

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Eighteenth Legislature
32nd Day

Thursday, January 8, 1976

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

QUESTIONS

1976 PRICES OF FERTILIZER

MR. R.A. LARTER (Estevan): — Mr. Speaker, the Minister in charge of potash is not here so I will direct my question to the Attorney General. Is the Attorney General aware that the 1976 prices of fertilizer are now being quoted in the USA?

HON. R. ROMANOW (Attorney General): — Well, Mr. Speaker, I am generally aware of them, I can put it in that term. What is the first supplementary?

MR. LARTER: — First supplementary, Mr. Speaker, 20-20-0 fertilizer will sell this year in the United States at the prices now being quoted at \$85 a ton; 26-14-0 is \$95 a ton, approximately one-half the price of 1975 prices. My question is: with the sudden drop in fertilizer prices, which is made up mostly of Saskatchewan potash does not the Minister feel a little concern with such fluctuations in prices that nationalization at this time is a risky venture?

MR. ROMANOW: — No, Mr. Speaker, the Government does not believe that nationalization is a risky venture for that reason or that set of reasons that are implied in the question. The marketing of potash and the price of potash will, like in a lot of commodities, have occasional downswings and occasional upswings. From the best observations and studies by the Government on this matter, the price for potash in the long run will continue its upward climb and we believe that the future for the price of Saskatchewan potash will continue to be generally very bright. To remind the Member that the prices for 1974 and part of 1975 were at an all time high and it may be only natural that the price per ton will decrease. But to answer the Member's question, no, that does not cause concern with respect to the nationalization move.

MR. LARTER: — A second supplementary, Mr. Speaker, when I was entering business, a fellow going into business, Mr. Attorney General, that you kind of look for a couple of good years when you are first starting off and I think that we are really starting off bad here. All the fertilizer suppliers in the United States are stocked right to the ears with fertilizers and I literally mean that because it has been proven in the last few days. Therefore, will the Minister and his Government now withdraw this Bill or call a general election.

SOME HON. MEMBERS: — Hear, hear!

MR. ROMANOW: — Mr. Speaker, I would again answer the Hon. Member that

there is no intention on the part of the Government to withdraw this Bill. I will say, if I can, in answering the question that I realize the Opposition's game. If there is any new angle that can be prefaced by the previous question, will the Bill be withdrawn it will be thought of and will be asked. The fact is that even in the advertising by the potash producers during the course of this debate that has been going on in the Province of Saskatchewan, they admit the need for expansion. They admit the potential continued growth of the potash product. There will be the ups and the downs but the overall curve will continue to go upwards. That is I think common ground by all the potash producers and by the Government and I think everybody even in this House. What the Hon. Member is pointing to is what may be a temporary low which we have experienced in the past and will experience in the future, that the private industry would experience whether it was nationalized or not nationalized. The question is whether or not, in the long run (depending on your definition of that) this is a move which is to the advantage and the interest of all the province and all the people in Saskatchewan. And for that I think the answer is, Yes.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — I don't think the Minister is answering the question, will you withdraw the Bill. I think you were enlarging on it to the extent that it was becoming a debate. I think that the questioner is also out of order in placing this question because he was giving far more information than was necessary when in fact he should be seeking information.

SCHOOL GRANTS

MR. G.H. PENNER (Saskatoon Eastview): — Mr. Speaker, I had occasion last night to note the third page in the Leader-Post and I note, for example, that property tax rate increases are expected in Yorkton and Swift Current and Weyburn and I suppose that the same situation is likely to be the case in other centres. I am relatively familiar with Saskatoon. It's going to happen with school units. I was going to direct a question to the Minister of Education, Mr. Speaker. I notice that he is not here. There are only four Members of the Cabinet present this morning and I will direct it to the Minister of Municipal Affairs and ask: have discussions begun with local government people as yet with regard to grants for 1976?

HON. G. MacMURCHY (Minister of Municipal Affairs): — I have had discussions with SUMA and SARM.

MR. PENNER: — I guess then the answer in terms of specific local governments would be no, Mr. Speaker, at least that's the way I take it. I wonder if the Minister could give us any indication of any changes in the grant structure which might occur in 1976 to assist local governments which are going to have a very difficult time meeting their financial commitments?

MR. MacMURCHY: — Mr. Speaker, grants to both the boards of education and school units and to municipal governments whether it be municipal or urban will be announced when the Budget comes down.

MR. PENNER: — A second supplementary, then, Mr. Speaker, if we might ask, when this is likely to take place? The Minister says when the Budget comes down. There are many very anxious local government people who are concerned about when they are going to get this kind of information. I wonder too, Mr. Speaker, if the Minister might like to comment about how the Government intends to assist financially starved local governments during an inflationary time, when at the same time they are prepared to go out and spend hundreds of millions of dollars in potash and oil and whatever?

MR. MacMURCHY: — Mr. Speaker, I am sorry that the Member for Saskatoon doesn't listen. I indicated to him that we would announce our grant program to municipal governments whether it be education or municipal government, when the Budget comes down. We are well aware as he well knows, that mill rates have to be struck by school units about April 1st. We will have the Budget prior to that time, in time for boards to meet and set mill rates.

MEETING IN CREIGHTON

MR. R.L. COLLVER (Leader of the Progressive Conservatives): — Mr. Speaker, before the Orders of the Day I should like to direct a question to the Premier but in his absence I will direct it to the Attorney General. Has a meeting been scheduled by the Premier and/or the Minister for Northern Saskatchewan, who also is not in his chair this morning, for January 17th in Creighton? And if so, what is the purpose of this meeting?

MR. ROMANOW: — Mr. Speaker, I will have to take notice of that question. I do not know what the agenda of the Premier and the Minister for Northern Saskatchewan is on that time. I will take note of it and give the Member the answer tomorrow.

MANY ISLANDS PIPELINE

MR. E.F.A. MERCHANT (Regina Wascana): — Mr. Speaker, I note that the Minister in charge of Sask Power isn't in the House and I am not particularly critical of that because he is a reasonable attender although I note that very few of the Cabinet Ministers have bothered to show, much less the backbenchers. Perhaps I could again direct a question to the Hon. the Attorney General. It is a matter of such seriousness that I assume it has come up in Cabinet. Would the Minister confirm that Many Islands Pipeline, the Sask Power vehicle for exploration in the creation of jobs in Alberta, has applied for a pipeline from the Saddle Lake gas field in Alberta to the central part of Saskatchewan so that we will have a second pipeline as well as the TransCanada? Would the Minister indicate the progress of that application and perhaps the payout? I think that the people are interested in why this pipeline is going ahead for perpetual dependence upon Alberta gas.

MR. ROMANOW: — Mr. Speaker, I will take notice of that question.

FEMALE APPOINTMENTS TO SENIOR MANAGEMENT POSITIONS

MR. J.G. LANE (Lumsden): — Mr. Speaker, before the Orders of the Day I should like to direct a question, in the absence of the Minister of Finance, and in the absence of the Premier and in the absence of the Minister of Highways and in the absence of the several other Ministers, I should like to direct a question to the Attorney General, the Deputy Premier.

MR. SPEAKER: — I would suggest that we have had four questions.

MR. LANE: — Well, we haven't had any answers. First of all, Mr. Speaker, I believe the Member for Nipawin (Mr. Collver) with all due respect, was more of a point of information.

MR. SPEAKER: — I suggest we have had four questions, our usual amount. If the Members want to change the procedure so that on the day that the questions are taken as notice, the questions are subtracted from the ones that are asked that day, I would be quite prepared to consider that or the House might be quite prepared to consider that, but the method that we have been using is that four questions have been asked and if they are not answered they are answered later and supplementaries are permitted at that time.

MR. LANE: — Will the Attorney General permit another question, then? A question to the Deputy Premier. Has the Government instituted a program possibly called the Affirmative Action Program or a program of any nature which will attempt to ensure that females are appointed to senior management positions in government and, if so, when did that program commence operating?

MR. ROMANOW: — I can't give the Member the commencement or the exact date of the program other than the fact that my recollection is, if it holds me in good stead, is that the program has been in operation certainly for some months and I think even prior to the June election. It is a considered attempt I think primarily by the Minister of Education, the Minister of Culture and Youth who is responsible for it now and I think the Minister of Health, to try and get women placed in senior management positions.

MR. LANE: — A supplementary. Has Florence Wilkie, a former secretary to the Premier and a former special assistant to the Premier, been appointed or is about to be appointed as in effect director of that particular program at a salary of \$25,000 a year?

MR. ROMANOW: — Mr. Speaker, he again asks the detail of the salary. I invite the Member to put a question on the Order Paper and we will answer that in due course.

The appointment of Florence Wilkie to this position I can confirm. This indeed has taken place to head up the operation.

MR. LANE: — A second supplementary, Mr. Speaker. I am a little surprised at the outset that you would question the salary as you approved the Order in Council. Would the Deputy Premier not agree that in light of the appointment of Don Cody at approximately \$25,000 a year and Alex Taylor, a defeated candidate at \$25,000 a year and John Burton and Jim Eaton, appointed by the Government, that this very high pay off for political service to the party opposite verges on a pretty corrupt political practice to say the least?

SOME HON. MEMBERS: — Hear, hear!

MR. ROMANOW: — Mr. Speaker, again I think that the Hon. Member has decided to go off on a collateral issue, the collateral issue of the person who has been appointed and to try and make a political issue. The main issue I thought in the substance of his first and second questions was a matter of trying to get women and having an agency and an individual working to that end to get women high positions of management in the Government. Now he has gone off on another tangent. I would simply say that if that is a corrupt practice it is no more corrupt than the appointment of a former federal Liberal Cabinet Minister by the name of Jean Luc Pepin to head this Anti-inflation Board. The policy of anti-inflation which who knows may be a permanent feature of Canadian society. And I would simply say that it is not a corrupt practice by any such imagination. The Member does an injustice to Mrs. Wilkie. He does an injustice to a cause that we all try to promote as Members and I would ask him to elevate his sights just a little but higher.

MEETING IN CREIGHTON

MR. COLLVER: — Mr. Speaker, I notice that the Minister of Northern Saskatchewan has now taken his place, I wonder if I might place my question to him rather than take notice from the Attorney General?

MR. SPEAKER: — The House Leader has given his undertaking that he will take your question as notice and will supply an answer in due course.

BILL 16

MR. D.G. STEUART (Leader of the Opposition): — Mr. Speaker, I have been away for a few days and I wonder if I can ask the House Leader, are you going to call Bill 16 today? We are ready to deal with Bill 16. The public want to know about the rent controls and will you give the House assurance that you will call Bill 16 today?

MR. ROMANOW: — May I just answer the question. I would like to know if you are ready to deal with Bill 1?

MR. STEUART: — No, we are not!

MR. ROMANOW: — No, of course you're not. You're not ready to deal with it but you're ready to deal with Bill 16 you say. I want to tell you that the Minister is not here and we are going to be dealing with Bill 1. That's the answer. And if you were here yesterday and a couple of days before you would have known that!

MR. SPEAKER: — Order, order!

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Romanow that Bill No. 1 — **An Act respecting the Development of Potash Resources in Saskatchewan**, be now read a second time, and the proposed amendment thereto by Mr. Lane.

MISS L.B. CLIFFORD (Wilkie): — Thank you very much, Mr. Speaker. When the time was up yesterday I was trying to give a logical and very sincere dissertation of why we should have an intersessional committee. I was speaking about bureaucracies that I thought perhaps this House was getting caught up in and an intersessional committee would be an ideal way in which we could hear from the people and get rid of some of the lesser qualities that bureaucracies sometimes can initiate.

It is interesting to note that one of the things an intersessional committee would do would be to get this Bill out of the way so we could deal with other important matters such as rent control.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — And not wanting to be out of order at all I should like to say that perhaps this is the most important reason for having an intersessional committee. When people such as myself sincerely suggest this that maybe we would like to get on with the important business of the House and they are cut down when they have been away for important business at a funeral, I think perhaps maybe you had better get your sights a little higher and realize why we are proposing this intersessional committee. There is no Point of Order there because I am saying this is exactly why we have to change our priorities and we have to look at what this motion or amendment is really stating. I ask you to glance at it once in awhile when we are making our appeals to you to try to support the amendment.

I should like to continue, Mr. Speaker, with a somewhat shorter dissertation about bureaucracies. I suggested that there was an element of secrecy that starts in a bureaucracy as some bureaucratic officers regard themselves, as I said, as belonging to a special intellectual body. They lock themselves, as we are doing here, in ivory towers and never let their documents be shown. I should just like to state one more time that I am not accusing just the Government of doing this I am saying that perhaps when you get to Regina and you sit in this

building, you don't want to listen to any public opinion. Perhaps not so much that you don't want to listen to any public opinion but you forget about public opinion thinking that we are here doing such a great job of the province's business that maybe we don't need any public opinion. And this is why this amendment to set up an intersessional committee is so important, and one that I think every Member in this House could support in good conscience.

It goes on to say:

Some formulas drawn by systems people in conference rooms may have important advantages within bureaucratic walls.

Perhaps our Bills and our motions that we set up that look so good really will not be that effective once we get outside, that they are not adapted to the practical needs of daily life on the outside.

Take for example, the metric system of measurement. It took imagination and flair to decide upon the meters being a 10-millionth part of distance from the Pole to the Equator but it was found more convenient to scratch two marks on a platinum rod for practical application.

Now that is just one example, but perhaps we can look at some of these Bills, particularly Bill No. 1 and Bill No. 2 and see really if they are in the best interests of the people of Saskatchewan. This is all that we asking for when we are asking for an intersessional committee. I said that no one here has all the answers and I see the one person on the other side, who said he did have all the answers isn't here, so I can safely say that no one here has all the answers. Maybe by listening to some people you could find the answers. I am glad to see that you are here Hon. Member because you did say that you would like to be here and I appreciate it.

MR. BOWERMAN: — I came by special request.

MISS CLIFFORD: — Thank you, very much. You see the Hon. Members here didn't say they knew all the answers. In case you didn't catch one of the most important points I made yesterday, I should like to say it again. I think there were some points, but there was really one important point and that is that if you put this Bill to an intersessional committee — if we are wrong as an Opposition opposing this, it is going to be just as hard for us to come back here and say, we are wrong, as it is for you. I think that we are all individuals; we all have our human faults, but we really believe that this is wrong for the Province of Saskatchewan and we want to get public opinion on it. And if you are right, or as right as you think you are, or as right as your Member thinks he is, then you have nothing to lose do you? You can bring this to the committee and you can get 100 per cent approval if you think this is what is going to happen. Then you will have your mandate to do this. That is reasonable. I think the Members would agree that it would be reasonable. So we are really not asking you to risk anything. We are the ones that have our necks stuck out; we are the ones who have been sitting here for 32 days debating this Bill. You know, our necks are stuck out just about as far as we can stick them out because no one else will do it. So if we are wrong we are the ones that are going to suffer the consequences.

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I think that it is rather reasonable for us to suggest this and I think that it is a rather reasonable alternative that you can really prove something.

He goes on to say:

In a bureaucracy a deep-rooted respect for the individual is an essential part of a democratic system, setting democracy apart from totalitarianism.

I think his respect for individual and individuals in Saskatchewan is what we are really getting at in this issue, and I am sure that each one of you as an elected representative has respect for the people of Saskatchewan, as they respect you as they elected you. I think it is time now that we do give them what is due to them, their right to speak and this is what this motion is saying.

Each citizen is a very special case. No two have jobs, families, memberships, hobbies interests and problems that are exactly identical. The greatest insult that you can offer the human race, said Francis Neilson in a cultural tradition, is to regard it as a herd of cattle to be driven to your selected pasture.

Are we driving the people of Saskatchewan to a selected pasture or a selected issue in buying the potash? I don't know, but I think that by bringing this to a committee to get public opinion would tell us whether or not we are trying to herd the people of Saskatchewan into something that they really don't want, or really don't need.

He concluded:

It is then vitally important to see that government and business increasingly affect the lives of people. There should be a corresponding increase in the care that is taken to make an intrusion as acceptable as possible.

I should like to repeat that once more, because it is important. This is what we are debating here. He said that it is vitally important to see that government and business which increasingly affect the lives of people should have a corresponding increase in the care that is taken. This is why in suggesting an intersessional committee, we are trying to increase our concern; our appreciation and our respect for the people of Saskatchewan, by offering them a chance to say whether or not they want these Bills passed.

People have the right to expect their affairs will be dealt with efficiently, expeditiously and that their personal feelings will be sympathetically and fairly considered.

We could almost add that word for word into the amendment. People have the right to have their say. In a democratic system we are voting to give them that right. In a democratic system you were elected, in a democratic system I think that you should give them that right.

Mr. Speaker, I have talked about bureaucracy and a very interesting thing happened last night and I am sure one or two Members here will agree with me — the Hon. Member for Saltcoats

(Mr. Kaeding) and the Hon. Member for Regina Victoria (Mr. Baker) were at dinner last night. It was at the Palliser Wheat Growers' dinner. Speaking of bureaucrats I was fortunate enough to be there. There were a couple of jokes said about bureaucrats and about nationalization and I am sure that you have all heard the one about nationalizing anything that works well. I don't think that this is the time for me to tell this joke because I am sure that you all know it. But an interesting comment was made because the Hon. Member for Saltcoats said, "You know I sure am glad there are no Opposition Members here because that would be good for another day's talk." Well, you are right. I am not good for another day's talk on that, that joke particularly. I think the guest speaker did give an interesting speech last night although maybe some of us didn't agree with him. The guest speaker, by the way was a Mr. Guthrie.

Mr. Guthrie was analysing what is happening in the government, to all governments, not just the Saskatchewan Government. Mr. Guthrie is a vice-president of the Japan-Canada Trade Council which is an international non-profit organization dedicated to encourage better trade relationships between Canada and Japan.

AN HON. MEMBER: — Did he work for the Conservative Party?

MISS CLIFFORD: — Yes, he worked for the Conservative Party and I will get to that. You know everybody has their faults and that could be his fault.

What has this got to do with potash? Well, I am just bringing it right around to what it has to do with potash. You see this intersessional committee has many advantages to it and the advantages are that you have to look at all aspects of marketing potash. You know when you are marketing potash or any commodity, whether it be wheat, oil, you have to consider a number of things. Now, an intersessional committee could consider these things because they say, you know, is it realistic for us to take over this potash mine because markets are not reliable. They vary. Just the same way as this man says, is it realistic for us to do such and such because wheat markets vary.

He said, in his speech, after all your industry — speaking about wheat but we could relate it to potash — must function and seek its prosperity in a little framework provided by national and international developments. We are only a part, although a very important part, of a complex whole. I think that we must remember this because we are only a part of a very complex whole when we are dealing with potash. A committee could say, are we a big enough part to take this risk, take this giant step; is it good for the people of Saskatchewan? It is a logical question to ask, I think, in a committee. This is where as the Hon. Member for Saskatoon Eastview (Mr. Penner) said we can bring in people from universities, we bring in people like Mr. Guthrie, because they look at what is going on in the international market. You know how the trade dealings work. Bring someone in like him who could deal with potash. I think that would be a good type of person to bring into committee.

At any rate I go a little further about this Mr. Guthrie

so you don't think I am being too biased. Yes, he was a Conservative, was and maybe still is. He is said to be well versed in all aspects of Canada and Japan affairs and world affairs, so this is quite relevant, he knows what the trade system is like. He was also a reporter, an editor, a parliamentary correspondent, columnist and executive. He worked for the Right Hon. John Diefenbaker.

This man, I think, has some good insight into what is going on in the trade market, nationally as well as internationally. He made some other good comments to deal with what we have to look at when we are looking at the marketing of any commodity outside of Canada. What a committee would have to look at. He said that it is improbable, but at least conceivable that you could find solutions to all the problems you face within an industry, the potash industry. You could take, for example, but if you were not alert to the events outside your industry, if you are not able to influence or adapt to the change in the national and the international climate, which is the ultimate monitoring of the industry, success in solving the international problems could be quite irrelevant. I think that is important because how can we apply this to what is going on here. He said, no matter how good you are at saying, look, we have taken over the potash industry, if the committee thought that was a good idea; if you have driven the companies out of Saskatchewan you can't be assured of the markets. No can be assured of markets, but perhaps owning the potash industry is not the best way to get these markets. So we think that no matter how good you are doing this system in Saskatchewan — solving the international problems could be quite irrelevant compared with what is going to happen when you try to sell.

A committee would analyze whether or not the best way to market and get our full profit from it, whether or not that would be the best way is to nationalize the potash industry. He went on to say that there are developments taking place both in Canada and I would add Saskatchewan and abroad, which have serious implications for years to come to producers of wheat or potash or as ordinary citizens.

I think one of the most serious things that is happening to people in Saskatchewan today is Bill 1 and Bill 2. This is why we want to put it to a committee.

It is an interesting thing that maybe you are not getting the cards or the letters, or you are not asking to have cards and letters come in, or whatever Dean Martin always said. We do get cards and letters and opinions just like a committee would and had any of you been there last night — granted maybe the Palliser Wheat Growers' Association isn't your favorite organization . . .

MR. McMILLAN: — I don't know why not.

MISS CLIFFORD: — No, I don't know why not either, I thought they were pretty friendly.

MR. MESSER: — We didn't!

MISS CLIFFORD: — I am glad to hear you are here, though you came in during the last half of my speech. I could repeat it for you

later. But back again to what I was trying to get at — it is very hard to stay on the point when you keep interrupting me. But maybe they are not your favorite organization or maybe you are not their favorite organization, but yet they have opinions and they were sure expressing them and it is too bad that you weren't there to hear them. But at any rate that is what an intersessional committee is for, to get opinions.

Again, this Mr. Guthrie stated an opinion of what is happening when government or bureaucracy gets control. I suggest that really this is what is happening to us. Maybe it is time we listened to some public opinion. He said:

There are theories being propounded and viewpoints being pressed which if translated into action have a devastating impact on your industry and the potash industry and upon you as individuals.

This sounds like something that would have the devastating effect on Saskatchewan. At least you would agree if it is not devastating it would have one of the greatest impacts on industry that Saskatchewan has ever had. You would agree on that I think. Let's have a committee so that people can come and tell whether it would be positive or negative. This is just what we are asking for, a very reasonable request I would say.

It goes on to say:

Indeed in the light of current trends and events the most important questions about the future of your industry or of an industry could very well turn out to be whether, as individual producers or individual companies, will still be permitted a significant place in it. And whether your association and other similar organizations will any longer have a role to play in the development.

I think we can apply that very well. It is important, he says, whether you have your individual say, whether the potash companies, perhaps have their individual say, and telling you what the best way to market this is. There is no one better who can do it than the potash companies themselves. I would say that in your job you wouldn't want me as a lawyer — for any of you that are lawyers — for me to go over there and do your job. I am sure you could teach me how to do it in time. I am quite a fast learner, it wouldn't take me too many years.

MR. KOSKIE: — It would take a long time.

MISS CLIFFORD: — That's debatable. You don't know me very well yet and likely as well as you are going to get to know me too. But at any rate it may take awhile and it may take the potash companies awhile. I am sure that most people in Saskatchewan are very fast learners. And this is a very important point too because they are very quick to learn about what is going on. They want to have their opinions expressed and this is exactly what we are asking for. They are not slow, they are not asleep out there.

I think they have an important role to play in the development of the potash industry.

The debate was interrupted by Mr. Speaker.

INTRODUCTION OF SPECIAL GUEST

MR. R.L. COLLVER (Leader of the Progressive Conservatives): — Mr. Speaker, I should like to introduce to this Assembly through you and to you, Mr. Fred Gradley, Progressive Conservative MLA from the Province of Alberta. He represents the Pincher Creek-Crow's Nest constituency and I am sure we all welcome him here, a different kind of province than the one that he is used to in his Legislative Assembly.

HON. MEMBERS: — Hear, hear!

The Assembly resumed the interrupted debate on Bill 1.

MISS CLIFFORD: — We are very pleased to welcome our guest here today. I hope you will find our debate interesting, because I'm sure that you, like the people in your province, have opinions. I am sure that if you were going to vote on this issue that you would let them speak. This is exactly what we are asking for. We are asking for the right for our people in Saskatchewan to speak.

Anyway, back to the quote from the Duke of Wellington. The Duke of Wellington was once asked: What effects he thought his troops had upon the French soldiers opposite? The Duke said: "I don't know what they do to the French, but they sure frighten me."

Now, what effect is this Bill going to have on the people of Saskatchewan? I don't think it is good. I know that the majority of the people whom I have talked to don't think it's good. But why not listen to them? That's all we are asking for, have a committee to listen to them. If you think that I say this quite regularly, "have a committee to listen to the people," you know, it's a pretty good saying. It's a pretty good slogan for representatives in the Legislature to say I think. So maybe you will bear with me if I say it a few more times, because I think this is what we are here for, everyone of us are here for, no matter what side of the Government or Opposition you are on. So he goes on to say, and I've got a couple of more points about what he said about bureaucracies, because I think this is unfortunately what we are falling into:

I suggest to you most seriously that you should also be apprehensive because they constitute a potentially lethal attack upon the system, which not only sustains using the individual producers which enables organizations such as (the Palliser's) but organizations or companies (such as the potash companies) to function with purpose and meaning.

So he is saying that a bureaucracy or more government control does affect what is going to happen to industries, whether it be the wheat growing industry, or whether it be the potash industry.

Now this man may not be totally correct and you may not agree with his points of view, but he would be a type of person that we could get to come to us in the committee and speak

upon this motion. He said he will not elaborate any further, and I will elaborate further, but he said:

The views to which I have referred are still only expressions of opinion and the whole subject is highly political and contentious.

This I agree to fully.

They remain, however, a reminder of a trend which I believe has tremendous importance to the future of your industry.

Now, he suggested some positive things. He wasn't particularly negative as to a type of government. He suggested some positive solutions to labor problems. I think, come to think of it, that's a pretty good point here. Because what could a committee do? Not only could a committee listen to the people of Saskatchewan, they could listen to the arguments of the potash companies for saying there is no reason to take this potash industry over. You now, negotiate. I think maybe under oath we could really find out what facts and figures are about the profit profits of the potash companies, about the real profits that the Government is getting. Can we do better? There will be no shilly-shallying around when you have to come in here under oath for anybody.

He said further, "It is equally obvious that this is a priority problem . . ." This I would agree on. This is a priority problem to be able to figure out a solution to discussions with the potash companies. ". . . which we as Canadians must find a solution and soon. It certainly appears critical to your industry's future."

Well it certainly appears critical to Saskatchewan's future at any rate, that we decide that maybe we can go to the potash industry and say, just wait a minute. I've thought this over and now if we do this logically, realistically, fairly (that's a good word — fair) then maybe we can decide on something other than what we are heading into. He said:

If people with common aims in seeking a common goal can be described as partners, then surely labor and management, or surely companies and government are truly partners, not adversaries.

Now I think that's right. We should have a common goal. And our common goal in this House is to do what is best for the people. I think we would agree on that. Our common goal with developing potash should be the best way in which we could do it. What is the best way? I'm sure we can't agree on that, but I'm sure that by hearing opinions . . .

AN HON. MEMBER: — An intersessional committee?

MISS CLIFFORD: — Yes, I would say an intersessional committee could help us decide it, sure. But anyway he says, we should be able to get together. He was probably speaking of labor and management, but it could be government and industry:

They both aim at security and well-being of their supporters and dependents, and a common interest is the

strength and prosperity of their joint enterprise, of their local community and their country.

They both aim at security and well-being of their supporters and dependents, and their common interest is the strength and prosperity of their joint enterprise. So I would say that the common interest here is the people of Saskatchewan. We can get what is best for the people of Saskatchewan through strength and prosperity of joint discussions, joint enterprises for all of us. He goes on to say:

It is one of the tragedies of our social climate today that the dominant forces seem to be making us all adversaries one of the other.

Now again, please don't mistake me, I'm not necessarily saying that you are the dominant force, although in this case you've got a good deal to do with it, but I'm saying bureaucracy and government at no matter what level are forces that are working against better negotiations.

One group against another, region pitted against region. We are being impelled along the paths which are not all good and we need persuasion and accommodation so that we can deal with these.

And I think that the best way to do this is to get opinions and to really find out what the facts are. That's logical. A lawyer would tell me, if you can't win one way, maybe you can win another way. You try a different attack and a different attack is through a committee. Now he goes on to say, speaking of government, intervention, stronger government control:

This brings me back to an atmosphere created by certain trends and events which I mentioned earlier.

He is speaking about a free-enterprise system.

Now if your proposals on Bill 1 and Bill 2 are really the best for Saskatchewan, maybe we are wrong. But I don't think that 61 people can decide what is totally right for any province, any country, or the nation. So I think that we have to ask the people, because we didn't really ask them before. I think we are responsible enough and respect the people of Saskatchewan enough to give them a chance. He went on to say (and he was speaking on behalf of the free enterprise system):

The free-enterprise system is finding it increasingly difficult to function as it should, but this can easily be attributed to its being squeezed tighter and tighter in the tentacles of an ever-swelling bureaucracy than from any intrinsic weakness.

So if you feel perhaps that your Bills would be better for the potash industry, for the people of Saskatchewan, you can do a better job, maybe you could. Maybe it's because we are squeezing them tighter and tighter. You can't get blood from a stone. Maybe we should renegotiate and find out what we really should be doing. What should we be doing? I'm sure a lot of experts could tell us. Maybe they would tell us that you are right, but at least we'd be listening to them. He said:

When one listens to some of the currently popular

theories for radical reform in our system, one is tempted to ask who will design the shape and change, what form will it take and what will it mean to the individual Canadian, or individual Saskatchewanian?

That's a good question. What will it mean? How do we know what it will mean? We need some studies done, we need some facts put on the table, we need some facts and figures as to what it is going to cost. This is what a committee could get for us. This is what it is going to mean. He said:

The prospect of even deeper intrusion by government into our lives and businesses is to me an appalling process.

