

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session - Eighteenth Legislature
23rd Day

Tuesday, December 16, 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, in your name and on behalf of the House, I am very pleased to welcome about 30 students from Balfour Collegiate with their teacher, Mr. Weichel here today. I am sure they will enjoy viewing what happens in the House and I will be meeting with them later on today.

HON. MEMBERS: — Hear, hear!

MR. H. H. P. BAKER (Regina Victoria): — Mr. Speaker, I too, want to welcome the 30 students from Balfour Tech. and their teacher, Mr. Weichel. Balfour Tech. school is my home collegiate as my daughter took her high school there some time ago. I want to welcome them today. While the school is located in Regina Wascana, my former seat, most of the Balfour Tech. students do live in Regina Victoria. I want to extend a warm welcome to them all and hope they have a pleasant stay. At the same time I wish them the compliments of the season.

HON. MEMBERS: — Hear, hear!

ANNOUNCEMENT

Significant Crude Oil Discovery in Southeast Saskatchewan

HON. E. WHELAN (Minister of Mineral Resources): — Mr. Speaker, as Minister of Mineral Resources I wish to make an announcement before the Orders of the Day.

I wish to announce a significant crude oil show in a recent well drilled in southeastern Saskatchewan. Light gravity crude oil was obtained from the well located approximately five mile west of the city of Estevan. The well drilled by Dome Petroleum Limited, is called the Dome-Scurry-Table Land 11-14-2-9 W2nd.

Mr. Speaker, the indicated discovery at this well is significant for two reasons. It is significant because oil has been recovered from the Winnipegosis formation, a formation from which there is no other present oil production in the province. And it is significant in that the crude obtained is light gravity crude. At present 70 per cent of Saskatchewan crude production is in the heavy and medium crude categories.

Production casing to determine the potential of the well, has been set. The well was drilled to a total depth of 10,259 feet. The Dome Table Land well is the first of a multiple well program planned for the southeast part of the province by Dome Petroleum Limited.

Mr. Speaker, although this could be an important new oil find for the Province of Saskatchewan, our department is cautiously optimistic. Because of the open hole condition, the well could not be adequately tested during drilling operations. However, now that production casing has been set, further testing will be undertaken to accurately measure the potential of the well.

Should this potential prove to be good, Dome Petroleum would receive the benefits of the new oil royalty rates in our proposed oil policy. These benefits would, of course, Mr. Speaker, be available to any company discovering new oil in Saskatchewan. Our proposed oil policy is intended to give incentives to, and to encourage the petroleum industry in the province so that the people of Saskatchewan can benefit from this resource.

SOME HON. MEMBERS: — Hear, hear!

MR. E. C. MALONE (Regina Lakeview): — Mr. Speaker, I should like to briefly reply to the Minister's announcement. We certainly welcome the news that there has been a find. I was trying to listen carefully to the Minister and I think the find might be somewhat speculative at this time. But we do welcome this news.

I think it should be pointed out to the people of Saskatchewan that it was a private operator who found this oil and not Saskoil. I understand that the commitment to take these exploration wells was made many months ago by Dome and having nothing whatsoever to do with the Government's new announced policy on oil royalties. However, we do welcome the news and we hope that the company is successful in bringing this well to proper completion along with many more wells.

MR. R. A. LARTER (Estevan): — Mr. Speaker, I wonder if I could reply to the Minister. I too welcome this news. I think it is a real Christmas present and I do hope that this does turn out to be the start of many good things. We have taken a setback as far as Bill 42 goes over the years and certainly we are looking for the brighter side right now.

QUESTIONS

Is Potash Corporation Presently Headquartered in Regina

MR. D. G. STEUART (Leader of the Opposition): — Mr. Speaker, before the Orders of the Day, I should like to direct a question to the Member for Biggar, the Chairman of the Potash Corporation of Saskatchewan (Mr. Cowley).

Is it a fact that the Potash Corporation of Saskatchewan is now headquartered in an office located at 2161 Scarth Street? Is it a further fact that they have leased approximately 8,000 square feet of office space at that location? Is it a fact that that location has been renovated and partitions have been set up for an office, a board room has been constructed complete with, I understand, lead lining, to make it impossible for electronic eavesdropping?

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Is it a fact that Mr. Dumbowsky the president of the Saskatchewan Potash Corporation and Mr. Ching, executive vice-president, or whatever his present title is, is it a fact that they are located there and presently directing the operations of the development of this corporation from that location? And if these things are facts, would you not call that the present head office of the Potash Corporation of Saskatchewan?

HON. E. COWLEY (Provincial Secretary): — Mr. Speaker, I am very interested in the questions from the Hon. Leader of the Opposition. I don't know what stopped his electronic eavesdropping devices, and if it is lead as he suggests, I will take his word for it. I am not aware what material any board room might be lined with or otherwise.

With respect to the question of the location, I believe that is the exact location. It is the MacPherson, Leslie, Tyerman Building, the MLT building, and I assume the Member has the correct address. The head office of the Potash Corporation of Saskatchewan, as was set out in the Order in Council establishing it is Regina. Office space was acquired for the corporation. It is under lease. No decision as to the permanent location of the head office has been made. In the interim it is in Regina, it is in that location.

With respect to the type of furniture, etc. that may be in there, I am not familiar with whether or not it is lead lined or anything else. I certainly would be prepared to get the Member for Prince Albert the costs of the furnishings and the costs of the partitions, which I understand are moveable. The office space would be suitable in the event that the head office moved to some other location for some other agency or sub-leasing. The president and vice-president are located at that location now.

MR. STEUART: — Mr. Speaker, I am not sure what is lead lined, I think it is the board room and it might be some of the executive hired as well. Would the Minister then - and I find it remarkable that some of these things he doesn't know. I hope he would admit that in the Saskatchewan Gazette, Regina, Friday, December 5, he has been named as Chairman of the Board; Mr. Romanow has been named a member of the Board; and Mr. Messer has been named a member of the Board; I think Mr. Romanow is the vice-chairman. I hope they have been attending some meetings.

I understand the furniture is in the nature of \$80,000 to \$90,000 imported from Montreal or Toronto. Would the Member admit that being Chairman of the Board he would take some interest I would hope in the affairs of the corporation, and the lease on 8,000 square feet I would presume is about \$9 a square foot? You are talking about \$70,000 a year for probably a five-year lease. Would the Minister explain to us then that with 8,000 square feet, approximately how many staff, I would think this would look after a staff of anywhere from 30 to 40 to 50 people under normal circumstances? Would the Minister please explain the sort of, the point I want him to explain is that if the head office is to be moved, if the head office is not to be located there, it is the head office now, if the head office is not to be located there, is this going to be the pattern of that corporation? They have committed or invested anywhere from

\$400,000 to \$500,000 of money right now. And they casually get up and say but we might move it later on. I suggest, and I ask the Minister to confirm the truth that that is in fact the head office and will continue to be the head office and all the people like Mr. Romanow going around threatening people, is that they are playing cheap games when you know the head office is presently there and if you move later, accept you are wasting a fantastic amount of the people's money.

MR. COWLEY: — Mr. Speaker, I don't mind replying to the Hon. Member for Prince Albert-Duck Lake's speech. I want to say first of all that I am aware that there is furniture and I am aware of the office space, the size and type and the particular decor of the furniture I am not aware of. I want to inform the Member that it was ordered from Eaton's in Regina, which while it is a national company it does do some business in Regina as I think some of the Members of the House may be aware of. Where they obtain their supplies from, I don't know. But nevertheless it's a Regina based operation from which the furniture was purchased and the partitions as well.

With respect to the head office, it certainly will accommodate more staff than are presently there. With respect to the location of the head office, I want to suggest to the Member opposite that the leasing of that space was made some time ago when we were considering a policy which is different from the policy which we are now under. I want to suggest to the Member that the space in my view would not be adequate for the Potash Corporation of Saskatchewan 12 or 15 months from now. We have not made and I emphasize that again, a final decision as to the location of the head office. The location of the head office for the time being has been since the Order in Council was passed and continues to be Regina. When a decision is made with respect to the location of the head office of the Potash Corporation of Saskatchewan I would expect to announce it in this House or outside this House if it is not sitting. I would expect also that alternative arrangements with respect to the facilities that are now there for the Potash Corporation of Saskatchewan could be accommodated without any loss of money to the province.

MR. STEUART: — A final supplementary, Mr. Speaker. I wonder if . . .

MR. KRAMER: — State your question.

MR. STEUART: — It's nice to see you back. How is the auctioneering going? I hope for your sake it is. I wonder if . . .

MR. KRAMER: — That's your third question.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — I wonder if . . . I have forgotten what I was going to say now. I wonder if the Minister would then confirm that in the near future we can expect the Minister who has been appointed now as Chairman of the Board, that he will come into this House and be prepared to give us more information. It is strange he knew where the furniture was purchased, but he has no idea of the

cost, he has no idea if there is a board room constructed. I suggest that if he answers the question truthfully we are going to find that this is probably a floating head office here in Regina today, threatened in Saskatoon tomorrow, possibly for Moose Jaw the next day. It may be a long time before that is pinned down at a very costly expense to the people of this province.

Only Crown Agencies Exempt From Rent Controls

MR. B. M. DYCK (Saskatoon Mayfair): — Mr. Speaker, I address this question to the Minister in charge of Consumer Affairs and Co-operatives (Mr. Shillington). In view of the statement made this morning on an open line show by the Hon. Member for Regina South (Mr. Cameron) to the effect that only Crown agencies would be exempt from any rent controls and thereby attempted in my view to misrepresent the legislation as we have it before the House today, presumably for political gain. Would the Minister explain and tell this House once again, what exemptions are provided for under the amended Residential Tenancies Act as it applies to rent controls?

HON. E. B. SHILLINGTON (Minister of Consumer Affairs): — Mr. Speaker, the question illustrates a good point and one perhaps that the Member for Regina South might be interested in since I believe he has raised it in the House. The Residential Tenancies Act and the rent controls which are part of it were designed to regulate the relationship between a landlord and one who rents a residential tenancy. Within the literal definition of that in the Act, there are some kinds of tenancies that are included that are not residential tenancies in the normal sense. The rent control in The Residential Tenancies Act does not cover the Salvation Army because it is not designed to deal with that sort of relationship. It doesn't cover the YMCA, it wasn't designed to deal with that sort of relationship. It does not cover Crown leases because The Residential Tenancies Act is not designed to deal with that kind of relationship.

MR. DYCK: — Mr. Speaker, a supplementary question. Would the Minister be good enough then to provide this information in writing to the Member for Regina South so that we do not have a repeated attempt to misrepresent this Bill to the general public?

MR. SHILLINGTON: — Yes, Mr. Speaker . . .

MR. S. J. CAMERON (Regina South): — Mr. Speaker, on a Point of Privilege. My Point of Privilege is that the Member for Saskatoon Mayfair either didn't listen to what I had to say this morning or didn't understand. Or else he didn't listen to what I had to say last night when I went into that in some detail or alternatively and it is most likely he listened but didn't understand.

I did not say, with respect to the Member for Saskatoon Mayfair, that it was only the Crown that was exempt under the rent control legislation. I said it was a piece of legislation which by and large exempted the Crown and I wondered whether that was a satisfactory principle for us to be accepting. I will not stand and listen to that Member in particular misrepresent what I said to the public on that broadcast. I said and I repeat to you that the Crown by and large under that Act is exempt and if

you look at the Act you will find that it is exempt. May I say in one last remark to the Minister who responded to that question . . .

MR. SPEAKER: — Order! The Member relates to the House what he said on the radio, the Member for Saskatoon Mayfair has another version of it. I can only accept the Member's words in either case because I didn't hear the broadcast. I can only accept the Member's words that that is what he said. I don't think that is a Point of Privilege, perhaps a point of correction to that extent.

MR. C. P. MacDONALD (Indian Head-Wolseley): — Mr. Speaker, on a Point of Order. The member for Saskatoon Mayfair stood on his feet and said that the Member for Regina South deliberately misrepresented the facts. That is what he said. And certainly that is a Point of Privilege. He imputed a motive to the Member for Regina South and the Member for Regina South is merely standing up and defending himself.

MR. DYCK: — Mr. Speaker, I should like to point out to the Member that this is not what I said, as a matter of fact I can read from my question. He attempted to misrepresent, I never said anything about deliberate misrepresentation.

SOME HON. MEMBERS: — Hear, hear!

MR. SHILLINGTON: — Mr. Speaker, there does indeed seem to be some confusion on the opposite side of the House as to what this Bill is trying to do, we'll certainly provide them with that information.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — Mr. Speaker, I rise again on the same Point of Privilege and if you like, on a different Point of Privilege. You can discuss all you like the substance of that piece of legislation and the substance of what I said, but you are not going to stand here . . .

MR. SPEAKER: — Order!

MR. CAMERON: — This is a Point of Privilege and I am entitled to rise on a point of Privilege.

MR. SPEAKER: — Order! I would ask the Member to come to the Point of Privilege as quickly as possible in stating the Point of Privilege, and not preface it with some other remarks.

MR. CAMERON: — I will come to it very quickly. That member stood there two minutes ago and he said that I attempted to misrepresent this situation. That is a Point of Privilege, I put to you, Mr. Speaker, with deference, for a Member to stand on that side and say to me on this side that I attempted to misrepresent this situation. First of all it is a Point of Privilege, secondly, I deny it flatly and I ask the Member to withdraw it.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — I don't accept that as a Point of Privilege. I accept that it may be a debating point. I suggest to both the Members that this is not the proper time for the debate in this forum on that issue. They will get lots of opportunity to discuss that item. If we could continue on with the next question.

MR. SKOBERG: — Mr. Speaker, in view of the clear understanding that all Members of this House now have insofar as present exemptions are concerned under the proposed Bill, I wonder if the Hon. Minister would invite the Hon. Member for Regina South to share a joint time with him on any future programs in order that a record may be very clear, and we won't run into this situation again.

SOME HON. MEMBERS: — Hear, hear!

MR. SHILLINGTON: — Surely, Mr. Speaker, some extraordinary effort is going to have to be made to try and make it clear to the Members opposite what we are trying to do. We'll certainly do that.

Application for SkyWest

MR. MERCHANT: — Mr. Speaker, before the Orders of the Day I wonder if I might direct a question to the Minister in charge of Transportation, the Hon. Mr. MacMurchy? I assume the Minister is aware of the difficulties that the Manitoba Government is having with their badly prepared application to the Canadian Transport Commission with regard to SkyWest and because of the nature of the statements made by the Government, I wonder if the Minister is aware of the four areas of deficiency in that application, and those areas were: (I don't know whether this Government was aware of them) 1. No verification of operating costs; 2. The Manitoba Government failed to show an adequate breakdown of forecasts of business; 3. The traffic levels that were put - Mr. Speaker, I am asking if the Minister is aware of these deficiencies and I have a specific reason for asking that - 3. If he is aware that the traffic levels that were presented before the CTC were all 1980 traffic levels, when the Minister should know that and that Government should have known that the application was for a temporary licence to see if the matter would work on a temporary basis; and the last failure was that there was no provision for backup of aircraft.

I asked is the Minister aware of those deficiencies, because the comments made in the Press haven't sounded like it and secondly, will this Government now pick up application and try to do properly what the Manitoba Government apparently feels it can't do properly?

SOME HON. MEMBERS: — Hear, hear!

HON. G. MacMURCHY (Minister of Municipal Affairs): — Mr. Speaker, in response to the Member's question with respect to the application by SkyWest for a licence to provide a service to the communities of Winnipeg, Brandon, Dauphin, Yorkton and Saskatoon, may I say that I am aware of the deficiencies that were suggested at the hearing December 1. I note that he put

particular emphasis in his question on the deficiencies with respect to what I would call the technical concerns of the Commission. But I would call the technical concerns of the Commission as very surprising to the SkyWest people since they were in continual conversation with the Commission with respect to their application; asking is there any more information necessary, is all the information adequate and so on. What we observed as an issue, and certainly the Saskatchewan Government and the Manitoba Government agreed what was observed as an issue, was with respect to the commitment by the Ottawa Government to purchase the Saunders aircraft and lease those aircraft to SkyWest. What CTC asked for was documentation with respect to the aircraft. It is legitimate that they should ask that question, because how can you provide a service without aircraft? We zeroed in on that issue, as a key issue, and I think we were legitimate in doing so. Since we hadn't had any response from Ottawa with respect to that key issue, we have withdrawn the SkyWest proposal.

MR. MERCHANT: — As a supplementary to the Minister. The Manitoba Government has said they will not give any financial assistance to a private carrier. Will the Saskatchewan Government back out on providing service to those areas having given its commitment? In short, are you prepared to back up the Yorkton application and see to it that that area gets assistance, whether you feel that the Federal Government has not handled the matter properly? I suggest to you, you know well that the Federal Government had little alternative . . .

MR. SPEAKER: — Order! I want to take this opportunity to remind the Member again of my ruling of November 27, 1975, which said in part, "The question is to be brief, to the point, without preamble or speech. The question must relate to an urgent and important matter."

Now it is true the Member did not have a preamble on his supplementary. But I notice he had something on the end of it. I don't know what you call that, but I would suggest to the Members that is not allowed the same as a preamble at the beginning of a question or a supplementary. If the Member can get to the point of what his supplementary is, then I think it will enhance the question period.

MR. MacMURCHY: — Mr. Speaker, could I ask the Hon. Member for Regina Wascana to repeat his question. I didn't get it clear in my mind.

MR. MERCHANT: — Mr. Speaker, I want to say that I clearly accepted that preambles were out, but I didn't know you had a rule against postambles as well.

The sum and substance of the question is: now the Manitoba Government has indicated that they will abandon the project, that they won't put any money into private carriers, that they abandon those areas and they are out of the field. Does the Saskatchewan Government take the same narrow view?

MR. MacMURCHY: — Our policy and as I indicated in a telex to the Hon. Minister of Transport, was with respect to giving support to the public carrier. We have now withdrawn that support to the public carrier, since it is obvious it can't be put together. We have not considered either as a government or in consultation with the Manitoba Government any change in the policy of support to the public kind of carrier.

MR. MERCHANT: — Mr. Speaker, second supplementary. I am really asking the same question again. We know that you have withdrawn support to the public carrier, the question is: will you now consider support to a private carrier? There were private carriers who were interested in that route. Will you give the same support to a private carrier that you were prepared to give to a public carrier?

MR. MacMURCHY: — Mr. Speaker, we have no proposition before us with respect to providing support to a private carrier. We had put forward an experimental proposal with respect to a public carrier which we strongly support. We think it would have done the job which the private carriers have not done with respect to those communities. We would have a very difficult time in light of past experience to provide support to private carriers.

SOME HON. MEMBERS: — Hear, hear!

Saskatoon Board of Trade

MR. R. L. COLLVER (Leader of the Progressive Conservatives): — Mr. Speaker, before the Orders of the Day - I beg the indulgence of the House because my question is going to require a preamble. Yesterday, I asked the Attorney General a question about some comment made to Saskatoon radio and television media. He suggested the transcript of these remarks should be brought to the attention of the House. I should like to bring the transcript to the attention of this Assembly, then ask the Attorney General a question.

The transcript is as follows:

What bothers me as a Saskatoon MLA is that Saskatoon, the hub of potash, with five miles around it, would be a logical candidate for headquartering an operation of this size. The spin-off to the university and businesses would be fantastic. And yet the Government looking at the hostility of the Board of Trade towards this venture, and I might say the only Board of Trade so far in Saskatchewan, really have to take this into account. We have requests from the Yorkton Council and Board of Trade, the Moose Jaw Council and Board of Trade to house this very significant venture there. I am hoping that we can base it in Saskatoon, but it is certainly made tough by Saskatoon members of the Board of Trade.

In the light of the operative words of this particular statement, which is: "And yet the Government looking at the hostility of the Board of Trade towards this venture, and I might say the only Board of Trade so far in Saskatchewan, really have to take this into account."

My question for the Attorney General, does he not consider that a threat and in the light of the statement today in which he does not apologize to the Board of Trade, or clarify it that he did not intend to say that the Board of Trade do not have the same rights as other citizens to speak their mind as it relates to government action? Is he not now prepared to apologize to this organization?

HON. R. ROMANOW (Attorney General): — No, Mr. Speaker, I am definitely not prepared to apologize to the Saskatoon Board of Trade, because I do not believe that I have anything to apologize for. The words as the Member has quoted, I have a copy of the voice clip as well, I would agree are substantially correct. The point that I was meaning to convey by those words, as I said yesterday, I repeat again. It is in my view the logical location for the PCS headquarters to be in Saskatoon. The Government when it comes to the final decision, as to where the PCS headquarters should or should not be located, will obviously have to take a look at all of the factors, one of which is, the atmosphere of the business community or part of the business community toward the introduction and the location of this very valuable and important head office. If one was to judge on the part of a provincial government the atmosphere, judging by the Board of Trade campaign, some of the Board of Trade campaign statements, this is a factor which makes my job as I said in the statement on Sunday, my job and some others who believe that Saskatoon should be the head office, very, very difficult indeed. That's what I said, that's what I intended.

I repeat that again. The Board of Trade can do whatever they want by way of an advertising campaign. I repeat that again. I am just simply saying that with respect to the location of the head office, it is very difficult. The Hon. Member I am sure would agree with me, that it is very difficult for me to convince my colleagues that Saskatoon should be the place for the head office for this PCS to be located when by judging all the newspapers the business community, apparently some of the business community doesn't want the head office located there.

MR. COLLVER: — A supplementary, Mr. Speaker. I believe the Attorney General has missed my point. I am not arguing as to the advantages or disadvantages to be gained by the Saskatoon Board of Trade in their campaign, nor am I arguing about the ethics of this campaign. What I am attempting to bring across to the Attorney General is the problem of government threatening organizations and individuals in our society with action that is detrimental to them in the event that they don't withdraw certain actions.

I read again to the Attorney General his operative phrase, "Yet the Government looking at the hostility of the Board of Trade towards this venture, and I might say the only Board of Trade so far in Saskatchewan, really have to take this into account." Is the Attorney General suggesting that with that statement he is not threatening the city of Saskatoon with dire consequences if the Board of Trade do not withdraw their action?

MR. ROMANOW: — No, I repeat again to the Hon. Member. I repeat again, in my judgement the answer is absolutely, No. We are all

the people who take the consequences of whatever actions or words or statements that we make. We do it in the House every day. The Board of Trade makes statements with respect of locations of the PCS headquarters. That by itself may not even be all that substantial a factor in the end result as to where the head office is or isn't located. But I do say to my friend from Nipawin, and I say this as sincerely as I can, it is important that the PCS office be located in an atmosphere which is reasonably conducive for it to do the types of things that I think this fantastic head office operation will do for the people of Saskatoon and for the people of Saskatchewan. Given the present type of negative, destructive and I think quite frankly, childish advertising by the Board of Trade (that's my own point of view). They can argue against the Bill any way they want, but when they start the cartoons, and that type of caricature, I characterize that as childish. I am saying that the totality of that is making it difficult for me to do my job for Saskatoon, which is to try and get the PCS headquarters located in Saskatoon.

MR. COLLVER: — Second supplementary, Mr. Speaker. If the Attorney General is serious about (and I have no question that he is serious) trying to ensure that the public are fully aware of the position of the Government of Saskatchewan in this matter, my question is: would the Attorney General in a public statement please clarify those operative words that were involved in his initial statement which suggested to the people of the city of Saskatoon, that the Government of Saskatchewan would take dire action in the event of a continuation of the policy of the Board of Trade.

MR. ROMANOW: — Mr. Speaker, I can only say again, I think this is the only way I can put it, that the words as are said in the voice clip, "Yet the Government . . . really has to take this into account." That's what the plain words say, the black and white. What the Hon. Member says is that that equals dire consequences against the city of Saskatoon. It doesn't. The words don't say that, and it never was my intention for it to say that. It is my intention as the words say, that it is a factor in a variety of factors that the Government must take into account when it ultimately decides where the head office of the PCS should be located. It is a factor as the locality of the mines, as the mines that may be acquired, as the population, as transportation, as communication, as the environment of the business community are all factors. It is a factor and I repeat, something that the Government really has to take into account, not exclusively. And I repeat over and over again, I don't know how many times I have to say this to the Member, not in any sense of a threat. I don't like to see the campaign because I think it's wrong, but more importantly I don't like to see the campaign because it is prejudicing the city of Saskatoon and the people of Saskatoon and the Board of Trade should not be doing it in my view.

MR. G. H. PENNER (Saskatoon Eastview): — I wonder if I could be permitted a question, despite the fact there have already been four, to follow up on this matter?

Mr. Speaker, the question relates to the points that the Attorney General has just been attempting to make and I think

we've got to take a look at what has happened over the last few weeks.

MR. ROMANOW: — I will take a question, but I won't take a speech.

MR. PENNER: — All right, I'm not interested in making a speech. Why is it, Mr. Speaker, that since the proposed legislation had been put before this House and there has been a campaign put on in the media of this province and there has been a statement made by the Member for Saskatoon Centre (Mr. Mostoway) saying that the Board of Trade has no business disagreeing with the Government? Why is it then that the Attorney General makes a statement which puts the thinking of the business community of Saskatoon in difficulty and then today calls that childish? Why is it that the city of Saskatoon should be taking that kind of abuse from the Attorney General?

MR. ROMANOW: — Mr. Speaker, I want to say that I heard what the Member for Saskatoon Centre said and he did not say as is misrepresented purposefully by some Hon. Members opposite, that the Board of Trade has no right to campaign. The Member did not say that. He said that the Government should consider its membership, Crown corporation membership in the Board of Trade. That's his view. I personally don't happen to agree with that, but that's his view and I know that a number of people do happen to agree with his view in Saskatoon.

All I want to tell the Hon. Member, it's not me who is hindering this, it's the Board of Trade. I don't think that the Board of Trade, they may speak for certain numbers in the Board of Trade, but of the businessmen who have phoned me about the campaign, they certainly don't speak for a vast majority of the businessmen of Saskatoon. And I take exception as is my right, for aldermen, some in this House and some not in this House, running for political aid and comfort of political parties to the detriment of Saskatoon as I think is being done in the city of Saskatoon.

And, I want to say, that it's not me who is hindering the location of the Potash Corporation of Saskatchewan location. I'm not raising these questions trying to twist the words, about cutting off grants and threats and reprisals. I'm fighting for that head office to be in Saskatoon and I urge the Member for Saskatoon Eastview to join me in that fight.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — I was under the impression that the Member for Saskatoon Eastview asked for a further supplementary. He has now had his supplementary. Now if the Chamber wishes to carry on with more questions, I'm in their hands.

MR. PENNER: — Mr. Speaker, I thought that I had asked if I could put a further question. If that is the case, then I have a supplementary that I should like to put.

MR. SPEAKER: — I don't think there is agreement in the Chamber that we proceed with further questions.

MR. PENNER: — Mr. Speaker, I just want to ask one further supplementary. Why is it that because there has been some opposition . . .

AN HON. MEMBER: — Question!

MR. PENNER: — I asked a question and I am beginning the question with why.

MR. KRAMER: — Mr. Speaker, on a Point of Order. Did you not rule that that was the last question?

MR. SPEAKER: — I was under the impression that we were allowing ourselves four questions and two supplementaries per question. We have now had that. The Chamber agreed to allow a further question. I was under the impression it was a supplementary, the Member was under the impression it was a question and he asked further that he be allowed one more supplementary, the Attorney General has nodded agreement and I've asked the Member to phrase the question.

MR. PENNER: — Thank you, Mr. Speaker. Why is it that after the proposed legislation with regard to nationalization of the potash industry was tabled in this House, and there has been a great deal of government advertising with respect to the advantages, why is it that when some groups in the province, and there have been groups and individuals, voiced opposition, that the Government through the Attorney General has become so defensive about the Bill?

MR. ROMANOW: — Well, Mr. Speaker, I really have a difficult time answering that question because . . .

AN HON MEMBER: — . . . difficult time . . .

