

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session - Eighteenth Legislature
20th Day

Thursday, December 11, 1975.

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

On the Orders of the Day

WELCOME TO STUDENTS

MR. E. F. A. MERCHANT (Regina Wascana): — Mr. Speaker, I take great pleasure on behalf of the House and in your name in welcoming to the House 25 students or so from Miller High School. They are here with one of their teachers, Garth Schuett. I am sure that the whole House joins with me in welcoming them to the Legislature today.

HON. MEMBERS: — Hear, hear!

STATEMENT

Written Questions on Order Paper

MR. SPEAKER: — Before the Orders of the Day I should like to make a statement that was requested by some Members yesterday. A Point of Order was raised yesterday to the effect that written questions on the Order Paper not be allowed to stand. I refer all Hon. Members to a ruling from the Chair dated February 24th, 1967, which outlines the procedures regarding written questions as follows:

Once the question has been called the Minister concerned will immediately indicate: (1) that the question is answered, or; (2) that he wishes it to stand, or; (3) that he wishes it to be changed to a Notice of Motion for a Return, or; (4) that he wishes it to be changed to an Order for Return.

The Journals of the Legislative Assembly of Saskatchewan, February 24th, 1967, on page 71:

It has been a long standing practice of this Assembly that a Minister may ask that a written question or questions be allowed to stand on the Order Paper. This practice has also included the understanding that a Minister will not delay the handling of questions any longer than is necessary.

I, therefore, rule that the Point of Order raised yesterday was not well taken.

MR. R. E. NELSON (Assiniboia-Gravelbourg): — Mr. Speaker, I certainly accept your ruling. The Hon. Member for Kelsey (Mr. Messer) suggested that I was possibly putting a little heavy load on the Attorney General to say that he was holding up any procedures and I just want

to make it clear that it wasn't he whom I felt was holding up procedures, it was the entire group on the other side of the House.

QUESTIONS

Collect Telephone Calls From Constituents

MR. G. H. PENNER (Saskatoon-Eastview): — Mr. Speaker, I have a question I should like to direct to the Premier. Is it the practice in the Premier's office to accept collect telephone calls from constituents of the province who have concerns or suggestions?

HON. A. E. BLAKENEY (Premier): — I do not know with complete clarity what the practice is, whether my staff will accept them. They certainly do accept some. If it is a person with whom they are familiar and they are a group of people . . .

SOME HON. MEMBERS: — Ohhhhhhhhhh!

MR. BLAKENEY: — What I was saying before the interruptions, is that there are, I regret to announce, a few people around the province who will call and call insistently collect and those I suspect we decline. But I suspect that for a good number of other people collect calls may be accepted. I frankly do not know.

MR. PENNER: — Mr. Speaker, a supplementary. I was in Saskatoon yesterday and had a number of people voice concern to me that they had called the Premier's office with some concerns about the potash nationalization and they were told upon indicating what their concern was, that their call would not be accepted. Would the Premier care to comment about that?

MR. BLAKENEY: — Well, I wouldn't be surprised if that would be the case for Saskatoon because we have an Executive Council office at Saskatoon and we have a way by which people can lodge their complaints with the Executive Council there. If there is something that needs to be followed up there is an open, no-toll line between that office and our office. It would seem to me to be only a simple matter of saving public money, that people would use the office we set up in Saskatoon and if something needs to be followed up there is a no-toll line there ready and available.

MR. PENNER: — I had a feeling, Mr. Speaker, that that might be the response. I wonder why it is then that when those same people after taking that advice and phoning the Saskatoon office are unable even to leave a message without being taken through the third degree. They have to leave their names, their telephone number, they have to indicate what their occupation is, before anybody is prepared to take any information and I wonder . . .

SOME HON. MEMBERS: — Hear, hear!

MR. PENNER: — . . . I wonder if the Premier

would care to comment about why that would be the case?

MR. BLAKENEY: — Mr. Speaker, I suspect that the Hon. Member has possibly conveyed some information rather than sought some in his second supplementary question. I do not concede that the office asks people for their occupation. Although it may be done on occasion I do not concede that that is their regular practice. I do not know, but I doubt it. I further think that for an office to ask a complainant what his name and address is strikes me as a perfectly regular and routine proposition. I should like to know what the point is of someone calling and saying, I object, my address is. If he had sent that in as an anonymous letter I would have put it in the wastebasket. If he wants to make an anonymous telephone call I suggest it deserves the same treatment.

Provincial Involvement in Housing

MR. MERCHANT: — Mr. Speaker, before the Orders of the Day I wonder if I might direct a question to the Minister of Housing about the provincial involvement in housing in the future and that inquiry frankly involves some information about the office of the rentalsman. The inquiry, Mr. Minister, relates to the potential of investment.

The Premier said on television last night that there was some suggestion that the Government might be going into the apartment business as a province and in response to that the Premier said, and I quote:

That is certainly not our wish if we can get the private sector to co-operate.

But he did say that the Government may have to intervene to keep up with the demand.

Mr. Minister, I wonder if you would indicate whether there are currently any plans to move into apartment ownership by government? You, yourself, implied as much in September of 1975 and secondly, the words that the Premier used last night, "If we can get the private sector to co-operate," sounded to me like the kind of words that they used with the potash industry and I wonder whether the Government is considering buying existing buildings or indeed expropriating as they have with the potash industry, or are suggesting that they may be doing that?

HON. G. MacMURCHY (Minister of Municipal Affairs): — Mr. Speaker, in response to the Member's question, I can only say that, as the Premier said, moving into the construction of rental units is an area that is under consideration by the Housing Corporation. It is under consideration based on the needs that the province will face. At the present time we would see the industry going flat out so far as new units are concerned in the province, both ownership housing and rental units, and we would have to see whether there is an indication of slowdown and in what area the slowdown is, before the Housing Corporation would consider moving in. And if we do we will certainly announce it in plenty of time for the Hon. Member to

make comments.

MR. MERCHANT: — Mr. Speaker, a supplementary. I suggest that encouraging the private sector involved some questions about the office of the rentalsman; whether the office will operate fairly or in a biased manner. Also, I wonder if the Minister could indicate - I noticed the ads about the office of the rentalsman - at what stage is the formation of that office? Can you indicate whether anyone has been employed and can you indicate the name of the man or woman whom you are considering for the position of rentalsman?

MR. MacMURCHY: — Mr. Speaker, I am sorry I can't respond to that question. The office of the rentalsman, in fact the area of rent controls comes under the jurisdiction of the Minister of Consumer Affairs (Mr. Shillington). He has not made any report to me, or to my knowledge to Cabinet, on how he is making out.

MR. MERCHANT: — Mr. Speaker, it may be then that the response of the Minister is similar to this, my second supplementary, or it may be that some other Member of the Cabinet can better answer the question. I have been asking questions about allaying the fears of landlords and certainly that has a lot to do with the Act. The Government has now won a concession to hold the controls by the Federal Government to 18 months, will the Government hold your controls under this legislation, the rent control legislation to 18 months? I suggest that in relation to the fact that the Bill was brought in before the Federal Government conceded on the 18 month rule. I wonder if the Government will consider the 18 month provision or potential of it in the Bill?

MR. BLAKENEY: — Mr. Speaker, I think that it is fair to say that rent control was a move which the Government moved into reluctantly because of the real difficulties which have been experienced in making rent control fair and effective and still promoting vigorous house construction or residential construction. We are, accordingly, not necessarily convinced that the provisions of the Bill before us are the right ones. We think they are our best effort at the moment but we do not necessarily believe that we will not change our minds. We will, accordingly, review the Act from time to time and take the representations of the Hon. Member into account. He is correct in saying that there appears to be a change in the position of the Federal Government with respect to the duration of their control program. That may be a relevant consideration. I am not able to announce any change of policy at this time. Any changes will be announced in due course.

Fire at IMC - Esterhazy

MR. L. W. BIRKBECK (Moosomin): — Mr. Speaker, in the absence of the Minister responsible for SGIO, I should direct my question to the Premier. Is the SGIO at risk for the damages done during the recent IMC fire at Esterhazy?

MR. BLAKENEY: — I am sorry I am unable to help the Hon. Member on that. I don't know whether we were on that risk in part or in whole.

MR. BIRKBECK: — Well, Mr. Speaker, surely someone from the Government side should have some information with regard to this in view of the magnitude of the money involved in such a loss.

MR. BLAKENEY: — Certainly, if we were on the whole risk someone would know. If we are in fact on that risk and have the great bulk of it reinsured so that it would be a normal risk, we would not know. It is not the custom of the Saskatchewan Government Insurance Office to advise the Cabinet of individual losses that are losses in the ordinary course of business. If they are extraordinary losses such as those encountered last June in the flash flood that we had in Regina, where the loss involves many, many claimants and in total a large sum of money, we were advised rapidly. But I just do not know whether the fire at IMC involved any significant loss to the SGIO.

MR. BIRKBECK: — Mr. Speaker, by way of a supplementary. Will this loss mean another increase in SGIO rates to the people of Saskatchewan?

MR. BLAKENEY: — Reasonably, obviously, if we are not on the risk it won't. If we are on the risk it is unlikely that it will since I suggest it is a risk in the ordinary course of business, since we have not heard about it. Accordingly, I would be surprised if this had any greater contribution to changes in rates than any number of other losses which SGIO might have incurred.

I think Hon. Members will know that the custom of many insurance companies, including SGIO, is to write a risk and to accept the first, say, \$75,000 or \$100,000 of the risk and to reinsure the entire amount of the excess, or 95 per cent of the excess. That is a very common practice. With reinsurance treaties the companies in effect trade off risks and this is what SGIO does as does every other fire and general insurance company. I would, therefore, be quite surprised even if we were on the IMC risk that the net loss after reinsurance to SGIO would be enough materially to affect rates.

Restricting the Size of Farms

MR. A. N. McMILLAN (Kindersley): — Mr. Speaker, I should like to direct a question to the Hon. Minister of Agriculture (Mr. Kaeding). It has come to my attention that Mr. Dalgliesh, the Deputy Minister, has indicated recently that the Government of Saskatchewan may be looking very seriously at restricting the size of farms in Saskatchewan. I should like to ask the Minister of Agriculture if Mr. Dalgliesh was speaking on behalf of the Government of Saskatchewan when he made these suggestions?

HON. E. KAEDING (Minister of Agriculture): — Mr. Speaker, I can assure you that Mr. Dalgliesh, when he is on his own time can make his own statements and this particular statement he made to a group he was speaking to. He indicated in that speech that he thought it was a matter of discussion which farm organizations should be considering and

should be giving some thoughts on. That was the sum total of his statement.

MR. McMILLAN: — Well, in way of supplementary, Mr. Speaker. I should like to ask the Minister of Agriculture, is the Government currently considering legislation to restrict the size of farms in Saskatchewan?

MR. KAEDING: — Mr. Speaker, No.

MR. McMILLAN: — A second supplementary, Mr. Speaker. Will the Minister assure us that the Provincial Government will not legislate a limit on farm size in Saskatchewan?

SOME HON. MEMBERS: — Hear, hear!

MR. KAEDING: — Mr. Speaker, I don't think this Government or any other can predict what might be done in the future. I am sure that if there is a consensus in the country which is strong enough which would suggest that it is a good policy for this Government to undertake, I suppose we would be looking at it. But we would certainly want to be assured of a large amount of popular support on that kind of an issue.

POINT OF PRIVILEGE

Question on Order Paper

MR. D. M. HAM (Swift Current): — Mr. Speaker, a Point of Privilege. On the 15th sitting day during a Question Period the Member for Nipawin (Mr. Collver) asked the Minister of Minister Resources (Mr. Whelan) the following question:

Does the Minister have any idea what the total planned expenditure for radio, television and newspaper advertising for the Government of Saskatchewan or any related agency or Crown corporation for the period of October 1st, 1975 until December 1st, 1975, relating in any way to the resources of Saskatchewan?

The Minister requested that this question be put on the Order Paper in written form because it was detailed and required a great deal of detail, in his words. He suggested it was not of emergent nature and yet last night in Swift Current at a meeting I attended the Minister was asked a very similar question and his answer was, approximately \$20,000. Why is this information available to public meetings but not to this House?

MR. SPEAKER: — That was a Question of Privilege was it? I am sorry I thought it was a question.

I believe it was framed as a Question of Privilege. I am not sure whether there is evidence there for a prima facie case of privilege. I will take it under advisement and attempt to advise the House later whether there is, in fact, a prima facie case.

STATEMENT

Special Payment to Saskatchewan by Federal Government Rising Out of 1974 Energy Conference

HON. A. E. BLAKENEY (Premier): — Mr. Speaker, I wish to make a brief statement to the House concerning the status of a special payment to Saskatchewan by the Federal Government arising out of the March 1974 Energy Conference.

Members who were in the House last year will recall that part of the Federal-Provincial agreement which held the price of crude oil at that time to \$6.50 a barrel from March 1, 1974 to July 1, 1975 was a commitment by the Federal Government to make a special payment to Saskatchewan. This payment would be based on 25 cents for each barrel of oil we produced during the 15 month period.

Last week in the House of Commons, the Finance Minister noted that the amount of \$21 million provided in the Supplementary Estimates for transfer to Saskatchewan and tabled correspondence outlining the agreement between the Prime Minister and myself, concerning the purposes for which this special payment will be used.

Essentially we have agreed that this sum or a major portion of it will be used by the province over the next five years to make capital improvements to the Saskatchewan portion of the Yellow Head highway system. The choice and timing of these capital expenditures will be at the province's discretion and will be undertaken as an integral part of our overall highway program. It is also part of the agreement that this payment is incremental to any future federal contribution to the provinces for highway improvement. This means, for example, that should the Federal Government decide to make payments for the upgrading of the Yellow Head route at a later time in the neighboring provinces, Saskatchewan will receive equivalent funds for work already completed.

Mr. Speaker, I am pleased to inform the House that this sum of \$21 million will, we are advised, be transferred to the province as soon as the Supplementary Estimates have been approved in the House of Commons.

MR. D. G. STEUART (Leader of the Opposition): — Mr. Speaker, if I may reply to the statement made by the Premier.

Did I understand it is 25 cents a barrel for every barrel of oil produced in Saskatchewan during a certain period of time?

MR. BLAKENEY: — Yes, a 15 month period.

MR. STEUART: — My first reaction is that I am please we have got this \$21 million. I think that it is a shame that Bill 42 and the actions of the Government opposite have driven a large segment of the oil industry out of Saskatchewan and watched our production actually go down. This \$21 million could probably have been \$10 million to \$20 million more had the Government

acted in a sensible, reasonable, decent way with the oil industry, that is point one.

The question of spending it on highways on the Yellow Head, we favor that. We favor the idea of developing that second trans-Canada, the Yellow Head route. However, I think it poses a question, will this be taken out of the highway budget? Will the highway budget be reduced by this amount of money. Another problem this raises is, when is this Government going to announce an overall plan and the kind of money they are going to spend for the development of more energy resources. We have got fantastic reserves, I think, as yet unknown in the heavy oil area of Lloydminster. Someone is starting to do some research on the possibility of oil tar sands on the Saskatchewan side of the border, up by the Cold Lake area. Surely the Government may have some plans but they haven't produced them yet. Surely the Government with these huge sums of money can find more important things to do with them than put in on a highway. We have got lots of money for highways, should have lots of money for highways. Surely this kind of money, the money in the Energy Fund should not be gambled for potash mines, should not be used on highways, but in fact should be used to find more energy resources for the people of this province.

MR. R. L. COLLVER (Leader of the Progressive Conservatives): — Mr. Speaker, I should like to ask the Premier a question. Is this an additional amount that the Premier has negotiated from the Federal Government for payment to the Province of Saskatchewan?

MR. BLAKENEY: — I think the fair answer to that is 'No'. During the discussions in May of 1974, when the western provinces agreed to a price of \$6.50, it was generally felt that that was too little for the western provinces and the agreement with the Prime Minister was that in addition to this \$6.50 there would be an additional 25 cents per barrel expended by the Federal Government on projects in the producing provinces. The subsequent negotiations discovered that it was very difficult to work out these projects and, therefore, eventually it was decided that the money would be paid over to us. It is the same money that was talked about in March and April of 1974. The projects are Federal-Provincial projects. The Federal Government is, I think rightly, anxious to underline the fact that they are involved as well as the provinces. At the time it was agreed that this money would be used on transportation in western Canada, because we in western Canada at that time and still, felt that we had grievances with respect to the Federal Government on transportation issues. And that was the arrangement made, for good or ill. This is the culmination of it. The material was laid before the House of Commons this week and I felt in courtesy to this House that I should make a statement here today.

MR. COLLVER: — Mr. Speaker, if I could just make this comment. The Premier has given us these amounts of money that have accumulated by this special rate that goes beyond the period after March 31, 1975 and I wonder, therefore, if we can have this information piecemeal in this way, why we cannot have the information as to how much has been accumulated in the Energy

Development Fund to the end of last month?

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — I am not clear whether I can answer the Hon. Member's question. This \$21 million is the figure that the Federal Government says they will give us. Based upon 25 cents per barrel of the oil produced between April 1, 1974 and June 30, 1975. That is the bargain, that was the deal and that is the figure. I think it is not directly related to the Energy and Resources Fund although some may feel that the Energy and Resources Fund is involved. This payment is quite separate and apart from that. It is a federal payment from the Federal Government to the Provincial Government for the reasons I have previously outlined.

ADJOURNED DEBATES

Second Readings

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Shillington that Bill No. 16 - An Act to amend The Residential Tenancies Act, 1973 to now read a second time.

MR. R. L. COLLVER (Leader of the Progressive Conservatives): — Mr. Speaker, before I commence talking about Bill 16, I should like to apologize to the Members of the House if I happen to collapse from the flu or if the Members opposite should come over here I will soon clear this Assembly, with germs.

To start with I realize that really any comments on this particular Bill puts any politician in a no-win situation at this time. It has been labelled by the Press and by others and by Members opposite as rent control legislation. Any discussion or criticism of this particular piece of legislation may possibly be construed as being in opposition to rent controls.

I realize the difficulty of making comments about this legislation but I should like to emphasize our position at the outset. We are totally in favor of, as part of the wage and price control legislation from Ottawa, rent control legislation in the Province of Saskatchewan. Furthermore, we do not necessarily agree with the Members to our right when they say to be coupled with this legislation must be other moves in terms of inflation. Because we feel the Government of Saskatchewan has to start somewhere. We are pleased to see that the Government of Saskatchewan has taken a start and has taken the first step, if you want, in this fight against inflation.

I should like to emphasize here and now, that the Government of Saskatchewan would be very short-sighted if it implemented this particular legislation without controlling their own spending, without controlling those wages and prices that are under the provincial jurisdiction. And without controlling professional fees and other areas of necessary controls that fall within the provincial jurisdiction.

Our greatest concern here is that it seems that party lines or politics seem to be entering into this particular piece of

legislation. It seems that the Members opposite are taking one side firmly and the Members to the right seem to be taking the other side very firmly. We would like to see . . .

MR. STEUART: — Tell us what your position is.

MR. COLLVER: — Well, perhaps if you wait you might get to find out what our position is. I think when the Member is on his feet, Mr. Attorney General, he is not catcalling; it is the guy opposite that is catcalling. Perhaps that is not true, perhaps that is unfair.

On the other hand I think it would be incumbent upon us as legislators of all political parties to create the best possible situation for the Province of Saskatchewan. We do not believe that this Bill as written does so, and I was most pleased to hear the Premier comment today that the mind of the Government of Saskatchewan is open to suggestions. And it is open to change.

We have three major areas of concern in this particular legislation. One, is the permanence of the legislation. The second is that there is no protection in this legislation against landlord bankruptcy. The third is that it further enhances the power of the executive and takes away the right of appeal to the courts.

We realize and we agree that if you are going to introduce any kind of control legislation that it is necessary to obtain the services of some people to implement and administer that particular piece of control legislation. We recognize that the Government has done so with its rentalsman and with its rental commission. But we cannot understand why the Government of Saskatchewan has withdrawn the rights of Saskatchewan citizens to appeal the decisions of that rental appeal commission to the courts and to the judiciary. I will have more to say on that in a moment.

In discussing the permanence of rental control legislation, as to whether it should be permanent or temporary, I remind the Members opposite that the Minister responsible for this legislation himself said that controls are only a short-term solution at best.

What kind of a short-term solution? A bit of information that perhaps the Members opposite are not aware of is that controls, permanent rent controls were introduced in Great Britain in 1915 as a temporary measure and they have been reintroduced every single year since that time. The standard and quality of housing in Great Britain is nothing and pales in comparison to the standard and quality of housing in Canada. The standard and quality of housing in Great Britain with permanent rent controls since 1915 has rapidly deteriorated.

The rental accommodation in Great Britain has never been allowed to reach fair market value. And investment in rental accommodation has been extremely scarce.

Some governments see permanent controls as a cheap way of appearing to do something about poverty and housing without imposing additional taxation. This, I think, makes sense only

if government behavior is construed in terms of maximizing voting support, much in the same way that private entrepreneurs maximize profits. Might not the politician who attempts to maximize votes be accused of the same kind of behavior?

The Federal Government imposed rental controls during the Second World War and by 1947 they began to reduce their role in regulating rents. By 1950 the government decided to terminate its role in regulating rentals and is no longer in this particular area.