Now granted he may be a type of person who doesn't particularly agree with what's going to happen to the potash industry. That's his right, that's the right of 900 and some thousand people in Saskatchewan to not agree, or to agree. Let's decide whether or not they will agree. That's fair. But to Hume it's an appalling process. In this light I would tend to agree with him, but that again is my personal opinion.

More intervention by the State inevitably means a larger and more oppressive bureaucracy. More onerous taxation, less personal freedom and less scope for individual choice and initiative.

He said a lot of things in that paragraph. He said the oppressive bureaucracy, and we've heard a lot about that, so I won't deal with that part further. Onerous taxation — what is going to happen if perhaps the markets fall, perhaps we are paying the interest on the loans that we are getting to buy the potash industry? Are we going to have to increase our taxes? I don't know, but I think if we had some facts and figures we would be able to find out whether or not this was really a realistic deal. That's what a committee could tell us.

Less personal freedom — I suppose that's a matter of opinion, which political parties do have a different viewpoint on. Less scope for individual choice and initiative — I would perhaps agree with that one. I think less individual initiative speaking of taking over a company is really I would say cutting down on their individual choice. But he said:

On the other hand, the possibility exists that such change is what the Canadian or Saskatchewan people really want.

That line you should agree on. I will just repeat it.

On the other hand, the possibility exists that such change is what the Saskatchewan people really want.

Do they really want this? Maybe they do. My opinion is that they don't but let's find out. Let's bring it to a committee.

If so, I would suggest that they look at both current events and back into history.

He is saying that if more government control is really what is desirable let's look back into history. On modern day times he said:

Modern Portugal, Italy or for that matter Great Britain are hardly the best advertisements for greater state control.

Now you have heard a lot about different areas, Britain, that's one, and there are a lot of reasons pro and con why they are in trouble. Maybe it's not because of state control but it's one of the thoughts why they maybe are in trouble. But we can look into that. Maybe state control is the best thing for an industry. But it repeats history you know and I didn't teach history but a lot of the students came to me and said, what good is history? Here we are talking about Rome or Egypt or whatever, 300 or 400 years ago. It's not going to do me any good. Well, I don't know. If people have been making mistakes and mistakes and mistakes, so on the other hand, looking positively, if they had done good things I think we can learn from that. Unfortunately, at the time when you are a student in Grade X, XI and XII that really doesn't seem like a very good answer, because at the time it doesn't apply to you too well. Well maybe saying that looking into the past or looking at what is happening in other countries isn't a good enough answer for you. Maybe at the time it doesn't apply. But I think 61 people cannot judge that.

Maybe at the time my reason for saying, please support this amendment, it's for the betterment of the people of Saskatchewan, doesn't apply to you, doesn't appeal to you. It might four years from now or eight years from now when we could really be reaping the harvest of the potash and maybe this isn't the best way. On the other hand, maybe this is the best say, maybe we will be doubling our production. You know that's possible, not probably. So let's find out, let's get some world facts. Maybe you have the facts. You know I am really pleased, at least you are sitting there and you are listening attentively, some of you.

AN HON. MEMBER: — Don't wake up Herman!

MISS CLIFFORD: — No, don't, they are fine.

Maybe right now it isn't that important, you may have got the facts. Maybe that's why it's not too relevant and important to you what we are saying. But we don't have the facts so please bear with us when we can't understand why this would be good deal. If we had the facts and figures maybe we would think that. Besides the principle that we don't believe in government control, maybe it is a realistic solution, but a committee would find out whether it was. And this is all we are asking for.

The level of control is already high in Canada. Government at all levels already disposes of the equivalent of 40 per cent of gross national product. Many authorities on ancient Rome believe that decay set in and collapse of the empire became inevitable when taxation reached a level of slightly more than 30 per cent.

Now I don't mean to be out of order, but I don't know what percentage of taxes we use in Saskatchewan. Do you know, Mr. Minister of Finance? Who's the Minister of Finance?

I was just being sincere in saying I don't know what the percentage of taxes are used . . .

MR. BOWERMAN: — You are saying it . . .

MISS CLIFFORD: — Thanks very much Mr. Member for Shellbrook.

At any rate, back to Rome. We are talking about Rome now. Why are we talking about Rome, because we can learn something from Rome. They had 40 per cent of their gross national product used up in taxation. They were quite discouraged because they thought — Rome sought to solve a very similar social and economic problem by increasing the degree of state intervention and regulation.

MR. ROLFES: — . . . Talk to the Tories!

MISS CLIFFORD: — The Minister of Social Services, I think that was important. I hope you got it. Because that is important especially when you are trying to budget for your department, if we are spending all our money, we haven't got any left to spend, I am sure the people of Saskatchewan would be interested.

It may be interesting that another of the world's great grain producing areas which doesn't have that much to do with potash, but we can learn from the past, once centuries ago served a parallel experience. Egypt was a granary of the ancient world, but according to Dr. Michael Grant an authority on that world, Egypt suffered one of the most rigid centralized bureaucratic governments the world has ever seen. A government decree of that day stated:

No one has the right to do what he wishes but everything is organized for the best.

AN HON. MEMBER: — Hear, hear!

MISS CLIFFORD: — Someone likes that statement, I wouldn't doubt it.

That's what is happening right now. He said:

No one has a right to do what he wishes, no one has a right to say what they believe in,
no one has . . .

That's wrong, no one has the right to say what they think is best for Saskatchewan. Because we are not going to have a committee it seems.

MR. BOWERMAN: — You are saying it!

MISS CLIFFORD: — Yes, I am saying it!

Let's talk for a minute about people who have to work and prepare speeches every day. The reason why we are doing this is because we believe in what we are doing. I should like to ask how many speeches most of you have had to prepare in the last 32 days.

MR. COWLEY: — I have, 10.

MISS CLIFFORD: — The Hon. Member for Biggar has had to prepare 10 speeches! I am really glad that you are preparing 10 speeches because you have handed them out to everybody else then.

You can be assured that we are working on something when we are not here, something we have to do in the House, we believe that an amendment such as this deserves attention and the best effort that we can give, which is what I am trying to do at the moment.

I have another aside to make. The Hon. Member for Saltcoats last night again was talking about the World Food Conference, he said that some experts were needed over there. Someone said we should send the NDP to Egypt, I wouldn't agree totally with that. Someone next to me said they should leave the potash industry alone and go over to help Rome and the countries that are more underdeveloped than we are.

AN HON. MEMBER: — We could help them too!

MISS CLIFFORD: — I am sure you could, I am sure you could, sincerely.

That was an expression of opinion, that maybe they aren't too anxious to see these Bills go through. Maybe like a lot of people in Saskatchewan they could come and talk to you in this committee.

But back to Egypt again, if I keep getting interrupted we'll never get away from Egypt.

That was a very important statement, nobody has the right to say or do what he wishes and everything is organized for the best.

"Words which I suggest have a very modern echo. . ." right here they have a modern echo," . . . and carry the same patronizing and father knows best flavor as we sometimes hear today."

MR. KOSKIE: — You get the same sound!

MISS CLIFFORD: — It doesn't work that way. Just on your side of the House it works that way.

I think that is important, again, maybe we are sitting here and maybe we are saying we know it all. Father knows best, NDP know best, Liberals know best. Maybe we should ask some people, bring them to this committee and say, do we know best?

Mr. Grant further noted that Egypt's bureaucracy,

proliferated alarmingly, a regrettable characteristic of public services everywhere (not just in Saskatchewan) and that for the common man officialdom combined with severity became almost intolerable.

So much for ancient example.

He went on to some modern examples, the Attorney General? No I haven't heard any modern examples from him for awhile I haven't heard any examples at all from him.

MR. KOSKIE: — Do you know which one is the Attorney General?

MISS CLIFFORD: — Yes. I know he's the one that talks a lot and yells back and forth. I know him.

He said:

Let me assure you I have raised these bogeys not to be an alarmist, or overdramatic, but simply to focus your attention on events which I believe are of crucial importance to the future of your industry and to you personally.

Which is the same reason why I am standing here right now. These events are alarming and they affect the people of Saskatchewan. They had a say when they voted you in, they sure did. But you didn't ask them this.

We're getting some place, I wish you would call in some more Members because you look interested in my remarks.

AN HON. MEMBER: — . . . derogatory remarks!

MISS CLIFFORD: — I wasn't being derogatory! When I am derogatory you'll know it.

He continues:

Anyone in Canada is free to form an opinion and to voice it. But nothing in our system licenses the imposition of these views, whether by intimidation, subterfuge or arbitrary legislation.

So anyone in Canada or Saskatchewan who has an opinion, and should be able to voice it, that's all we are asking in this amendment. Let them voice their opinions.

None of us here is opposed to the mere expression of a particular viewpoint.

I can even agree on that. I am equally sure however, that no one here wants national decision or perhaps more accurately they don't want to have to force something on someone. I don't know if that is quite accurate or not.

There must in our system be full disclosure.

I would agree on that, that this committee would give you full disclosure, full discussion, full participation, full consent by the people before theory is turned into practice. I think that is just the heart of what we are trying to get in this amendment. We want full disclosure. A committee would give you full disclosure.

MR. KOSKIE: — You didn't even do that on Private Member's day!

MISS CLIFFORD: — Let's talk about the Private Member's Bill. I think you are going to be in the category of some other Members you shouldn't ask so many questions.

If we had a committee, we could get on with these Bills.

MR. BYERS: — You were stone silent about it!

MISS CLIFFORD: — Yes, I was stone silent, I agree. I am not really knowledgeable about the Bill. The people who did ask questions were sincere, they didn't ask stupid questions. They were sincere about what they wanted to know. The most innocent questions, by that I mean by trying not to offend or disgrace anyone, was asked by the Member for Shaunavon. A nice simple question. It just alarmed everybody.

MR. SPEAKER: — I am unaware of what the Member is talking about, but I am sure she is not talking about the issue that is before us now, to which she should be addressing herself to. If you could confine your remarks as to why you think reference of this matter to a committee is pertinent.

MISS CLIFFORD: — Thank you, Mr. Speaker. Maybe I did stray a bit.

My point was that if we had a committee, Mr. Speaker, we could get the business done in the House, because we would not be involved in this Bill 1 and Bill 2 debate. So if I strayed off the point, we cannot stress that too many times. This is why a committee would be important.

When I am quoting Mr. Guthrie, I think it is important for two reasons: (1) Because he is a critic. I guess you would call him an expert, to some extent, of international affairs in marketing. This is important because these are the type of people whom we are going to call to give us information about the potash industry, to see if you are really right in saying that this is the best deal for the people of Saskatchewan and best for the industry.

The second reason why I am quoting him, is that he has opinions on whether this type of takeover would be good for an industry in Canada or in Saskatchewan. This is all we are asking you in this amendment, is to let the people decide whether or not he is particularly right or just who is right. This is what a committee would do.

"Times of social and economic uncertainty . . ." he said. I would say that you could agree that we are in times of social and economic uncertainty. ". . . provide an opportunity for those who seek radical political change."

This also might be what we are involved in here.

They often also persuade otherwise sensible people to listen to every fortune teller and medicine man that has a cure-all to peddle. Unfortunately too many of such people are long on theory and short on experience, not to mention very short in experience in taking responsibility for the too often disastrous effect of putting their theories into practice.

That was a rather important point I think. Because we may be long on theory. I may be long on theory or long winded, or whatever. Short on experience. I would agree with that. Short on knowledge, but I don't think I am the only Member in the House who may have those faults. So what could we do about it?

We could invite people who had a little more experience, or who were a little longer on theory so to speak, to come and give us the real answers. This is a reason why we are asking for this amendment to be passed. He said:

Those people who are long on theory and short on experience remind him of a description once applied by a former prime minister of the United Kingdom, Stanley Baldwin to the Press Lords of Fleet Street, a good comparison who had been he felt, misrepresenting him and his government.

That often happens, we often think that we are being misrepresented or opinions are not really being reported in the right way. Of them he said:

They share the prerogative of the harlot through the ages, power without responsibility.

Is that what we have here, power without responsibility? We should be responsible to the people of Saskatchewan. The way we can be responsible to the people of Saskatchewan is having this intersessional committee.

In talking about a bureaucracy, in talking about the purpose of a legislature, what we do here, maybe we do get carried away with power and we don't have as much responsibility for the people we represent. A committee would solve this problem to some extent. He said, in conclusion:

Allow me to simply urge you all (this is rather interesting) to take the news of the death of free enterprise system with composure.

The death of the free enterprise system in the potash with composure. He would suggest like Mark Twain, it has been greatly exaggerated.

I believe both the democratic system in the political sphere which is what we have here and the free enterprise system in the economic sphere are healthy, strong and quite capable of meeting any of the challenges of today. All they really need to prove themselves is a chance to operate reasonably free of interference.

So he is saying all the private enterprise system or all the companies need to prove themselves is to get rid of government interference. Maybe he is right, maybe he is wrong. Maybe I am right, maybe you are wrong. Or vice versa. But let's find out. Let's get the experts here. Or let's go to the experts. Let's take the experts or a committee around the province and find out. He said:

I suggest we close our ears to the cranks and the lunatic fringe and listen instead to our own consciences and rely on our own ability to reason.

Well, I suggest to you that perhaps if you are not listening to me, if I am one of these cranks on the fringe or whatever, maybe we should listen to the people of Saskatchewan. We should rely on our consciences. That's right. Maybe you can rely on your conscience to say, look I'm elected by these people let's listen to them. And our ability to reason. Maybe

your ability to reason could be expanded by saying, you know, it really wouldn't be too bad for this Government to say, all right, we want to listen to the people. All political parties are proud to say we represent the people and we are going to listen to the people.

So there is really nothing that you have to back down from. I think you would get really plus points if you listened to them. The Premier could make a statement and say something to the effect that we are elected by the people of Saskatchewan. That would get front page coverage. And say, we want to represent you, we want to hear you. We believe that we are right and we ask you to show your support when an intersessional committee comes to your area.

I guarantee you, not that I have anything to do with the press but I guarantee you it would get you front page coverage. Anything else that we said on this side of the House would be stuck in about the eighth page. So you can't lose, you are a winner no matter what you do. So why don't you ask for this committee? You can look good or you can look bad.

If you don't support this amendment I suggest that maybe you will be one of these types of cloistered bureaucracies that aren't listening. That also might get front page coverage. So you have your choice, whether you want to look as if you are representatives of the people or whether you want to look as if you don't want to listen.

Now while we are talking about bureaucracies and when we are asking for this motion what is our main intention? What do we want to achieve from this amendment? Well we want to achieve communication. We want to listen. We want to understand. We want honest communication. Many times you have said the potash companies are not giving you the real facts.

Well, I've seen about as many of the facts, maybe more than the average person in Saskatchewan, but not many more. I'd like to know what the honest facts are. I respect the individuals opposite because I think that they were elected because they were well respected and I am sure you want to give the honest facts. Just as I'd like to find out the honest facts. Just as the people of Saskatchewan would like to find out the honest facts. The way that we can do this is to ask the people of Saskatchewan, to set up an intersessional committee.

Let us look at honest communication for a minute. Honest communication has been described as an age of science and it is time that the dominant principle of science should be universally adopted, insistence upon truth. Insistence upon truth. I agree full heartedly with that because we should insist. Again don't misunderstand me, I'm not trying to say that you are not necessarily telling the truth as a government, I just want to know the facts. It appears to me the way to find the facts is through an intersessional committee because for reasons whether it is not in the public interest or for other reasons, we are not getting the facts. This would be a good way to do it.

This article goes on to say:

All departments of life, social and political and physical, base themselves upon knowledge, but without honesty in communicating knowledge, society becomes a battlefield

of wits, a wasteland of half-truths and a make believe of civilization.

Is this what's happening? You have often accused the potash companies of giving half-truths or that they aren't giving any at all, no facts. Is this House becoming a battlefield of wits, trying to say I'll give you this little bit of information or that little bit of information or you are wrong and I am right or I am wrong and you are right? Is this what we are here for? I don't know. Maybe in four years I unfortunately will find out that that's what we are here for. I hope not. I think we are here for the betterment of Saskatchewan and for the best of the people of Saskatchewan. I don't think that we want this to be a wasteland of half-truths as he stated, or a make believe of civilization. We want to find out what is right. Find out what is right for Saskatchewan; find out what is right for the potash industry and the best way to do that is ask the people, through a committee.

To continue:

Honesty is an old fashioned word, something like fairness, that includes responsibility, duty and respect for values and for people.

We must be honest and we must respect the people of Saskatchewan. We must be honest in saying, and this applies to the amendment very closely, we must be honest in saying, look, people of Saskatchewan, we honestly want to know what you have to say about this Bill 1 and Bill 2. We believe that we could be wrong or we believe we are right. That's better for a government to state. We want your proof of that. The way we are going to get this truth is, is that we are going to travel all across this province and we are going to ask you, because we believe your opinion is valuable, because you are a valuable person. That's all we are asking for. I don't think anyone of you could argue with that statement.

It goes on to say:

That experience is sought to teach mankind the benefit of honesty in communication. But there are still many persons to whom honesty though recognized as a possible ideal is not an engrossing matter of practice. Honesty is not a simple subject because it goes to the very heart of human nature. Honesty is born of a union of a perception of what is right and wrong with a choice to do what is right.

This is our choice that we have to make. This is the choice this amendment will make. To do what is right or what we believe is right.

If we are elected by the people of Saskatchewan we should believe that it is right to hear what they have to say. That, very simply is what the amendment is asking. Asking to hear what the people have to say.

One of the basic qualities in honest communication of ideas is first of all, a golden rule. Then follows sincerity, frankness, integrity and truthfulness.

I think that those qualities of sincerity, frankness, integrity

and truthfulness can apply to elected representatives. Although maybe at times the public doesn't agree. We are all here because we feel we are here for the best of the people. This is one way in which we could prove it to them. We are here representing you. We want to know your opinion. Come to our meetings when the committee comes around the province.

It goes on to say:

A person is not practising honesty who speaks their rights without having made a clear-sighted enquiry into the facts of the matter about which he is stating his views.

That is rather important for what's happening here in this House or what's been happening for 32 days. I'll say that again. He's not practising honesty. I'm not saying that you are not practising honesty, myself, I'm not saying that. Who speaks their rights without having made a clear-sighted enquiry into the fact of the matter about which he is stating his views. I am sure you have made a clear-sighted enquiry into the matter, of taking over the potash industry. I don't think any of you would jump into something that you hadn't done some research on.

Again I ask you whether or not you can understand why we are asking these questions, why we are asking for a committee? Because we don't know what the facts are and I'm sure you have got some of the facts of the matter. The people of Saskatchewan don't know the facts and they are a little concerned because you are spending money. Now I agree it's not money from this pocket to be necessarily spent because we hope it will produce more. But nevertheless if something happens with the market, you lose out and you are left footing the bill. So they would like to know the facts.

Again, I say maybe your facts add up. Maybe there is no doubt about it. It just shows that this is the only way that the potash industry has to go. If so, I say we'll be a little red in the face and have egg in our face, like what you are trying to say quite often is happening to us, but we are taking that chance. I think this is what the people of Saskatchewan deserve.

Honest communication involves a sense of obligation to oneself, to other people and to the absolute.

The sense of obligation to the people of Saskatchewan. It goes on to say:

In our dealings with other people honesty may be taken as coming under the cardinal virtue, justice.

The Attorney General is here so he knows about the justice.

This does not mean merely being faithful to contracts and carrying out the duties required by the laws of the community, but also fidelity in all one's relationships with others, including the obligation to speak honestly.

Obligation to others, obligation to the people of Saskatchewan. Obligation to hear what they have to say. This is what we have been neglecting. This is what we have been missing. Honest communication for everyone.

There is a tendency to apply the rigorous ideal of honesty in communication to a few classes, like clergy and teachers.

To others we grant the privilege of being second best and having been accounted as a virtue. Their faults are overlooked when their self-interest proves too strong for their social interest.

Are our self-interests put ahead of the social interests?

And it overrules in their minds the principle of the obligation to speak honestly.

Is this happening now? Are we overruling the idea that we want to hear what the people have to say? I would hope that this is what we are here for and the committee would serve that purpose.

It is useful in considering the need for honest communication in our political society to realize that every proposed law is in the nature of an alternative.

I think that's quite apropos.

"Every proposed law is in the nature of an alternative." This amendment is an alternative.

I've explained why this amendment would be good for you. As the Member for Saskatoon Eastview (Mr. Penner) stated yesterday, he didn't know why he was proposing something that would be good for the NDP. Well, I don't know whither, but you see, I think that's got to do with self-interest and social interest, because I would hope that my self-interest is not put ahead of the people of Saskatchewan's interests. This is what this committee will ensure. It will ensure that the people of Saskatchewan's interests are put ahead of your interests or my interests. This is what we are here for. Or I thought this is what we are here for.

It says:

It is not to be judged good or bad except as it is better or worse than some other equally definite course of proceeding which might be adopted instead of it.

Now I understand from intersessional committees and I don't know that much about them, but I understand that there have been some cases where committees have gone around the province, gone to other countries, come back with recommendations which have been adopted. I understand this is what has happened. I think that this is the kind of alternative that they are talking about here. You know, maybe an intersessional committee would come up with the report that we all might be able to agree upon.

AN HON. MEMBER: — Tell them about one!

MISS CLIFFORD: — I'll tell them about one. That's coming later. We'll talk about an intersessional committee that worked, just like an intersessional committee here might work.

One of the merits of the parliamentary government is that it provides the opportunity for expression of differing views.

And I would whole heartedly agree that our democratic government or parliamentary system here in Saskatchewan offers the opportunity for differing views. Now the opportunity for different views is really important in Saskatchewan. I think in this situation we could have had an opportunity for differing views through negotiation with the potash company. That would have been a way to reconcile differing views. To resolve the problem. Then again you could have voted for the first amendment. To have public meetings. That was a differing point of view. We've got many alternatives, but these are being rejected, we've got the election, that's an alternative, but that's been rejected. One of our last alternatives, mainly says put it to an intersessional committee. This is an alternative guaranteeing that the merits of the parliamentary system are not really a mockery.

It goes on to say:

That a speaker does not help the nation to find a right path by throwing dust in citizens' eyes.

Are we in the right path or are we letting our personal self-interests to go ahead of Saskatchewan's self interests. The only people who have been really speaking in this debate are from the Opposition and I know some of you have spoken, but it's not really an active participation. If this was in the classroom I'd feel very depressed to say the least, because if you have a classroom of people and they are not participating they really are not learning anything.

Plutarch who lived in the First Century A.D. wrote a book in which he told the characteristics of noted Greeks and Romans. (We're back to Egypt and Greeks and Romans again.) But you know the Greeks and Romans and the people in the past had some good ideas to offer.

AN HON. MEMBER: — . . . appear before the committee!

MISS CLIFFORD: — No, I'm afraid they can't appear before the committee.

MR. ROMANOW: — . . . we know all about the Liberals. We heard that a long time ago, talking about the Liberals.

MISS CLIFFORD: — Oh no, I wouldn't really agree with that, Mr. Attorney General. No, I don't think so, you must have the blinders on.

I would suggest, Mr. Attorney General, had you been here you might find some new ideas that I have been trying to say.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — I just offered you a very realistic solution so that you could look good no matter what. Well, you can't ask for anything better than that, can you?

MR. ROMANOW: — Watch out in 1979!

MISS CLIFFORD: — I tell you in '79 you're going to be in trouble. You watch out for us.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — Mr. Speaker, when we have been talking about these two bills, and I think that the Attorney General will agree with this, it is facts we want, we are the only ones who have been talking on this side of the House to the Bill. So if you are talking about a working opposition or someone that is doing something for the people of Saskatchewan, then open your ears, because this is what we have been talking about and this is what we are believing in.

MR. ROMANOW: — Quantity doesn't mean quality!

MISS CLIFFORD: — Quantity doesn't usually mean quality, except that if you are telling me that I have been standing here for I don't know how long, telling you that the people of Saskatchewan need a voice, that we should put their interests ahead of our own self-interests . . . I don't care if there isn't anybody up there in the Press, I haven't look up there for half an hour. I don't talk to the Press, I talk to the people of Saskatchewan, I talk for the people of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — When teachers teach, sometimes you have to keep repeating, and repeating and repeating. If I have been repeating that the people of Saskatchewan need a voice, that we have to put their interests ahead of our interests, then that is quality, not just quantity.

May I go on with this discussion. Thank you very much, I was speaking about the Greeks and the Romans. This may be quantity but I think that they have got something to say. What he wrote about the seeming statesman Plutarch was that, and by the way you will be interested in this, he was elected 45 times. Some of you are saying to the Members that are new here, I have been here for eight or nine years. This guy was elected 45 times. I am grateful to be here in this Session. I don't think that there has ever been a more important issue in the province of Saskatchewan than this one.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — We have had to learn very quickly, we have had to act very quickly and whether or not you like this presentation or the presentations that have been going on, we have had to work to put them together . . . Do you write your own speeches, Mr. Attorney General.

MR. ROMANOW: — Absolutely. I don't even have to have them written down.

MISS CLIFFORD: — I am a new Member, I am sorry I have to have something written. I still believe in what I am saying.

MR. ROMANOW: — Linda don't let those other guys get you down on those tactics.

MISS CLIFFORD: — I am never going to be taken down on anything, I can assure you that, in any way, shape or form. The only thing you have to do is to get up where we are and that could be a problem.

MR. ROMANOW: — Keep up to those lawyers Linda.

MISS CLIFFORD: — We don't need to stand up to anything. If I could get back to the point, Mr. Speaker. We are talking about someone who had been elected 45 times as one of the ten chief officers of state. I think this is quite relevant, because anybody who has been elected to anything 45 times should know something about it. I presume you know a little bit more about some things that I do, because you have been here oftener than I have.

The appreciation of him (this person that had been elected 45 times) was due not so much to his eloquence as to the influence of his character. Since not only a word but even a nod from a person who is esteemed is of more force than a thousand arguments or studied sentences from others.

That might really be a very contradictory statement. That was a fellow who was writing about Plutarch.

AN HON. MEMBER: — Who, Pluto?

MISS CLIFFORD: — No, Plutarch. We can have a brief rest here if you want.

But at any rate I think he had something important to say. He said it is not so important what you say and say and say, if someone whom people respect nods to them, it would be better than a thousand words. So you are nodding your head. I think this is important because you are obviously people of esteem, because you got elected. I would agree with that statement. Whether or not I agree with the people who elected you, they obviously respected you and elected you. So a nod from you I would say would have a pretty good effect on them. A nod from you saying I want your opinion, we are setting up a committee to find out your opinion would be something that they would expect of you because they respect you. I think they would give you a nod of approval.

He also went on to say:

How different that is from the belief that there is no need for the orator to learn what is really just but only what is likely to be considered just by the multitude who are to sit as judges.

I think that is quite important too, because what you consider just may not be what the people who are going to inevitably sit as judges consider just. They are going to consider this when the next election comes along. Therefore, I think what would be really just, is to get their opinion.

Just a little aside, Mr. Speaker, we have got a thing called a 'buddy seat' in our party. And guess whose buddy

seat I have, Mr. Cowley. I would advise you to get home once in awhile.

At any rate, on to the business of the potash takeover. We are still talking about honesty, Mr. Attorney General. Now what does that indicate to you? That is a realistic observation that there is no one in the press gallery because you see I have explained that I don't care if the galleries are packed or if the Press is here. But when our Leader came in you gave him a big hand. I was saying that we are still speaking of honesty and there is a good example of honesty right here for you in our Leader.

SOME HON. MEMBERS: — Hear, hear!

MR. ROMANOW: — I like Dave Steuart but those lawyers are manoeuvring the caucus.

MISS CLIFFORD: — You should know about manoeuvring, Mr. Attorney General. Anyway, back to honesty which is what we are elected for. It says honesty is not a cloistered virtue. We have heard about cloisters before, this is what we are in I hear. The one that must stand up against the tests of the world of action. That is the truth. The test of the world of action. That is the same as going to people who sit in judgment. That is the same type of thing, election business. There is no difference between ethics in general and business ethics. The moral standards that ought to govern man's private behavior should apply to his actions in the market place or in government. No person aware of the conditions upon which business is conducted today would think of urging the adoption of some standard that is in the clouds of speculative refinement. Nevertheless a sense of stewardship as a practical code of business behavior is spreading.

We are talking about business in the sense of business of industry, the business of potash. He goes on to say that there are many ways in which we can find opinion. Or many ways in which we can negotiate. One of these ways that we can negotiate was to get together with the potash companies. No person aware of the conditions upon which business is conducted would neglect this. The doctrine of merchandising where the attitude of "let the buyer beware" grew out of the nature of trading long ago when sellers and buyers gathered in distant places. This is relevant. Because we are trading and we are buying. And we are owning an industry. As I have explained before, there are many things we have to look at when we are talking about buying an industry or selling a product and one of the things that we have to look at is trading.

Members here, on both sides of the House, I wouldn't say there was one Member that is really an expert in trade, maybe there is, I don't know you that well yet. But if there isn't then we could get someone here who is an expert and he could tell us about the conditions. It is a rule with the seller and buyer up to half a word apart and with offer and acceptance made swiftly by telephone or telex, trading would be impractical if it were shadowed by misrepresentation, deceit and humbug. All the best geniuses in the universe cannot sell products unless the buyers can rely upon goods being up to standard of represented quality. What has that got to do with potash?

What has that got to do with the Province of Saskatchewan? What has that got to do with a committee?

Let's look at the takeover and let's look at the committee. What is the objective of the committee? A committee is here to find out whether or not the people are in favor of the potash takeover, that is what the committee is for. If the people are in favor of a government saying a number of years ago that you can have your rights till 1980 to the potash companies, but now say we are going to take you over. That's what you could call misrepresentation.