MR. ROMANOW: — Yes, I do because it really assumes a debating point and does not ask any question directly of the Government. I would only repeat again what I think is patently obvious about the location of the head office. I say this to the Member for Saskatoon Eastview that I think he can properly join me and the Member for Saskatoon Sutherland (Mrs. Edwards) could join me and my colleagues on this side to do what we could to have the head office of the PCS located in Saskatoon. I think we could make a good effort. That's where I think it should be located. We hope that the Board of Trade will reconsider its position as well. It has nothing to do with their rights, they can do whatever they want to do of course. I think the interests of the people of the province and of Saskatoon really require something a little bit of a higher calibre than the type of advertising that the Saskatoon Board of Trade tries to carry out. I think that really demeans the operation and I'm very, very sad to see that because I think as the Member will know, I have been an MLA on the Opposition side and on this side who has supported the Saskatoon Board of Trade, not without some difficulties as the Member will know, but I have. But I tell you in this particular case, when we go about trying to convince the Government and others that there should be the centralization of such

an important adventure such as PCS for Saskatoon, in the face of that I repeat again, it makes my job very difficult and so do frankly, some of the questions of the Members opposite.

SOME HON. MEMBERS: — Hear, hear!

MR. COLLVER: — Would the Attorney General permit just a point of clarification? It's not a question.

SOME HON. MEMBERS: — No!

Question Period

MR. DYCK: — On a Point of Order. The Premier was kind enough to allow a number of additional supplementary questions. In my view it has been the strong tradition of this House for a number of years that we allow three questions from the Opposition with two supplementaries. I think we have gone far beyond that today. In view of the fact that we've gone far beyond it, I think we are wasting a lot of valuable time and it seems to me that we are impairing the ability of this House to carry out its business. Therefore, I think that we should limit the number of questions to what we have had before.

Location of Potash Corporation

MR. H. H. P. BAKER (Regina Victoria): — Mr. Speaker, on a Point of Privilege. I'm somewhat surprised that the Attorney General and the Leader of the Conservative Party have already picked the location for the potash head office. I assume that while it's located here it's going to stay here. Regina is the logical place for it and I certainly am not going to support the Attorney General in this one. I don't think he's taken over this side of the House yet. Heaven forbid if he ever did.

SOME HON. MEMBERS: — Hear, hear!

MR. BAKER: — But I do want to say I think this is a debatable point and I wish the Premier was here, I would have asked him the question whether the location has been picked. I suggest to the Minister in charge, keep buying more furniture and look for more space in Regina.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — I question whether that was a Point of Privilege or a Point of Order. I am at the point myself now where I think we should go on with the business. There are private Members who want their business dealt with today. We are obviously getting into a debate on this issue. I think the Attorney General has clarified, if I may put it that way, several times already and he keeps being asked for further clarifications and I would suggest that we go on with Orders of the Day and Questions Put By Members.

RESOLUTIONS

Resolution No. 6 - Establishment of Board of Inquiry Re Teachers Leaving

MISS L. B. CLIFFORD (Wilkie) moved, seconded by Mr. Penner (Saskatoon Eastview):

That this Assembly urges the Government of Saskatchewan to establish a Board of Inquiry to investigate the numbers of teachers leaving the province or the profession and to determine the reasons therefore in order that responsible solutions can be formulated to deal with this situation.

She said: Mr. Speaker, I have submitted this Resolution because of my concern over the number of teachers who are leaving the profession and the province. I am asking for a Board of Inquiry to determine the reasons therefore so that we can formulate reasonable solutions to the problem.

Although we were fortunate enough to get almost enough teachers for the Province of Saskatchewan this year, no one here with any realization of the teaching profession can say that this is not a serious or not an increasing problem. I don't pretend to be an expert in solving the problems of the teaching profession, but I should like at this time to read a couple of statements that were made by members in Saskatchewan who are involved in the teaching profession and the problems therein.

The first one I should like to read that will relate to this Resolution was made by the President of Saskatchewan Teachers' Association and the title was, "Possible Exodus over Salaries" and I quote:

Saskatchewan teachers may leave the province or at least the teaching profession if salaries are not brought up to standard of the rest of the country, STF President, Mike Badham told delegates at the SSTA convention. Salaries must remain competitive in order to retain good teachers and not lose the cream of the crop. He said starting salaries for a B.Ed graduate in Alberta are now 12 per cent higher than Saskatchewan and the maximum for a teacher in the post-graduate category is \$1,200 more in Newfoundland than in this province.

He told trustees that he and Dr. John Egnatoff, then SSTA President, met with Prime Minister Trudeau in Regina a few weeks ago, following the Government's announcement of inflation controls and asked for clarification in the catch-up factor.

He also outlined for trustees, various ways in which the STF is working for better quality education.

He reported some preliminary results of a collection of data on teachers, class size and workloads. The survey showed, he said, that a large percentage of teachers are spending many hours in extra-curricular activities with students and pointed out that although it is not a case for overtime remuneration for teachers, it should be taken into consideration in organizing their teaching loads and daily class assignments.

I'd like to continue this because this is one of the reasons why I feel that we are having a problem with the teachers in Saskatchewan, why they may be leaving and why we need this Board of Inquiry.

As well, he stated:

that teachers spent a large percentage of after school hours in involvement in activities with colleagues, such as supervision of practice teachers, in-service meetings and other professional pursuits. He almost mentioned the teachers satisfaction survey which has been conducted for the past five years and reflects the teacher opinion at one point in time during the school year. He told trustees this survey could provide a valuable discussion tool among teachers and between teachers and their employing boards and superintendents. He said the survey was not intended to be statistically sound, but can be valid as an expression of teacher satisfaction on provisions before professional development, school community relations, school facilities and equipment and personal relations and supervision.

Now this is one statement by our head of the Saskatchewan Teachers' Association. I should like to read another statement that was made by Mr. MacMurchy before he was appointed as Minister of Municipal Affairs. At the same convention he stated that:

MacMurchy is concerned about the teacher shortage that may occur. The Provincial Government has a responsibility to see that teacher salaries are fair in relation to other professional groups, outgoing Education Minister Gordon MacMurchy told trustees at their annual convention. Mr. MacMurchy said, a serious teacher shortage, supply shortage could occur if salaries are not kept competitive and added it is clear we have to be able to attract and hold teachers in Saskatchewan. He said, the 1976 settlement will have to reflect some catch-up since the present salaries are behind both Alberta and Manitoba and he said the catch-up factor would probably have to go beyond the two per cent allowed by the Federal Government's wage control. He told trustees the Provincial Government will support the federal program, but asked for two major changes; that price increases on key commodities be reviewed by an anti-inflation board before they are implemented and that a two per cent catch-up factor be made more flexible.

Now we have asked what the Provincial Government is doing about salary negotiations at the present time. They have said that at the moment they are waiting for some federal initiative. Well, we have been suggesting that perhaps the province, like other provinces, take this initiative and we propose that they get on with this initiative as soon as possible. I know that they are meeting today with some of the trustees and the members of the STF, but we would again stress that this is important and that they get on with this type of business.

I continue to restate that the best solution that could be made, would be to arrive at some kind of prairie average for wages and prices. I'm only pointing this out because it is indeed exemplifying that two members, one of this House and one

of the Saskatchewan Teachers' Federation do realize that this is a problem and indeed this Resolution could possibly aid in finding solutions.

Again the best solution would be to arrive at some kind of prairie average for wages and prices, Mr. MacMurchy said, pointing out that the greatest movement of people is between the three prairie provinces. So that a reasonable degree of equity across the provinces would be a workable compromise.

Mr. MacMurchy urged trustees to adopt a policy of their state and spending, especially in the area of capital construction. However, in times of such restraint it becomes important to make sure that the most quality is being obtained from the education dollar.

As trustees you will want to concern yourselves more and more in finding out just what is going on in your schools and ensuring that programs are providing the best possible education.

He mentioned a number of programs that are contributing to an improvement of quality education including the kindergarten program and the physical education program, development of consumer and agriculture education and environmental studies and the flexibility for second language programs in a language other than French. However, the teacher is the most important factor in the quality of educational processes.

And I stress that point because this is the main idea behind my resolution.

He said, a good deal of research is being done into more effective teacher training programs. The number one issue has emerged as being increased field experience at levels of training programs, more observation periods in schools and shorter practice teaching.

Another aspect of ensuring quality in teachers is to take a hard look at the present teacher tenure legislation. He said existing tenure legislation leaves teachers feeling exposed to unjustified dismissals.

Now I won't continue with the rest of the article, but I think it exemplifies that two of these members have felt that this is an area of major concern and is something that we should be looking at.

I would like to compliment, and I'm sorry that he has left, I think, I was going to compliment the Hon. Member for the work he has done, especially in the physical education area, although . . .

AN HON. MEMBER: — . . . me . . .

MISS CLIFFORD: — Not bad, you haven't done anything yet. Although otherwise a little disappointed in his outlook at SkyWest today, but I am sure he will get on to the hang of that one as he did in the physical education area.

I should like to describe briefly, as now we have the new

Member here of what has been done in physical education. I am just using this as an example because this is one of the programs where we find problems with teachers. The reason for that is that academic subjects or basically academic subjects generally do not have that much trouble in hiring teachers, because they are more readily available than in some of the non-academic or non-professional areas. Although I am a physical education teacher, I don't like to call them non-professional, but unfortunately it is a lot harder to get teachers in those areas. The type of program that has been developed by the physical education committee and its objective was to co-ordinate the activities of all groups involved in physical and recreational activities in the schools of the province. This includes in-school programs, physical education, interschool athletics, outdoor education activities and community recreation programs where applicable. It has responsibility for program development in the field of physical education, consultative services and in-service activities for teachers.

An area I should like to stress here is that in these types of programs whether it be physical education or whether it be in a second language as I pointed out or audio-visual areas or hearing impaired or visually impaired areas, these are the areas in which we do not have as many qualified teachers and this is why we have problems drawing them into Saskatchewan. There are other reasons, I would suggest than economic reasons for teachers not coming to Saskatchewan, although that is the main one. I think this is why we have to look at this area seriously and get some discussion on the problem.

I should also like to suggest, Mr. Speaker, another area which is, beside the areas of visually handicapped and hearing impaired that is being affected and I think of major interest to the Government and that is the technical education area. This is one of the newest areas in the high school curriculum. The total number of students enrolled in the technical areas has increased to a great degree in the last year. There were 12 new programs in technical education, the majority of which were established with vacant classroom space through facility modification.

The enrolment comparisons for various sections of the technical education program have increased. The total numbers were from 27,000 in 1973 to 32,000. These numbers show us that this is a new area and one that is being well accepted in the high schools.

I am particularly interested in this area because this is an area in which I taught in the comprehensive high schools in Saskatchewan. We have nine comprehensive high schools in Saskatchewan. Right now we are facing a problem in that most of the teachers in the technical areas have come basically from industry. They have got some teacher qualifications and then gone into these schools to teach. What is happening now, unfortunately, is that these teachers are now finding that it is better, due to economic and working hour reasons to go back into industry. We have found in some of the areas such as welding, in particular, this year, that we have lost the teachers and that some of these comprehensive high schools are not able to offer these classes to the students. I would suggest that if any of these areas are of particular importance to government it is in the technical areas. Because for instance Sask Tel does hire these students. As soon as they graduate most of these

students in technical areas of electronics go directly into Sask Tel because they are qualified. I am not saying all, but this is one of the areas in which Sask Tel can get their employees. I think that this is a trend that is occurring, this is one of the areas and it will continue to occur unless we do something about it.

I was interested to find that we had a number of visitors last day, two of them were looking at our technical education area. I was fortunate enough to meet with them and talk to them about these problems hoping perhaps that they might avoid some of the problems that we are having here.

I suggest that we should get on with such a proposal as I am making now which is, of course, try to ensure that negotiations for salaries are completed as quickly as possible. But if you are not willing to take action in this way, then I hope that the Government and all Members of this Assembly would at least show their concern and support the Resolution that I am proposing. This will be the first step towards showing the teachers that you do care, and care about the future of their profession and of the students in Saskatchewan.

I so move the Resolution, seconded by Mr. Penner.

MR. ROLFES: — I wonder if the Member would permit a question before she takes her chair? I was listening carefully to the Member's remarks. It seems to me she said one of the main reasons that teachers are leaving is salaries. Is she officially representing the Opposition's position that salaries must be substantially increased and therefore they would or she would support salary increases which are substantially beyond the federal guidelines?

MISS CLIFFORD: — That's a very interesting question. I said one of the reasons definitely was because of salary increases. There are many other reasons. I also stated that one of the problems was that your Government, or our Government or whatever, is not getting into these negotiations and that we should indeed get some wage guidelines of our own. I have talked at one teachers' convention and I said that if I as a teacher, and this is my personal opinion, not that of the caucus, that if I as a teacher were put in a position to say that for one year my wages would be left as they are, I would personally take that stand, this is my personal opinion not the caucus' and I would follow those guidelines. I can assure you that it's not that of the teachers either because they were quite upset. This is my personal opinion.

MR. ROLFES: — It can't go beyond the guidelines.

MISS CLIFFORD: — No, but this is not a caucus opinion.

MR. G. H. PENNER (Saskatoon Eastview): — Mr. Speaker, if I may make a few remarks to the Resolution in seconding it. First of all, possibly with regard to the question that was put by the Member for Saskatoon Buena Vista (Mr. Rolfes) about a position vis-a-vis teachers' salaries,

I think the Member may recall that there was a press release that was made back in November, very soon after the then Minister of Education, the Hon. Mr. MacMurchy had made a statement with regard to prairie averaging of teachers' salaries as a possible solution to the dilemma where teachers' salaries seemed to be lower in Saskatchewan today as compared with Alberta or with some of the other provinces. Basically we said, yes, that is a good idea. We also are aware of the fact, of course, that teachers' salaries as they are presently in Saskatchewan are the result of a two year agreement that was a mandatory agreement not available to be negotiated at the bargaining table, and because of that, teachers' salaries have fallen behind a little bit more than might have otherwise been the case. Because of that we think that some catch-up is likely going to have to be a part of the 1976 teacher salary contract if we are going to approach it in a realistic way. When I say some catch-up, I mean something beyond the guidelines that have been announced.

I want to make some comments with regard to the Resolution from a slightly different point of view possibly than that of my colleague from Wilkie and address some remarks to the question of the possibility of a teacher shortage in Saskatchewan.

I think it is reasonable to suggest that there are parts of the province where that is not likely to be the case. I am speaking specifically, Mr. Speaker, of urban areas and areas surrounding the large population centres in the province where at least up until now you can't argue, at least I don't believe that you can argue, that there has in fact been any kind of widespread shortage of teachers. There are some exceptions to that. Certainly in the Division I area and the Division II areas there does not seem to be any shortage of teachers. But when you get into some of the more specialized areas, and I am thinking in areas like industrial arts and home economics, some of the technical subjects that the comprehensive schools are offering and where second languages are being offered at the secondary level, shortages are becoming a part of the scene even in urban areas. For example, in my own instance I have had to hire people without teaching certificates in order to fill a classroom vacancy in the field of home economics. I have had a good deal of difficulty in the area of industrial arts.

When you get out into the rural parts of the province then the situation is much more difficult in more than just the specialized subject areas. We have jurisdictions in the province for example, that are having to hire fairly significant numbers of Americans in order to fill the classrooms, a situation which has been growing increasingly difficult over the last couple of years. There are more and more situations where school boards are having to hire people who have been trained in the United States and do not hold Saskatchewan certificates and these teachers have to be issued provisional certificates in order that they can get into the classroom.

I think that when one looks at reasons why teachers may be leaving Saskatchewan or why there is a shortage in some areas, we have to recognize that there are many reasons for that. One is, of course, the old adage that faraway fields look a little greener and it's fair to say that a number of teachers are leaving the province simply because they want to get away, they want to try their wings somewhere else. It wouldn't matter what the situation was in Saskatchewan. In many respects they would leave and go somewhere else because of that.

I think in addition though, we have to keep in mind that salaries and working conditions are going to play a part in the kind of decision that a teacher is going to make, or a graduate is going to make about whether he is going to stay in Saskatchewan or whether he is not. Prospective teachers coming out of the College of Education, I expect, are looking at information, as for example the fact that teachers in class six category would be making 7.1 per cent more if they were living in Vancouver, or 16.7 per cent more if they were in Calgary, or 17.3 per cent more if they were in Edmonton. I think those kinds of things are factors, and are reasons why support of the Resolution is important.

I think too, that we have - and if this Resolution is passed by the House it would give us the opportunity - got to look at some other things. For example, the university program. Part of the reason why we have a shortage of teachers is the fact that certain subject areas are not turning out specialists in those subjects.

I heard on the weekend, for example, that the University in Saskatoon will be turning out one graduate who can teach chemistry, and is going to be turning out three graduates this spring who can teach physics. And it is likely that is going to precipitate difficulty in a number of jurisdictions in the province in hiring qualified teachers to teach the specialty science subjects in Division IV. There are other examples that could be used that relate to the question of the university program in those areas.

I think too, that a Board of Inquiry might look at the question of advancement within the profession. There has been a great deal of discussion in the last couple of years about the role of women in the profession. I am not standing here saying that the lack of advancement opportunities is one of the reasons, but I think a Board of Inquiry might look at that and see whether or not it does make any difference and whether in fact there are any things that are happening in Saskatchewan with regard to advancement that are different from things that are happening in our neighboring provinces.

I think with regard to the technical area, Mr. Speaker, the areas in motor mechanics, tinsmithing, electrical technicians, at comprehensive schools at the secondary level, that we need to be taking a look at our technical institutes as well, because that is part of the public sector with regard to education. There are some difficulties as my colleague pointed out in terms of being able to keep people who have come over from industry in education. These are finding that the working conditions and the economic conditions of being back in the private sector are more advantageous than being in the school system. For these reasons then, Mr. Speaker, I am very happy to support the Resolution and urge all Members of the House to do the same.

SOME HON. MEMBERS: — Hear, hear!

HON. E. L. TCHORZEWSKI (Minister of Education): — Mr. Speaker, if I may I should like to make a few comments on this Resolution.

First of all let me say that some of the comments, that both of the Members who have spoken before me have made, were

good comments for a number of reasons. They were probably fair comment. But in rising to speak on the debate in this Resolution, I want to express my regrets that neither of the Members really gave any recognition to the many important steps that have been taken in recent years to deal with this problem, and I use the same word as I think both of them used, the historical problem of teacher retention in the Province of Saskatchewan. Because it is not unique nor is it new. As a matter of fact there were times not so long ago when that difficulty was far greater than in Saskatchewan today. I would certainly want to commend the Member for Wilkie on her fine contribution to this debate because she used some very authoritative and good people from which she quoted, the Hon. Member for Last Mountain-Touchwood (Mr. MacMurchy), the former Minister of Education and also the President of the Saskatchewan Teachers' Federation, Mr. Badham, who really composed most of what she had to say, and therefore it is difficult for me to argue with those points which she raised.

Now, another thing which I found of particular interest, and really it was not a matter that clarified anything in this House. In fact, I thought before the Member for Saskatoon Eastview (Mr. Penner) rose to speak that maybe we had a clarification, but after he was finished I found out that we had no clarification and were confused once more. Because when the Member for Wilkie was asked if she would answer the question of the Member for Saskatoon Buena Vista about the catch-up, she said, "No," she would not be in favor. But when the Member for Saskatoon Eastview rose to speak on that obviously he was trying to correct her, or defend the caucus over there, because he said, "yes," he would be in favor, in fact would support some degree of catch-up beyond the guidelines. Now I certainly would hope that at some point in time we get a confirmation or clarification what the stand of the official Opposition is in this House on this question. I'm sure that we, the other Members in this House not only would like some clarification, but I know some of the teachers in the field would like it as well.

SOME HON. MEMBERS: — Hear, hear!

MR. TCHORZEWSKI: — Because it appeared, Mr. Speaker, that the Member for Wilkie rose to speak and had some very wise things to say and I'm not arguing with what she had to say; she indicated that there was a problem, and indicated that there was a problem for many reasons. One of those reasons that she put a great deal of stress on, as did the Member for Saskatoon Eastview, was the difference in the salaries of the teaching profession (I think she used Calgary and Edmonton) certainly some places in Alberta, and how terrible that situation was. I don't disagree with that. I think that there is a difficult situation, and has been historically. I think that some effort has to be made to see if we can bring that about. But she sort of shot her whole argument down unfortunately and I was really disappointed because I thought I would really have her support on this question, when she answered the question and said, "No," she would not be in favor of the catch-up. So, I think, Mr. Speaker, that the Members on this side of the House and the trustees and the teachers would really like to know what the position of the Liberal Opposition is on this particular question.

Now, Mr. Speaker, this resolution asks for an inquiry to

investigate the numbers of teachers who are leaving the province, or the profession, and that it give the reasons. Well, let me say that anyone, anyone with a little thought can easily identify, as has been done by both Members opposite to some extent, why teachers leave the profession, why nurses leave the profession, and why others leave their areas of work. For example, over the years there has been a very high correlation between the prosperity level in the province and the teacher supply. During the past several years I think it is well understood and known by everyone here that our economy has experienced unprecedented buoyancy and affluence, and in part many married women in rural Saskatchewan would to some extent answer the question of the point raised by the Member for Saskatoon Eastview, many married women in Saskatchewan choose not to teach during periods when farm incomes are high, and I think the last two or three years this certainly has been a case.

Now in some cases persons holding valid teaching certificates (and I think this has also been raised) elect to take other employment because during the past few years the opportunities in all areas of work have increased dramatically. Mr. Speaker, the fact is that since 1971 a number of positive steps have been taken to deal with the historical problem of teacher retention in Saskatchewan and the general approach to this problem has been to implement legislation and programs which have made teaching in this province more attractive than it ever has been before.

Let me take some time to give this House some examples of how this has been done.

First of all, Members will recall the situation that once existed where the Government established a rigid pupil-teacher ratio in this province. The pupil-teacher ratio and the calculation of school grants was eliminated by this Government and I should just like to note that this was warmly welcomed by teachers and trustees, and this change has brought about major improvements in education and the working conditions of teachers . . .

SOME HON. MEMBERS: — Hear, hear!

MR. TCHORZEWSKI: — . . . teachers who are sincerely concerned about the quality of education.

Secondly, Mr. Speaker, I am also sure that Members will recall the days of the conflict and the controversy and the government dictation that surrounded the negotiation of teachers' salaries.

MR. NELSON (Assiniboia-Gravelbourg): — What has happened now?

MR. TCHORZEWSKI: — I'll tell you in a minute what has happened. Just sit back there and listen and you'll hear. Let me say that Saskatchewan teachers remember that controversy very well also.

I am pleased, Mr. Speaker, to be able to say that since the introduction of the new Teacher Collective Bargaining Act in 1973 things have changed considerably and that is they have changed for the better. This significant legislation has resulted in meaningful negotiations and vastly improved conditions of work for Saskatchewan teachers.

Now it is true, Mr. Speaker, that Saskatchewan has always been an exporter of teachers, particularly to provinces like British Columbia and Alberta, and the reasons for this movement are many. There are such things as climate, there are such things as personal reasons, because of the spouse may have been transferred or many have moved for work or other reasons, there is also the attraction that some people (and that I have never been able to understand) but it is a fact and it is the case the attraction of some people to the larger urban centres, and the desire to experience another part of Canada, as the Member for Saskatoon Eastview indicated. Those reasons have always been here and I suspect that to some extent those reasons will continue. Salary differences too have also been a reason. I think that that is a good reason why it has been stated that the anti-inflation guidelines must consider the need to maintain reasonable and historical relationships with neighboring provinces. I only wish that the Members opposite would decide on which side of the fence, on this issue, they stand. The important thing, Mr. Speaker, is that there is now the opportunity for real negotiation to take place. Far different from the restrictions that had been imposed by the former government.

Now, I know the Members opposite would like some interference in those negotiations. Well I don't accept that, and we are not about to have it happen. There is no doubt that the teacher collective bargaining procedures now in Saskatchewan will continue to result in improved conditions of work for teachers making the teaching profession more attractive.

Mr. Speaker, in the area of superannuation, for example, amendments to the Teachers' Superannuation Plan providing for increased benefits and earlier retirement have made this province an attractive one in which to pursue a life-long career in teaching.

SOME HON. MEMBERS: — Hear, hear!

MR. TCHORZEWSKI: — In addition, Mr. Speaker, such programs as the Department of Education Teacher Bursary Program have assisted teachers to upgrade their qualifications. I believe the evidence of the success of our approach can easily be seen in the increasing number of teachers who are now coming to Saskatchewan from other provinces in this country. For example, in 1972-73 there were 173 teachers from other provinces who came to this province. In 1974-75 this number had increased to 223, an increase of almost 29 per cent.

Now, Mr. Speaker, comments have been made by speakers who spoke before me about the relationship of the numbers of teachers to the numbers of students. Well let me say that in 1971 . . .

MISS CLIFFORD: — We never mentioned that.

MR. TCHORZEWSKI: — Oh, in some of the comments, I don't know whether it was the speakers, but in some of the comments coming across unofficially, there were some of those points made.

Let me say, Mr. Speaker, that 1971-72 there were 10,959 teachers in Saskatchewan, and there were 243,047 students enrolled. In 1974-75 there were 11,187 teachers in Saskatchewan and

there were only 218,954 students enrolled in our classrooms in this province.

Now, Mr. Speaker, this Resolution asks for an Inquiry into this matter. I think it is important to keep in mind that the teacher service section in the Department of Education does a continuing study in this area, and that the joint trustee, Government and Saskatchewan Teachers' Federation Bargaining Committee are also doing a careful study of this question, any the Resolution is asking, during a time when there is a need for restraint, that a considerable amount of public money be spent on a project that would duplicate work that is already being done. Surely this would be irresponsibility of the highest order. I'm sure that even the Progressive Conservative Party which is clearly interested in efficiency would wholeheartedly agree with me on this.

Nevertheless, Mr. Speaker, it must once again be emphasized that some very major accomplishments have been made in encouraging more Saskatchewan teachers to stay in this province. In view of the record of this Government and the sound, positive actions that have been made, I propose the following amendment to the resolution. I move, seconded by the Member for Buena Vista (Mr. Rolfes) the following amendment to Resolution No. 6:

Delete all the words after 'Assembly' and substitute therefor the following:

commends the Government of Saskatchewan for its efforts to make the teaching profession in this province more attractive by its introduction of new collective bargaining legislation, designed to improve conditions of work for teachers, by a grant formula which has eliminated the teacher-pupil ratio, by improving superannuation benefits for teachers and by providing bursaries for teachers in specialized areas.

And further, that this Assembly recognizes that through such positive actions the Government of Saskatchewan has fostered an environment which will be most significant in improving the supply of teachers in this province.

SOME HON. MEMBERS: — Hear, hear!

MR. W. H. STODALKA (Maple Creek): — Mr. Speaker, I welcome the opportunity to participate in this debate and seeing that the amendment covered such a wide area there should be very little if any limitations to what one can say about education in the Province of Saskatchewan.

First of all, Mr. Speaker, I might say that during the course of the last few years there have been a very large number of different committees within the Province of Saskatchewan that have been set up to look into situations that needed particular attention. I can think of the student evaluation committee which is presently reporting to the Minister; and certainly he had people within his department who were capable also of making reports on student evaluation. I see in this particular instance there was consultation with the public. I can't see why there should be any limitations here. In fact, it would seem to me that the argument presented by the Minister is null and void.

The second thing is that the Government has had advisory committees on the deaf, and we have a School for the Deaf. And again, they should have been able, according to your reasoning, been able to handle any problems, and any changes that the school should bring about. We have had conferences on teacher education. The Education Relations Council for the last two years has been surveying Saskatchewan, making a study and is coming up with recommendations on the type of teacher training program we should have. The Government has had this report for a considerable length of time. First of all I think they were tardy in not beginning the report and coming up with recommendations at an earlier date. Teachers have been waiting for a considerable length of time to know what our training program is going to be in Saskatchewan - whether we are going to have the two year program, or whether we are going to have the four year program. I believe there is general agreement by the trustees and by the teachers' organization, the Saskatchewan Teachers' Federation, to increase the number of years of training required.

