of the taxpayers in this type of a debate you should be on the 'phone talking to him to open up export markets if you want Quaker Oats to open up again. You people have done nothing whatsoever in this area. For seven years when you were in Government you had the prestige of office, you had the power of office to be able to go down to talk to Otto Lang, to talk to Trade Minister Pepin and to talk to Prime Minister Trudeau about the problems of Saskatchewan. What did you do? You fought them, you didn't sit down to talk with them. You tried to blame them for all the faults. It wasn't us, the Province of Saskatchewan Liberals, oh, no, it was the Federal Liberals. They're the ones at fault. You played cheap politics with the people of Saskatchewan. I wouldn't have been so hard on you in my own personal views if you had gone down there and at least tried to negotiate and talk negotiations and take a legitimate position but you didn't. You tried to say, I'm a Liberals sometimes when it suits me but I'm not a Liberal most of the time.

Now I want to tell the Member from Milestone that when you come to this House and you try to tell the people of Saskatchewan that Burns and Quaker Oats closed down because of this Government's policies, I say to you that you are not telling the truth to the people of the Province of Saskatchewan. I say to the Member from Milestone that we now have the business of Smith-Roles, this is the man whom the Member from Milestone knows personally. I happen to know Mr. Roles personally as well. This company has been going for some considerable time, it has been growing in Saskatchewan and it started during the days of the old CCF, not the Liberal days. I'm surprised it didn't go bankrupt during your seven or eight years. Smith-Roles has received public funds to expand and to develop to provide the needed market. You deny that loan but it has used public facilities to expand the business, to provide the services. I welcome that, that's what we are here for. He's had good close relationships with the University and I am sure they welcome it. That's what part of the University is there for. All of these things are all involved in the process of trying to get industry developed. But I want to tell the Member from Milestone that he does no service to the people of Saskatchewan whatsoever when he tries to use this as a form of blackmail against the Government of the Province of Saskatchewan. Because that is exactly what you are doing with respect to this type of a debate. Anybody who says that after prosperous years building up profits and contributing as good citizens to the

Province of Saskatchewan as Smith-Roles has done, that they can't live by the estate tax laws as every other citizen of Saskatchewan has to do, then I say that there is something wrong with your argument. And I say more particularly there is something wrong with the Liberal argument. You people didn't raise one voice when the former Minister of Health placed an estate tax on the mentally incompetent but you raise all sorts of voices now because we have put on a proper succession and estate tax in the Province of Saskatchewan. Where are your priorities? You know where your priorities are, they are where they always have been and that is with a few corporations of Eastern Canada who have milked Saskatchewan and you people in presenting this debate have been dishonest with the House, dishonest with the people of the Province of Saskatchewan and you should be ashamed of yourselves.

**Some Hon. Members:** Hear, hear!

**Mr. Romanow:** — Mr. Speaker, one could go on and enumerate at length the questions of industrial closures. One could go into detail in absolutely massive volumes the number of industries that were driven out by the incompetency of the Liberal front benches. I could make a speech on that alone but they are not chastised, they don't even have any humility, they don't even realize they lost the election of June 23rd. It's as if everything had been blotted out. Do you honestly think that the people of Saskatchewan will really believe anyone that in eight months time we can prevent industry closure or reverse the trend that you people created? Do you honestly think that? I don't know what politician other than 19th Century Liberal politician, the type that sit in this House, would honestly believe that the public posture that was fully debated for months leading to the victory of June 23rd, could honestly think that eight months later they could still win that again. I don't know what is really behind this other than I suppose the fact of the matter that it is pure politics. As the Member for Milestone nods his head saying he thinks that they could win on this type of an issue. That's the reason why this motion is before you, that's why we wasted thousands of dollars in meaningless debate in old Liberal speeches about socialists and haven't gotten down to talking about the issues of the day. We could have been talking about Estimates, Industry Estimates, where the Members could have had meaningful questions about the programs of my colleague, the Minister of Industry (Mr. Thorson). The Premier said the other day the Member from Souris-Estevan is going to talk to Smith-Roles, see what the facts are, ask Smith-Roles to co-operate with industry, see what we could do to help out the problem. You wouldn't give him a chance to find that out. No, what they had to do was try to embarrass the Government in this debate and end it up embarrassing themselves to those very few who still remain supporting them in the Province of Saskatchewan. Shouting, name calling, disrespect for procedures and rules, any tactic going by the Liberal Party is a fair tactic. Liberals have only one thing in common, Mr. Speaker, wherever they are, not political principle, not political philosophy, not a belief in all the things they talk about, but only one thing that they want. Power, political power. They'll do anything, they'll ask any questions, they'll make any speech as inconsistent, as contradictory as it is to try and get power. And if you think in 1972 that that type of an approach will work with the people of the Province of Saskatchewan, if you haven't learned after June 23rd, you never will learn.