This fellow is saying that in trading and buying you can't have misrepresentation. Because people are not going to want to come here and trade and buy and set up more potash mines. Maybe this would affect our industry in Saskatchewan. Maybe a committee could find out whether or not it would affect it. Maybe it could find out whether or not we would still be liable to have all the markets that we have now. Maybe you already know those facts. But the committee would help us and the people of Saskatchewan would have those facts.

What are the questions which buyers expect straightforward answers to? How efficient is it? That is what we want to know. A committee would tell us how efficient it was. Will it do what you say it will do? How long will it last? How long will markets last? How long will this industry last? Or will it decrease? How easily does it operate? How much does it cost to run? That is a good question. How much does it cost to buy? These representative questions have to do with the quality of ingredients of the component parts and of workmanship. That is all a committee would find out. Just answer those questions. That is all we are asking for.

Receiving or giving or withholding such information is almost as bad as theft. Indeed John Ruskin, a great essayist who was early in the field in support of national education, the organization of labor and other social reforms said this:

It is an incomparably less guilty form of robbery to steal a purse out of a man's pocket than to take it out of his hand on the understanding that you are the steersman of the ship through a channel and you don't know the soundings.

What does that say to you? I don't know what it is saying to you, but it is telling me, if you're misrepresenting the facts, if you're telling the people of Saskatchewan it is a good deal, and really it is not the best deal for the people of Saskatchewan, it is as bad as taking something of monetary value from them. Maybe you are taking something of monetary value from them. Maybe it will be taken in taxes, maybe it will be taken another way. Maybe you have got the best deal. A committee would be able to analyze it and tell us whether or not you have got the best deal. It is logical, it is reasonable.

He says:

Promises made in speeches, letters, advertising (could be in election campaigns) should be fulfilled scrupulously.

This is one thing a politician would like to say he has done if he makes a promise by all means keep it. If he doesn't make a promise slip it in after.

We may learn from architects and technicians that the need for living up to what is promised and expected. When a building has some parts hidden from the eye which are a continuation of others bearing some consistent ornamentation. It is not well that the ornaments should cease in the parts concealed because credit is given for it. It should not be deceptively withdrawn.

All he is saying in that kind of a quote is that don't misrepresent. If you are misrepresenting the facts then I don't think it is honest to the people of Saskatchewan. If you are not, then let them know. Let them know all of your good qualities. Let them know that you are a thinking party. Let them know that you have done your research.

As far as our understanding goes, we are not asking for our understanding in particular, we are asking for the province as a whole.

Honesty in business communications reaps its most visible testing point in advertising, labelling and selling.

That is an interesting point. We heard a comment yesterday about advertising about the potash industry. That is where honesty really comes in. It was put forth that perhaps honesty was not present in the advertising. Maybe it was, but I should like to find out if all these facts are really the truth.

The conviction has grown in recent years that business not only might but must enhance its reputation for trustworthiness. Not only at election time must we have honest statements. Communication of any effect needs to keep its purpose in mind. What is the purpose of communication? The purpose of our communication is to try to get opinions that are said to be in harmony with the subject and the occasion, adapted to the requirements and the capabilities of the bearer or reader and carry with itself and insurance of integrity.

What does that mean to the people of Saskatchewan? All that we are saying is that they must understand and maybe if they understand your point of view they might feel this is a good deal. That is a good chance, a good start to an election campaign in 1979, Mr. Attorney General, if they agree with you.

We must beware of stating half truths as whole truths. All through the ages it has been said that the half of a loaf of bread is better than no bread, but half a truth is not only worse than no truth, it is worse than some lies. To describe one facet of a diamond is not to describe the diamond, only a few rays.

MR. COWLEY: — That's getting better!

MISS CLIFFORD: — Thank you, I am glad the Minister for potash is not going to play with his airplanes but listen, because I think it is important.

The expert who is selling a machine knows it by its acquaintance. There should be some machine dealers over there.

The prospective customer has only knowledge of the

description. Now that is important. You know the facts and figures by day by acquaintance to them perhaps. The people in the back, do you know facts, have they told you what the facts are about this deal? Good, they have 38 people in this province who know what is going on. What I am saying is that a lot of people don't know and it is not fair to them for you to say, it is right, we know best. Prove it to us!

MR. PENNER: — That's an arrogant attitude.

MISS CLIFFORD: — Quite arrogant. This also happens when you become a bureaucracy.

You will be glad to know I haven't much more to go on honesty because sometimes honesty hurts, the truth hurts, you know. Frightened people may resent honesty preferring to be soothed, ignorant people may decide truth is a burden and they do not wish to carry it.

I think that is important. Could I read that just one more time, because I think maybe you should all listen to it. "The value of truth to be called and questioned by intelligent people." What are we getting at? We want the truth and we want this committee to get the truth.

What kind of people don't want the truth? What kind of people don't want a committee?
Frightened people may resent honesty maybe resent at getting at the truth.

I don't think you look too frightened and I am not insinuating that you are the next one either, but ignorant people may decide truth is a burden. Is a committee a burden to you? I don't think it is really a burden to the people of Saskatchewan. Instead of a burden it might be a help. So we have frightened people who don't want committees; we have ignorant people who don't want committees. Maybe you are frightened to go to the people, that I think would be logical. Is that the reason why you don't want a committee?

MR. THOMPSON: — Were you . . .

MISS CLIFFORD: — Yes. Now as I said before you can't make decisions through ignorance and if you don't give us any facts, or the people of Saskatchewan any facts well then it is a little hard to make decisions. You like to have some intelligent decisions. I am not saying that any government has all the answers, although some of you do say that. Then maybe you make a mistake but if you went to a few people and asked their opinion you might make the right decisions for a change and this is what we are asking. Even you Mr. Messer!

MR. LARSON: — You should bring in the Human Rights Commission!

MISS CLIFFORD: — I don't need to bring the Human Rights Commission into anything.

Sometimes people get a little glimmer of hope in their eye or they get a glimmer of understanding and when I see a glimmer of understanding anywhere, I think maybe there is hope and you just keep going. I have seen a few glimmers of understanding and so I will keep on going.

MR. LARSON: — You want me to write to . . .

MISS CLIFFORD: — No, but I am sure that the Press would like to know that you are interested in the Human Rights Commission. That you are insinuating that because I am standing here the Human Rights Commission should be interested because it is my little duty to the women of this province, well, you have another think coming.

Whether by design or negligence dishonesty is a losing game.

You might like to know that this maybe has relevance for you in 1979, because if you don't go to the people and you don't find out what they want . . .

MR. KOSKIE: — We just did!

MISS CLIFFORD: — Oh, we have been hearing, 'we just did, we just did.' Mr. Messer, I think, even stated the other day — pardon me if it is not you who said it, that there was no danger in taking over the potash industry, this was in July. Right after June. Do you remember June 11th? I considered it a very good day, thank you. So there was no danger at election time for the potash industry to be taken over, so I don't think that you can say that you went to the people about this because you surely did not go to the people with this.

MR. ROBBINS: — Read the record!

MISS CLIFFORD: — There are fewer and fewer heads nodding up and down over there in agreement to your claim.
And may I continue:

As soon as we enter into weighing the evidence for and against the truth in a given case.

This is what we would be doing, we would be weighing the evidence in a committee. That's logical.

We are attempting to give it a price and when we do that we are implying that truth is a piece of property which we may keep or withhold at will.

Is that what we are doing? Could be!

Bias is an empty enemy to honest communication.

What have I been asking for and what have I been trying to say over and over again? I am saying it is not you necessarily that make us a bureaucracy. I am not saying necessarily that you are biased. But I am not blaming it on anybody, I am not blaming you in case you didn't realize this. I am just saying that in this amendment what we are asking for is to put away our biases; to put away our self-interests and to get the public's interest. That is all that I am asking for.

Bias is an enemy to honest communication.

So maybe we are not being honest and maybe we are not communicating.

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Maybe in voting against this amendment we are being a detriment to honest communication, often in an insidious and unrecognized way.

How unwilling we think of things which affect adversely the opinions that we hold and express and with what difficulty we are determined to lay them before our intellects for careful and serious investigation.

We are not laying them before our intellects for investigation, our intellects being experts, being people.

When our minds are full of one side of an issue we are not likely to reach or express an honest opinion.

I think that can be taken on the other side of the House. If we are so close-minded and blind, so that we can't see what the people are saying to us, because we don't want to hear them, whether it be by telephone or by letter, or whether it be by committee, then I think it is time we take another look at ourselves.

He goes on to say:

There is a grey zone between what is clearly honest and what is dishonest. And I expect maybe we are in a grey zone.

The question of whether we must always tell the truth has two facets. Is there any obligation upon us to reveal the truth about something to people whether they ask for our views or do not?

That is a good example, because the Attorney General has said, maybe he has more letters by today, but he said, I have six for and two against. Maybe if nobody asked me about the truth then maybe I don't have to tell them. Of if nobody writes me a letter I won't have to talk about the facts. If nobody phones me I don't have to talk about the facts. But it says here that maybe we are obliged to give them the facts, whether or not they ask for them and believe you me they are asking for it, but maybe it is our obligation to give them the facts anyway.

Are we justified sometimes in deliberately destroying the truth in order to obtain some end we desire?

And you know what the end in this case is.

I think that is important and I am going to repeat it for the Minister of the potash company, because I think that you are the one that is responsible for this potash. I have just been talking about the truth, Mr. Minister, and it says, we are obligated and I should like to ask you if you are obligated to tell the truth all the time.

Is there any obligation for us to reveal the truth about something to people whether they ask for our views or do not.

So in other words if they ask for a committee or if they write are you obligated to tell them the facts? Or are we justified sometimes in deliberately distorting the truth in order to

attain some end, that being the takeover of the potash industry which we desire but would seem unattainable in any other way. Is it unattainable in other ways, Mr. Minister? Or could we maybe ask the opinion and then act on the decision of the people? That might be a good way. If you are so convinced that it is a good thing then it will be attainable. But maybe there is a different yardstick for different people, maybe there is a yardstick of truth or honesty or discretion, or whatever, for people of Saskatchewan but when you get in here it doesn't matter. Is it believable that in the field of honesty as man as a carpenter or as a business manager or a politician or as a writer, has a function of his own to which he can apply special degrees or rules of honesty. Is this what we are doing, are we trying to take away from the people of Saskatchewan the obligation that we have to listen to them?

Matters arising in this grey area between the white and the black are not dealt with by law, are not dealt with in this House, they remain the responsibility of individuals. I think that if we come back to a quotation about power, if you remember that one, and it said that power is something that people have, but like a harlot they share the prerogative of power without responsibility. I think we have power in this House whether we like it at times. Because power also has responsibility.

Everyone who advocates a cause, a cause like you are advocating, preaches a crusade, leads a movement or issues orders must accept responsibility and assume responsibility and accountability for the effects of what he says or writes and that he omits in saying and writes. That is important, because we are asking for facts and we are asking you to bring the facts to a committee.

He says here that we will not only accept responsibility for the things you say — and you said we have a mandate from the people, which is really questionable in my mind — but you say they know what you are doing. They said it is all right. Well not only do you have to accept responsibility for things you say to them, but you have to accept responsibility for things you do not say to them.

Honesty in communication has three basic requirements and one incentive. Knowledge
...

And we would like some knowledge, that is what this whole committee was proposed for. We would like some facts, that is what the whole committee was proposed for. We would like some accuracy and we have a desire to be honest and responsible to the people of Saskatchewan. That is all that we are asking for.

It goes on to say that knowledge of one's product, whether it be potash or whatever, is needed.

MR. BOWERMAN: — I said that I would . . .

MISS CLIFFORD: — Mr. Minister, I don't make agreements with anybody and there was no agreement. If you would like to go and you don't want to pick up this little bit of knowledge, your Premier is back, he couldn't stay away.

MR. BOWERMAN: — A little bit of knowledge . . .

MISS CLIFFORD: — That's right and I said, when I began, Sir, that the only thing that I was trying to get across to you, which I shall repeat again for your benefit, although I have repeated it many, many times you apparently haven't got it — the only reason that this amendment is here is so the people of Saskatchewan can give their opinions. This is why it is. This is one of the reasons I am saying that we must let them and the last reason I gave you is because you are responsible and whether or not you believe you are responsible to them it is your obligation to give them that right.

Now he gives a reference, which is illustrated by the difference between meaning and truth. Now you may mean one thing but truth may be exactly the opposite. A person might say there are six species of animals on Mars, now that seems like a clear statement — this is just an example, because often examples give the answer to you. Although that may seem true how do you know that, Mr. Minister? You could tell me that. I suppose I would have to believe that because it is going to be a long time before I found out, but just like that you could tell me about the species and I would have to believe you because you are a responsible person. You can also tell me about the potash facts. I suppose, again, I would have to believe you because you are a responsible person, I guess. I don't know you that well but I presume you are. But you know I think when you are starting talking about realistic things not species on Mars, you are talking about people, you are talking about Saskatchewan, I think you have to start thinking that maybe you have to give the facts, and this is what we are asking about . . .

To admit that honesty and communication is difficult is not to take away from its desirability and attractiveness and effectiveness.

That's the truth.

Honesty is among the chivalries of gentlemen.

There you go, gentlemen, did you hear that. I will repeat that, "Honesty is one of the chivalries of gentlemen. It is not only the best policy, but one of the most rewarding human attributes." I'm sure you would like to attain it. The way you can attain it is to support the amendment.

MR. KOSKIE: — It's an asset.

MISS CLIFFORD: — Sure it's an asset. Sometimes it takes a little bit more gumption to be honest about a few things, but it's worth it in the long run.

Honesty and communication includes that sincerity which does its best to tell the truth, the whole truth and nothing but the truth. Where it is uncertain it confesses uncertainty, where it lacks knowledge that it does not pretend to have.

Maybe we are pretending to have knowledge but maybe we really don't have that much as far as the facts figures of investigation into the potash and I'm sure that a committee would tell you.

Now I have related a number of reasons why perhaps you don't want this committee. I have given you a number of reasons and I admit that I have repeated a number of reasons just to make sure you know why we want one. Just go get the public's opinion, and not try to prolong the debate necessarily. But as I have said before I have respect for a number of Members over there and one of them is the Attorney General (Mr. Romanow) because he's had some good opinions. And although maybe he would like not to remember it, he had once thought intersessional committees would be good. I tell you if you read the report it was a good one. It got really good recommendations. So he used to believe in intersessional committees. He was discussing with the former Member for Wilkie about whether an intersessional committee would be applicable. I wasn't here and I can't say I wasn't listening to his speech, but I presume that although more eloquently than myself he was up there saying — look, people over there, maybe we had better look at this thing, maybe we had better get the opinions of the people. And he would do it much more eloquently because he has got much more experience. He knows how to write speeches better, he doesn't have to read, but I'm sure that the ideal and the sincerity was the same as what I'm trying to get across to you today. He was saying this is an issue that will affect Saskatchewan. He was saying it is important to Saskatchewan. And this is one thing that we cannot let pass by without getting the opinion. Now this was in 1972. Well, it just struck me, you were the Government in 1972, weren't you? So you wouldn't have to be appealing for a committee in particular, unless you really believed in it. So all you would have to do is put a motion in and away it went. But apparently he thought it would be a good idea, and at that time that it was good to go to the people. One thing about it, I told you that I respected his opinion and in his speech he was commenting on the former Member for Wilkie (Mr. McIsaac) whom I know very well and I respect.

MR. MOSTOWAY: — Good Member and that's why he left the province.

MISS CLIFFORD: — You know all good people don't leave this province. I'm sure glad that we have a few of them left. But at any rate the Attorney General had said that the Member for Wilkie (Mr. McIsaac) is generally regarded as being a Member who is fair and impartial by all Members of the House, although he holds a particular philosophy. I'd say the same thing about you, Mr. Attorney General. I think you are fairly fair and impartial, even though you have a particular philosophy. I hope you don't mind Mr. Attorney General my quoting some of your speech, because I think it was important at that time, it was important to you and I am not doing it out of disregard, I'm doing it out of respect for your opinion. You said:

We are going to put this Bill to a special committee.

And this Bill by the way was the one on foreign ownership, Bill 115, which was obviously a really important issue in Saskatchewan.

We want this committee to be representative of both parties of this House. We want this committee to travel up and down Saskatchewan to get the views of the farmers and others of this province.

And this is what we want this present committee to do that we

are proposing, to travel up and down Saskatchewan. That's all we are asking. We want this committee to study other legislation in other jurisdictions. Maybe it wouldn't be a bad idea. Maybe this committee which we are proposing could find out whether or not an industry really would be best under government control. That's all we're asking.

AN HON. MEMBER: — Very basic.

MISS CLIFFORD: — He indicated all those things in his second reading speech.

That the purpose of this Bill is to give focal point to the discussion.

That's the purpose of the one that we are trying to discuss, Mr. Speaker, we are trying to get a focal point, instead of sitting here for 32 days with no focal point, the only thing that we have is that there is a Bill that wants to take over the potash industry. We just want the facts. He went on to say that:

The Bill would not be made law until a committee was finally set up and determined, and its recommendations were received.

Very worthwhile, Mr. Attorney General. That was a good point you made. He was not wedded to any of the specific provisions of the Bill. Well now, that's a little different because you are all married to the whole Bill — the two of them. You are bigamists — you are married to both of them at the moment. But at that time you weren't . . .

The debate was interrupted by Mr. Speaker.

INTRODUCTION OF PC FEDERAL LEADERSHIP CANDIDATE

MR. R.L. COLLVER (Leader of the Progressive Conservatives): — Mr. Speaker, if I might once again, I should like to introduce someone and beg leave of the Speaker to do so. Would that be satisfactory as far as the Speaker is concerned?

MR. SPEAKER: — Yes.

MR. COLLVER: — Mr. Speaker, I should like to introduce through you and to the Members of the Legislative Assembly a leadership candidate (one of the many) of the Progressive Conservative Party of Canada, and a Member of Parliament for Rocky Mountain, Mr. Joe Clark. We certainly are pleased to have Mr. Clark here to assist us in our endeavors and hopefully if you wish to meet him outside I am sure he will help you and assist you in your endeavors.

HON. MEMBERS: — Hear, hear!

AN HON. MEMBER: — The pause that refreshes!

MR. ROMANOW: — Saskatchewan style!

The Assembly resumed the interrupted debate on Bill 1.

MISS CLIFFORD: — Thank you, Mr. Attorney General. Now as I was saying, I was quoting from your speech, Mr. Attorney General.

MR. ROMANOW: — Why wasn't I listening!

MISS CLIFFORD: — Would you like me to start over?

MR. ROMANOW: — Yes, start all over again.

MISS CLIFFORD: — No, that is not within the rules of the House. We cannot repeat ourselves, Mr. Speaker.

HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — So, therefore, I'm going to quote some other sections, I am just giving you the most relevant points.

Speaking to the then Member, Mr. McIsaac, you said:

If the Member is sincere and he acknowledges that we can do it that way and some Members of the party say that we are genuinely concerned about this matter of foreign ownership (and they are speaking about the committee) then he would lend his support to the Minister of Agriculture and the Members on this side to have this Bill and all other related matters around the topic thoroughly canvassed and discussed in Saskatchewan, rather than making a political football of the issue.

I think that would be a good idea. This is why we propose this amendment so that we could go, as you said, and thoroughly canvas and discuss this issue in Saskatchewan.

AN HON. MEMBER: — Did he say that?

MISS CLIFFORD: — In 1972, April 27th.

MR. LANE: — Oh, is this what they call an about-face?

MISS CLIFFORD: — No, I just think maybe he has forgotten. He said:

Here's a Bill as a proposal; here's a committee that is going to study it as the Minister said. Let's get to the task.

Now those are real words of wisdom. Let's get to the task! I have said over and over after 32 days, let's get to the task. Let's put this to a committee and let's get on with the business, and solve the problems of the people of the Province of Saskatchewan.

MR. LANE: — Even you could appear before it, Herman!

MISS CLIFFORD: — All of you could!

You know, there's one important aspect about a committee and I'm sure that you would all agree with this — and that is that when you are before a committee under oath and you are asked to give facts, to be very brief, Mr. Minister of Social Services, and I'm sure you would really appreciate that. So that if there was a committee and we were compelled to be brief, you would just get the facts and nothing else. So I think that would be another advantage of a committee. We could at least get some facts and not have to be so lengthy in order to do something.

"Now if the Leader of the Opposition was sincere . . ."

MR. ROMANOW: — Sincere, the Leader of the Opposition, sincere!

MISS CLIFFORD: — No, I'm quoting. You see you weren't listening, were you?

Would you like me to back to misrepresentation and honesty? You see you are trying to misrepresent exactly what I was saying. I could give you that section over again if you would like.

MR. MOSTOWAY: — Don't give us his life history.

MISS CLIFFORD: — No, the Leader of the Opposition is definitely honest and we had debate on that one before. So I'm quoting. If I have to continue saying I'm quoting, I'll read the whole speech so that you don't get it out of context like you just did.

If the Leader of the Opposition was sincere in saying that this was a problem (and he was talking about foreign ownership) he wouldn't have gotten on national television the day the Bill was introduced, to make political mileage out of it as he did. He wouldn't have gotten out of his seat in the House and taken a strip off the Minister of Agriculture . . .

It turns out that he did support it, and you had a committee and it says:

This would be taking the powers on itself when there are no powers until the Bill becomes law.

So what we are suggesting is that we have a committee so that we can get on with the business of the House. I'll be very brief, there's only two more small sections I should like to quote. I'm afraid that it might take a little longer than three minutes though.

If we are going to make something on the subject, something the subject matter of debate and discussion, would not the Hon. Member for Wilkie agree with me that we would want almost every conceivable aspect of the topic in for debate and discussion on the Bill?

That's a good point. The Attorney General said that.

Wouldn't the Member for Wilkie (and I tell you this Member for Wilkie would) want almost every conceivable aspect of the topic in for debate and discussion on the Bill?

MR. LANE: — Why would the Attorney General change his mind?

MISS CLIFFORD: — Well, I don't know, maybe he's got pressures. Do they have pressures over there? They look like a good pressure group.

Questions such as whether or not non-Saskatchewan but Canadian people are foreign.

Now that was the question there. But the question to this committee would be whether or not it was a good deal for Saskatchewan. It's simple. That's why we want the committee. Now he also went on to say that:

He was not a person very conversant in agricultural matters.

Well you just have to listen to the farmers. Well I'm not a person that is very conversant in agriculture either, Mr. Attorney General, but I was elected to represent them if I said that I would represent their opinion and this is what I'm trying to do and that is all that you said, you said the very same thing. That's likely why you were elected, so you could represent the people. And if they do that then the best way would be to bring this issue to a committee. He said:

The purpose of this Bill is to put forward a subject that can be subject of debate and study and consequent recommendations by a standing committee or special committee of this House.

And that's what we are asking for, Mr. Attorney General, Mr. Speaker. It's really remarkable, I couldn't have written this better myself. I agree with you on that fact.

I ask all the people of Saskatchewan when I get up in my position and the Minister of Agriculture, we may be politicians, but surely there has got to be some onus of responsibility . . .

Now we have heard of responsibility before today haven't we? Honesty, responsibility!

. . . that even you the people would begrudgingly admit. I tell the people of Saskatchewan the purpose is to have the subject a matter of debate.

And that's what we are asking for in this intersessional committee.

Also this is from your speech, Mr. Attorney General, it's almost over. You will be glad to know that it's almost over.

MR. ROMANOW: — I didn't know that it was such a bad speech.

MISS CLIFFORD: — I have been commending you on how good it was. At any rate, I have been quoting from the Attorney General's speech from 1972 when he was proposing an intersessional committee, just as we are proposing it. And I'm saying, as he had said:

That the purpose of this Bill, and the purpose of the Government, was to work around this Bill and other issues and other briefs to find the solution of what we consider to be a problem of foreign ownership, corporate ownership in the Province of Saskatchewan. So that this intersessional committee will be what we consider to be a problem of government ownership. We assume that it is a problem and that all the people of Saskatchewan agree it's a major issue.

And I'm sure that all the people of Saskatchewan agree that this is a major issue.

Now if you say that that's an issue, and we say to you sincerely, then join hands with us and solve the problem, or try to find a solution which can be made up and recommendations to be an issue.

And I'm asking you to join hands with us, just as the Attorney General did to find out whether or not the people of Saskatchewan want the Government to take over the potash industry.

In the last paragraph of his speech he summed up why he wanted a committee, and he did it very well. He said:

With respect to the Land Bank we were clearly elected on the issue of the Land Bank.

Perhaps you were clearly elected on the issue of the Land Bank but you weren't elected on the issue of the potash.

We got a mandate on the Land Bank (which you didn't on the potash) and we are proceeding with the Land Bank because we held hearings with the people of Saskatchewan.

You know you have held a number of hearings for a number of issues, but I can't understand why you don't want to hold hearings on this issue.

MR. McMILLAN: — I can understand why!

MISS CLIFFORD: — Well it could be for a number of reasons, which I went through.

The Minister of Agriculture met thousands of farmers (I am sure that he would attest to that) and he knows their views and comes in as government policy, as a matter of legislation. We did not campaign on the foreign issue and if we did the Minister said in second reading it is his intention to hand the matter to a committee. Now you people say it should be referred to a committee and we ask you to join with us in the task to make sure that we have got the best possible legislation on foreign ownership and corporate ownership that the Province of Saskatchewan can have to meet this very pressing and important problem.

I should like to change a word in there and say, that now we ask you that this be referred to a committee. We ask you to join in the task to make sure that we have the best possible legislation (this is why we are asking for the committee) on the investigation of government ownership in potash and the Province of Saskatchewan can have to meet this very pressing and important problem. "I say to the Members opposite that surely we can bury our political differences in a resolution of that problem." that was a good point, Mr. Attorney General.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — I am sure that those members will be prepared to do that and I am sure the members of the committee on our side would be prepared to bury their political differences. We had strong differences over the family farm protection but the committee worked well, everybody acknowledges that. This committee can also do the same job very well. "I am inviting the Liberal Party" Mr. Attorney General said, "to join with us in that speeded task by the Minister of Agriculture."

Well, my friends I am inviting you the NDP to join with us in a committee . . . and vote for the amendment.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — If you look at the amendment in front of you, it is exactly the same amendment with only the potash investigation inserted into it. I invited the Members opposite to join those of us here who have an indicated an intention to work on a potash committee from our side to look at this problem. If they dissent they dissent, if they join in with us in recommendations, they join with us in recommendations. This is the most important and the last sentence in this paragraph.

But the point being is that all Saskatchewan farmers will be the benefactors of good work done by a good committee on this very vital and important issue of foreign ownership and that the Government is most concerned about.

I think we could put that into our terms and say that but the point being is that all Saskatchewan people will be the benefactors of good work done by a good committee on this very vital and important issue of government ownership in the potash industry, and that the Government is most concerned about. I would say that this is our prime concern, this is why we are proposing the amendment to you and why we feel that every Member in this House should support the amendment.

I am going to be very brief, I promise you again when I quote from the results of this committee. I think this is important because it only proves to me that a committee can do a good job and can come up with some worthwhile recommendations as this committee did on foreign ownership.

Mr. John Kowalchuk was the chairman — and I am sure chosen for a very good reason. He wrote a good statement saying why intersessional committees are important and why they work well. I will quote:

In a democracy the responsibility of the elected member is to represent his constituents and to help enact legislation consistent with their goals. Democracy implies that members and electors should meet to share their view with one another.

The purpose of a special committee of the Legislature is to provide an organized way of acquainting Members with opinions all across the province, and to provide the public with an opportunity to speak to Members from both sides of the Legislature on current issues.

What more current issue could be than the potash legislature.

The fruits of our labor as a committee will be I trust a better informed public and a more understanding and sensitive group of Members of the Legislature.

I think this deals with the facts that I was referring to as a bureaucracy earlier.

The opportunity to share in the work of the committee with members of both parties has been an opportunity to put the long-term well being of our community ahead of the short-term partisan concerns.

If you refer back to what I said before, in other words, you are taking the interest of the public before your self-interest.

My colleagues on the committee are from rural and urban areas and from both parties. Each of us has brought his own experience and insights to bear and our report does not fit precisely the pattern that any one person or group would draw if you were a sole draftsman.

I think that is important, because it is not the same opinion as 38 or 39 or however Members there are over there, would draw. "It is an opinion that has originated or developed from a number of people."

We trust that our efforts will provide guidance to the Legislature and serve as resource material to all who may consider the issues relating to land, ownership and use.

Now again, very briefly, in case some of you haven't read this report, it went into a number of factors, a number of areas as our committee would do. It investigated other countries such as the mid-western United States, which I think would be logical for us to do as members of the committee because as you know, Montana has now started another potash mine, there are other mines in New Mexico, New Brunswick, that could possibly be taking over our markets if this is not a good deal. They travelled all across Saskatchewan to 13 different points. It says that the committee received a total of 53 briefs of which 40 were presented at the public hearings, the public hearing briefs were presented by either the original author or a group spokesman. This is the type of thing we are asking for when we are asking for an intersessional committee.

It says the committee, as our committee would do, distributed a questionnaire at the public hearings in order to give people who were reluctant to express their views verbally

at the public hearings or those unable to attend the hearings a chance to express their opinion.

It went on to say that there weren't that many people who sent in the questionnaires. An idea that most of you have said people aren't responding to this, so there isn't any concern. But they did say that even though there were not many questionnaires sent in they did reflect the same ideas as were presented in the briefs. So therefore it was quite consistent.

Now the members on this committee are the same members that have been proposed in our amendment and this is why there was discrepancy with the other Members on this side. We just took the very same amendment, the same Members, because we felt that if you felt it was a good committee before maybe you would think it was a fair committee this time. Being the type of people that are trying to accommodate as much as possible, this is why we put the amendment in that way.

Who else did they meet with in this committee? They met with rural municipalities, they met with university members, these are the type of people we would call in to give expert information.