There were also changes recommended within the actual program with a greater concentration on in-classroom activities and with less on the straight academic work at the university. These suggestions have been brought to the attention of the Department quite some time ago with agreement, as I said earlier, by both the trustees' organizations and the teachers' federation. The changes haven't come about because of the tardiness of the Department. Here you have two groups widely interested in education being held up by the Department. We hear that there might be some action but we have heard this so often that one begins to really wonder if we are going to have any action in this particular area.

Now talking about a shortage of teachers. In the Saturday edition of the Leader-Post, if the Minister is not aware, this is a particular clip that I just picked up before I came in here. I think you can see it is quite extensive, approximately two and a half to three columns. So indeed, I think we do have a shortage. I think we will have to look into some of the reasons for it.

First, I agree with some of the things the Minister said. Yes, ladies go back to the home. No doubt this is one of the reasons we have a shortage, but we also have people moving to other provinces. I believe this was mentioned. We have job expectations and I think sometimes the people get into the field of education and a little later on are probably not quite satisfied with the type of work that they are doing. In rural areas where I am I know one of the real problems is housing. You get into a small town and try and find suitable accommodation and it is very difficult to do so. The job security again I think we find both the Saskatchewan Teachers' Federation and the Saskatchewan School Trustees' Association feel that the present tenure policies are not satisfactory and would like to see changes. I was very pleased to hear the Minister at the Trustee's Convention indicate that there would be some changes in the legislation with regard to job security and that there was a possibility that legislation would be introduced here to the Legislature before the end of this particular Session. I think this is a step in the right direction.

Now moving to the other item on pay. Moving onto pay I think, as my colleague from Saskatoon mentioned, that one of the problems that we have had is the two year agreement. There was

an opportunity last year, I believe, at the request of the Teachers' Federation to open up the agreement. The Department of Education or the Minister at that time did not open up the agreement. At the same time there were payments made to the other civil servants but the teacher agreement was kept frozen. Personally I think that a lot of the teachers, in talking to them, saw that two year agreement as a political gimmick. It took the Government by the election period from 1973 to 1975.

Then last year you introduced the legislation to make the length of the contract negotiable. This moved the Government over that particular period. The question has been raised on that side about the guidelines. I have no hesitancy in saying to the Minister of Social Services that I think you are going to have to exceed the guidelines. I know you are negotiating and I happen to know a little bit about the negotiations you are having. I also know that Friday, this Friday, is the last day on which teachers in Saskatchewan will be teaching under the contract that they are operating on. This Friday will be the last day. Most of our schools are going to close down. You haven't got a contract with those teachers. You are still negotiating with them.

Your record wasn't too good with the Liquor Board employees. Your record wasn't too good with the Saskatchewan Government Employees Association (SGEA). You had a strike. I hope we don't have a strike with the people in education. I understand in your negotiations with teachers you have been quoting the \$2,400 maximum figure in classes IV, V, and VI. Now this particular figure, I'm afraid if you will note, will not give parity with Calgary or with Edmonton or with Alberta. It moves them close to what the salaries and the contracts are in that area right now. But those people have negotiated increases for next year. I don't see how this agrees with the statement that was made to the Trustees' Convention by the Hon. Gordon MacMurchy, the former Minister. He said we were going to have to have some sort of degree of parity if we are going to be able to retain our teachers in Saskatchewan. And I think in your negotiations you certainly are going to have to move into this area. I'm speaking personally not as a caucus decision. I thought earlier that there had been a statement at the time of the Throne Speech, that there was agreement that the teachers and some others would have to exceed the guidelines. I stand to be corrected and I shall have to check it.

AN HON. MEMBER: — We're not all cheap on this side like your fellows are.

MR. STODALKA: — As I said to the Minister of Education I am not aware of any particular meeting of caucus where there was a decision made on the matter. It is as simple as that, but we will certainly come up with one in the very near future, before you the Government, with your guidelines. After all remember you are the Government, you are the ones who are supposed to have guidelines and yet over there you are querying us. You want to find out what our decisions are, what are yours? You're the Government, we're not the Government, we're the Opposition.

So I should just like to mention to the Minister of Education that I would hope that come the first part of January that our schools in Saskatchewan are not closed. I know negotiations are still taking place. I suppose they are sort

of moving into a very, very crucial area. One of the things I should like to refer to is where you indicated that there was such great satisfaction with the present Teacher Collective Bargaining agreement. I have been working in this field for many years and I haven't detected that great satisfaction, particularly on the part of the Trustees' organization. I know they feel they are in a very frustrated position. The fact that having four members to five on the negotiating committee hasn't met with their particular approval. And even talking to some of the people in the field, teaching field as well, there wasn't any satisfaction on their part.

Mr. Speaker, I should like to adjourn debate at this time.

SOME HON. MEMBERS: — Hear, hear!

Debate adjourned.

Resolution No. 8 - Nationalization of Railway Road Beds

MR. D. H. LANGE (Bengough-Milestone) moved, seconded by Mr. Skoberg (Moose Jaw North):

That this Assembly request the Federal Government to nationalize the railway road beds to ensure the provision of adequate rail service to all populated areas of Saskatchewan and to ensure complementary operations of the rail line companies required to improve overall operating efficiencies.

He said: Mr. Speaker, when John Marchand, former Minister of Transport, suggested two years ago that Canada's transportation system was a mess, it was regarded by most western Canadians as an understatement. Although an understatement it was nevertheless a significant statement because it indicated that the Federal Cabinet was finally becoming dimly aware of what western Canada has been experiencing for 100 years, an unco-ordinated, arbitrary transportation system serving primarily the business interests of eastern Canada at the expense of western Canadian growth.

Another understatement was made in this House last Tuesday. This time by the Member for Rosetown-Elrose (Mr. Bailey) and he was joined by Members of the Liberal Party. He stated that the discussion on transportation should not involve political ideology, that in fact somehow transportation transitions can take place in Canada without the discussion of politics. He suggested that the Member for Moose Jaw North (Mr. Skoberg) should not talk about past developments in transportation, that he should not talk about the history of the Canadian National Railway or the Canadian Pacific Railway, that all of that is past and irrelevant to today's attempt to achieve a better transportation system for Saskatchewan people. As though the events of history are somehow unrelated to the problems of today in transportation.

Mr. Speaker, transportation in Canada is steeped in history and political ideology. Our transportation system was founded in political ideology. It is presently in a mess because of political ideology and only through discussion of political ideologies will an effective transportation system be devised for Canada. The principles involved in the discussion on

transportation rationalization, mainly the railway companies, the farmer owned co-ops, have their raison être in political ideology and it would be naive to assume, as does the Member for Rosetown-Elrose and some of the Liberal caucus that we can discuss one without the other.

Now any discussion of current transportation issues must begin with the question, what is rail transportation for? Let us first ask that question within the historical context. I know that might upset the Member for Rosetown-Elrose. Historically rail transportation was implemented to settle and develop western Canada. The purpose of the railroad was to populate western Canada so that resources could be extracted and shipped back on the same railroad for the profits of eastern Canada. To these ends it served its purpose. However, one must now ask, what is rail transportation for in context of the changing nature of the Canadian economy? The desirable answer for Saskatchewan I think everyone would agree could be that rail is a tool for regional development, for industrial growth, for agricultural stability, for community preservation and as well it is the most efficient mode from an energy and long-term capital investment standpoint.

Let's look at the rail transportation system in the light of regional development, industrial growth, agricultural stability and community preservation and transportation efficiency. And let's see whether discussion can or cannot avoid political ideology and let's see whether the Federal Government of Canada has a perspective for economic growth in western Canada as it relates to transportation. Mr. Speaker, much as the formation of the Canadian Pacific Railway Company in the 1870s was the turning point for western Canadian development, so today we are at a turning point for Saskatchewan development. As a result of decisions made with regard to our railroads Saskatchewan's social future will go one of only two ways. There is no question in anyone's mind that because of the limited land base available to produce food, Saskatchewan obviously has a wealthy future in store. Now whether that wealthy future will involve many rural communities with many people involved in primary agricultural production, secondary industrial manufacturing and wholesale retail distribution, or whether that wealthy future will involve only a few primary harvesters of grain will be determined by two factors only, political ideology and rail line abandonment. Which direction Saskatchewan will take not as an economy but as a social structure will be determined by the transportation system developed over the next few years. And the profile of that transportation system will be determined by politics and politics alone.

The present political power because it is based upon population is concentrated in the urban areas. As a consequence Canada's political clout rests in central Canada with Toronto, for instance, having more political influence than the Province of Saskatchewan. Because the power of politics is urban, political decisions are made to perpetuate the urban life style and even though there may be those who prefer a rural environment political decisions are not being made which encourage a reversal of the urban demographic shift. Urban problems will continue to grow in geometric proportion while plant facilities in rural areas, such as telephones, power, gas and roads and community structures will continue to be under utilized. Conversely a transportation policy combined with a political ideology which has in mind today the optimum utilization of

existing plant facilities in rural areas could affect the political representation of that area for tomorrow by encouraging the growth of population in rural areas.

Now let us analyze existing programs and forces in Canadian politics and see whether or not these forces are encouraging growth in rural areas in western Canada. Let us see whether present political ideologies are contributing to or subtracting from the best future use of the facilities we have in rural Saskatchewan. We will analyze several controversial points which are being discussed before the Hall Commission and several more which are thought to be unrelated to the Hall Commission hearings but nevertheless are very much factors in the development of our picture.

First, let's discuss a Federal Government report which is familiar to everyone, the Task Force Report, Mr. Speaker, that infamous blueprint commissioned by the Federal Government and written by several economists, accountants and administrators. Now did the Federal Government when it was commissioning the Task Force Report ask a western Canadian farmer for his input? Did the Federal Government ask a Canadian businessman for his input? Did the Federal Government ask a sociologist, a demographer, a political scientist for their input? No, Mr. Speaker, the Federal Government commissioned five academicians to project the future for Canadian agriculture. And those five to the Task Force Report suggested the operation of agriculture was inefficient. Mr. Speaker, for over 90 years farmers have been growing grain and livestock in Saskatchewan. In spite of a perpetual lack of stability in agriculture, in spite of the capricious nature of the agricultural market, in spite of the vagaries of the weather, in spite of the exploitation by the Canadian Pacific Railway, the farmer has still managed to develop an industry which takes advantage of sophisticated chemical and agronomic techniques which employs technology of a refined nature. In spite of a blatant lack of assistance from the Government of Canada, the farmer has managed to survive and furthermore to develop an industry fraught with risk to an enviable level of sophistication. And the Federal Government Task Force Report tells him that his business is inefficient.

The Task Force Report says that agriculture in Canada is inefficient. Furthermore, the report said that the biggest problem in agriculture was not the lack of stability in the market, it was not that the farmer needed support prices so he could plan over several years, it was not that small farms should be intensified, it was not that poor transportation service existed, rather the Task Force Report suggested that the problem with agriculture was in the economy of scale of investment, that farms were too small. Mr. Speaker, for over 90 years farmers have been deciding for themselves how big their farms needed to be in making their books balance. Now all of a sudden accountants, economists and administrators are decreeing that farmers have the wrong economy of scale, that the average farm is too small to be efficient. Their solution was not more loan capital for small farmers to transfer his land to his son, their solution was not to suggest small, sophisticated, highly specialized technology to help intensify small operations, the Task Force solution was not a two price system for commodities which would help the small farmer to survive, the Task Force solution was much simpler than that. Simply eliminate the small farmer. Increase the economy of scale such that two out of every three farmers would disappear and voilà, agriculture

would miraculously, all of a sudden, be efficient. The Task Force Report said that farms of a certain size which had been that size for years were no longer efficient and to make agriculture efficient those small farms would have to disappear in favor of a centralized system of large farms.

Well, it is not particularly surprising that such a report should come from academe, it is not surprising that an analysis which does not include the social cost of declining rural communities, which does not consider the life style of the farmer and his family, which is coldly mathematical, should come from economists, accountants and administrators. What is surprising is the effect which the Task Force Report has had on the agricultural industry. What is surprising is that the thinking of the Federal Government has been closely related to the Task Force Report. What is surprising is that the political ideology which has been applied to agriculture and to transportation emulate the recommendations of the Task Force Report, that is to get rid of two out of every three farmers.

Now why would we want to eliminate two out of three farmers? Why would we not want as many farmers involved in agriculture as possible? Why do we need increasingly larger machines in the agricultural industry, do the 50 foot cultivators do a better job than a 12 foot cultivator of comparable technology, does a man who farms two sections of land do a better job of farming than a man who farms a half section? Does a large farm yield more in production per acre than a small farm? I doubt it, Mr. Speaker. There is another reason for encouraging the reduction of farmers. That reason can be found in the political ideology of the Federal Government and the Task Force Report. The Report said that agriculture should be operated like any other business, extensive financing, extensive land base, extensive machinery, minimized labor. To obtain the greatest dollar value from agriculture there are to be as few people employed in the industry as is physically possible. In other words create a farm in which large, vertically integrated, multinational corporations can operate. It is desirable for large corporations to have as few people and as much technology involved in agriculture as is physically possible. If you can minimize the human variable, you can maximize the profit.

That is the way the American system of agriculture operates. Vertically integrated, centralized agribusiness based on speculation and free open market systems. And that is the way many American corporations and eastern businesses in Canada would like to see the Canadian system operate. I mean in particular Cargill, Continental, the Canadian National and the Canadian Pacific railroads. The ideal system for them would be a centralized system of grain handling and transportation which would have as few grain delivery points as possible. If there were grain terminals every 80 or 100 miles which were built by the farmers, and if the hauling to these grain terminals were done by trucks at the farmers' expense and if the road beds for those trucks were maintained by the Saskatchewan taxpayer, then, of course, large grain companies and railroads would have the maximum volume of grain moving through and over the cheapest amount of capital facility. Now this means a lot of profit for those industries.

Mr. Speaker, an analogy can be drawn between the type of system that the railroads and the private grain handling companies would like to see and the present system that we have in

the operation of our telephones. As you know, our telephone system has an infra-structure of telephones operating from offices, homes, wherever they might be to a central switching mechanism and that is complemented by a microwave system which moves east and west across Canada and north and south in Saskatchewan. It makes no difference whether a call is placed from northern Saskatchewan to Vancouver, or whether a call is placed from south Saskatchewan to Hamilton, Ontario. Those calls ultimately will move through a microwave system. By having one cheap capital facility, a microwave system, and by maximizing the volume of telephone calls moving over that microwave system, you maximize the profits by having the greatest volume of calls moving at a low tariff each. An analogy can be drawn between that kind of system which exists in a telephone operation and the type of microwave system that the railroads and the grain handling companies would like to attain.

The railroads would like to see the same kind of microwave system because they would have only a few railroads moving east and a few railroads moving west. They know that ultimately because it is the cheapest way to transport bulk commodities, grain must move on that rail system. What they do not want is to have to maintain the infra-structure that it takes to support that system, that is, the branch lines.

Consequently, if they can eliminate the branch lines, they eliminate the maintenance on the branch lines. If at the same time they can encourage trucking, then the farmer will pay for the fuel, the farmer will pay for the capital costs of the trucks, and the taxpayer will pay for the roads to inland terminals. If furthermore, you can eliminate the Crow's Nest rates in the process, then obviously, you can optimize your profit from the greatest volume of grain moving at the highest price per bushel through the lowest capital facility. Indeed a microwave system for grain.

Not only have maximized the profit, but in the process you have monopolized the industry by controlling the supply which will lead to price manipulation. Through a system of inland terminals and minimized rail line, you can monopolize the selling end of the agricultural industry.

The private grain handling companies would have a virtual monopoly in grain handling and the railroad companies would have all of the grain moving to the coasts over as few branch lines as possible. Make no mistake the railroad companies don't want any more than a minimum amount of rural railroad lines, perhaps one every hundred miles or so. Branch line subsidy makes very little difference to the railway companies in the kind of system which they would like to see. They don't want the headache of maintaining branch lines. They only want a few big delivery points so that they can quickly load large trains which will move over as few miles of rail lines as possible.

Mr. Speaker, if there be any doubt in anyone's mind about the projections for the future with a regard to a microwave system in rail line, let me refer to an interim report on freight transportation in Canada, published as late as June, 1975 by the Ministry of Transport, under the Hon. Otto Lang, Ottawa. In this report they project the future for grain export in Canada. They show in the report through a series of analyses how by the year 1990 over 70 per cent of all of the grain being exported from Canada will move through the Great Lakes terminals, over

the Great Lakes and through the St. Lawrence network. They show how the other 30 per cent will move west to Vancouver. They show how in the year 1990 with projected exports of grain being radically up from what they are now, that only one per cent of all of the grain in Canada will move through the Port of Churchill.

What does that mean to the western Canadian farmer? Well it means that he will be charged an extra ten to twenty cents per bushel to have his grain moved through eastern Lakehead terminals and down the St. Lawrence as opposed to moving out of the Port of Churchill. The Federal Government has no intentions by its own projections for 1990 in improving the export quality of Canadian grain systems.

I would ask, after reading a report like this if the feds are working for the grain farmer or whether they are working for eastern business, when they blatantly deny a saving to the western Canadian farmer by not improving the facilities at the Port of Churchill. They are obviously, Mr. Speaker, trying to create a microwave system for the railway companies in grain handling. Contrast this microwave system of grain handling with the historical co-operative approach with which western Canadian farmers are familiar. We sell our grain, for instance, through the co-operative method, profits on sales by the Canadian Wheat Board throughout the year are averaged and returned to the farmer in the form of back payments. The system of repayments even takes into account those who had poorer luck with the weather. That's the kind of co-operation that farmers are used to through the Canadian Wheat Board.

As well, we have farmer owned pools which buy and handle our grain, profits from this industry are returned to the producer. Saskatchewan Wheat Pool for instance has been so profitable that it has grown to be Canada's 16 largest industry, returning net profits of \$23 million for Saskatchewan producers last year. Co-operation and sharing in rural Saskatchewan goes even further if we think about the retail co-operative organizations and credit unions, all of which have their decision making process in the communities to which the profit is returned. The growth of much of rural Saskatchewan has been predicted upon the concepts of co-operation. Contrast the historical development of Saskatchewan wherein the community as a whole shares its resources to provide services to all with the microwave system of grain handling and transportation that the American grain companies and Canadian railway companies would like to create. A system based on open market philosophy where everyone fends for himself and profits by someone else's loss.

Let's see which side the political ideology of the Federal Liberal Government has supported. Let's see how the Task Force Report relates to the image of agriculture of large companies promoting inland terminals.

Mr. Speaker, the Task Force Report is the image of those large companies. The Task Force Report suggests getting rid of small farmers, small farmers can't afford to haul long distances to inland terminals. But if you can eliminate them, and leave only large farmers, they can afford the extra costs to those inland terminals, and thereby support the terminals which will control supply and, of course, ultimately lead to price manipulation in the grain industry.

How does the Federal Government's political ideology fit into this? Well, if for instance, you refuse credit to small farmers while at the same time allowing large farmers more credit, obviously you can eliminate small farmers. That's exactly what the Farm Credit Corporation, a Federal Government lending agency has done over the past several years. In spite of the fact that for ten years, the Liberal Party in Saskatchewan and the New Democratic Party in Saskatchewan have asked the Federal Farm Credit Corporation to extend low equity loans to small farmers, so that they could indeed make their operations viable, the Federal Government has consistently refused. They did not make credit available to a farmer who had little or no assets the way the Land Bank program does. Rather the Farm Credit Corporation increased the amount that could be lent to those who already had, so that they could buy out those who did not have and could not get. Now that is an effective way to eliminate two out of every three farms. It is simply a matter of policy.

It wasn't until the Land Bank was introduced, it wasn't until the Land Bank became an effective instrument in small farm development that finally the Farm Credit Corporation only a few months ago has allowed low equity loans and made them available to small farmers. That is the one thing that perhaps Saskatchewan people will never appreciate about the Land Bank and that is that through competition of the Land Bank program, the Federal Government has in effect been coerced into providing low equity loans to small farmers in Canada.

Now, eliminating two out of every three farmers is one thing, but effecting a centralized grain handling system on as few rail beds as possible is quite another when we already have a rural elevator system operating on existing rail lines. So, how can scavengers like Cargill and Continental grain companies compete with co-operatives like the Saskatchewan Wheat Pool? Why do I call them scavengers? Because they wouldn't come to Saskatchewan to compete with other grain companies during the past 40 years of agricultural development, but now that the agricultural industry is flourishing, after someone else has built the infra-structure for a viable industry, now the scavengers come to pick the most profit possible from the industry by investing as little as possible in the industry.

How can scavengers compete with our rural system? The fact is, Mr. Speaker, they can't. That is why they have never been in Canada until two years ago. Cargill has been an agent for the Canadian Wheat Board for over 40 years. But they have never been involved in rural grain buying and handling, because they couldn't compete with the rural elevator system that was located only a few miles from every farmer in the province. That same rural elevator that not only provided convenience, but profitability, the Wheat Pool for instance returning \$23 million of profit to the Canadian producers last year.

The only way that the large grain companies can compete is to have a large volume of grain moving through as few points as possible, a centralized inland terminal system. But you can't have an inland terminal system existing beside a rural elevator system and expect the farmer to leave the convenience of his local delivery point and haul many miles to a terminal. It has to be one system or the other. They are mutually exclusive and you can't have both co-existing. There must be some economic coercion to persuade the farmer to turn his back on his

rural elevator system and to haul to the inland terminal.

Let's see whether there has been an economic coercion by the Federal Government in this respect, Mr. Speaker. Let's see how the political ideology of the Federal Government has weighted the issue of rural elevators. We can all remember that in 1969 the Federal Grains Group was struck. The Grains Group of course, was commissioned by Otto Lang and it was set up to analyze, among other things, the grain delivery system. The Grains Group did not talk about the problems of grain delivery as they related to railroads. They did not suggest that Canada's grain export system was inefficient because the railroad companies did not do their job properly. The Grains Group did not talk about the fact that the railway companies left cars on sidings for days, weeks and months, without picking them up for delivery. They did not suggest that the efficiency of the system could be improved by eliminating back hauls, by lengthening sidings and rural elevator systems. They did not talk about bottlenecks in the system, like the Port Mann Marshalling Yards at Vancouver, they did not talk about poor industrial relations in the port of Vancouver, they did not talk about the possibility of expansion of the use of the Port of Churchill. Instead of blaming Canada's poor reputation as a grain exporter, on the people who are responsible for it, the railway companies, the Grains Group chose instead to blame the rural elevator system.

Much like the Task Force Report blamed the small farmers for the ills that plagued the agricultural economy, the Grains Group again supported by the Federal Government of Canada, blamed the rural elevator system for the ills that plague our grain handling.

When, Mr. Speaker, the Grains Group said that the single most predominant factor causing our export system to function inefficiently was the rural elevator company, it was the same rural elevator company which has efficiently collected and handled our grain for over 50 years. The same system which in 1972, when the railroads were operating efficiently, shipped twice our total production of that year's crop. The same system that is supposedly inefficient, that was operating on an antiquated rail system was declared to be inefficient. The same system that in 1972 shipped one billion bushels of grain out of the prairie regions of Canada, twice our production for that year, was declared by the Grains Group to be inefficient. Why did the Grains Group not give the same emphasis to the railway system? Why did the Grains Group not suggest a revamping of our rail system?

Rather than placing the onus on the railway companies and suggesting improved sidings along a slightly rationalized elevator system, they recommended an inland terminal system to replace the existing network of rural elevators, which would handle twice our annual production.

Mr. Speaker, why, all of a sudden, have we heard about an inland terminal system shortly after the Grains Group had been struck by the Hon. Otto Lang? Why by blaming the rural elevator system and not blaming the lack of ability of the Federal Government to co-ordinate the railroads and to nationalize the railroad network in Canada, why did the Grains Group make the rural elevator system the scapegoat for federal ineptitude in Canada's grain handling system?

Well, Mr. Speaker, if we compare the Grains Group philosophy and the Task Force Report philosophy and the political ideology of the Federal Government and the ideology of the railway companies and the American grain corporations, perhaps we can understand why the Grains Group suggested that there was something wrong with the rural elevator system. It is perhaps because there is a grand design for western Canadian agriculture. Why did the Grains Group not simply suggest an adjustment and modification in the existing system of elevators and railroads, rather than suggesting a whole new system of inland terminals based on the Americanized system of grain handling? It is because, Mr. Speaker, there is a grand design on western Canadian agriculture. That design is to maximize the profits for the railway companies in Canada and the American vertically integrated grain companies. It is to minimize the subsidy of the Government of Canada to the rail lines themselves.

And that grand design is to Americanize Saskatchewan's grain handling system and to open up the Canadian food system as a new frontier for American capital. It is not enough that they have got oil, gas and coal, copper, timber and potash, they now want the food system as well. We are headed for an American monopoly of the Canadian grain handling system. The strategy is to monopolize the industry through a centralized grain system, the mechanism by which the plan will be effected, is rail line abandonment.

If rail lines are abandoned, many elevators will be abandoned along with them. If elevators are abandoned, with them goes one of the options, that the small farmer and the small community that he supports have to survive, economically. He may be able to afford to haul ten miles with his present equipment but he can't afford to haul 20, so he sells out to a larger neighbor who can borrow from the Farm Credit Corporation. Whom does the Federal Government help in the process? Did it help small farmers through the Farm Credit Corporation? Did they help the elevator companies by the nationalization of the Canadian railroad system, by making a common rail bed, by eliminating back hauls, by improving the shipping facilities through the Port Mann Marshalling Yards, by putting connecting links into the rail system, by providing upgrading facilities in the rural areas, by providing longer sidings for the rural elevator companies? No talk about this, Mr. Speaker, none whatsoever. But rather they bought the story of the railroads and the American grain companies and are moving instead towards a centralized grain handling system.

Now which side is the Federal Government on? Is it on the side of the small Saskatchewan farmer? On the side of small Saskatchewan rural communities? Is it on the side of the rural elevator system? I think any of us can answer that question if we have been watching the commercials which are advertised asking for submissions to the Hall Commission. If any of you have seen those commercials they contrast the elevators and the railroad companies. They contrast them by comparing in imagery the horse and the wagon to the elevator system and modern sleek technology of a high speed modern train for the railway system. They suggest in their commercial that there has been no change in the rural elevator system for over 50 years. That in fact, the rural elevator system is antiquated, that no improvements have been made and that it is the rural elevator system that is to blame. At the same time they suggest that somehow the railroads have made tremendous technological strides simply because

they have changed from steam to diesel, because they have changed from a box car to a hopper car.

Mr. Speaker, I would ask you, in view of those kinds of advertisements for a presumably independent commission, those advertisements projected by the Federal Government of Canada, which side are they on? Are they on the side of the railway companies or are they on the side of the rural elevator companies?

They are suggesting that there has been no upgrading, no improvement in the rural elevator companies in the last 50 years. In spite of the fact that most of those rural elevator companies have moved from single elevators to operating units, in spite of the fact that they have become electrified, in spite of the fact that they all can virtually load hopper cars in rural Saskatchewan, in spite of the fact that many elevators have two legs, one loading in, one loading out. In spite of the fact that they have large scales to accommodate virtually every kind of truck. Outside, Mr. Speaker, the rural elevator system may still look the same, but inside it has changed drastically.

Now why do the commercials that advertise for the Hall Commission not suggest that the rural railroad system is not efficient? Do the commercials talk about the lack of upgrading in the railroad system over the last 30 years? Do the commercials talk about the deterioration that exists in the rural railroad system? Do the commercials talk about the inefficiencies because of the Port Mann Marshalling Yards in Vancouver? Do the commercials talk about the prospect of improving the facilities at the Port of Churchill? Do the commercials talk about the possibility of a connecting link between Ashcroft and Clinton to try to improve the efficiency of the rail lines? Nothing, Mr. Speaker, they only imply that the rural elevator system is somehow outmoded, outdated and inefficient and the cause of the plagues that affect Canada's export position in world grain markets.

Mr. Speaker, since Members on the opposite side of the House are somewhat wont to misinterpret things that are said, I do not want them to understand from my previous comments that I do not support the Hall Commission. In fact exactly the opposite is the truth. If any man in Canada can probably do something to effect some change in the grain handling and transportation system, it has to be Justice Emmett Hall.

