

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session — Seventeenth Legislature
68th Day

Monday, April 30, 1973.

The Assembly met at 10:00 o'clock a.m.
On the Orders of the Day.

Second Readings

Hon. G.R. Bowerman (Minister of Northern Saskatchewan) moved second reading of **Bill No. 125 — An Act to amend The Northern Administration Act.**

He said: — Mr. Speaker, this Bill is an Act to amend The Northern Administration Act and it deals with the long awaited and, what I would suggest to you, Sir, is a milestone in the development of Northern Saskatchewan by the implementing of the principle of providing those provisions which will accommodate local government in Northern Saskatchewan. I suggest to you, Sir, that this Bill is another evidence of one of the commitments which this Government made in its election campaign in 1971. It is the fulfilment of that commitment by providing for the development of the necessary provisions for people in Northern Saskatchewan to undertake local government with respect to the administration of their communities of the North.

This new deal for the people of Northern Saskatchewan will provide them with the long awaited right to nominate and to elect local government. This Bill extends to approximately 15,000 of our Saskatchewan citizens for the first time in our province's history the democratic principle which the rest of Saskatchewan citizens have generally taken for granted as an alienable right. This situation in the North, Mr. Speaker, is not well understood by the rest of Saskatchewan, even by many of the Members of this Chamber, that the rights of self determination to administer local government have been denied the citizens of Northern Saskatchewan for this long time in our province's history. Statements have been made and are virtually true that the Governments of Saskatchewan have administered its northern regions and its population in the North as the British administered, the various colonial states under their jurisdiction. Governments and their bureaucracies have said and acted in a manner which have said to northern people over these many years that they knew best how things in Northern Saskatchewan should be administered.

The proposal which we made in our campaign in 1971 provided for a new deal here to be struck with respect to the development of local government in Northern Saskatchewan. So that earlier day and that earlier attitude of governments continuing to administer the affairs of Northern Saskatchewan particularly those municipal and civic affairs which are normally and logically the responsibility of people to assume, will now become a responsibility under the provisions of this Act. The attitude of the Department of Northern Saskatchewan or any of the other agencies of Government to continue administering the North will disappear. This, we believe, Mr. Speaker, is what the people in the North have been looking for for a long time.

I must, Mr. Speaker, criticize the former Liberal Government for wasting seven to ten years in the lives and the

developments of northern people. I do so because the stage for these new developments were programmed very, very early, as early in fact as the mid-1950s by the former CCF Government. The original Northern Administration Act gave broad ministerial powers to begin local community governments and we did establish in those years what we called Local Community Authorities. These Local Community Authorities were the beginning of local municipal government but that local municipal government was not enhanced or nurtured to the point where they developed and blossomed into full civic municipal authorities. Therefore, the original Northern Administration Act which gave these broad ministerial powers should have been continued and municipal and civic government given to the people of the North. These broad powers did not develop and local autonomy did not occur as it was once designed to do.

The major frustration of those objectives resulted from proposed developments being placed under the responsibility of a regular department of government. There was pressure by other major programs unrelated to northern development and municipal government. The responsibility for the development of municipalities in Northern Saskatchewan was formerly under the Department of Natural Resources whose program did not concern itself directly with the responsibilities of local government but with many of the other responsibilities associated with administering Natural Resources which are unrelated to the particular thrust being considered. Therefore, Mr. Speaker, the experience, the studies and the recommendations of both the Douglas and the Lloyd Governments that were being put into action in the early 1960s should have been carried on, should have been carried on from 1964 to 1971. Because of the partisan political prejudice and because the Public Service personnel were literally instructed to destroy the studies and the proposals of the former Government and to implement a Task Force on Saskatchewan's North, another report was ultimately tabled; a report recommending the same approach as was recommended in the years before.

Mr. Speaker, the principle of this Bill is to establish a northern municipal council, an overall council which will have powers granted to it, powers similar to a rural municipality council in the South. That overall municipal council, Mr. Speaker, is to be elected, for the first time in this province's history. Four persons that live in the North, will be elected for geographic areas that have yet to be defined. In addition to those four elected persons, two will be appointed from the respective Indian associations represented in the province, specifically the Metis Society of Saskatchewan and the Federation of Saskatchewan Indians. These two appointees, Mr. Speaker, will assure that on any northern municipal council there will be provision for representatives of the Indian communities to be represented on the council. It is possible that the four elected persons could all be people of non-Indian ancestry. Because of the large preponderance of people of Indian ancestry we believe it is essential and necessary at least in the formative years to appoint and make sure that there are people of Indian ancestry on that council. Therefore, provisions in the Bill make that possible and this is a point which the northern people have made.