Mr. Speaker, I think that a number of people here could possibly tell this story better than I could, for instance, Mr. Wiebe, he was on the committee, you know the other members on the committee, they realized that there were recommendations and positive recommendations that came out of this committee, just as positive recommendations would come out of the committee if you vote for this amendment.

Mr. Speaker, we have presented this amendment and we are ready to accept responsibility and to take this question to the public of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — In concluding and putting the most . . .

SOME HON. MEMBERS: — Hear, hear!

MISS CLIFFORD: — . . . important parts at the very end, maybe you would be kind enough to let me get on with it.

This amendment was put in genuinely and we would be more than ready to accept an amendment by the Conservatives or one or two amendments to get themselves on the committee, this would be very acceptable to us. We want you to put your actions where your mouth is, so to speak, as you are a party that always consistently says we are a party for the people. If you are for the people, then it is time you let them express your opinion. If you care about the people, it is time you let them have their say.

Mr. Speaker, I urge every Member in this House to support the amendment as I will be doing.

SOME HON. MEMBERS: — Hear, hear!

MR. J.L. SKOBERG (Moose Jaw North): — Mr. Speaker, dealing with the amendment that has been made by the irresponsible Liberal Party opposite, who have absolutely no imagination because of their lack of including all parties of this House on that particular committee. I should like to say that it was rather interesting to listen to the type of debate and the length of research that has gone into those respective lectures and lessons the last number of days. I would almost think that if it takes a lot of research to pick up a book, a lot of research to read into the record, hundreds upon hundreds of words of other people that have said something worthwhile at some other time, then maybe that is what research is all about and that is why really in this Legislature there is not much sense in having research capability available to the Opposition Party, the Liberal Party particularly.

I should like to say, Mr. Speaker, that with the amendment that we have before us and the type of committee being proposed, supported by the words of the Hon. Member for Wilkie may I say to her that I know a good number of the people in the Wilkie constituency and Wilkie town proper with whom I talked at Christmas time and a good number of those people in that area did not agree with the childishness that is going on in this House at this particular time.

SOME HON. MEMBERS: — Hear, hear!

MR. SKOBERG: — I might also suggest, Mr. Speaker, when we talk about the committee as being struck we have to look at the committee to see whether or not it could serve any useful purpose or worthwhile purpose. I have to note the remarks of the Hon. Member for Wilkie that suggested that she was enjoying herself when she was standing there reading into the record those things that she did read.

It is a good thing for a school class if you have maybe that class going to school 10 months of the year that she could indoctrinate them with that type of reasoning that she tried to indoctrinate this Legislative Assembly. But I would suggest that it might be advisable if the STF for whom I have the greatest respect should start policing their own members just a little bit because really if students in our province are being subjected to that type of tirade and that type of propaganda and that type of nothingness, then I would suggest that it is time we look at our teaching staff to find out whether or not the people of Wilkie are receiving the benefits from their dollars.

One thing I did note, Mr. Speaker, though, when I look at the composition of the committee and realizing what has been said in this House prior to this particular debate on Bill 1, many people opposite have said that history means absolutely nothing. Let's not go back into history. At least the Hon. Member for Wilkie realizes that history is the backbone of this country and of this world. At least she should then address herself to her honorable colleagues to her left in order that they will know what is going on, including the ones from the right and as far as the one in front of you, Hon. Member for Wilkie, you may as well forget him, he is a dead loss and a total writeoff.

SOME HON. MEMBERS: — Hear, hear!

MR. SKOBERG: — When I listened to those opposite when they were debating the amendment to Bill 1, they talk about speeches being prepared, it makes me wonder if they know what we do on this side of the House. It makes me wonder whether or not they think that we do not do our own preparation of what little we have to say, but when we do say it, we say it with some type of decision making process behind it, some type of responsibility behind it instead of the complete irresponsibility of the Liberal Party in this Legislative Assembly.

SOME HON. MEMBERS: — Hear, hear!

MR. SKOBERG: — I notice that the Hon. Member for Regina Wascana is getting ready to deliver I imagine a masterful speech to us on the amendment. I would imagine probably that he has his research staff and his law office prepare some of those notes for him. I would imagine that the people of this province are paying for that type of research insofar as the amendment to this Bill is concerned. I would imagine that the people are paying through their dues to that particular law firm a sizable amount in order that he can tell us of all of the wonderful things he knows and of how he did a lot of research on his own. I would suggest that those people opposite have more capabilities of getting research for nothing than we do on this side and in fact they have some friends around this province who are only too pleased to help them in order to disrupt the democratic process of this Legislative Assembly.

I should also like to suggest, Mr. Speaker, that while we look at the length of the speeches that have been made in this House by the Liberals, it is quite apparent that those people opposite, the Liberals opposite, have to continue saying that they are in defence of the free-enterprise system because their leader in Ottawa said the free enterprise system is dead.

SOME HON. MEMBERS: — Hear, hear!

MR. SKOBERG: — Their Leader in Ottawa said that we are going to have a new society. He also said, Mr. Speaker, that we will have to change the parliamentary process so that we do not delay meaningful legislation that is brought before the House of Commons. I would suggest here, Mr. Speaker, that is this Legislative Assembly those opposite are being childish, they are being arrogant, they are being irresponsible, insofar as letting the people of this province know what new information they have insofar as Bills 1 and 2 are concerned and the amendment that is before us at this time.

It is also quite apparent, Mr. Speaker, that the provincial Liberals have to keep talking, many of those opposite have had lengthy speeches on this amendment to this Bill that we are considering at this particular time because they are trying to convince themselves that they have to stay in the Liberal Party and not move to the Conservative Party, who all in all have been fairly responsible in this particular debate.

SOME HON. MEMBERS: — Hear, hear!

MR. SKOBERG: — As I again look at the amendment I understand that many of the Liberals are approaching the various Conservative

organizers throughout the province at this very time because they are rather disgusted with the position of their party the Liberal Party and they are rather concerned that they may not be around when the next time rolls around.

SOME HON. MEMBERS: — Hear, hear!

MR. SKOBERG: — When I look at the amendment, Mr. Speaker, and I look at the composition of that particular committee that they are referring to I realize that all it would be is a clique of individuals on the Liberal side because there are no Conservatives on that committee, that those individuals would go to these so-called public hearings that we are hearing so much about, they would try and influence people by using big words as some lawyers are very capable of doing, of squirming and worming their way around instead of talking ordinary man's language. They would probably then try and convince these people in the rural areas and the urban centres that they didn't really know too much about what the Bill is all about and what the committee is all about, that they would place in their mouths that what they want to come out of that particular committee. I am suggesting, Mr. Speaker, that with the type of committee we are looking at, at this particular time, this committee would be absolutely valueless, it would serve no useful purpose. The issue is very clear that's before this Legislative Assembly at this time and every Member in this House knows what the issue is but they are not prepared to accept facts and realize that the people of this province are fully prepared and fully know that the natural resources belong to the people of this province and that is what they want and that is what we were elected on.

SOME HON. MEMBERS: — Hear, hear!

MR. SKOBERG: — Mr. Speaker, it seems to me that when we look at the thought that is before us and unfortunately I have to say, when the Hon. Member for Regina South (Mr. Cameron) who had some influence in the debate on this amendment, is not in the House (maybe his hon. colleague would pass the word to him) I think he should be answerable for what he has performed insofar as responsibility of this House is concerned. The fact remains that individual Members and the Members that we are looking at and one Member in particular that could be on that committee probably has a direct conflict of interest that he would not then be able to serve on such a committee. I am also suggesting and I will explain why I am suggesting that conflict of interest insofar as direct involvement with those people whom we are dealing with, could be involved insofar as that type of committee is concerned. We only have to go back two days ago and we find out, Mr. Speaker, that a Member who sat on the Rules and Procedure Committee was in conflict of interest when he came into this House and raised his voice insofar as Bill 1 or 2 is concerned. That individual Member is a partner of the law firm that represented that company, the Co-ops, and that individual had no right coming into this House and raising his voice insofar as opposition or defence of that particular private Bill is concerned.

I would also like to suggest, Mr. Speaker, as we look at the amendment that it is rather ironic that the Hon. Member for Regina South dashed out into the corridors and contacted his partner in that law firm to come back in here and try to

embarrass this Legislative Assembly. I am suggesting that exactly the same thing would happen insofar as setting up a committee and having public meetings and having that type of an examination of this Bill or Bill 2. I am also suggesting, Mr. Speaker, if we have to be subjected to the type of conflict of interest that was evident the day before yesterday then I agree there has to be a Point of Privilege entertained in this Legislative Assembly to find out whether in fact these people will not excuse themselves from voting on the Bill before this House.

I should like to suggest, Mr. Speaker, at least with responsible people in some Legislative Assemblies and as history has been shown and has been proven in this Legislative Assembly, when any individual has any direct involvement or his firm has a direct involvement in legislation before this House he at least has the intestinal fortitude to stand up and admit it and be excused from voting. This did not happen, Mr. Speaker, and as far as I am concerned for a committee to go out in this province to try and examine those things that are of vital interest would be valueless because you cannot trust nor can you possibly expect the people of this party to trust a party that is as childish as the Liberal Party opposite.

SOME HON. MEMBERS: — Hear, hear!

MR. SKOBERG: — Mr. Speaker, it is quite apparent, in fact it is very apparent that the Members opposite are not interested in the amendment to this Bill. They are not interested in Bill 1 or 2, they are not interested in anything except self destruction hopefully because that is exactly where they are heading for. I am suggesting, Mr. Speaker, that if we have to use filibusters on amendments as trivial as this one, ill thought out, lack of responsibility in the composition of that particular committee, then I am suggesting we are in a pretty sorry state insofar as the democratic process is concerned. I am also suggesting that if those opposite have to use filibusters to question the ruling of the Chair then we are in worse shape exactly where we are right today, trying to kill time, destroy the democratic process, destroy the credibility of the Speaker of this Assembly and at least that was not done in many other Legislative Assemblies nor is it done in the House of Commons.

I would like to suggest, Mr. Speaker, that if there has ever been a more disgusting, revolting and idiotic type of debate than is going on now, I haven't seen it.

SOME HON. MEMBERS: — Hear, hear!

MR. SKOBERG: — I would also like to suggest, Mr. Speaker, that I can well visualize when I look at the Hon. Member for Thunder Creek (Mr. Thatcher) opposite as he stood in his place and he talked on the — I am not sure he talked on the amendment, he probably will — and as he directed himself up to the gallery, the press gallery, so they could see his magnificent form as he talked great words of wisdom. And then I listened to the Hon. Member for Wilkie (Miss Clifford) and she says, "We are not playing to the Press," how ridiculous the Hon. Member for Wilkie do you think we are and the Press are, to not recognize this is a childish debate.

I would also like to suggest, Mr. Speaker, that if we have to use filibusters to have votes insofar as Orders of the Day are concerned, when certain legislation is standing then again that puts both the parties opposite in the same boat in trying to kill and destroy the credibility of this Legislative Assembly and also to destroy the very reason why we are here.

It amazes me a little bit though, Mr. Speaker, when I look at the amendment and I probably will be accused of filibustering this particular Bill, but as I look at the report from the Elrose Review, November 10, 1975, and it is a report from the Legislature by the Hon. Member for Rosetown-Elrose and it says:

The prolonged debate is still centered around the potash Bills. Filibustering is usually a political weapon used by the Opposition. Strangely enough the Government Members are now engaged in filibustering their own Bill.

Now, Mr. Speaker, I am not all that certain whether or not we on this side should be accused of filibustering. If I stand and take up about seven and one-half or eight or ten minutes of very valuable time because we have a lot of legislation before us that we have to consider. We have a lot of Private Members' Bills that people in this province are concerned about and interested in, but with the lack of responsibility on the part of the Liberals it is quite apparent that they are not concerned about the process of this Legislature. They are only concerned about themselves and trying to build up their stamina and their strength in the areas of this province.

I would like to suggest, Mr. Speaker, that to establish a committee at this time is absolutely ridiculous, it is redundant and solely for one purpose, and that is to kill time. I can well visualize why they would love to have the Conservative Party introduce an amendment, no one is that naive or stupid surely in this Legislative Assembly that they are not prepared to know what that is all about. When I refer to the stupidity of certain things I can only conclude in saying, Mr. Speaker, that when we listen to the Hon. Member for Qu'Appelle (Mr. Lane) and even he is not in his place this afternoon, nor is he very often, but the complete idiotic statements of that Hon. Member and one this morning was a typical example in the Question Period. It is no wonder that no one would want to serve on a committee when his name is on that committee. That would be the last committee in the world I am sure that responsible Members would want to serve on, with the type of approach that he is using.

Mr. Speaker, I oppose naturally the amendment before us. I say that if those people opposite are interested in the democratic process, let's get on with the business, let's get on with the Committee of the Whole. If they have any constructive information to offer in an amendment, let's get into that committee and find out what they are. If they, in fact, Mr. Speaker, are interested in establishing a committee to try and hold hearings for no useful purpose then I suggest the most useful thing they could do is go into the Committee of the Whole, make amendments to the various sections of the Act before us, make those amendments in sincerity and come back in Third Reading and let's see what they have got to say then. But I can say that they are not interested in going into Committee of the Whole, it is quite apparent that their one and only purpose is to stop the democratic process as we know it,

their only purpose is to look up at the press gallery, please report me to the public of this province because surely they must be getting fed up to the teeth with their rhetoric and book reading and their repeats that we hear going on. I can well imagine, Mr. Speaker, what some opposite will probably say. They'll say, "You were in Ottawa, why did you filibuster?"

I'll tell them a little story about amendments such as we have before us. Some years back there was a purpose to that and for that particular purpose I'll us an example. Divorce Bills used to go before the Legislative Assembly at Ottawa, the House of Commons. In those days the divorce bills were filibustered for a purpose to get them out of the House of Commons and the New Democratic Party, the CCF then, were successful in doing it. There are useful purposes in filibustering and some of those opposite are well aware of that. Also, Mr. Speaker, and I am utterly amazed at the Hon. Member who yesterday or the day before, suggested and made a wonderful Otto Lang speech about the stabilization Bill and that was in committee, the committee they were talking about now, if it had not been for the New Democratic Party right today the average five-year averaging would have been at the lowest average in agricultural history. And had it not been for the New Democratic Party that Bill would have passed the House of Commons on a five-year averaging and would have done nothing but harm to the agriculture economy. Those opposite, the Liberal Party opposite did their best to get that Bill through. They too know, right now, that delaying that Bill happens to be for other reasons as well as the most important amendment that our party is fighting in Ottawa.

I am suggesting, Mr. Speaker, that if we formed a committee as is suggested under Bill 1, the amendment that we have before us, it would be more of the same. There would be Liberals on there gathering up their special friends special interest groups, they wouldn't try and put intelligent questions to those people. They would try to embarrass them as they have tried to do in this Legislative Assembly and I am suggesting that I am opposed to that type of a farce that they are proposing. I am opposed to that type of a situation that could develop throughout this province because it is a complicated type of situation, a complicated Bill. If those people opposite don't realize what that Bill is all about and I would just like to read that one last little word insofar as the amendment is concerned.

Potash like all other natural resources belongs to the people in whose province it is found.

And that, Mr. Speaker, is why I oppose that type of a committee going out to find out whether or not the people of Saskatchewan should own their own resources. The people of Saskatchewan have spoken loud and clear many, many times, that we do own our resources, we want to own our resources and we will develop our resources to the best of our ability. I oppose the amendment before us.

SOME HON. MEMBERS: — Hear, hear!

MRS. E.G. EDWARDS (Saskatoon-Sutherland): — Mr. Speaker, in speaking to the amendment to Bill 1, I am glad the Member for Moose Jaw North (Mr. Skoberg) has spoken because obviously he has indicated that he hasn't been

listening. There were a number of speakers yesterday and if he had listened to what the Hon. Member for Saskatoon Eastview (Mr. Penner) had been saying he would have had a lot of those points cleared up that seem to be muddled in his mind.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — I am saying that we support the amendment because we oppose what Bill 1 is saying about how the resources should be developed. We say, of course, the people of Saskatchewan own their resources but how they are going to be developed is what we are debating.

The Member just seated has questioned the makeup of the committee. I wonder if he has some suggestions about other people, would he like to be on the committee himself? If he is questioning the makeup of it, I should like to remind him as our speaker for Wilkie has (Miss Clifford) mentioned in her address, this recommendation followed exactly a committee that was made up from your side of the House on another issue. If you are critical of the makeup of the committee look to your own government.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — The amendment, Mr. Speaker, suggests a method by which a committee of this House could investigate and get the facts. It suggests a method by which this committee could communicate with the general public and people (with particular expertise) and it suggests a way that it would report back to this House. Surely all those three things are necessary in good decision making.

Since November 12th, when this House opened, and after the Throne Speech Debate, we have been doing our best to convince the Members opposite why Bill 1 and Bill 2 are wrong. Why we feel it is a bad move, a bad business deal and why it is a disastrous direction for this province to be taking. Apparently we have not been able to convince the Government Members and so now we have turned to amendments if that would be an acceptable way. We have been criticized by the Member opposite, he says we are carrying on in a childish and an arrogant way. I would say that we have agreed to debate long hours, we have agreed to be here in the mornings, afternoons and evenings. We have offered to debate in the province and you have turned us down. We are doing all we can to get the information and see that that information gets to the public.

Some of the reporting early in the whole debate, as far back as right after the opening of the Legislature and this is reported in the Leader-Post on Thursday, November 13th and it speaks of nationalization. It says:

Nationalization a difficult word . . .

And I am quoting from that article.

That was the one word springing out of Wednesday's Throne Speech. The battle lines are well defined and there are no grey areas.

How right that editorial is.

For those speaking in favor of nationalization, they say nationalization is favored to ensure a fair return and a greater participating role for the people. That is using the words of the Throne Speech. Nationalization is opposed because the state has no business invading any field where private enterprise is both willing and able to do the job. The Government plan is one that will be abhorrent to many people and lauded by others but no one, (and I want to emphasize this) no one on either side can know the eventual results of such a far-reaching decision. In some cases state intervention is essential, to other it hinders rather than advances the cause of democracy. On which side the balance will swing in this instance is impossible to foretell. One fact is certain, once this decision is taken it is irreversible.

Caution is required by the Government, the Opposition parties and in fact every resident of this province, in assessing, opposing or supporting this proposal. Probably more than any other decision made in the building beside Wascana Lake this one which will affect potash as a resource and development as an industry and indeed all other resources and most other developments will have repercussions for good or ill for all time, caution please.

And when we of the Liberal caucus say, take time before a decision like this is made, isn't that using caution? I would suggest that the Members opposite should take heed of those words.

About the time when we started to debate and oppose these Bills, it was reported that the Liberals were facing a test as never before in this Legislature. The editorial said:

The message is clear to both the Liberals and Conservatives in Saskatchewan to effectively oppose the potash legislation. They must delve into every aspect of the plan and if they find the facts, show it lacks on business and social grounds, they should get the message across to the voters of the province.

Now some people do appreciate what we are doing as a Liberal Party. And they do appreciate with greater clarity than the Members opposite what the role of the Opposition is. But the criticisms we have heard, particularly from the previous speaker, calling us childish and arrogant and irresponsible, because we happen to oppose two of the most far-reaching, far-sweeping disastrous Bills ever brought before this Legislature. To be called childish and arrogant because we take our roles as an opposition seriously I think is irresponsible on the Member's part. As the official Opposition we have endeavored to dig into every aspect of the planned takeover. In spite of our efforts we have not received the information that we want.

I might say at this time that with 15 of us here and only 15 taking part in the debate, it hasn't been the easiest time for us. Ten of us are new, new Members and the Member opposite may say, well we read our speeches. He can be critical of us if he wishes, but we are doing our best to bring the facts, to bring the questions that we feel are necessary to this House.

It is disappointing to me to look around and see elected Members, with the NDP and with the Conservatives, who have yet to take part in this debate. I wonder what you say when you go back home? What did your people elect you for? I wonder about the Members on the other side that surely they have some opinions about this debate. Surely they do, that's what parliament is all about. On a serious and important issue like this to have no one to debate but the Liberals and only the odd one from the Government side jump up to criticize us, is not giving this parliament and this debate the fair treatment it should have.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — It disturbs me, and it disturbed me earlier in the debate to see the attitude that our friends, the Conservatives to my left have taken. They said early in the game and I quote from the paper:

Collver sees a possible danger if this expropriation Bill is delayed. Mr. Collver said since the Government has more representatives than the PCs and the Liberals combined and since it appears determined to pass the potash bills, he suggested it would be better to have the legislation in the law books rather than using the Liberal stalling tactics.

What kind of Opposition is that? If that were the attitude of all Members of the Opposition, you can outvote us any time, we on this side might as well all have stayed home after the June election and come back four years from now.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — There's no place for an Opposition that says nothing. But that seems to be the kind of opposition that the NDP would wish us to be.

Later on, the Leaders of the PCs, the Member for Nipawin seemed to change his remarks and at the convention, again not in this House, he criticized the Liberals again and said that they are stalling, "The PCs say 'stop' this legislation." And I say when, and how and where does he intend to stop it, if he doesn't do something in this House? Time is running out. You don't go out in the streets and yell 'stop it'. That's not going to stop anything. The PCs say the only way is to have an election and defeat the NDP in an election. That would be fine if we were at that time in this province, but we are not at an election time, so that's not the answer.

I'm surprised, as I say, with the Members opposite that they don't debate. The Attorney General said in remarks yesterday, "Well if we just get the legislation on the books it gives us the power. But we may never use it." Well why have legislation on the books if you are not going to use it? Or why have that power? It sounds to me like legislation that was passed when this Government, the NDP, took unto themselves the power to get rid of a hospital board if they so chose to do. They took unto themselves with the DNS the power over three towns in the North. They said they would never need to use the power but they've got it. I don't agree with the policy of getting legislation on the books just in case you need it. I think that's a dangerous thing.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — And so on this serious and important issue I am disappointed that so few Government Members entered into this debate. It seems to me that the Government is just waiting and waiting and waiting until we wear down and tire ourselves out. I can assure you right now that we intend to debate this right to the bitter end.

Time has not changed the situation. These Bills were wrong in November, they were wrong in December and they are wrong in January!

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — On November 28, a headline in the Star-Phoenix the Whip of the Liberal Party speaking as he was quoted, "Potash fight is just beginning." And I saw we are right in it and we are keeping it on. And as the Attorney General has said on occasion something about the 'new look Liberals' he had better believe it. We are not sitting back. And I should like to say that there's no way that there is anything similar between us, as individuals, with the PCs or the NDP. There is nobody in this 15 Member Liberal caucus who would sit down these two or three months and say nothing. We came here to speak, we came here to be heard and we came here to represent our people, and we intend to speak.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — We object to the Government trying to rush these Bills through before Christmas. The Government Members tried to tell us at that time that the length of time of debate was sufficient between the time the House opened and Christmas. That was long enough for the people to know what was going on. That's why we need the committee. The people of the province haven't had time. I think any one of you would have to admit that's not long enough for the general public to learn what it is all about. It would seem to me that the Government would have preferred that the people didn't know exactly what was going on. They would have preferred if the Liberals had sat down and said nothing. They would prefer an Opposition that is quiet and that's what they have in the PCs. One that says, if you are going to do it go ahead and do it. It sounds like rape to me. If it's going to happen it might as well happen, is that the idea. And no fight at all.

I'm surprised that the Government didn't move this amendment themselves. It was their original wording, as I said at the beginning. One that they had worded themselves on another occasion. This Government has often advertised that they listen to people, they are concerned about people, they would like the average person in this province to think that they are the only politicians who listen and they are the only ones who are concerned.

AN HON. MEMBER: — It's only before an election.

MRS. EDWARDS: — I'd say that if they don't realize it, there's a new

word out these days and it is called 'consumerism'. And this is all about listening to people. People want to be heard. They want to be involved in the decision making. And most governments are keenly aware of it, and I thought this Government was. In some instances they seem to be. They listen to minority groups in some places and they have human rights commission. This same government has appointed numerous commissions to investigate a great many things, and I would say that they are probably doing a good job at investigating things. I have no idea what the costs are, but they have commissions studying patients' rights, doctors' rights, accountability of institutions. Nobody speaks about anybody's responsibilities in those institutions, but we have a commission studying this and some day I'm going to ask what all this is costing the Government. They have no hesitation about appointing commissions and committees to look into that kind of thing. They have commissions looking into the practices within hospitals, which if it improves health care is a good thing.

But on an important issue like this, the potash issue, one of the biggest business deals that ever came before a province in Canada, they don't feel it is necessary to appoint a committee or a commission. They don't need to have to listen to people. They don't need to get the information. And I say a government like that has got its priorities all mixed up. There's no consistency. On one hand you say we listen to people and we want to hear people and we are concerned about consumers and we are concerned about the little person. And now they won't have a committee. If there ever was a time when this Government should be listening to people, it's right now. And if there ever was a time when there should be solid support of the public for this move of the government, it's now. This committee could listen to briefs and submissions from individuals and groups.

I suggest that one of the real essentials before a government moves into the nationalization of an existing industry they should have a mandate from the people of the province. This could have been done. It's only six months since the June election. It could easily have been an issue at that election, but you were afraid to make it an issue. You know what the results would have been, even without that issue, you only got 39 per cent of the vote. In other words, 61 per cent of the people in this province did not vote NDP, and there's no way that you can say that you have a mandate.

Another article, I should like to note said that the NDP in Saskatchewan holds power with less popular support than the NDP obtained in the British Columbia election when they were defeated as the government. How you think you have a mandate and the confidence of the people is beyond me. I would say that you may think you have the confidence of the people, but I can assure you that the people have no confidence in your government.

We support, as a Liberal caucus, the concept of a committee, as we feel that the people of Saskatchewan should have the opportunity to get to know the facts. We have not been successful apparently in obtaining those and we feel that a committee could hear witnesses and summon people to get this information. We want the people of Saskatchewan to realize what Bill 1 and Bill 2 are all about.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — We want them to realize the financial implications of the serious decision being proposed by the Government.

The Liberal caucus has done everything possible to convince the Members opposite in this House that Bill 1 and Bill 2 should not be passed. And now the people should have a chance to learn the truth and they should learn it, not from propaganda in the newspaper put out by the Government paid for with their own (the taxpayers') money.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — The question comes to my mind when we have suggested this amendment, and have been ridiculed for it, because they say that we are not serious — we are serious.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — What I wonder is: Why would the Government oppose the appointment of such a committee? Could it be that it was because they wanted to rush the Bills through? Or were they afraid of the reaction of the people if they really knew what was going on? Is it because they have total disregard for the opinions of the business people, the professional people, the farmers, the housewives? Or is it because with such a socialist philosophy they are determined that they are going to do it anyway, they don't care?

Perhaps it's because they are afraid of the powers that are given to a committee in this amendment and they they would have to answer questions, questions that they have been resisting in this House. Well I think that in sum total they know that if the people had the true facts, the people would be in the final instance the judge of the whole matter and that would come out at the next election and I predict it will.

The committee itself, what could they do that would be of help in the investigation? Well, I say that in the first instance that they would have the power to summon and question people who have the information and I think they would have to summon a goodly number of the Members opposite.

It's interesting to note that we haven't heard from the Minister of Finance (Mr. Smishek) on this. We haven't heard from the Premier (Mr. Blakeney). These people could be summoned and the committee could get information from these Ministers. There is the Minister of the Potash Corporation (Mr. Cowley) who should report to the committee. The Minister of Health (Mr. Robbins) the former Finance Minister. And what about the Minister of Industry and Commerce and Crown Corporations? Surely they would have information that the committee would need. I would think that even the Ministers that are preparing budgets for health and welfare and highways, should report to this committee to talk about how they are going to finance their programs, their capital programs and their operating budgets. Surely they are concerned that doubling and tripling the debt picture will affect the programs that give service in this province to the poor and the sick and the needy.

Along with government people who could be summoned to the committee, I think the potash companies would have to come in

and under oath. Perhaps we would find out if all they are saying is true. The Government disagrees with what the potash people say. Between the potash companies and the Government there is this impasse. The committee would have the power to determine, after getting the facts, just who is right and who is wrong.

There is a variety of people from the potash industries who could report. People from the management end, experts in the field of engineering, accounting people, their finance people, their marketing people and the average worker. I wonder if the Members opposite, the backbenchers at all really know the true story about the potash industry. I have heard from various reports that the potash people are disappointed in the Saskatchewan Government's refusal to consider an appointment of an independent commissioner to receive and verify financial data on potash companies facing takeover by the Government. Mr. Carpenter's statement said,

The Government has indicated its intention to become a competitor of at least some of the present potash producers. Their view is that it is totally unreasonable and unfair to have those companies compete in world markets with a government competitor.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — He went on to say:

Who expects not only to regulate these companies and to pay substantially fewer taxes, but who will also have access to the companies' complete financial records.

The potash producers made a plea in November for a better solution. Perhaps the committee could find a better solution. But this Government won't give it an opportunity. Unless you pass this amendment, there will never be the opportunity to find a better solution. Surely that is not asking too much.

It is reported on November 19:

A plea to keep from turning the Saskatchewan potash industry from a tremendous asset for Canada into a liability through government ownership was made Tuesday by Canadian Potash Producers Association. At a press conference, Mr. Carpenter said, the hour is late, but not too late. I believe there is still time to find a better solution than the Saskatchewan Government's plan to take over effective control of the province's industry.

This committee, after it got all the facts from the potash companies, could also call in national and international consultants on marketing and mining, on accounting, monetary and financial matters. Mining experts have already spoken, but I wonder if you followed that. I quote a British Columbia mining expert:

Nationalization of Saskatchewan's potash industry will not net the Provincial Government substantial profits in the long run. Thomas Elliot, a Vancouver Mining Consultant told the regular meeting of the Saskatoon Branch of the Canadian Institute of Mining and Metallurgy that in the long run, total revenues from potash would

be less than those that might occur in private enterprise if it was encouraged.