SOME HON. MEMBERS: — Hear, hear!

MR. LANGE: — A man who has been King's Counsel, bencher lecturer in law, Provincial Justice, Chief Justice of Saskatchewan, Justice of the Supreme Court of Canada, a man who has been on commissions in medicare, reform of the Ontario education system, who has been concerned about Indian rights in Canada, who arbitrated the 1973 railroad dispute, the man who revised the Saskatchewan court system. I have the greatest degree of respect for Emmett Hall. If one man can do it, perhaps Emmett Hall can. But Emmett Hall does not write the commercials for his own commission. That is done by the Federal Government of Canada.

Mr. Speaker, if any one doubts the grand design in agriculture being perpetrated on western Canada by the railroads, by the free market grain companies and abetted by the Federal Government's ideology, I think it is worthwhile for us to

analyze the inland terminal at Weyburn since terminals will soon exist in other areas in Saskatchewan.

Now, the Federal Government says that they are not involved in the inland terminal system. The Federal Government says that the farmers are simply doing a little experiment in grain handling and transportation at Weyburn. They say, why shouldn't we allow the farmers to take a bit of a chance and see if they can effect some improvement in Canada's export position with regard to grain.

Let's see what kind of a chance those farmers are taking at Weyburn. As we know approximately \$1.6 million for that terminal at Weyburn has been invested by local farmers in southern Saskatchewan. In thousand dollar lots and more. At the same time \$3.2 million has been borrowed by the group from the Canadian Imperial Bank of Commerce. Let's suppose just for a moment that the inland terminal at Weyburn goes broke. What happens to the farmers' money? What happens to the farmer who has invested \$1,000 of his own hard earned money into the Weyburn inland terminal? If the terminal goes broke the farmer loses money. There is no guarantee for the Saskatchewan farmer on his money if the terminal goes broke. But suppose that the terminal goes broke, what happens to the money that the Canadian Imperial Bank of Commerce has lent to the group to build the terminal? Well, Mr. Speaker, the Canadian Imperial Bank of Commerce has been guaranteed its money, 90 cents on the dollar. Guaranteed by whom? By the Federal Department of Regional Economic Expansion. If the Weyburn inland terminal goes broke \$3.2 million that was invested by the Canadian Imperial Bank of Commerce is guaranteed by the Federal Government of Canada at 90 cents on the dollar. If the inland terminal goes broke a year after its startup, after it has collected 10 per cent interest on its money it means that the Canadian Imperial Bank of Commerce has collected all of its money back but the provincial farmer who is simply participating in an experiment to try and improve the efficiency of the grain handling system in Canada loses all of his money.

Mr. Speaker, the farmers take the risk and the Canadian Imperial Bank of Commerce is guaranteed its money, compliments of the Federal Government of Canada. And the Federal Government suggests that somehow it is not involved in the Weyburn inland terminal experiment.

SOME HON. MEMBERS: — Hear, hear!

MR. LANGE: — Now, the Liberals will say fair enough, why don't you allow an experiment to take place? Allow an inland terminal to compete freely with the rural elevator system and let's see what happens in the open competitive market place. Now, I agree, why not? If indeed there was not lobbying going on concerning trucking; concerning rail line abandonment; concerning removal of the Crow's Nest rates, I would say allow the experiments to take place simultaneously and in the same space frame. But the fact is that while the inland terminal is being built in Weyburn, there is a trucking lobby going on; there is a rail line abandonment lobby going on; there is a lobby going on to eliminate the Crow's Nest rates. All of those lobbies are being abetted by the Federal Government of Canada.

Now they say they will do the same for anyone, anyone who

wants to build an inland terminal. Well they might. But let's take a look at another factor that is involved in the Weyburn inland terminal.

That factor exists in the presence of an individual called one, Rod Bryden. Now Members on the opposite side of the House will know who Rod Bryden is, he is a former law associate of the Hon. Otto Lang. He was the campaign manager for the Hon. Otto Lang in 1968 and soon became his executive assistant shortly thereafter. Shortly after that he became the chairman of the Grains Group Organization. The Grains Group as you very well know commissioned Patrick M. Foody, a consulting firm from eastern Canada, to do a feasibility study and to project an inland terminal system on western Canadian agriculture. Patrick M. Foody's study requested by the Grains Group was modelled after the American system of inland terminals. Who was the chairman at this time? One Rod Bryden. Shortly thereafter Rod Bryden moved to become a senior official in the Department of Regional Economic Expansion. And who backed the Canadian Imperial Bank of Commerce for the Weyburn inland terminal but the Department of Regional Economic Expansion. Shortly after that, what happened to Rod Bryden? He quit the Federal Government and he set up his own consulting firm called Bryden Limited. Who did the consulting of the Weyburn inland terminal at a cost of some \$40,000 odd of the Canadian taxpayers' money from the Department of Industry Trade and Commerce? Bryden Limited, none other than Bryden Limited. The same Rod Bryden who had been involved in the Federal Government.

Now that the preliminary work has been done, the Weyburn inland terminal is being built by a company called Techtrol Incorporated, and Techtrol is a corporation the principals of which are one Patrick M. Foody and one Rod Bryden. But the Federal Government says we are not involved in the Weyburn inland terminal. We don't have anything to do with the Weyburn inland terminal. We are just allowing the farmers to go ahead with a simple experiment in trying to improve the facilities in rural Saskatchewan with their grain handling system.

SOME HON. MEMBERS: — Hear, hear!

MR. LANGE: — One other point is worth mentioning, Mr. Deputy Speaker, in connection with Mr. Rod Bryden and that is that Rod Bryden also did the liaison for the inland terminal people between the Canadian Wheat Board under the jurisdiction of one Hon. Otto Lang who has to approve the terminal and he also did the liaison with the Canadian Grains Commission under the jurisdiction of Hon. Otto Lang which has to license the terminal. And he also did the liaison with the Canadian Pacific Railway. What is the Canadian Pacific Railway doing at Weyburn, Mr. Deputy Speaker? The Canadian Pacific Railway has, for the low cost of \$60,000 invested by the Weyburn inland terminal group, agreed to build a siding along the Weyburn inland terminal. A siding worth some half a million or more dollars. The Canadian Pacific Railway is saying that they will charge the Weyburn inland terminal group \$31,000 a year until the debt is paid off; or, in the event that they can fill some 40 odd unit trains in the course of a year, they will grant them free \$31,000 per year until the debt is paid off.

In other words, Mr. Speaker, the Canadian Pacific Railway is building a siding into an inland terminal to try and improve

the efficiency of the grain-handling system in Saskatchewan at the expense of the rural elevator system. I ask you, Mr. Deputy Speaker, when in the history of Saskatchewan has the Canadian Pacific Railway ever built one siding alongside a rural elevator at its own expense? Not once can Members opposite ever cite an example of that happening in Saskatchewan history.

But when an inland terminal is built at Weyburn, sided and abetted by the Federal Government and by the Department of the Regional, Economic Expansion, all the preliminary work having been done by the Grains Group, then the Canadian Pacific Railway puts in a siding potentially free of charge to the Weyburn inland terminal group.

The Federal Government stands back and says, but we are not involved in the Weyburn inland terminal studies. We don't have anything to do with inland terminals in Canada.

Mr. Deputy Speaker, it is no accident that the first terminal in this province is being built at Weyburn, Saskatchewan. Why? Because Weyburn sits on the Soo Line and the Soo Line of course connects central Saskatchewan with Minneapolis, Chicago and the American grain-handling system.

SOME HON. MEMBERS: — Hear, hear!

MR. LANGE: — What is located at Minneapolis? None other than the headquarters of Cargill Corporation.

SOME HON. MEMBERS: — Hear, hear!

MR. LANGE: — Of course, we must remember that feed grains now for the first time in the history of the Canadian Wheat Board are on the open market. Let's suppose that within a few years we again have what we had four years ago. A four bushel quota, a couple of dollars per bushel for wheat. Farmers my age in debt up to their eyeballs, having to make payments each year which the quota system would not allow.

Cargill can come along and say to the Weyburn inland group you can act as an agent for us, and we will buy number one red wheat on the free open market as feed grain. What will Cargill do with the grain after it gets to the inland terminal, paid for by the Saskatchewan farmer, paid for through Saskatchewan fuel subsidy, paid for by the taxpayer's roads? What will Cargill do with the grain that is bought in Saskatchewan on the free market system? It will take it on the rail network down the Soo Line and into the American network. What will Cargill do with it when they get it to the United States? Well, Cargill could do a number of things with it. They could put it into any one of their numerous feed processing plants that they have dispersed across North and South America. They could perhaps mix that feed grain with some of the wastes from their vegetable processing plants; or perhaps from one of their corn refineries; or perhaps they could mix it with some waste from one of their flour milling operations; or perhaps they will mix the waste with some meal from their fishing fleet of the west coast of Peru. Perhaps they will mix this altogether and put it into animal feed. Then they will take the animal feed and they will put it into one of their 50 odd animal feeding plants in North and South America. Or perhaps they won't want

to put it into the livestock industry at all. Perhaps Cargill will simply take that grain that was bought in Canada at off board prices, because feed grains are on the open market, perhaps they will simply store that grain in one of their 12 inland terminals in the United States until the price becomes right. And when the price is right they will dole that grain out through one of the biggest trucking subsidiaries, which they own, in the United States or perhaps they will dole it out through their 1,000 leased hopper cars that they have plying the American rail network, or perhaps they will ship it in their own ocean going fleet to be stored in one of their six international terminals, all the time monitoring the international grain exchange on a \$200 million dollar computer facility that they have located in Zurich, Switzerland.

Mr. Speaker, this is the kind of competition the people are referring to when they say, a little competition is good for the Wheat Pool. Cargill is a multinational corporation of vast extent. A multinational corporation which earned last year some \$5,270,000,000 in gross revenue. This is the kind of system that we are complementing when we are building an inland terminal system at Weyburn. That is the kind of system we are complementing by rationalizing and abandoning rail lines in rural Saskatchewan. That is the kind of system people are referring to when they say, a little competition is good for the Wheat Pool.

Even though the Wheat Pool may be a big organization by Canadian terms, and even though it may have returned \$23 million profit to the Saskatchewan producer last year, Cargill on the free open market speculative system can afford to hedge grain for a period of ten to fifteen years if they have to until they have broken the backs of virtually every Pool in rural Canada, the UGG, and other elevator systems, combined. And particularly if they are abetted by the federal programs in rail abandonment.

Whom can we thank for this kind of psychology that has developed in western Canada? We can thank Otto Lang . . .

SOME HON. MEMBERS: — Hear, hear!

MR. LANGE: — . . . we can thank the Federal Government. You know those guys aren't so stupid are they? My compliments, gentlemen, you came to the same conclusion I was going to come to.

Mr. Speaker, let us digress for just a moment.

SOME HON. MEMBERS: — Hear, hear!

MR. LANGE: — Let's talk about the trucking industry for a moment. Now, most Members, even Members on that side of the House because they represent rural constituencies would have to accept as an axiom, as an a priori assumption, that trucks are less efficient than rail. Now we can analyze that any way we want. We can analyze it as the Member for Moose Jaw North (Mr. Skoberg) did the other day. We can talk about British thermal units per ton mile, or we can talk about joules per kilogram kilometre or we can relate it in terms of twice the investment of the railroad mode or fifty times the labor of the railroad, but we will always come to the same conclusion, and that is that trucks are axiomatically less efficient than rail. Now, if trucks are less

efficient than rail, why all of a sudden when we have never heard about it before is there a trucking lobby which is occurring at the same time as the lobby for inland terminals in western Canada? Why is there a trucking lobby at roughly the same time that the Task Force has been introduced into western Canada? Why is there a trucking lobby at the same time that there are suggestions being made for rationalization and abandonment of our rail system?

The reason, Mr. Speaker, is because trucks provide instant flexibility. They provide instant flexibility for a free market system predicated upon centralized terminals. It is very difficult, (even though railroads may be cheaper and more efficient,) it is very difficult to build a railroad system to a strategically located inland terminal. But if you locate the inland terminal, then trucks, by going on the taxpayers' road, can effect instant flexibility for that terminal. That's why we are hearing a lobby about trucks. Because trucks compliment inland terminals, and if you abandon rail lines in rural Saskatchewan, and if you complement that with inland terminals, and if you complement that with the trucking system, then of course you can effect the kind of system that Cargill would like to see in western Canadian agriculture.

At the same time, because you have transferred grain delivery from the rail mode to the road mode at the same time as abandoning federal branch lines, the railroads now have no maintenance on branch lines, so the railroads have decreased their expenses. And if you are supplied with hopper cars, compliments of the Canadian taxpayer, then obviously you can improve the efficiency on those lines that are left and are of a class one stature.

We must remember finally, the Canadian Pacific and Canadian National railways own some of the largest trucking subsidiaries in Canada, so they are not going to suffer as a result of travelling and hauling grain on roads maintained by the Saskatchewan taxpayer.

Now, Mr. Speaker, why is there a transfer of grain from the railroad mode to the trucking mode?

As well as providing instant flexibility, there is another factor that is involved. Now I can remember in the town of Mazenod when I was still very small, going to town and seeing coming in on the train, things as big as combines and picking up things as small as letters. Less than 25 years ago the railroads were still providing flexibility in freight transport. They are saying now that they cannot provide flexibility in freight transport because the technology does not exist in that area. They are saying that there is no flexibility in the railroad, that is the trucking mode is more efficient for hauling freight. Is it true that the technology doesn't exist with respect to the railway companies? Well, Mr. Speaker, I have here a device which I should like to show to the House and with which I should like to do a comparison with regard to technology.

Now everybody knows what this is. It is a small handheld computer, measuring approximately 100 millimetres by 50 millimetres and less than 10 millimetres thick. Now, Mr. Speaker, this small computer doing geometric, logarithmic and memory bank, analytical calculations simply did not exist 40 years ago. We had no such device any place in the world that could do what

this hand-held computer can do today. Thirty years ago in order to do the computations that this computer can do would have required machinery that would have filled a room the size of this Chamber. Twenty years ago this small hand-held computer was a laboratory scientific dream. Ten years ago the integrated solid-state circuitry in this small hand held computer was just beginning to be researched. Today, Mr. Speaker, only 35 or 45 years from the time when such a device did not exist at all, the average person in our society can buy such a computer to be used himself for less than \$200.

MR. PENNER: — Can we take a look at it?

MR. LANGE: — You are welcome to come over and look at it if you like.

Now, Mr. Speaker, I use this small hand-held computer to demonstrate the strides that have been taken in technology in the last 20 years with regard to the individual in our society.

Now Canadian National and Canadian Pacific telecommunications control much of the integrated solid-state circuitry in Canada. The Canadian Pacific Industries Limited is lauded the world over for its ability as a consulting firm. Canadian Pacific Investments Limited controls things like logging companies, like Marathon Realty, like hotels, like Cominco, like Algoma Steel. It controls Pan Canadian Petrol and Fording Coal Company, amongst many, many other subsidiaries. The Canadian Pacific Investments can co-ordinate and control that kind of an industry. They control most of the integrated solid-state circuitry in Canada, and railroad technology is over 100 years old, and the Canadian Pacific Railway Company is suggesting that the technology does not exist for freight transfer on the railroad mode. Mr. Speaker, it is ridiculous to assume as the railroad companies do that we do not have the technology, the technological potential available to upgrade, integrate the railroad network. Why is there no flexibility . . .

MR. SPEAKER: — I'm having trouble hearing the speaker. I don't know about the other Members, but I'm having trouble hearing the speaker.

MR. LANGE: — I am too, Mr. Speaker.

MR. E. ANDERSON (Shaunavon): — On a Point of Order, Mr. Speaker.

MR. SPEAKER: — What is your Point of Order?

MR. ANDERSON: — I understood yesterday you called one of our Members to order for not talking to the Resolution. His Resolution is about rail line abandonment. I have heard everything from Cargill to . . . well my gosh. All right, rule on it.

MR. SPEAKER: — I have been listening to the Member's discussion and he has been relating fairly closely to the Resolution as I see it on the Order paper.

MR. ANDERSON: — I have no doubt, Mr. Speaker, that you have been listening to him, but you have been out of the House for the last half hour.

MR. SPEAKER: — I think it is quite clear that I was out of the House for about five minutes, if the Member was watching. Because I was very careful about the amount of time I was out of the House.

MR. LANGE: — They are wondering whether I will be relating to the contents of the Resolution, and as a matter of fact I have mentioned 'nationalization' five times in my speech already.

We were discussing why there is no flexibility in the rail mode presently, and we conclude that there is no flexibility because the railroad companies don't want to have any flexibility in the rail system.

Now why do they not want to have flexibility in the rail system? Simply because they have a subsidy on branch lines in rural Saskatchewan. Now how can you collect on the one hand the subsidy for branch lines which are not paying, and at the same time be involved in freight transport? The railway companies can do that because not only do they own railroads they own trucking subsidiaries. In order to collect a branch line subsidy you must decrease the amount of load that goes over the railroad in one year. How do you decrease rail load? By decreasing the amount of freight that is on it and transferring that freight from the rail mode to the trucking mode at the same time suggesting that trucking is somehow more flexible than rail. So you gain the advantage of the freight on the road mode, paid for by the Saskatchewan taxpayer, at the same time the Federal Government subsidizes the branch lines which you have now caused to run at an inefficient level because it only handles grain. They will pull tricks like that to try and gain freight transport, at the same time obtaining subsidy on the branch lines in rural Saskatchewan.

In spite of the fact that the railroads have been downgrading their system; in spite of the fact that they manipulate and coerce the rail system and the Canadian taxpayer into paying for freight on the road mode, through trucks; in spite of that, the Member for Rosetown-Elrose (Mr. Bailey) rose the other day in anguish to defend the railroad companies rather than the rural elevator system. He suggested that even though a few rural elevators had been pulled out of a particular area that the branch lines still existed. He tried to prove, I suppose, that the railway companies were not the ones who were effecting branch line abandonment. I don't know which line he was referring to, but there can only be two reasons for an elevator company pulling elevators out of rural Saskatchewan. One reason is that there must be another elevator within seven or eight miles of that existing elevator, and it would not be a great burden on the farmer to have to transport a few miles extra; or the other reason, which is more probable, is that the railroads allowed the lines to deteriorate to the point where a train would fall off them, standing still, so that the elevator companies were in effect forced to rationalize to another point on better rail lines.

Now it is a brave man who will rise in this Chamber and represent a rural seat and defend the railway companies. Perhaps the Member for Rosetown-Elrose may have been co-opted and duped by Cargill, the railroads, and the Federal Government, but I would suggest that the average farmer in Saskatchewan is far more knowledgeable about the rural elevator system and branch line abandonment than he would like to think.

Also last Tuesday, Mr. Speaker, the Member for Regina South (Mr. Cameron) rose in the House and talked about the tremendous contribution that the Federal Government had made to the grain-handling system in western Canada, and he lauded Otto Lang by suggesting that it was a tremendous effort on his part to provide \$200 million worth of hopper cars for western Canadian grain movement. He suggested that somehow we should be certainly honored and privileged about the fact that we have had a \$200 million outright expenditure by the Canadian taxpayer for hopper cars. Now let's see what \$200 million will . . .

MR. SPEAKER: — I will remind the Member that I'm still listening closely to his remarks, and he is making direct references to other debates which are on another issue in this Chamber, and I think that he should confine himself to the Resolution. At this point I think that he should not refer to other debates, because the Member whom he referred to has not spoken in this debate, neither of the Members that he has referred to have spoken in this debate. He should confine his remarks to this debate.

MR. LANGE: — Mr. Speaker, I can try and do that although the comments are certainly pertinent to this debate.

A \$200 million expenditure in hopper cars is not particularly a great act on the part of the Federal Government with regard to western Canadian agriculture. Let us ask, for instance, how long a hopper car will last? Well, the average hopper car in Canada has lasted 50 to 60 years, and the new hopper cars will last at least 50 to 60 years, perhaps 100 years if proper maintenance occurs with them.

Now let us ask what the contribution of the western Canadian grain farmer was last year to the gross national product of Canada? Something in the magnitude of \$3 billion to \$4 billion, Mr. Speaker. The western Canadian grain farmer contributed \$3 billion to \$4 billion in one year to the gross national product of Canada and we are supposed to laud the Hon. Otto Lang because he contributed less than 10 per cent of that amount for a capital facility which will last for over 60 years. Although we should be thankful that we have the hopper cars and not particularly laud them, since they are a right and a privilege for western Canadian farmers, at the same time we should ask why are we getting hopper cars all of a sudden when nothing is being done about the Port Mann Marshalling Yards? Why are we getting hopper cars when nothing is done about putting longer sidings into the rural areas to handle unit trains which the hopper cars will fit into? Why are we not talking about connecting links in the railway network at the same time? Why are we not talking about back hauls which will improve the efficiency of the grain handling system as it exists in rural Saskatchewan? Why are we not talking about expanding the Port of Churchill? Why are we simply talking about hopper cars and producing them very, very quickly? Could it be perhaps, Mr. Speaker, because Saskatchewan only has 1,856 miles out of its total 7,000 miles of rail line that can carry a hopper car, and that in fact if the rural elevator companies want the optimum service from the railway companies through the newly manufactured hopper cars, that that service will have to occur only on the lines which are upgraded to class

one standards, and that those lines are in the minority in rural Saskatchewan? Could it be that through hopper cars, they are forcing the rural elevator companies to rationalize according to only class one and perhaps class two lines in rural Saskatchewan?

Well, Mr. Speaker, let us summarize. We have talked about the Task Force Report, which suggests that a certain number of farmers in rural Saskatchewan must be eliminated. We have talked about the Grains Group which introduced the idea of inland terminals. We have talked about trucks, we have talked about hopper cars, and we have talked about the implications of the free market system on western Canadian agriculture and the future of rural communities in Saskatchewan. And we see that agriculture for Saskatchewan is in the most precarious situation that it has ever been in throughout history, and that the mechanism by which that future will be changed will indeed be rail line abandonment. And we have seen that the Federal Government has been involved all the way along with programs such as Task Force Report, the Grains Group, the trucking lobby, the rail line abandonment lobby and the lobby to get rid of the Crow's Nest rates. The Federal Government has not blamed the railroads for the inefficiency of Canada's grain-handling system. It is not the farmers in rural Saskatchewan who are to blame. It is not the rural elevator system which is to blame, because it does not have the authority to effect the kind of change that is necessary, but rather, it is the inefficiency of the railroads which is to blame. And because of the psychology which has developed in western Canada, we may be headed for a centralized grain-handling system which will decimate rural communities in Saskatchewan. That's what the Federal Government is responsible for in western Canadian agriculture. And we can thank the Liberal Party of Canada, and we can thank the Hon. Otto Lang for developing the psychology that is presently extant in Saskatchewan. And there is more yet that we can thank Otto Lang for. We can thank Otto Lang for taking feed grains out of the jurisdiction of the Canadian Wheat Board and putting them on the open market; and we can thank him for the feed freight assistance which he has given to eastern livestock producers at the expense of the western Canadian producer; and we can thank him for costing the farmers of Canada several millions of dollars through subsidies from the Canadian Wheat Board into the free market system of feed grains from July to December of last year.

Most important, we can thank him for taking the first step towards the destruction of the monopoly of the Canadian Wheat Board.

But there is more than that that we can thank Otto Lang for in western Canada. We can thank Otto Lang for the infamous, insidious LIFT program of a few years ago.

Now farmers in this country may not have been to University, and they may not be ministers of justice and ministers in charge of the Canadian Wheat Board and ministers of transportation, but there is one thing that farmers in western Canada do know, and that is when to seed and when to harvest. And in spite of that, in spite of this fact the farmers have for 75 years been doing their own thinking in their own industry. In spite of the fact that the world's grain reserves were at an all-time low in the

year of LIFT, (world grain reserves of less than 35 days to keep the whole world); in spite of all that Otto Lang suggested to western Canadian farmers, in fact coerced western Canadian farmers into not growing grain, into summer fallowing for the second year running.

How many people indirectly starved in the world because of that move is not known. But whoever starved and whichever country suffered as a result of it, can be attributed to the stupidity of virtually one man in Canada. Prairie farmers are still smarting from the infamous LIFT program. It is only a few years ago that they started to come out of the effects of it. Otto Lang may have been one man who can effect bilingualism in Canadian airports but he is not one who can change the railways' freight rates for western Canada to hope to support western Canadian industry. Western Canadians owe a lot to Otto Lang and perhaps within the next few years he will receive exactly what is owing to him. It has taken 60 years for agriculture to develop an orderly marketing system that protects the farmer, the western Canadian grain producers. It has taken 60 years to develop an efficient, modern, elevator system. And for 60 years the Canadian National and Canadian Pacific railways have been trying to break the co-operatives. For 60 years the American private grain trading companies have been trying to get their foot into western Canadian agriculture and for 60 years organizations like Palliser have been trying to break the back of the Canadian Wheat Board. Oh, yes, Palliser has been around for 60 years. It is just that they are all of such an independent nature it took them 55 years to get together for an organizational meeting. Sixty years it has taken to develop western Canadian agriculture and in less than 10 years the Canadian National and Canadian Pacific railways of Canada and the American multinational grain corporations can break the back of the whole system simply because they have found an ally in the Cabinet of Canada that comes from western Canada. An ally in Otto Lang, that Benedict Arnold of prairie Liberals.

SOME HON. MEMBERS: — Hear, hear!

MR. LANGE: — Now whoever suggested that two out of three farmers should disappear? It wasn't the farmers. Who suggested that there was something wrong with the rural elevator system? It wasn't the farmers. Who suggested that there should be terminals in western Canada to replace the rural elevator system? It wasn't the farmers. Who suggested first that there should be abandonment of the rural rail system in Canada? It wasn't the farmers. Who suggested that there should be trucks to replace rail in grain-handling functions? It wasn't the farmer. And who suggested first that the Crow's Nest rates should be eliminated in favor of flexible tariffs on the rail lines? It wasn't the farmers. Every one of the lobbies which have been going on against the rural elevator system, for terminals, for abandonment, for trucks, can be traced either directly or indirectly to the Federal Government of Canada and Benedict Arnold.

Mr. Speaker, if you thought that there was an exciting plot in the book, "The Brothers Karamazoff", if you enjoyed the espionage associated with "Murder on the Orient Express", then surely you will enjoy even more the documentary that history will record about the manipulation, coercion and intrigue in the true story of Otto Lang and the demise of western Canadian agriculture.

SOME HON. MEMBERS: — Hear, hear!

MR. LANGE: — This historic story, Mr. Speaker, will be tragic. It will talk not only about how the rural elevator system was eroded in favor of a centralized grain-handling and railway system; it will talk not only about massive trucking on expensive roads in Saskatchewan; it will talk not only about large extensive farms in rural Saskatchewan; it will talk not only about the lost opportunity for people to live in rural areas in the future; it will talk not only about how the co-operative spirit in Saskatchewan has been destroyed; but most important, it will talk perhaps about how the Canadian Wheat Board had in effect been destroyed. Canada is going to become a very powerful nation in the world in the next several years, simply because of its ability to distribute food to the world.

To effectively distribute food to those who need it there should be a monopoly control by a government agency and that is exactly what we have through the Canadian Wheat Board presently. If, indeed, that monopoly control is destroyed then the distribution of food to people in the world who need it will be done simply by the private grain companies. And that is the biggest tragedy which exists in the centralized grain-handling system as we see it on the horizon. Canada's future as a major power in the world and in the world politics of food is presently at stake because perhaps the power, the monopolistic power of the Canadian Wheat Board will be destroyed.