We are concerned that permanent rent controls will create permanent slums, a la New York, a la London. No amount of legislation, no amount of rules and regulations in the Bill can possibly determine wear and tear on carpets, can possibly determine the state or extent of wear and tear on refrigerators or stoves, or wear and tear on walls, on whether the hinges work properly or don't work properly. No matter how you write the legislation to try and force the landlord or the property owner into a situation where he must keep his building up, that property owner will find ways if you have not protected him from bankruptcy and from losing money, that landlord will find ways to reduce the service in that building. And accordingly create the situation in which the tenants themselves are shortchanged to say the least, because of the requirement for governments to be involved in the political arena and to capture votes. I should like to cite the example of British Columbia and their particular experience in the last two or three years with attempting to get out of permanent rent controls.

Here is an area where I think we should be terribly concerned. The British Columbia government implemented legislation very similar to this particular Bill and after they had introduced the legislation and enacted it, they asked the Cragg Commission to report to them on what were the effects of the Bill and what did they recommend in terms of increases. I won't bore this Assembly with more statistics than enough, but needless to say the lowest rate of increase that the Cragg Commission recommended to the Government of the Province of British Columbia, was in the neighborhood of 16 per cent. That was the lowest and they said that that was absolutely essential to meet the costs of the landlords in British Columbia. The British Columbia Government decided to go on an across-the-board increase of 10.6 per cent because it (the former) wasn't popular and because they couldn't possibly get it over to the people that they should go higher than that level.

If we are dependent on our livelihood, if you want, for votes and we get into permanent rent controls, in our view we are going to face a situation in which we'll never get out. We'll be locked into them forever. Any place in the world where they have been tried, quite frankly they have been unsuccessful in providing a high standard of accommodation for anyone and they have added to the burdens and to the problems of the creation of slums.

Now, I can understand why the Government of Saskatchewan and the Minister suggested that single units be left out of this legislation, because quite frankly, I agree here with the Government that to police such a controlled program on single units would require an army of bureaucrats which the Government should not be attempting to hire during this period of inflation, because after all the control legislation that we're introducing

for rents surely, surely is to fight inflation. That's the job of the rental control legislation. To fight inflation in conjunction with wage and price controls that have been implemented by the Federal Government. Surely that's the reason for it and no other. Surely that's the reason for interference with a reasonable rent for a reasonable product.

I think the Government should be stringent and very clear in its statements to the public and to the Province of Saskatchewan, that the rentalsman or anyone else responsible for the administration of the Act should make it clear that those landlords who own single family dwellings or single units are expected to comply with the spirit of the legislation and make it clear that those landlords, if significant reports are received by the rentalsman that these landlords are not complying with the legislation that the rentalsman will take action in this area. I think if it's made very clear to these people that they are expected to comply with the spirit of the legislation, I think the vast majority of them will do so.

The second major area of our concern is that unfortunately we see no protection in this legislation against the bankruptcy of Saskatchewan property owners. I don't honestly believe that it is the intention of the Members opposite to bankrupt Saskatchewan citizens. Now these are not your everyday average, normal, multinational corporations that you are fighting here. These are people, these are individual citizens in Saskatchewan who maybe had a farm and sold the farm and wanted an investment and invested in an eight-suiter or a twelve-suiter or a sixteen-suiter. These are individual citizens that are threatened by this legislation with bankruptcy. Furthermore, I don't think the tenants of this province would accept government regulations to bankrupt their landlords.

In that regard I'd like to quote from Mr. Wes Robbins, the Minister for Consumer Affairs in an article in Saskatoon Star-Phoenix.

The high cost of borrowing money is one of the major villains behind the escalation in residential rents in Saskatchewan, Consumer Affairs Minister Wes Robbins said Tuesday. He said, there is little the Provincial Government can do to counter that and in fact it would have to pay the same high interest rates it was borrowing money to get into the apartment building business, a role some critics have suggested. Until the Federal Government does something about the high cost of money this situation will continue, he said.

And he went on further to say:

He does not think government construction of apartment accommodation would have much effect in lowering the costs of renting, since the Government would have to pay the same interest on the money used to finance the building, as any private developer.

I would appreciate, Mr. Speaker, if the Members would hold their applause until I'm finished.

I don't believe that the Members opposite quite realize what's necessary in the construction of an apartment building or in the obtainance of an apartment building. The prime costs

of operating apartment accommodation, the prime costs are interest, property taxes and maintenance. And maintenance to a far less extent than interest and property taxes. I'm sorry I left out a very key one and that's utilities. Interest, plus property taxes, plus utilities would represent between 80 and 90 per cent of the rent paid by individual tenants in the Province of Saskatchewan.

The Government themselves say that they must increase rates for SGIO, for Sask Power, for Sask Tel, that they must increase these rates to accommodate increased costs. These rate increases in SGIO, Sask Power and to a lesser extent Sask Tel are to a very large extent responsible for the increase in the costs of rental accommodation in Saskatchewan.

Would the Government suggest, would they suggest that somehow the property owner can afford to meet the payments to SGIO, to Sask Power, for the property taxes and for their mortgage payments from rentals that were too low in December of 1974? Would they suggest that even with a 10 per cent increase in rentals that some landlords, and I'm not talking about all landlords, but some landlords who have been terribly responsible and have not gouged their rents up significantly in the last six months to a year, would they suggest that they should somehow have to dip into their pockets to meet these increased expenses? I hope not, and I don't think so.

I'd like to read to this Assembly a letter which I have received from a Saskatchewan citizen, not a corporate citizen, but an individual. I am not prepared to table this document since this person does not wish her name known, but I am prepared to take responsibility for its contents. And she says:

I hope that the Government realizes that they will more than likely break a few landlords, myself included, if they don't make certain provisions in the legislation. We purchased a building in July of this year and before we could get mortgage approval, the old mortgage was so low we could not assume it, we had to agree to certain conditions that the Trust Company stipulated. One of them was raising the rents and it was a substantial increase from \$125 to \$175. The reason for it was to support the mortgage payments, expenses and a suitable return on our investment. The building has been sold and if the rents were rolled back the people who purchase the building will have no choice but to default on their payments and the Trust Company will start foreclosure proceedings. You can be assured that the mortgage company would rather have their mortgage payments than a building on their hands that nobody wants to buy because it's a poor investment.

Foreclosure is just one of the possibilities. They could get us involved in a dispute and we in turn could involve the previous owner in a dispute. Who will reimburse me for the legal fees charged for the purchase of the building, painting and carpeting as well as numerous other expenses?

And she goes on to say as follows, as for the comment made by the Minister for Consumer Affairs:

That the exemption of new buildings for five years is to encourage construction, well it's just ridiculous.

The cost of a one bedroom suite in a new building is around \$17,000 and a two bedroom can cost anywhere from \$18,000 to \$19,000. There are several new blocks at present who are charging anywhere from \$230 to \$250 for a one bedroom suite and they are having difficulty in finding tenants to rent them. The truth of the matter is that nobody can afford to build a new apartment block anymore because costs are so high. If you can find the financial resources to build your rents are so high that the suites are unrented.

These landlords or these property owners in Saskatchewan have got a legitimate concern about whether or not this legislation is going to be implemented so as to give them no protection whatsoever against having to dip in their pockets to meet their expenses.

MR. ROMANOW: — What about . . .

MR. COLLVER: — I'll get to that in a moment, Mr. Romanow, excuse, me, Mr. Attorney General.

In conclusion in that area, surely the reason for this legislation is to be fair as suggested by the Government. Surely the reason for the legislation is to temporarily control rents as they are going to, as they have suggested that the Federal Government temporarily control all other prices and wages in Canada. If that's true, surely it's not the Government's intention to bankrupt landlords.

The third area of our concern and perhaps our largest concern is that this legislation exempts citizens of Saskatchewan, both tenants and landlords, from the judicial process. Our greatest concern in that area is how can the Government of Saskatchewan take away and reduce and diminish both of the other branches of government, that is the Legislative Branch and the Judicial Branch, to the ever-increasing power of the Executive Branch? The only difference in that kind of society between an all-powerful executive and a dictatorship, is name. Unless the other two branches of government, both the Legislative and the Judicial have sufficient powers to counterbalance executive powers, there can be no doubt that that society is not a free society.

Now the reasons used for eliminating the courts from this process as it pertains to rental accommodation is that the tenants don't seem to like the courts, they can't afford them, they are too expensive, they have to go to lawyers and they have to go through red tape and it scares poor people away.

Well, using that same logic then, you would undoubtedly remove the right of appeal to the courts under The Credit Society Act, because the Credit Society and the Credit Unions in the Province of Saskatchewan certainly have occasion to use the courts with their members. You would use that same logic as it relates to co-operatives in the province. That a citizen who happens to be a member of a co-operative would not have the right to go to the courts in a dispute with the co-operative because it is too expensive, because there's too much red tape, because it scares people away.

Now we agree, and I think the questions I had of the

Attorney General as it pertained to the judicial system and the question from one of the Members, the Member for Regina South (Mr. Cameron) related to the upgrading of the judicial system, to make it more modern, to bring it into the twentieth century, to get it away from the process that the Attorney General described himself as one with quill pen.

We hope and we had some encouragement from the Attorney General that he was going to work in this regard.

But if this judicial process is upgraded and if it's brought into the twentieth century, surely we must have a judicial system that is capable of answering the disputes as between the citizens and organizations of the Province of Saskatchewan.

No one is objecting to the creation of a rentalsman for the purpose of implementing the controls. No one is even objecting to the creation of a rental appeal commission for purposes of implementing the controls, but surely an appeal should be allowed to the judicial process by those citizens who are not happy and who are concerned with the decisions of the rentalsman and the rental appeal commission.

And furthermore, if you are so worried about the fact that poor people don't want to go because of red tape and that it scares them away, why did we create legal aid? We created legal aid so that poor people and people without resources would have access to legal help. Therefore, allowing them access to the judicial process. To take away the right of the citizen of Saskatchewan for an appeal to the judiciary is quite simply a denial of their democratic rights as free citizens of the country.

To continuously increase the power of the executive to the detriment of the legislative and judicial branches of government is to lead us towards a situation in which this country will be a dictatorship and this province will be a dictatorship with no difference than in name only.

I sincerely hope that the Members opposite will allow changes in this legislation to allow this kind of thing to develop the furtherance of appeals beyond the rental appeal commission, if no other reason than to convince the people of the Province of Saskatchewan that this Government opposite and the Members opposite are not out to control the every day destiny of everybody's life through the executive branch of government.

I believe that what the Attorney General is suggesting in his catcall is that two wrongs make a right. Perhaps an improvement in the judicial system, rather than a quasi judicial system might be in order in this regard.

MR. ROMANOW: — Lawyers only judge the law.

MR. COLLVER: — What other law would they possibly not take into account but the right of an individual to his home and to quiet enjoyment of his property, and to his house, and to his apartment? What more right would the Attorney General suggest should be looked after by lawyers than the very right of the place where they live?

MR. MERCHANT: — Clean up the judiciary!

MR. COLLVER: — The catcall from the Member behind me reminds me of the catcall he made the other evening to say that the only reason that we are here, and the prime reason that we are here as legislators is to see that money is well spent. I would suggest to the Member for Regina Wascana (Mr. Merchant) that we are here for a lot more reason than that, and probably more important ones at that and that's to protect the rights of individual citizens of this province.

Now those are the three major areas of our concern; the permanence of the controls, the loss of right of appeal to the courts and the failure of the legislation to protect the landlord from bankruptcy.

I shall be proposing some amendments or some suggested amendments that the Government might consider in that regard.

One of the implications and the long-term implications of this particular piece of legislation is that it does away with the rights of private property, almost totally. As a matter of fact, does away with the rights of private property totally as it relates to rented accommodation.

Now what are the rights of private property? Well first, exclusive possession and quiet enjoyment. But the landlord gives that up the moment he rents his accommodation. Second, to decide what kind of a building he shall develop on his property and to decide what use he will make of his land, but the landlord and property owner has given that right up justifiably so, to planning commissions and zoning commissions, and that right is no longer the private property owner's. To decide on what kind of a tenant they will have, old or young, male or female, and so on, and that right has been given up justifiably so to the Human Rights Commission so that discrimination shall not occur. To decide on the level of service, in other words, they charge a low price and give low service. Under this piece of legislation that right has been given up. To decide on whether to obtain rental accommodation as an investment, as a hedge against inflation. This piece of legislation and all control legislation ends that right. And lastly, the right to sell. But if all of the other rights to private property are given up, surely there will be no buyers and, therefore, he has given up that right as well. He no longer has the right to sell.

If that happens, it is our judgment that no one, if all the rights to private property are given up, that no one will be desirous of obtaining private property as it relates to rental accommodation. In other words, they can no longer get a hedge against inflation, their rate of return is limited. We agree with a limitation of the rate of return for a short period of time, but not in the long run.

If they don't have the choice as to level of service they will just quite frankly stay out of the business.

What's the alternative to private property? Well, it's government housing or government subsidized housing. And that's

it, really. That's all there is. Government housing, or government subsidized housing.

How many Members in this Assembly have ever lived in government subsidized housing? Probably none. Well, let me say, Mr. Speaker, that I have lived in government subsidized housing. I have; when we first got married, we lived in low-rental housing in Edmonton, Alberta. Let me describe to you some of the problems with government housing and government subsidized housing.

There's a sameness about government housing that is created out of necessity, it's created because it's housing created by a committee, not by an individual. There's a sameness about government housing, or government subsidized housing that is brought about because politicians have to be involved in it because we are here to protect the public first, amongst other things. There's a sameness about government housing that is really inhuman and inhumane. Through necessity government housing and government subsidized housing develops an officialdom about it, a lack of concern because they're government employees, and because they are related directly to government employees, an officialdom that doesn't relate to a person's individual needs and tastes in terms of his accommodation. There's a red tape that develops about government housing and government subsidized housing. In other words, there is a feeling that develops and has developed in every jurisdiction in the world where government housing and government subsidized housing has increasingly grown to the detriment of private housing, and that is that it is dehumanized. That it's dehumanized. Can we not learn from the experience of others, can we not learn from the experience of areas like New York, or like London and other areas? I sincerely hope we can.

We realize the urgent necessity for strong action in the fight against inflation. We realize that it's necessary to pass this Bill quickly and to pass it now. To get something going in the fight against inflation. We wouldn't have perhaps created the legislation the way the present government did; we wouldn't perhaps have introduced the legislation the way it did, and we perhaps wouldn't have created the atmosphere of mistrust as is presently developing in our province. Perhaps. Well perhaps a temporary rent control bill, and perhaps a realization that the increased housing prices in Canada and in Saskatchewan are temporary. This is a temporary situation, not a permanent situation. Then what are we doing about looking for temporary solutions? What are we doing to help mobile home development? What are we doing to help local communities develop mobile home parks for housing that only lasts five to ten years? No, we are getting into the business of going into long-term housing solutions to solve a short-term housing crisis.

MR. ROLFES: — Who said?

MR. COLLVER: — Well, it appears that way, it certainly appears that way to many.

MR. ROLFES: — It's limited to 18 months.

MR. COLLVER: — Well why not limit the Bill to 18 months then? Why not?

MR. ROLFES: — It is.

MR. COLLVER: — No, it isn't. The permanent controls in that Bill are maintained, it is only the number that you have filled in for 18 months, but the rentalsman has the power to control rents at his discretion from then on.

HON. G. T. SNYDER (Moose Jaw South): — Mr. Speaker, it might be efficacious for you to direct the Member to have him direct his remarks to you, rather than to other Members on this side of the House.

MR. SPEAKER: — I think that is a Point of Order in fact, and I think when he is making a Point of Order, the Member should sit down. I would ask the Member to direct his comments to the Chair.

MR. COLLVER: — Pardon me, Mr. Speaker, there is a lack of understanding on how to relate to catcalls, I guess.

We would suggest, therefore, that the Government of Saskatchewan seriously consider amending Bill 16 in the following fashion: First of all, that the Government allow an appeal from the rent commission to the judicial process and to the courts, so that the citizens' rights in Saskatchewan can be protected, and so that they can feel that the rentalsman and the rental commission are totally fair, and if they are not, at least they have an avenue through the judicial system. We would further suggest that the Government of Saskatchewan amend this legislation with a clause something like this one - not to go back to previous months, or to develop a different period of time, because whatever month you pick (as suggested by the Members on my right, to go back three or four months), whatever month you pick to establish as your base rent month, you are going to have inequities develop. Everyone knows that. But why not an overriding clause in the legislation something like this:

Notwithstanding anything contained in this Act, if the landlord does not, by virtue of the permitted rent increase under this Act, realize a return of 12 to 14 per cent on his capital investment, which terms shall be defined by regulation, but shall include previous losses realized on the property, together with his cost of operation including his mortgage payments, he may increase the rental prorata among the tenants on the demise premises to such an extent that would permit him to realize such a rate of return.

Well, the reason, Mr. Speaker, I noticed a Member asking why 12 to 14 per cent - the Minister suggested during a radio open line show, that he anticipated that landlords should earn somewhere between 12 and 20 per cent on their investment. We are picking the low rung on that investment so as to make most meaningful the control program, and to bring this legislation within a reasonable rate so that the landlord can be protected against loss of money. No one suggests that he should rip off the community, but one does suggest that he might be prepared and be able to make something.

And further, and third, that the Government consider amending the legislation to limit the time limit on controls to 18 months, from the date of assent.

MR. C. P. MacDONALD (Indian Head-Wolseley): — Mr. Speaker, I do not want to speak at any length today on this particular Bill. I merely enter the debate for a very few minutes to indicate to the Government and to Members on both sides of the House that we have several Members on this side within the Opposition, the official Opposition, who have had only an opportunity of a day or two to assess the Bill and its implications, to talk to their constituents, and it is their intention to propose some very specific amendments. With the intention of trying to cover some of the concerns that the Member for Wascana (Mr. Merchant) and the Leader of the Conservative Party (Mr. Collver) have indicated, are genuine concerns, not only of Members of the Legislature, but of the members of the Province of Saskatchewan, the general public, and in particular, to ensure that this piece of legislation does not kill the goose that lays the golden egg. That it does not destroy the very incentives to solve the problem of high rents in the Province of Saskatchewan . . .

SOME HON. MEMBERS: — Hear, hear!

MR. MacDONALD: — . . . by destroying the urge of people who will construct and build and provide that kind of accommodation in the future.

I have already talked to two different landlords who are in the process today of planning rental accommodation in the Province of Saskatchewan, and are now transferring it into the condominium concept. And for one very specific reason, because in the condominium concept they can get a return for the investment, but if this Bill without a time limit on, is imposed, they may well never get a decent return on their investment.

I also want to tell the Government that it is our hope that if they will improve this legislation, and withdraw some of the very specific weaknesses that have been pointed out by both parties of the Opposition, that we would like to support this Bill, because it is a first concrete step by this Government in the fight against inflation. I want to suggest, and I hope it's only the first, because it is about time that we began to see some definite steps by the Government opposite to control the dramatic rise and the increased costs of Crown corporation services in Saskatchewan. Some specific actual steps to control wages and incomes. We want the NDP to face the responsibilities in Saskatchewan, and how often do they turn and point their finger at the Federal Government, yet in the province of Alberta that particular government has introduced legislation which has very specific goals and aims to contribute to the fight against inflation.

I also want to comment on the Bill itself and suggest to all Members of the House and to the public that there is no question that if we want to talk about controlling inflation in Canada and in Saskatchewan, there are three areas that we must zero in on:

- (i) is energy costs - and we may have very little possibility of controlling energy costs, partly because of the narrow attitude of that Government in relation to energy development in Saskatchewan and in Canada;
- (ii) is in relation to food, and particularly those grown at a domestic level;
- (iii) is rent and construction.

Mr. Speaker, I do hope that this Bill will not defeat the very intention of the legislation itself, and that, of course, is that by attempting to solve one problem they have created one that is far bigger, that, like an octopus, will reach out and cause serious problems in the years ahead, that will now not be able to be foreseen.

SOME HON. MEMBERS: — Hear, hear!

MR. MacDONALD: — Mr. Speaker, what really concerns me is that it appears to me that the very design of this legislation is to keep pace with the philosophy of the NDP and that is for them to get into the construction industry, to get into another business . . .

SOME HON. MEMBERS: — Hear, hear!

MR. MacDONALD: — . . . to once again invade the realm of private investment and a chance for them to go into the development of rental accommodation, even if it does cost those people in the low income groups in Saskatchewan years of high rent because of the fact that they will drive out the private sector.

I want to reiterate once again, the fact that the greatest tragedy and weakness of this Bill, is the fact that it does not have a time limit. Mr. Speaker, I have listened to the Minister of Finance (Mr. Smishek), I have listened to the Premier (Mr. Blakeney) stand up and say the one weakness in the federal anti-inflation program is that it is for a three-year period, it should only last one year, or 18 months at a maximum, and yet this particular Bill puts no time limit, and you and I know that when you impose something in Saskatchewan or any governmental process anywhere in the world, it is very difficult to retrace that step.

Mr. Speaker, the purpose of this Bill should be to supplement the anti-inflation program, not to establish rent controls. Rent controls should be a part of the anti-inflation program, should not in itself be a program specifically designed to do one specific task. Mr. Speaker, rent controls have never been successful anywhere. The Member for Wascana, the Member for Nipawin, both have indicated the disastrous results and impact of rent controls around the world. Any of you who have ever been to the Bowery or the Bronx in New York, and driven down to see the tragic state of accommodation in that city, or any other city where rent controls have been imposed, will recognize exactly the dangers of not placing a limit on this particular Bill.