He went on to say:

Your Government has recently announced its intention to nationalize the potash industry in the belief that government can run the industry more efficiently than the private sector. It will receive a larger share of tax revenue.

My personal opinion is that your Government is wrong on both counts. History has shown that governments do not operate industry more efficiently than industry run under a free enterprise system.

Secondly, while your Government might temporarily squeeze some more tax revenue out of the potash companies, I am confident that in the long run, government will become less and less efficient and derive less revenue than it would have received by encouraging the private sector and taking its fair share of profit.

That is just what we have been saying. Unfortunately nobody in this place is listening, except the Liberals.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — I am almost tempted to call for a vote, look at the front benches. It is nice to see the Hon. Member for Regina North West coming back, I am waiting for the Hon. Member to speak, I should like to get into a debate with him. In fact the Member for Tisdale (Mr. Messer) hasn't spoken. Right now we are on potash and I should like to hear some of the Members opposite.

SOME HON. MEMBERS: — Hear, hear!

MRS. EDWARDS: — We have had some discussion in this House on the constitutional problems involved in the potash takeover. It was reported that the Attorney General said that he was uncertain about some of the issues involved in that. I think a committee could call in constitutional experts who would be able to bring to the committee information on the relationship between federal and provincial governments in tax sharing and all the implications involved. Then the committee could bring in professional people from universities, people who have had special training and expertise. You might say in what areas, what kind of people would you bring in from the universities? I would suggest that it wouldn't do any harm for the committee to bring in some political science people. People that could tell what nationalization of industry has done in other countries. What has happened in Great Britain, Italy, Denmark, and what effect nationalization has had on those countries.

Perhaps the committee could bring in a geology professor, whom I was talking to, who said he thinks this Government has its priorities all mixed up, to be borrowing money to purchase the potash industry, an industry and a product we have. The first priority of all countries, is the need to find new energy resources. Our money and our expertise should be allocated to

searching for new energy sources. I believe I have said it once before and I will say it again. He said, that if we don't find new energy sources, we won't be able to run the machines that work in the potash mines. We will never get the potash out.

Whether the Members opposite would like it or not, I think the committee should hear from Chambers of Commerce and business people. I know the kinds of things they hear from business people is what they don't want to hear, they don't like to hear people who don't agree with nationalization. But I think the committee should hear what business people, not just in Saskatoon or Regina or just in Saskatchewan but across Canada think about it.

MR. ROMANOW: — If you put the head office in Melville . . .

MRS. EDWARDS: — If you put that head office in some out of the way place Mr. Attorney General you are going to have to put in an airline to move those important people around.

I think that the committee should study the economics of the whole takeover. One article says:

The financial magnitude alone of the provincial government's proposal to nationalize Saskatchewan's potash industry is staggering. Quite apart from the political impact, the cost of the undertaking is impressive. At this stage only the vague outline of the Government's plan has been revealed. More will be known when the legislation is introduced, possibly in the very near future.

That was November and we don't have any more information, except the vague figures of \$500 million to \$1 billion.

Mr. Speaker, I have mentioned some of the professional people who could be summoned by such a committee. And if the Government feels that they have got that information, fine, they don't need it but we don't have it. I don't think that the Members of this House have it. That is the kind of information that should be in the hands of a committee and then on to this Assembly before decisions are made. To me there is no justification for the rush to get these bills pushed through. A committee could gather the information. I think the committee should hear from the general public. We have heard in the last few days from the Attorney General and different ones that they are not getting letters. It makes me wonder, because we are certainly getting letters. Many of them.

I don't intend to read you all these letters because I know that you don't want to sit and listen to letters that we have received. I want to tell you about a couple of paragraphs in one of these. This letter — is a copy of the letter that went to the Premier, maybe the Members opposite aren't getting letters maybe the Premier is getting them. It says:

I fully believe in government involvement in certain areas, like provincial corporations along the line of SPC. I also believe that there have been enough precedents set in early ventures of government operation to operate commercial enterprises that it speaks very strongly against any further venture into the field of

straight commercial involvement. Having lived in Denmark for a number of years of my life before coming to Canada in 1951, I believe I have a reasonable knowledge of the socialist philosophy in the Scandinavian countries. In all of the years they have been in power there, I can safely say that to the best of my knowledge there has never been any attempt to do anything even close to what we are experiencing here in Saskatchewan. I seem to recall that on more than one occasion I have heard Members of Parliament refer to the Scandinavian countries as a prime and ideal example of socialist philosophy and what can be accomplished under that system.

These are some of the points I would like to bring to your attention. In conclusion, I would like to make a suggestion. If you believe, if you are fully convinced that you are acting in the best interest of the people in our province, please take it to them, call for a plebiscite, ask the people if they are interested in investing in and operating potash mines. I am not so sure this was part of the mandate you were given in the last election.

I think if the Members opposite should admit that they are getting phone calls they are getting letters.

Mr. Speaker, I should just like to say before closing that this amendment is a serious amendment. We feel that time is needed. There is no need to rush. There is time to get the information. Time to take it out to the people and time to stop and reconsider. I think it would be a wise government that would accept this amendment and take the course that we have suggested on this issue. I support the amendment.

MR. E.F.A. MERCHANT (Regina Wascana): — Mr. Premier, if you came in to speak, I don't want to stand in your way. When babies are learning to speak, Mr. Speaker, the girl babies learn to speak about two months ahead of the boy babies and our two females have been increasing the lead ever since. We are very proud of them.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — I feel very badly actually that we are kind of grinding down — I sit here and I know that His Worship is sitting there smiling — His Worship sitting there and enjoying himself. The Minister of Municipal Affairs hasn't had so much fun for a long time. As the months go by I know that you feel badly as I do that this is probably the last time that you will get to hear me on potash until the 1979 campaign.

As I listened to the Member for Moose Jaw North (Mr. Skoberg) it reminded me of the minister who out in the margin of his sermon, the argument was weak there he said, pound the desk a little harder trying to get through. I thought that his only criticism of me and the Member for Regina South (Mr. Cameron) I gathered this was the criticism, that we are too well prepared and research our speeches too well before we come before the House.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — My colleague has mentioned the massive contribution made by the Conservatives in this campaign, in speaking to this amendment; massive contribution in dealing with the potash bills before the House. I see in the amendment that there is provision to call people before the committee to testify. I am sure you would all be interested to know that the word testify comes from the word 'testis' that the eunuchs in Greece weren't able to vote and from that derivation we have developed the word testify. If the eunuchs aren't able to vote and able to speak, I am not surprised that we have not heard from the Tories in this debate on the amendment.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — If we haven't heard from the Conservatives, I am fascinated to know why we don't hear from Government Members. Indeed, what have we before us, two or three Cabinet Members, two or three or four show up daily now for the question period. I don't know whether you are going into a platoon system as the Federal House has and as your federal Members criticized vigorously when the Federal Government made the change, but I suggest to you that when the House is sitting that the Cabinet should be at least represented in question period, particularly after you have been the ones to jam that extra time down our throats.

The Minister was over talking to me a few moments ago and noticed all the newspapers behind me, and said, what are all the newspapers for, I kept the secret from you. They are old newspapers from the North Battleford area and I keep checking the obituary columns for Kwasnica's name. But I am sure that he will be in the House shortly.

We heard about letters. I haven't actually received all that many letters. It is obvious that the potash story and the potential effect it will have on the Saskatchewan economy is getting around the world. My son got a letter from a Korean family saying that they were adopting them under the Liberal foster parents plan and that if we didn't get the pictures and photographs coming they would cut off his rice supply.

I have a number of other things that I wanted to say, which are of less merit.

Because I won't be speaking for while there are two matters that I thought were of importance in relation to this amendment and in relation to the Bill. First of all, a study like this is not an unknown thing and you have heard that, but even the NDP Government of Premier Barrett, decided that a study of the problems which he had been creating in his industries there was an appropriate thing to do, knowing full well — and I have, for instance, articles which ran right into the campaign — that people like the head of Crown Zellerbach and so on would be taking some pretty serious shots at them. I don't think that it is fair of the Government to characterize this amendment solely as an amendment for the purpose of delay.

Now don't let me imply that I oversell the case. Certainly we have done every single, solitary thing we could to delay and if from time to time the comments that we have had to make in the House were too lengthy and boring, that is too bad,

because our purpose simply was to spin this out for as long a period of time as we could and we will probably continue to do that. We think that it is bad legislation, but that doesn't mean that moving this amendment is an amendment that can be characterized by the Government as solely an amendment for the purpose of causing a further delay. We believe that some study is important. If, for instance, we are not to hear — and I gather that is the case — we are not to hear from the Premier, we are not to hear from the Minister who will be in charge, we are not to hear from people like King and Matheson, people who will be running the potash, we can subpoena them in a committee. If there is no provision to hear from those people, then I suggest that, certainly it would be appropriate and proper to have a committee proceed.

The implication that the Government gives is that those things are to be secrets of the Cabinet and that the people of Saskatchewan and the Opposition are not to be privy to any of those things.

Because I anticipate that we will not be hearing from the Minister Mr. Cowley, the Provincial Secretary, to explain some of the comments he made, not recently, but comments which I suspect are frightening to people investing in this province.

One of the matters to be studied by the committee was the effects of the purchase and ownership on the potash mines. One of the matters that we would be looking to, I think, is not only the effect that it is going to have on the investment climate in Saskatchewan, but the investment climate across the country. When I read articles that say, "US expected to protect potash prices" and "US to protest takeover," when I read of Macdonald and other Federal Ministers concerned and upset — and I will refer, briefly to some of the possible remedies that they could have. When I see us moving in that direction then I suggest that some sort of study on the effect is very, very important. The candor, I suspect has done damage already to the Saskatchewan economy. The candor, I suspect that even if the Government now chose to back away from having broken its word, the effect on the economy and on the investment climate would be very, very hard to overcome.

What did Mr. Cowley say one year ago?

The province is determined to see that maximum benefits from this rich resource come to the people of Saskatchewan. We are also determined to embark on a sound course of expansion in the potash industry so that we will maintain and increase our share of the world market.

We have already begun planning the development of new markets and we are prepared to negotiate with parties interested. The policy of government development has taken into account legitimate points of concern raised by the industry. We set the stage for the sound future.

Impliedly also did the Hon. Attorney General directly say that this was fair legislation?

One of the other areas that I suggest that it would be proper to consider, when we consider the appropriateness of this legislation. I have raised it, I suggest, Mr. Speaker, that — and incidentally I won't be unduly long, I could have been, but I suggest, Mr. Speaker, that as I said . . .

MISS CLIFFORD: — Even if we asked you?

MR. MERCHANT: — No, not even if you asked me! As I said yesterday, the amendment is wide enough that I think I can touch upon some of the areas that would merit investigation.

The Saskatchewan Waffle, I suggest, has shown some leadership to the NDP in the direction in which it is going. I am now reading from a news release of February 1, 1973:

I share the view of Members on this side of the House that what has happened to the NDP as it has decided to take a dramatic leftward swing.

Indeed, I am convinced that you have made a rather interesting political decision and decided to abandon the leftist Liberal support that you may have received in past elections and to try to ride home on a broken Opposition and ride home, winning on a 40 per cent or 38 per cent in a three-party fight. I think that what the Government is doing is they are embracing the left with a vehemence that has never been known before since perhaps the Regina Manifesto. Saskatchewan Waffle, in undertaking a provincial campaign said:

By itself, public participation in exploration will do little to solve the problems posed by private and largely foreign control.

Now they were talking about the oil industry at that time, but clearly — and as we well know, they frequently express themselves in the potash debate and on the proper solution that we should move, the direction we should move in potash. The Premier, before the election always said, no, that we won't move in that direction with potash. I always got the impression of the Premier being like a butcher carving pieces of salami, he just kept edging always to the left, a little slice by a little slice until finally we have cut off the remembrance of the old CCF, until finally we got an NDP government that is and embodies a truly socialist left wing party. It wasn't thus, and it wasn't elected to be this kind of a party. It was elected, perhaps to be an NDP in Manitoba. What did the NDP say in the 1971 convention? I suggest, Mr. Speaker, that in viewing the effect on the investment climate, that every man, woman or child or company considering investment in this province we should again be reviewing the comments that have been made, from time to time, by the Waffle and by the NDP in convention.

The 1971 NDP convention — again about oil and gas, because I believe that I received the statistics the other day of the absolute drying out of the oil and gas industry. I believe that viewing whether people would invest in this economy now they will be looking at the direction the party has been taking.

Be it resolved that the Provincial Government enter the oil industry by establishing an integrated oil company, run as a Crown corporation . . .

Fair enough they are there now.

But to that end the Government should:

1. Recover direct ownership of proven and unproven oil deposits by cancelling all unused exploration leases and issuing no new leases to private companies.

Now I wonder when the investment public of North America can expect that to be the next pitch to the left?

2. Create a provincially-owned mineral exploration company . . .

Well, they have done that, they don't pay much attention to Saskatchewan.

. . . repatriating all oil and gas leases presently being used.

They did to the oil industry what they are now doing to the potash industry. I suggest that anyone considering investing in this economy should look at that and look at the direction that this Government is moving.

I wanted, briefly, to touch on the power of disallowance. I think, again, that is a matter that should appropriately be considered by a committee.

Mr. Romanow has said — this article says — that Federal tax would not be constitutional. I suspect that he is whistling in his sleep, when he says that, he is hoping and praying. But the danger is disallowance.

Otto Lang, then Minister of Justice, but certainly with great influence in what happens in relation to western policy, has suggested that the use of the disallowance power may have an important role to play in future developments. And the very fact that he raises that possibility in the present constitutional context commands serious attention, attention that the Government isn't giving to it.

Mr. Romanow, Saskatchewan Attorney General, has said that though the possibility of disallowance has been raised as an issue, he believes that it has only been raised only as a bargaining tool. He said that it would be too risky for the Federal Government to attempt to use it. And, indeed, now I quote:

The exercise of the federal power of disallowance is a matter for the sole determination of the Federal Government and therefore not a matter in which the province requires a policy.

It is sort of like the man who is about to be hanged saying I don't need to have a policy on capital punishment because I don't have any control on the direction in which that legislation is going. I suggest to this House that it is not realistic to think that disallowance is out of the question. Disallowance is not likely. But I certainly suggest that if the Federal taxing provisions don't come into effect that disallowance is a very real possibility on the horizon. And that — they don't like to say this as a Liberal — but that the absence of political success on the prairies of the Liberal Party makes the possibility of disallowance used against the West an even greater possibility, because with that absence of political success, there isn't the kind of influence in Ottawa that one should expect.

This historical use of the power should also cause considerable concern for western Canada. In the first 53 years that the Dominion power was in effect — and that was really up until 1920, that was in heavy use it was used 96 times and it was primarily used against western Canada, interestingly enough. Perhaps that is because we elect splinter — we don't want to use the word nut parties — parties like the farmer's party and the Progressive and the NDP and the CCF and the Social Credit — no I don't want to use nut, no I don't want to use that kind of a phrase, but parties that don't seem to have any political substance, that they go up and they go down. The NDP have not yet, in the provincial field in Ontario gotten back to their 1949 level; that it is an up and down kind of thing. They are always a splinter; they are always on the edge.

Since Confederation a total of 112 provincial statutes have been disallowed by the Federal Government and 86 of them, 77 per cent, have been from the four western provinces.

Now the Hon. Member for Moose Jaw North (Mr. Skoberg) I should like to tell you that those busy beavers in my law office can find these kinds of things, but frankly I can't. I really wondered as you were saying that whether you considered it more heinous, somehow, that people helping me should, on their own time, prepare material that that is worse than your Ministers using government money and government time to prepare what they say, to try and build them up.

Federal power disallowance, of course, has not been used for some 30 years and indeed the Social Credit Government in Alberta, when it went for 13 years without finding it being used, came to the conclusion that disallowance was dead. The possibility of disallowance was raised from time to time, indeed, it has been tested in the courts and I will refer to that — raised from time to time and provincial governments always then had the good sense to back off. This Provincial Government, for its own perceived political gain, seems to think that standing in the face of Ottawa and not to try to co-operate with the federal power is the way to ride home somehow to greater political success. They seem to think that a government of confrontation with Ottawa is the way to govern this province, though they know full well that a strong central government is extremely important to provinces like Saskatchewan and always historically has been, and even though the Premier knows full well that people like Tommy Douglas were the strongest supporters of a strong central government.

Ross Thatcher was in your mould, I am afraid. His practice of negotiating, the practice of raising the possibility, raising the flag of striking down the legislation, has been successful in past times and now this Government, rather than backing down against that possibility, knowing full well that potash is an important part of our international trade relations, this Government waves the flag, if anything, in the face of Ottawa.

The possibility of just disallowing the Bill, as far as I know, was, indeed, last raised in connection with Saskatchewan. Prime Minister Diefenbaker was then in power and the Lieutenant-Governor, I forget, 1957 and 1958, the Lieutenant-Governor chose not to sign a Bill and referred that Bill to Ottawa. A curious practice, indeed, because as I understand the practice, and there have been various decisions about it, the procedure would be for the Lieutenant-Governor then to just sign and refer,

and the Governor General-in-Council, in short the Federal Cabinet, then have the right to disallow if they chose to do so.

Last raised in connection, 1957 or 1958, and last raised in connection with this Government. Fortunately I suggest, not only for this Government but perhaps for provincial rights everywhere the Federal Government chose to back away. But that issue wasn't of the significance to the international affairs of this country as this issue is and I suggest, and I don't know quite where I am standing, that that is a very real possibility.

The Alberta Premier, and I mentioned the last use in 1937, the Alberta Premier in somewhat the same fashion as our Premier and our Attorney General declared somehow, or he knew that Section 90 had some power of disallowance like all good premiers, he'd heard tell of it when he went through law school, but his position was that through political desuetude that had been obliterated. That's what they said in 1937 and that's what Allan Blakeney says today. The Dominion Government then waltzed all over the Alberta Premier and history was the matter went to court and that the right to disallow was upheld beyond any shade of a doubt. It's been tested legally that the right still legally subsists and is unrestricted, that it has not been amended or repealed in any way by changes since it was last used I suggest that it still exists and that the Federal Government still has that right to disallow legislation when they think that it is in the federal interest, the interest of the whole country to disallow.

I don't challenge that Allan Blakeney may well have views and reasons for doing things that are different from the national interests, rightly so. But he can't fly in the face of the national interests and I suggest that this legislation and all that it conjures up does fly in the face of the national interest. All that it conjures up about which I have referred and other Members of compelling other provinces to move into the resource fields if not manufacturing. That if it's possible for this Government and that's the kind of thing that this committee might well study, that's the kind of question that by calling the Attorney General and calling other experts it would be possible to study, that the Government might find itself backing off the tight rope and getting out of the very dicey situation, into which you have not only put the Province of Saskatchewan, but the Government of Canada and Confederation itself.

There are four main grounds upon which provincial statutes have been disallowed. One, as being invalid because provincial legislation may infringe on federal powers so that it's in conflict federally. Second and I think the second ground is really the ground where this legislation would be disallowed if necessary. That this legislation conflicts with Dominion policies and interests. It does conflict with Dominion interests. It conflicts with Dominion interests by compelling other provinces to follow suit; to follow suit because with the tax advantage you either have to pay tax from this province, and perhaps you are prepared to do that Mr. Premier, but if you are I can't for the life of me know why this question wouldn't have been laid to rest back in November when it was first raised by the Liberal Opposition. If you are not prepared to pay those taxes then certainly you compel the Government of Quebec for instance, to nationalize the asbestos industry and Ontario to go into tin. It's not good enough to shrug and say, well I leave to Bourassa

whatever he chooses to do, when you know that that would fragment and destroy the country.

Those are the kinds of Dominion interests that the Government would have to look at and I think you might be surprised if they came down on the disallowance side.

With deference to the Member for Moose Jaw North (Mr. Skoberg), I've culled considerably. You'll be delighted to know that I was prepared to go for many days and I'll just go a couple since I'm on my feet. When Prime Minister King asked for a reference to the Supreme Court of some social credit legislation Aberhart refused and thereby compelled the showdown. That's what we have to look at. Because this Government knows that it would have been far preferable to ask for a reference. What could have been simpler, Mr. Premier? Send the George Taylors and the Bill Elliots to Ottawa. They like it there anyway, at their \$500 a day and see if you can't solve the problem. Better I suggest than wrenching Saskatchewan through this almost political upheaval and then taking Saskatchewan into a blight of investment if the legislation is struck down. What if we suffer all of the loses of this gamble, all of the loses of showing your hand as really a doctrinaire socialist, a left winger? I'm not saying that's so terrible but certainly you have managed to cover it until recently. What if now you show your hand and we are back and the oil companies are back looking at the 1971 proposals at conventions and saying, I see that the NDP are really out to provincialize or control everything in this province. That's what we have been saying and you have been denying it. We've said it for years and years and now the lie that you told us was a lie, now you've given truth to the lie. You've made your decision and you've decided to take that risk.

What if the risk is then all for nothing? How simple it would have been to refer to the Supreme Court, to take a reference. A reference that is possible and that for some curious reason for a government, led by a couple of lawyers with help from others, some curious reason you have chosen not to do. That's what happened in 1937. King, because King was a mumbler, would avoid a problem desperately and that perhaps was the reason that he was such a great Prime Minister. But he wasn't a Prime Minister of confrontation politics. He wasn't as this Premier is, a premier of confrontation politics. King said in 1937, the last precedent we have, went to Aberhart and said, take a reference and Aberhart backed down and compelled the confrontation that resulted in the disallowance of those three Acts, the Credit of Alberta Act and the Bank Employees Act and the Indicture Act.

When you see me flashing through these pages you have some idea that I'm not going to be long.

The Hon. Attorney General, talking about disallowance, said and I think this characterizes the view of the Provincial Government. A view that I suggest to you is a dangerous view, you are in a fool's paradise if you think that disallowance is dead. The Hon. Attorney General said, the federal power to disallow provincial statutes has not been exercised for more than thirty years. In view of this developing convention it can be safely predicted that if the federal power of disallowance were to be reactivated there would be a strong reaction from the provinces. Whatever that means, but I gather that's

part of the reason that this Government is so confident that they can trample over the national rights. I'm not an apologist for the national rights particularly, although I know that I have some inkling of the way that they will have to approach this problem. I suggest to you that it's a fool's paradise indeed if you think that disallowance is a dead issue.

Morris Shumiatcher and we heard him last night, . . .

AN HON. MEMBER: — . . . Premier!

MR. MERCHANT: — Oh, I just felt called upon to quote him in 1945. You will recall that Morris Shumiatcher, one of the ten bright men, \$10,000 a year in those days when the government used to get elected on that side, they had the good sense to know that they weren't clever enough to run the province and they hired people to take it over for them. One of the ten wise men, they called him, 1945. I always enjoy a man who is wise enough to get out and switch. Wise enough to put his errors behind him. There is a chair for you. We have a chair for you, we can put it right behind mine. This quote is from 1945 when he was working for the Saskatchewan CCF Government and this was the reaction of the Government when faced with the possibility of disallowance then.

In all federations the power to determine the limits of the respective jurisdictions of Dominion and Provincial Governments is vested in the courts. No legislature can deny the courts this power since they are the referees of jurisdiction and the watchdog of legislative rights. To permit the Dominion Government to veto provincial legislation is to negate the principles of federation on two scores. First, the distribution of power to the provinces and their supremacy within their jurisdiction is rendered meaningless by the usurpation of provincial powers and the extension of those of the Dominion at will.

Second, the right of the provinces to a fair and impartial determination of the extent of their jurisdiction by the courts is destroyed. Their chief antagonist in the jurisdictional contest becomes their judge, jury and executioner.

That's part of the reason that I suggested just a few moments ago that the logical way for this Government to have gone was for a reference. A reference that would have solved the problem of whether we are adopting an exercise that would bring both great damage to the economy of Saskatchewan for the future and none of the fruits of the expropriation that you claim are available to us. I quote:

The principal danger in disallowance lies in the fact that it threatens the whole organization of democracy and responsible government. For the Dominion Government to disallow provincial legislation is to place itself in the position of the legislature. And to judge the wisdom and propriety of its acts relating to matters which the constitution has placed within the exclusive competence of the provincial legislature to decide. Any Federal Government which because in its opinion believes that a provincial statute is undesirable, though it

retains the right to nullify it, is thereby relieving the provincial legislature of the logical consequences of its own conduct. It thus defeats the principal end of responsible government and in addition it presumes to assume the function of the people of that province who in the last analysis alone are capable of determining the wisdom or folly of a particular enactment.

I agree with that. I think that one of the greatest dangers to western Canada over the years, has been the power of disallowance. That's part of the way that the Federal Government has used western Canada almost as a supplier of goods and materials. Part of the way that they have dominated and colonized western Canada. Now your government raises the possibility again of disallowance and brings the prospect of the disallowance of legislation back as a cloud over interprovincial affairs.

Now I wanted lastly, and I might say briefly, to deal with a matter that the Hon. Attorney General keeps thrusting in our face almost and to be candid I've not been able to understand why. Whenever, and I accept that again it's a legalistic kind of argument and you people could all leave the House as soon as you go we'll challenge for a quorum, but it's a legalistic argument but I think that it's something that should be brought to the attention of Members in deciding whether to deal with this committee because it goes again to the question of the propriety of a review by the courts. For some curious reason whenever one of our lawyers has talked about constitutional rights, I've heard the Attorney General shout at us about the British Columbia Power case. The BC Power case was the last word in our courts of provincial expropriation and it was struck down by the courts. If ever there's a case that should be denied or forgotten by the Hon. Attorney General it's the BC Power expropriation, because the BC Power expropriation, the last word, said that the province couldn't expropriate BC Power because it was a Dominion charter. You'll find that most of the companies that you now propose to expropriate are Dominion charters. Because it was a Dominion charter in British Columbia and that it took it beyond the rights of a provincial government.

Now I don't mean to be picky with the Attorney General but if you other people in the Cabinet are relying too heavily on the recommendations of whoever works up his constitutional thoughts, don't forget that he's been wrong once already and clearly in moving for expropriation and in passing Bills 1 and 2 you are impliedly saying that you don't think that the potash reserves tax is constitutional either. I've got decks of things with the Hon. Attorney General assuring the province that that was constitutional and then backing off.

Let me briefly put to you the BC Power case. The only thing, well there have been two things that I have found curious, Mr. Speaker, about this debate, and one is that the Hon. Attorney General when we speak to this amendment or no matter what we've done indeed in relation to potash, keeps shouting filibuster, as though we should be embarrassed about a filibuster. We're not embarrassed about the filibuster. We've been fairly clear that we were delaying this legislation and using extraordinary means to do so. He kept casting that at us as though it was a stinging word of rebuke. Every time he said it I'd look up to the press gallery hoping that one of them might get the spelling straight.

Now the other thing that fascinated me, was this BC Power case. The British Columbia Power case and lastly that day when I was saying give us the figures, repeatedly, he turned to the Press, his buddies in the Press, and shouted, you've got them in my speech, when he knew that wasn't the case. I gathered both with the BC Power case and shouting to the Press, the figures are there, when we started the filibuster, that on both occasions what he was trying to do was to confuse the Press. That because of the BC Power case, somehow he was saying to the Press there's clear authority for this expropriation. That when those silly, nilly lawyers on the Liberal side say that the expropriation can't go ahead, that we've got a clear case, BC Power. We're within the purview of BC Power. Well, let me tell you, Mr. Speaker, and Members of the House what the BC Power case was all about. I won't be too long.

British Columbia Power was a federally incorporated company which exercised its power solely in British Columbia, but it was a dominion company, registered with the Dominion Government. It held the common shares of BC Electric and that's all it held. British Columbia Electric amazingly enough was a provincially incorporated company. So the situation, the causal situation and I'm not the one to argue what a Bill Elliott will do so well, but the causal relationship was even stronger for the BC Power situation in BC Electric than it is for us in Saskatchewan where these are federally incorporated companies and they hold directly so that the legal ownership is direct. British Columbia Electric was engaged in a public utilities operation in electricity and gas and transportation and so on within British Columbia. That's all it owned. Some of these companies, of course, own holdings many of them outside of Saskatchewan. IMCC, we tend to call it IMC, it is really International Minerals Corporation of Canada, it also has a small holding in Ontario. So again the Attorney General presumably on the advice of people within said, but we can get around that if we just say we'll just take the provincial matters.

Well British Columbia Power was even more strongly in favor of the tradition that the Attorney General assures us will keep this legislation from being struck down in the courts, because BC Electric, the only thing that BC Power owned, didn't have any holdings except in the Province of British Columbia. Provincial legislation sought to vest the shares, the ownership shares of BC Electric in the province. The Supreme Court showed that that legislation was ultra vires on various grounds. The Act was said to sterilize the dominion company because the Supreme Court, not the Supreme Court of Canada incidentally but a British Columbia Court, but it wasn't appealed and it went no further and I can only assume they accepted the decision. That court held that the Act was sterilizing the dominion company. They said that if you take over a dominion company you don't give it any option to do anything else within that jurisdiction, that it's improper, that you can't attack a dominion creature, a federal creature. And that's what the Attorney General will be doing. And that decision held that the provincial legislation was in conflict with the federal statute and held that that legislation was ultra vires, ultra vires in the province. The Attorney General said to the Premier before he was replaced by his deskmate, that surely the logical course would have been to have this reviewed by court. Saskatchewan is dealing with a dominion company and I suggest that the impact in this case is very, very important in deciding whether this legislation will stand up.

Now what was the basis of the decision of the Chief Justice in that decision. He said that the company as a dominion corporation was a company that could not be touched and really hung his hat on the very fact that it was a federal creature. The Decision said and I quote:

Whatever standard may be applied, I think it is clear that the legislation here under consideration cannot in any sense be said to be a law of general application as I shall find. It does not apply to all persons, nor to all companies, dominion or provincial, nor to all persons or companies engaged in the business of the generation and distribution of power. Nor does the legislation relate generally to the business itself of the generation and transmission of power. In my view it applies mainly to this dominion company and relates to that business and undertaking.