Now, Mr. Speaker, what could government do rather than promote inland terminals and flexible rates and rail line abandonment? Perhaps the Federal Government of Canada could recognize along with other governments that there is another economic future which could be pursued. An economic future which does not necessarily emphasize machines but rather people. An economic future that uses programs like Land Bank and FarmStart to intensify and diversify small farm operations. An economic future which uses appropriate sophisticated technology for large and small farms. Perhaps the Federal Government could start another Task Force Report, the kind of report written by farmers and businessmen from western Canada. A Task Force report that involves sociologists, demographers and political scientists as well as economists and accountants. A Task Force report which suggests that there can be industrial growth in rural areas. A Task Force report that suggests that the maximum potential of plant facility in rural Saskatchewan be utilized. A Task Force report which encourages people to want to go to rural areas; and a Task Force report which does not suggest that farmers and communities should be here for the profitability of the railroads but that conversely the railroads should be here for the profitability of the farmers.

After having had such a Task Force report what could the Federal Government do? Well the Federal Government could recognize that the bugbear in the total grain-handling system in Canada is the railroad system. And the Federal Government could do as the Provincial Government has done in Saskatchewan with regard to potash. After recognizing that the railroads are not operating efficiently, they could take them over. They could nationalize the rail beds of Canada for the effective utilization of all people in Canada. They could recognize that we don't need a centralized grain-handling system that all we need is

intelligent use of the railroads. They could freeze abandonment. They could preserve all lines on a basic grid structure of 30 miles in any direction. They could allow the elevators to adjust for future and to integrate and upgrade according to that grid structure. They could expand the Port of Churchill, they could expand the Port Mann Marshalling Yards, they could put in sidings in rural areas to accommodate unit trains, they could put in a link from Ashcroft to Clinton to help improve the export potential. They could try and create a better atmosphere for the 28 labor unions that are involved in rail transportation and grain transport. There are many, many things that the Federal Government could do rather than blaming the rural elevator system for the ills that plague export of grain in Canada. And after that they could let anyone who wishes build an inland terminal but that terminal would have to compete with the rural elevator companies on existing upgraded rail lines at the expense of the Federal Government and at Crow's Nest rates. In short, rather than wasting the potential of rural communities, rather than destroying future opportunities for people who wish to live in rural Saskatchewan, rather than blaming the rural elevator system, rather than promoting inland terminals, rather than destroying the Canadian Wheat Board, rather than promoting trucks, one simple move could be made by the Federal Government which would pre-empt all of these things, nationalization of the railway beds.

Through nationalization the operation of the railroad could become a public utility. A public utility serving small scale agriculture, industrial and community development and small scale community development, also a railroad network which would reverse the trend of demographic shift towards urban centres in Canada.

The issue of rail line abandonment is not a simple case of whether or not we are going to have more or less rail lines, whether we are going to truck grain ten or perhaps 20 miles. The issue of rail line abandonment is not whether or not we are going to have a rural elevator system, these are certainly all factors in the discussion. The real issue in rail line abandonment is, are we going to have a rural future in Saskatchewan? Is agriculture in Saskatchewan going to continue in the tradition of co-operation and sharing under the Canadian Wheat Board, Wheat Pools and Crow's Nest rates, a co-operative approach which will encourage small farm development, which will encourage industrial and community groups, which will encourage more people to live in rural areas, ultimately increase the voting power of western Canada or, are we heading for a new economic order? An economic order which will eliminate two out of every three farmers in rural Saskatchewan and encourage large and extensive farm operations with an agricultural elite in rural Saskatchewan, situated four miles between farms and 50 miles between communities; a new economic order which will lead to a centralized elevator system, complemented by centralized agribusiness which will lead to an extensive highway system created largely to serve the grain trucking industry; an economic order which will devastate and obliterate rural Saskatchewan and which will destroy any future possibilities of many people being involved in the industry of agriculture; an economic order which will monopolize and construct the agricultural sector and make it totally dependent upon the vagaries of the speculative market. This is the issue in the rail line abandonment discussions.

There are two directions which Saskatchewan can go. And

the mechanism which will determine that final social direction is abandonment of rail lines. Abandonment of rail lines will determine the kind of grain-handling system we will have. The kind of grain-handling system will determine how many farmers will be left in rural areas. The number of farmers will determine how many rural communities there will be. The number of rural communities will determine the industrial development pattern of Saskatchewan as it relates to the secondary processing of agricultural products.

Mr. Speaker, the decisions made with regard to the railroad will be irreversible. The next few years of discussions on rail lines, the next few years of political ideology will determine the kind of economic future Saskatchewan will have. And largely responsible for the direction of that economy will be the Federal Government.

Now why do we need a nationalized rail system? To remove from the railway companies the arbitrary ability to determine population and industrial growth patterns of western Canada; to allow the rural elevator and the farming population to independently determine how they will rationalize their own grain handling system and the size of their own farms. We need a nationalized rail system to obtain use by society of transportation tax dollars for preventing future inflationary trends in transportation costs by scarce energy and spiralling construction costs. We need a nationalized rail network to provide the basis, at present day prices, for a future transportation system which could integrate the various modes of transport into a comprehensive policy providing the most flexible service to the public at the least possible cost. And most important, Mr. Speaker, we need a nationalized rail service to provide options to small farmers and small communities in rural areas so that we could preserve agriculture in its traditional form of co-operation, encouraging many more people to be involved in primary production and secondary processing of agriculture products. Options for people to be involved in the future of agriculture in Canada. Options for people to utilize to its full maximum plant facility in rural Saskatchewan. And options to give western Canadians the opportunity to increase their voting power over the next 40 to 50 years.

Therefore, Mr. Speaker, I now move this Resolution.

MOTION

Sitting of the House

HON. R. ROMANOW (Attorney General): — Mr. Speaker, I should like to move, seconded by the Premier (Mr. Blakeney), by leave of the Assembly:

That notwithstanding Rule 3, this Assembly shall, on Wednesday, December 17, 1975, meet at 3:30 o'clock p.m. until 6:30 o'clock p.m.

This basically will allow the House business to adjust so that some of those Members who are able and would like to attend the funeral of Père Murray tomorrow may do so.

Motion agreed to.

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

The debate continued on Resolution No. 8

MR. S. J. CAMERON (Regina South): — I rise to speak, Mr. Speaker, with respect to the Resolution about which we heard a one and one-half dissertation which managed to scramble most of us in the process. I am sorry the Member isn't here, I meant to ask him a couple of questions about his Resolution, particularly, and perhaps the Member for Moose Jaw North (Mr. Skoberg) who seconded the Resolution can shed some light on it.

He asked us in effect to approve the nationalization of the rail beds and I am wondering how many millions of dollars that would cost. That is the question I was going to ask the Member who moved the Resolution. I gather from looking at the Member for Moose Jaw North he can't shed any light on that question.

You know we have a little practice in our caucus where in effect we draw lots to see who follows whom. It was my misfortune to draw this particular lot this afternoon. Although the Member for Lakeview assures me that the Hon. Member for Bengough-Milestone (Mr. Lange) it sounded like one from Toronto-Eglinton actually, given his level of understanding of western agriculture. The Member for Lakeview assures me he makes only one speech a year and it is pretty much the same one, so that we will only to listen through presumably three more of them, over the course of the next three years.

The Member for Moose Jaw North (Mr. Skoberg) will remember during his days in the House of Commons when Members from the heart of Toronto would stand up and speak about western agriculture and I am sure he was irritated very often at the level of ignorance and misunderstanding of the topic and I am sure during the course of the address from the Member this afternoon, he felt he was back in the House of Commons listening again to one of those Members from another province.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — I don't know how one can talk about a resolution to nationalize railway beds and talk about the Task Force at great length, which was commissioned in 1965 or 1964, Farm Credit Corporation, inland terminals, Grains Group, rail line abandonment, Benedict Arnold and God knows what else. The Member for Lakeview told me that in drawing the assignment I did to respond, asked me if I knew anything about skylabs. I said, "What?" He said, "Skylabs." He said you may have to know a great deal about skylabs if you are going to respond to the Member when he makes his annual speech. I didn't hear any reference to skylabs, but I did hear reference to camel feeding practices and computers in Switzerland, anchovies in Peru. On and on it went, a whole array of subjects that I don't know very much about and which is evident he didn't either.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — It is a very interesting mentality at work this is. We used to get very irritated in some of the years gone by, particularly when the great NDP cry was the Task Force Report and how those dirty Liberals were going to drive two out of three farmers off the land. What I used to wonder is, how many

people that stuff actually got to. I now know for certain it got through to one. He talks about these great conspiracies and these sinister designs that are around, and I guess as he walks around his farm, every time he kicks a bale, he sees another conspiracy behind it. I wonder, given all those dark thoughts, how the poor gentleman can sleep at night, with all the conspiracy abroad to turn the prairie farmer under and Benedict Arnold being one of the main characters in the piece.

I was wondering what he was going to do when he talked about the Benedict Arnold of the West, being one, Otto Lang. It occurred to me that the Attorney General may have to go back to university to get another law degree so that he can now say he didn't get his degree under one, Otto Lang.

I want to let him in on another little secret, I don't know what the Member for Quill Lake (Mr. Koskie) is going to do about this, but he actually roomed with that guy, Otto Lang, for a couple of years at university. I wonder if he was tainted in the same way.

I'll tell you our problems aren't so bad. The Attorney General was tutored by him, the Member for Quill Lake, roomed with him, I happened to work with him for a period of time, but at least we don't have to change our name to disassociate ourselves. I wonder how the Member for Bengough-Milestone enjoys having the particular surname Lange in view of the Benedict Arnold speech he gave his afternoon.

I want to talk just a little bit about the Task Force Report to which he referred, and I concede, Mr. Speaker, it has no relevance whatever to the motion. But I want nonetheless to say a word or two about it, merely because it is possible, just possible, that someone, somewhere might pay a little bit of attention to it. Not very likely, but it is possible. That Task Force Report is a report that has seen more distortion and more fairy telling in the process, I think, than any other document produced for a government has ever been subjected to. He's quite right when he said there was a commission which reported to the Federal Government on the future of agriculture in the country, not in Saskatchewan. He is partially right when he says that that report which was given to government in 1967 or 1968, foresaw the day when the numbers of farms in the country was going to be reduced by two-thirds. What all Members on the other side omitted to do at the time, and apparently continue to omit to do is to talk about where the farms are that were the subject of that particular recommendation. It didn't talk about Saskatchewan farms having to go, or Alberta farms, or Manitoba farms, in fact it recognized that farmers in the prairies are the more efficient if not the most efficient farmers in the whole world. What it said was that there were a whole lot of tiny Quebec and Ontario farmers trying to survive on ten acres and 15 acres that had been there for some years and the only reason they were surviving was because subsidies were made available to them. And in due course those people who were trying to survive on five, ten and 15 acres, and those people who were farming as a hobby, were going to have to go. If the Hon. Member has spent any time at all on the north shore of the St. Lawrence and seen those farms, he himself would understand why some of them inevitably had to go.

The point at issue is the Task Force Report did not suggest two of three farms in Saskatchewan or in the prairies had to

go, nor incidentally, which is even more important, did the Federal Government accept those recommendations. Indeed the Federal Government did the very opposite and said we have the report before us, it is a gloomy kind of report, we don't buy it, we are much more optimistic about agriculture in this country than that and they rejected it. Despite the fact it was thrown in the ash can some six, seven, eight or ten years ago, we still hear reference to it. It surprises me that the Member for Bengough-Milestone, being a farmer particularly, should continue to refer back to those old things which they've peddled so strenuously all over the province during the federal election campaigns and didn't do very well at either. It's only one more of those easy and fear kind of slogans which the Hon. Members coin every time we face an election. Last time it was rail line abandonment, how bad it was going to be on the prairies because those dirty Liberals were going to abandon every rail line in sight, and the Member for 'Losttouch' was the worst one of all. As a matter of fact in his reference to it he talked about how his poor community was going to die as the result of this doom and gloom and corruption along with it. That was one. The other one to remember, the slogan used to be, two out of three prairie farmers are going to be driven off the land, so say the Liberals, which is a lot of nonsense and they knew it was nonsense. The other was the reference to the stabilization plan and how it was going to stabilize poverty and we see what's happened as a result since. Again and again we continue to see these fear kind of slogans that are whipped out of the back pockets of the Members opposite to try to win elections on. They haven't done very well federally in respect of them, and one day they may learn that simplistic misleading kinds of tactics aren't going to get very far.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — Then I actually heard during the course of that hour and a half or two hour dissertation, the statement that the Farm Credit Corporation was trying to get rid of farmers. Imagine! The Farm Credit Corporation is trying to get rid of farmers. The Farm Credit Corporation has done more, has done more in itself than any other single government agency or move to benefit prairie farmers.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — And for a Member however junior he is, and however little he knows about agriculture in the West, even for him to say the Farm Credit Corporation is trying to get rid of little farmers is not very satisfactory and I don't think he ought to peddle that stuff here or in the country. Matter of fact, farmers themselves know very well the assistance the Farm Credit Corporation has been to them.

He talked about the Grains Group and Rod Bryden and Benedict Arnold, and somehow wove it again into some kind of a dark conspiracy. I don't know what kind of a conspiratorial mind is at work that can weave a conspiracy of that kind, but I want to take a moment again just in case, as I said earlier, just in the small event that somebody may pay some little bit of attention, that some part of those 15 bushels of stuff scattered to the wind may stick, I want to say this about the Grains Group, and under Rod Bryden incidentally.

The Grains Group is responsible for the new quota system that we now have. They were responsible for recommending and achieving extended credit provided by the Federal Government to the Canadian Wheat Board to expand markets for Canadian grain. They instituted the Block Shipping System, which is proving so beneficial. They responded to pleas from farmers to give farmers information about quotas and initial prices before they seed in the spring, because farmers had long understood their seeding patterns were in part determined by what quota levels on various grains were likely to be and what initial prices were likely to be. For some lengthy period of time farmers have been requesting that kind of information in advance. That Grains Group under Rod Bryden and under that particular minister which the Member found is part of the great conspiracy to get the western farmer, did the very thing the western farmer was asking them to do three or four years ago when they began the practice of before seeding, giving the farmers information about quota levels, guaranteed quota levels incidentally, and initial prices which were also guaranteed. The same Grains Group, that same Benedict Arnold, provided the 6,000 hopper cars which the Member seemed (although his logic got so convoluted you weren't certain whether he was in favor of the hopper cars or a'gin them) or whether it should be the railways buying them, or the Wheat Board or the Government, it wasn't all very clear. The only thing that emerged again was that somehow, you go out and purchase 6,000 hopper cars that's part apparently of the great conspiracy to get the Saskatchewan farmers. It is hard to understand that logic, but again that seemed to be the point that was emerging.

He talked about the need for attention and some action at the ports and much remains to be done at the ports, but again he conveniently overlooked the fact that it was that Grains Group under Rod Bryden, and Benedict Arnold as he referred to him, who doubled and in some cases tripled the unloading of boxcars at Vancouver and Thunder Bay. Hon. Members, those who know the facts, and that wouldn't, of course, include the Member who spoke and in respect to whom I now reply, but those Members who do know the facts will remember that in Vancouver they used to unload about 450 or 500 cars per day at best. When the Grains Group took a look at that problem they appointed port co-ordinators each at Vancouver and Thunder Bay. They asked the elevator companies, and the railway companies to agree to pool the grain that was coming in and the cars that were coming in, and it was the task of the port co-ordinators to do it. They did a very good job of it and the result in the end was that Vancouver began to unload 800 or 900 cars a day and indeed reached 1,100 or 1,200 cars per day. So we are looking at levels there these days of not 400 or 500 as it used to be, but levels now of as many as 1,100 cars per day.

Now, again this same Grains Group, I guess conspired against the western farmer and this Minister conspired against the western farmer in the interests of Cargill and that Swedish computer organization, or whatever it was, to bring in the two price wheat system. Now however distorted the view of the Member who gave that speech are about the two price wheat system I'm not sure that he is going to convince many farmers that that somehow is part of a conspiracy to get the farmer.

Again, it was that same Grains Group and that same Minister who stopped the rail line abandonment that was going on, and there was a great deal of rail line abandonment going on at one

time in this province. They put a stop to that rail line abandonment. There hasn't been a rail line abandoned as long as that government has been in power. Again, it's something with that particular Grains Group, again, it's something the Hon. Member overlooked. Again, I guess that's part of the conspiracy. If you prevent rail line abandonment then you are conspiring to get the western farmer. Again, I say, if you wonder why at this moment we seem a bit scrambled on this side, understand, we listened to it for pretty nearly two hours, and it's little wonder. As a matter of fact, I told the Member for Lakeview, if I draw this assignment again I'm going to ask the Speaker if I can wear a helmet. You understand what shell shock means after you listen to that for an hour and a half, believe me.

I want to say this too about the reference you hear often from the other side, and it gives me a chance to talk about, although I concede again that I'm not in order, my remarks are not relevant to the motion, I concede that at the outset, but having listened to an hour and a half of the stuff it wasn't nearly as relevant as this, I'm going to take the liberty of saying it nonetheless. The Member alluded to it. It's this:

I have heard many times in the last number of days we have been here, Members from the other side of the House talking about how things are so much better in the province than what they were in 1971. Agreed!

MR. MOSTOWAY: — Agreed!

MR. CAMERON: — Agreed, so do we. They talk about communities thriving where before they were declining. They talk about grants at this level today as opposed to that level yesterday. And always in the process they take for themselves the credit for it.

MR. MOSTOWAY: — Right, agreed!

MR. CAMERON: — Agreed, they say. Well, I'm going to tell you and I'm going to tell that Member particularly a little bit about farm economics, because when you take credit for yourselves for what's happening in the province in the last four years, not only are you wrong, but you are taking credit from the man who deserves it, who is the prairie farmer.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — We used to in the years, 1968-1970, have total grain sales in the three prairie provinces of about \$700 million or \$800 million a year. It was \$700 million or \$800 million a year. That was a fairly long-term kind of average for return to the three prairie provinces. In the last two and a half or three years total grain sales in the three prairie provinces have brought to the prairies some \$3.5 billion as opposed to the old level of \$700 or \$800 million. Now I tell you that the economic force of \$2 billion in the three prairie provinces is a tremendous force. Governments at no level, particularly at this level, but even at the national level, cannot begin to effect things in the farming community in the same way that an economic force of \$2 billion can. Not only is it a direct additional \$2 billion that has come into the prairies in the last two or

three years as opposed to the old levels of \$700 million or \$800 million a year, but we have derived the benefit of all the spin-off of that extra \$2 billion. That is why I say to Members opposite, when you pride yourselves in some of the good things that have happened in this province over the last two or three years, (a) you are wrong; and (b) in taking credit for yourselves you are taking credit away from the people who deserve it, and that's the farmer.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — I guess for the Federal Government to acquire ownership of the railway beds in the country would cost millions and millions of dollars I suppose maybe between \$500 million or a billion, or something in that order in any event. And with the Federal Government already having as we hear every day, including from Members opposite, a budgetary deficit in the order of billions, constant calls for restraint and cutting down on spending, and every time we make a suggestion, and somebody made one about a bridge, we are told oh, no, no, it costs money. Then the Member for Bengough-Milestone comes forward with a suggestion that as I say would probably cost \$500 million or a billion, and that isn't a very big spread, but I guess it would be something in that order, for the Federal Government to acquire these beds at a time when at the same time he decries the enormous deficit that exists there and the inflationary pressure that that deficit adds.

Now that's why we find it curious that he should come forward with this suggestion, which would cost these enormous sums of money. And more curious, we wonder why he would want to spend these enormous sums of money to the advantage of the CPR. Now I guess we should understand that he has a pretty close concern and sympathy for the financial well-being of the CPR, and I suppose you might say he is a spokesman for the CPR, he's a particular friend of the CPR, concerned about the finances of the CPR and how they are losing money, and how they have lost so much. So what we should do, we should relieve the CPR of beds so that they wouldn't have to undertake the expense any more of maintaining them and we would give them these many millions and billions of dollars to go out and do all those other nasty things that the Hon. Member would suggest they want to do.

But I say that while he may want to do something to the vast profit of the CPR, while he may be concerned about the financial plight of the CPR or the particular friend of the CPR, the spokesman for the CPR, I tell you that we aren't.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — We're not going to support a resolution, I can you, we're not about to support a resolution to the great advantage of the CPR in this way.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — Indeed, we struck a nerve at long last. You see what happens in the process, Mr. Speaker, you know what is sauce for

the goose is sauce for the gander, you see. The Hon. Members are going to have to learn that. When they find their own twisted arguments, twisted around to their own disadvantage and hear them coming from this side of the House, suddenly they begin to squirm. Well, I tell you if you sat on this side of the House for a while it wouldn't take very long before you get so used to it, it doesn't bother you any more, but I wanted to see what kind of reaction we would draw from you with that kind of a foolish argument, that you are always giving to us.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — Matter of fact it occurred to us that maybe the particular Member is campaigning for a directorship with the CPR and coming forward. And I suppose you might say Hon. Members opposite draw large campaign sums from the CPR, because it's got to be some combination of that, you see it's got to be some sort of a, it's got to be a sinister conspiracy of some kind. They always exist. We just kicked another bale and there is another conspiracy. Why would you bring forward and spend an hour and a half in trying to convince us to do something to the great advantage, the profit advantage of the CPR if there wasn't some reason for it, if it's not part of the conspiracy?

Now, as I say, however sympathetic the Hon. Members opposite may be to the plight of the CPR, I tell you we aren't and for that reason we will oppose this resolution and oppose it strongly.

SOME HON. MEMBERS: — Hear, hear!

MR. E. ANDERSON (Shaunavon): — Mr. Speaker, I should like to address myself to this Resolution. I must admit I will probably only hit the parts that pertain to the Resolution, I'm not going to talk about microwave and hovercraft and Switzerland. But it does sound as if this particular speech must have been written by Mr. Sinclair, the President of the CPR. I wonder if the Member isn't trying for a place on its directorate. Surely he must have been promised it.

He says in his own words that the rails are so bad we can only run hopper cars over 7,000 miles out of 26,000.

MISS CLIFFORD: — No, he said 1,000.

MR. ANDERSON: — Well, anyway, just a few. He says, that no, we'll take these over, these downgraded, worn-out lines, we'll purchase them and upgrade them with our own money and let the CPR take their profits. You should just take them. Well I have no doubt they would give them to the government, because certainly then the CPR has every excuse in the world. They say we can't run our trains because your lines aren't ploughed and you as a government must plough them. We are going to let them default out of paying for fixing up lines that ran into disrepair. You are quit willing to put our millions over the CPR. My gracious!

Then he turns around and says this antiquated railroad system we should take over and buy. We should rent it as people. We shouldn't let the CPR pay for their own mistakes. He says we'll never lose an elevator, I heard him say, as long as we

have a rail line, unless that rail line can't run a train over it. I'll have you know in my country we have a rail line that's set for the year 2,000 and there's not an elevator between a 60 mile stretch and those are Pool elevators that were pulled out. So I don't think your argument about if you have a rail line you have elevators really has much force.

Further, Mr. Speaker, I think you would find that this step of nationalization is the first step towards an NDP plot to remove the Crow's Nest rates. Half the Crow's Nest rates are set up to pay for the losses on those branch lines.

SOME HON. MEMBERS: — Hear, hear!

MR. ANDERSON: — We take that away and what have we left? We'll have left, that the CPR can say that we don't, we are not keeping the lines up, now we should pay on the actual cost of freight. You are leading us to a differential rate system and the loss of our Crow's Nest rates. That's an NDP conspiracy. One that's been used for years to break our rural communities.

SOME HON. MEMBERS: — Hear, hear!

MR. ANDERSON: — And do you know why they want to break our rural communities, Mr. Speaker? They want to drive our farmers out so that they don't have any buyers, it will go into the Land Bank and we'll have state farms. And they have followed this plan. In 1971 what did they do? The NDP took and put on a moratorium on loans to our small implement dealers. We lost two dealers in towns on each side of me because they went broke, as banks couldn't carry them. Losing them, we'll lose rural population.

What do we find now they do just in this year? They put in a drug plan. They put such paper work on our small druggist, he can't afford his staff and our druggist is leaving. Mind you they allow the big dealer in Regina to sell at a reduced rate.

AN HON. MEMBER: — . . . opposed to the drug plan?

MR. ANDERSON: — Oh, I'm not opposed to your drug plan, I'm just saying the way you set it up, you forced our druggist out. You have forced out a machine dealer, we lose our town. Now you want to take our railroads away. You want to take our Crow's Nest rates away.

SOME HON. MEMBERS: — Hear, hear!

MR. ANDERSON: — I tell you the man who made this speech finally showed the true colors of the NDP and that's to drive the rural farmer off the farm so the NDP can make state farms.

SOME HON. MEMBERS: — Hear, hear!

MR. ANDERSON: — Truly, look at your record. Sure you don't like to see your record shown up by what you do to rural communities.

What did you do? You turned around and you have driven up

your lease rates so the small farmer and the lessee is going broke. You are trying to drive them off.

For this reason, Mr. Speaker, I could not support this Resolution.

SOME HON. MEMBERS: — Hear, hear!

MR. E. A. BERNTSON (Souris-Cannington): — Mr. Speaker, I'll speak to the Resolution totally. My remarks will be brief. Two points I'd like to bring out. One, there is already an extensive study in progress to study the total transportation system in western Canada and I'm sure we all have the greatest confidence in the gentleman responsible for this study. Number two, and I'll stand to be corrected if I'm wrong, I was under the impression that a railroad bed is a pile of dirt on which the ties and rails, etc. are placed. To nationalize a railroad bed, I think, really won't do anybody a whole lot of good.

I therefore move, seconded by the Member for Swift Current (Mr. Ham) in amendment thereto:

That the words "the Federal Government to nationalize the railway road beds" be deleted and the words "the Hall Commission to examine the possibility of Federal ownership of Railway Right of Ways" substituted therefore.

The debate continues concurrently.

MR. J. L. SKOBERG (Moose Jaw North): — Mr. Speaker, speaking very briefly before I adjourn the debate for this evening, so we have time to think seriously about the amendment, I might just first say that it did strike me rather strange coming from the opposite side, the amendment that has just been introduced. I do believe that any type of public ownership, examination of railway right of ways and rail beds wouldn't necessarily want to fall under former Chief Justice Emmett Hall. It seems to me that Mr. Justice Hall has all he can possibly do at this time to keep within the terms of his reference in so far as this examination by his Commission is concerned right now.

I should like to suggest though that listening to the Hon. Member for Shaunavon that it strikes me that he somewhat misses the whole text of what the Hon. colleague of mine introduced this afternoon. It is also quite apparent that those opposite aren't quite prepared to accept reality as it was explained to them this afternoon and I would hope that my Hon. Member a little later on in this debate will again have an opportunity of repeating much of what he said today so that those people opposite will realize what it's all about.

SOME HON. MEMBERS: — Hear, hear!

MR. SKOBERG: — The Hon. Member for Regina South, of course, was defending the status quo, defending his previous boss whom he worked for in Ottawa and I can quite appreciate that, because I think all of us had some feelings for his previous boss, even though his boss didn't have that much feeling for the rural people of Saskatchewan.

I might just say that it seems ironic indeed that we have another situation before us now in Canada, called a Stabilization Bill, which is just strained a wee bit too, but if it hadn't been for the Opposition in Ottawa at that time and the determination of the New Democratic Party, the stabilization plan that was supported by the then Minister in charge of the Canadian Wheat Board, would have ended up exactly where he wanted it and that was the income for five years based on gross income and not on net income, which we have some resemblance of similarity now.

SOME HON. MEMBERS: — Hear, hear!

MR. SKOBERG: — It also seems, Mr. Speaker, very strange that when we talk about nationalization of the road bed or that the road bed should be nationalized in the interests of the economy of the country, many, many studies have been undertaken, not only in Canada, but even today in the United States they are talking about the very same thing. It isn't that far out to suggest that that could be a very significant move in the right direction and that we could rent equipment to those people running equipment over those road beds, or they would pay a rental fee insofar as the nationalized road bed is concerned.

I should like to say that when I think of those people who talk about the millions upon millions of dollars being spent insofar as the railways are concerned, the Hon. Member for Regina South seems to forget all about the Stol project that I mentioned the other day. He forgets about the millions upon millions of dollars on the seaways and the airways and all the subsidization that goes into the highways both provincially and federally. He seems to forget that some of that money could possibly go into road beds to make this country a viable country insofar as the movement of transportation is concerned.