Provisions of the Bill establish regional electoral areas. The legislation also provides for qualification of voters in the established electoral areas. There is opportunity for the council to set a remuneration in consideration of the positions and the work which they will perform. This has been some time

in coming, Mr. Speaker. We have been criticized since taking office in 1971 for what may have been viewed by Members in the Opposition as the Government not wanting to fulfil its commitments in this regard. I suggest to you that we have followed, as we have committed ourselves to do, the route of consultation with the Metis Society and with the Federation of Saskatchewan Indians and with northern people. I further suggest to you that this Bill comes to the House as a result of an agreement with these many people and the consultation which we have had with them. The recommendations of these various groups have been formulated into this Bill. While this Bill may not meet all of the objectives and may fall short of coming up with some of the expectations which northern people may have at this particular time, we believe that it will nevertheless provide for the opportunity of northern people to begin assuming the responsibilities of municipal government in Northern Saskatchewan. As the time goes forward, Mr. Speaker, we propose to allocate to that council much of the authority and much of the responsibility both fiscal and otherwise in matters relating to themselves.

Mr. Speaker, I said at the outset that this is an historic milestone in the life and the developments of Northern Saskatchewan. It is a condition which people, like ourselves, living in urban and rural municipalities of the South have had for many years. It gives the privilege of every year nominating and electing a council member, electing a reeve to look after affairs in a rural municipality, similarly the cities and the towns electing their mayor or their overseer and their council members. This opportunity is now being extended to people in Northern Saskatchewan so that they, too, can set themselves up in civic government, responsibilities of local government which has not heretofore been their privilege and right to have.

Therefore, Mr. Speaker, it gives me a good deal of pleasure to move second reading of this Bill.

Some Hon. Members: — Hear, hear!

Mr. A.R. Guy: (Athabasca) — Mr. Speaker, I should like to make a few comments on the Bill. We have waited a long time for a Bill that would provide some form of self-government to the people of Northern Saskatchewan. As you are aware I introduced a Bill earlier in the Session which would have gone much farther and provided a much fairer form of representation than we have in this particular Bill. I think, Mr. Speaker, that the key to this Act is in the last clause and I want to just read it to the Members of the House:

Nothing in Sections 124 (a) to 124 (i) excludes or restricts or shall be deemed to authorize the exclusion or restriction of the performance or exercise by the Minister of any function, duty or power imposed or conferred on him by this Act.

So there you have it, Mr. Speaker, they have brought in a municipal type of government, so they say, and then in the last clause of the Act they say, "But in no way have we restricted the wide ranging power of the Minister of Northern Saskatchewan." That's the very reason why this Act will mean nothing to the people of the North. Because the Minister will still have his heavy hand over every citizen who lives up there.

Some Hon. Members: — Hear, hear!

Mr. Guy: — I had to laugh, when he started by saying that this was a milestone for the Department of Northern Saskatchewan, with the fulfilment of the election campaign of 1971. I noticed he didn't say anything about the election campaign in 1972 up in Athabasca constituency. They want to forget that one because they were condemned in that election campaign for their failure to act as they had promised in 1971. He says this is a development of local government. They are taking this whole northern area, dividing it into four constituencies and providing one person to cover that whole area and then he says, "We're giving the same type of representation that any town or city or village in the Province of Saskatchewan has today." Well, that's absolute and complete nonsense. He is still appointing two members to the board and he said, "We're going to appoint two Indian Members." There is not one, and I defy the Minister to tell me where in the Act it says that you are going to appoint two people of Indian ancestry. It doesn't say it. You can appoint two white people to that board. You say, today, that it is your intention to appoint someone from the SFI and the Metis Society. You said that about the Northern Advisory Council and you haven't appointed a Metis member to that board yet.

Mr. Bowerman: — We did.

Mr. Guy: — Not recommended by the Metis Society.

Mr. Bowerman: — They never recommended anybody.

Mr. Guy: — All right there you are. There is my exact point. If the SFI and the Metis Society do not make recommendations to the Minister then he'll turn around and appoint anybody that he sees fit. Probably appoint some of their own civil servants to this Northern Municipal Council. This doesn't ensure that there will be one native person on this council. In fact the Minister himself said the four members who are being elected in the four divisions will probably be white men. He said that is why we are making two appointments by the Lieutenant-Governor-in-Council. There is not one Section in this Act that guarantees that people of Indian and Metis ancestry in northern Saskatchewan will have any representation on this board.

If you will recall, the Bill that I brought in earlier in the Session, would have guaranteed that every Chief in northern Saskatchewan and every chairman of Local Community Authorities, who are in most cases of Metis origin, would have been on a Northern Advisory Council and would have had some say in the plans and the developments of the North. This Act does not do that. There is nothing to say that these four elected officials could not all be civil servants as you haven't excluded the Civil Service from serving on this board. So you could have four civil servants from the Department of Northern Saskatchewan, in fact you could have all six civil servants from the Department of Northern Saskatchewan on this board and then along with none of the Minister's powers being taken away from it, what have you accomplished but a stronger, more binding Department of Northern Saskatchewan with little local input at all. There are no guarantees in this Act the local people will have any say or

any representation on this board. They could all be employees of the Department of Northern Saskatchewan if the Minister wanted to use his power in the manner that he has been using it over the last few months, forcing people into moving North or moving out of the area and using these wide powers that he has given himself.