I also want to hope that this particular Bill, with its ten per cent and its retroactivity, that somewhere along the line the Government has had the foresight to determine whether or not ten per cent is a legitimate level. I only have to point to the Mayor of Regina and talk about the increased taxes, increased water, power and light, from the Provincial Government, the city of Regina has increased its taxes and services beyond any city, perhaps in the Dominion of Canada in the past year. I am not sure, Mr. Speaker, whether ten per cent is an adequate level. There is one specific danger also of this particular legislation, that when we start to talk about the ten per cent, already planning has stopped in a large number of areas. Everyone recognizes the lead time that is required for the development of a project,

particularly of a rental project, an apartment or a multi-dwelling. You and I know that sometimes those kinds of projects take two and three years to develop and put together, to gather the finances to develop the architectural drawings, to obtain the land, and most important of all, to obtain the finances. Right now, planning has stopped in the Province of Saskatchewan until this Government indicates whether or not they will put a time-frame on this legislation. Mr. Speaker, why has the retroactivity been included?

Mr. Speaker, I have a great deal more to say on this particular Bill, as do Members on this side of the House, we have several amendments, I beg leave to adjourn the debate.

SOME HON. MEMBERS: — Hear, hear!

Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow that Bill No. 1 - An Act Respecting the Development of Potash Resources in Saskatchewan - be now read a second time and the proposed amendment thereto moved by Mr. Cameron.

MR. D. G. STEUART (Leader of the Opposition): — Mr. Speaker, as I enter this debate, I should like to state very clearly the attitude of the Liberal Caucus and the Liberal Opposition, our attitude on Bill 1, and in fact Bill 2.

We are Members of the Opposition, and our job surely, is to oppose the Government when we think they are wrong . . .

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — . . . to suggest alternatives to policies and Bills that they bring forward. And, maybe even more important, to be the watchdog on behalf of the public, watchdogs against the abuse of power by the Government, against the limiting of freedom of individuals, of groups of individuals in our province and they are doing that. We are here to protect the rights of individuals, whether those individuals are formed in unions, or together in corporations, and we intend to fulfil our responsibility of the Opposition, if the Government is not prepared to fulfil their responsibility.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — We oppose these bills philosophically, we oppose them morally, we think they are wrong from almost every angle.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — We have made some small headway; the Premier has finally given us some rather vague outside limits as to how much money they are going to take or borrow or use as the first step in taking over all, or part, of the potash industry.

Of course, we can't be satisfied with the vague commitment he gave informally to this House and outside the House; that of somewhere between \$500 million and \$1 billion. C. D. Howe got

run out of office eventually for saying, "what's a million"; the Premier in effect is saying, "what's \$500 million". Now he has given us half a promise, that he will be more specific at a later time in this debate. I presume he is talking about in committee, we hope that not only will he be more specific, but they will follow the law of this land and put that specific amount in Bill 2.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — There are a great many more questions we want answered about these Bills, there are a great many more things we want done with these Bills. First, we should like the Government to reconsider, stop and go back, and negotiate with the potash industry and not go down this road. If we fail in our attempts to do that, then of course we are going to propose amendments to try and make the Bills more equitable or reasonable and take out some of the risk.

We don't intend, Mr. Speaker, to play politics with this Bill looking two or three or four years down the road towards some election.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — If we start in this House as MLAs on either side at this stage of the game, within five months of one election, and likely four and a half or longer from another election, start judging every action of the Government in saying, shall we back down, shall we go under cover, shall we let this slip through because we might be able to use it as a club in the next election? Then, I say we are failing in our responsibility as MLAs.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — The job of MLAs, if they happen to be on the Government side, is to govern the province. That's their job. The job of the people who end up in the Opposition is to face their responsibility and fight each action of the Government if they don't agree with it. If they agree with it, their responsibility is to vote with the Government and move the legislation along as quickly as possible. Above all, their job is to suggest amendments and to try and make Bills, Acts or policies better and fairer and less discriminatory on behalf of the people who we were all elected to represent. That's our responsibility and we in the Liberal Opposition intend to fulfil it.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — We don't intend to drag out unnecessarily long debate on either of these Bills. Our speeches will be - they may be long; they will, I hope, be relevant.

MR. LARSON: — Long and empty!

MR. STEUART: — Well, coming from that member over there, Mr. Speaker, with the head he has, he should know about empty, I can tell you that!

Mr. Speaker, speaking on Bill 1, I should like to remind the Government once again, of the history of the potash development in this province. I do that because they seem to have forgotten the great risks that were involved in getting that potash, 4,000 or 5,000 feet down beneath the surface of the earth, getting it up and making this viable industry. They seem to have forgotten the joy, the happiness, and the great optimism, that great wave of optimism that went across this province in the mid-1950s when the Potash Company of America finally stated that they had a viable mine and they would be mining potash.

We have known for some time the rough outlines of the potash reserves in the Province of Saskatchewan. We received that information as sort of an added value or a secondary value to the great search for oil that went down in this province; almost everywhere that they have drilled for oil they came up with potash, at varying levels anywhere from 3,500 feet to 7,000 or 8,000 feet down. So we know we had a fantastic resource here, but to turn that potential resource into jobs, into revenue, into development.

I can well remember the picture of Tommy Douglas in the Star-Phoenix with a miner's helmet on, when they had the official picture that they had finally solved the problem of the flooding of that shaft, and they were beginning to take ore to the surface. He spoke on behalf of all of the people of this province, when he said how happy he was, how thrilled he was, and what a great future this held for the people of Saskatchewan; that at long last we would be able to get off a sort of a single economy based on the back of agriculture and start to look forward to becoming a "have" province. That was in the 1950s.

As we all know, to encourage those people in this great risk, the Premier of this province, speaking on behalf of the people of this province, gave a commitment, two commitments; one, they didn't have to worry about nationalization, because it was a socialist government and people were worried. The people were all aware of the Regina Manifesto that had not, at that time, been taken off the books and replaced now with the Manifesto which literally set up the NDP. That Manifesto said no CCF Government would rest content until they had eradicated capitalism and taken over government operation, the means of production, and the distribution of all the wealth in this province. That was there, these investors were worried. So, Mr. Douglas gave a commitment.

Sure, what the Government opposite is doing is saying, we don't care what commitment anyone else makes, we are prepared, and they have showed it time and time again, to act as if we were the first Government of Saskatchewan and the only Government of Saskatchewan; we will break commitments, we'll tear up contracts, we'll smash leases, we'll break the solemn word given by any government at any time, if it suits our purpose. That's what they are engaged in today, and it is morally wrong, and they stand condemned in the eyes of the people.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Mr. Speaker, I doubt if anyone could have put it better than the Member for Regina South (Mr. Cameron) when he said that government is asking all the people in this Legislative Assembly, the Members on that side and the Members on this side,

all those who support this Bill, to do something as a group, to do something as MLAs that we would not consider as individuals, to break our word, to act in a most unfair manner, in a most arrogant and a dictatorial manner. Surely as individuals, we wouldn't act that way. Then what right do they have to subject us and ask us to do that together, in the name of a government, to do the very thing that we would abhor as individuals.

Mr. Speaker, after the Potash Company of America was successful and the giant IMC mine followed, then the rest of the potash industry as we know it now, came into Saskatchewan. Shortly after that, as we all know, came the slump, overproduction, markets fell, and we had too much production, too many mines coming on-stream too quickly.

It is rather interesting to remember some of the speeches made by the Members opposite, talking about terrible planning and the future of the potash industry wasn't nearly as bright as these private entrepreneurs of the Liberal Government of that day had painted. In fact, we were taken to task very severely by the Members opposite when they sat on this side of the House, for even allowing some of these potash mines to come into Saskatchewan at that time. However, in an effort to save the potash industry, we put in prorationing and we put in a floor price. The one that hasn't been mentioned in this debate, has been the talk of the need for prorationing to save the mines, there had been the talk from the opposition at that time for much of the potash industry. I want to remind the House that we were faced at that time in Saskatchewan, with a real and serious threat by the Federal Government of the United States of America, in placing an embargo against the potash coming in from Saskatchewan, led by the Governor of New Mexico and two Senators from New Mexico. There had been a fight carried into the Congress of the United States and the Senate of the United States, accusing the Saskatchewan producers of potash, of dumping potash on a depressed market at below market prices in the United States. That was the urgency for the action we took in prorationing and in a floor price. Had that anti-dumping legislation been put through, and it was real, it couldn't wait for action from Ottawa or for action from anywhere else. Had that happened, we would have had a virtual disaster. There would have been three or four mines closed up, at least, and I don't know whether we would have ever got them back in action again, serious unemployment, and a real blow to the economy of our province at that time.

I want to point out, Mr. Speaker, that that threat still exists. The concern of the Government of the United States is still real. Right now, in Chicago, there has been a grand jury set up that is meeting right at this time, and they are attempting to prove, and they are looking into the question of the prorationing put in back in the 1960s by the then Liberal Government and the possible connivance of the potash industry in the prorationing and in the floor price. If they can find evidence that, in fact, all or a part of the potash industry connived separately or together with the Government of Saskatchewan in a restraint of trade, or in putting the price of potash artificially high, then I presume there could be indictments against the potash industry, some of whom are located in the Province of Saskatchewan.

I want to say that that charge is not true. The potash industry, to my knowledge, and I was the Deputy Premier at that time, and I attended many of those meetings, the potash industry did not connive, the potash industry - a great many of them were

reluctant - it was we, the Government of Saskatchewan, that took that action and forced it on the potash industry, and we did it not for their benefit, we did it for the benefit of the people of this province. It was a sound move, and a good move.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — As a matter of fact, I well remember Premier Thatcher ordering at least two heads of two potash industries to stay in the room, they came in the Cabinet room, and when they saw the general managers or the chairmen of the boards of six or seven other potash mines there, they stood and got up to walk out. When asked why, they said, we could get caught in anti-trust legislation in the United States of America, and we are not staying at this meeting. The Premier told them in no uncertain terms, you are in Canada now, and you are under our laws. He told them, if you walk out of this meeting, you might save yourself some trouble in the United States but you are putting yourselves in a great deal of jeopardy here. The reason he was able to make that floor price stick, and the prorationing stick, is he informed them very clearly that if they didn't co-operate, they might have difficulty taking up any ore from the mines. That is one power that the Government of Saskatchewan has, they can say who can, or when they can, or if they can, take up ore from under the surface of the ground here in Saskatchewan.

The result was that the prorationing worked and the floor price worked. I think the point we must be concerned about today is that we cannot be sure, we cannot be positive, that the action that the Government is taking, will not be taken up by the Government in Washington, and will not affect the short-term and the long-term markets that we now hold in the United States of America; 70 per cent of our potash production actually, vitally important to the future of this industry in the U.S.A.

I say to the Government opposite, they cannot take for granted, the reaction of the government in the United States. In 1971, the NDP were elected and they tightened the prorationing, and they immediately began a program of harassing the industry. They were taken to court and they lost. In spite of that, they carried on, and they put on tax after tax, regulation after regulation. Finally they put on the reserves tax, taking away a fantastic amount, over 80 per cent of the pre-tax profits of this industry; making them the highest-taxed industry anywhere in Canada.

Why did they do that? Well, I think people wondered at the time. They knew that the Members opposite were not the most experienced businessmen in the world, they knew from their actions with the oil industry that they suffered from short-term greed, they knew that the basic philosophy of the NDP was to mistrust, and at times, even hate people involved in business and industry, especially if they were large and successful and more especially if they happened to come from somewhere outside the borders of this country.

But, even when you take all those facts into consideration, it still didn't answer the question of why the Government was taking this action. Why have they singled out this industry? To harass and to subject to abuse, abuse through regulation, abuse through legislation and through taxation, and above all, abuse in speech after speech led by the Premier and other so-called responsible Ministers of the Crown. They were setting

the stage, as we all know now, to do what they wanted to do from the beginning, to take over the potash industry. And we say, and I think with some degree of justification, that they did not bring this forward in the last election. They did not make this an issue in the last election. Had they said exactly what they intended to do, as they've said so clearly in this Bill, I don't know if they would be sitting there now or not. Certainly, their numbers would have been greatly reduced if not completely defeated.

But, I must say this in fairness, had the people of Saskatchewan honestly looked at the program, both the program before the 1967 election and the program before the 1971 election; had they looked at it closely enough, they could have read very clearly that, although being soft-pedalled before the election the intent, the final intent of this Government or that party opposite, was clear. That given long enough, and given the right opportunity, they in fact, did intend to nationalize first the resource industries and whatever industry strikes their fancy from then on.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Mr. Speaker, I think it's important that the people of Saskatchewan take the blinders off as far as the NDP are concerned, especially the business community. When I look across the aisle at the Members opposite, I never fail to be shocked at some of the people that stand for election as NDP. People who have been in business, people who are successful farmers. I'm not particularly shocked at some of the school teachers, I'm not particularly shocked at some of the other people. I can understand how they can have a philosophy of socialism. That's their right and their business. But, I cannot see how anyone who has been in business, who is engaged as a farmer, after all that's our basic industry, how they can square with their consciences, standing for election and standing behind and voting for, and literally working with and being with people whose basic philosophy must be totally, and absolutely diametrically opposed to what they have always believed in. Either they were living a lie for the ten or twenty years that they built up their successful farm or ranch or business, or they are living a lie now.

Further, Mr. Speaker, I think it's time that the people of the province, especially the business community get the blinders off.

You know, the job of the socialists is made easier, it's made easier because the very people who should stand up and oppose them, kind of hope that if they look the other way, or if they don't rock the boat, all this socialism might go away. Well I think it's time they learned after this election and after this action, that it will not go away, that it's wishful thinking.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — People of this province, the Chambers of Commerce, the small businessmen and the farmers should read the writing on the wall very clearly. Housing is next. No question about that. The Premier's not kidding anybody. He's said it on the television, they say it in the House. I don't blame the NDP particularly, outside of being a little tricky before elections and

hiding their real intentions under, in page 16 in one line of their program. They have never denied that they are socialists, they have never denied that they think a government state should be superior, should be more involved in the lives than the private sector. I say that's their right. Surely it's the right and responsibility of people who recognize that in this nation, under as much freedom of enterprise as possible, under keeping the state, under a plan that's kept the state as a servant of the people and not the master, we have developed the highest standard of living coupled with the most freedom anywhere in the world.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Yet people who are in business, people who have enjoyed the fruits, the economy and the freedom of this great nation either connive with the NDP because they think it will bring them some short-run advantage, some business today or a little contract tomorrow or else they are afraid of them and they say if we don't rock the boat maybe they won't bother us, maybe they'll continue to deal with us. These people over there are masters and they have been for years masters at spreading just a slight skim of fear all over. Masters of letting it be known to people in business that if they don't rock the boat and they don't say too much they can get along. Masters of the statement, if you go along, you'll get along. Masters of the half-veiled threat that if you dare oppose them and stand up it will hurt you in your profession, or your business. Don't tell me they haven't, they have spread that kind of fear ever since they were elected in 1944.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — And they are still spreading that kind of fear.

Socialism is an 'ism' and if you trace most isms, socialism is one of them, they base a great deal of it on fear. They base a great deal of it on class hatred. They base a great deal of it on envy. This is what they are doing now. Look, people of Saskatchewan! Go in and grab those potash mines, those dirty Americans, those dirty people who come in here, they are making all that profit and they are taking it away to the United States. We'll grab those mines, we'll steal those mines, we'll take those mines by force and you'll have all the money to yourselves. And there are a certain number of people who fall for that and one of them is yakking over there now and fiddling around with his nose. Let him quit doing that and fiddle around with his brains and listen to something.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — This is what they base their success on. Fear, envy, socialism is what? It's the philosophy of envy and greed and covetousness. You can't make it yourself, then take it away from those that do.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — And when they point to the successful people in their ranks it's just that they are a little greedier than the rest.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — You talk to the big farmers, talk to the successful farmers who are NDP supporters and ask them why. Say, do you want to see everything socialized? Oh God, they wouldn't do it to us. Well, they better quit kidding themselves. They have their hand on the farmers' necks right now in the Land Bank and they are squeezing ever so gently. If the farmers of this province don't think they are in the process of being socialized now, they have their heads in the sand.

The insurance agents had better be aware. The housing people had better be aware. The uranium industry already knows what is on the books for them.

What have we got? We've got Amok uranium development at Cluff Lake. What have Amok done? They have already announced that the plant they were going to construct is put off indefinitely. At least until next year. Why? I'll tell you why, because the Government has already announced that they are next in line and they are going to get the same treatment as the potash industry. Nick Ediger, the President of Eldorado, expressed alarm at the action this Government is taking in regard to the mining industry and the finger the Government is pointing at the uranium industry. What's he saying? He is saying they are going to reconsider because the Crown corporation, that Federal Crown Corporation is planning right now a new refinery. That refinery will either go in Saskatchewan or it will go to Ontario at Elliott Lake. Of course, if the mining development of uranium in this province goes down, if Amok pulls out, if they slow down at Uranium City, if they slow down at Gulf, then there is no question. That great development that would mean so much to northern Saskatchewan will never come here. It will go to Elliott Lake and that's exactly the game that this Government is playing right now.

That Member who got elected by threats and bullying up in the Athabasca side of that gerrymander, he may bully those people up there and confuse them a little and he may have threatened them into getting himself elected, but he doesn't worry anybody on this side of the House, let me tell him that.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — What is the rationale, Mr. Speaker, for the NDP seizing these mines and acting in this manner, a manner that shocked people all over this province, all over this country? Well, they say we need control. We've heard them speak, you know, why should control of our mines be vested in New York or Dallas, or wherever. I agree, why should it be? How can they stand up and say they haven't got control of a potash mine?

First, I would say it's pretty good control when they say whether that potash mine can take up a ton of potash or not. They have the power right now and always have had the power to close down any mine. They control the kind of wages they pay. That's pretty good control. They control the kind of taxes they pay. That's pretty fair control.

Let me tell you the final control. The final control is

they say we can walk in and take them over. In this Act they say we can walk in, grab their records, seize, do anything we want, make them do anything we want and they say 'we need more control'. For God's sake how much more control do you want? You've got them lock, stock and barrel now. And that's just an excuse.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Let's question the profits. They say we're going to make more money. They are running around telling the people, not very successfully, that if they just join with them in this steal, if they just join with them in this grab, they say don't worry, we'll have more power and we'll have more civil service, but you're going to make a lot of profit, agree. You know, get those Yankees, get that profit.

Well, they did it in the oil industry and they just left. So we hear the Premier announcing \$21 million, 25 cents a barrel. It should have been \$50 million. But okay, they can't do it to the potash industry, they are there. So are they going to make more profit? Well, they are making \$140 million this year if they tell the truth, out of the potash industry with nothing invested. They are making far more than the potash industry is themselves and they have nothing invested and no risk.

So, Mr. Speaker, if they say that they are using this nationalization in an effort to maximize the returns to the people of Saskatchewan, they are either deluding themselves or they are attempting to delude the people of this province.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — I presented figures to this House about an average potash mine, a potash mine with a capacity of 1.5 million tons a year, which is an average potash mine, producing about 1.2 million tons a year. The figures indicate very clearly that the Government now is making over \$14 or almost \$14 million a year from that potash mine and that if they take it over and they pay normal interest rates, they'll be lucky if they make \$8 million for the first twenty years. In fact, if they pay back the loan, they'll have to find \$2 or \$3 million from other sources for the first 20 years. Now if all goes well and they own the mine, after 20 years, of course their profit will increase. But for the next 20 years I wonder if the people of Saskatchewan want to see us sending most of that \$140 million, or all of it, plus some down to those hated Americans in New York or wherever and that's exactly what is going to happen.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — All the Premier talks about, we'll give them potash. Well if they are stupid enough to take potash I don't know how they got up here and found the potash mines in the first place. Oh, they might get away with blackmailing some of them into taking potash. He might get away with blackmailing some of them into taking some Saskatchewan debentures, but I'm willing to bet that for most of those potash mines and most of the value, he's going to have to pay hard cash and he's either going to take it out of

the piggy banks and out of the pension funds of the people of Saskatchewan, he's going to raid the money put aside out of the oil windfall that should be used to develop more oil and more gas for this province, or he's going down to the United States and he's going to borrow it and he's going to pay record high interest rates of ten and a half or eleven and a half per cent.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Now, Mr. Speaker, Premier Blakeney, after I made the speech where I brought these figures out, ridiculed these figures. And he said, I must have been having a pipe dream or something to that effect. Yet in the three weeks that have followed, I have yet to see the Premier produce one set of figures, any figure, or produce one shred, one iota of evidence that these figures aren't exactly as I presented them, while a little on the safe side, absolutely correct.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — We have said all along and it's been repeated and I want to allude to it very briefly now. The question of the markets.

The question of the markets is the long and the short term security of the markets that the potash industry in Saskatchewan now has, once the Government moves in and takes over, is questionable. They may save them and they may not. They may save all of them and they may not.

Okay, they are talking about expanding. Surely they know, if they are honest with themselves, that the cost of expansion today is fantastic. So they know if they take over all of the industry, they are going to be talking about \$2 billion. If they take over half of it, which they seem to be talking about, half the production, they are talking at least \$1 billion.

But what good have they done if they do that? They have invested a tremendous amount of money, they have risked a tremendous amount of money and if all they do is seize and take over two or three potash mines, they haven't produced one new ton of potash, in fact, they may not produce as much because they might not be able to sell it. They haven't produced one new job, except a few extra bureaucrats that they may hire here in Regina or wherever, to run the mines. They haven't in fact produced any new development for this province. So they say, no we intend to expand.