SOME HON. MEMBERS: — Hear, hear!

MR. SKOBERG: — Mr. Speaker, I am sure that I could think of a number of other things to say, but in the interest of trying to get to some other business tonight, I should like now to move adjournment of this debate.

SOME HON. MEMBERS: — Hear, hear!

Debate adjourned.

Resolution No. 21 - To Amend The Automobile Accident Insurance Act

MR. S. J. CAMERON (Regina South) moved, seconded by Mrs. Edwards (Saskatoon-Sutherland):

That this Assembly urges the Government of Saskatchewan to amend the Automobile Accident Insurance Act to: (a) end the present discriminatory practice of providing disability benefits for a maximum period of 104 weeks for all except housewives who are limited to 12 weeks; and (b) provide weekly disability benefits at least the equivalent of the Saskatchewan minimum wage.

He said: I am pleased indeed to speak to this Resolution a good positive one, one that is germane, one that ought to be raised in this Assembly, that affects the laws of the Province of Saskatchewan rather than the Federal Government and the Dominion.

The Resolution is with respect to a section of the Automobile Accident Insurance Act, Section 22. That Section provides, as some Hon. Members will remember, a weekly indemnity benefit to people injured in automobile accidents. So if one is injured in an automobile accident under Section 22 of the Automobile Accident Insurance Act, the SGIO will pay that person \$60 per week by way of assistance.

Now under Section 22 as well, this weekly benefit is payable to persons for a maximum period of 104 weeks. I wish the Minister in charge of SGIO were here, although I'll draw this to his specific attention because I bring the Resolution seriously.

The maximum period of benefit for all persons under the Act is 104 weeks except for one group of citizens and that one group of citizens is housewives, who are entitled under the Act to only 12 weeks.

Now there are some, that's the general rule that I've just outlined. There are some exceptions in exceptional circumstances. I could refer to those, perhaps I can briefly, although I won't dwell on them. The general rule is that you are entitled to \$60 a week under the Automobile Accident Insurance Act for weekly indemnity and it's payable for 104 weeks for all people except for housewives.

Now when the rate increases were announced recently by Saskatchewan Government Insurance Office, we condemned those increases on three fronts. We said first, we were somewhat staggered by the size of the increase, 25 per cent or more and we questioned that. Secondly, we were critical of the timing of the increases coming as they did on the heels of a provincial election and in the eye of a federal restraint program. Right after the election, right before the federal restraint program. Thirdly, we thought the Government displayed some lack of courage in making the announcement, since it wasn't the Minister that made the announcement and that is a tradition for the Minister to do, nor indeed was it the General Manager of Saskatchewan Government Insurance Office that made the announcement, it was a middle-rung executive in the Saskatchewan Government Insurance Office that had to make the announcement.

Hon. Members will remember that it was Mr. Koskie who was given the task of publishing the rate increases. So the General Manager was avoided, the Minister was avoided. We were critical in that respect because we think if the Government is going to approve the increases then the General Manager or the Minister should have the courage to announce them.

Now I say we criticized the increases in the rates in respect to those three points. I concede that each one of those three matters of criticism is truly a negative criticism. I concede that.

Now, we in the past have very often been the subject of criticism and barbs ourselves for the manner in which we have

criticized government. We have all heard the suggestions that Members on this side of the House are negative, carping in their criticism, seldom have a positive side to them. To some extent that's a malady which all Opposition suffer from because it falls so often for us to examine things critically and don't often have the opportunity ourselves to put forward programs.

I want to say that we in the Liberal caucus intend as a matter of policy, and we have been trying to demonstrate this in the House up to now, that we will not be satisfied merely to criticize in this negative way. We intend to continue to put forward positive ideas for reform and alternatives as well. As the Leader of the Opposition said yesterday, we will generally and strenuously oppose those measures after close examination, that we don't agree with. The potash bills are good examples.

We will support those programs of the Government that we do agree with. We will always seek, as he said, to improve them. And if I may say it the rent control legislation before the House is an example of this second approach where we agree generally with what is being attempted although we are going to make every effort to improve the Bill.

In addition to these two kinds of approaches we will be taking a third as well. That is, we will offer our ideas to the Government and we will press responsibly for those reforms that we think benefit the province as a whole.

When the Government accepts our notions and our proposals we, too, will feel that we have done what we were elected to do. And when the Government does not accept them we will continue to press is an effort to get them accepted.

This particular Resolution is an example of this third kind of approach, a constructive, positive approach by the Opposition.

The Member for Wascana advanced on behalf of our caucus two motions in the same spirit. Members will recall he has put before the House an amendment to The Deserted Wives Act and he has proposed divorcement legislation with respect to service stations.

We, the other day supported and offered a constructive amendment to a resolution brought forward by the Member for Moose Jaw North. You will recall his resolution on rail line rationalization. We indicated that we would be prepared to support that motion and as I say we advanced a constructive, positive amendment to it. The Member for Morse (Mr. Wiebe) has a resolution on the Order Paper dealing with the same subject matter, that is to say a mechanism dealing with elevator abandonment. I use those examples to demonstrate and illustrate the point that I was making earlier that we have accepted as a matter of policy in this caucus to where we have the opportunity to be helpful and constructive and positive. This Resolution, I say, is another example of that same kind of plan.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — We believe that when premiums for Government Insurance are increased we ought to look automatically at the benefit side of the ledger. As a matter of principle we think

that to continually increase the premiums, never touching the benefits really results in our paying more for less. The basic level of third party liability under The Automobile Accident Insurance Act, Members opposite will remember, is \$35,000. That is to say if one is involved in a vehicle accident and is found at fault for the injuries sustained by another, the maximum coverage is \$35,000. Now that level of coverage has not changed in more than ten years, more than a decade since we have looked at that \$35,000 of coverage. And, of course, it has in the meantime been seriously eroded by inflation.

The problem with this is that people don't always realize it. Many think that the insurance that they get with their licence plate is adequate. And, of course, the fact is that it is woefully inadequate. Even whiplash injuries today which we see are so common are bringing in the courts sums in excess of \$20,000 for mere whiplashes. For substantial injuries, \$35,000 is simply no longer an adequate level of coverage. And the sad part is as I say, that people have come to believe that when they buy insurance through their licence plate they are getting an adequate level of coverage. In a sense we are now misleading those people.

I am involved in a case today, Mr. Speaker, where the driver of a snowmobile is facing an action and a suit which could result in a level of damages anywhere between \$100,000 and \$200,000. He has coverage to the extent of \$35,000 under his licence plates. He as so many others, when he bought the licence plate thought he was insured to an adequate level. He may find himself being personally responsible for as much as \$70,000 to \$130,000. Of course, that would bankrupt him.

I think we have to take a very careful look at this because as I say people think that they have adequate protection when in fact they don't.

The other thing that is occurring at the same time is that you see people involved in automobile accidents and injured to the point where they can't work for a long period of time. They are paid under the Automobile Accident Insurance Act, \$60 a week or \$240 a month.

I want to draw Members' attention to another situation, another case that I am involved in and again by no means is it an isolated one, but it demonstrates a point. This is a man who is employed in a liquor store and who was struck by a car while he and his young son were hooking up a trailer to the car. He hasn't been able to work for the better part of a year. His income at the time of the injury was in the \$10,000 to \$20,000 per annum level. Since the accident he is trying to live on \$60 a week. That is \$240 a month. Less than the minimum wage by an employee who was earning \$10,000 to \$20,000. Again, a man who thought that the Government Insurance in the province was adequate in those circumstances. Little knowing what he was entitled to was \$240 a month in the event that he was disabled. He is now trying to live on that and has been trying to do it for some months. Believe me there is tremendous hardship in that.

If he was a minimum wage employee he would be getting some \$400 a month as the minimum wage now stands or \$456 or something in the changes that are recommended to the minimum wage. Again you see what is happening. We as the Legislature and the Government through the minimum wage require employers to pay \$400 to

\$450 a month to their employees. While we ourselves in the other respect and while government itself provides \$240 a month under The Automobile Accident Insurance Act.

Now we say that is wrong. We say as legislators what we expect of others surely we ourselves have to provide.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — It covers two areas. There is a third area I spoke about in introducing the Resolution. In a sense it is even worse because we as the lawmakers in the province say that people are entitled to the weekly disability benefit for 104 weeks, with the exception of that one group that I mentioned, and that is housewives. We say to them you are entitled for only 12 weeks, as a general rule, there are some exceptions. Again we say this has become socially unfair. And indeed we say it is degrading of housewives to single them out in that way and treat them so differently and so discriminatorily compared to others.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — Women at home as we all know so very well, particularly in this year, but we have seen it developing over the course of time have been struggling and rightly so for some greater recognition on themselves as persons in their own right. I often hear it said in my home when I refer to housewives, how I would like to be referred to as a house husband. I think even the fact that in The Automobile Accident Insurance Act we refer to these people that we refer homemakers, women at home and managing the children, as housewives is in itself degrading. We should have a look at that in the process as well.

I say that there are two points here. I question whether we should be distinguishing as we do under the Act between housewives and others as though the others were entitled to some more substantial recognition than housewives. That is clearly discriminatory. In fact, it has occurred to me that one of these days when I have a woman who has a family and is at home, comes to me after a car accident and is limited to receiving a weekly disability benefit for 12 weeks, I think I am going to challenge her entitlement as being discriminatory under our anti-discrimination laws because it is very clearly a blatant discrimination. And is one that we should remove quickly.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — The other point is the very real hardship these women and families suffer. When they are disabled for several months as a result of a vehicle accident they are required to bring somebody into the home to help and that sort of thing at minimum wages, it is \$400 or \$450 a month they have to pay. What they in return get from Saskatchewan Government Insurance Office is \$60 per week or \$240 a month. So therefore what they receive in way of weekly disability amounts to about half of what they have to pay out for domestic help during the period of disability. Again I say that is wrong. It is particularly wrong when we have seen as we have, frequent increases in the rates. I say again if we are going to increase the rates to cover increased costs that is one thing. In the process of doing it, let us

begin to look at the benefits because the benefits are deteriorating almost proportionate to the way in which the rates are increasing.

I want to in conclusion urge upon the Government, the amendments that we in the Liberal caucus bring forward and advance in this Resolution. I want also to urge upon you a recognition that we bring forward this Resolution in an effort genuinely to be constructive and helpful. We are not consumed and concerned only with negative kinds of criticism but we too are interested in reform. And may I say in conclusion that if you will take these suggestions and act upon this Resolution and the next time we meet in the late winter, early spring bring forward these amendments, we will be quite prepared to give you the credit for it and we will be prepared to applaud you for it.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — Mr. Speaker, I therefore move this Resolution, seconded by Mrs. Edwards (Saskatoon-Sutherland).

MRS. E. G. EDWARDS (Saskatoon Sutherland): — Mr. Speaker, I take pleasure on behalf of all women in Saskatchewan in seconding Resolution No. 21.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — The Automobile Accident Insurance Act as it is written is an example of the kind of legislation that women are fighting to have changed and updated. It is five years since the Royal Commission on the Status of Women reported to the House of Commons with recommendations which among other things, spoke out about existing legislation that clearly discriminates against women.

Since that time Saskatchewan has appointed an advisory committee on the status of women. The Chairman, Mrs. Margaret Harris and her board have been doing a commendable job in studying areas of major concern to women and then proposing recommendations for needed action at the provincial and federal level.

Another board that has been doing a great deal of work on behalf of the rights of women in this province is the Law Reform Commission, so ably chaired by Mr. Brian Grossman. Two major reports have been produced by the Law Reform Commission that will vitally affect the lives of women in this province. I speak of the study and report on marital property laws and the report on family law.

It is encouraging to women to realize that attitudes towards women and their role in society is improving and changing. And there is evidence that law reform as it relates to women will indeed become a reality.

I thank the Hon. Member for Regina South for bringing Resolution No. 21 to the attention of this House. A resolution earlier today is standing, speaks of the need to recognize the contribution made by homemakers to their families and to society.

I would urge all elected Members in this House to support this Resolution.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — This Resolution asks the Government to amend The Automobile Insurance Act so that housewives will be eligible for the same disability benefits as other citizens in society. So that all those receiving disability benefits will receive benefits equivalent to that of the minimum wage.

I am pleased to second the motion.

HON. R. ROMANOW (Attorney General): — Mr. Speaker, just a word or two on this motion. I should like to say first of all that the Minister in charge of the Saskatchewan Government Insurance Office, The Automobile Accident Insurance Act, Mr. Whelan, will want to speak extensively on the motion. I think some aspects of the motion certainly merit serious consideration by all Members of the House. My only point in rising other than to adjourn is to also make the point that there have been some rather substantial benefit improvements to The Automobile Insurance Act introduced by this Government. I would direct Members to Chapter 10, of the 1972 Legislative Assembly where, while perhaps a better type of improvement could have been, substantial improvements nevertheless were added at that time. The death benefit increases from \$4,000 to \$10,000; increases in weekly payments from \$25 to \$60; payments for life in case of permanent incapacity; some changes to the reporting of \$200 value accidents and so forth. I am not going to belabor the Members of the House with respect to that. It's there, they can take a look at the amendments which have been proposed.

I should like simply to say in a spirit of nonpartisanship, Mr. Speaker, that these amendments to improve the benefits of The Automobile Accident Insurance Act were the first amendments in a period of seven years. There were no amendments whatsoever to improving The Automobile Accident Insurance Act from the period 1964 to 1971. None. And we found that when we came into office this put the Government of Saskatchewan at SGIO quite a bit behind the eight ball and we had a long way to come from, in order to try to catch up. We couldn't do this all in one jump. The 1972 amendments . . .

MR. STEUART: — Why not?

MR. ROMANOW: — The Member opposite says, why not, and this is typical of the Liberal position. Why not, when they want to increase the payments, but, why, when the rates go up as a result of paying out the larger payment award as the statute calls for. They criticize us for increasing the rates and at the same time they criticize us for not increasing the benefits of which the rates are very largely interrelated to the operation. You can't have it both ways. I simply noticed by the Blue Paper that, for example, the Liberals have here on the Order Paper a motion which is currently under adjournment criticizing the increases in insurance rates as being inequitable. And this again is typical of the Liberal position. Inconsistent, I think some might suggest and I am not saying it in the case of this motion because I do believe the Member for Regina South and the seconder,

raised it in good spirit, but one might suggest for sharp political purposes. I simply want to say to the Members of the House that in 1972, very substantial improvements were introduced to the AIA, the first improvements in over a seven year period when nothing was done, Mr. Speaker. I would certainly hope that the Opposition sitting in this House will reconsider the resolution that they have tendered earlier, which condemns the Government for an increase in rate insurance in light of these benefits which they similarly say should be increased.

I think this Resolution warrants some very serious consideration by the Government and by the Minister in charge of the Government Insurance Office. He wants to speak to the motion and I, therefore beg leave to adjourn the debate.

SOME HON. MEMBERS: — Hear, hear!

Debate adjourned.

Resolution No. 22 - Repeal of Bill 42 - Oil Industry.

MR. A. N. McMILLAN (Kindersley) moved, seconded by Mr. Malone (Regina Lakeview):

That this Assembly urges the Government of Saskatchewan to repeal Bill 42 thereby ensuring incentive in the oil industry, in order that exploration can be carried out and the province may develop some degree of self-sufficiency in petroleum products in the years to come.

He said: Mr. Speaker, the Resolution that I place before the House is of a rather significant character I should think, in light of the fact it is a call to repeal what this Government felt was a rather major piece of legislation to deal with resource management in this province. I don't question the fact that it was an attempt of major magnitude to deal with resources and the Resolution in itself is an indication that at least we on the Opposition side of the House feel that those steps taken by the Government, commonly referred to as Bill 42, were a failure.

I should like to explain why I feel it is necessary to repeal Bill 42 and in effect why I feel Members of this House should consider supporting the amendment. In order to do that I think I should enlighten the House just briefly on the history of the oil industry leading up to the implementation of Bill 42.

In 1953 just 2.7 million barrels of crude oil were produced in Saskatchewan and only 20 years later in 1973 there were 85.7 million barrels produced. Sufficient to make Saskatchewan the second largest producer of petroleum in Canada, 13.6 per cent of the national market. Since 1953 through until 1974 Saskatchewan was continually progressing in the field of petroleum resource development both in the number of exploratory and completed wells drilled and the amount of crude oil that was being pumped in Saskatchewan. From 1963 through to 1969, for example, we drilled in Saskatchewan an average of approximately 1,000 gas and oil wells each year. In 1970 this dropped to 842 wells and reached a low of 620 in 1972. With the price of crude oil at the wellhead gradually increasing in 1973, drilling activity naturally began to pick up and in 1973, 660 wells were drilled. All the indicators were that there would be a significant upsurge in

drilling in Saskatchewan in 1974, a drilling that would have, I think, adequately reflected the optimism by all those involved in the petroleum industry for a bright future for the petroleum industry in Saskatchewan. A number of companies had even indicated that it was their intention to carry out fairly large drilling programs.

However, the malaise that struck the whole industry in 1974 because of political action was most apparent. The Government enacted on the first of January, 1974, what came to be known as Bill 42, The Oil and Gas Conservation, Stabilization and Development Act. Among other things this Act acquired for the Crown any petroleum leases owned by individuals or corporations which exceeded 1,280 acres, it increased the acreage fee on non-producing mineral rights by 150 per cent and it imposed a surcharge or tax of 100 per cent on the value of any production over a stated sum which this Government considered to be the 1973 average value. This latter provision effectively froze the price of oil and was one of the major contributors or the major contributor to the fact that the industry ground to a halt as far as oil development went.

When the Act came into force the value of light crude at the wellhead was \$3.90, a few months later it was increased by agreement of both Federal Government and this Provincial Government to \$6.50. However, under the provisions of Bill 42 the Government of Saskatchewan took the whole of that increase in surcharge or tax. In fact, it took an additional 36 cents a barrel, thus reducing the producers' income per barrel by 11 per cent from December 1973 income. When the impact of this legislation was fully realized by the petroleum producing companies, all plans for production, expansion or exploration were immediately dropped. There were a few exceptions to that, but very few. Most companies in Saskatchewan operated at a loss, for the most part of 1974, but because of some small incentives offered up by both this Provincial Government and the Federal Government, companies were and are currently operating with a field profit, or they were until the amendment suggested by the Minister of Mineral Resources, operating with a field profit of a few cents per barrel. In my area I believe it was generally about 14 cents a barrel.

Amendments were introduced, as I suggested on November 20th, by the Minister of Mineral Resources (Mr. Whelan) which may bring the net back to oil producing companies to as much as 90 cents to \$1.05 a barrel. That is being generous, mind you.

Saskatchewan during this time, in all fairness, was in trouble because of some of the geographic locations over oil and the fact that much of our oil is the medium and heavy grades and much of it is considered sour crude. This is particularly the case in the Swift Current field and because of the fact that there was a problem of shipping our oil across the border to Minneapolis which is the only refinery within a reasonable economic distance that could process high sulphuric crude. The industry down there ran into severe problems and a pipe line from the Swift Current field to Regina was closed down in April and I think there were 1,125 oil wells shut in.

However, the lack of confidence in the future of the industry in Saskatchewan under the political constraints that were imposed on it became apparent as the year 1974 progressed. This is despite the fact that we were facing some natural problems

with the quality of our crude oil. Drilling fell off appreciably at the end of 1974 and as a matter of fact fell to the lowest level in two decades. The production was down considerably in 1975 and in 1975 it will be well off capacity, primarily because of the method the Government introduced its incentives to the industry it became far more profitable, or at least it became profitable to develop production in marginal wells and not in high producing wells. And I think that had, certainly in the Kindersley area, a great deal of effect on the amount of oil that was pumped.

Locally owned service companies as a result of the cutback have been hit and there has been a wholesale exodus of companies from the Estevan, Weyburn and Swift Current areas and to some degree from the Kindersley and Lloydminster areas as well.

The Government in the meantime, and it is to be congratulated for at least this aspect of the entire business, had a banner year as far as income from petroleum resources went. The irony of this situation is that any increase in the price of oil under existing legislation means that an increase of payments to both the Federal and Provincial Governments means an even smaller net back to the producers than presently exists. The oil industry in Saskatchewan still appears, despite the amendments that were brought in by the Minister of Mineral Resources, to be in the twilight zone between the old and the new stance of the Provincial Government.

The Hon. T. C. Douglas, Premier of Saskatchewan, wrote to the industry in 1949, and said:

The province will stand by all agreements entered into and it has no intention of either expropriating or socializing the oil industry.

We heard that in the potash . . .

MR. NELSON (Assiniboia-Gravelbourg): — Who said that?

MR. McMILLAN: — Premier Douglas, I believe in 1949, Tommy Douglas. I didn't know him myself.

MR. NELSON: — Who is that?

MR. McMILLAN: — That's what Tommy Douglas said, however, despite that and we have heard that same story as far as potash was concerned. You are correct there. In 1974, a fellow by the name of Kim Thorson was the Minister of Trade and Industry from Estevan, I think he was, if I recall correctly. They asked the present Member for Estevan if he knew Kim Thorson, I don't know where he is now to be honest with you, I don't know even what he does, but he's not here.

AN HON. MEMBER: — He's in the Premier's office.

MR. McMILLAN: — He must be a lawyer then. However, Kim Thorson, the Minister of Trade and Commerce at that time and a former Minister of Mineral Resources stated, and this was sort of in respect of T. C. Douglas' statement, Kim Thorson stated while addressing a meeting at the University of Toronto in reference to

multinational oil companies and I quote: (this is shocking)

The time may have come for Premier Blakeney's Government to nationalize the bastards.

One would not have anticipated, I suspect, the Government using the blunt legislative method of takeover when it has in its hands the much more subtle alternative of Saskoil and that was the opinion that I was certainly under when Saskoil was formed and the approach was taken to set up Bill 42 and the implications that it had. We have seen since that time that I was certainly very reserved in my expectations of this Provincial Government because they have in the meantime used that blunt legislative method at least to attempt to nationalize the potash industry. Perhaps they don't need to do that with respect to the oil industry, they have established Saskoil as a Crown corporation and as time progresses it seems to become apparent that this is not so much an exploration company, it seems to be rather inept in that respect, but a vehicle which can absorb other operating companies using the proceeds of the royalty surcharge for that purpose. Legislative authority has been used in the past two years to minimize profits and therefore discourage future activity in the private sector. In such a stalemate most of the small independent companies welcome the opportunity to receive cash for their reserves and get out. This situation sounds a little bit familiar I would suggest with what is currently going on in the potash industry.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — Saskoil is certainly willing to talk to these small independent companies, they have apparently purchased two of them already and perhaps more by now, and have been supposedly negotiating on and off with some of the remaining companies. It is that rain of events which when added to the other problems caused by political tinkering tends not to promote any great enthusiasm by the industry in Saskatchewan.

This is indicated by the drilling starts in the province. I think everyone in this House would agree that drilling starts are an indication of the kind of interest the oil and petroleum companies have in potential for petroleum development in Saskatchewan. In 1965 there were 1,284 wells drilled in Saskatchewan. In 1966 there were 1,104. In 1967 there were 968. In 1968 there were 860. In 1947 there 1,000 and again in 1969. A consistently high pattern, averaging 900 to 1,000 wells a year. In 1973 there were 660 wells drilled, up substantially from 1972, and as I mentioned it was an indication that things were picking up in the oil industry. In 1974, however, after the implementation of Bill 42, there were only 286 wells drilled in Saskatchewan. As of October, 1974, 239 wells had been drilled and as of October 1975, a matter of two months ago, only 212 wells have been drilled in Saskatchewan.

MR. MALONE: — Do you have those figures?

MR. McMILLAN: — I may have those figures here, Mr. Member for Lakeview. I'll just see if I can't come up with them here. I have some information on Alberta and I believe . . . the similar indication is the number of the footage drilled in both provinces in equivalent years by the number of the wells drilled indicated

the extent that companies will go to in their search for oil. The footage drilled in Saskatchewan in 1974 decreased by 980,846 feet and that was in Saskatchewan. I pointed out that that was probably as a result of government interference on the provincial level in the oil industry. Alberta, they have a different provincial government than we have here in Saskatchewan, they have the same Federal Government though. Their footage drill increased by 480,000 feet.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — Now the Provincial Government here states that the reason, I can quote you something that the Minister in charge of Mineral Resources pointed out here on November 20th in a statement to the Legislature before the Orders of the Day. He said:

Since Bill 42 was introduced the Federal Government has made a number of unreasonable tax changes to the income tax structure. They are taxing provincial royalties. This has had an adverse effect on the return to the producer and a seriously detrimental effect on the oil industry.

He also said:

We had hoped that the June Federal Budget would have corrected this flagrant discrimination against the province.

I expect he meant as well Alberta. He continued:

We must now take funds from our own tax revenue to replace those unfairly expropriated by the Federal Government in order to keep the Saskatchewan oil industry alive.

And, as has been pointed out in this House before, we on this side of the House are at least under the assumption that both Saskatchewan and Alberta are governed by the same Federal Government and the same tax laws apply to both provinces.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — It is also interesting that on the one hand, and this point I find particularly distressing, that Members opposite could so consistently campaign against the Federal Government in light of its announcement that it was going to cut back on increases in health costs on a federal-provincial sharing basis on the one hand and turn around on the other hand and immediately cut them entirely out of their tax base in Saskatchewan resources. However, that in itself may be dealt with in another argument.

The fact of the matter remains that Bill 42 was introduced, it seriously damaged petroleum development in Saskatchewan to the detriment of all people in this province and not just the oil companies.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — The Government opposite apparently recognized it

was at fault in the oil resource development program in Saskatchewan and the Minister opposite was good enough on November 20th to point out that amendments were being brought in to make all production in Saskatchewan more feasible for the oil companies to give them a little better return and that he said, and I can't quote him here because it's only what I remember, that there would be a flood of drilling rigs come into Saskatchewan as a result of this amendment to Bill 42, and please correct me if I'm mistaken. I believe those were the words you said. However, a flood of drilling rigs! Now had you been accurate on that prediction, I dare say I would not be standing here at this minute speaking on a resolution to entirely repeal Bill 42. I might have been satisfied that the Government opposite had confessed its mistake and taken steps to try and correct the situation.

However, I have here a copy of the December 4th issue from the Calgary Herald and it came more than two weeks after your announcement in this House that the industry had indicated there would be a flood of drilling rigs coming into the province. This article dated December 4th says:

Drilling Activity Picking up Again.

However, it doesn't refer specifically to Saskatchewan. It deals with the three western provinces of British Columbia, Alberta and Saskatchewan. It says:

Drilling contractors are gearing up for what they hope will be one of the best seasons of petroleum exploration in the past two or three years.

To reflect the statements of the Minister of Resources, that's exactly what he said, a flood of drilling rigs will be coming into the province.

MR. WIEBE: — Is that Ed?

MR. McMILLAN: — I don't know his first name. I guess it was the Minister for Regina North West. It was.

Now this is what they said in general about western Canada oil production. Now they speak specifically here about Alberta and we have already realized that oil production in Alberta may have had a temporary slowdown but still continued to increase during the past several years and here is the prediction for this winter in Alberta.

Although all contracts have not yet been let, Mr. Jones, who is the General Manager of the Canadian Association of Oil Well Drilling Contractors states that he estimates Alberta drilling activity will peak at 180 rigs this winter.

That's not a 180 holes, that's a 180 rigs this winter.

Up from 158 rigs in last season's peak in February.

Interesting. That may very well be the case in Alberta and I hope Mr. Jones is correct for the sake of the Alberta people.

Now he goes on to say that:

Last June there were only three rigs active in the Province of British Columbia and another 17 rigs sitting idle. The last time the Canadian Association of Oil Well Drilling Companies was not expecting much work to materialize for those idle rigs. But with better pricing spurring renewed industry interest, then I would also suggest that it is also a change in government that is going to spur renewed interest in oil production. In the northeast part of the province, the number of active rigs this winter is expected to increase to between 25 and 28.

Now that is even before the Socialist Government in B.C. was defeated. They were still looking for an increase in production or at least holes drilled out there.