The other day he provided a \$6 million large political account that he can go in and buy votes and everything else with. No, this Act, Mr. Speaker, falls far short of what the people of northern Saskatchewan have been given the assurance that they would receive. There was an opportunity through the Bill that I presented earlier to ensure that every northern community would have had some representation and some input into the . . .

Mr. Bowerman: — Advisory only.

Mr. Guy: — Well, this is only advisory.

Mr. Speaker: — Order, order!

Mr. Guy: — This is a control that you say that the RMs have. But it is not necessarily so. There are a lot of the responsibilities that RMs have that have absolutely no relationship to northern Saskatchewan at all.

Well, Mr. Speaker, there is a lot more that has to be said, and we have to have the views of northern people before we decide whether we are going to support this Bill or whether we are not.

Some Hon. Members: — Hear, hear!

Mr. Guy: — Therefore, I beg leave to adjourn the debate.

Debate adjourned.

Adjourned Debates

Second Readings

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Thorson that **Bill No. 92 — An Act respecting Saskatchewan Oil and Gas Corporation** be now read a second time.

Mr. Speaker: — Is the House ready for the question?

Mr. Steuart: — Mr. Speaker . . .

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Mr. Speaker, I want to speak on this Bill.

Mr. Speaker: — I wish the Hon. Member would have been in his seat if he wishes to speak.

Mr. D.G. Stuart:(Leader of the Opposition) — I wish I would have been, too, but with meeting night and day you know, and going out to tell the people of Saskatchewan the truths about the dictatorial powers these people are grabbing over every sector of our society, we have had to have these meetings when we can.

Mr. Romanow: — We are doing our share.

Mr. Stuart: — I know you are doing your share. Where have you been, getting your instructions from the eastern labor leaders or where? We have missed you.

Mr. Speaker, I don't want to speak long on this Bill but I want to put on record my serious objection to it. And I want to put on record the fact that I oppose it without hesitation.

As I said earlier when we were discussing in the Speech from the Throne the reference that was made by the NDP Government to the fact that they intended to go into the oil and gas exploration business, that not only would it be one more step to discourage private investment in this province, but that on top of that it was a stupid move. It was a poor move because of what it would do to the reputation of Saskatchewan. But it also was just plain bad business. Had the old CCF Government decided in the early '50s or the late '40s to go into the oil business when the first discoveries were made at the reasonably shallow levels, I still would have opposed it on principle. But at least from the point of view of the opportunity of realizing a profit on the investment or really doing something for Saskatchewan in developing a resource that was very obviously there then, it might have made some economic sense. But today all the Government is doing, if this isn't window-dressing, will be to gamble the taxpayers' money on what will be an extremely poor risk.

There isn't any doubt that the oil industry has honeycombed the area where oil has been found and where indications are that oil could be found at the shallow levels. Now we must hope that someone will look at the deeper levels. And the cost of sinking an exploratory well to these depths can run anywhere up to \$150,000 a well, with absolutely no guarantee, of course, that we will strike anything but a dry hole.

The oil industry came into this province and they risked a tremendous amount of money. They have begun, these last few years, to show a return on their investment. And taking it out of context, as the Member from Saskatoon University (Mr. Richards) has done and as other Members opposite have done, they have attempted to show that the oil industry has made a huge profit in the Province of Saskatchewan.

It has been pointed out before by speakers from this side and people in the oil industry that taking into consideration normal interest on the money invested, that while there has been a profit it hasn't been huge, it hasn't been extraordinary. It hasn't been anything that could be criticized by fair-minded people.

However, we are moving into a new phase of the oil and gas business. And that phase will call for the investment of tremendous amounts of capital and extremely high risks. So,

when we look like we might be coming to the end of the profitable oil play, this NDP Government with its usual dexterity, stupidly stumbles on the scene and says, w are now going to take over.

The oil industry, I think, will sit back and say you're welcome. I think they will walk away. I will be amazed if any oil company of any note joins with this Government in any kind of a venture.

When we saw the Bill, it went as usual, a great deal further than just allowing the Government to go into the exploration business of looking for oil and gas. The Bill will give them the power to go into every phase of the oil business, exploration, drilling, the development of oil wells and gas wells, the production of oil and even into the retail sales.

Again, if they want to do this, fine. They are a socialist Government and if this is the way they want to move for the development of business and industry in Saskatchewan and the investment of people's funds, there is nothing we can do until the next election to stop them.

But again, if you look at what they are really doing, it is another case of sort of half-baked socialism. They may move in. I don't doubt they may move into the oil industry in every phase. Not just looking for oil and gas, which is a stupid risk on their part, but also into the refining business, certainly a good possibility of moving into the retail business.