Well, Mr. Speaker, they know, because I think they have some studies, and if they haven't set down any studies it's a disgrace. The cost of expansion in the potash industry today is anywhere from \$150 to \$200 a product ton. What does that mean? That means if they expand, we're producing about ten million tons now, if they add another two million tons, they are talking of at least \$400 million. Three million tons, which is not a great deal of expansion about a third, 30 per cent, they are talking about \$600 million.

So, Mr. Speaker, I don't think we should let the Premier kid anybody. If he's talking about moving into the potash industry and he is in a serious way, and then expanding, we're

not talking about a billion dollars. By the time he gets around and takes it over and starts his expansion plans and pays for it, two, two and a half or three years will have gone by and even if inflation is brought under control and reduced to six per cent, instead of the 12 per cent we have been facing, we are talking about upwards of \$2 billion, even to get half of it and expand it. No one should be under any illusion that we are talking about less.

So then we come to this point and we're presented with Bill No. 1. Bill No. 1 contains among other things unbelievable powers and I'm not going to deal with those at any great length because they are going to be dealt with later by another Member. We know, it has been brought up before, that if you honestly read Bill No. 1 and I wonder how many of the Members opposite there (they are going to get up like sheep), well I'm sorry you say you have, because I hope then you won't get up like sheep and you'll vote against it. One of them is a member of the legal profession and if he can get up with a clear conscience and vote for article 60, that gives a Crown corporation official, gives the corporation, not an elected Member, not any member that's even directly responsible to the public, give them more power than they give policemen in the province, or this nation to hunt down criminals to put an end to drug abuse, you are about, if you pass this Bill without amendment to that section going to give Crown corporation employees the right to walk in without a warrant, to seize, to do, have almost unlimited power with no by-your-leave of the courts, no appeal, no rights at all. Talk about human rights! Again, you are giving more power to these people than you would ever dare give to policemen hunting down criminals, and you are talking about corporate citizens. People whose only sin was to come in here and help us develop our resources.

Mr. Speaker, Government Members opposite sneer at our concern about the possible abuse of this power. They're laughing now, they are sneering, they say, oh, they can read, I presume, they can read the powers that are given. They don't deny they have given themselves those powers. But they say, we won't abuse those powers, we won't use all those powers. We have to have them in case anybody balks.

Well, I wouldn't feel quite so concerned if the track record of the NDP wasn't as bad as it is in not only using all the powers that they are given, but on many occasions overstepping the powers they have been given. They are one of the most arrogant, power hungry governments that ever sat in the Treasury Benches of this province.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — I think every thinking person in this province is concerned or should be concerned about the unbelievable powers they are giving themselves in this Bill. If they can do this to the potash company, they can do it to anybody. And if they get away with it there are many more people who are in line to get the same kind of treatment from this socialist government, which they are now meting out to this industry.

Mr. Speaker, of equal concern to every thinking person in this province must be the fantastic lack of information that we have been presented with up to this point. Not only a lack of

information we've been presented with, but there has been no indication or no promise that they intend to give us any more.

The Government is seriously asking Members of the Legislature to vote on Bill 1 and Bill 2, that will give them fantastic powers, that will allow them to go out and raise sums, possibly sums ranging from \$500 million to \$1,000 million and risk it in a venture that's already here and already producing jobs. They ask us to vote this kind of power to them and support this kind of legislation and yet they haven't given us a feasibility study, they haven't handed this Legislative Assembly, or the people of the province anything but some propaganda. They haven't said, here is a feasibility study, here's a study done about the present markets and our chances to maintain long-term markets, they haven't handed us any study or given us any study about the possible competition from other areas of the world where potash is now being produced or could be produced. Areas like New Brunswick. They haven't done any study, or if they have they haven't given it to us, about what might happen in New Mexico, where they still have a tremendous reserve of potash. Granted, not nearly as good as ours, but with the price it is today, looking a lot better, especially with what this Government is doing. New sources in Russia. There is clear evidence, it's there for anyone to see that Russia has a fantastic reserve of potash and is already eyeing the American market which we depend on. In fact it has already made some deal for one or two years down the road. They haven't shown us any study about the availability of manpower, I mean the executive people necessary to successfully operate the huge and complicated venture such as this. They announced that David Dombowsky has been made the chairman of the board. Now I worked with David Dombowsky and I have the greatest respect for him, but frankly I don't know of any training or any background that David Dombowsky has to fit him to run a billion dollar, complicated world-wide development industry like the potash industry.

The Member, of whatever he is over there, says, oh, I'm not sure . . . you tell me, tell me what he's done. Stand up when you speak and list off the successful ventures that David Dombowsky has gone out, raised hundreds of millions, put into operation, tell me the payrolls he has met. He hasn't done it. I think he's a wonderful man. I think he's a great civil servant. I think if I was finding anyone in that Government or in their bureaucracy to have as a liaison between the Government and the potash industry, I'd use him. But I would question giving him the chief executive power in a fantastically risky and financially high gamble that this is, the one that you are embarking on today.

But where is your study to show the kind of people that David Dombowsky can gather around him? Sure, if he goes out and gets enough people who have enough knowhow in mining and in marketing and all the rest of it, he can be successful. But surely we are entitled to that study. Surely we are entitled to ask you to take us into your confidence and say here's the kind of people we can get, here's what we're going to do, here's how we're going to get them to Saskatchewan. Surely we are entitled to that kind of information before you ask us to vote on these two Bills.

Tell me what studies you have made about the counteractions that might be taken by the potash industries that you drive out.

Tell me what your thoughts are and what your studies indicate IMC will do if you force them out of Saskatchewan.

IMC (as you parroted over there) is a giant corporation, spread all over the world, probably the biggest corporation in the world involved in the production and sale of all kinds of fertilizers.

Now, do you really honestly think that IMC, which operates the largest potash mine in the world, once you have forced them out, once you kick them out of the province, are going to go quietly away and not try to hold that market and divert that market until they can get back in the potash industry somewhere else. If you do, you are crazy, you are dreaming and you know better. So you must have done some studies to say if they take their market, here's how we will replace it.

Well, give us those studies, give us those studies or make us aware that you have done the studies. If the studies are confidential at least get up and say, we've carried out studies by this company or that consultant, or this firm, and those people have done this kind of study and they have assured us that if we lose this market we will be able to replace it with another market.

What's going to be the reaction, as I say, of Washington, or New Mexico, and what's going to be the reaction of places like Russia, where they have a great surplus of potash, when this vacuum exists, as it will exist when you move in on this industry.

Has the Government honestly, and if they have I'd like to hear about it, have they honestly looked at the things that could be done with this money other than intrude themselves into this successful industry right now? Surely they have asked themselves the question, and if they have, they should tell the people of the province, that they have looked at the \$1,000 million, the billion dollars and said, there is no other place in which we can invest this money that will do more good.

What about an iron mine? What about farm machinery manufacturing? What about a whole host of things that we buy, import into Saskatchewan that possibly with that kind of thrust, that kind of money, that kind of action, that kind of risk by the Government. There are all kinds of things we could be doing to put a good solid base, industrial and business base, under the economy of this province. If you have studied this, if you haven't, then I say you are not facing your responsibilities of government. If you have studied and said the iron mine is too risky, we can't get people to come in, and basic manufacturing, if you have studied it then you have a responsibility to tell us. People are questioning right now. Surely there are some other things that can be done, rather than handing this huge sum of money over to these people and then kicking them out. On the surface, unless you expand you are not going to produce one extra job or add one, not one whit to the economic base of the Province of Saskatchewan until you expand. In expansion the basic involvement in this is risky enough, expansion is even more risky.

Why haven't you produced the Bredenbury mine study? We were told very clearly that you've had such a study. We were told very clearly that that study proves that new mines or

expansion of mines is going to cost anywhere from \$150 to \$200 a ton. Surely you have a responsibility to inform the people of Saskatchewan about the kind of money you spent and I understand you spent considerable money. If you didn't, I'm shocked but I'm sure you did. Surely you have the right, we have a right, and a responsibility to give us the substance of that study. Mr. Speaker, no study has been given, no feasibility study, no consultants' reports, no information at all. Just stark sheer reality of these two Bills.

Now if they have studies and they have reports and they don't give them to us, or give as many as they can without revealing some information that they might not want to reveal, that's bad enough, but what could be even worse and what is true I suspect is that they have no studies, that they have done no real research, that they are winging into this gigantic risk and they are doing it for what reason, I don't know. Because they are socialist, because they are mad, because they got backed into a corner.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Mr. Speaker, is it true that they went into this business and they brought these two Bills in with so little thought and so little planning? Here are the people who talk about a planned economy. If you've got the studies then indicate them to us, even if you don't show them to us. Get up and tell us the names of the consulting firms. Get up and tell us the kind of studies you've had. Get up and tell us the results wherever you can. Because if you haven't done these kinds of studies and I suspect you haven't, I say it's shocking, it's irresponsible and it's unbelievable.

Let's take a look at the attitude of the NDP when they were in Opposition. I'm just going to refer very briefly to the pulp mill. At that time that looked like a pretty big risk, \$50 or \$60 million, and we heard all about the risk and the gamble and the big Americans and sending the money out, sending the money down to the United States. We weren't talking about a billion dollars and interest at ten and a half or twelve per cent, which now you'll see a \$100 or \$110 or \$120 million a year poured down into the United States. Let's see what the Premier had to say then.

Speaking on the debate on second reading of the Bill to develop the pulp mill, or set up the pulp mill. The Premier said this on April 4, 1966. In part of his speech he said:

Mr. Speaker, I first said I would want to be shown the studies by independent consultants, which studies showed that the particular project was feasible.

That's what he wanted to begin with, and I think that's not unreasonable. The Premier then, or the middle Leader of the Opposition at that time went on to say:

The Minister advised that a study by Parsons and Whittemore affiliates had indicated that the project was feasible. With that I'm unimpressed. I would have been amazed if the persons who had insight, a \$50,000,000 building contract would not have been able to show the project was feasible.

Just to stop there for a minute. Mr. Blakeney said at that time he would be amazed if anybody gambling \$50 million wouldn't have a feasibility study and he demanded to see it. He demanded not only to see their study but independent studies as well. I'm quoting Mr. Allan Blakeney, then Leader of the Opposition and now Premier of this province. He went on to say:

I believe this government should have turned over the Parsons and Whittemore study to an independent consultant for a comprehensive study. The two page letter with attachments from another consulting firm on the west coast cannot be classed as a feasibility study or even a check or a verification of a feasibility study.

Well, and to finish up on that particular part of the speech, he said:

I don't say that the gamble will lose, but I say that to the extent that the Government hasn't checked the information they could have checked, the gamble is unnecessary.

Now, Mr. Speaker, if those words were fitting and incidentally he was given those studies and they were laid on the table along with all the contracts and all the commitments of the government, laid on the table before we asked Members opposite to vote, if what he said then was pertinent and relevant and true, how much more relevant is it, how much more necessary is it today when that Government is launching on not a \$50 million gamble, but on at least a billion dollar gamble and hand us not one piece of paper.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Mr. Speaker, I might point out that Mr. Cuelenaere, speaking in that same debate before the Premier, had in fact, and it's clear here in the record, Debates and Proceedings of the Session of 1966, given the master agreement and all the other agreements and the two studies, Mr. Blakeney still wasn't satisfied. One study was done by a branch of Parsons and Whittemore and there was another independent firm that looked at their feasibility study and recommended to us that it was sound. He wasn't satisfied with that.

Well, if he wasn't satisfied with that, can you understand or can you really believe how he'd be feeling if he was standing here and the Government opposite was asking him to approve a Bill that is not double the risk, but is at least ten, 20, at least 20 times the risk of that Prince Albert pulp mill.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Mr. Speaker, it is very obvious that the Premier, the then Leader of the Opposition and the Attorney General and the Minister of Industry, acted and talked one way in Opposition and are acting in a far different way now that they are in the Government.

I say that never in the history of this Legislative Assembly in its 60 or 70 year history, has any government had the gall or the arrogance or the total indifference to public opinion, to walk in and ask for anything approaching this magnitude

without so much as a scrap of paper being presented to the Members of this Legislative Assembly, to prove that they have looked into the feasibility of this gamble and found that they are safe on every front, that the risk of the people of the province is safe. I say what they are doing, or what they are not doing is a disgrace.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — You know, Mr. Blakeney likes to compare this to the Saskatchewan Power Corporation. Of course, that's just sheer nonsense and he knows it. The only thing that might be comparable is that in the Act that set up the Power Corporation, they did in fact put an outside limit on the borrowing. But to compare it with the Power Corporation, of course, is ridiculous. It's a utility. It's a monopoly. It's got a captive market and it doesn't go beyond the boundaries of the Province of Saskatchewan. There is no more comparison between the Saskatchewan Power Corporation and its operation and the potash industry than there is between wood and apples. There is just no comparison at all and he knows it. Why is he doing this? Well, he knows the people of this province like the Power Corporation. He knows that the people of this province are very satisfied generally with the operation. They aren't very satisfied with the way you raised the price, and you are gouging them, but we know by and large the people are happy with the Saskatchewan Power Corporation and they are happy with Sask Tel. So he thinks if he can say to them, look what the Sask Power has brought, power to the farmers, and it gives this heating to your home, gas to your small towns. This is a similar situation - it's not a similar situation, it's got nothing to do with it.

Mr. Speaker, let's look at this from some other angles. What kind of a deal is it? How much will it cost? Let's look at it from every angle. We know morally that it is - well morally it cannot be explained. Morally they can't stand up there and say they have done anything but break the word of the Government of Saskatchewan. Morally they stand condemned and they should stand ashamed of themselves.

What about politically? What they are doing, whether they realize it or not, they are setting up in this province a political climate that will deny the people of this province legitimate investment, not just in the next three or four years, but I say in the many long years ahead.

It's a business deal! Why I think enough proof was shown in this House and indicated in this House and indicated outside this House that this is a very risky and a very bad business deal. It is going to cost at least a billion dollars and they are only going to get half, or less than half of the industry. They are already taking \$140 million with no risk. They are already at odds, or they are going to be with the Federal Government. When they first started out the Attorney General went on the television and he said (and he reminded me of the mayor of Montreal who said "The Olympics could no more have a loss than a man could have a baby") and the Premier said they could never touch the Crown corporations. The Federal Government cannot tax the Crown corporations. Now he is coming on and saying, yes, we will be prepared to negotiate, we recognize that we can't squeeze the Federal Government out, so we would be prepared to

negotiate. Now have they sat down and taken those calculations that I hope they have made about whether this is a good feasible business deal or not, and said 'boys we've got to take off the bottom line, we've got to take off the net profit, you know, five or six million from each mine for corporate tax, tax to go to the Federal Government?' Well I don't think they have. Or if they have, then let them tell us.

Mr. Premier, when you were out I was challenging you, I read a statement you made in the debate on the pulp mill in 1966, where you demanded certain feasibility studies, and you were given certain feasibility studies. You said you were very unsatisfied with them. You said - this is a risk of \$50 million and I want more than this. I think you were right. I think you were right in demanding those studies and you got them. Yet, here you are, the same man, seven or eight years later, as the Premier of the province, asking us to vote on a Bill that will give the power to enter into a billion dollar business, or more, and you haven't produced one shred of evidence that you've done any study. You haven't tabled a study, you haven't even indicated that you have carried out a study. And I say that you should rise in this debate, you should lay on the table every study that you've made, not those that you cannot make public because they might prejudice your position in dealings with the potash industry, but at least you should indicate that you've made them. Tell us, tell us, Mr. Premier, that you're sure you can keep the markets, and show us the study. Tell us, Mr. Premier, what reaction you think IMC is going to have, for example, when you kick them out. Are they going to go and keep their market, or are they going to give it to someone else, or could you wrest it away from them just as you have given yourselves the power to wrest away the potash mine in Esterhazy? Have you got the power to go down into the United States, grab IMC's market? I don't think you have. I know you haven't. Then tell us please where you are going to replace that market. Tell us the studies you've done about Russian intrusion into the American market. I'm sure you must be aware they've already made a deal for a million tons two years down the road. Are you concerned? If you're not concerned tell us why you're not concerned? You stood up here arrogantly in this House, led off by your Attorney General, and in your answers, casual answers, you gave under questions before the Orders of the Day, on the television and the radio, you adamantly refused to take the people of this province into your confidence, yet you are asking them to support you and your Ministers in the greatest risk, not by double, not by triple, but by 10 times or 20 times any risk the people of this province have ever been asked to shoulder before.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — You said continually that you had to do this. You said, 'what choice do we have?' The potash industry bucked us at every turn. Now I'm not going to go into their right to go to the courts, or your rights to take the attitude, I don't think you've got the right, I think you are immoral when it comes to this. I think the way you justify it is that to get this great socialist democratic plan into action that the ends justify the means and whoever you stamp on, whoever you tread on, whatever word you break, whatever contract you tear up, it's all justified by eventually getting to that great utopia, that great socialist utopia where the government controls every aspect of our lives and we'll all live pretty dull and not very happily

ever after.

You know, Mr. Bowerman, you come from around Prince Albert. If you want to find total socialism go to control where they have no worries, where they have everything looked after, drop into the penitentiary. That's socialism, probably at its best. They don't have a thing to worry about, their life is planned and ordered and everything is even and equal.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Well anyway, the Premier said we had to do this. And we ask him if he thinks it's a good deal, when the potash industry says they are paying over 85 per cent of their pre-tax profit already to the governments, he says in effect they are lying. That's what he said. He can put it politely if he wants, but in effect he says, I don't believe the potash industry. So the Central Canada Potash tabled their figures, they gave him their figures. And what does he say - I've got their figures, but I don't believe them.

Well if anything proved that no matter what the potash industry did, first he said - they won't pay their taxes, then all but one paid their taxes. He said they won't give us their figures, but one gave the figures. Now the figures that they gave, I'm told by Central Potash (and you've got the figures), indicate that 86.7 per cent of their pre-tax profits are paid out to governments, you taking the lion's share. But the Premier, or someone on that side said, yes, but they don't count, they pay a royalty of 12.5 or 15 per cent to the parent company, Noranda, and again I'm informed (and if this is wrong I would like the Premier to get up and say it's wrong), in the statement filed with the Government they pointed out clearly that these figures did not take that into account, that they in fact have not paid that royalty. You also say, well they've got a funny little eyeball to eyeball deal where they sell their potash to people that own almost half of their company down in the United States. Well, again I'm told (and if I'm wrong I'd like you to stand up and say so) that while they give them a discount of 10 or 15 per cent, that it was not calculated in arriving at that 86.5 per cent. So again, if the Premier has the right as a responsible citizen, as the leading citizen in this province, to call these potash companies, to call Central Potash Company in effect, wrong and say he doesn't believe them, then surely he has an equal responsibility to get up and present his figures to show where they are wrong.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Mr. Speaker, no matter how you look at this deal, whether you look at it as I say from the moral point of view, allowing people to come in in good faith and invest their money, go through the tough years and soon as they get up where they can see some return on their investment, abuse them, vilify them and then move in and take them over and bully them and that's exactly what you've done and what you're doing then move in and take them over, attempt to blacken their names (that's what you are doing, you are calling them profiteers, you call them liars, you call them bad citizens, you say they are cheating), after you've done that, I don't know why you just didn't move in and take them over. I don't know why you had to

justify your conscience to blacken their name before you screwed up your courage to walk in and bring in this Bill 1 and Bill 2.

I think I understand, you wanted to set the political stage so that the people of Saskatchewan would turn on these people and you would look like knights on white horses. You would look as if you were saving the people of Saskatchewan from these very, very terrible people.

Let's not have any misunderstanding of what you are doing. In this one action you are risking huge sums of money; you are going to swell the bureaucracy of this Government; you're going to increase your power out of all proportion, beyond the power that a formal, decent provincial government should have, and you're going to doom Saskatchewan to continue to be almost a one-cycle economy. You are going to doom Saskatchewan to continue by and large to depend on the agricultural economy and we all know what's happened to this economy over the years depending on living off the back of the farmer.

Now, Mr. Speaker, we have moved an amendment, and as I said, we are going to try to convince the Government, but I don't think with any success, to stop, to go back, to take another look. If they won't do that maybe if they go out and really listen to the people, the people might convince them to stop before it's too late, to take another look. Well, we have put an amendment here and it's a good amendment. It says, set up a committee, an independent committee, with a judge on it. A committee with a finance expert on it, a committee representing other people in the province, and let them look into every aspect of this before you do it. I don't know what your rush is. The potash has been there for a million years, it will be here for a million years, the market is down right now, there's all the time in the world to go into the potash business. Right now when the price is falling and the market is falling, but we know this will pick up again, it will change, the industry will come back, the demand will come back, why the big rush? Why call us into fall Session and attempt to ram this through in a hurry, a deal that will affect the lives of the people of this province for scores of years to come.

Mr. Speaker, I think I know why they won't go out and have hearings. They are, in effect, having some kind of a hearing. They went down to Esterhazy and they had a meeting. They had an overflow crowd. Now knowing the NDP I know that that crowd down in Esterhazy that the NDP organizers and the boys, and the local candidate were on the phone and were working as hard as they could to get the faithful out. So that crowd would be a fair mixture including NDP. It would be a fair sampling of the NDP supporters. You know that's what you do and I don't blame you. But let's see, we've got the front page of the Leader-Post. What does it say about that meeting? It says the Premier was laughed at, it said that people got up and asked questions like one lady in the audience who said - "money is too important and the proposed takeover is a moral and serious issue". She said, "anything could be taken from an individual if this takeover is permitted". Another person said Saskatchewan people will soon lose their freedom and good living standard. He said the bureaucracy will go out of control through government ownership. Another man said he was a war veteran and he told the Premier he had fought in the war for four years to defend free enterprise. And he said the present Government's action was an insult to veterans. When the Premier tried to talk

in technical terms about the potash industry they laughed at him. It also said that every time one of these people made one of these points they got a roar of approval from that crowd. Well, what happened? I would like to hear what happened in Saskatoon last night. They had a meeting.