Twenty rigs are now under contract in British Columbia, five more are moving in from Alberta and two or three may move in shortly. According to Mr. Jones if there had not been provincial government action on pricing, I don't think there would have been any drilling there this winter.

Now we had provincial action with respect to drilling here in Saskatchewan on November 20, as I pointed out. And did it in fact spur this flood of drilling rigs flowing into Saskatchewan? Let me read to you what the head of the Canadian Oil Well Drilling companies said:

Mr. Jones states, in Saskatchewan the drilling industry is expecting a gloomy winter.

This was stated some two weeks after your announcement that we would be expecting a flood, a peak in drilling, historical peak in drilling.

Provincial Government involvement in the petroleum industry has seriously dampened interest there and it is expected that there will be a peak of only five rigs in Saskatchewan.

A flood of five rigs.

MR. WIEBE: — How many was that in Alberta again?

MR. McMILLAN: — 180 rigs in Alberta.

AN HON. MEMBER: — And in Saskatchewan?

MR. McMILLAN: — Five I believe, yes, it says a peak of five.

Now, I suggest that your amendments may have been well intentioned, I would at least hope that.

We stated here in this House, apparently Members in the Opposition did before I became a Member of this House that your legislation was bad legislation when it was introduced. They said slow down, at least let the people of Saskatchewan have a chance to look at it before it's introduced. You didn't. You

went ahead with it and you severely damaged the oil industry directly by your own admission.

You found it politically expedient or at least expedient in some degree to wait until after the provincial election to introduce amendments to it. Members of this House stood and particularly the Member for Regina Lakeview, who is our critic for Mineral Resources, stood and welcomed your announcement of amendments in the oil industry. He said, we were pleased that your Government had decided to take another look at its resource policy in Saskatchewan and hoped that the amendments would spur as you had put it, at least some activity in the oil industry in Saskatchewan of some increased activity.

I would suggest, Mr. Speaker, that in fact the amendment is not going to spur that great flood of drilling rigs into Saskatchewan as I have indicated from the paper. People in the industry don't believe it's going to spur a great flood of drilling rigs in Saskatchewan.

Certainly the people whom I have spoken to from my own area who are involved in the petroleum industry don't see any significant change in activity in Saskatchewan in the coming year.

For that reason we are suggesting to you that even your amendment could not go far enough to undo the damage that Bill 42 had done in Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — We have and are continuing to see statistics from the Federal Government and the Energy Board that state that Saskatchewan and Canada as a whole will be in a severe petroleum shortage by 1980. You've seen all these statistics for 1980 I believe.

We have a responsibility to the citizens of Saskatchewan if not to the citizens of Canada, to try and develop some self-sufficiency in the oil industry and petroleum products.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — You made an announcement today that there had indeed been an interesting discovery in the Estevan area of a light grade crude at the 10,000 foot level. That was good news for all of us in this House. I reflect the sentiments of the Member for Regina Lakeview and the member for Estevan (Mr. Larter) in the hopes that this will prove to be a substantial find in Saskatchewan. However, that drilling was, as was stated by the Member for Regina Lakeview, likely a result of a long range drilling program of some years ago, using the aid of a build up of credits over a number of years.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — We suggest that it is in the best interests of the people of this province to sit down and start over again in your petroleum resource development policies.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — For that reason, I move seconded by the Member for Regina Lakeview (Mr. Malone) Resolution No. 22.

SOME HON. MEMBERS: — Hear, hear!

MR. E. C. MALONE (Regina Lakeview): — Mr. Speaker, I take great pleasure in rising to second the motion of my colleague the Member for Kindersley (Mr. McMillan). I should like to adopt his comments in connection with Bill 42 which he has so eloquently made this evening. It is with a certain sense of déjà vu though, Mr. Speaker, that I rise to speak to this motion. I think it was almost two years to the day, that Bill 42 was passed by this Legislature. It was bitterly fought by the Opposition and it was just as bitterly proposed by the Government and of course, they had their way because of their majority.

AN HON. MEMBER: — . . . they were right.

MR. MALONE: — But I think that . . . well the Member says that they were right. Well let's just take a look at that, Mr. Speaker. If they had been right I don't think we would be speaking on this Bill at this time.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — I say to the Member, Mr. Speaker, that the Bill was bad in December, 1973 and it's worse now.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — But let's go back, Mr. Speaker, and review a little of that history in 1973. The Liberal Party at the time indicated that if the Bill was passed that the private oil industry would leave Saskatchewan. That has come to pass, Mr. Speaker.

We were assured by the Members opposite that even if this did happen a company that became known as Saskoil would step in and take up the slack and that exploration would continue at even a greater rate than it had in the years before. That has not happened either, Mr. Speaker. My colleague the Member for Kindersley gave the facts, the facts are accurate, the Members opposite know they are accurate.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — At the time that Bill was introduced there was a certain feeling that was drummed up by the Members opposite and I think by some members of the public that the idea of the Bill would be to get certain multinational corporations that were supposed to be very unpopular and very bad for the good of Saskatchewan.

Well what's happened to those multinational corporations? Is Exxon losing money? Is Gulf losing money? Is Shell losing money? Just Saskatchewan is losing money, Mr. Speaker.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — Those multinational corporations have not suffered anything, but the people that have suffered, Mr. Speaker, have been the people of Saskatchewan, the taxpayers and those who were most concerned with the oil industry.

What was their answer to that, Mr. Speaker? The oil field technical workers, shortly after this Bill was introduced came to the Government and pointed out just what Bill 42 had done to them. The Government realized, I think, at that time that this side effect was taking place, they didn't, I guess realize it in December, 1973. Did they come in and step off the hard position that they had taken with Bill 42? Did they give some incentive to the oil companies to come back to Saskatchewan and start drilling again? No, they didn't. They passed what has come to be known as the Kim Thorson Relief Act, in a desperate attempt to save the Estevan seat for Mr. Thorson and they offered welfare to these oil field workers.

The only thing that kept these people going through the years was this form of corporate welfare, a welfare they did not want, which they don't want now.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — What these people want, Mr. Speaker, is a healthy and viable oil industry in this province, a healthy and viable oil industry that will help the people of Saskatchewan through tax revenues, that will provide jobs which will provide an income for them.

I wonder how many of the people who were affected in 1973 are still in Estevan and Swift Current and Kindersley and the other oil producing areas. I suggest not many, Mr. Speaker. I suspect there are very few of them left and I suspect it will take a great deal to get them back to Saskatchewan. Not just the little tidbits that the Minister offered in November in his announcement about the new royalties.

Now let's look at those royalty changes the Minister offered. They are very complicated, I concede that. They did some good in that they changed several royalties and replaced them with one royalty. The result of it was that in this province an oil company still has to pay double the tax it would have to pay in the Province of Alberta. Until this Government comes to its senses and realizes that we must be competitive with the Province of Alberta, the private oil industry is not going to return. It is as simple as that.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — Furthermore, Mr. Speaker, they are not going to return while Bill 42 is on the books and I don't think they would even return if the Bill was repealed unless they received an assurance from the Government opposite that in the next four years there would be no similar legislation placed on the books of the Province of Saskatchewan.

AN HON. MEMBER: — Hear, hear!

MR. MALONE: — Yes, I think we have to wait a couple of years for that.

Now, Mr. Speaker, I would fully expect the Minister of Mineral Resources or the Minister, well he's not here, I was going to say the former Minister of Mineral Resources but I guess he's off taking over potash companies, to rise and complain that the reason the oil industry has failed in this province in the last couple of years is because of Ottawa. Well, in anticipation of that argument or those arguments, Mr. Speaker, I'd like to say this.

Ottawa put on the export tax. I'm not so sure I agree with the tax, perhaps if the Members opposite sought in the future to change that tax they may have my support and I speak only for myself, not my colleagues. But remember, Mr. Speaker, that the Premier of Saskatchewan went on a little trip. He went on a little trip to eastern Canada. He went down there and he told everybody how tough he was going to be and how he was going to ensure that Saskatchewan received all the gain from the increase in the oil. He went to universities, he went to service clubs, he went all over eastern Canada saying how tough he was going to be and how Saskatchewan was going to get its fair share.

But that didn't happen, Mr. Speaker. Somewhere along the way the Premier either lost his toughness or didn't realize what the stakes were, or he simply did not have the ability to compete with the people in Ottawa. But whatever happened, Mr. Speaker, he was unable to change Ottawa's position.

So if this Government is going to complain about that tax, I suggest that they had their opportunity to complain about it two years ago and they didn't do a very good job of it. And it ill behoves them now to come and complain about it.

Let's take a look at the other tax that Ottawa imposed, that is the non-deductibility of royalties. This Government knew full well that if it increased the royalties to the stage that it did, Ottawa would have no choice whatsoever but to move in the manner that it did. It was not going to permit this Government to take over a traditional tax that the Government of Ottawa has had for years. There was correspondence from the Prime Minister of Canada to the Premier, stating that this would happen before the royalties were increased. You will recall about a year ago, Mr. Speaker, that after that correspondence had been tabled in the House of Commons in Ottawa by the Prime Minister, that the Premier finally got up and indicated that indeed was the case. Prior to that he had been damning Ottawa in the usual fashion about double crossing him and so on and so forth, we know that didn't happen. We know that is not the case. So before the Government gets up and complains about the moves of Ottawa I think they should examine their own consciences and decide just how those moves came about and what they had to do with them.

Now, my colleague the Member for Kindersley (Mr. McMillan) has given some statistics as to what is happening in Alberta. I think it is fair to say that the oil industry in Alberta is moving ahead and thriving at a pace that it has never known in the past, even in the boom years. It is going so well, in fact, Mr. Speaker, that the Government owned company in Saskatchewan, Saskoil, seems to be having more activity in the Province of

Alberta than it has in the Province of Saskatchewan. That makes sense to me, Mr. Speaker, because if I was running that company I wouldn't drill in Saskatchewan either.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — The function of that company, Mr. Speaker, I understand is to develop the Saskatchewan oil industry, to encourage the Saskatchewan oil industry, to obtain revenues for the Province of Saskatchewan, not for the Province of Alberta. It would be understandable, Mr. Speaker, that if the Government had received a mandate on their oil policy in the last election that they would want to keep continuing with it but I believe the only seat where they were re-elected where there was any oil industry at all was in Lloydminster, the seat of Cutknife, and we haven't seen the Member here since the day the Legislature was called. I'm not sure why he isn't here, maybe he is afraid to come here because of the Government's oil policy.

They lost their two Cabinet Minister in Estevan and in Kindersley and they lost the entire southwest part of the province. It is difficult for one to understand, Mr. Speaker, as to why the Government is so insistent on their policy. The people don't want it, they showed the Government that in the last election where they were most directly affected by their oil policy. The oil companies don't want it and I'm not talking about multinationals, I am talking about the small independent oil operator who has now left the province or is struggling to stay here because it's home. Nobody wants this policy except apparently the Members opposite and again the only reason they want this policy, Mr. Speaker, is because their socialist philosophy dictates to them that they must have it no matter what it does to Saskatchewan.

Now, just before sitting down, Mr. Speaker, I should like to comment about the Minister's statement this afternoon about the new well in the Estevan area. I believe my colleague from Kindersley was correct and I believe I was correct earlier today when I indicated that this well was a result of a long standing commitment by Dome Petroleum. The Minister shakes his head, my information is different than the Minister's. I think I indicated that the change in royalties the Minister announced last month has nothing to do with this decision and I still feel that way, although I am advised by the Minister that there have been some negotiations going on with Dome prior to the announcement that was made by the Minister in November. I am wondering whether any other negotiations are going with any other company. You will recall, Mr. Speaker, that I asked the Minister in Question Period about that and he refused to answer.

But the theme of the whole situation, Mr. Speaker, is that the Minister comes into the House and he makes an announcement today about one oil well. Now indeed it is a different situation, it is a deep well, something we don't have. He comes in and he make an announcement about one well and the possible success of that well two years after Bill 42 was passed. We should have had announcements, Mr. Speaker, of hundreds and hundreds of wells in the past two years. The oil industry in Saskatchewan should be booming here just as it is in the Province of Alberta. The reason it isn't, Mr. Speaker, is because of Bill 42. It will not boom until Bill 42 is repealed, Mr. Speaker.

I take great pleasure in seconding the motion and I will of course be voting for it.

SOME HON. MEMBERS: — Hear, hear!

HON. E. C. WHELAN (Minister of Mineral Resources): — Mr. Speaker, I will have some comments to make on this Resolution. I am very anxious to correct a very large number of errors and inaccuracies and I beg leave to adjourn the debate.

Debate adjourned.

Resolution No. 23 - Rescind Order in Council No. 1505/75 and Amend Certain Northern Acts.

MR. E. ANDERSON (Shaunavon) moved, seconded by Mr. Steuart (Leader of the Opposition):

That this Assembly urges the Government of Saskatchewan to rescind Order in Council No. 1505/75 of October 21, 1975 and further, amend the Department of Northern Saskatchewan Act and The Northern Administration Act, enabling unconditional grants to be made to the municipal corporation of Uranium City, the village of La Ronge and the town of Creighton.

He said: Gentlemen, in speaking to this Resolution . . .

AN HON. MEMBER: — Mr. Speaker.

MR. ANDERSON: — What speaker, Oh, Mr. Speaker, I thought he meant this speaker.

AN HON. MEMBER: — Are you sure you know where you are.

MR. ANDERSON: — At least I'm awake that is more than I can say for . . .

SOME HON. MEMBERS: — Hear, hear!

MR. ANDERSON: — Sell it to Mr. Kramer, he bought the whole story. A good auctioneer.

MR. KRAMER: — On a Point of Privilege, Mr. Speaker, I only wish I was asleep.

MR. ANDERSON: — I think your wish was granted 20 years ago, my friend.

Mr. Speaker, in speaking to the motion to rescind Order in Council that took in the towns of Uranium City and Creighton under the DNS Act, I would say that I understood from the other side that the reason given for this Order in Council was to enable DNS to give grants to these towns. If this is the case

it is another showing of how the NDP Government loves to indulge in the practice to overkill almost. Surely these towns didn't have to be put under the threat with a club held over their head that their administration at any time be taken over by the DNS to give them a grant. In the rest of our province there are per capita grants given to municipal council to towns without the threat being held over them that if you don't agree with how these grants are spent, if we can't tell you where they are going to be spent, we can take over your government from your elected council. The Act, far better if you want to, if your aim is to give grants out, that you amend the Act so you can give the grants in this manner as you do in the rest of the province. Why treat northern towns in a different and discriminatory manner from the rest of the province? This is discrimination of the worst kind. If you say to the people in the North, you are going to be treated differently from the areas in the South, the towns and the municipal areas in the South of this province.

Mr. Speaker, does the DNS have so little regard for the abilities of the mayors and councils in the North that they must hold this threat over their heads before they give them money? Do they have so little feeling, so little trust in the people in the North that they can't treat them as we treat the people in the rest of the province?

It is also interesting to note what utter disregard this Government has for the people of the North. This Order in Council was passed without consulting any of the mayors or any of the town councils of these three towns concerned. It was never mentioned to them. I talked to the mayors and councils of these towns and they hadn't heard of it, they hadn't been asked. They had met with DNS since the Order in Council of the 21st but never heard it mentioned. It certainly shows utter contempt almost for the abilities and intelligence of these people to do this.

I wonder if they didn't consult with these councils because they knew that the councils themselves would violently disagree with such action. I think you will find the proof of this in the fact that when the DNS was originally set up they petitioned to be excluded from the Act. They petitioned and they were granted, they were lifted from under the DNS Act because the Act is very encompassing. It operates under the Department of Northern Saskatchewan or the Northern Administration Act. The DNS now under this Order in Council can say to these towns, we'll tell you how much tax to collect, where you are going to spend it, how your education system is going to be run, how your welfare system is going to be paid. It is very untruthful just to say that you are doing this just to give a few dollars out to them.

MISS CLIFFORD: — They don't ask them?

MR. ANDERSON: — No, they don't ask the people. Flagrant disregard. Well, putting these towns under the Act in this manner smacks very much of the old colonialism, the old imperial empires of France and England where they went down and they said to the natives, we'll tell you what to do and we'll give you the money. Now this is exactly what you are telling these people, we'll give you a grant but we will tell you how to spend it because you are not quite smart enough. That's what

you have told them. The aim for which DNS was set up, the great aims, was that they were going to have close co-operation and consultation with the northern people so why didn't you consult with the people up there, the mayors and why not consult with the councillors. This is the aim of the DNS, to provide this consultation. You have a deputy minister and the Minister of DNS sitting a block from the Mayor in La Ronge with not enough gumption or guts to walk down and talk to him, to tell him you are going to take him over.

SOME HON. MEMBERS: — Hear, hear!

MR. ANDERSON: — Or were you afraid you would have a riot up there if they knew what you were doing down here in Regina? But you have your Ministers up there, you sent them there, you put all the civil servants there so you could consult.

AN HON. MEMBER: — They consult each other.

MR. ANDERSON: — You like that, do you . . . Well, it is better than sitting there sleeping, chewing gum and mumbling in your throat and never making a speech on anything.

SOME HON. MEMBERS: — Hear, hear!

MR. ANDERSON: — This Order in Council certainly destroys the charade that was set up under DNS, the charade that they said they were trying for closer co-operation. They were going to give the people of the North a larger voice in their destiny.

MR. McNEILL: — Have you ever been up North?

MR. ANDERSON: — Certainly, have you? Have you? I used to work in the bush there, up in the North. Have you ever done that? Good. So knowing these people, and living and working with these people, you would show this disregard, I would be ashamed to say you'd been up North and seen those people and then allow this Order in Council to go through. You should be ashamed, I wouldn't even brag about being up North.

SOME HON. MEMBERS: — Hear, hear!

MR. ANDERSON: — That's all the regard you have got for the people in the North, my friend, after being up there.

Many guises and ruses have been used by this Government to gain control over the people of this province and this Order in Council is one of the most recent and most blatantly used. You find the NDP use a very neat psychology when they wish to take over the control over the people of this province. They always bait their trap very effectively, be it potash or whatever. You notice this one, the bait is very sweet, they say, we'll give you some money. But in doing that they put a club over your head. If you act up a little, if you don't vote the way we want you to, if you don't, just walk the line. They didn't say they wouldn't put the potash headquarters in La Ronge, but they said if you don't straighten up in La Ronge we can take you over under this Act.

Therefore, Mr. Speaker, I ask all Members to support this motion. I now move this Resolution.

SOME HON. MEMBERS: — Hear, hear!

MR. D. G. STEUART (Leader of the Opposition): Mr. Speaker, I support this motion which arose as a result of an Order in Council and it came to our attention, placing the village of La Ronge, the town of Creighton and the municipal area, the town area of Uranium City, under the power given to the Minister in The Department of Northern Saskatchewan Act and Northern Administration Act. When we raised the question, and the Minister is unfortunately not in his place tonight, he gave us the most unbelievable answer. First, he actually didn't seem to be aware or pretended he wasn't aware that this had actually happened. And then to sort of cover up, he said, well, we don't really intend this to happen we are just doing it so that we can grant these people some money and we won't use the powers. He said they wouldn't use all the powers, he said that they wouldn't take over the administration of these urban areas unless the mayor or the councils of La Ronge, Creighton and Uranium City passed a resolution requesting the Department of Northern Saskatchewan to take over their administration.

Well now to begin with there are a great many other powers than just taking over the administration of the work of the council involved and given to the Minister under The Department of Northern Saskatchewan Act. Just read the pertinent Section: Powers of the Minister.

The Minister may provide for the investigation, planning, promotion, implementation, co-ordination of measures to foster and advance the social and economic development of persons resident in the area or areas of the province mentioned in Section 6. (2) Without limiting the generalities of subsection (1), the Minister may provide assistance to such persons in matters of health, education and social services; (b) agriculture and improvements of diversification; (c) local administration

That is the only one he mentioned.

and industrial development.

Duties of the Department. (The Department is given further powers) The Department will take such measures as the Minister may deem advisable or it may be required by the Lieutenant-Governor-in-Council to assist any person or class of persons who are engaged in any program tending to benefit the person resident of the area or areas of the province mentioned, Section 6.

The Department shall exercise the powers conferred and perform the duties and functions imposed by the law of the Northern Saskatchewan Administration District and in such other areas or areas of the province that the Lieutenant-Governor-in-Council may designate from time to time.

Now, he doesn't mention the other sweeping powers that are given to both the Department and himself as the Minister. But I want to . . .

MR. SNYDER: — Capital punishment.

MR. STEUART: — Well, I think if you took a vote out there they might vote for capital punishment and that it be imposed on some of the Ministers and particularly the Minister in this case. However, when this Bill was passed, we stated then that under Section 6, called The Area of Jurisdiction, that by a stroke of the pen we said, that by a stroke of the pen, that by a Cabinet meeting held any time by the Government, they could take in any area of the province. Might we use the example, they could take in Estevan. We said then they could take in Uranium City, they could take in La Ronge or Creighton, but we were given the great assurance at that time they never intended to. They said, we need these wise powers to deal with the unorganized area in Northern Saskatchewan. We maintained then, and we still do that they do not need these powers for any part of the northern administration district. They gave themselves far more power than they needed to do whatever they wanted to do in any kind of program in northern Saskatchewan.

They stand up and say you are against development in the North. You want to do away with development in the North. Of course this is the shoddiest, cheapest kind of nonsense. To begin with in spite of the fact that they have thrown millions and millions of dollars at the problems in northern Saskatchewan, they have done little or nothing to solve the problems to get to the root of the problems, little or nothing.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — If you go into northern Saskatchewan and I have been there many times, you will find the native people are still 99 per cent of them living in shacks. The same kind of shacks they have had for years. If you go into northern Saskatchewan you find the only people who have improved their standards of living to any degree are the white southern bureaucrats they sent in there to tell those people how to live and how to carry on in their lives. You find, for example, that assistant Deputy Ministers are living in homes worth \$20,000 or \$30,000 or \$40,000. You find that high paid member of the staff of the Department of Northern Saskatchewan being paid \$15,000, \$16,000, \$18,000, \$20,000 to \$25,000 are actually living in very cheap homes subsidized by the people of Saskatchewan, subsidized by the very people they are supposed to be helping who are still living in abject poverty without hope, thanks to the lack of efforts by the Government opposite.

What is the answer? What is the final answer up there? Of course it is difficult, no one questions that. But surely the answer has got to be to get some kind of development there so that they can have jobs. Surely that has got to be the answer. And yet, if you study the record, of the NDP Government in the best times this province had, no thanks to them, but with more money, more people knocking on our door to develop Saskatchewan and especially northern Saskatchewan. You find there was a copper mine, it is gone; you will find that fishing is down; you find the uranium mine that was started under our government is being run out of the province; you find that development of the uranium industry in Uranium City faces a very bleak future and is being questioned now by the Eldorado Mining Company. You find that Gulf Minerals that is in there and again has some hope

to give jobs to some of the native people, where do you find that situation. They are now re-examining the whole situation in light of the threats of super taxation of this Government and there may be an eventual takeover as is faced by the potash industry. There isn't one new single industry, not one job producing industry of any description that has been put in the North in the last four years.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — In spite of the fact that they have spent millions and millions of dollars, for that I give them credit, they certainly haven't held back in spending money. But 90 per cent of the money - very little of it has trickled down to the people that need the help. Ninety per cent of it has gone for buildings, staff, people flying all over the North. The aircraft companies up there never had it so good. Whom are they flying around? They are flying around high priced bureaucrats, they fly into one settlement and fly out again, fly into another and fly out. Then they are down here in Regina for a meeting, then up to Prince Albert. A waste of funds, the hypocrisy of the Government on the other side and the waste of funds is an absolute disgrace because so little of it is getting down to help the people of northern Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — It is interesting why they made the fantastic effort to win those two seats. One of the great embarrassments of the old CCF Government . . .

MR. SNYDER: — What has that got to do with this Resolution?

MR. STEUART: — I'll tell you what it has got to do, Mr. Minister, if you just sit here and listen.

One of the great embarrassments of the old CCF Government was that they could never win the North. So when they came to power the first thing they did when they handed over the rest of the province to a so-called independent, and maybe it was an independent commission to re-establish the boundaries of the constituencies. Very interesting and it has generally been missed by those bleeding hearts who point to what we did and what the old CCF did and what the Conservatives did in the way of gerrymandering. I make no apologies for the fact that governments until they put in the independent commission, every government that ever held power set the boundaries to suit their own political ends. I say that went on with the old CCF, it went on with the Liberals and it went on with the Conservatives.

MR. ROLFES: — You're admitting . . .

MR. STEUART: — So how come these sanctimonious people on the other side . . . and the most sanctimonious is that half-baked teacher from Saskatoon who should have been defeated and will be defeated in the next election.

We used to hear arguments about the pupil-teacher ratio. I looked at Herman Rolfes, and I said, they are right, we should reduce the pupil-teacher ratio to one on one if they have many teachers like him, because the more pupils you give him, the more kids he is going to louse up for their future lives.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Let me say this, very sanctimonious, they took over and said they will have an independent redistribution. What did they do? They divided almost half the province and they said to that commission, you can't touch that part because we are going to fix it up. Then they flooded in the civil servants and they flooded in the money. Then they used the old power, the power of threat, the power of money, they used the power of literally, government bribes. They finally won those two seats. It wasn't much of an accomplishment, they bought those two seats. They used every threat in the book to get those two seats. I predict that their victory will be very short lived. I predict that the two Members for northern Saskatchewan are going to be one-termers in this House, if we ever saw a pair of one-termers.

Mr. Speaker, back for a moment to this Resolution.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — The Minister said they wouldn't use these powers. I should like the Attorney General to answer this question, and I mean it quite sincerely. Once they put that Order in Council through they immediately and they have the right in the law and it states that right in the DNS, The Department of Northern Saskatchewan Act. Once they pass that Order in Council and have published it in the Gazette, the geographical areas encompassing La Ronge and Creighton and Uranium City now fall under this Act. I can't find anything in the Act that says the administration of those towns will not be carried on by the DNS. I can find nothing in the Act that says they will not be carried on unless the council passes a resolution. I question, and I really mean this, Mr. Attorney General, I would like you to look into this and tell this House that if this is not true, fine, but if it is true, then I question what happens when the village council of La Ronge, the town council of Creighton and the municipality of Uranium City passes bylaws as they do and have the right to do? Those bylaws sometimes have to do with money and sometimes they might have to do with the raising of funds, setting tax levels, setting assessments and so on. I question seriously the validity of the actions of those town councils now that this particular Order in Council has been passed. It may well turn out to be that although what the Minister says, maybe sincerely, maybe he doesn't intend to move in and take over the administration of those urban areas. Maybe he intends to leave them working with, co-operation with the Department of Municipal Affairs. But I would like someone, the Minister - he is not here - the Attorney General to give us that assurance. I can tell you that the mayor and the council of those three areas want the same kind of assurance. They want to know exactly where they stand and they don't know that today.

The Member for Shaunavon who introduced this Resolution, I think, brought out a point that is very valid. To begin with there was no consultation and this is unbelievable that any

government could by the stroke of the pen take away all the powers or move all the powers from a duly elected local government and then use the lame excuse that they want to help them with some financing and yet admit that they haven't even talked it over with them. They have talked over what they intended to do, they haven't talked over the aspects, they have not talked over what might result from this act that the Government has perpetrated on these northern areas.

But what is even worse, and the Member for Shaunavon alluded to it, is the threat that hangs over these three urban areas. At any time they can be called - the powers of those councils can be absolutely wiped out and they don't even need to have a Cabinet meeting for it. Ted Bowerman goes up North and decides that he doesn't like what La Ronge is doing, he doesn't like what the town of Creighton is doing. If they happen to speak out like the Board of Trade or the Mayor of Saskatoon, against some of the abuses of power, that they may feel of this Government, Ted Bowerman can walk in or his Deputy Minister and just say you are finished. You don't have to come to the council, they don't have to come to the Cabinet, they don't have to go to anybody. That threat is now hanging over the three urban areas in northern Saskatchewan and they are aware of this, they are angered and they don't like it.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — You know very little changes from the old CCF to the new so-called NDP Government. For years the North was ruled by the Department of Natural Resources. At that time the now Minister of Highways was one of those Ministers. I can tell you that there was never a more dictatorial Minister who ever ruled with such an iron hand over the North than the present Minister of Highways when he was in the Department of Natural Resources. As a matter of fact the feeling against the DNR was so strong and so deep in northern Saskatchewan that was the basic reason why they could never win an election up there.