Again, this is an area that is already extremely well served. There is a great deal of competition in this business. The public are well served. In fact, there may be those who say that they are too well served. But regardless of that this is a choice that has been made by people who have invested their money, their own money, the money that they have raised and chose to risk. Why should any government stop them? Why should any government hinder them?

Mr. Speaker, this whole aspect of moving in on the oil and gas industry in every phase has another factor to it that is disturbing. When you couple it with the Bill, the Minister just talks about keeping almost total control of every thing that goes on in northern Saskatchewan. They are freezing out the tourist industry. Literally stopping development by the private sector in our economy, the development of the tourist industry. Moving in on the timber industry in a way that is still unbelievable and shocking not only to the people of this province, but right across the country when they begin to realize that here is a Government that tears up its contracts and says proudly, "Our word is not worth the paper it is written on," and threatening a good timber industry. When you couple their moves in the Consumer Affairs Department that gives them the power of life or death over every retail outlet, every small independent business in the Province of Saskatchewan, goes back to what we said in the beginning. They have started 20 months ago and declared war on business in this province. And they have carried that war on and, in fact, in this last two weeks that warfare has reached a peak. It has reached a peak through the moves in the Labour Department, it has reached a peak in the moves of the Department of Industry, of the Department of Natural Resources. In fact, there is hardly a department of that Government that hasn't reached out to take more power for the Ministers, for the Government and lessened the independence, the autonomy and threatened the very future of everyone who is in business in

this province both large and small.

So, Mr. Speaker, we are opposing this Bill, because we think it is bad from the point of view of what it will do to the future of this province in regard to our attempts to encourage private investment to come in here. It is definitely one more step in creating the worst business climate of any province in Canada. We also oppose it because it is just plain stupid. You have to put it along side of the deal they made for Intercontinental. The stupid move they made in buying IPSCO shares that did no one any good except the investor who sold them for \$15 plus and probably bought them for \$6 or \$7. It ranks right along with that and the Deutsche Mark loan that they stupidly refused to hedge or to pay off when they could. They must have been listening to Herman or some of those brilliant backbenchers.

So for these reasons, Mr. Speaker, we intend to oppose this Bill. We would hope the Government would come to their senses, but we realize this is too much to hope for, because they really haven't got any senses, either in the front bench or the back bench. We would hope that they would withdraw it, but they won't. But we will oppose it.

Some Hon. Members: — Hear, hear!

Hon. K. Thorson: (Minister of Industry and Commerce) — Mr. Speaker, I just want to say a few words following the statements made by the Leader of the Opposition (Mr. Steuart). It is amazing to me, Mr. Speaker, and I am sure it is going to be amazing to everybody in Canada and particularly in Saskatchewan, that the Liberal Party in this province would take the position as just expressed by the Leader of the Opposition. Here we are about a third of the way through the eighth decade of the 20th Century, and here is the Saskatchewan Liberal Party not even in the 19th Century.

There isn't a civilized country in the world where there aren't joint ventures between public agencies and private agencies. I read out a list of them when I moved second reading of this Bill.

In Canada, the Federal Government, led by the Liberal Party of Canada, has gone into joint ventures in the high Arctic for the very purpose of exploring for oil and natural gas. It is just amazing that the Saskatchewan Liberal Party should still be away back there, two centuries ago, saying there is no place for the Government in economic activity.

Mr. Speaker, if, indeed, Saskatchewan was getting such a great development out of the oil industry left in private hands, that would be one thing, but the fact is that we have not been in recent years. And that decline started during the years when my friends in the Liberal Party were in the Government.

The production is declining, the exploration activity has been declining, when left in the hands of private industry. Part of the reason, Mr. Speaker, is because the private oil companies, particularly the large ones, do not have Saskatchewan interest foremost in their plans.

One can't really blame them for that. No reason why they should have. They are out to make a dollar wherever it can be

made. If it looks as though the stakes are better in some other place, they will go some other place.

But I think the people of Saskatchewan expect the Government of Saskatchewan to have Saskatchewan's interests first and to do something about Saskatchewan's interests including exploration and development of the oil resources that are available here.

The Leader of the Opposition says that no oil company will go into joint ventures with the Government. All I can say to him is that that has not been our experience in the Saskatchewan Power Corporation, in the exploration and development of natural gas resources. There have been companies in joint ventures with us. We confidently expect there will be others which will go into joint ventures with the new oil corporation that this Bill will provide.

Let me in closing say, Mr. Speaker, that in this last third of the 20th Century, the need for energy resources of all kinds in North America, especially in the next 10 or 15 years will become particularly acute. We will see almost every half year, if not oftener, an increase in the price of crude oil, an increase in the price of natural gas. I confidently expect before this week is out there will be another increase in the price of crude oil for Saskatchewan and Alberta crude.