MR. ROLFES: — What about your meeting?

MR. STEUART: — We had 80 people out and they were all Liberals, all Liberals, 80 of them and they said - keep fighting, keep fighting those socialists, try to keep fighting for freedom, and that's what we are doing.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — We have five enlightened Conservatives I'm telling you, so the comeback is on.

But it is very interesting where they held their next meeting. Don't laugh. It's going to take us two steps to get some of those Members from Saskatoon, but it will take us two steps, but we'll get them. The next place they held their meeting was in the Union Hall in Saskatoon, and they may have had a better hearing, but if they did then I guarantee you they packed it from wall to wall with OCAW and IBEW and all the faithful who would get up and say - "we shall overcome; and united we stand and divided we fall", and whatever other slogan they ran out for the exercise that night. Friends, I tell you why, Mr. Speaker, they are afraid to go out to the people, afraid to find out what the ordinary people of this province think. We know what the workers think; they took a survey at the mine at Kalium, they took one at Esterhazy and the workers didn't like it. They said if we wanted to work for the government we would go and work for the government. Let the government keep their nose out of this business.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — In closing I say this, Mr. Speaker, I support the amendment. It's the least the Government can do, but they won't do it and they stand condemned on every ground, morally, economically. They show themselves, not as an open government, they show themselves as a closed government. An arrogant government, totally irresponsible government. What they are doing, they are such small men. They proved themselves. They are doing something and I honestly feel they don't know the forces they are unleashing. They don't know the terrible thing they are doing to the future of the Province of Saskatchewan. It isn't them I feel sorry for, it's the people of Saskatchewan I feel sorry for.

I will support the amendment and I'll continue to oppose the Bill with everything I've got.

SOME HON. MEMBERS: — Hear, hear!

The Assembly recessed at 5:00 o'clock p.m. until 7:00 o'clock p.m.

MR. A. N. McMILLAN (Kindersley): — Mr. Speaker, I appreciate the opportunity to speak on the amendment to Bill No. 1. It has been pointed out in this House before that we feel very strongly about the Bill in principle. We are as well very concerned about the financial implications of the Bill, and in fact, the general implications of the Bill and how it will affect the Province of Saskatchewan. We have also echoed in this House that while we feel very strongly about it, we are convinced that a majority of the people of this province feel just as strongly about it.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — And we have said, introducing the amendment in this House that we feel for that reason the people of this province should have the opportunity to voice their concern. They should as well have the opportunity to scrutinize the Bill more closely, make representations to a commission or a committee which could very easily be established to look into the implications of this Bill.

Now, I'm fairly familiar with Bill 42, the oil bill in this province, coming from an oil producing constituency, and I know what happens and what can happen in the Province of Saskatchewan when a government is too hasty in introducing legislation, and in fact, running it through in a hurry, which was done with Bill 42. You've heard in this House, since this Legislature has sat, the implications that Bill 42 had for the Province of Saskatchewan. It was a Bill to deal with resource development in this province, and mild compared to the Bill 1 and Bill 2 that have been introduced in this House. You went and rammed through Bill 42 without stopping to discuss it with the people of Saskatchewan, without sitting down and sincerely talking to people involved directly and indirectly in industry. You did that against the advice of the Members of the Opposition, and I suspect against your own good judgment. And now you have come in this House and you have sat here and you have indirectly admitted your mistake. You brought in proposed amendments to Bill 42, you've said "we've made a mistake originally on Bill 42; we went out, we put the screws to the oil industry to the point where their activity in Saskatchewan collapsed, we cost people in this province hundreds of jobs, we cost oil producing communities like Estevan, Swift Current, and Weyburn and Kindersley and Lloydminster, millions of dollars of oil-related business". "We caused (you have indirectly admitted), untold social hardship on people who were disrupted because of a sudden lack of work, or a severe cutback in the amount of business they had to do." We told you before, at least Members on this side of the House did before the last provincial election and when you were in such a hurry to get Bill 42, to slow down. We said, aside from the fact that we disagree philosophically with what you are doing to the oil industry, we think the implications of it will have severe repercussions on the people of Saskatchewan. We showed general concern in this House for the people of Saskatchewan and we asked you to slow it down, you refused.

Now you come back in this House and I sit here as a new Member and hear the Minister of Mineral Resources, well, we are going to bring in some amendments to Bill 42, we put the screws to the oil industry and now we are going to raise their net return from about 14 cents a barrel to what it was at one point, if you are optimistic, to about 90 cents to \$1.05 a barrel. We

made that mistake, we realize the hardships we caused and we are going to try to correct them. All right, now we'll be generous, we'll grant you the one mistake you made. We stood here and you said we made the mistake, be man enough to admit it, you brought in the amendments, hopefully you will improve things in the oil industry and we can get on with producing oil in the province again.

There was a glimmer of light. Now we come here and you turn around and you introduce legislation that puts Bill 42 to shame as far as severe implications to the people of this province go.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — Did you learn your lesson? We have said again here, only about ten times as often and ten times as loud that we feel this legislation has severe implications for the people of Saskatchewan. We say, as the people on this side of the House did on Bill 42, will you slow down, give the people of Saskatchewan a chance to scrutinize it.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — Give the experts in mining development, in potash marketing, in economics, give the professionals and people of concern from all walks of life in Saskatchewan the opportunity to study it, just as Members of this Opposition said about Bill 42. What have you done? No, you seem to be determined to ram the Bill through in a fall Session that is supposedly set up only to introduce legislation in the first place.

The sad part of this whole thing is that maybe two years down the road or three years down the road when you find that maybe your potash Bill really wasn't any more successful in dealing with the resources than Bill 42, you may find yourself in a position where you are unable to amend the legislation and correct a situation that you have put the people of Saskatchewan into, which maybe isn't in their best interest.

All that we do with this amendment is ask you to slow down. People on this side of the House have pointed out to you that there is no big rush. By your own admission we have 1,400 or 1,500 years' supply of potash. We are a little concerned as Members on both side of the House are, that we may be losing our advantage in potash markets because of expanding demand in the world. That happens to be because of the severe taxes you have imposed on the industry in the past two years. We find that situation something we can't correct in the short-run, so we are going to have to live with it while we try and at least develop the potash resources to the best of our abilities. Yet, you seem to be so darned determined to force this through in a short time, legislation that is 100 more times severe than Bill 42.

Whether you realize it or not, the earmarks of the potash Bill are the same as Bill 42. Already some of the things that happened in the oil industry immediately after passage of Bill 42 are starting to happen in the potash industry. I have a good friend who happens to be currently being burnt the second time by this Government's lack of patience when it comes to introducing legislation. He was originally involved with Tiger

Petroleums at Coleville, in fact his father owned the business and he was involved in it. At one time he employed 60 people, now employing 12. His son is of the opinion that there isn't much future in the oil service field in Saskatchewan and has decided to go back to school. He went to Muenster and picked up I believe, his first year university. While he was there he was going to try to work his way through school, so he is working for a machinist at Muenster. This fellow does a lot of business with the potash industries. He currently has \$55,000 worth of work on hold and will probably lay my friend off. If you don't think that sounds a lot like Bill 42, you will have to stop and think again.

It seems to me as well, to vote against this amendment, which I suspect Members opposite will do, in fact by not setting up a commission or committee to investigate the implications of this Bill, you are saying three things: First, that you are confident that a majority of the people of this province don't support your legislation in the potash field and don't support the implications of it.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — You know that despite the fact you soft pedalled the nationalization issue of resources in the last election, you still only received 39 per cent of the popular vote. Just sit there and think what would have happened if you had pushed it hard.

You are also saying when you refused the people of this province a commission or an opportunity to make submissions to the Government or to a commission or an independent committee set up to study this, that your legislation is perfect. Or at least so nearly perfect that no one in Saskatchewan could make any worthwhile improvements to it. I have long questioned the competence of the Members opposite. You said, and Government people in this House have stated, that they had no intention of nationalizing the potash industry before the last election or passing expropriation legislation. So I have to hold the opinion that you hadn't sat down and looked at the implications of it, looked at the financial arrangements that were going to have to be made, etc.

In other words, if you didn't do that before the last election, since the last election you have had five months at most to sit down and draw up a long-range program for the development of potash in this province. You are saying to us that a one billion dollar program and possibly more, of expropriation of a highly technical industry that may have severe constitutional problems, that you can sit down in five short months and draw up perfect legislation for handling that and you don't need their advice, thanks.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — You are also saying - this point I find particularly interesting - when you refuse people and in fact I suggest you will, the opportunity to make submissions to an independent commission or committee, you are saying to the people of this province, you don't think they have anything to add. You

accused us of having no confidence in the ability of people in this province to run Crown corporations. We say here is an opportunity, if you are sincere about your beliefs in that respect to let people get right in on the ground floor and make suggestions and improvements to the legislation that you have before this House.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — Yet, I suggest again you will refuse to support the amendment that is being placed before you.

I would hope, being new in the House, I am not really sure how assured I can be of this that the people of Saskatchewan will be made well aware of the fact that you had not enough patience with them and with the Members of this House who are their elected representatives to stop for four, five or six months and say, all right, we have legislation that we (perhaps this is so) sincerely believe is in your own best interests. Stop as well and say, there seems to be some opposition to the Bill. Members in Opposition who represent 60 per cent of the people of this province seem to be convinced that people they represent are opposed . . .

AN HON. MEMBER: — That's more than you do!

MR. McMILLAN: — . . . I would suggest to you Members opposite you may be deaf and dumb but you can't ignore the kind of reaction there has been in this province in the last three or four weeks to your legislation.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — If you are truly sincere about doing something for this province that you believe is in the best interests of the people of this province, that includes everyone, the labourers, businessmen, young people, old people, poor people and wealthy people. Stop and give them a chance to look at your legislation.

SOME HON. MEMBERS: Hear, hear!

MR. McMILLAN: — I don't have much more to say about this. I suspect more Members on this side of the House will be reflecting some of the things I have had to say about the proposed amendment and indeed many more ideas of their own, and ideas in fact of the people of Saskatchewan. You can be aware, Mr. Speaker, that I will be supporting the amendment.

SOME HON. MEMBERS: — Hear, hear!

MR. G. H. PENNER (Saskatoon Eastview): — Mr. Speaker, I find it . . .

MR. SPEAKER: — Order! If I could for a moment acquaint the Members - they may be well acquainted with it now - I think it wouldn't hurt to remind the Members that the Member for Kindersley had exhausted his right to speak on the Bill, however, he had not

exhausted his right to speak on the amendment, which he did. As I understand it, the principle of the Bill deals with the acquisition of the industry. The principle of the amendment is to refer the matter to a special commission. The Member for Saskatoon Eastview, has spoken on the Bill and has the right to speak at this time on the amendment. However, since the debate is concurrent he is resuming the debate at this time. After having spoken he will not have the opportunity to adjourn it. I just want to acquaint the Member with that. If there are other Members who will be speaking later that have already spoken, I am calling their attention to the fact that they speak only to the amendment and not to the original Bill.

MR. MALONE: — I can assure you, Mr. Speaker, that the Members on this side will restrict their remarks to the amendment when they speak.

SOME HON. MEMBERS: — Hear, hear!

MR. PENNER: — Mr. Speaker, if I may have the opportunity to address the House for a few moments with regard to the amendment.

I am really quite surprised by the attitude of the Members opposite, in light of all the things they have had to say in this House about the Bill, that they would not agree to the amendment. I was out of the House yesterday afternoon when my seatmate, the Member for Regina South (Mr. Cameron) put this amendment. I think it is an extremely logical position for any government to take, particularly when that government has stood in the House and said how assured they are of the support they have from the people of the province.

SOME HON. MEMBERS: — Hear, hear!

MR. PENNER: — I am amazed that Members who consider - after all they do have 40.7 per cent of the 80.3 per cent who voted - they are so confident in what they say that they represent the people of the province, that they could even have a twinge in suggesting that they don't agree to allow some time to go by so that the people of Saskatchewan can react to the most significant piece of legislation that has been before the Legislature in the Province of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. PENNER: — I submit, that in saner moments it is really not too difficult, Mr. Speaker, to understand that we are still talking about an attitude, an attitude by the Government, that says, it doesn't really matter what anybody else says, because we sit here and we are anointed and we know what is best. I think that is the reason, Mr. Speaker, if there is one, why the Government is not prepared to support that amendment.

I was rather surprised about another . . .

AN HON. MEMBER: — They may support it, we haven't heard from them!

MR. PENNER: — . . . Well judging by the lack

of talk, I would be surprised if they would.

I was rather interested this afternoon, Mr. Speaker, when the Leader of the Opposition was asking for studies that have been conducted, which would indicate that there is some feasibility with regard to marketing and with regard to the economics of the situation. I thought back to a question that I put on the Order Paper in the first week the House was sitting - a question, a very common question asked each year, where I asked for a list of all reports and studies commissioned by the government, Crown corporations, boards, commissions or any other, in the time period from November 1, 1974, to November 1, 1975. I have the answer from a previous year here, showing all of the studies that have been done. I couldn't understand why it was stood off the Order Paper. I have an assumption that to make that kind of information public, would have merely supported the position taken this afternoon by the Leader of the Opposition that, in fact, there are no studies to substantiate the potash nationalization.

SOME HON. MEMBERS: — Hear, hear!

MR. PENNER: — That there haven't been any studies commissioned . . .

MR. ROMANOW: — I'll get that down as soon as we can.

MR. PENNER: — Well one of the things we would hope, Mr. Speaker, is that the Attorney General would support and back up just what he is saying, and get it in here so that we can see it, so that we can see some information that, in fact, some studies have been done.

I should like to spend a few moments, Mr. Speaker, giving a report of a meeting that I was at last night, it was attended by "hordes".

SOME HON. MEMBERS: — Hear, hear!

MR. PENNER: — Something in the order, I think, of 75 people, or something like that. I am not really all that concerned, Mr. Speaker, about the number of people who were there, as I am about the kind of feeling that is beginning to be generated around the province, in Saskatoon and in other places. I should like to relate to those Members opposite, some of whom are smiling (I am glad to see that), some of the questions that were asked last night. Some people, for example, were saying - what is your reaction with regard to the question of a mandate? Does the government feel they have a mandate to go ahead with this?

MR. ROMANOW: — What did you tell them?

MR. PENNER: — I pointed out to them, in fact, what I pointed out in the House, Mr. Attorney General, that you didn't ask for a mandate, that you didn't get a mandate, that in fact, there is no mandate. I really had to go one step further, and tell why I felt you didn't ask for one. It was because you knew, as well as we did, that had you gone out in June and in May to ask the people of Saskatchewan for a mandate on that question, that you

fellows, some of you, not too many, but some of you, would be sitting over here, and we would be sitting over there.

SOME HON. MEMBERS: — Hear, hear!

MR. PENNER: — Then, there was another question asked at the meeting. The question that was asked had to do with the risks. Whether, in fact, there were any risks. I had to reply that in my humble opinion there were one or two risks. There certainly is a risk of money, and I understood just prior to the meeting, that yesterday in the House, the Premier said it was something in the neighborhood of \$500 million to \$1 billion. So there is some money involved all right. I guess it is fair to say that. I think it is probably fair to say, if what I read in the newspaper about what the Premier said in New York, and we have to recognize the Press may not have quoted the Premier correctly, that there is about \$250 million around somewhere that could be used, and the borrowing would be on the balance.

So, we talked about the \$750 million that would be borrowed at ten per cent over 20 years. And the people who were at the meeting began to get some kind of an idea about what kind of money is being talked about.

Most of the people there, realized that it was their money that was being talked about, and not government money, whatever that may be.

Then we talked about the investment climate in the province, Mr. Speaker. About statements that have already been reported in the Press of people who are concerned about future investment in Saskatchewan. About the statement that had been made the weekend of the NDP convention in Saskatoon by the Hon. Mr. Whelan, that other hard rock mineral concerns . . .

MR. MacDONALD: — Going the same way.

MR. PENNER: — Well, he asked if it was safe to assume that they wouldn't be nationalized. His comment was, that it is never safe to assume anything in the long run. Then there was some concern expressed, and I am sure that Members opposite, particularly the Member for Saskatoon-Buena Vista (Mr. Rolfes) and the Member of Saskatoon Riversdale (Mr. Romanow) and the Member of Saskatoon Nutana (Mr. Robbins) will appreciate this. There were some people concerned about the statement made by the Member for Saskatoon Centre (Mr. Mostoway) about the Board of Trade. And about the fact that the Board of Trade should have its money lopped off. No indication at all . . . The Leader of the Opposition this afternoon, talked about fear tactics and the Member for Saskatoon-Buena Vista scoffed at that. I wonder what the Member for Saskatoon Centre was really getting at when he threatened the Board of Trade by saying they should have their grant taken away. No indication at all, Mr. Speaker, of the fact that the Board of Trade in Saskatoon went out and sold the city, on the basis of being the Potash Capital of the World. No indication at all of the fact that the Board of Trade, if it is mounting a campaign, is doing it without the funds given by the province or any money taken by the potash industry, but have gone out and raised it on their own, independently.

SOME HON. MEMBERS: — Hear, hear!

MR. PENNER: — Recognizing the issue as far as they see it, and as I have had it reported to me, it isn't so much a political issue as it is a philosophical point. Nationalization of the potash industry is a bad deal. I don't think there is any question about that. Then, of course, Mr. Speaker, there were other questions raised and I want to point it out because I think it is pertinent to the point, that there are questions being asked. There are questions being asked all over the province. I say again to those Members opposite, if this is such a good deal . . .

MR. MESSER: — Were you at the right meeting?

MR. PENNER: — Well, I am not sure. The Member suggested that I was at the wrong meeting. I really don't think I was. At least at the meeting that I was at, questions were being asked.

MR. MESSER: — What kind of questions? It is the answers we are concerned about.

MR. PENNER: — I am not afraid of the answers I have; that is why I am telling you what I said. I'd like to hear the kinds of answers that are being suggested by others.

I want to make it clear again, Mr. Speaker, to Members opposite that people are asking questions. It is time that we stop and let them get some answers.

SOME HON. MEMBERS: — Hear, hear!

MR. PENNER: — They talked about the nature of the business deal. They talked about the money being borrowed. They talked about the \$140 or \$150 million a year that we are guaranteed now on the tax return. They multiplied that out over 20 years, and it comes to something like \$3 billion on the one hand, against an enormous capital risk on the other hand. There is no question but that they are wondering about the economics of the deal.

We pointed out to them that the Members opposite haven't given any figures yet. But we need to take time so that those figures can be made available.

Some questions were asked that the Member for Saskatoon Nutana would be interested in, because he has a great concern in pension funds. The question was, if pension funds are used as collateral, how safe are they? I often thought it would be worthwhile to hear the former Minister of Finance speak to us on his position with regard to using those funds, because we know very well that if what he says is correct, those funds are in great danger now. Then there were some questions, Mr. Speaker, with regard to priorities. There was someone there who spoke about the need for this province to go out along with other provinces, to look for energy. He deplored the fact that at a time in our history when we have got a serious energy crisis, that our Government is running off buying a potash industry that is already working well, and ignoring the fundamental things that need to be done in this province.

SOME HON. MEMBERS: — Hear, hear!

MR. PENNER: — We had a member of the University community, who is an expert in geology and an expert in oil, point out very clearly that the reserves that are available now are only going to last about 50 years. I wonder why it is that at the time when that kind of thing is happening, and the people of the province know it, that there is talk about the energy reserve fund being used to buy up potash, when we need that money to look for further energy reserves.

SOME HON. MEMBERS: — Hear, hear!

MR. PENNER: — Other questions were asked. What is going to happen if we are going to spend all of this money on potash? What is going to happen to spending in health? What is going to happen to spending in welfare? And in education? And in transportation? We had to give them the kind of answer we had in the House. And that was, that there was going to be a slowdown. There were going to be some austerity measures taken.

MR. COWLEY: — There's not going to be a cutback.

MR. PENNER: — Well then, if that is the case, then I invite the Members opposite to make that clear. I am delighted to hear that. I have an interest in the field of education, and I am delighted to hear that there is not going to be any cutback. I wonder why the statement was made in the House that there was a possibility that the bridge in Saskatoon may go, because after all, there isn't enough money to go around?

The point still remains, Mr. Speaker, that people have got questions. They have got all kinds of questions and they deserve answers to those questions and they deserve better answers than we have had in the House. Because, we really haven't had very many answers to many of our questions in the House.

I want to go back to a couple of things that have been said by Members opposite. Then I should like to close.

I think of a statement made by the Member for Bengough Milestone (Mr. Lange) when he stood in debate and suggested that this kind of issue deserved long, long debate. I said before, and I will say it again, I didn't agree with very much that he said, but that is one thing that I did agree with. We heard the Member for Saskatoon Riversdale (Mr. Romanow), we have heard the Member for Kelsey-Tisdale (Mr. Messer), talk about how significant an issue this is for the people of Saskatchewan, and I say again, that it is only common sense, if in fact it is that critical an issue, not to ram it through in a fall sitting that wasn't designed for that kind of thing initially in the first place, and Members opposite know it. If they have any confidence at all in their thinking, in their ability to put forward an idea, then I submit they will have no difficulty whatever, Mr. Speaker, in supporting the amendment as I intend to do.