I tell you that the only difference between the old DNR and the present DNS is the Minister and the several millions of dollars flooding up there. But the threat - and the threats are far worse - because not only do they have it from the present Minister, but they have got it from the largest group of power hungry bureaucrats that ever subject a people. You talk about colonization, you just go North and really talk to those people. They fear the DNS, they fear this Government. They are into every aspect of their lives. Most of them are on the payroll in one way or another. If the Government flicks its finger, people in northern Saskatchewan are out of business. They are doing this to all kinds of people in the fly-in camp business, they are putting them out of business right now. If any merchant, if any person who is in the flying business or any person who in the oil business, any person in the hotel business or café business, you name it, if they dare to cross the DNS they are out of business.

I can tell you if we go up to hold political meetings there, I am sure if the Conservatives hold political meetings our Members are afraid to show up because your people . . . and that mouthy one in the back would be just the kind of a guy if they ever sent him up there that would make a perfect bureaucrat, he knows nothing but he has got that instinct for power to put people under his thumb.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — I can tell you, you may pride yourself and you can sneer and giggle and laugh, you may pride yourself on being a democratic government, your actions in northern Saskatchewan are a disgrace for any government that calls itself democratic or open. You rule by fear up there, there is no question about it. You stand up and say, look at the number of people we got off the social welfare roll. What a pile of garbage. You have taken them off the welfare rolls, you have just put another name on it. They are now working for the Government. They are now getting a government handout only in a different form.

MR. ROLES: — That won't get you anywhere Dave.

MR. STEUART: — Oh yes, it will get me somewhere, Herman. It will get you, it will get most of you over on that side if you keep it up.

If it wasn't for my deep feelings for the people in the North I would hope that you would keep it up. We are trying to bring you to your senses, we are trying to save you. As a matter of fact our best interest would be to let you do what you are doing. If you keep on doing it you will be run out of there and the rest of this province.

I am saying to you those people up there are helpless. They haven't got the resources that people in the South can turn to for some kind of help. There is only one government up there. There is no other department. If you cross the DNS in northern Saskatchewan you are finished. In southern Saskatchewan you might fall out with the Department of Highways, you might have an argument with the Department of Health, you might be at cross purposes with the Department of Education, okay it might be a problem. But all the other departments probably don't know you exist, you're not touched. But up in northern Saskatchewan the DNS is the be-all and end-all, it is everything. It is all the power.

You look in that Act, you look at what goes on and they have absolute dictatorial power over everybody who is up there. You can put them out of business with a stroke of a pen. You can set up a competitor. You can do anything you want. Let's recognize when any government gives itself that kind of power, no matter what the cause is, no matter how good the cause, and I don't say that they haven't tried to do some good up there or that they haven't spent a lot of money, but I am saying to you, go and have an honest look. Your elected people - go and take an honest look at what those bureaucrats are doing that you have hired in your name. If you take an honest look as we have done, you will find some of those people up there are dedicated civil servants, especially the ones who have been there for years. You will find some of the new ones are dedicated civil servants. You will also find that a great many of the new ones have built their own little empires and they are keeping those people under their thumb. For what? For their own ego! You will find that they are not in any way carrying out the programs as you people lay them out in this Legislative Assembly or lay them out to the people of the province.

What we are saying really in this Resolution is we are asking you to take a hard look and there is another resolution along the same line. We are asking you to find some other way immediately to help those northern communities without taking on this fantastic amount of power over their everyday lives.

If you want to help Creighton, if you want to help La Ronge, if you want to help Uranium City, good. They need help and I am sure they would welcome it. But I am equally sure that they are extremely disturbed and extremely concerned about this bulldozing method, this shotgun method you are using to give them help by hanging this threat over their heads. Any power of the local people who were elected up there by the local people can be wiped out by the stroke of a pen.

So, Mr. Speaker, I urge the Members opposite for once to bury their bias and take an honest look at what is happening, and take an honest look at that Order in Council, read the Act and then see if you really aren't as concerned as any other person would be about the powers that those frontbenchers have given themselves. Maybe they have done it with good intentions, but no matter what the intentions are that is what they have done. I ask you to look into it and I am sure if you did that most of you would support this Resolution.

HON. R. ROMANOW (Attorney General): — Mr. Speaker, I will be very brief before asking leave of the House to adjourn this motion. Just simply to comment that for some of the new Members of this House you will not have heard this speech before. You will accordingly forgive those of us who have heard it for about the fiftieth time in the last one or two years from the Leader of the Opposition, if we fail to respond as much as we should with the same sort of vigor and vitality that we normally respond to on a resolution.

I want to tell the Conservatives and some of the new freshmen Liberal MLAs that this is the same old speech from the Leader of the Opposition. In fact I should say same old speeches, because I was surprised to see the relatively new Member from the newer than brand new look Liberals take the same line - fear, Communism, everybody is afraid for their livelihood, Mr. Bowerman is the Tsar of the North and so forth. I really say to the Legislature and to the people of the Province of Saskatchewan that I don't think there's very much need to rebut that type of a speech yet again because it would mean that I'm making the rebuttal speech for the fiftieth time. I would say that no government in the last two or three year period has done more for housing, has done more for schools and for hospitals, and yes, more for local government in northern Saskatchewan than the Department of Northern Saskatchewan and this Government of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. ROMANOW: — Yes, there have been many mistakes. You can't try to set about a new way of life for an area of the province that has been for years ignored by all governments, and there will be some difficulties with Orders in Council or others, although I don't admit that to be the case in this Order in Council. But to listen to the Liberal Party and their speech about DNS, simply underlines the point that I make again, that the Liberal Party in Saskatchewan simply has no credibility. Certainly not with the

people of the North and certainly not with the people of Saskatchewan, because as I have said, it's the same old speech, same old position of the Liberal Party. One time they were going to do away with DNS, now they are for it, so they say. Same old speech, and I want to even tell the Member for Maple Creek (Mr. Stodalka) the same old predictions. Predictions that the Member for Saskatoon Buena Vista (Mr. Rolfes) would be gone after the last election, 1975, and I just want to tell the Member for Maple Creek that there is only one prediction that was right and that was the prediction that we made and that was that both Liberals would lose in the two northern seats as a result of the last election. And so the proof of the pudding, I would tell the new Members of the House, both Liberal and Conservative, it is not the old clichés and the worn out positions of the Liberal Party, lost battles of lost years, by lost people on the northern Saskatchewan issue - that's not the issue, don't be concerned about that, the proof of the pudding is in the elections. The people of the province in northern Saskatchewan chose two New Democratic Party MLA candidates as a result of the actions of DNS and that my friends and Members of this House speaks far louder than any words of the Leader of the Opposition or any Member for Shaunavon constituency.

SOME HON. MEMBERS: — Hear, hear!

MR. ROMANOW: — Now the Leader does raise one point with respect to the question of the legality of some aspects of the Order in Council, which I'm sure that the Member for northern Saskatchewan will want to address his mind to specifically, that is the one point in the speech that perhaps might have a fresh angle to it, and since the Minister is not here I beg leave to adjourn the debate.

MR. MALONE: — Mr. Speaker, would the Attorney General permit a question before he takes his seat and perhaps test his credibility as Attorney General since he is questioning our credibility?

MR. ROMANOW: — Fire away!

MR. MALONE: — The Member for Prince Albert-Duck Lake (Mr. Steuart) raises a very good point, Mr. Attorney General, which you, I think, finally realized. By passing this Order in Council, whether you intended on doing so or not, you took away the right of the villages of Creighton, La Ronge and Uranium City to govern their own affairs. Now my question to you; have you considered this? It has been raised in this House before, have you considered it, and what is your considered opinion as to whether or not this is true?

MR. ROMANOW: — In have indeed considered it. I believe that the Minister of Northern Saskatchewan will want to talk at length about this, because I don't think it's a matter which has a simple or easy answer. While I am on my feet, I just simply want to say that the Leader of the Opposition for example, says everybody is afraid and opposed to this and I have here my good old friend, the Saskatoon Star-Phoenix from which I get a very good press from time to time, and I note that the Uranium City mayor David Spence says, according to this reliable newspaper, that, "We have done some investigation and there appears to be nothing

out of the order except the matter of correcting legal jurisdiction for money DNS has already spent," he said, and that's the position I take. That is on Friday, December 12, 1975.

SOME HON. MEMBERS: — Hear, hear!

Debate adjourned.

Resolution No. 24 - Use of Public Money to Carry on Potash Campaign in the News Media

MR. E. C. MALONE (Regina Lakeview) moved, seconded by Mr. Stodalka (Maple Creek):

That this Assembly deplores the use of public money by the Government of Saskatchewan to carry on in the news media of Saskatchewan what is essentially a political campaign, and an effort to manipulate people's thoughts in support of the takeover of the potash mines in the province.

He said: Mr. Speaker, it's with a great deal of regret that I rise to speak to this Resolution, mainly because I regret that it's necessary to put such a resolution on the Order Paper, and also because I can't think of a stronger word that 'deplore' to say how much contempt I have for the action of this Government in using the people's money to try to brainwash the people.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — The Government advertising campaign in recent weeks, especially since the Speech from the Throne, insofar as it concerns Saskatchewan minerals, potash and other industry or resource related advertising, is nothing more than an attempt to brainwash the people to come around to the Government's way of thinking. I think there is one thing that can be said for the advertising, Mr. Speaker, and it's this. I think it can be considered by all people in the Province of Saskatchewan as an admission by this Government that it had no mandate whatsoever to take the actions that they propose to take against the potash companies. For if they did, the advertising surely would not be necessary. For if they had done the moral and proper thing and gone to the people in June, with this as part of their platform, and explained to the people of Saskatchewan just what the situation was, they would not be needing now to advertise and try and sell their argument in this manner. In fact, Mr. Speaker, even if the Government allowed for public hearings as we have requested, or would indeed even allow for a committee of the Legislature to hold public hearings, this advertising would not be necessary. I say once again, Mr. Speaker, that this Government is afraid to let the people speak out on this and they are trying at this time to do their utmost to twist and use the leverage and muscle of government to get their message across, the message that is one-sided and a message that I believe is false.

I don't think, Mr. Speaker, that any other government in Canada, be it provincial or federal, has ever taken steps of this nature. The example that comes to mind immediately is the fact that the Government of Canada now has some very controversial legislation that it is proposing dealing with inflation. The

Government of Canada has risen in the House of Commons, or the Members of the Government have risen in the House of Commons, time and again in the last few weeks to explain that legislation. They have gone across the country trying to explain that legislation. But I cannot recall seeing an ad on radio, TV or in the newspaper, nor have they tried to use the money of the people of Canada to try and sell their side of the story. At least the Members of the Government of Canada, Mr. Speaker, have had the courage to stand up in the House of Commons and state their views, which is more than can be said for the Minister of Finance (Mr. Smishek), which is more than can be said for the Minister in charge of the Potash Corporation of Saskatchewan (Mr. Cowley). These Ministers have yet to enter this debate, and I predict, Mr. Speaker, that unless something happens within the next day or so we will not hear from them.

Now the Government will no doubt get up to try to justify this advertising. I suppose the Attorney General or somebody like him will do it. I think it should be borne in mind, Mr. Speaker, that while they are trying to justify the thousands of dollars that are being spent, the same time they are doing that, they are condemning other people of spending their own money, that is Boards of Trade and potash companies to try to tell their side of the story.

I don't think the Attorney General really believed what the reaction was going to be when he made his famous speech now about Saskatoon and the head office of the Potash Corporation. He tried to extricate himself today from the remarks that he made, but the hole got deeper and deeper and deeper as he kept talking.

That, Mr. Speaker, is the headline that resulted from the Attorney General's comments in the Star-Phoenix, "Potash Opposition Brings Threat of Reprisal". The threat of reprisal, Mr. Speaker, was made by the Attorney General. Now I would ask the Members opposite to consider the Attorney General's remarks in this light, and consider when he justifies your advertising how he has been condemning the advertising of others which at least is not paid for with the taxpayers' money.

Mr. Speaker, it's always interesting you know when you are getting to the Attorney General because he starts yapping and yapping. My advice to him is to wipe off his tongue and let it rest for awhile.

Now, Mr. Speaker, if the advertising that was in the newspaper was in any way correct, or in any way told the full story, there may be some excuse for it. But in the ads I have seen and the ads that I have heard, I have seen no mention whatsoever of the risk involved in this potash takeover; I have seen no mention whatsoever about the cost - possible cost of \$1 billion; I have seen no mention of assurance of the markets in the future; all I've seen, Mr. Speaker, are innuendos and slanders of the potash companies. I have seen no mention of the potash companies' proper defence of their position, nothing whatsoever. Mr. Speaker, if this type of advertising is to continue I would at least ask the Government opposite to be fair and at least to give to the Opposition parties a similar amount of money that they are spending for this type of advertising so that at least both sides of the story can be told.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — So that at least the people will have a choice as to whom they are going to believe, so that at least the people will know all of the story and not just the story that is being told by the Attorney General and his colleagues opposite.

So, Mr. Speaker, with these few remarks, I move, seconded by the Member for Maple Creek (Mr. Stodalka) accordingly.

SOME HON. MEMBERS: — Hear, hear!

HON. E. L. COWLEY (Provincial Secretary): — Well, Mr. Speaker, I listened with some interest to the comments of the Member for Regina Lakeview. I know that when he started out he said that it was with regret that he rose to speak and it was certainly understandable when one had to listen to his speech. I listened with some regret. I listened with some interest to some of the points the Member for Regina Lakeview mentioned. He made quite a bit about something about a mandate that he felt this Government might not have for this particular policy. And he used the example, liberally throughout his speech, of the Federal Government. Now I find it difficult to see how any Liberal could talk about mandates and the Federal Government in the same breath.

It seems to me that the Federal Government which we have in Ottawa now, which has just introduced wage and price controls, not only doesn't have a mandate for it, but was elected basically on the argument that they wouldn't do it.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — I don't recall the Members opposite suggesting to the Prime Minister in any of their speeches that there should be a six month hoist there or a special parliamentary committee, or whatever, to consider wage and price controls or even indeed as the Member for Nipawin (Mr. Collver) suggested that there might be an election called on that particular question, although that would be an interesting experience to watch the Conservatives and the Liberals change positions with such regularity as they do, it being of no difference to them which side of the same fence they stand on.

Mr. Speaker, I listened to the Member's comments about the ads being put out now by Sask Minerals and I suppose and I can understand why he is irritated about hearing about the success of a particular Crown corporation. I don't know why it should be unusual that a Crown corporation would advertise and in that advertisement indicate the financial success of that particular Crown corporation, and I can understand why a Member who is basically opposed to Crown corporations would feel that that kind of advertising should not be allowed because it might give another side of the story.

Mr. Speaker, he also spent some time mentioning some Members who spent not too much time debating certain legislation and he mentioned Trudeau and the Federal Government and how much the Prime Minister has spoken and supported wage and price controls. I suggest to the Hon. Member that if he checked I doubt if there is any Member on this side of the House who has spoken less on any bill before this House than the Prime Minister has within the

House of Commons on the question of wage and price controls. I suggest to the Hon. Member that the Minister of Finance undoubtedly, with respect to potash, spent more time on it in the Throne Speech than the Prime Minister has within the House of Commons on wage and price controls in all the debates since they have been introduced.

Mr. Speaker, the Member also said that if told the whole story that perhaps it would be worth it, and he seems to suggest that we haven't told all the things we should in the various advertisements that have been carried in the newspapers. I can only say to the Member opposite that we will certainly try to correct that in the future with some further advertisements to tell the rest of the story as well.

Mr. Speaker, he mentioned a little comment about giving the Opposition parties the same amount of money. Well I have been noticing a fair amount of advertising with respect to the potash question in the various newspapers. I noted for example that there is one group, a Concerned Citizens' Committee, some group out of Toronto, who are advertising. They have left shoes or right shoes, both for the same foot and they are spending some of their money out of Toronto to convince the people of Saskatchewan . . .

AN HON. MEMBER: — It's their money!

MR. COWLEY: — That's right, it's their money. Whoever they are, Mr. Speaker, they obviously are not proud enough of whatever they are saying to put their names on it. I notice another group in Saskatoon doing the same thing. Well, I think, Mr. Speaker, the name Government of Saskatchewan is prominently displayed in its ads. I think most people in this province know who the Government of Saskatchewan is. I noticed another group advertising, the Saskatoon Board of Trade.

AN HON. MEMBER: — Whose money are they using?

MR. COWLEY: — Well that's an interesting question. There are some people who suggest that it's the Board of Trade's money and there are other people who suggest it's not the Board of Trade's money, that it is some other people putting up the money. I don't know whose money it is, Mr. Speaker.

I looked at those ads, Mr. Speaker, with some interest, it may be pure coincidence and I don't want to suggest any more, but they were very similar to some ads that we saw five or six months ago in this province.

AN HON. MEMBER: — Whose ads?

MR. COWLEY: — Those ads of the Board of Trade, those ads with the cartoons. I think, but I am not sure, that they had the same cartoonist. I can't be sure of that, the same initials scattered on them, maybe pure coincidence, nothing more. They may have had the same advertising agency, but I can suggest nothing more than pure coincidence, happened to have the same line . . .

MR. SPEAKER: — Order! I don't want to interrupt the Member, but it is 9:30.

MR. ROMANOW: — Mr. Speaker, there was an informal agreement, to which Mr. Speaker was not a party, to stop the clock for 20 minutes. We beg your indulgence.

MR. COWLEY: — Well, Mr. Speaker, as I was saying, the ads look very familiar.

They took the same line as the potash industries have taken in their ads, they took the same lines surprisingly as the official Opposition has taken. I don't know whether they have taken the same line as the Members of the Conservative Party, I haven't concluded what that line is yet. I am sure one of these days we'll all be enlightened. Mr. Speaker, one wonders if the Members opposite have not already undertaken some advertising under the guise of some other name, be it concerned citizens, or some other group.

I feel strongly that any government has a duty and the responsibility to explain to the public it serves, the reasons and the many facets of any program it introduces or any action it undertakes. The people of this province have the right to know, not only the view of the corporation, not only the view of the Board of Trade, not only the view of the concerned citizens of Toronto, but they have a right to know why their government decided to acquire the controlling interest in the potash industry. It is a duty of this Government to ensure that the necessary information is made available to the public in a most accessible and the most effective manner.

MR. MALONE: — Everyone . . .

MR. COWLEY: — Well, the Member for Lakeview, I remember him saying just a moment ago, you can always tell when you are getting to someone. I certainly seem to be getting to a lot more than one over there.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Mr. Speaker, I think there are few people in today's society who would deny that one of the more effective methods of disseminating information is through the media, whether it be the print media or the electronic media. When this Government introduced the Family Income Plan, which some Members may be familiar with, we publicized the program. We wanted everybody who was eligible to be able to apply for it. When we brought in the Saskatchewan Aids to Independent Living program, commonly called SAIL, we publicized the fact. When we brought in the hearing aid plan, we publicized the plan. All used by the people, just as the benefits from the potash industry will be used by the people.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Mr. Speaker, it was our duty to publicize those plans. It was our duty to ensure that the public was able to take advantage of those programs. It does not seem to me to be wrong for a government to spend a very small sum of money to let the public know exactly how it is handling the affairs of

the province. If a government were to operate in isolation, as the Resolution would suggest, it would be unable to look at its programs, it would become alienated from the people and indeed the people might become and would become alienated from their government.

Mr. Speaker, with these comments in mind, I move, seconded by the Hon. Paul Mostoway, the Member for Saskatoon Centre, that Resolution No. 24 be amended as follows:

That all the words after the word "Assembly" be deleted and the following substituted therefor:

commends the Government of Saskatchewan for providing the people of this province with information concerning the programs, activities and policies of their Government and thereby creating an aware public and an atmosphere conducive to responsible government.

MR. MERCHANT: — Would the Hon. Member permit a question?

Mr. Speaker, it is a great joy to Members on this side of the House to find out that that Minister can speak.

AN HON. MEMBER: — What's the question?

MR. MERCHANT: — I am just gently in the prologue which sets the question well. We discovered today that the Minister knows some details about where furniture was purchased. I wondered if the Minister now knows how much money has been spent on the campaign to date and can indicate to the people of this province, and the Press how much has been spent, and what is anticipated will be spent in the future?

MR. COWLEY: — Well, Mr. Speaker, I appreciated the member's few comments that he prefaced his question with, although they were entirely unrelated. I want to say that the amount of money spent to date is Nil, which would not surprise the Member, as we have not been billed for it as far as I know. With respect to the amount of the campaign, the estimate I have is that it would be in the order of \$55,000 all told.

The debate continues on the motion and the amendment.

MR. W. H. STODALKA (Maple Creek): — I would like to thank the Hon. Minister for finally revealing the figure that we have been trying to get for potash advertising. I noticed earlier in Saskatoon he had referred to it as an insignificant amount. In my particular books \$55,000 is certainly significant and seeing that there is going to be even more advertising done in this particular program, I wonder if it isn't going to exceed \$55,000 by a considerable amount.

In listening to the remarks, my main criticism is the type of advertising is really full of half truths, filled with insinuations and innuendoes. After listening to the Minister I was more convinced as to why these innuendoes and insinuations are in the advertising. For instance, his reference to the advertisement coming out of Saskatoon. I think that anybody who lives in Saskatoon and is acquainted with the area do know

that the Saskatchewan Liberal metro-council in Saskatoon spent their own money in circulating some of the homes. I am sure the Hon. Attorney General knows about that. The insinuation that seemed to come across the floor was that Liberal money was involved in the Saskatoon Board of Trade, was highly unfair. Evidence of that is the fact that they paid for their own advertising.

I feel there is a questionable morality and half truths, when I read some of these particular advertisements. The one for instance says, "The market is there." Certainly the statement is made and the implication is and the insinuation is that this market is going to be available to Saskatchewan people. We really don't know that, I think that has been established. How can you guarantee that a market that other companies have had is going to be brought back here to Saskatchewan?

Again, moving along, I see, "Our reputation is good." There is an insinuation here about the amount of money you can borrow. What bothered me in reading this, is that you make a statement that the amount is going to be paid back through the revenue from the resources. This, of course, is not fact, it is a possibility, but the tone of the advertisement seems to indicate that this is fact. As you go through these two advertisements, the one "head office Saskatchewan", the same trend emerges in each and every one of them. I think certainly it is an attempt to make people and to persuade people to the government position by really not being completely truthful.

The one particular advertisement that really annoyed me, was the one about Saskatchewan Minerals. As I was driving along in my car one morning, I listened to the number of jobs that were created through Saskatchewan Minerals and the amount of money that was contributed to the Provincial Treasury. I couldn't understand which market they were appealing to. Saskatchewan Minerals, of course, produces sodium sulphate, and certainly the people of Saskatchewan are not purchasing the sodium sulphate. What was the intention? Again I think, what bothered me most, is that it was a deliberate attempt of advertising in a rather informal way. But it seemed deceitful. I just don't think that this is a correct way, if you are going to advertise, come out and be factual and be straightforward with it.

As I said I didn't have much to say when I started in this particular debate. But in the advertising, we have heard the Government's position and we have heard the potash companies' position. People of Saskatchewan have had an ample opportunity to see and to listen to both of them. Again, I have the same feeling as our Whip, that really it is quite unfair to other people when there is a third side to the story and that is our side. We certainly feel it is different than the people in the potash industry and also the Government. We don't have the funds to be able to tell the people our side of the story. With that I should like to conclude.

SOME HON. MEMBERS: — Hear, hear!

MR. R. H. BAILEY (Rosetown-Elrose): — Mr. Speaker, I should like to rise for a moment to speak on this particular Resolution. The Hon. Member for Biggar (Mr. Cowley) brought up a point in his rebuttal against the original speaker in which he mentioned certain programs, government programs, which did in fact require public information. I

suppose, Mr. Speaker, to a certain extent, that there is some justification for a government advertising government programs and informing the people of government programs. Certainly this is not an uncommon thing to do, certainly this is done and done every month of the year by governments at all levels.

However, Mr. Speaker, in his justification the Hon. Member for Biggar attempted to compare the Government's program of the nationalization of the potash industry in the same cup of tea as hearing aids and so on, is utter nonsense. The Government on that side must know that that's utter nonsense.

The Government opposite had an opportunity to explain their nationalization program of the potash industry to the people of Saskatchewan. They had from the day of the writ until June 11th, the opportunity to do so, but they did not dare take the opportunity at that time because they didn't want to risk their political future.

SOME HON. MEMBERS: — Hear, hear!

MR. BAILEY: — Mr. Speaker, government programs, yes, require advertising from time to time. But no government of any political party once they are in power and when they come to an issue that has been hidden, secretly hidden, during the course of the election campaign, and can now stand before the people of this province and justify thousands of dollars in advertising. It is a shame, to hear a Minister of the Crown make a statement like that.

Mr. Speaker, I doubt whether the people of Saskatchewan will ever know the total cost of this advertising that this Government is carrying on. I doubt if we'll even know the true amount. Let me say this. A government seldom gets defeated, a government seldom loses the popular vote when the economy is buoyant. But that government did. That government dropped in popular vote, it dropped in its seats, and so with the most expensive election campaign that has been conducted in this province and with a chance, Mr. Speaker, that if the people of Saskatchewan had an opportunity right now, on the potash issue alone, they would lose another 14 seats. There is no question about it. Now they are saying up until this point they have spent \$55,000. Mr. Speaker, I doubt if anyone can buy the advertising that they have bought for this amount.

Mr. Speaker, I have an editorial from November 22, this was taken from the Financial Post. Mr. Speaker, I think there are a few statements here which explains why the Government is so concerned that they must continue an extensive campaign at this time. I quote:

However, Saskatchewan Premier Allan Blakeney's unseemly grab at that province's potash industry is a sad spectacle. Here is an NDP Government that plays with loaded dice and arbitrarily changes the rules while the game is in progress. It is a sure-fire formula for scaring away serious investors.

To continue, Mr. Speaker.

To justify his billion plans to gain effective control by negotiating price or outright expropriation, Blakeney

accuses the companies of declining to proceed with expansion, required to meet anticipated future demands. But when an industry is taxed to the point of no return, as Saskatchewan's potash industry has been, how can it find the wherewithal to expand or indeed the slight incentive to do so.

The awful truth is that policies of confrontation damage existing development and endanger sensible future development.

Now, Mr. Speaker, there is no reason; that is not a service to the people, this is nothing but taking taxpayers' money to promote the NDP in Saskatchewan. It has now cost us \$55,000 and how much more we don't know. Mr. Speaker, I want to say this, I think it hypocrisy of the highest degree that a government has engaged in an intensive campaign all because to cover up a little game they have got going in their attempts to rally the party together over an issue and they happened to select the potash issue in doing so.

SOME HON. MEMBERS: — Hear, hear!

MR. G. H. PENNER (Saskatoon Eastview): — Mr. Speaker, in speaking to the amendment I want to say that it isn't very often that I agree with anything that's been said by Members sitting on my left. I assume that the reason that I agree with the Member for Rosetown-Elrose (Mr. Bailey) is because we are both school superintendents and we can see through what's going on.

I make that statement because I don't think that it's only school superintendents who are able to see through what in fact is going on in this province.

SOME HON. MEMBERS: — Hear, hear!

MR. PENNER: — I want the Members opposite to be aware of the fact that while I deplore the advertising campaign that they have undertaken because it hasn't represented in actual fact what's happening. It's done one thing and I am sure that if they are prepared to admit it they will say it in the same way I am, that they are beginning to get calls from people who are suspicious and who are saying, what in the world is going on?

SOME HON. MEMBERS: — Hear, hear!

The Speaker interrupted proceedings and the Assembly adjourned at 9:40 o'clock p.m.