Now, Mr. Speaker, in closing on that portion I say to you that candidly again, I am not sure that the British Columbia Power case was well decided. Indeed there has been a good deal of comment to the effect that it was not well decided, not in the least of which has been commented by Mr. Justice Bora Laskin, I think before he became a judge of the Supreme Court. Does that mean though if I come back to the central theme of that single reason for considering a committee, does that mean that the Province of Saskatchewan but suppose they are 80 per cent sure they are highly optimistic? But if they are you've gambled away the trust of the investment public not just in Canada but of Canada probably in the world by this move. You've damaged the investment climate for all of Canada. You've made it more difficult to get money and borrowings into this country. You've made us look like the banana republic to which you referred in starting when you keep saying that there are plenty of precedents for expropriation and we know that. You make us look like a banana republic and if you have done all that on a gamble that somehow this legislation will stand up in the courts, on a gamble that it won't be disallowed, then I say that you are taking tremendous risks for the economic future of this province, an economic future about which Liberals on this side and you on your side care very, very greatly.

SOME HON. MEMBERS: — Hear, hear!

MR. W.C. THATCHER (Thunder Creek): — Well, Mr. Speaker, I just don't know quite where to begin. We have been through many facets of both Bill 1 and Bill 2 and we have heard some highly intriguing arguments and we have had some very informative papers read to us. I think one thing that clearly has emerged out of this whole business is the fear that the Government itself appears to have about Bill 1. A couple of days ago the gentleman in charge of the proposed potash Crown corporation came into the House and had on a beautiful brand new bright blue suit that I think probably he got for Christmas, and immediately the speculation commenced. Don't tell me this gentleman is actually going to speak in this debate? Well we were certainly disappointed because he did stand up to speak on some minor thing on Private Members' day, but still hasn't been on his feet to talk about this particular Bill 1 or Bill 2. It has to be very surprising both to the Members on this side of the House and to everyone in this province that this gentleman does not guide his own legislation through this Legislature. It has to be a most surprising thing

that another Minister is going to do the guiding and is going to carry this through to Committee of the Whole.

I really don't blame the Member for Biggar (Mr. Cowley) for deferring to the Attorney General to allow the Attorney General to carry this through. I don't blame him one bit, but I should like to caution the Attorney General of the dangers he is running as he shepherds this Bill through the Legislature.

MR. SPEAKER: — Order! I think I would remind the Member, although I don't think it is necessary, that he's already spoken on the Bill and must confine himself to the special committee set out in this amendment and why he approves of it or disapproves of it.

MR. MALONE: — On a Point of Order. I took the liberty of checking with the Clerk a day or so ago about the Member's qualification to speak and I believe he is still able to speak on the main Bill. I believe he adjourned debate, at least that was the information I obtained from the Clerk's office. I must say over the Christmas period I myself forgot what had happened and that's why I did check and my information was that the Member for Thunder Creek was still able to speak to the main motion and to the amendments.

MR. THATCHER: — Mr. Speaker, I adjourned debate when I spoke on Bill 1. I have not been in the House since at any time that it has been called, if that is of any aid to your ruling.

MR. SPEAKER: — I believe the Member is right. I have checked the record and I find he did adjourn the debate and he was speaking at that time on the main motion and the amendment. That amendment is gone and this amendment is before us and I believe you are right that you have the right to speak.

MR. THATCHER: — Well, as I was saying before we were side-tracked, I really don't blame the Member for Biggar for letting the Attorney General shepherd this Bill through the House because I am sure some of the question in Committee of the Whole are going to be rather difficult, lengthy and penetrating, etc. But I should like to caution the Attorney General on handling this because Mr. Attorney General, somewhere along the line, I still have great faith that you are going to see what's behind you that you are going to look over your shoulder and see just what's there. Really there may be no point in leading this party at some future point in time.

Now at this point, Mr. Attorney General, I think the prospects are reasonably good that with considerable effort I might be able to persuade my colleagues to find within themselves, that at some point in time they might be able to accept you, but to continue with this Bill it is going to become very difficult. Now one reason, Mr. Attorney General that I really wouldn't mind seeing you cross the House is that . . .

MR. ROMANOW: — What . . .

MR. THATCHER: — Well, it has been said by your side, I don't know whether it is true or not, but it has been said that there is

going to be a leadership contest in this party at some point down the road. I assume, since you people said it, that it must be true. You know, Mr. Attorney General, there is a lot of merit in saying that the greatest way to beat a socialist party is to use a confirmed anti-socialist. After all the only time you've been beaten in Saskatchewan was by using a confirmed anti-socialist and for that reason I really wouldn't be all that remiss or upset if you were to cross the floor. But to proceed with this Bill which is probably the most dangerous piece of legislation that you've ever concocted, far worse than the Land Bank . . .

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — . . . far worse than Bill 42!

I would like to say that the further you go with this, the more difficult it is going to be to clear the way. I can recall the problems that we had in accepting another former socialist about 10 or 12 years ago in Hazen Argue. Now bear that in mind, Mr. Attorney General, you know what happened there. But actually you know when I started speculating as to the possibility of the Attorney General seeing the light, I sort of started thinking, well, who else is over there, who else could possibly see the light. Well, there is the Minister of Industry, the former Minister of Agriculture (Mr. Messer). I would say there is a very strong possibility that he could see the light because frankly I don't think that he ever really did see the darkness on that side. I have always maintained that gentleman does a good job in keeping his capitalist tendencies thoroughly submerged. And then I speculated on a possibility of another Member coming over and that was the Member for Biggar (Mr. Cowley) because even though those of us who are new in the House really haven't had a chance to see him perform, or see what he could do in debate or see how he could handle his own legislation, they do tell us that he is reasonably competent, in fact some people even regard him as very competent. I find that very difficult to believe because if he is so highly rated, if he is so competent, why haven't we seen him in debate on his own legislation? Why haven't we seen him handling his own legislation going through this House? Why hasn't he been up here to splatter the Opposition arguments against the back of this House? I suppose that these are all very valid questions and I must say that when I saw you a couple of days ago, I thought maybe you were preparing to enter debate and I was really anticipating seeing one of the highly regarded people on that side of the House, but then as I say, you disappointed us.

But let's assume that these three people were not over on that side of the House. Regardless of where they would be, the Premier wouldn't be left with too much over there, would he? It would be a pretty sorry mess. I guess that they would then probably have to move the Minister of Transportation (Mr. Kramer). They would have to give the law profession what they deserve and make him Attorney General and that would leave an opening in Transportation and then you have that bright young fellow from Bengough-Milestone (Mr. Lange) ready to move into the Department of Transportation. Then he could do what he has always wanted to do, or what he always advocates for the CPR and the CNR. He could probably even find a way not to build a spur track over to any of the Cargill inland terminals. But it is an horrendous thought when you think of just how many people that the Government across the way rests upon. It really isn't so funny, it's really quite frightening.

Anyway, to get back to Bill 1, Mr. Speaker, I think the arguments have been pretty well documented in this House. The reasons as to why we oppose them have been expounded. I think we all know very well when you expropriate mine number one the future investment from the private sector goes right out the window for years and years to come, if not for perpetuity.

You know, we think back to the year 1971 and this Government cancelled the Dore Lake pulp project. You look at the private investment that has come into this province since that time. You really have to dig deep, you really have to think and you really have to research to see where any investment has gone into the resource field. Sure we have had private money to go into shopping centres, we have had it go into apartment blocks. What private money has come into the resource field, or where has it gone for that matter into the straight manufacturing end? It has been a pretty sad state of affairs since 1971. Dore Lake was condemned as being a giveaway of our resources to American investment. And yet, Mr. Speaker, I don't think that there is a person across the way right now who wouldn't concede that if the Dore Lake Pulp Mill was sitting up there right now I'm sure he would be up there standing and applauding it. It would just look pretty nice up there at this point in time.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Instead, what have we got up there? What have we got up there now? We have native people who have no hope. They are on welfare, they have no hopes of getting jobs, and what is this Government doing to help them help themselves? What is it doing to help them, period? Dore Lake was the only hope these people ever had and you took just an awful lot of their pride away in shutting it down. I'm sure you wish it was there, don't you?

I suppose the other thing that came along in that period that I suppose could be construed as outside investment is the Roumanian Tractor Plant. Well now you really whipped up the different cities about that one. Moose Jaw sent about a 15-man delegation over to Roumania, and I guess they had a wonderful trip; Saskatoon countered in one form or another, I just forget how they did it. But as per usual as you tried to do about a month ago on the head office of the potash corporation, you proceeded to tease one city against another. The Roumanian Tractor plant never was close to reality, it never was viable. But even if it was, even the Roumanians didn't trust you enough to set things up here.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Mr. Speaker, people across the way scoff at private investment, private capital. Well I see the Member for Moose Jaw North (Mr. Skoberg) is in his seat, and I think perhaps he can verify some of the comments that I am going to make about a city that did scoff at the private sector some 40 years ago, and that is the city of Moose Jaw.

The city of Moose Jaw, in the mid '30s had placed a large volume of debentures out that were picked up primarily by financial institutions in eastern Canada. The situation in

Moose Jaw got very drastic and for one reason or another, that is really not important at this stage of the game, they defaulted. From that point on the name Moose Jaw was mud in financial circles, it was mud for thirty years afterwards. There was no way you could get any outside eastern money to invest in the city of Moose Jaw. It would go to Regina, to Saskatoon, but it wouldn't touch Moose Jaw with a ten-foot pole. The people, the financial people, rightly or wrongly have very long, long memories and Moose Jaw paid the price for 30 years. In fact, probably they paid the price up to as late as 1972, and really the ice was only broken when a shopping centre with outside Alberta money, which did its financing in eastern Canada, was constructed there. Since then the situation has eased. But Moose Jaw paid a horrible price in development for that one thing of cancelling debentures away back in the 1930s.

All right, the reasons aren't important. The situation is important. But the lesson is, when you expropriate mine number one, they will never forgive you. They not only won't forgive this province, I don't know whether they are going to forgive this country. And I think those of us in Canada, we like to smugly think or consider that the rest of the world, particularly the rest of the world that has investment money to place in circulation, view Canada at a very high level. It's nonsense. They don't! I find it very shocking that they don't. Certainly the situation that is now taking place here in Saskatchewan is very definitely not adding to the image which we have in the international field.

This filibuster has dragged on for a long time and probably it is going to continue to drag on for some time. At least it is going to drag on until we have completely exhausted ourselves. And it will drag on (and I should like to emphasize) until we have exhausted ourselves, so that we have nothing left.

A gentleman in the press gallery about a month ago said, "well, go to it on this filibuster, the Press will decide when it's over," and the attitude I suppose of one institution, one company, maybe one reporter, is certainly not going to change that. I notice the reporter from the press gallery, on CKCK on Monday, announced that neither he or his station would report any more news on the potash debate, that as far as he was concerned it was all repetitious and nothing was new. Consequently they will not be reporting it. I suppose it is interesting to speculate how he would know what's going on here today, I haven't seen him all afternoon. I notice his reporting on the proceedings in the House yesterday on the late evening news. I didn't see much relation to what was reported and what actually took place. I suppose that he and his very powerful media station will have their way and the reporting is going to be confined to the question period.

You know, this is a very interesting thing because people in the Press get very sensitive when they think somebody is trying to muzzle them. They get very sensitive when they think that anybody, whether it is their superior or the people that they are reporting, in any way try to direct them. At the same time with the extremely powerful media that are at their disposal, I think it could be very easy for some people in the Press, and I emphasize the word 'some', because far and away the vast majority are very responsible fair people. But it could be very easy for someone with a little ego to suddenly get an awfully big ego as he goes in front of a massive TV

audience or a very large radio network audience several times a day.

MR. ROMANOW: — Be fair!

MR. THATCHER: — Roy, would you care to stand up and make your statement to the Press?

MR. ROMANOW: — I'm not asking him to take his seat, but could I ask the Member a question? Would he permit me to ask a question? My question is: would not the Hon. Member agree, in all fairness to the reporters, that the debate has indeed been in some parts very, very repetitious? I agree with sentiment of your remarks myself. Anybody who knows press councils and the like, but I do say with respect to this debate it has dragged on to an extreme amount. You should agree to be fair to the man.

MR. THATCHER: — Against the advice of my caucus, Mr. Attorney General, I agree wholeheartedly. He said they were not going to report it any longer. I suggest to you that it is the obligation of the press media, those who are here to report it, whether it be good, whether it . . .

MR. KATZMAN: — Point of Order. Would the Member please stay on the topic of Bill 1 and the amendment?

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Well, Mr. Speaker, it has been a pleasure . . .

MR. SPEAKER: — Order. I think what the Hon. Member . . .

MR. THATCHER: — Mr. Speaker, it is interesting to finally see some semblance of a contribution from the Conservative Party.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Probably this has been one of their more significant contributions what we have just seen in the past moment. Unquestionably it irritates them in the flack that they have been receiving from their own people for lying down on this issue, for not jumping together with the free enterprise parties.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — For playing second rate politics rather than principles.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Unquestionably the press coverage that we are going to get is probably going to get worse as time goes on. And I

don't think I'm saying anything original right now. But on this side of the House, rightly or wrongly, we are fighting for a principle. This Bill is total and complete anathema to us. There is no way that we as a caucus or party can accept it.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — And the difference between this Party and the party on my left, is that we have no fear to stand up and fight with everything that we've got.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — It's not very difficult to lie down on your back and complain to your seatmate or to your constituents. It's quite something else to stand up and go into battle.

Mr. Speaker, as I indicated, we are on a point of principle, and when we exhaust ourselves, and when we have done everything within our power to oppose this Bill, this filibuster will be over and the decision will be made by that, not by any member of the press gallery.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Mr. Speaker, at some point in December, the Premier of Saskatchewan made a trip to New York. It was quite a cleverly disguised trip because everybody, Press, Opposition, everyone included, assumed that he was going down to attempt to acquire funds to jump into the potash business. He made a speech to the Canadian Society of New York and the biggest part of the speech was potash, and outlined the financial situation of the province. The ironical part of the subsequent events have indicated very strongly that the Premier made little, if any attempt, to acquire any money to start buying out potash companies. What he was doing was trying to set up the necessary funds, \$100 million, that Sask Tel and SPC are going to require before the end of the year 1976. Why wouldn't he be trying to pick up the money required to buy a potash mine or two or three? Probably because in terms of what he already has in hand, as far as liquid assets are concerned, he really doesn't have to borrow all that much. Because in that expropriation bill it indicates that only 30 per cent of the amount paid to the potash companies must be in cash, the balance of it can be in Government of Saskatchewan bonds, or in refined potash. Now by the time this Bill finishes whittling down the market value by taking into consideration some of the very skilfully written clauses, an amount of some \$450 million, which is roughly what you have in liquid reserves will buy you just a lot of potash mines.

I should like to go into a little portion of the Premier's speech, quote and comment about it. The Premier, the date of the speech was Wednesday, December 3, 1975, and in New York city.

In November 1974, regulations were passed requiring facts and figures from each company. Most ignored the regulations. After a number of discussions between the industry and the Government a joint committee was set

up in February 1975 to come to an understanding on what the financial facts were. Some progress was made by May.

But the industry representatives terminated discussions. We had an election in early June, following the election the situation was worsened, as company after company withheld taxes due on June 20th. On the same date a legal action was launched by 11 of the companies attacking the Reserve Tax Act and regulations on constitutional grounds. Later the same companies applied to have all reserve taxes paid into court rather than paid to the Provincial Government with a clear view to getting the tax money paid back to them in the event of winning the court action.

Can you imagine anything more unreasonable on the part of any company that if the taxes that they are paying are proven to be illegal that they might want their money back? Isn't that the most horrendous thing that you ever heard of? Isn't that something!

MR. ROMANOW: — They get the potash free . . .

MR. THATCHER: — Now, Mr. Attorney General, you don't even believe that one yourself. Mr. Attorney General if you are going to ask me a question, do you mind getting on your feet.

Then as the Premier goes on.

On October 2, ten of the companies started an action to have the prorationing regulations and the prorationing fees declared beyond the legal powers of the province. The Industry has contended publicly and privately that the level of taxes is too high. But at the same time the companies have declined to produce financial statements to support their contention, even those statements required by the taxing statutes.

Mr. Speaker, it is a matter of public record that before the Premier went to New York that at least two or the companies had filed their financial statements with this Government, one of them as I recall, was Central Canada, the one that is owned 51 per cent by Noranda. The Premier went on to say that some of the companies have published figures to indicate that taxes take a large percentage of their pre-tax profits. One such potash company is owned as to 51 per cent by a mining company and by 49 per cent by a fertilizer marketing organization. Almost all production goes to the fertilizer partner, the marketer. That is a question that is open to considerable debate and has been challenged by the company. I would love to see the Premier substantiate that one.

Here is the real gem. Bear in mind that before the Premier made this statement that the Government had in its possession the financial statement of this company.

But before profits are calculated back in Saskatchewan the mining company takes a 12 per cent royalty off the top on all potash sold.

Mr. Speaker, that is not true. I suggest to you at that time the Premier knew it was not true. It has been denied by

the company, you had that statement in your possession and yet the statement was still made. I would suggest that if the Premier did know that that statement was not true, after having the statement in your possession, there is a question of either competence or integrity open to question and speculation on that regard.

He goes on to say about the same company.

The marketing company buys its potash at 15 or 20 per cent below world prices.

That is hogwash and nonsense and the financial statement proves that that is wrong. If you would care to challenge me, I would be more than pleased to see you table that financial statement and we'll settle that one very quickly. He went on to say.

Something like 30 per cent of the sale price coming off before profits are calculated.

Again that is nonsense! The Premier went on to say, "It is not hard to understand how this company may technically show little profit on its books."

Well, the Premier went on after those gems to say:

Why does the Saskatchewan Government put so much emphasis on the need to expand our capacity to produce potash? Certainly one important reason is the need for potash around the world to expand food production. In many food deficient areas of the world potassium is a key to increasing yields. So the availability of more potash from Saskatchewan has an important role to play in helping solve this critical world problem. But given this growing demand our Government's central concern is to solidify and expand Saskatchewan's position as the supplier of high quality potash. If our industry does not expand Saskatchewan's present commanding position as a supplier of more than half the non-Communist world's potash will quickly be eroded. Other sources of supply outside Canada will be expanded and the province and its people will be the losers.

Well there is no question about that. It is probably very true, we all know that expansion of the potash industry is taking place all over the world. Undoubtedly this Government's attitude is playing a major role in incentives to explore and find more potash, and find the techniques to bring the deeper layers to the surface at a reasonable cost. But the suggestion that the potash companies will not expand has got to be absurd. Lists of cancelled expansions took place in this province in the past year as time after time a company announced a cancellation of expansion. When one is taxed very closely to 80 per cent of the profits, it is pretty difficult to encourage one to expand. It is hardly an incentive when you are making probably as little as two or three dollars a ton on refined potash after your taxes and your operating costs. It is pretty hard to fire up your board of directors that expansion in terms of \$50 to \$60 million or whatever the case may be, is a feasible and viable operation.

The Premier went on, and I am honored that he happened to drop into the House when an unobtrusive rookie is speaking.

A third reason becomes apparent when we look at our own provincial economy and the need for diversity. Potash expansion can be a springboard for expanding Saskatchewan's economic base. (No argument there.) For us in Saskatchewan these are powerful reasons to see that we expand our potash production as quickly as we can.

This is some of the background of our situation, the reason for our growing concern. We saw the prospect of a large flow of revenue over \$100 million a year being put into jeopardy. The possibility of having to pay back after a court battle of three or four years perhaps \$400 million in taxes already collected. The prospect of our industry not expanding during this critical three or four-year period.

The companies have a perfect right to go to court that is self-evident and not the issue.

The Premier has made that statement in this Legislature and he has made it again in New York. For the life of me I can't understand it.

If I can read it back again. The reason we are going to take you over is because you are going to court, because we may lose the battle, because we may have to pay \$400 million and because you are putting all this revenue in jeopardy. That is the reason. Now we say the companies have a perfect right to go to court, that is self-evident and not the issue.

Well, I don't know, Mr. Speaker, I have to agree with the Premier that it is their right to go to court. But as they go to court we hold a hammer over them and say, if you go to court, if you go to where the highest justice in this land is determined we are going to smack you one right between the ears with a hammer.

MR. CAMERON: — And a sickle!

MR. THATCHER: — No, we'll get to that one after dinner, Stewart.

The Premier went on to say, The two prime objectives of government policy are in jeopardy. Actually I am sure he did a much better job in reading this than I did, if you would care to repeat it . . .

MR. ROMANOW: — He got a standing ovation!

MR. THATCHER: — Is that when they all jumped up to yell, "Cartel!"

Mr. Attorney General you are quite right. I talked to several people that were at that meeting in New York. They did not agree with the content that was in this speech but I was very pleased to hear them say that the Premier conducted himself in a most impressive and efficient manner. They were highly impressed with this speech, they didn't agree with it, they were highly impressed with him as an individual and I have no hesitation to say that in this Legislature. His integrity has never been questioned by anyone on this side of the House, his logic very definitely is.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — My goodness, by reading his own speech, I am driving him out of the House! The Premier went on to say.

The two prime objectives of government policy are in jeopardy and to an assured fair return from the resources for the people.

Now we have been through that one over and over again. I will the Government, I will ask the Attorney General, the Member for Biggar (Mr. Cowley), will you kindly show us on any sort of a projection how you can take a better return than what you are getting right now? How us on any fact sheet, bring in a blackboard and show us, we are not that bright over here, because we can see it. We have shown you some figures that you have never chosen to refute. You just simply say they are not true. That's like a couple of children saying, it is and the other saying it ain't and they go on and on. We produce figures that say there is no way you can take any more out of it than what you are doing. You on the other hand, at no time have ever pulled the figures out to say that you could work a better deal than what you are getting right now.

Now the other one that the Premier indicated, "Orderly expansion to ensure our position as a supplier of potash and fuel our economic growth."

Now what have we had cancelled in the past couple of years? How many dollars of potential potash expansion have we had cancelled because of your taxation policies?

MR. ROMANOW: — . . . telling . . .

MR. THATCHER: — Mr. Attorney General if I have said something so far that is not true, by all means stand up and produce the facts and figures and prove me wrong. I'll sit down any time.

But when you say, "orderly expansion to ensure our position as a supplier of potash," nobody can argue that. Naturally we want expansion, we don't want to lose any markets to other countries. Goodness sake, when you precipitate these cancellations that have taken place, when you provide such a horrible investment climate, it is like asking a farmer who thinks he's going to be expropriated, to buy a quarter section adjoining him when he has the feeling that he is going to have it nationalized a couple of years later at half the price. Now would he buy it? I don't think we are talking that high in economics at this stage of the game.

The Premier went on as he was selling the position of expropriation of the potash. He went on to define the Government's financial position and I will quote from various spots here and there.

Successive governments in Saskatchewan have followed very conservative fiscal policies. Over the last 20 years eighteen annual budgets have been balanced. Two small deficits were incurred in 1961-62, needless to say what government was in power then. At the end of the last fiscal year March 31, 1975, our accumulated surplus amounted to \$152 million. That record itself is rare in North America.

But we are even more conservative. Traditionally Saskatchewan Governments of all persuasions have included as current budgetary expenditures such standard capital items as highways, public buildings, agricultural facilities and park development. This means we have financed major capital expenditures out of current revenues.

I don't want to burden you with figures, but let me highlight a few facts about our current budget, 1975-76. Revenues on current accounts are estimated at \$1.1 billion. Current expenditures slightly less, netting a nominal surplus of \$3 million. Of current expenditures 10 per cent are for items which many governments charge to capital: highways \$75 million, schools and other public buildings \$20 million, other capital projects \$20 million. The budget is balanced.

That's very good, it is a wonderful situation. Why is it such a wonderful situation? It is because we were just very fortunate in this province when we did have the lean years when we had the four bushel quotas, we had a government that had some financial responsibility and did not plunge this province into the debt that the Government of today would probably have done. Consequently as a result of those very responsible financial measures which undoubtedly did cost them an election. But when this Government came into power, you came in with a Treasury that was in excellent shape considering the times you had a very large surplus. This was before inflation took over. It was large in relation to the times, then you had all the wonderful things that have happened to this province which have been out of the scope of any government.

So the Premier has outlined it, further . . .

Quite apart from our budgetary surplus account we maintained significant liquid reserves. In a special investment account, \$35 million, \$45 million set aside for capital grants to municipal governments over a five-year period, over \$250 million in accumulated oil revenues. The price of oil went up, we did not take the major part of our increased royalties into revenue but set up an Energy and Resource Development Fund which is growing at the rate of over \$100 million a year. Taken together these and other liquid reserves at this date exceed \$400 million.

Mr. Speaker, some time ago I asked the Premier and this House whether he was prepared to issue a statement on behalf of his Government that the funds that I have just described would not be used to expropriate or to purchase any potash mines. The Premier in one of his I suppose, less pleasant moods got up and gave a one syllable answer which was, No. I would like to read that portion of his speech again. Just this one paragraph.

When the price of oil went up we did not take the major part of our increased royalties into revenue, but set up an Energy and Resources Development Fund.

Now what is the significance of this? The Premier was in New York and making no discernible attempt to borrow money. At least if he did he did it very quietly. Yet he says that he

has an Energy and Resource Development Fund of \$400 million. He will not deny that this money will not be used for the potash expropriation, his term referred to a self-liquidating debt. I commend the Government for putting this money into what they call this Energy and Resource Development Fund, because unquestionably the situation may very well arise that it is just going to be great to have \$400 million plus whatever it has accumulated, available. We all know what our energy and resource predictions do. But if it is going to be used to take over an asset which is producing, which will not provide any more jobs, will not produce any more potash, in fact, it could quite possibly even result in a decrease in potash productivity. I think this has got to be one of the great tragedies that could befall this province.

I give the Government full credit, and I am surprised to learn that they had accumulated a fund of this magnitude. It is a wonderful thing. It would be a tragedy if it gets squandered on such a useless, pathetically silly takeover as this potash industry.

The Premier went on to indicate to the people in New York, what do we owe, what is our debt structure? Total funded debt just under \$900 million. For debt redemption, sinking funds of \$160 million.

Let me point out another of our long standing policies in Saskatchewan. Unlike some other jurisdictions we have not permitted government agencies or corporations to incur indirect obligations secured or guaranteed by the province. So when I speak of \$900 million, that funded debt is total for the Government and its agencies. In fact, 90 per cent of our funded debt was borrowed to finance self-liquidating public enterprises, like the Saskatchewan Power Corporation and our Telecommunications system. The cost of this money is not borne by the provincial taxpayer, but is paid out of corporate earnings.

I suppose it is a fair question to ask, will this be the situation on the proposed potash corporation? It wouldn't appear so because Bill 2 sets no borrowing limit. And yet the Premier has just indicated that this is one of the reasons of which we are so financially sound, that we have not permitted our government agencies to incur any direct obligations secured or guaranteed by the province.

Yet what are we going to do with this potash corporation? This is another one of the reasons for this filibuster, he will not tell us. He will not tell us the amount that the government is going to allow the potash corporation to go into. He will not tell us virtually anything about that. We even had to scratch to find out where the head office of this corporation was going to be. I thought it significant that such a good Tory law firm, could have such a corporation as that on top of it.

Mr. Speaker, I have many more remarks to make after the dinner break, if it would be your pleasure, I would be perfectly willing before I go on to call it — well I won't call it yet because, I would love to sit back there and watch the hockey game as I am sure many of you are going to do afterwards. I feel obligated that while the hockey game is on somebody has to keep the fires boiling back here. I can assure you that I will try to keep count on who is here and who is not here, etc., on all

sides of the House. Since this is one of the pitfalls of being a backbencher to have a job such as this this evening. Mr. Speaker, if it is your pleasure, I would call it 5:30.

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

MR. THATCHER: — Mr. Speaker, for a few moments there you had our hopes up. I think I should apologize to the entire Legislature for the actions of the Attorney General in not allowing us to adjourn this evening. I notice — I think the Whips on all fronts are going to be very busy this evening. I think probably by the sounds of things you have the same thing in your lounge area that we have in ours, as does the third party. It is going to be very interesting to notice how each particular party has set up its rotational system for this evening. I should like to say categorically right now, don't feel that you have to stay, feel free to go out, but when you come back, I would appreciate it if you would be kind enough to at least interject the score periodically.

I suppose the position that I find myself in this evening is again indicative of what happens when you are low man in your totem pole in your party.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — It certainly shows the respect and the endearment that the Whip of the party has for you.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — I have been ready to go on this for about three days now. There was always someone with a little more seniority who was ready, so here we are. I hope you will all enjoy it.

Now that we are back to the serious business of the House, I am pleased to see that the Leader-Post is very responsible with its reporters here as well as one other medium. I do have a comment or two that I like to make to the press gallery here, in a most respectful manner. I suppose that all of us watch television and we see reports on the evening news, on the dinner news, both from Ottawa and from Regina. It is interesting to speculate . . .

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Oh, really, you didn't have to come down. I know you have got a speaker up there. I missed the representative from CK today, I have a comment or two for him later.

Anyway it is interesting to speculate on how the Ottawa press gallery would be treating this debate. How they would be reporting it. I wonder what some of these press people in Ottawa would say when — let's say for example, in the anti-inflation Bill — if Donald Macdonald didn't get up to speak. I wonder what they would say. It is quite one thing to jest about it. But here we are talking about probably the biggest expenditure, certainly the biggest risk, that this province has ever gone into. We know the Minister in charge of the proposed

Crown corporation and yet we have not heard from that Minister. As I mentioned earlier before taking my seat in this Legislature, I heard a lot of comments about the Member for Biggar (Mr. Cowley). Some said that he was perhaps maybe the brightest one over there.