SOME HON. MEMBERS: — Hear, hear!

MR. COLLVER (Leader of the Progressive Conservatives): — Mr. Speaker, I welcome the

opportunity to speak on this amendment.

We do not agree that the amendment to this Bill is of advantage to the people of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. COLLVER: — We say the Members to our right, Mr. Speaker, say slow down. By this amendment and by their own words, they say to the Members opposite, slow down. We say, stop. Withdraw the Bill or call an election on this issue. The damage you do to the Province of Saskatchewan with this Bill hanging over the heads of the people is beyond comprehension. The threat of nationalizing the potash industry, first of all, again, breaks the word of the Province of Saskatchewan. Secondly, damages Saskatchewan's reputation in the investment community. Thirdly, damages the investment climate within Saskatchewan. And I am not talking about in the future, Mr. Speaker, I am talking about today. And it discourages all private investors today from investing in Saskatchewan today, not a month from now or six months from now.

We believe that the commission suggested by the amendment implies that the expropriation proceeding is worthy of study. However, I would not want the Members opposite to take comfort from these words because it seems to us that unless we support the amendment we do not get an opportunity to tell the Members opposite that this Bill is bad and wrong. Therefore, Mr. Speaker, although we do not agree that the legislation is even worthy of study . . .

SOME HON. MEMBERS: — Hear, hear!

MR. COLLVER: — . . . and though we think you should take the Bill out now and that you should call an election now, we will be supporting the amendment.

SOME HON. MEMBERS: — Hear, hear!

MR. E. F. A. MERCHANT (Regina Wascana): — Mr. Speaker, I expect this is a momentous evening, I understand that the election turnout is the largest of any British Columbia election, and I expect this is the last time in Canadian history that three NDP governments are ruling in provinces of this country.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — I am pleased to see the sporting approach of the Minister, I trust he knows that it is an offence to bet on an election, but it won't slow him down.

Mr. Speaker, I must say seriously that I am very surprised and shocked, and all Members on this side of the House are shocked, to see that the Government doesn't put up a single speaker to deal with this matter, indeed is ignoring entering into this debate as though in some way it will just pass by, that the majority opinion of the Province of Saskatchewan will just drift away if they can sit there for a few days.

From whom have we heard? In this debate, a few moments from the Minister from whom control of this legislation was taken, the Minister, who in fact, will be handling the Bill; I didn't think he was going to get into the debate, but I noticed he did tonight. He had one loud shout, one little shout, one joke that we didn't hear on this side of the House, a couple of laughs, and other than that he has been signing his Christmas cards.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — The Premier said yesterday, that he might well be prepared to give us more figures in Committee in March or April. I can only assume that he expects that it won't be of any particular disadvantage to the progress of this legislation or the interests of the Government if the matter is delayed until March, or April, or May. If that is the case, I can't imagine why Members opposite aren't prepared to have some unbiased view taken of this matter.

Mr. Speaker, the thing that is so troubling, is that the Government has maintained extreme secrecy about the legislation. They certainly couldn't let the people of Saskatchewan in on the big secret, they couldn't let their own public service in on it. When the Hon. Attorney General went for legal advice, he had to go out of the province. I am surprised he didn't go out of the country. Had to go out of the province to keep the whole thing under wraps, a secret matter. It places the Government in a situation of not having been able to consult with others, not having been able to get a kind of broad-based opinion upon which to launch the legislation.

By example, because I happen to trust the Hon. Attorney General, I, sitting as an Opposition Member on a couple of occasions had asked for his advice about things that might happen in this House. He has well advised me, and I have appreciated that. But this Government was incapable, because of the secrecy of the legislation, of going to the potash industry, of discussing the matter with people who were in the know. Now they refuse though they have indicated in the words of the Premier there will be more figures in March or April. Now they refuse, apparently, to have the matter looked at by people who don't have the NDP blinders that the Government has. I can't see where we will suffer in this province if the matter is held up so that some sombre second thought is taken. I can't imagine how Members opposite could justify to the House or to the people or to the Press that they would be disadvantaged if the matter were put off for three or four months by the commission having a look at the matter, the commission that has been proposed.

Now, Mr. Speaker, let me briefly say a couple of things about the comments of the Hon. Member for Nipawin (Mr. Collver). I am pleased that he proposes to join with the Liberal Party in supporting this amendment, regardless of the hoops through which he climbed to get there. We don't imply, let me say, that expropriation is worthy of study. We don't believe that this is a good Bill either, and we don't believe that this is in the best interests of the people of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — But, if when you have heard from the 61 per cent of the

Province of Saskatchewan, if when the people who represent that large percentage of this province have told you that it is bad legislation, if when you know, and I am sure you now do know, as public opinion starts to rise against you, the majority of the people oppose this legislation, if nonetheless, you won't listen to this side of the House, I am hopeful that through a commission you may listen to others. You may listen to some less biased view of your legislation, and take a sombre second thought. You have to trace, Mr. Speaker, the history of this Bill though it has a short history. First we were told through the Press that the expropriation legislation was to be passed by Christmas. Important legislation would always be introduced in the fall session and given until the spring session for consideration. That was the policy of this Government. But on this, the greatest risk that the province has ever taken, the Government decided that they would jam it down the throat of the people of this province before Christmas.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — Now they seem to be backing off that a little. The Premier says that by March or April and I suppose by May, in Committee of the Whole, we will have further figures, and they will be in a better position to discuss the matter. They may know their plans better than they know them now. Indeed, I suspect that the caucus itself wasn't consulted about this matter until some days before the Speech from the Throne. And, I suggest to you, Mr. Speaker, and to this House, that not sufficient consideration has been given, and that a study, an unbiased study, by experts in the field, would certainly profit the large-range view of the province, and certainly profit the Government in perhaps bringing in better legislation if they decide to go ahead. It would profit the Government and the province, we hope, if they discovered that it was bad legislation and that the legislation should not be brought in. The people of this province want to be heard and the study that would hear their views would be important to the democratic system that should be operating in this province. I take pleasure in advising the House that I will be supporting the amendment, and I hope that the Government gives that amendment some second thoughts.

SOME HON. MEMBERS: — Hear, hear!

MR. E. C. MALONE (Regina Lakeview): — Mr. Speaker, I too, should like to say a few words in support of the amendment that has been proposed by my colleague, the Member for Regina South (Mr. Cameron).

I was interested, Mr. Speaker, to hear the Member for Nipawin (Mr. Collver) once again follow the initiative of the Liberal Party and indicate to this House that he was going to be supporting the amendment. The Conservative Party used pretty well, the entire Liberal platform in their last provincial election campaign, and I see that they are following our lead once again. But I am rather surprised, Mr. Speaker, because the Member for Nipawin, as I recall, said in this House very recently, that he wanted this Bill to get through as quickly as possible and through some convoluted type of reasoning he felt that this would hurt the Government if the Bill went through as fast as it could. I see now, and I am pleased that he has changed his mind and has agreed that the Bill should be delayed as long as possible.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — Mr. Speaker, I support the amendment for many reasons, not the least of which is because the Premier of Saskatchewan (Mr. Blakeney) at one time said that any controversial legislation should be placed before the Legislature at a fall sitting, be allowed to be considered by the Members of the Legislature and by the public at large, and then be dealt with at the spring session of the Legislature.

It was the Premier of Saskatchewan, Mr. Speaker, who decided that this would be a good policy to follow, and I believe he did shortly after his election in 1971. But, unfortunately, Mr. Speaker, like many of the other NDP promises and NDP policies this was changed in midstream because the only two pieces of legislation which I feel have been of major controversy over the last two years have both been tried to be rammed down our throats by the Government opposite. The first was Bill 42, we all know the disastrous results of the legislation. The second one is now Bill 1 and Bill 2.

Mr. Speaker, I think that the public, we often think that the public reacts as quickly as we in this Legislature react, and the people in the Press gallery react, and I don't think that is the case. I think that it takes the public a little longer to realize the implications of legislation after watching TV, reading newspapers and hearing the local media. And I think just now, the public is beginning to realize the enormous cost, the enormous risk of this venture. The Premier in the Speech from the Throne indicated that this legislation was a great challenge to the people of Saskatchewan, and I think I commented earlier that indeed it was. I think it is a challenge, Mr. Speaker, that they should be allowed to fully realize before they decide whether they are going to pick up the challenge or not. I say, if this legislation is not held up and put through before the public is really aware of what is happening, for instance, I think the public should be allowed to consider just what \$1 billion really means, what interest on \$1 billion really means. I assume that if the Government has to borrow that amount of money, and I believe that the Premier, to be fair, has indicated that they hoped they would not go that far, but if he had to borrow \$1 billion to finance this venture, the yearly interest on it would be \$100 million, which would not be paid to people in Saskatchewan money that is not being used to develop this province or even this country. It is being paid to the so-called multinational-international financiers that this Government so despises.

I think the people should be given an opportunity to reflect upon that, Mr. Speaker. I think as well, Mr. Speaker, they should be given an opportunity to reflect on the risk involved. The Premier and the Attorney General have drawn a very pretty picture. They say, in effect, that the price for potash will remain at its current level, at I believe, \$75 or \$85 a ton. There is no guarantee of that. There is no assurance of that whatsoever, and I think that the people of Saskatchewan should be allowed to reflect on what would happen if the price of potash went down, went down to previous levels of \$40 a ton, \$35 a ton and just what would happen to the Province of Saskatchewan if we had to continue to pay those interest charges, if we had to continue to pay back the principal that was borrowed. Therefore, Mr. Speaker, taxes would not only be raised, they would be raised drastically and the whole Province of Saskatchewan and the whole social service structure of this province would be put into jeopardy.

I think as well, Mr. Speaker, that the potash companies should be given an opportunity to state their position. We've heard Members opposite speak about these companies in a manner that borders on the slanderous. The Premier, in effect, has said that the potash companies are not telling the truth. The Premier has said he doesn't believe them. By inference one can assume he is saying that they are lying. And I suggest, Mr. Speaker, if the Premier and the Members opposite feel this way, that they should justify their position by putting some evidence of that before this House and before the people of Saskatchewan. I think the potash companies should be given an opportunity to state their case. I think that they should be allowed to go before a public hearing and say that if they are indeed in breach of their obligations to the Government under Crown leases or agreements with the Government, the Government can come in and take over those companies. That is one thing the Government has not told us about yet, which is a power that they do have if the potash companies indeed are in breach of their responsibilities.

It is strange, Mr. Speaker, that we haven't heard from any of the Members opposite; my colleague the Member for Wascana (Mr. Merchant) remarked on the amazing lack of response we have had from the Minister in charge of the potash companies of Saskatchewan (Mr. Cowley) and I see he is not in his seat. But one would think that we would have heard from this Minister, Mr. Speaker. When I spoke on this matter originally, I expressed the wish that they would not, like they did in Bill 42, hide behind the oratory of the Attorney General and the Premier as they did in that case. But all indications are, Mr. Speaker, that we are not going to hear from the Minister in charge of the potash companies in Saskatchewan, and I think the Press may ask themselves, why? Why don't we hear from the man who is going to be looking after this huge enterprise, if it ever gets through this House? Why is it that he is not speaking in this House, he is not leading the Bill through, he is not subject to questioning in Committee of the Whole? And I am suggesting, Mr. Speaker, that we won't hear from him. We'll hear him, if I can use the expression of the Member for Nipawin, catcalling occasionally, and he is very good at catcalling, he is very witty, but I suggest that it is his responsibility to stand up in this House and speak and let us hear what he knows about this Bill.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — If he is not prepared to do that, he should appear at a public hearing and make his views known.

It is very interesting, as well, that the Premier hasn't spoken in this Debate. He spoke in a very general manner in the Speech from the Throne Debate. Since then we have not heard from him. Once again, all indications are that we are not going to hear from him. One can only ask, why? Why are we not hearing from the Leader of the Province? Why is he not speaking and telling us about the most significant Bill that has ever hit the Saskatchewan Legislature? Is it because he does not know what's involved? Is it because he does not really know how much money is going to be paid to take over these companies? I suggest, Mr. Speaker, that if we don't hear from him, one can make that assumption.

As well, Mr. Speaker, there is another Member of the Government that we have not heard from, and if we had public hearings, he may well wish to appear before them and make his position

known, and that is the Minister of Finance (Mr. Smishek). The Minister of Finance will be handling probably the largest financial venture that this province, and probably any province in Canada has ever considered or anticipated, has yet to speak in this debate. And one wonders why he hasn't spoken in this debate. In fact, one wonders why he is Minister of Finance at all.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — I think, Mr. Speaker, that we can - I wish he was in his chair as well. You know, when this Member was Minister of Health, he conducted affairs in such a manner that he rapidly became known as the Minister of Disease, and that is why he was shifted from that portfolio. He is now Minister of Finance. I can think, Mr. Speaker, of only two places in the world where this particular Member could become Minister of Finance. One is under the NDP Government of Allan Blakeney, and the other would be New York City.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — Mr. Speaker, because we have not heard from these Members because we have not heard from the Premier, the Minister of Finance, the Minister in charge of the Potash Corporation of Saskatchewan, and because it is obvious that we are not going to hear from them in this forum, where people would expect they would rise to defend their legislation, I suggest and I challenge them, I challenge the Premier that he, with the Leader of the Opposition, have a debate on TV in a public forum at any place of his choice.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — If he is not prepared to do that, Mr. Speaker, I challenge the Minister in charge of the Potash Corporation of Saskatchewan to meet me in a debate at any place, any forum of his choice; or the Minister of Mineral Resources (Mr. Whelan). In fact, Mr. Speaker, I say on behalf of all the Members in the Liberal caucus, that we challenge any Member opposite to meet them at any public forum, to meet them at any public forum, to debate this issue.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — And, I suspect, Mr. Speaker, that our challenge will be met with the usual attitude of silence.

Mr. Speaker, this Bill is being rammed through the Legislature for one reason, and one reason only. It is being rammed through because the Government of Saskatchewan does not want the people of Saskatchewan to be able to consider the implications of it. They don't want them to think about it. They don't want them to know what is really happening and that is why they are making this Bill go through as quickly as possible, and that is why we are going to hold it as long as we can possibly hold it, so that the people of Saskatchewan will be able to consider it and make their views known in due course.

Mr. Speaker, it is obvious I will be supporting the amendment.

SOME HON. MEMBERS: — Hear, hear!

MISS L. B. CLIFFORD (Wilkie): — Mr. Speaker, I was very interested tonight in the comments of the Hon. Member for Nipawin. I am one of the youngest Members in the House, but yet I realize that in a serious debate like this, we don't have that many alternatives. Unfortunately, at present there are more Members opposite than there are here on this side. Not for long, I hope, but I think that rather than rashly suggesting that we call for an election, which has about as much chance as a snowflake in July, we have instead presented a logical and responsible attitude in proposal . . .

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — . . . when we proposed this amendment, we hoped that the public would, therefore, have a chance to comment on this through inquiries which we are proposing, and that therefore, the Government perhaps will consider this legislation and give it another thought.

Mr. Speaker, I welcome this opportunity to speak for the first time on Bill 1. Much has been said about this proposal of expropriating and nationalizing the potash industry. Both the Government and the Opposition have stated their positions on this legislation, and we obviously have some disagreements.

The Liberal alternatives have been stated well, with sincerity and genuine concern for the Saskatchewan people.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — I am a little upset that when we have mentioned that because we feel this strongly, and we would meet to speak with any of you at any time, that you have accused the Member for Regina Lakeview (Mr. Malone) of running for the leadership. I still make that same proposal, and believe me I am not running for the leadership at the present time.

MR. ROMANOW: — Are you . . .

MISS CLIFFORD: — At the present time, Mr. Attorney General.

The NDP Government, Mr. Speaker, does not have a monopoly on all good programs, and all good ideas for the people. I too, was elected by the hard-working and trusting people of northwest Saskatchewan. My constituents know that I ran in the election because I was genuinely concerned about them and the people of Saskatchewan, and that I will work to my utmost ability to ensure that they are represented well. I am in the Legislature to represent these constituents and will vote for issues that are the best deal for them. I find it amazing, Mr. Speaker, however, that since I arrived here, I now, according to the NDP support only multinational corporations, big business, and the ordinary citizen is forgotten completely. I didn't know that.

Mr. Speaker, whom are they trying to kid? My constituents

and the people of Saskatchewan will not be taken in by these ploys. I have never known a president or an official of a multinational corporation, and I wouldn't know where to go to find one. I would dare say that many of the Members opposite would fit into that category, much more than our present Members here.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — When I speak to this Bill then, Mr. Speaker, I am speaking as a genuinely concerned individual and representative of the people of Saskatchewan.

Let us consider the potash takeover, Mr. Speaker. Is it good for Saskatchewan? Do the people of Saskatchewan know this? I think not. We have not given them an opportunity to decide for themselves. We have asked that they be given time to consider this momentous Bill and its overpowering control.

The Saskatchewan people are being educated to some extent, Mr. Speaker, but I prefer to call it by its real name, brainwashing. There is an intense, one-sided campaign, paid for by the people of Saskatchewan, to show them that this is another great takeover by the NDP.

Fair is a word that is often heard in this House, Mr. Speaker. Fair prices, fair taxes. Why not be fair and give the people of Saskatchewan an opportunity to really state their opinion on this Bill?

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — Why are the NDP in such a hurry? Did you hear them promise to take over in the June election? Are they afraid that if the people had time to think, they will be asking embarrassing questions?

As a point of interest, Mr. Speaker, why are the Conservatives in a hurry, although they have slowed down a bit, although that isn't the word they used tonight.

Let us look at this proposal realistically, Mr. Speaker. How much will this proposal cost the people of Saskatchewan? Who knows, but we are trying to find out. Each year we receive about \$130 million in taxes and royalties from potash. To take over the total industry will cost approximately \$2 billion and the repayment of bonds will take \$240 million per year. It's going to get better, Mr. Attorney General. Will that leave us as much as \$130 million in profits? Will our taxes go up or down? Potash prices fluctuate like wheat prices. During 1975 much of the shipments of potash have declined by 24 per cent. Can we make enough profit in the good years to make up for the bad years?

The people in rural Saskatchewan know how difficult it is to make a living under these conditions. They are independent people, Mr. Speaker. They know what risk and expertise is and how to run good farm operations. Do they feel that the Government is capable of such expertise? I think not.

The question here is not whether the people of Saskatchewan are capable of operating a potash industry. Our people are capable

and have always been able to rise to the occasion. But would it not be better to train people in this area, without takeover? It's like deciding to remove the Red Cross from water safety and let MLAs take over life-guarding duties, because we are responsible people. Now I can swim fairly well, and likely would, with experience, deem to be fairly sufficient, but due to some unfortunate circumstances, if I was life-guarding the MLA pool, some of you might lose your lives, or be very well under the weather by an unfortunate circumstance or situation. I think the damage and the loss would be irreparable.

Let us examine other considerations. How many jobs will it make? We need more jobs in small centres. Will taking over existing mines create new jobs, or will it just create jobs for civil servants? How much industry will it bring, Mr. Speaker? If you had a company, would you bring it here? A province where you are never sure of your future. Do you think that anyone else would? Does the Government opposite expect the taxpayers to pay for everything?

As you may realize, Mr. Speaker, the Liberals of Saskatchewan are concerned that this takeover will do irreparable damage to this province. It will probably have damaging effects for Canada as a whole.

Now, I have raised a number of questions that must be honestly answered before this Bill can be voted on. Let us look at these areas more closely. As I have mentioned today, the Government gets about \$130 million per year from the potash industry, without any risks. If it takes over the mines, it can get little more in good years, but it will get a good deal less in bad years, and might even lose money. Both the price and the volume of potash sales can change. In 1965, potash sold at over \$37 per ton. By 1969 it had dropped below \$20 per ton, but in 1975 it had climbed to over \$70 per ton. After years of prorating production, the mines finally reached full capacity in 1974. However, the higher prices are causing reduction in sales. From June, 1975, to October, 1975, monthly shipments have dropped 24 per cent.

Many developing countries are having problems and trouble paying for high-priced oil and cannot afford potash. Notwithstanding these problems, Mr. Speaker, mining is risky. The potash mines had to sink shafts in the Blairmore formation, which contains water under high pressure. The cost was high. Several serious floods have cost millions of dollars. Two of these mines currently have leaks and that could cost the owners millions of dollars.

Besides these risks a confrontation with the Federal Government is likely. The Canadian Government has said it will not give up its taxes on the potash mines. We have attempted to relay this possibility to the Government, Mr. Speaker, and I am glad that the Attorney General has agreed to meet with the Federal Government. I would hope that these sessions will be considered with an open mind.

The Federal Government has a perfect right to collect fair taxes. Few people in Saskatchewan realize that the percentage from 30 to 45 per cent of the money spent in the province, is received from the Federal Government. Unfortunately, the Provincial Government takes over 100 per cent of the credit.

One of the most serious possibilities is, that future development in Saskatchewan will almost certainly be severely retarded. If the potash mines are expropriated, other companies will almost certainly avoid Saskatchewan. After forcing the oil companies out of Saskatchewan, as was duly represented this evening, you will see that no one will want to come into Saskatchewan to try to build up a new industry.

The NDP Government is now trying to entice them back, because it realized Saskoil cannot do it alone. Saskatchewan needs jobs, and it needs industry, and it needs the young people in Saskatchewan. The Government cannot begin to do it all. Private enterprise is necessary.