There is going to be a shortage of energy resources. There is going to be an increase in price for these resources. It is time, Mr. Speaker, that every provincial government take the initiative as was taken by the Liberal Government of Quebec to have some direct involvement in the development and in the use of energy sources and particularly to make sure that the people of each province get the maximum benefit from these resources.

That is what this new Saskatchewan Oil corporation is designed to do, Mr. Speaker.

Some Hon. Members: — Hear, hear!

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Bowerman that **Bill No. 111 — An Act to amend The Forest Act** be now read a second time.

Mr. Speaker: — I ask when I look around that the Members would rise rather than interrupt the Speaker all the time.

Mr. M. Feduniak: (Turtleford) — I was on my feet, Mr. Speaker, for quite some time. I am sorry that the Members on the Opposition side have to be watched very closely because they don't get on their feet, they are not even staying in their seats when they are supposed to speak.

Some Hon. Members: — Hear, hear!

Mr. Feduniak: — I don't blame you because you have to keep very close watch on those culprits there.

Mr. Speaker, it is indeed a pleasure for me to participate in this debate. Ever since the Liberal Government was elected

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in 1964, I have watched with dismay as our forest resources have been taken advantage of because of the Liberal Government's insistence on allowing free enterprise to do whatever it felt like.

Some Hon. Members: — Hear, hear!

Mr. Feduniak: — I am sure that Members on both sides of this House will agree that one of the major reasons for the defeat of the Liberal Party in 1971 was because of their disregard for our resources.

Some Hon. Members: — Hear, hear!

Mr. Feduniak: — And a major reason for the overwhelming victory of the New Democratic Party, was the fact that our platform contained a major commitment to change the situation which had existed under seven years of Liberal mismanagement.

Some Hon. Members: — Hear, hear!

Mr. Feduniak: — A lot has been said about the Athabasca Pulp Mill and I am sure that we will hear much more as this debate progresses, however, unlike the Liberals, I intend to tell this House the other side of the story.

It is funny that when the Liberals speak about the proposed mill all we ever hear is their side of the issue. But I guess that it is to be expected because I am confident that they are unable to look at the two sides of anything, in fact, they don't even know the difference between one type of a tree and another.

Some Hon. Members: — Hear, hear!

Mr. Feduniak: — Mr. Speaker, in order to reveal the true picture which existed, it is necessary to go back in time and study the natural resources situation which existed as early as the 1930s. We had to take a look at such things as timber, wildlife, water supplies, fish and big game, including environment.

Mr. Steuart: — And little game.

Mr. Feduniak: — Yes, including the little game from Prince Albert West.

Some Hon. Members: — Hear, hear!

Mr. Feduniak: — During these early times we had the Liberals in power for 22 years consistently. And we also had the Conservatives in power but what did they do to our natural resource environment? What happened to our natural resources during this period of time? Mr. Speaker, these old-line Governments almost completely exhausted our resources and the reason this happened was because they had no planned policies. In fact, they had no policies at all when it came to resource development.

An Hon. Member: — Giveaways.

Mr. Feduniak: — Year after year we saw our timber resources depleted at an alarming rate and all because it was tendered to a couple of private elite making it impossible for the rest of the citizens of Saskatchewan to get any permits. These monopolizers let out contracts to a few very large contractors who in turn subcontracted to small individual operators who did all the work and came out broke and in some cases encumbranced after they completed their work. The only ones who profited from this undesirable situation were two large contractors who tendered all the timber permits in the province's north. These contractors were not even good corporate citizens but rather quite the contrary. In fact, they were guilty of exploiting the very people who worked for them. The campsites were in a deplorable condition with no health regulations enforced. Workers who were hired had no protection for compensation if injured on the job. There were no guaranteed wages or hours of work and in general the people employed by these corporate giants were, in most cases, driven like slaves. And the same disregard existed in the forests where there were no regulations enforced. The harvesting of railway ties was a good example. The ties were obtained from jack pine and when a tree was cut down and it was found to have a red centre or a rotten core, it was just left and then when a sound tree was located two to four ties were cut off. The rest of the tree was left where it was cut. It is obvious that this lack of management resulted in other chaos and confusion in the harvesting area.

Mr. Speaker, another hazard, as well, resulted from this practice and that was the fire hazard. One can easily assess the danger when those felled trees were just left in the forest and allowed to dry. Lightning or fires started deliberately by individuals so they could get work caused real problems. When these fires started they would rage out of control for sometimes as long as two or three days before fire fighters could reach them because there were no roads or cut lines to the areas. These fires not only endangered the timber, but also took in its path the young wildlife, birds and wild berries. Mr. Speaker, during this period of time the fur trappers also starved because not only was there a scarcity of animals due to a bad situation respecting the timber harvest, but also the trappers received disgracefully low prices from the Hudson's Bay Company and the other private fur dealers who were wheeling and dealing in the area. In fact, the situation was so bad that muskrat pelts were selling at an average of 25 cents.

Mr. Steuart: — There were no fire jumpers.