MR. MALONE: — Some didn't!

MR. THATCHER: — Yes, some didn't. But some did. As a matter of fact, one that did, I think was one who had been in a poker game and he out-manouvered him pretty badly, I think he is the one who had all the respect for him. But nonetheless, reports I got on him were very high. I don't know whether you are aware of it, Mr. Minister but really we rookies have never had an opportunity to see you in action. Probably the rookies in your own caucus have had a chance to see you on your feet within the confines of your caucus, but we haven't. Frankly, we are very curious. I wonder how the press gallery in Ottawa would evaluate a situation if the Prime Minister did not speak on the very momentous bills or a bill of comparable magnitude on the federal level. I sort of think they would have some comment, and some very serious comment. Frankly, I would say to the people in the press gallery, that in many ways I think you have let this Government off the hook. I am not complaining about the coverage you have given us, because you have been basically very fair to us. I think that is all that we and anyone else in this Legislature has the right to ask you, is to report what is going on and call a spade a spade as you see it.

MR. MOSTOWAY: — Call a spoon a spoon!

MR. THATCHER: — Oh, now there is that good old original, original buffoon from Saskatoon. To take the silver out of that connotation, it took you all night long just to make that little interjection. Now Paul as I said yesterday, I apologize, Mr. Speaker, to the buffoon again I will say, this is 1976. Now will you kindly come up with something more original.

MR. MOSTOWAY: — No, because it is quite appropriate for you.

MR. THATCHER: — Well, Mr. Speaker, getting back to the press gallery. I would have to say that I think perhaps you have let this Government off the hook. Because what we are talking about, no matter how this is done — whether it is one company or whether it is all of them, any way you do it — we are talking about a tremendous amount of money. We haven't even heard from the Minister of Finance yet. Now granted before Christmas, I suppose there was some reason we could not expect to hear from the Minister. He was very new into that portfolio, he had a very important conference down in Ottawa that — well it seemed as if he ran off at the mouth a little bit there and made a couple of announcements that — well I wouldn't exactly say that they cut him off at the knees back here in Regina but I think they threatened to take a swing. But nonetheless, before Christmas I can certainly appreciate his problems there. But we are now into January 1976. And again the Minister of Finance (Mr. Smishek) has not spoken on this.

I don't think they intend to speak. They have no intention of speaking because obviously we can't force them to

do it. We have been asking them to get up on this legislation, for close to two months now. Only you people can force them too. I ask you to consider what your counterparts in Ottawa would do. Because I am sure most of you that are up there are ambitious people, most of you are young, I think relatively aggressive. And if you are going to make a career of journalism, I would think you are shooting for the higher echelons of the press media no matter which end you are involved in right now. I cannot believe that the Ottawa press gallery would allow the Government in Ottawa to get away with some of things that you are allowing these people to get away with. All they have the right to ask you to do is, call things as you see them. But take a look at the facts. Take a look at who has spoken. You look at these people day after day. We drone on here and frankly we don't like it any more than anybody else does. We are quite aware that perhaps you may start turning on us. But I suppose that people are different and political parties are different.

We are here fighting for a principle, we believe in it and we are going to carry it right on through. If we incur your wrath, then I guess we incur it. But we are going straight ahead and we are going to do everything possible within the technicalities of this Legislature to obstruct its passage.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Moving along into the actual potash legislation, Mr. Speaker.

MR. ROMANOW: — Can the Press leave now?

MR. THATCHER: — Just before one of them leaves, I don't think he was here this afternoon, perhaps I should make a comment to him.

For some reason, Mr. Speaker, the people opposite seem to take the attitude that something is wrong with a filibuster that people in an opposition party are being irresponsible by attempting to press the government to its full limits. It is very ironic that I wasn't in the House at that time. But I am sure you recall some years ago that the government of the day was talking about an expenditure of a few dollars, and a very few dollars by today's standards, on the Prince Albert Pulp Mill. There was what amounted to a filibuster there. The Opposition of that time demanded the feasibility studies. You demanded facts and figures. You demanded everything that was involved. You held things up. And you got them. You didn't vote for the legislation, but you got what you asked for. You held things up until you did.

MR. ROMANOW: — You are wrong though.

MR. THATCHER: — I don't think I am. I don't think you were there either.

MR. ROMANOW: — No, I wasn't . . .

MR. THATCHER: — Roy, you are right. After you people had held it up. The record of Hansard shows the Leader of the Opposition of that day . . . you held that thing up and you demanded certain facts

and figures before you would allow it to go. You eventually got them, and you were perfectly within your rights to do so.

But at the same time are we so completely off the track to demand the same sort of treatment, to make the same sort of assessment? Because rightly or wrongly, we are here as elected representatives. And rightly or wrongly, we have to justify our existence to our constituents. All we are attempting to do is ask you for certain information on this.

You've had a very extensive feasibility study on the proposed mine at Bredenbury. Is it so wrong for us to ask the for the results of that feasibility study, is it so wrong for us to ask you to let us have a look at it? Is it so wrong to ask you to make it public? Probably because that feasibility study tells you that the economics of it were crazy and that it just wouldn't do. Probably that is what happened.

But in terms, I suppose, one of the more famous filibusters in past history, I guess we can all look to the pipeline debate of some 20 years ago and that pipeline debate brought down a government; provoked one of the very strong people of that day making a very infamous statement that I think, probably it contributed very markedly to the defeat sometime later of the Liberal Government of the day. And then we have all heard of the one that happened in the 1930s in the United States, where the many legislative proposals of President Roosevelt were challenged and found their way all the way to the Supreme Court. And when the Supreme Court ruled against them President Roosevelt made motions as though he would like to abolish the Supreme Court. I am sure those of you who have read your American history of some 30 years ago can point to that filibuster of how it started and went on and on. But at that time there was a very great man who was president. He saw what public opinion was and recognized the power of the Senate and he withdrew that legislation.

I should like to ask my friends in the Press to take note that filibusters are not necessarily bad; they are not necessarily good but they are not all bad by any stretch. I would suggest to our friends in the press gallery, particularly the ones from the local private media station — TV station I'll qualify that — to suggest that we don't really question his ability as an interpretive reporter. It is his prerogative to sit up and call them as he sees them. I really question, with the great media power at his disposal, that he has the right and probably the moral right to make a decision when this filibuster should end. I think it was implied, when that station, whether it was on his part or the management part, that they would no longer report it. I think if you are members of the press gallery I fail to see how you cannot meet an obligation by reporting what goes on whether you like it or not. Believe me not everyone in this House likes what is going on ourselves.

Mr. Speaker, going on to Bill No. 1 — Bill 1 is a very intriguing document. It is a very complex document, particularly certain sections of it and it is a very skilfully written document. It is so skilfully written that, well I suppose it is a very natural presumption to wonder who exactly did the writing. And the most skilful of the sections that has been written is one known as Section 45, probably the most fearsome the most distasteful are Sections 60 and 61.

Section 60 and 61 give this Government unbelievable power. I think when I spoke earlier I referred to it as a section which is a credit to the Gestapo; a section which allows the officials from the Potash Corporation to walk into a potash company and do almost anything. They can sink a shaft; they can copy any records, any drawings, any financial statements. It is just an awesome power. It is a power, and I stand to be corrected that is unprecedented in the free western world. And yet we in Saskatchewan, have such a clause as this in this Bill. Frankly, these Sections, 60 and 61 are a discredit to this Legislature. I think it brings shame on every one of us, whether we have any part in it or not, because that section, I suppose you would expect to see it in a country like Spain, Madrid; probably expect to see it in Chile. You would have certainly expected to have seen it in Berlin, maybe 35 years ago and if there was such a thing as any freedom you would probably see it in Moscow today. But to see it in Saskatchewan is a chilling, horrifying sight and it does a very great disservice to everyone, not just those of you who have written in, but to all of us who must at one time or another, vote on this.

And then we have Section 45. Section 45 is a very difficult section to understand. Well, for those who have legal training, for those of us on that side of the House and on this side who have no legal training even more complicated. And it is very, very skilfully written. Of course, it should be very skilfully written, as has been mentioned earlier, to write it if you went to one of the high powered corporate law firms, Bay Street, Toronto, the corporate law firm that stands for everything that the Government of this day and the people in it despise; a corporate law firm that has among its clients the very kind of people that you and your people would do away with.

This clause was written by a gentleman by the name of Howard Beck. Howard Beck is one of the most brilliant corporate lawyers in Canada today. His law firm of Davis, Ward and Beck . . . Have you got a score there, Roy?

MR. ROMANOW: — Zero, zero.

MR. THATCHER: — Well, he just made it back. I was just about to read it into the Legislative record that you were out of the House.

But I suppose we could ask ourselves the question: did they go down to Toronto to visit the law firm of Howard Beck and Davis, Ward and Beck. Why did they have to go down there? I suppose that is a suggestion that the Attorney General did not have too much confidence in his own department. Well be that as it may. Do we not have corporate law firms in Regina or Saskatoon, that are capable of handling such complex legislation? I suppose that is a valid point but surely to goodness somewhere there must be a law firm that leans towards the NDP. So why did we have to go down to see this very high priced, high powered law firm in Bay Street Toronto? Well, you had to go down there because incorporated into Section 45, the part that you needed Howard Beck for, not to just consult, and this is the interesting part, Howard Beck just didn't consult on this Section, but he had to actually write it for you.

Section 45 is a really incredible piece of legislation. It commences by providing compensation for expropriated assets shall be an amount equal to fair market value. Certainly that

is fair enough to that point. Then the very difficult part commences. The means of how you people are going to steal these potash mines or mine, or all the mines, as that has become very obvious because you are not going to make any allowance for depletion or interest on borrowed money, or any loss for damages incurred by the company, because of the compulsory takeover or relocation. Well that certainly does something to the fair market value. It strikes me that that is unfair by any conventional set of rules.

What Section 45 does is to presume that there is a direct tax in force for the raising of revenue for a provincial purpose that when applied to an owner would exempt the amount of tax equal to the tax, royalties or fees payable under The Mineral Resources Act and The Minerals Taxation Act. In effect, Section 45 says that there is a presumption that a direct tax is in force equivalent to the potash proration fee, the potash reserve tax. Now I suppose one could wonder what does this do to the fair market value of the company. I think it is fair to say that it does quite a bit. You are already taxing these companies at 80 per cent of their profitability. Naturally we are going to buy the companies' profitability and it is going to play a very major role in determining the evaluation.

But putting in this Section 45 it gives you provision to virtually steal these companies, depending, of course, on how tough you want to get.

I think that we all know that the replacement value of the existing potash mines is just at a tremendously astronomical figure. Probably none of us really know the market value. Although according to the feasibility study that you did in Bredenbury, you people should know something about what these mines are worth. Probably when you did this study in Bredenbury, you found out just how astronomical the numbers were that you were looking at. Probably this is when the decision was made that expropriation would be considerably cheaper.

Mr. Speaker, I have stood here before the dinner break, reading extracts from a speech that the Premier gave to the Canadian Society in New York city. I should like, at this time, to read something that has perhaps a trifle different twist to it. It is not from a politician but, I think, very effectively it does set out the alternative course from the point of view of the potash association.

I should like to skim through perhaps a condensed version of a talk given by one of the managers of the potash companies in Saskatchewan. I think in some areas it does take a little different twist. For those of us in this Legislature and I notice the attendance is excellent, I wish to assure you that if you care to watch the hockey game and this goes for the Press, I shall not be offended, I shall not read your absence into the Legislative records. As a matter of fact, I promise I won't read your absence into the Legislative records. Mind you the fact that my counterpart's desks are full, and oh my goodness they are not doing too badly. But don't feel that you have to stay. If someone would call 9:30 I wouldn't object.

This is a speech with a little different content and I propose very quickly to run through it for you and certainly don't feel that you have to stay. There is simply no way that I would doublecross you.

The potash industry is a very important segment of Saskatchewan industrial life. The total value of production presently amounts to \$400 million per year. Some 3,500 people are employed in mines and perhaps 10,000 others are at jobs partly or wholly related to potash.

The purchase of equipment and supplies to keep the mines operating runs to \$80 million a year. The shipments of products out of Saskatchewan amount to 100,000 railway cars a year. One would think that at this level of activity there would be room for satisfaction for all concerned, including the potash operators and the Provincial Government. That does not seem to be. As a result of provincial taxes imposed over the past 18 months, and as part of a federal-provincial conflict over tax sharing, the industry is being overtaxed. Expansion plans have been cancelled. The industry is embroiled with court battles with the Provincial Government and now the biggest development of all, the announcement of nationalization of some or all of the potash companies.

Speaking to you of this unfortunate situation I must start with some very basic information. Potassium is one of the three main plant foods, the other two being nitrogen, phosphorous, and potash of the type mined in Saskatchewan, is the world prime source of potassium.

Almost totally the market for potash is as a fertilizer ingredient and our customers are fertilizer manufacturers in many parts of the world. Very interestingly, very little potash is required for use in Saskatchewan soils.

Potash is produced in Russia, Germany, United States, Canada and other countries, with Canada, that is, Saskatchewan now producing 10 million tons of the product a year, about one-third of the world's supply.

The market for a potash producer depends on transportation access to customers and the United States takes about 70 per cent of Saskatchewan's production, followed by places like Japan, Brazil and Australia, who take in total 25 per cent. And lastly Canada itself, principally Ontario and Quebec who take the other five per cent.

Potash production is relatively new to Saskatchewan. It was 1962 before continuous full-scale production began here. But in the latter '60s there was a tremendous flurry of mine construction, so much so that the development was more than the market could bear. The industry found itself with ten mines in operation and in a position of very great overproduction.

You know, it must be period break in the hockey game.

As a consequence six years ago the Provincial Government introduced its prorationing program. Until recently production rates have been controlled by the program. You may know that a few months ago as a result of a lawsuit between one of the producers and the Provincial Government, the program was declared invalid by a Saskatchewan court. It seems whether or not the prorationing program will have any more effect on the industry will be determined by the Appeals Court. In

the meantime the operators are running at whatever levels of production they feel they can market.

At the start of the development 20 years ago, taxation policies both federal and provincial were uncomplicated and though perhaps generous to the mining industry by today's standards, quite realistic then in view of the very great technological problems which had yet to be overcome.

Importantly I think that the ideal nature of outside investment in potash in Saskatchewan was recognized at that time. The potash companies provided expertise not before present in this country, made huge capital expenditures, traded large numbers of permanent primary jobs and on top of all this provided the markets for the products. Markets which are almost entirely outside of Canada. So that the wealth generated is new.

It seems that this could go on forever. Several reliable sources indicate that there is enough potash in Saskatchewan to carry at present levels of extraction for several thousands of years. Not that all potash companies are foreign owned, but whatever drawbacks there are to outside investment in Canada those drawbacks are minimized in the Saskatchewan potash industry.

An example of a favorable investment climate present in the early days was the inclusion in 1960 in the leases of operators of a guarantee that the rates of provincial royalty would remain unchanged until 1981.

If I could comment at that point, the date is 1960, where here was a CCF government. And if I could repeat that line, "guaranteed that the rates of provincial royalty would remain unchanged until 1981." I suggest to you that you look at the lease of almost any potash company in the province or at least at the majority of them and that is written right in there, the year 1981.

The spirit of this guarantee was broken by the Provincial Government as early as 1964. The real increases in provincial taxation began in 1972, when the province instituted its prorationing tax and in 1973 when that tax was doubled, bringing provincial production taxes to three times the rates guaranteed earlier and to a rather healthy 48 per cent of the then prevailing sales price of our product.

Then in April 1974, the Provincial Government unveiled to the industry proposals for a massive increase in government revenues from potash. The tax vehicle was to be the present reserves tax. Further the newly proclaimed policy announced the intention of the Government to be in the production end of the potash business. About this time the Federal Government was reacting to higher rates of provincial taxation on resource industries all across Canada. The federal action was to disallow the deduction of all provincial taxes in calculating income tax, thereby imposing on the industry double taxation on part of our earnings.

The new reserves tax like other provincial royalties is of the top tax, imposed on the sales price of our product

without regard to operating or other expenses. At present potash prices it amounts to 30 per cent of the sales value of our product. That's 30 per cent of the profits of the companies, that's 30 per cent of the sales price. At this rate, in itself, it represents a rate of taxation ten times that which was to remain unaltered until the year 1981.

Now we've talked a lot or heard a lot of discussions from the limited sources of the Government that have been put forward since this debate began that the potash companies will not expand and that this is one of the big issues in the decision to expropriate all or part of the industry. Why would they possibly expand when 40 per cent of the sales value of that product is going to be paid in taxes? With previous provincial royalties, production tax, prorationing tax, federal and provincial income taxes, the non-deductibility of any provincial taxes for federal purposes we have an average long term tax rate of over 80 per cent, of pretax profits making the potash industry the highest taxed industry by far in Saskatchewan, to my knowledge in all of Canada.

Since the introduction of the new provincial tax program, the industry has attempted to point out to the Government the oppressive nature of the policy, both in amount and in structure, the drastic effect it would have on us. We have suggested that the total tax is too high, particularly in view of the historically poor financial performance of the industry. We suggested that the off the top aspect of the tax is inappropriate and that if despite the contractual assurances of 15 years ago, tax rates were to be raised, that any new taxes should be levied on an income tax basis. We pointed out that taxation at the rates now imposed would not only decrease earnings on present investments below a satisfactory rate, but also would make expansions of existing plants not worthwhile.

Our arguments were not favorably received and in fact at no time were we able to converse with government officials except on the basis of a fixed government position. As the confrontation escalated the potash companies entered the courts asking for a ruling, that the reserve tax is unconstitutional. That the tax is of a kind not allowed to provinces under the British North America Act. For a time the companies even refused to pay the tax, but when threatened with dire action have for the most part paid the large sums of money demanded. Of course, an estimated \$2 - \$300 million in expansion has not taken place.

Much of that was announced, some of it wasn't announced, Mr. Speaker, two or three hundred million in jobs, taxes, royalties, whatever you may have. That's what has been cancelled. So to pick up the void the government is going into business.

Now we have nationalization, or if you prefer provincialization. The expressed rationale has been that because the industry is not expanding, the government must take over part or all of it to ensure orderly growth.

The appropriateness of nationalization can be debated on several bases. Public versus private ownership. Damage to the investment climate in Saskatchewan and probably in Canada. The fair value of the potash properties, the economics of the Government investment as business, perhaps others. However, I would like to suggest to you that the action is clearly dead wrong for one reason. It is grossly unfair.

Well, I think we had a little discussion this afternoon about your future political possibilities and I indicated how the Premier was absent and I think I did indicate that at that time with the situation being as it is across the floor and with not all of those many tiers of concrete holding up the house of cards, that perhaps it was time the Attorney General was looking elsewhere. Now if he's thinking about crossing the floor he had better do it before this potash Bill gets to Committee of the Whole because I indicated at that time that at this point there is a possibility through very intense persuasion that I might be able to persuade my colleagues to let you in the caucus room. But as time goes by it's becoming increasingly more difficult.

Well, time is running short and I don't know, I'd even be willing to put in a word to the caucus to the Minister of Industry, because I know he's not a socialist. Absolutely he's not a socialist! But after the business of the Land Bank and it's tough. I don't know, I couldn't make any promises but I could try. I'm willing to try on the basis that I know you are not a socialist.

"The appropriateness of nationalization can be debated on . . ." oh, we did that one.

The provincial taxation policy which is the centre of this controversy, while its spirit as well as the word of the agreements, to fix royalties until 1981, and further the policy is not taken into account the poor financial performance of the industry to date. To blame the industry for not expanding under these conditions is unreasonable. In discussing this point I would like to talk about my own company. We have been in Saskatchewan for more than 25 years, coming here in the early '50s on hearing of the discovery of potash in the Unity area. After many years of exploration, a mine site was chosen east of Saskatoon and shaft sinking began in 1954. Production began in 1958 only to stop a year later because of a flooded shaft. Rehabilitation of the property took until 1965. Since that time production has been continuous.

Earlier on in this work agreements were reached between our companies and the owners of the mineral rights in our mining area. The province holds title to about one-half of those rights. The agreement with the province provides for royalties to be paid by us in accordance with a schedule published in the Saskatchewan Subsurface Mineral Regulations, 1960. The regulations also state, that the royalty payments herein provided shall be in lieu of and in substitution for all taxes, levies or imposts of a similar nature to a royalty that are based on the separation of the ore from the earth or the production of such ore.

Further in agreement between the province and my company, signed in November of 1960, says that the royalties shown in those regulations will remain unchanged for 21 years. That is until 1981.

Since resuming production we have performed much like the rest of the industry. Good production rates until prorationing. Down to less than half capacity in those days and then until the last few months, a time of full production. What has been our financial performance over the twenty year period? Over this time, mostly early in the period, we have invested in capital over \$62 million. Our accumulated cash flow has yet to total the amount of this investment.

There has been one good year, 1974. A couple of fair years, but in total, no return on investment which can properly be calculated. Now when it appears we were going to make some money, the Provincial Government not only wants an increased revenue from us, which may be understandable, but it demands revenue which we cannot support if we are going to have a chance to make a reasonable profit and we are going to make economic sense of an expansion. The rates are simply too high, the structure of the tax formula, limited as it does the possibility of increased profits, is faulty.

Let me give you an isolated up-to-date example of one problem with the structure of the tax.

After several years of growth the potash industry market sales have been in a slump since April of this year. Shipments to date of the second half of 1975 are down 25 per cent over second half of 1974 figures. Of course, ups and downs happen in all businesses but when taxation is based on profits taxes go down when net income goes down. However, our present reserve tax payments are calculated on a production level, early in the year when sales production were at a higher level.

The result on us for the second half of this year is that the provincial production taxes will amount to 60 per cent of our sales revenue. 60 per cent of our sales revenues. Operating costs and provincial taxes together will exceed sales revenue for this six-month period. On top of that the \$3 million which we pay for provincial taxes will be subject to federal income tax.

I should point out that the example of our company is likely on the poorer side of financial performance of individual companies in the industry. We were the pioneer and the length of time it took us to get from exploration to commercial production was more prolonged than average, and ours is the smallest plant in Saskatchewan.

Our example would not be unrepresentative of the others in the industry. There have been five flooded shafts and two major fires in the short history of this industry.

I think maybe that's three major fires at this point.

In the period of ten years of production we have had

five years of over-capacity. Hardly what one would call clear sailing.

The reaction of my company to events of the past two years has been to shelve plans to double the size of our Saskatoon operation.

We join the industry in protest to the provincial government and in the court action against the Government and accelerate an exploration program for potash in New Brunswick.

The reaction from the other potash producers has been much the same. Certainly there hasn't been the expansion which two years ago appeared inevitable. One other Saskatchewan operator is now active in New Brunswick and yet another has been drilling in New Mexico.

So what should have been the provincial government's attitude towards potash taxation over recent years? One approach would have been to honor the agreements, not to raise the taxes until 1981. On the other hand if it is thought that in spite of those agreements the Government has the right to more tax money from potash, the industry could have been given a reasonable proposal and presented with a willingness to negotiate.

How's the score Roy?

MR. ROMANOW: — Three to one, Soviets.

MR. THATCHER: — Thank you.

Of course if the desire was to obtain the \$100 million per year in taxes, which has been put into effect, there would have been no reasonable discussion, as there hasn't been.

But had the Government been content with less than that; had the structure of the tax not been such to limit profits by the operators, and had assurances been given as to a term for the new tax rates, it is my belief that the industry would have accepted the increase without all that much grumbling and would now be in the midst of the expansions so much talked about.

We said from the beginning that in spite of the fixed royalty agreements, we would be willing to pay more taxes. Our good faith in this regard was demonstrated over a period several years in our lack of opposition to the prorationing tax, which is taking up to \$12 million per year from the industry, despite the fact that within the industry the tax was considered an early violation of the original taxation agreements. In any case, there has been no meaningful discussion between the industry and government and what we have is the reality of the Government actions, the latest one being the announced expropriation of all or part of the industry.

As for the future, there seems no doubt that some firms will be taken over, initially at least. Others will not. Neither fights, nor fates can be particularly enticing to an operator. The legislation which the Government

has written to effect the takeover points to an attempt to purchase at less than what we would consider a fair price. On the other hand to remain in Saskatchewan, competition with an operator which will not have to pay taxes of over 30 per cent of the sales value of his product and which may not have to pay federal income tax will be a real test for the remaining operators.

Outside the province exploration and development of potash deposits will be accelerated. Some of those Saskatchewan producers who are denied a potash source here will undoubtedly attempt to secure a source elsewhere. I mention New Brunswick as being a possible replacement for some of the potash. There are huge deposits in Brazil and Thailand, which need this impetus to be developed. Russia has immense deposits of potash bigger even than Saskatchewan. It now appears interested in marketing large tonnages in the western world. And of course the deposits of lower grade ores in the United States are attracting attention. There's no doubt in my mind that in time the production of potash from Saskatchewan will be in lesser amounts than it would otherwise have been. The commercial fate of the Government controlled portion of the industry will be determined by many factors. The ability of the Government to retain markets held by present producers, general world conditions for potash sales, or the federal-provincial conflicts, perhaps others, all of which point to the risk of this very large government investment.

We have calculated that if the government purchase of potash assets at anywhere near a fair market value it will represent a \$5,000 to \$10,000 investment for a family the size of mine. It is an investment I wouldn't make for myself, one which I wish the Government would not make on my behalf.

Very interesting point.

Whatever happens in the future, recent events represent an unworthy treatment of an industry which has been good for Saskatchewan and which has earned better than most.

That's a little different twist. I think it raises some points we skimmed over. I suppose it does ask a few questions also, the same questions that we have been asking — Why? Why are we doing this? Why does the Government want to get into this potash industry? Why is there something so magic about government? What gives government the magical power to wave its wand and cure all the ills? Actually I think that governments in many parts of the world, particularly this one, to some extent the one in Ottawa, have been guilty, in the past five years of very greatly increasing the dependency of their population upon the government, as though they had this great magical quality. It always mystifies me as to why people think that there is something magic about government. It always struck me that the government made up the people. You look like people across there; people in the civil service, they are people, there's nothing magic about them. People that administer people that carry out your instructions, they all look like people. There is really nothing magical there. But what about a private company. Is there something magic there? Not really. It is made up of people who do the same sort of

things that everybody else does. They are still made up of people. And what is the difference between a faceless government corporation and a faceless American-owned corporation? Tell me something more faceless than Imperial Esso. When you get your billing from them on that computer card, it seems like a pretty faceless company. But no more faceless than Sask Power Corporation when your power bill comes at the end of the month or whenever the case may be, on a computer card. Is there anything more faceless than Sask Power?

Getting back to the situation of a private and government corporation, somehow it's completely lost on me the logic that if we have a wonderful Crown corporation looking after our potash interest, tell me how you are going to do a better job than what is presently being done? Tell me how that it is going to make the people of this province feel closer to our potash? I think we have put many arguments before you on the irresponsibility of the financing and these arguments haven't been refuted. We really haven't been refuted. We really haven't heard a real good classical 'kick the Liberals' speech since the Attorney General introduced the Bill, and I have to say Mr. Attorney General on that day it was the first time I had seen you perform. But it was an excellent job. You scared all the rookies. You did quite a job and you know it has been so long since he spoke to it, it has been so long since he hammered us, that the rookies are getting, you know you don't seem quite so larcenous. They need to be knocked down again. They perhaps don't have the awesome fear of you that they had two months ago, and the time is rapidly coming where you have got to take a round out of us.

Mr. Speaker, there's even a more dangerous thing going on in this expropriation. Very rapidly, Mr. Speaker, in this country we are having problems in the generation of capital. It is a problem, it is a problem in Europe, it's a very dicey problem in the United States and it's a problem here in Canada. What is the effect on the capital market that this potash expropriation could conceivably bring about. What would be the repercussions? It is very difficult to speculate because no one has really done that intensive a study on the effects of just how serious our capital crisis is in this country. We know that there is a capital crisis in the United States. They say that the capital crisis there is in the neighborhood of four to five trillion dollars. That's a lot of money. They don't really know just what the figure is for Canada. And it is interesting to speculate on just what the effect will be of a one or two billion dollar takeover here in Saskatchewan. The Americans talk in trillions, I guess we have to talk in terms of the minor billions.

I should like to take a few moments and briefly skim through an article on the capital crisis in the United States. Granted it is in the United States. There is no question that we have a similar situation in Canada. It's different, but seeing that the Minister in charge of the Potash Corporation is in the House perhaps he would be interested in some very brief analysis of what the capital situation is in the North American market, specifically on the American, I think it is fair to say that the two economies are so interrelated, that I think what happens there has to happen here inevitably in one form or another.

The title of this report is The Capital Crisis and it

indicates that the United States is going to need \$4.5 trillion to continue growth at its present rate. I'm going to very quickly skim through this article, pick up the high points:

The jaws that threaten the nation's well-being are not those of the giant fish that looms up in front of the moviegoers, but those on the yawning capital gap that faces the US this year, and as far ahead as anyone can see. For the failure of the supply of capital to keep up with demand could eat the nation's standard of living alive. The amount of capital that the United States needs if it is to move back to its historic real growth rate of 4 per cent a year, to stay there is enormous by any measure. Between 1955 and 1964, the United States economy consumed \$760 billion in capital in turning out all the cars and television sets, building all the houses and factories and shopping centres that a growing population wanted. Between 1965 and 1974 the nation's consumption of capital doubled to \$1.6 trillion. By the best estimates available, the United States will need the incredible sum of \$4.5 trillion in new capital funds in the next ten years. Capital that for the most part will have to come from the savings of the American people and the profits of American business. Put that in a lightly different way, the nation's total supply of capital will have to rise at a compound annual rate of 8.7 per cent during the next decade, compared with a compound annual rate 6.7 per cent in the past decade.