Provincial ads that are being presented at the moment, have stated that potash is different. With this I agree. Owning a potash mine is very different from a government ownership of a public utility. Utilities are monopolies that provide a service to the citizens. If they provide that service at a reasonable price, then it is not important to make a profit. This is the difference.

Saskatchewan uses almost no potash, and our production must be sold in world markets at world prices, just like wheat. If we do not operate potash mines at a profit, then there is no point in having them. Britain is a good example of what can happen when governments nationalize major industries that are supposed to be profitable.

Why does the NDP Government want to own the potash industry? The NDP claim that they have to take over the industry, because the companies refuse to expand, and are trying to fight the Government taxation. When the companies came to Saskatchewan they were promised the right to make a fair profit, if they could overcome the risks of mining and marketing. In spite of what the NDP claim, do you think the companies would have come, if this were not the case? The present NDP Government has never made a proposal to the companies, that their profits should be taxed. Instead they have said that the taxes will be so much, and if the companies lose money, that's too bad.

During the last 50 years, we have come to realize that taxes based on income are much fairer than taxes based on property. The NDP have been turning back the clock. The companies have been trying to have the courts make the Government act like a responsible government of the twentieth century. The Government wants to control the potash industry and have it run by civil servants. They hope to make more money by taking all the profit. Simple arithmetic tells you that they will not.

The real reason the NDP Government wants to take over the potash mines is because they believe in state ownership. It started with the Land Bank, and now it's the potash mines. What will be next?

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — Do Liberals oppose the takeover because they put the potash mines ahead of the people, as the NDP would like to indicate? No. We agree with the present opposition to taking over the potash mines, but Liberals are not opposed to takeover of companies as a matter of principle. Liberals believe that

businesses flourish when they are run by free individuals and that governments should step in only when there is something other than profit required.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — We oppose the takeover of the potash mines, because it will not give the citizens of Saskatchewan as much income from their potash as will the tax on the profits. Above all, a takeover will discourage free individuals from establishing other enterprises that we need so badly in Saskatchewan and in the rest of Canada.

What then are the Liberal alternatives? Liberals believe that the citizens of Saskatchewan should receive their rightful share of potash revenues through fair taxation. The NDP have not proposed that potash companies be taxed on their profits. Instead, they are currently taxing oil reserves. A type of tax that most governments have discarded years ago.

An independent commission should be established with the power to subpoena documents from the Government and potash companies, to determine fair taxation levels. Liberals believe that the Saskatchewan Government should invest its money in industries that will create more jobs, help people to remain in small communities and produce things like gas and farm machinery which are needed in everyday life in Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — We need gas for heating and gasoline to run our tractors and cars. Right now we have gas for winter and most of our gasoline and diesel oil is from Alberta. As Ontario and Quebec need more oil and gas, we will have to fight them for our share if we don't get it from Saskatchewan.

We could put more money into developing oil and gas reserves to supply our needs. Saskatchewan has a large reserve of cheap coal. The province could begin to develop a coal gasification plant. It may cost \$1 billion, but it would create 1,500 jobs and ensure that we have gas for decades.

Besides these alternatives, Mr. Speaker, I feel there is one other important question we must morally ask ourselves as representatives of the people. Are there things that we need more? Are there better ways to spend our money? If the preceding has seemed redundant, Mr. Speaker, perhaps you will forgive me for two reasons.

The first, that due to my profession as a teacher, I have the habit of repeating things until students finally learn what I am talking about.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — Second, is the fact, and you will understand that Hon. Members I am sure, is the fact that the legislation is so overwhelming that we must continually get information to the people of Saskatchewan.

I was pleased to hear that Saskatchewan has a good credit rating, which enables this province to borrow large sums of money for good causes. It was indeed due to good government management and particularly to the \$82 million that was left by the Ross Thatcher Liberal Government in 1971.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — At any rate, Mr. Speaker, I feel that the question now to be considered is that, if in this time of inflation we are going to borrow large sums of money, is it in the best interests of the people of Saskatchewan to spend it on potash? Let us assume that the amount spent will be \$1 billion. This is approximately the same amount as our provincial budget. If we were to assume that all the programs in our areas were good, then we could say that with the money borrowed, our budget could be doubled, and all the programs, theoretically, could be twice as good. Now I am not naive enough to believe, Mr. Speaker, that a large number of the programs are as successful as they could be, or that doubling a department budget would double efficiency or value. I'm not advising that this money be borrowed to double our budget, Mr. Speaker, and I suggest neither are the responsible people of Saskatchewan.

But if we are going to head on into spending and borrowing extravagant amounts of money, surely there are better and more needed areas upon which to spend this money.

In the Budget Speech to the Legislative Assembly of Saskatchewan, 1975, there was quite a selection of services to the people. Let me remind the Members opposite, Mr. Speaker, of a paragraph under this section, and I quote:

Mr. Speaker, for the past three years this Government has focussed much of its attention on economic development. This is understandable, because imaginative programs for people cost money. Prudent management requires the establishment of a strong base to support these programs.

The Government, I suggest, is still focussing its attention on economic development and spending money. Their imagination has, however, run away with them. Any prudent management has gone out the window.

Let us now look for a few minutes then, at some of the areas that could really use, and deserve this added financial assistance.

It is easy to criticize, Mr. Speaker, but I'd like to offer a few positive considerations. Let us look first at the needs of the senior citizens.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — How we care for those people who built our province, is an important indication of the quality and compassion of our society. Despite the extensively increased revenues, our province has received in the past few years, the NDP is ignoring the needs of the elderly. Granted, Mr. Speaker, the senior citizens were mentioned in the Throne Speech debate, when it was

stated, and I quote:

To assist senior citizens in meeting rising costs, you will be asked to amend the Senior Citizens Home Repair Assistance Act, 1973, to increase the maximum amount of the grant available.

I agree with this whole-heartedly.

NDP priorities have been such, that to the extent no money can be found for senior citizens, while millions of dollars are squandered on other programs such as potash.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — As a beginning, the Government set up a Senior Citizens Benefits program, which was implemented in October, 1975, to provide additional income to senior citizens by increasing the basic income level for those who are receiving the Guaranteed Income Supplement.

The maximum amount which one can receive after considering the combined Old Age Security and Guaranteed Income Supplement, is \$20. Twenty dollars, Mr. Speaker. The logical question before you start throwing facts and figures around, is to first ask how many senior citizens received federal assistance in Saskatchewan. Let me review these figures. Old Age Pensions - there was 98,111. Those receiving Canada Pension and Old Age Pensions - 2,843. Total - 100,954. Of that, 56.1 per cent, or 57,052 are receiving Guaranteed Income Supplement. Of these, 5,752, 22,148 received the maximum Guaranteed Income Supplement, and 34,904 received a partial amount.

Let us compare these figures with Saskatchewan citizens receiving provincial senior citizen assistance. Remember, the total number receiving some federal assistance is 100,954. I dare say that no matter what type of assistance they receive, it is well over \$20. In comparison to that figure of 100,954, only 37,932 senior citizens receiving the Saskatchewan senior citizens' benefits. The average monthly supplement for a senior person is \$17.09. It is difficult for some of these senior citizens to believe this. Mr. Speaker, I show you this one dollar bill. One senior citizen came to me with a cheque for one dollar. She was obviously hurt by the insult that the Government considered she only deserved one dollar. She asked, what was she to do. Should she go and collect 50 or 100 of them, so she could make some worth out of it. She hinted at another solution, but as she was a stately and a mannerly lady, she delicately stated what the Government could do with the one dollar.

There have been many cases where the cheques have been below \$10. Our senior citizens are being treated like second-class citizens. This is not fair to the people who built this country, the schools, the churches and the roads. We are grateful people like you and I, to these senior citizens. Up to ten years ago, it is estimated that the pioneers could be credited directly or indirectly, with about 90 per cent of the progress in Saskatchewan. You put this on the credit side, do you think that we are treating them fairly. Is \$20 thanks for all their contributions? I think not. Is this not an area where we could use more of our money?

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — We have suggested that the Government, as a Liberal Government would do, guarantee every individual of 65 years of age and over a minimum income of \$350, married couples should be guaranteed up to \$500. Is this not a good investment? Some of this money could be spent to provide Level III nursing care as an insured program under the Saskatchewan Hospitalization Program. Patients needing these levels of care are required to pay for them or seek assistance from the Department of Social Services. This situation gives rise to serious problems, which in some cases patients end up in a level of care other than what they really require. Senior citizens and their families tried to get them in a different level of care so that the individual's savings will not be used up. By placing Level III care under hospitalization, much of the pressure of the Level IV institution will be relieved. And our institutions would be better able to provide adequate services. In short, Mr. Speaker, health care needs our help. Basically, understanding by the Government is a real consideration.

We have many dedicated people in our health field. With the Government reluctant to admit what the real problems are, their hands are tied.

One solution to this problem is set up in the system of foster homes. To date the Minister of Social Services has not answered our questions on how many private homes are now giving care, what legislation sets standards for those homes. I suggest that there is no control or guarantee of standards.

Let me also say before anyone jumps to any conclusions on the opposite side, that I feel that nursing homes in this province are doing a good job and we should commend them. They too are facing increased costs and need fair consideration. The Government should provide more extensive grants for Levels I and II institutions and allow more of Saskatchewan's smaller communities to have Level I and II institutions.

Just for a moment let me reveal some of the hardships affecting residents in nursing homes in Saskatchewan compared to those of Alberta. My constituency runs along the Alberta border. In Provost, Alberta, rates for a double room are \$115, while a single room is \$130. Besides this, each guest received \$45 to \$50 subsidy and the institution also receives a government subsidy. These are reasonable rates, I suggest, Mr. Speaker. When you look at the nursing homes in Saskatchewan, however, the story is different. Because 60 miles from that same institutions in Provost, Level I care charges \$315 per guest and no government subsidy has been given since 1973. Level II care, \$430, but a government subsidy for \$105 really costs the patient \$325. Level III is charging \$650. The Government however, subsidizes \$335 and the guest only pays \$315.

This is quite a difference, Mr. Speaker. Also only 12 miles from that same institution in Alberta we find one in Saskatchewan paying in Level I, \$378; Level II, \$388 a month. A far cry from the \$115 or \$130.

Can you really suggest that buying a potash mine is more important? The number of senior citizens in Canada is increasing rapidly and will, as estimated, double by the year 2000. This could be an asset rather than a problem. But steps must be taken to correct present problems and be prepared to face new

ones.

Mr. Speaker, I have suggested a number of needs that are critical to senior citizens. I would venture to guess that if you asked these senior citizens, their sons, their daughters, their grandchildren, whether they would rather borrow and spend the money on senior citizens or on potash, they would surely say let us help the senior citizens.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — I think this point was brought out rather clearly in a meeting that the Premier attended last evening.

Mr. Speaker, in the areas of health, medical and hospital plans and social services, the Government has spent \$405 million, approximately. Can you imagine what increases in budget would do to these areas.

Before the bright people opposite suggest, but you can't get this money unless you have some resource money. True, but before I refer you back to my former remarks as to whether it would really be a good business deal to take over the potash industry. Here is an area where money is desperately needed, in the area of senior citizens and social services.

Let us look at some other areas where this money could be better and more economically spent. Mr. Speaker, I have previously mentioned a major reform of the Saskatchewan welfare system is the need to allow those who are genuinely in need to seek help and have easier access to it. Or insisting that those who are capable of providing for themselves do so.

Under the present system we treat the senior citizens, the physically and mentally handicapped and the widow as one. This is wrong. People should be treated as individuals with different needs, different problems requiring different solutions.

The Liberal party is pledged, as should be the Government, to reform the welfare administration, eliminating waste and mismanagement. The truly needy will be assured of a decent income without having to suffer the humiliations usually associated with the welfare system. Those who can work will be provided with whatever educational practice and training is necessary to enable them to find a place in the main stream of society.

The present NDP policy in some fields is unfortunately adding program onto program. It is time for compassion and change based on a desire to help those who are unable to help themselves. This help will cost money. Money that is being spent on potash.

There are, of course, many areas and departments that will come under the Social Services Department. All these programs could use additional budget increases. Glancing in the directory of Social Services we find programs like Day care and REACH. Much has been said about the need of more finances in day care, as well as setting up a board of appeal and complete investigation of the REACH program. Both these ideas will take money.

Also included in the directory is the Corrections Division. Here is a corrections proposal for Saskatchewan that the Social Services has put out. This is one of the programs that has been proposed for future development. If it were to be accepted wouldn't this be a place where some of our proposed investment in potash could be better used?

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — Let us look at this proposal just a little closer as an example of something that we maybe could be throwing out the window because we are not using our money in the best way.

The planning document presents a statement for primary proposal of directions up to 1980, based on an in-depth analysis of the present service system. Anticipated service needs of correction clientele. I dare say that each one of us here, I think, would not do otherwise than to say that the correction system does need some improvements in it.

This document suggests that we should aim to achieve a more equal balance between control and rehabilitation functions of our system, and devote a greater portion of total correctional resources to rehabilitative and preventive programming, preferably in the offenders' home communities. This will involve planned, rather than piecemeal development of non-institutional programs in order to provide a wider range of sentencings, alternatives to the courts. It will also involve, in time, considerable restructuring of existing institutional resources and programs as more alternatives to state custodial care are made available.

Of course, though, when we start changing the correctional system we have to look at a number of other things. Because the institutions which we now have are getting old and they will have to be replaced. They have also proposed to put other institutional centres throughout the province. Central to the plan is a proposal that all correctional services be organized, though not necessarily administered, around three regions, centered in Saskatoon, Prince Albert and Regina.

Each region should provide a range of programs in integrated services. These services and changes in facilities will cost money. As you can see, Mr. Speaker, all these proposals plus others, need the money which is now going to be proposed for potash. As I said, this is just a proposal. But an example of other proposals that will be scrapped, because we do not have the money. We need the increased funds and these funds are needlessly being spent on the potash industry.

Let us look at another area for a few brief moments, Mr. Speaker, the area of CORE services.

CORE Services is a new agency which reports to the CORE Services Co-ordinating Committee. This committee is composed of the Ministers of Health, Education and Social Services and the Deputy Ministers of these Departments. CORE Services administration's first tasks are to develop a community based mental retardation program, administer Saskatchewan's two mental retardation institutes and administer the vocational rehabilitation disabled persons agreement. CORE Services is doing a commendable job and could definitely use some extra

financial assistance.

I should like to mention some other areas in Social Services that need immediate attention. Two of these situations originate in the Lloydminster area. The first concerns a 16-room residence for low level mental retardation. This residence is for adults who go to the workshop in that area. This residence is shared by eight Saskatchewan trainees and eight Alberta trainees. At present the Alberta trainees, as wards of the Government, receive \$330 a month, while the Saskatchewan wards are to receive \$270.50, a difference of \$122.50 before the proposed new increase, but still well below Alberta's. The directors of this residence were led to believe that by October 1, the Saskatchewan Government would increase their subsidies to the trainees to \$313, retroactive to September 1. To date, nothing has been done to assist this residence and trainees. If something isn't done soon the residence will have to start giving the eight spaces that we now take up to the Alberta trainees, because we don't have enough money to support them in the home. The workshop, while waiting for Government assistance, has already put \$11,000 into this residence so the trainees can stay there. Money that shouldn't have to be spent due to Government neglect.

I am sorry that the Member for Cutknife is not here, but I would urge the Government to look into the situation and consider that the money would possibly be better spent in this area.

Another concern in the Lloydminster area is regarding the WA Thorpe Recovery Centre, with a present of \$120,000, which is funded jointly by Saskatchewan and Alberta. I admit that joint government support can sometimes cause a problem. I would rather suggest that it gives us an opportunity to set an example for these people. We have an extensive AWARE program in this province which I wholeheartedly support.

The purpose of this program is to educate the public regarding drinking and drinking problems and serves its purpose.

The recovery centre however, that I speak of is for admission and diagnoses and direction for a seven to ten day period for alcoholics. It is considered a short-term rehabilitation centre. They have had 80 per cent occupancy since opening. There are 12 staff and it is open 24 hours a day. This type of facility surely is necessary and should be more adequately supported. It is time we tackled the problem head on. Not just a program to ensure social drinkers, but one where money could be used well.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — Workshops for the mentally handicapped persons provide a great service in our province. Many of these are funded to a great extent by the communities involved. This is a good idea because the communities therefore feel responsible and feel a part of these workshops. But often facilities and programs are lacking because of lack of funds. Limited staff do their best to ensure quality programs. But a few qualified persons cannot do that much. I would suggest, therefore, and I hope that it is taken as a concerned opinion, that the province needs a training program for persons working in these workshop

areas. It should be set up in either the university or technical institutes, and would naturally demand a large expenditure of provincial funds. Believe me, the money spent in this essential and growing service is much better than spent on the potash industry. Here is an innovative and imaginative program that you are often suggesting that Saskatchewan could be proud of.

We have been seeing buttons lately, Mr. Speaker, of Potash For the People. I say let's put people before potash.

Mr. Speaker, I have much more to say before I close. I should like to say that for many days the Government has been asked for information. Some of this information is for the costs or the guaranteed top price that will be paid for the potash expropriation. Wide ranging sums of between \$500 million and a billion dollars have been given. I think that the Members opposite perhaps don't realize what the difference between a million and a billion dollars is, or \$500 million and a billion dollars really is.

I should like to use a simple analogy that may help the Members opposite to understand the difference more clearly and realize that these figures that you have given us are of little value and an insult to the people of Saskatchewan to ask them to allow such a blank cheque to be signed.

As most of you are married I use an analogy with your wives. Now gentlemen, if you have \$1 million and you gave it to your wife to spend, saying spend a thousand dollars a day and don't come back until you spend it, I would suggest that your wives will be gone 3.5 years. If you had a billion dollars and you gave your wife the money and used the same conditions, your wife would be gone 3,500 years. That's quite the difference. Just the same as \$500 million and \$1 billion is quite the difference.

I seriously ask you to reconsider this and think your situation over. At this time, Mr. Speaker, I beg leave to adjourn this debate.

SOME HON. MEMBERS: — Hear, hear!

Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow that Bill No. 2 - An Act respecting the Potash Corporation of Saskatchewan be now read a second time.

MR. E. A. BERNTSON (Souris-Cannington): — Mr. Speaker, if I fail to display my youthful exuberance, let me assure you it is not because my heart is not in opposition to this Bill, but rather I fear that due to my activities in this House in recent days and weeks, some Members opposite may have fear for their political future and have, I suspect, dropped the flu bug into my coffee.

I will say at the outset, that the Progressive Conservative Party is unequivocally and irreversibly opposed to this potash

takeover for two reasons:

- (i) the financial problems arising out of the purchase of the mines;
- (ii) and more important, the effect of the legislation on the people.

Mr. Speaker, I am not so naive as to think that this Bill will not pass. There are 38 votes across the floor and something considerably less on this side. The NDP in their arrogance will ram this Bill through. It is just a question of time. Bearing this in mind, however, I cannot agree with the Liberals and their insistence on making the cost of this expropriation public. If this were done, it would erode what little negotiating power the master planners have and perhaps cost Saskatchewan people even more than we initially imagined.

We are, however, Mr. Speaker, considering an amendment to this Bill whereby the risk would be assumed by those who are being paid to assume the risk, those people, of course, being the money lenders. If they think it is such a good deal, let them assume the risk. There should not be one thin dime of taxpayers' money, public funds or general revenue invested in this venture. Although the financing of this potash takeover is very important, let us move to an even more important area, and that is the people issues of this takeover.

I wonder first if anyone has asked the employees of the potash companies if they are willing to become civil servants. I wonder if they are aware that only 5 per cent of the potash mined in Saskatchewan has a domestic market. Has anyone told them that if we don't get our share of this somewhat hostile export market, that they will probably be looking for jobs elsewhere, probably Alberta or some other industrialized progressive area of our nation.

I wonder also if anyone has explained to the people now working in the potash industry the implications of Section 13 of Bill 2. This section deals specifically with The Public Service Superannuation Act. Although I am not a lawyer, the way I read it, is that any benefits built up to date of the takeover shall be terminated, but that the corporation may of its own accord establish and support any or all of the following: a pension fund; a group insurance plan; and any other pension, superannuation or employee benefit arrangement; except of course where a person is a contributor under The Public Service Superannuation Act, to The Liquor Board Superannuation Act, The Power Corporation Superannuation Act or The Saskatchewan Telecommunications Superannuation Act or The Workmen's Compensation Board Superannuation Act, immediately prior to his employment by this corporation. In these case the benefits would follow.

I wonder, Mr. Speaker, if this is a subtle way of saying, move boys, we're bringing in some of the party's faithful!

Mr. Speaker, I would ask that you and the Members of the Legislature contemplate the following: What may be the logical end result to this kind of acquisition by threat of expropriation procedure that this Government has shown itself capable of employing?

Today, Mr. Speaker, it is potash. Will all of the resources

eventually be acquired in a like manner? How about coal and uranium? Are they next? We suspect that they are and in fact the private investment in the coal industry in recent years, due to the restrictive government regulations, has been practically nil. After all the resources are securely locked into the inventories of the Crown corporation, what then? Could it be down the road a short way that the Government has their sights set on the last and greatest resource? That is the fertile farm lands of the Province of Saskatchewan. Far fetched, Mr. Speaker, we believe not!

Any government which would expropriate the assets of one industry unto itself can and would expropriate the assets of another, any time it has deemed it desirable for the party in power to do so. No firm or individual can assume that his property will be exempt and we include the farms and farmland.