Mr. Feduniak: — I should like to keep my voice to a reasonable level, Mr. Speaker, but if those vultures will keep on interrupting, I'll have to raise my tone.

Mr. Speaker: — Order, order!

Mr. Feduniak: — Beavers were really scarce. Moose were just not to be found and hunters were in a very difficult situation, not only because of the lack of game, but because there were no safety regulations to protect them. You had to take your chance, and if you were mistaken for a deer and shot, well, life wasn't worth much in those days anyway.

A similar bad situation faced our fish population. Let me just list one example. Take a look at Birch Lake ten miles northeast of Glaslyn. It is a shallow lake and when we had an extremely cold winter, as we did several times, a thick layer of ice would develop which, in turn, would develop an inadequate oxygen supply for the fish and as a result they were all killed. But yet the Liberals did absolutely nothing to replenish those lakes.

Some Hon. Members: — Hear, hear!

Mr. Lane: — We tried to catch all those fish and save them, Mike.

Mr. Feduniak: — The Liberals' failure in tourism and recreation is just as bad. In fact, tourism was almost non-existent because of no facilities and recreation was just about impossible because there were no roads to get to these areas. However, things could only get so bad before improvement and the first major improvement came in 1944 when the CCF were elected in this province.

Some Hon. Members: — Hear, hear!

Mr. Feduniak: — One of the first things this new Government did was to undertake a program to provide cut lines running north and south and east and west which established individual forest blocks providing better fire guards and roads. These cut lines and roads made it possible to take stock of our forest resources, see where the problems were and burn the trash during the winter months to remove the fire hazard. Next the Government established the Saskatchewan Timber Board which assured that harvesting was carried out in an orderly fashion, forest stocks were protected, as well, with an elimination of infested timber. Controls were put into effect and permits were made available to individuals to harvest the timber and this was handled in an orderly manner by the Timber Board. The permits which were issued were to be used to take out mature timber to a limited size. This method made it possible to harvest some areas every few years depending on climatic conditions and the rate of growth.

Another major advantage in this system was the price. By operating under these regulations the consumer was able to purchase his timber requirements from the Timber Board at greatly reduced prices. Farmers in this part of the province were able to benefit immensely from these price reductions. Farmers in the fringe areas had the privilege of getting a total of up to 30,000 feet for their own personal use. The net proceeds of the Timber Board operations benefited all citizens of Saskatchewan and provided many jobs for our people. In total, Mr. Speaker, the Timber Board was a very valuable operation because it was so beneficial to all the people. Perhaps, that is why the Liberals did everything in their power to eliminate it. Millions of feet of poplar timber were harvested during this period and the people were the ones who benefited.

Another reason for the success of the Timber Board was its tight fire control method. By placing heavy emphasis on fire protection and control it was possible to eliminate a fire that started within 15 minutes. And as a result, timber losses were reduced drastically. With these rigid fire control methods and

good housekeeping practices the productivity of our forest region grew faster and faster to the point that by the mid '60s we had a very sound and adequate timber stand throughout our northern Saskatchewan. And the benefits didn't stop there. As a result of our healthy forests, fur animal populations started to pick up and the Government brought in the Fur Marketing Board which stabilized prices. As a result millions of dollars of fur harvesting was done by our farmers and trappers and native people and the return was much better. In the past where muskrat pelts sold for 25 cents, the price was boosted to \$3. As the result of sound planning and these reasonable controls, the natural resources of this province yielded another industry, one which some people might think not important, but just the same it was important. There was an abundance of strawberries, raspberries, saskatoon berries, gooseberries and blueberries and it is really unbelievable how big this industry was at this time. Hundreds of our citizens made a major part of their annual income by harvesting thousands of pounds of berries each year. And this was, again, made possible by having roads into the area of this province.

By preserving our forests, big game flourished as well. Hunters were happy, the tourist trade picked up, food was provided for our people and provincial revenue was boosted because of the fees charged.

By stabilizing water levels and stocking fish populations in our northern lakes, not only was good fishing provided for our citizens, but also helped a great deal to encourage tourism. As a result of the CCF Government and their policies relating to this part of the total resource program, Saskatchewan is regarded as a fishing paradise for tourism all around the world.

Tourism is very important and this Government recognizes this fact. This industry is worth literally millions of dollars a year and we must do whatever possible to promote its being. With automation coming in at a rapid rate people find themselves with more time. We must provide them with an outlet to use up that spare time.

Mr. Speaker, I have briefly outlined some of the developments which occurred in the past and some of the issues which lead to the legislation we have before us today. Our record in relationship to resource development is a sound one. Because of good socialist, democratic planning directed to benefit all the people of Saskatchewan, we are in a position to claim a much better record than the Liberals opposite. In fact, Mr. Speaker, I am sure the Liberals don't want nor need any reminding of the sorry record they piled up when they were in the Government. I only hope that they have learned their lesson and will show they are sincere about this matter and support the legislation we are proposing at this time. Unfortunately they are not listening.