**Some Hon. Members:** Hear, hear!

March 24, 1972

**Mr. Romanow:** — Mr. Speaker, I want to close by saying in respect of this debate, that the Liberals, their arguments, their position, in my view is as phoney today as it was in the last seven years of the administration.

**Some Hon. Members:** Hear, hear!

**Mr. L. Larson (Pelly):** — Mr. Speaker, I rise for a few moments to take part in this political debate. I find it very amusing and very sad to believe that the Members opposite can't at this late date realize that the election is over. It was over on June 23, 1971. I can't quite understand why all these antics and tactics and all these moves to try to recreate another election issue. It can only be, as my colleague has said, a desperate effort to try to gain a few headlines, to try to gain a little publicity, a little cheap publicity as far as I'm concerned. As a citizen of Saskatchewan I've always prided myself on the integrity and in the general attitude of its people. I have been around a little bit and I've met quite a few people and I have always tried to convey the message that I was very proud, proud of being from Saskatchewan, a citizen of it. After these antics and these tactics today I don't know, I feel that probably I won't feel, even though I may try to pretend.

You know, we've heard a lot, this afternoon about industry on the provincial level. We've heard a lot about all the kinds of things that came and went and stayed and so on. I want for a few minutes to talk about some of the things that don't specifically concern the whole province but do concern individuals who are much more important and that is some of the local people.

You know when I look around home during the long lean Liberal years I see many things that happened and I'm wondering where the Government and the emergency debates were at that time. You know when I look around my own area I see a John Deere dealer closed out at Kamsack. I see a John Deere dealer closed out at Norquay, a John Deere dealer closed out in Canora. I see a John Deere dealer in Pelly gone, one in Wroxton. Where did they go? Where were the Liberals boys when all these people, all of them employing two, three, four, sometimes five people, where were they when this happened? Where was the emergency debate at this time.

You know I'm wondering about where our Liberal friends were when our station agents were being taken away and being closed. The local people put up a very strong fight, a very real fight to try to keep some of these stations with their services open. Where were the Liberal boys and where was the emergency debate when this happened? The people at Arran held meetings. They invited everyone they could think of to try to hold their station open. The people at Mikado did the same. The people at Hyas. No time did I hear of any emergency debates, no time did I hear of any very great rumblings out of Regina or Ottawa. We submitted briefs, we submitted several protests. We didn't even get a reply to them. Where were you those days? Where were you when some of the saw mills in the Porcupine Reserve were being closed? Where were you when the Stadniuk boys were being closed out, the Radachuk Brothers. They had been in the sawmill business for about 15 years in the Porcupine Reserve. Closed out ruthlessly. Where were you when many of the others were being closed down?

Well, it seems to me, Mr. Speaker, that probably our Liberal friends were drinking coffee or tea or smoking cigars with MacMillan Bloedel.

**An Hon. Member:** — Carl Landegger.

**Mr. Larson:** — Yes, probably even Carl Landegger. Where were you when these boys, some of them employing 40 and 50 men in the bush and today out of business? Their sawmills closed. Where were you? Why didn't you answer some of these questions and why didn't you answer them when you were in the Government? Why did you sell out to the Simpson Timber Company? What about some of the small construction outfits working under the former Government? Probably not as efficiently, probably not as well, probably not as illustriously, probably with not as much money behind them. When you came into power none of them got contracts. They all disappeared. Matheson Brothers at Yorkton are gone. The Radachuk Brothers of Arrabella are gone and I could go on and name several others. They went into bankruptcy. Some of them have got machinery sitting around rusting. Where were you? How come you didn't raise emergency debates?

**Mr. Speaker:** — Order, order! I should like to say that subsection (12) of Rule No. 17, says that all the foregoing proceedings should not be adjourned and unless sooner concluded shall end at the ordinary time of daily adjournment. It is now the time of ordinary daily adjournment. Under subsection (12) of Rule 17, it is my duty to declare that this debate is now closed.

The Assembly adjourned at 5:30 o'clock.