The twentieth century confronts man with political threats to his freedom which are far more subtle and perhaps far more serious than those which promoted the wars, revolutions and constitutional reforms that make up the history of his pursuit of political liberty. The threat is more subtle because it comes through the political instruments which theoretically are his instruments, because it comes in the name of the objectives which are as much his objectives as his political liberty. The threat is more serious in its potentialities because there is today no agreed and limited sphere of action and concern allocated to the government. Increasingly the efforts of the state have no limits and it becomes the final arbiter in more and more of man's relations with his fellow man and even in much of his way of life. There is no way to give big government a human face, no way to bring it close to the people.

If we want tasks which must be done by government to be well done, if we want to avoid being overwhelmed by the sheer size of government, then we must be more selective in what we ask or permit government to undertake. I ask all Members of this Assembly to consider what I have said before they vote in favor of this Bill. I stand opposed as do all Progressive Conservative Members in this House. Just in case it hasn't been mentioned before, I do not believe, Mr. Speaker, that the NDP Government opposite has a mandate for this type of takeover and I would, therefore, challenge the NDP Government to call an election on this very issue tomorrow.

SOME HON. MEMBERS: — Hear, hear!

MR. J. G. LANE (Qu'Appelle): — Mr. Speaker, the Conservative position has finally been put forward with a little me-tooism, except that we fail to understand the Conservative rationale that the money figure should not be given to the people of Saskatchewan, because it would weaken what bargaining position the Government opposite has. Obviously, the Conservatives have not read Bill 1, which gives the government the biggest hammer that it could possibly have and puts it in the best negotiating position it could possibly have. I think that the need for the cost that the Liberal Opposition has asked for is one that would inform the people of Saskatchewan once and for all what this wonder, as they have called it, will cost, what the gamble will cost, what the risk will cost and what the people of Saskatchewan and future generations are being charged with when the Premier

of Saskatchewan says he is prepared to borrow \$1 billion to pay for the potash takeover.

Obviously, as I have, the Conservatives have not read Bill 1, because if they read Bill 1, they would know that it becomes more and more obvious that the people have a right to know and the people have a need to know what it is going to cost and again what future generations may have to pay.

At the outset I should like to indicate the general framework, Mr. Speaker, that Bill 2 is the operative section basically of a nationalization of the potash industry. It will give the form of operation once the government assumes control of the potash industry. We in the Liberal Party of course have made it abundantly clear that we are totally and unalterably opposed to the nationalization of the potash industry, and that we feel that the nationalization of the potash industry is too great a risk for the people of Saskatchewan to take; that the nationalization of the potash industry proposed by the Government opposite is poorly thought out, has been done with inadequate information, has probably been done in a fit of pique, when the Government opposite did not know what programs or what direction to take after it saw its popular vote drop from 55 per cent to 39 per cent. That in short, the nationalization of the potash industry is an ill-thought out approach and program of the Government opposite.

In particular, Mr. Speaker, I should like to direct my remarks to four direct criticisms, broad criticisms, of Bill 2. As I said at the outset, Bill 2, being the framework which will operate the nationalized potash industry.

My criticisms of Bill 2 will, as I say, take four main points. First of all the question of the political involvement in a Crown corporation; the severe disadvantages or great disadvantages that result therefrom to people of Saskatchewan; which disadvantages will become more obvious as the Government operates in a competitive field as opposed to a public utility monopoly field.

The second general area of criticism will be the matter of organizational problems of nationalized industries. Surprisingly the Government opposite has seen fit to avoid discussion and the Attorney General, in particular in his remarks on second reading very pointedly, I suggest, ignored the organizational problem of a nationalized industry which organizational problems have been well illustrated in many countries and in particular in England.

My criticisms too will be on the general financial operation of a nationalized industry.

My fourth area of criticism will be on the previously set-out Liberal approach of the Opposition and Parliament's right to vote supply, a right which is being denied the Opposition, which is being denied to this House and which is being denied to the people of Saskatchewan by the refusal of the Government opposite to give even a pretty close estimate of what this nationalization of the potash industry will cost.

I revert to the question basically of political control of Crown corporations. Should the Government opposite nationalize

all the potash mines? Of course it will be the largest enterprise in the Province of Saskatchewan, outside of government. The opportunity for political control, political operation and political deviousness for want of a better word, is obvious. I have documented, if I can refer, it is relevant in this particular case, I have referred in previous debates to the matter of political involvement in the Crown corporations since the NDP took power. I don't even think that the Government opposite itself sincerely believes that it hasn't manipulated and used the Crown corporations to its own political ends. They admitted delay in the rate increases in the various corporations until after the provincial election, notwithstanding management recommendation to the contrary have been well documented. The firings of senior personnel because they wouldn't do government's bidding, the Cabinet's bidding, and were putting the interests of the Crown corporation first, have also been well documented. The appointment of NDP defeated candidates prominent, NDP workers, not just into the Crown corporations but into senior management positions, has also been well documented. Obviously, if this type of practice, the precedents have been well set by the Government opposite, if this type of practice continues and is utilized in the Potash Corporation of Saskatchewan the immediate and long-term detrimental effects to the people of Saskatchewan will be obvious. But the Government opposite certainly cannot be accused of not telling the people of Saskatchewan that it didn't intend to use the Crown corporations for its political ends because it certainly has. I am going to quote in a little detail from a paper that was prepared on government enterprises and which paper was delivered to the fifth annual conference of the Institute of Public Administration, Canada. It deals with the question of Crown corporations as operated by the previous CCF Government in the Province of Saskatchewan. The quote begins:

I think we can say that while a Saskatchewan Crown corporation is an independent policy formulating body and indeed its "independence" administratively is suspect because of the device of the ministerial chairman.

It is "independent" of departmental procedures but, and I emphasize these words, not independent of political influence in administration unless the responsible minister so wills it.

Obviously, not too many responsible Ministers opposite so will it, because again, the political involvement in administration has been made clear and I know of no Crown corporation that has avoided the political taint of the Government opposite.

Apparently all major policy is made by political bodies, the government finance office, the Cabinet and the Legislature. Even when the board of an operating corporation does make a policy decision the device is that the ministerial chairman renders the decision: (1) by a body at very least aware of political considerations. The speaker then poses the question, is it desirable to have Crown corporations under such close political control? I think we can say immediately that the political heads do or did think it desirable and I can also say as a matter of history that senior administrators do, or did, think it desirable for the

present structure was largely conceived by a small group of administrators. It might be considered strange that political heads would favor a system which so definitely fixed upon them responsibility for all acts of Crown corporations, whereas one of the supposed advantages of the Crown corporation structure is that it shelters a minister from so direct a responsibility.

To explain this I think we must recall to mind the circumstances under which Saskatchewan Crown corporations were established. The Government did not stumble into government enterprise all the while protesting its distaste for the whole procedure as happened in most other Canadian jurisdictions. The establishment of Crown corporations was a major plank in the CCF Party's political program. Under these conditions it would have been useless for the Cabinet to endeavor to shelter behind independent corporations. The electorate clearly held the Cabinet responsible for virtually all acts of Crown corporations and the degree of independence given to the corporations was that which was considered by the Cabinet as likely to give responsible ministers the best opportunity to administer the operation efficiently under this personal direction.

As administrator, I do not speak with any authority on the matter. I believe the political climate is undergoing a considerable change in regard to Crown corporations. Their existence now are hardly a matter (and this is again the speaker) of political controversy. The failures of discontinued operations, the successes, are accepted and few if any new Crown corporations appear to be contemplated. Furthermore, the corporations have been successful in establishing their separate existence with the public. This change affords the Cabinet the opportunity to establish Crown corporations on a more independent basis.

It is interesting to note that one responsible Minister has retired as chairman of three corporations and has arranged for an appointed official to replace him. This may indicate a trend. The change would appear to be desirable and would offer to our Saskatchewan Crown corporations more of the well known advantages of independence in administration, but I would not regard the change as being particularly significant. I am inclined to the view that much of our preoccupation with the form of the corporation is illusory. If we grant that policy matters must be controlled by the political heads and if we grant that policy matters and administrative matters are merely two ends of the same stick, then it appears likely that the degree of policy and the need of administrative independence is determined not so much by the corporation structure as by political considerations in the mind of the responsible minister and his colleagues.

These comments, which document once and for all the desire of the Government opposite to bring the political involvement in the Crown corporations down to the administrative level, were made by one Allan E. Blakeney, B.A., L.L.B. when he was secretary of the Government Finance Office and were delivered, as I say, to the fifth annual conference of the Institute of

Public Administration of Canada in 1953.

Even when the Premier of the Government opposite was a civil servant involved with Crown corporations he made it abundantly clear to the people of Canada that he endorsed and that he welcomed and that he would stand behind the political involvement in the administration of Crown corporations and that the political independence of Crown corporations was not something that he believed in. Granted, comment was made that at least he is consistent, but I don't think that that consistency augurs well for the people of Saskatchewan when we embark upon the greatest expropriation in the history of this country.

SOME HON. MEMBERS: — Hear, hear!

MR. LANE: — As a matter of fact, I think his consistency should frighten the people of Saskatchewan and his consistency should be of great concern to the people of Saskatchewan because the Premier of Saskatchewan has endorsed the policy of making Crown corporations political arms of the party of which he is in charge and making Crown corporations not politically independent but political vehicles to be manipulated, to be controlled, to be directed, to be used and to be abused by the Minister responsible and, in the words of the now Premier of Saskatchewan, "the Minister responsible and his Cabinet colleagues". Fortunately, it is another example of the people of Saskatchewan being well advised, well warned, of what the Premier of this province stands for and it is another example of the people of Saskatchewan being well advised and well warned of exactly what will happen with any Crown corporation and what will happen with the Potash Corporation of Saskatchewan.

There are many obvious problems and concerns that arise from an admission of policy by the now Premier that political considerations must apply to the administration of Crown corporations that can't be directed to the Potash Corporation of Saskatchewan. Obviously an administrative decision to close obsolete or dangerous or environmentally dangerous mines, must be made by political considerations and not a free management decision in the best interests of supposedly a competitive Crown corporation. Obsolete mines in the future will not be closed down because the political ramifications would be such it would be politically dangerous for the Government to close down obsolete, costly and inefficient mines. We have examples in the potash industry and the reaction to the previously stated program of the Liberal Government, the prorationing scheme with the political considerations of the state of New Mexico towards the Government of the United States to threaten to impose anti-dumping legislation or a penalty tariff against Saskatchewan potash sold in the United States unless some arrangements were made to protect the less efficient, less productive, and more costly mines in New Mexico.

There are other concerns with political involvement in Crown corporations. It is easy to perceive that new more productive technology would not be allowed to be implemented because it would be bad politics to fire people, or release people or give early retirement to people by reasons of technological change. The stance of the Government opposite has already been made clear in previous legislation. And we have

examples with other Crown corporations or Government corporations where it has become bad policy to make proper and necessary management decisions.

We have in England the problems with the British coal industry, a nationalized industry, which constantly has to be propped up and I will in my address later give some of the financial implications of the propping up and the cost of propping up the British coal industry, where in that industry technological changes constantly balked and constantly opposed by those affected and, of course, the government's hands are tied because it is politically unpalatable to make the proper management and administrative changes.

Another example, of course, close to home are the obvious problems of the Post Office of Canada, where new technology and technological changes being fought constantly by employees and notwithstanding that guarantees of job security are made, job security which probably, rightly or wrongly, would not be offered in the private sector or would not be mandatory in the private sector, but which political decisions and not necessarily in the partisan sense, but in political decisions are forcing inefficiencies, bad economic decisions and costly decisions on the people of Canada.

MR. ROMANOW: — Like overruling the Crown corporations!

MR. LANE: — That may well be, I certainly wouldn't be prepared to disagree with the Attorney General that political considerations may be made but it won't certainly make it right that political decisions are being made.

I think that we, too, Mr. Speaker, have the question of political considerations operating in the matters of management decisions, appointment of management. Another example on the federal level where a political decision was made, whether a correct or incorrect political decision, was the desire on the part of the Government of Canada to ensure that the French culture of Canada had equal access to managerial positions and that compensation was made in the way of appointment to allow, or to force, or to direct the appointment of Quebecers to managerial positions with the priority being based on the political decision, again rightly or wrongly, that it was in the national interest to make these compensatory appointments, based on culturism as opposed to necessarily management capabilities. I think that an error was made in the case of Air Canada and that particular decision turned out to be a wrong one notwithstanding that it may well have been a proper, and I think a proper, political consideration to make the initial decision. But again, it is an obvious problem that can arise even when it is not government policy and it is not government policy on the federal level to make Crown corporation appointments strictly on the basis of political partisanship like it is with the Government opposite. And it is certainly not government policy on the Federal Government level to set down in writing that you intend to endorse the appointment of political appointments into managerial decisions and into management positions and administrative positions as the now Premier of Saskatchewan did when he spoke before the conference of the Institute of Public Administrators.

I shall get into the great difference and I will use the Premier's words to explain for the fired Minister of Agriculture (Mr. Messer), the difference between the political appointments to the Boards and the political appointments to managerial positions. Now, Mr. Speaker, it's quite clear that the Government opposite has taken the argument just given by the new Minister of Industry and Commerce as to policy board decisions and political appointments and that the Government opposite has so abused the Crown corporation concept in this province that it is appointing political supporters, qualified or unqualified for positions and inserting them into senior management positions.

Mr. Speaker, the dangers, either of a partisan or non-partisan political involvement in Crown corporations are too obvious and I don't think have to be documented any further. But, Mr. Speaker, it's interesting that the extent of the size and involvement in the economic or effect on the economic life of Saskatchewan of the Potash Corporation of Saskatchewan makes it quite clear that the idea of political involvement continued on the scale of the Government opposite has made, it will mean that the Potash Corporation of Saskatchewan will become the biggest haven for defeated NDP political candidates, NDP supporters, any other body or agency in this province. It will allow the Government opposite, if it continues its stated policy of political involvement in internal management of Crown corporations, allow the NDP to totally control and manipulate those areas of Saskatchewan where the Government owns the mines and those areas of Saskatchewan where the Government will threaten to own the mine by reason of the expropriation legislation.

Mr. Speaker, I also mentioned some of the organizational problems and if the Minister of Industry will bear with me I shall show the statements of the Premier with regard to organization. But there have been well-documented problems with nationalized industries in the corporations that they have taken over. I refer to an article on Nationalized Industries in Britain, prepared for British Information Services, the forerunner I think of the Information Services of the Province of Saskatchewan.

MR. MESSER: — Who was the author?

MR. LANE: — I think in reality the author was not stated on the paper, and I purposely looked for it knowing the Minister opposite would ask the usual question. I think what it was was a whole body of happy little people sitting down and British Information Services got together and drafted it up because no one seemingly is taking credit for the document. But it is under the mother-ship or the endorsement of the British Information Services.

Now obviously one must, when one is talking about Crown corporations and internal operations one must get away from the usual business thought that exists. You know, profits are no longer profits, they don't have profits in Crown corporations, they make money and they have a surplus, but they don't have profits. They don't lose money. Crown corporations don't lose money either. And two corporations, I'm referring to the paper:

Two corporations in 1966-67, British Railways and British Waterways, made . . .

Now this is a very interesting concept that many people and certainly the people opposite have no trouble comprehending and that people who have any business experience whatsoever do - net deficits.

Now that's a rather interesting position to be in to happily have made a net deficit. I don't know why, when we are talking about Crown corporations everybody is afraid to talk about a profit or loss. A net deficit - I think that many of the Government Members would be quite prepared to accept that, is in reality - a loss. Others, which have for a time experienced working deficits, i.e. an ongoing loss, I think would only include British European Airways and BOAC.

MR. ROMANOW: — Like the Canadian National Railway!

MR. LANE: — If the Attorney General is using Canadian National Railways as an example of Crown corporations then he would be well advised to pull this Bill out right now and forget the whole idea, because the people of Saskatchewan can't afford another operation like Canadian National Railways. Make no mistake, if the Attorney General wants to stand with that one, I'll sit down if he will let me resume my place and he can withdraw the Bill. I'm sure he would have the support of his own Members, certainly have the support of the Members on this side of the House.

The cumulative capital debt outstanding from the Coal Board (in other words they owe some money) to the Exchequer, i.e. the Government (i.e. the people) at the end of 1965-1966 was 575 million pounds at that time, about \$1.5 billion dollars, and would have been greater had not 450 million pounds been written off under The Coal Industry Act of 1965.

Now that type of financial legerdemain that goes on in Crown corporations in the parkbed of ineffective and non-functioning socialism in England, certainly applies in the Province of Saskatchewan, and without a doubt, based on the statements of the Premier of this province, will apply in the Province of Saskatchewan, if in the future the Potash Corporation of Saskatchewan loses money and loses fantastic sums of money. Members opposite won't say it had a loss, that it blew it, that it bombed out, but oh! we merely had a net deficit. That if the Government opposite is forced to step in and bail out the Potash Corporation of Saskatchewan, that it won't be because it lost money, but we'll just enter this as a cumulative capital debt, so then the people don't have to worry about the several hundreds of millions of dollars and as I say, that type of financial legerdemain is going without a doubt to be involved and again the evidence is quite clear that this type of thinking and this type of statements, financial records, and record keeping will be involved because the Government opposite already is trying to hide the figures and the costs of this potential takeover from the people of Saskatchewan. Already they were talking of nice, close little figures like \$500 to a billion dollars. You know, the old 'what's a billion Blakeney'. It used to be 'what's a million C. D. Howe'. It's now 'what's a billion Blakeney' and it's not just inflation that's the difference between one million and one billion, it's the socialist plot of the Government opposite as it attempts to fool and blind

the people of Saskatchewan to the enormous risk and gamble that they insist on undertaking.

SOME HON. MEMBERS: — Hear, hear!

MR. LANE: — Well, we'll continue of course . . .

AN HON. MEMBER: — They'll hire Premier Barrett.

MR. LANE: — I don't think that ex-Premier Barrett will be coming back to Saskatchewan for a job, I'm sure, knowing how the government employees out there take leave of absence, no matter how they do it, he will go back to being a happy little social worker that he always was and that he always enjoyed, and I know that the Government opposite, with its stated . . .

AN HON. MEMBER: — Come on, they'll hire him.

MR. LANE: — No, they won't hire him because the Government opposite gave us the assurance, and they gave us their word that they would not expand the civil service in these inflationary times and they would restrain the size of civil service, so I don't think the people of Saskatchewan in all fairness to the Government need fear the Government opposite hiring an awful lot of defeated NDP candidates from BC, because they have given us their assurance that they would restrain the Government and civil service expansion. As a matter of fact, I think we have their assurance and I don't think the people of Saskatchewan need be particularly concerned that there will be a great influx of defeated civil servants. There will be lots of them floating around the country, but they had better not be in Saskatchewan.

But some of the interesting financial things that happen when we get involved with Crown corporations that become poorly run, and become a drain on the people, we can look at BOAC . . .

MR. MESSER: — Look at what!

MR. LANE: — British Overseas Airlines Corporation, and I'm sure he has flown on it.

MR. MESSER: — . . .

MR. LANE: — I don't think (1) that that's going to be any concern to any of the people of Saskatchewan should your mind wander and I'm sure (11) that it wouldn't get very far. As a matter of fact, it would probably get lost getting to the seat right across from the Hon. Member if it did wander.

Now, BOAC's capital structure was reorganized under the Air Corporations Act of 1966, when borrowings of 176 million pounds were extinguished. Now this is another thing that happens when we get a Crown corporation. No longer do we have to worry about paying things back if we get in a bind. We reorganize the Crown corporation and extinguish the debt. Now, who, in fact, has to pay for this extinguished debt? Are we really so naive as to believe that it's just gone, it disappears? No, it's not

self-liquidating. There's no doubt that the great group of people, so-called upon by the Government opposite, so-called the people, they are the ones that in effect get stuck with this extinguished debt.

AN HON. MEMBER: — . . .

MR. LANE: — Not too good right now as a matter of fact, and I have already used that as an example. Again, if you want to use that as your example, and your basis for taking over the potash industry, that's another good argument for not going ahead with Bill 2, and it's certainly another good argument for not nationalizing the potash industry.

Now I see that the Minister for Biggar (Mr. Cowley) has his mouth open, and of course that automatically means that he has got his ears closed, because he can't do both, listen and talk at the same time, and I think that if the Minister for Biggar was really concerned about this issue, that he would join the debate. He has been asked on several occasions tonight to participate in the debate of nationalizing the potash industry of Saskatchewan. Seemingly he has either been muzzled, or he's afraid to put his foot in his mouth by speaking in this House. Again, and certainly it has been called to the attention of the Press tonight, that many of the senior Members responsible for this legislation, many senior Cabinet Ministers responsible for the nationalization and the operation of the nationalization of the potash industry, and many senior Ministers that are responsible for the raising of the billion dollars, have refused, or neglected, to speak in this debate. I think that this is a shameful act on the part of the Government opposite, and I accuse each and every one of those Members as Ministers who are directly responsible, the Finance Minister, the Minister responsible for the Potash Corporation, the Premier, to stand up and speak in this debate, and I accuse you of a dereliction of duty if you refuse to participate in this particular debate.

Mr. Speaker, I'm continuing with the financial comments on the operation of Crown corporations as they apply to nationalized industries in Britain.

MR. SPEAKER: — Order, order! As scintillating as I find the debate, time presses on, and being 9:30, this House now stands adjourned until 2:30 tomorrow.

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