In 1947 our Party made it quite clear we were not at all pleased with the direction our resource development was going. At that time the CCF Government established an independent Royal Commission Study into the whole resource potential and development issue. In the following year it became very evident that the direction which the CCF Government took was the right one. However, when the Liberals were given the reins of Government they sold out to their corporate friends and disregarded the orderly approach which we had been developing. It is the

Liberal Party opposite which must shoulder the blame for the conditions which exist today.

Some Hon. Members: — Hear, hear!

Mr. Feduniak: — Mr. Speaker, for a moment let me take a look at this situation from a different point of view. I have spent considerable time researching the operations of the Saskatchewan Timber Board and the operations and policies of the Department of Natural Resources. Based on data included in the various annual reports some related statistics were revealed and these figures will be most disturbing to the Liberals sitting across the way. The average return on stumpage fees between 1955 and 1964 was \$5.03 per cord. Between 1964 and 1969 the return increased to \$6.41. However, compare the Timber Board returns with the stumpage fee return from Simpson Timber between 1965 and 1971 when they averaged \$2.11.

Mr. Speaker, there was a difference of \$4.30 per cord between the two operations. Yet Liberals keep trying to tell us the Timber Board was of little value. And the loud-mouth Member from Milestone (Mr. MacDonald) yells in this House that the Timber Board was a useless operation and should be done away with completely. And don't let him get up and deny he said it because it is on the record. Since 1965, when Simpson Timber was established, they harvested 654,000 cords and based on the \$4.30 per cord loss, compared with the Timber Board rates, we can project that \$2.81 million were lost to the people of Saskatchewan by stumpage fees. And this only represents one operation. Besides Simpson Timber there is the Prince Albert Pulp and the Meadow Lake Stud Mill in operation. Another advantage of the Timber Board which Liberals don't like to talk about was the contribution it made towards reducing by five per cent the cost of lumber to farmers, community projects and co-operatives. These discounts average \$1 per cord and coupled with wage differential between the two corporations and the difference in return per cord is not \$6.41 but rather \$10.41 or over four times greater.

Mr. Speaker, when you compare the unemployment potential between the Timber Board and Simpson Timber we find that between 1955 and 1971 the Timber Board produced 10.8 man hours of labor per cord while Simpson Timber's record was a dismal 2.9 hours. Take the 654,000 cords harvested during this same period, use the 7.9 hours lost per cord and project in the usual mathematical manner and we see that 4,766 million hours of work were lost. Using 8 hours a day would bring this to 595,836 days lost on a yearly basis. Using 240 work days per year we see that 2,483 men could have been working over this six-year period or more simply stated, 414 full-time jobs for six years were sacrificed because of Liberal give-away policies to Simpson Timber.

Mr. Speaker, this is but one example. One could also use comparisons for Prince Albert Pulp, Meadow Lake Mill, Domtar or MacMillan-Bloedel. In the case of the Prince Albert Pulp, they utilized 510,000 cords during 1971 and the stumpage rate averaged just less than 70 cents per cord for spruce and this includes the ground level and the fire protection levy. The Meadow Lake Mill took out 133,000 cords.

Mr. Speaker, when I see the Member for Meadow Lake

(Mr. Coupland) popping up and repeatedly saying it was such a mistake to cancel the Athabasca Pulp Mill, it really makes me wonder. For any Member, especially one who couldn't manage a turkey farm, or couldn't even successfully run an egg hatchery operation there is no sense of him trying to convince anybody because nobody trusts his reasoning. Continually he jumped up and harped and criticized the Crown corporations which were set up. He even yelled about the SGIO. But when the Liberals had the monopoly he grabbed this so-called no good corporation in order to bail him out. I say, shame to you, I say to you that you do not have the courage to carry out your convictions because all you know is cheap politics.

Mr. Speaker, during our pre-election campaign we promised the people of Saskatchewan we would stop construction of the Athabasca Mill and I say further that a major reason we are sitting here with 45 and you Liberals over there with only barely enough to make a quorum, is because of Athabasca.

An Hon. Member: — Four, only four.

Mr. Feduniak: — It is a pity that Members like the one from Prince Albert West (Mr. Steuart) weaseled his way into the position of administration in our province, had to resort to wild promises, false promises and loose statements to get to that position where he could sell out our products. It is unfortunate he was given that power because before politics he even bombed out as a toast salesman.

Mr. Speaker, the amendment in this Act will stop the big give-away. What this legislation will do is to restore some order into the marketing and harvesting practices. It will stop the vicious disregard which has been shown for this resource after the past years and it will result in the people of this province, who own the resources and are reaping the benefits instead of giant, foreign-owned corporations which have Davey Steuart and the rest of his culprits in their back pocket.

In our recent research it is noted that only about 10 per cent of our finished product is used for construction here in the province. The other 90 per cent is imported. It is totally unreasonable that we have to rely on such things as joists, rafters, plywood and veneer from other provinces. We have already made a major step in stopping this by announcing a \$6 million plywood mill for Hudson Bay. I wonder how the Liberals feel about that project. I would caution the Liberals and their little leader to watch what they say because the people of Saskatchewan are listening very carefully and they know that the Liberal record in such things as the Water Supply Board and the brilliant German Deutsche Mark deal which the Opposition Leader negotiated are good examples of what they expect from the Liberals. The Liberals like yelling about such thing as the box factory, the woollen mill and the shoe factory which is about 35 or 40 years old now.

Mr. Lane: — You haven't learned anything since.

Mr. Feduniak: — But they get pretty quiet when we remind them that all three of these operations lost less than half the amount they did in two ill-fated blunders, namely the Water Supply Board and

the German Deutsch Mark loan fiasco. If the Leader of the Opposition continues to play politics with the issues, if he continues to distort the facts and say anything just to make political hay, I would humbly suggest that he resign his seat because he is doing disservice to the people he represents by continually being very loose with his facts.

Mr. Speaker, expanding on the German Deutsche Mark loan deal, it was interesting to watch him try to weasel out of it when we discussed it during Estimates. He said, we should have paid it out. It is easy for him to say these things now that he has been relieved of his government responsibility and has been relegated to the benches of the Opposition. When we assumed office, we inherited a financial position which was not all good. Not only were finances in a poor state but our inventories were depleted as well with the Liberals spending the reserves our Crown corporations had built up. They sold most of the Crown land and most of the highway construction equipment and most of the Timber Board assets. They sold them at ridiculously low prices along with the assets at the North Battleford Hospital.

Mr. Speaker, all I say is that once again we will pay off all these bad debts made by the Liberals and start building again just like we did in 1944 when we inherited the worst possible financial record and turned it around to a profit picture, with sound policies and programs.

Some Hon. Members: — Hear, hear!

Mr. Feduniak: — In 1944 only 5 per cent of our farmers and businessmen held titles to their operations but by 1964 and on, only 5 per cent of these same farmers and businessmen didn't have a title. Some difference, indeed, Mr. Speaker. The Opposition Leader attempts to hide and justify the German loan by pointing out to Ontario where they went to Germany to get funds for their hydro project. Well that is no justification because Conservatives are the same as Liberals when it comes to logic. They both lack it. I challenge the toaster salesman to explain why Ontario just passed a sales tax legislation up to seven per cent which will boost Government revenue by \$330 million. If we had increased ours to the same extent we would have received \$32 million in Saskatchewan. Liberal logic leaves a lot to be desired, Mr. Speaker.

I am mentioning these points because I think they should be considered and the people of Saskatchewan should keep them in their minds when listening to the Opposition Leader. He talks about his good financial record and all his balanced budgets. Well anybody could balance any budget if he had the assistance of 1,470 new taxes to be added to the revenue which was needed to offset the deficits that their bad policies had piled up. Another point for the Liberals opposite, they say the Socialist projects we started were no good and they had to clean up the mess when they came into office. Why is it then, Mr. Speaker, that from 1944 to 1964 the Dominion Bureau of Statistics reports show that Saskatchewan had the highest credit rating in Canada. During the Liberal years of 1964 to 1971 it dropped to the lowest. Members opposite can laugh all they want, and I just heard one there, and they can question my statistics but I can back them all up. I obviously get under the Opposition Leader's skin because his only response to my charges

were that I had a low I.Q.

For his information I would like to advise him that when I took my I.Q. test in the Air Force, which was conducted by highly qualified personnel, I received a very high I.Q. and as a result of my examination was told I had the potential for a responsible position in the force. I know I have been a bit hard on the Liberals during this speech but they deserve it. In fact I want to make one further observation which is so fitting to the loud outburst which the Member from Milestone (Mr. MacDonald) makes in this House. You know, Mr. Speaker, he reminds me of a hyena. You might wonder why I draw that conclusion. Well, let's briefly take a look at what a hyena is.

In Africa there is a coyote-like animal called a hyena. They don't serve any useful purpose in society at all. For instance when the lions are in the process of hunting down a Zebra for kill, the hyena makes lots of noise by howling and barking and protesting the whole thing. As the lions are feasting away the hyena keeps on howling, but from a safe distance. Then when the lions leave the carcass the hyenas move in to feast on the leftovers. That is the way the Member from Milestone and some of the others act. They holler loud and long when we propose good legislation, but yet when he finally sees that it is good legislation, then he gets in line with us and wants some of the credit.

Mr. Speaker, it is good legislation . . .

Mr. Lane: — Hyena legislation.

Mr. Feduniak: — This legislation is another good example. The Liberals can complain all they want but it will serve no purpose because the people of Saskatchewan gave us the mandate to bring in this type of program. It is good legislation, it will work and I support it.

Some Hon. Members: — Hear, hear!

Motion agreed to and Bill read a second time.

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