The obstacles to raising that kind of money in the economic environment that is likely to prevail in the next decade and distributing it to where it will be needed are formidable. Perhaps insurmountable. But the social and financial consequences of not generating sufficient savings to provide money on that scale are not pleasant to contemplate. A capital shortage of the magnitude that seems possible but makes the United States economy a tough place for anyone, individuals and giant corporations alike to make a living.

What is the capital crisis going to mean to us? It may possibly mean that the capital that the Premier has indicated the last time he spoke, about a month, five weeks, maybe longer than that, it indicates that that vast source of potential capital that he indicated would never have been tapped from Saskatchewan's point of view. That it just may not possibly be all that easy to get at. Possibly the American government is going to be considering making restrictions. It is no secret that this Government has to borrow \$100 million, has to raise \$100 million in the United States for use in Sask Tel and SPC before the end of 1976. At this point in time it doesn't appear that the Government plans to use the US capital market for its mammoth purchase in this potash industry. I hope I am wrong but it would appear on speculating that a good deal of the energy fund is probably going to be used. Which of course would be a tragedy of the greatest magnitude.

We hear talk of the self-liquidating debts. I don't think we could hardly call it a self-liquidating debt if the funds of the energy fund are used under the guise of a self-liquidating debt.

Anyway to get back to the capital business.

The capital crisis would mean the financial markets would be chronically unable to provide the necessary flows of funds to finance the economics expenditures at rates of interest that anyone could afford, indeed under the arch of a federal budget deficit of more than \$100 billion in two years. This symptom of a capital shortage is already present in the US financial markets, even though the demand for funds is low because of recession.

Short term interest rates have turned higher again. Long term interest rates are already near or at historic peaks. Even though the economy is only in the early states of recovery. For a disturbingly large number of would be borrowers from New York to some of the nation's largest corporations, there is no money to be had today at any price.

MR. ROMANOW: — . . .what capital system?

MR. THATCHER: — Roy you are making it tougher and tougher and tougher, when you decide to cross the floor . . .

MR. ROMANOW: — I just want to know . . .

MR. THATCHER: — Do you care to take the floor, Mr. Attorney General? No, Mr. Attorney General we are simply defining problems. However, to get on with our comments.

The US economy would suffer from both chronic shortages of goods and from continued high inflation because capital expenditures by business would be insufficient to generate enough capacity to meet demand at reasonable stable prices.

The low utilization rate virtually guarantees that the US will not become a true shortage society or economy until 1980 at the earliest. But there will be areas of shortages before then, and when and if, the economy moves back to full employment, the pressure of growing demand against less rapidly growing supply will become acute.

Shortages of such basic stuff were already disturbingly visible during the last period of high employment in 1973 and early 1974. The next time there could well be shortages of nearly everything.

The business cycle profile would consist of short recoveries quickly aborted, constant upward pressure on interest rates, high inflation, will force the federal reserve into a tight money stance early in the recoveries. Much of it seems to be happening right now. This will make prolonged business upswings impossible, but prolonged recessions easy.

The corporate structure of the US would begin to resemble that of Japan. Economy of strong companies topple weak companies at an accelerating pace. The capital short

economy discriminates against any company that does not have the highest credit rating because lenders of scarce funds can afford to hold out for only the very highest ratings. Already there is a tiny group of companies that can raise new equity capital. A larger group that can raise debt capital and a very large group that cannot raise any capital at all. There may not be a capital shortage for all but there almost surely will be a capital crisis for some. More and more of these bottom tiered companies will fall by the wayside as the capital shortage becomes more intense.

Social unrest. Class conflict would become endemic as income gains will be thinned to non-existent. It is indeed naive to imagine that the capitalist mixed economy can long survive a capital crisis. A nation that has been convinced that it can grow at a fast clip, that every person has a right to a job, an education, car, a house in the suburbs, will have to live instead within the strict limits on the growth of income imposed by the capital shortage. A central feature of the modern economic society, says John Kenneth Galbraith in his new book, "Money" is the rejection by subordinate classes of the prescriptive limits on their income and consumption. With this rejection throws claims on production that cannot be met. From the claims come inflation.

A severe capital crisis in the years ahead is not fore-ordained. The only completed detailed studies of the long-term capital outlook, studies by Harry Bosworth Dewsensbury, conclude that the United States will skirt the ragged edge of a severe capital gap rather than fall into it. These studies are based on what well could turn out to be utopian assumptions as their authors may admit.

In one study the federal budget comes into balance in 1977 and stays there. In the Sini-Breeder Study the balance is achieved in 1978. If the conditions that threaten a capital shortage, the very same ones that could easily undo the optimistic assumptions about inflation, spending. The grim reality is that budget deficits promise to be deeper than expected, inflation higher than expected. The United States can escape a capital crisis only if it is luckier or wiser than it has been in the past.

So far at least both luck and wisdom seem to be in short supply. On the evidence the US has chosen not to deal with the real threat of a capital gap but simply to ignore it. Closing that gap at a minimum requires changes in the tax structure, that would provide greater incentives for saving and investment. Greater incentives for consumption. It is true that the Ford administration has recognized the need for such changes and has proposed legislation aimed at improving the tax treatment for savings and investment. What is mostly involved is a cut in the corporate tax rate. Political quicksand in a year of near 9 per cent unemployment.

There are three related reasons for this indifference to the capital shortage issue. The capital gap is difficult to define, difficult to measure, difficult to understand, therefore difficult to take seriously. Closing the capital gap would require changes that would be painful to many since they would require people to consume less in the short run so that society may grow faster in the long run.

Finally the most vocal proponents of the existence of a capital gap, corporate lobbyists, organizations like the New York Stock Exchange, Securities Industries Association, represent those in society that would benefit most directly from measures designed to close it. It does not help that the Washington No. 1 capital gap crusader, Treasury Secretary William Simon has a Wall Street background with the investment banking firm of Solomon Brothers. A firm that would obviously . . .

They are the ones that are doing the credit rating on you aren't they. You are supposed to have that by the middle of February. Hopefully we will move from an A rating to a AAA rating.

. . . benefit from pro-savings investment legislation. It certainly does not help that Simon has done far better at selling bonds to Wall Street than legislative proposals to Congress.

Difficulties with the definition of the capital gap exist because there is a sense in which there is always a capital gap, a sense in which there is never a capital gap and a sense in which a capital gap can exist at some times but not at others.

The capital gap can always be said to exist because human wants are insatiable. Any company that turns its engineers loose can always make a list of capital projects that he would like to complete that stretches from the earth to the moon. And so can any unit of government or any individual. Indeed in its study of the capital gap that came up with \$650 billion capital shortage for the next ten years, the New York Stock Exchange came perilously close to this. The Exchange's research department in effect estimated the capital needs of industries and units of government without analysing whether the needs are realistic in the framework of the overall economy. As a consequence the Exchange left itself open to ridicule from many economists and from the labor movement.

The view that a capital shortage never exists is one that deserves to be taken far more seriously. Robert Isenor a Northwestern University economist who is a leading proponent of this position calls the capital gap 'a lot of bull.' In an economic sense he says that it doesn't make sense to talk of shortage of either physical or financial capital. We live in an economy, he argues, where consumers and investors state their preference and the markets act as a great clearing house. If people do not want to save enough to meet supposed requirements, that is tough. If demand for capital is greater than the supply at existing rates of return,

then those rates of return and real interest rates should rise and induce more savings. He is also critical of the treasury secretary it galls me that that fellow like Simon who says he believes strongly in the free enterprise system, really doesn't trust the market. Yet there is an essential difficulty with this view that capital gap cannot exist. The market equates a supply of savings that's in demand for investment. That difficulty is simply that a society that is to propagate in conserving rather than saving will put a high price to capital and therefore produce little of it. But it will not grow fast enough to meet some of the commonly accepted goals. It is a course of study of the balance of the study of commonly accepted goals, the supply of capital that is available to meet these goals and it gives a rigorous, economic meaning to the notion of a capital shortage.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER:

The question is, will there be a capital shortage? Well, the answer to that question is both Yes and No. Rather they begin by asking where the economy is now, where Americans would like to be in say ten years. They then go on to estimate the capital constraints that are likely to be met on the way. In this sense the capital shortage problem becomes a part of the whole question of economic growth. Once the capital shortage is looked at in this way it begins to take real meaning. Ever since the days of Adam Smith and even before, economists have recognized that capital accumulation requires that a simple yet painful condition be met. A society must each year produce more than it can consume and if that society is going to grow it must be able to find a mechanism on which the margin between production and consumption is invested in capital goods that it can be used to increase productivity.

And that paragraph is basic economics no matter what side of the 49th parallel you are on, it probably very adequately defines many of the problems which we have in this country today, many of the problems that we have in this province.

Indeed as the classical economists up to and including Karl Marx demonstrated the clarity that eludes modern economists, the entire history of civilization is bound up with capital accumulation. Man ceased to be a hunter and began to develop the arts of civilization only when the fertile area between the Tigris and Euphrates rivers in ancient Mesopotamia began to produce an agriculture surplus that could be used to support a non-agriculture population. Civilization was simply first brought into a high form in ancient Egypt because the incredible fertility of the Nile flood plain permitted the first real wide margin between production and consumption. The real breakthrough for the western world came of course with the invention of the steam engine which led to a quantitative jump in productivity and permitted the economies of the West to develop at an incredible pace.

The industrial revolution required a huge margin between production and consumption and that margin has stayed

high for more than 20 years. The margin between production and consumption which economists call savings is in part determined by the stage of economic development a nation is in. As the table on page 92 shows the margin is wide . . .

Should I read that table, all right, I guess we should . . .

The United States has managed to get by with a low savings investment rate and can still do so compared to most countries. But in the past decade the claims on that margin between production and consumption have become increasingly vociferous from business, public and government, as both the willingness and the incentive to save has become attenuated. Over the past ten years government spending including transfer payments have been increasing at the astonishing nine per cent annual rate. More than double the four per cent rate for the private economy. The gross of government spending lies in the heart of the capital market that has appeared in the past year. Although not generally recognized economists view the government as a potential saver counting government surplus as well as personal and corporate set asides from production as part of the nation's total supplies of savings. On the other hand government deficits count as a claim against savings. In physical terms a government deficit means that the government is a net consumer drawing more resources out of the economy than it is putting back and eating into the market between production and consumption. Happenings on the financial market represent the dollar analogy to the physical shortage of capital. Those who refrain from consumption provide funds to the financial and the intermediaries, the banks and other lenders, to then have the funds available to support investment. And a thin production-consumption margin leads to a thin supply of capital, the consequences of a thin capital supply or either. Rising interest rates has a strong demand for capital and competes for the available supply. The capital shortage cannot actually be seen since the price of capital keeps rising until any given day that the supply and demand are balanced. No longer one knows the number of individuals and businesses that want capital cannot afford to keep it rising. So action is taken by the federal reserve to make up for the financial market capital shortage by popping more money into the economic system but if the total amount of funds exceeds that amount that is generated by savings which is obviously the difference between production and consumption, the result is inflation. The possible outcomes of a financial market, capital shortage are not confined to extremes. In an economy that does not save enough it is possible and even likely the financial markets will fall away in a zig-zag pattern, alternating between periods of tight money and soaring interest rates with periods when the federal reserve tries to pull rates down by popping money into the system.

Worthwhile studies of the capital shortage do not proceed in a vacuum. They emerge from simulation of the performance of the United States economy, of economic policy during the next decade. They then go on to estimate the capital requirements of results from these simulations.

While studies disagree with details there is agreement among them on what the basic contours of the economy will be and will have to be done if the severe capital shortage is to be avoided.

All studies begin by recognizing that business will be the key capital user during the next decade. According to the Data Resources Study, for example, business investment in machinery will have to rise at a compound annual rate of 11.5 per cent during the next ten years and 8.9 per cent increase. To finance that spending given an expected five to six per cent inflation rate, the companies will have to spend some \$1.9 trillion in the next decade versus \$670 billion in this past decade.

There are a number of reasons why capital spending will have to grow at an accelerated rate. To begin with the rate of capital spending has been low relative to the rate of growth in the past decade, as the government sector grew faster than the private sector.

That should ring a familiar note in this province.

Also the pollution safety laws have increased the capital required for a given level of production. Finally there are signs that it is now taking more and more dollars for the capital to produce \$1 worth of output.

But this is not the only capital spending problem and perhaps not the main one at all. It is clear from one who is conducting a capital spending study for the National Bureau of Economic Research that inflation will continue to take a substantial bite out of investment potential. On the corporate side inflation causes depreciation allowance to fall behind the cost of replacement in capital. So companies must continue to borrow heavily to finance capital spending. Companies that have already borrowed to the absolute hilt must continue to borrow heavily as finance capital spending moving to still higher ratios of external financing to external funds. The problem is that many companies will cut capital spending plans and we may find that the resultant growth of the capital stock would be insufficient to sustain the growth of output that society desires.

The main evidence of those who foresee no capital shortage is the drop in the rate of return on invested capital that shows up in the chart on page 44. To some economists this suggests that the supply of capital is short but rather the fall in return has cut into the demand for capital. It could come from the fact that the rate of return on existing capital is falling to the conclusion that the return on newly invested capital is low, they miss the entire point in an analysis of the capital gap that has attracted wide attention among economists. Federal reserve governors have argued that there is a critical difference between the two. They say that the rapid technological change shifts in relative prices, particularly the price of energy which is reducing the return on all capital. It may in fact be increasing the return on new investment. The need for accelerated capital and spending growth therefore seems fairly well

established and so is one other key proposition, that the funds to support capital spending growth will be forthcoming if and only if the Federal Government reduces pressure on the capital markets.

Various reports disclosed at a United States Economic Conference that the capital gap is heavily dependent on a federal budget surplus emerging in fiscal 1977. Their projection is a surplus emerging for two reasons, expenditures grow only slowly, federal spending on goods and services growing at only 7 per cent a year and actually falling in relation to gross national product. We do not allow for any major new social programs and while transfer payments for social security rise at 10.9 per cent, total federal spending grows at 8.7 per cent, lower than the growth rate of the past decade. Spending under restraint is not because of major changes in government policy but because of higher inflation combined with real gross national product growth to boost revenues by 11.7 per cent a year. Should spending move up faster than these projections the economy would be in trouble on anybody's assumptions. As each new victim of the capital crisis immediately demands financial relief from Washington, the odds are very good that spending will move up faster than these projections.

A study prepared for labor secretaries . . .

What's the score?

MR. MOSTOWAY: — 4-2 for the Russians.

MR. THATCHER:

A study prepared for labor secretaries indicates that it will take a major tax change to generate enough savings to satisfy the demands for capital.

That is the nature of the crisis. Need to invest more to keep economy growing and also the strong likelihood that given the tax laws and corporate balance sheets as they are, the economy likely is to be there will not be enough capital to meet those investment goals. Some factors of this equation must change or the United States economy in the late '70s and the '80s will be unlike anything the American people have ever seen in nearly four decades, in an economy marked by slower growth, higher unemployment, and fewer fulfilled promises for nearly everyone.

Mr. Speaker, an alternative to the expropriation Bill which has really never been discussed in this Legislature, it's really not an alternative and I don't really like it, but perhaps it's the lesser of a few evils. If the Government with the weight of its majority and with its insistence that no matter what happens they are going to proceed with this legislation and they do move in and expropriate the vast majority of the potash mines, the question has to be raised, can you operate it? Can you get the technical people that are required. I know the Government on several occasions has said that they are recruiting, that these kind of people are going to be available, but that does remain to be seen. If the Government is in the potash mining business it would make some degree of commonsense

at least to attempt to entice the company which you have expropriated or the company which you buy out. I could not help but think that the people of Saskatchewan would be much better off having an existing potash company operate a mine that they didn't own on either a fee-for-service basis or straight commission basis. Actually I wonder if they wouldn't jump at the prospect of operating them on a commission basis. Probably there is more money in it for them to do it that way than there is to do it at the present way, with the Government taking the risks.

Mr. Speaker, this is not a good alternative and it is really not the answers. But if the Government does insist on going ahead and taking over one or more mines, and probably they feel they have to do so now because I suppose they have worked themselves into a spot where they can't afford to lose the political face of being required to back down, although I would hope that they would be more statesmanlike than that. But were you to take over a mine, rather than try to duplicate what is there, rather than to make civil servants out of the people that are involved, as a last resort, I know, that probably both of us on this side of the House would probably, as a lesser of two evils, have to suggest to you that you do let the private companies continue to operate your mine, if and when you were to acquire one.

It would be a far better deal for the taxpayers of Saskatchewan, a much better deal! Because unquestionably there is simply no doubt that the private companies will operate more efficiently on a commission basis than you can ever hope to. I don't really say that disrespectfully because that is simply the nature of government. I don't really know how much that matters, which political party is in power. Government is government and Crown corporations in a competitive market simply don't have sufficient latitude to react to the various market situations. In times of expansion both government and the private sector have a tendency to build up the level of executives and production people. When the recessionary times hit or the markets fall off for whatever the case might be, the private company can always trim off these layers of fat which both government and private business accumulates in times of expansion. But a government corporation does not have that latitude. Once a government corporation, in certainly the vast majority of cases, establishes a position it tends always to remain established.

I don't know whether the Government has considered getting into the business through an equity basis, as they have in Intercon. I think you really have to search your soul to find anything that Intercon has accomplished for the Province of Saskatchewan or for the city of Saskatoon. Oh, you can run on the myth that Intercon might have been sold or might have been closed down, but I don't believe anyone over there really seriously believes that. What have you really accomplished by going in on an equity basis? But if you are determined to go you are still going to have to face this problem of capital. You may be forced ultimately to face this capital problem the same way that some of the private corporations in the United States are going to do it and the means in which they are going to proceed.

The United States corporations are in the throes of the capital crunch that really isn't showing too many signs of

abating. New outlays for a plant and equipment have grown almost twice as fast as common equity over the past five years and an internal cash flow for most of the companies come nowhere close to meeting the need for financing expansion of facilities and inventory and to pay dividends. More and more corporations have had to go outside for money. As a result a distressing number of companies must think about taking over new expensive obligations at a time when their ability to cover interest obligations out of current earnings has fallen to dangerously low levels.

MR. ROMANOW: — How does that figure?

MR. THATCHER: — Well, Roy, that is another topic. This is strictly an information thing today. You can ask me that when I am a little fresher. That has to be amusing, the Government asking the Opposition questions because the time which we are given to ask you people questions on the proper question period is the skimpiest in the British Empire or what used to be the British Empire. Even some of the banana republics in Africa that operate under the British system have a longer question period than we have. We got the absolute rock bottom one, then to top it all off half the Ministers don't show up for the question period.

Now, of course, we heard on the news tonight, that the Ministers were sick to death of the potash debate. They were sick to death of the repetition and that they were going to do the work of their departments, their constituents and whatever else.

You know Tuesday was Private Members' day and Tuesday morning two Ministers showed up for the question period on Private Members' day. You know there was no potash debate on that day. Two Ministers on a non-potash day. Well it is a tragic system and if the Speaker wasn't going to call me to order I should like to address a few remarks to the — I am not sure what constituency he is, but he doubles as the Mayor of Regina — about his snow removal. I imagine the Speaker, unless the Speaker has a lot of snow in front of his house, might let me address the remarks.

Anyway, of all the cities in Western Canada, bar none, the city that has claim to the absolute worst, most decrepit inefficient snow removal has to be the city of Regina and I wish, I truly wish that instead of — where he contributes nothing to this House, I wish he would go back to City Hall and take a scoop shovel if he has to but get those city crews out and remove some of that snow.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Moose Jaw, I thought was the all-time champion for horrible roads in the winter.

MR. SPEAKER: — Order. We are not on the topic of snow . . .

MR. THATCHER: — Anyway getting back to capital and how the companies in the United States are facing it and possibly how the proposed

Potash Corporation of Saskatchewan, now that they may have to face it. Granted you may not be taking that all that seriously now, but inevitably what is going to happen in the United States the capital effects will certainly be felt up here in Canada.

During the past five years investment in plant and equipment by the corporation giants has dropped by 73 per cent. At the same time their internal growth in common equity has risen by only 49 per cent and whereas companies used to be able to count on internal cash generation to finance the biggest part of their future growth, the ratio of cash flow to growth needs is slipping lower and lower. To be sure a number of blue chip companies have been able to generate enough cash flow from earnings and depreciation allowances to more than enough cover their additional investments in plant and inventory. But on the average only 78 per cent of the gross needs of large US companies during the past five years were satisfied through internal funds. Most corporations have been forced to take on far heavier debt loads. In the face of high interest rates, many are reluctant to make long-term commitments. The level of short-term borrowing has burgeoned. As at the end of 1975 first quarter, one-third of the companies in the survey had doubled the percentage of short-term debt in the capital structures compared with their most recent 10-year average.

The overall average for the 550 companies shows a capital structure with 60 per cent equity; 40 per cent debt. One of the most disturbing trends in the rapid decline is the ability of the corporations to cover interest obligations out of operating earnings. During the past 10 years interest coverage ratios slipped to 9.9, a growing number are not even able to cover these obligations from current operations. As of 1975 Chrysler products, first quarter, WT Grant, PanAmerican, among others showed negative interest coverage. And the Great Atlantic and Pacific Tea Company coverage fell from a 10-year average of 98.1 to a negative 43.5.

Inflation, high interest costs and sluggish equity growth, of course, sent stock prices tumbling making it virtually impossible for even these giant companies to raise equity capital.

Currently the average company, in the survey, is selling at only 1.2 times its book value and fewer than 14 per cent are selling for more than two times book.

I wonder at what rate the potash companies in this province as they are expropriated, what rate are they going to be purchased by the Government? Mr. Speaker, 1.2 double book value is a constant factor multiplied by the profitability factor. The latter, would put a pretty low fair market value, wouldn't it?

INTRODUCTION OF SPECIAL GUEST

MR. THATCHER: — Mr. Speaker, if I may at this time acknowledge the entrance of a very distinguished gentleman into this Legislature.

It is my honor to introduce to this Legislature a gentleman who really needs no introduction. I am sure he has been out here to visit with the Palliser Wheat Growers' and he also announced a very, very impressive final wheat payment today.

HON. MEMBERS: — Hear, hear!

MR. THATCHER: — It is my pleasure to introduce to this Legislature the Minister of Transportation, the Minister in charge of the Canadian Wheat Board, the Hon. Otto Lang.

HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Mr. Speaker, it has been an honor and a pleasure to address you and all of you and I hope that I really didn't keep anyone away from the hockey game. I think that we can, perhaps look forward to a very thought-provoking and an interesting session when we do ultimately enter Committee of the Whole.

SOME HON. MEMBERS: — Hear, hear!

The Assembly resumed the interrupted debate on Bill 1.

MR. E.C. MALONE (Regina Lakeview): — Mr. Speaker, I am very pleased to have this opportunity to enter into debate on the amendment that is before the House for consideration. I don't intend to speak at any great length to the amendment. I think that it is quite apparent that I will be voting in favor of the amendment and that it is quite apparent to everyone here and the press gallery and to the people of Saskatchewan that the Government will be voting against the amendment.

I think that there are many, many valid reasons, some of which we have described at length and some of which we have not heard as yet, as to why this amendment should be passed. I suggest, Mr. Speaker, that the amendment was put to this House in good faith; that the reasons for having a committee on something so important, so significant as this Bill to expropriate or to purchase half to all of the potash production in Saskatchewan, must be obvious. However, the hour is getting late, not only today, but in this debate. I think the Attorney General must be keeping count and realizes that I am one of the last Members left on this side of the House to speak. However, if my friends to the left decide not to get involved and that seems to be what their strategy still is, each of them knows that the hour is late. I would hope that perhaps between now and Monday, Tuesday or Wednesday of next week when we vote on the amendment, the Government will still perhaps give it some consideration and perhaps, hopefully, will bring themselves, if not to go along with our suggestion of a committee of the Legislature, it would at least not proclaim the bill, or not pass the Bill, or withdraw the Bill and give the matter further consideration.

There is one thing that I think that probably has not been brought out to date about Bills 1 and 2 and that is the effect that these Bills will have on Saskatchewan's relationship with the rest of Canada and perhaps more important, the rest of Canada's future relationships with Saskatchewan. This press

clipping that I am trying to find, which I intend to read into the record, Mr. Speaker, is very short. This is an editorial that was re-published in the Leader-Post two or three nights ago and which the Premier took exception to. I think I agree with the Premier and his comments. I think it illustrates what people in the rest of Canada are thinking about the actions of the NDP Government in expropriating the potash industry. I am not sure that this is the entire editorial that is being reprinted, it is part of it. This is published in the Ottawa Citizen, the headline is "Worth Repeating "

Premier Allan Blakeney's plan to spend up to \$1 billion to buy the Saskatchewan potash industry should irritate the province's voters far more than it does any United States Congressman. If Mr. Blakeney goes ahead, a fresh look should be taken at federal equalization payments. In the current year Saskatchewan is getting \$115,400,000 from Ottawa. (I think that figure is probably conservative, I think it is more than that.) If Mr. Blakeney has \$1 billion to invest in established industry, Saskatchewan is no longer a 'have not' province and therefore not entitled to a subsidy from Canada's taxpayers.

The Premier's reply is printed in the paper today. I think that he indicated that the editorial was childish. I am not sure that I agree with that. But I think what the Premier is trying to get across is that when Saskatchewan has money of its own that the people in Saskatchewan will decide how that money is to be spent and not people in other provinces. I agree with that.

I think the editorial does illustrate, Mr. Speaker, just how the rest of Canada, rightly or wrongly is regarding the Government and the people of Saskatchewan in this venture to expropriate the potash industry. I think one of the purposes of a committee would be to allow people from other parts of Canada or perhaps even people in Saskatchewan who have contacts in other parts of Canada to express their views and to tell the people of Saskatchewan how they look at this particular action by this NDP Government.

I think of two years ago when Bill 42 was before this Legislature. You remember at that time that Mr. Blakeney went on his famous trip down east telling everybody how tough he was going to be about our oil and about how he was going to sell it to the East at a price that would be equal to the world price. In that regard I think he was sincere, in fact I agreed with a lot of the things he said, he didn't say many of these things. But you remember the reaction that went across all of Canada when this crisis was being faced by the people in the East and the people in the Maritimes and I suppose to a certain extent the people in British Columbia.

It was a great shock that one province would treat its sister provinces in that manner. I am not saying that perhaps the Premier wasn't right in making those speeches. It had a very, very detrimental effect, I felt, Mr. Speaker, on the bonds that keep us in Confederation, and this particular action as well is straining those bonds in much the same manner.

This simple, small editorial I think is indicative as to how many people think of us in places other than in Saskatchewan. I think we must also consider, Mr. Speaker, another thing that

this committee could do, is also give us some information as to how Canada, not just Saskatchewan, would be regarded in the international market place or in the international sphere for taking these actions. I am sure that our neighbors to the south the United States certainly cannot be in favor of this type of action, although no doubt the financiers in that country will line up to loan money to the province to let the action go through. When we do this type of thing, the Americans don't really understand that it is just one province of ten taking this type of proceeding. What the Americans and others see is that Canada is doing this. Not only do we hurt Saskatchewan and the future investment that this province would desperately need in the years ahead to develop our uranium, coal, our petroleum, our natural gas, all of Canada suffers when people who have money and want to invest it see us in Saskatchewan acting in this manner. We don't live in a vacuum in this province. Everything we do reflects on everybody else in Canada. Our reputation in Saskatchewan is part of the reputation of the whole country. When we do something to injure the Saskatchewan reputation, we injure the reputation of all Canadians and of all people who live in this country.

I feel that if there was a legislative committee to consider this matter, that this type of concern which I am expressing could be brought to the committee, debated, considered and decisions made after hearing people that are more knowledgeable than I am on this type of thing.

As well, Mr. Speaker, this committee could hear from other people, other Canadians, others from Saskatchewan, who could give their views as to whether expropriation or takeover is necessary. They could hear from a person who I am going to quote, a person who is not without influence with the Members who sit opposite me, a person who is a very prominent Canadian, who made most of his reputation in this province. I will tell you the name of this book after I have quoted from it, Mr. Speaker, it is a very small quote, I am sure you will bear with me. This particular person is talking about the Waffle movement, which of course I suppose is no longer alive as a movement anymore, as such. I suspect that many of the Members are now just members of the NDP and they don't need to distinguish themselves any more by calling themselves Wafflers, because the NDP has moved so far into the left there is no longer any distinction. That is what this particular Canadian said about the Waffle movement and he touches on potash. He says.

In Saskatchewan for example they said (he's talking about the Waffle movement) why not nationalize the potash industry? Without thinking of cost or priorities should you do without rural electrification, or natural gas or northern air services?

This is what this person says. He goes on:

You can instead set up a potash board to which the developers must sell their products and you have made the company simply a contractor to go out and produce the stuff and sell it to you, but these doctrinaire people insist on nationalization.

This Canadian is talking about the Wafflers at this time, but I suggest his remarks are equally apropos of the Members who now sit opposite. He goes on to say:

And too they tend to become people who feel that being doctrinaire and extreme makes them very special people. They are always proving their purity. In the process they cut off everyone to the right and left of themselves. They become a small group, to use Nye Bevan's term, engaging in political masturbation.

He goes on to say further along, I quote:

My answer to those so-called left wingers, that is the ones who would take over the potash industry, these waffle types, and some of them are not as radical as I am, I would suggest one night a week out canvassing to find out what the average person is thinking.

You are supposed to deal with the problems people have, not the problems we think they have.

I suggest, Mr. Speaker, those remarks are very apropos to the Members opposite because they dealt with the nationalization of the potash industry. They are said by one T.C. Douglas!

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — In a book called Tommy Douglas by Shackelton. This is not a quote that was taken 20 or 30 years ago. I suspect there is no date in the book, it's at page 290, if anybody is interested. The book was only published this year. The author Mrs. Shackelton talks about the waffle movement in Saskatchewan, there is reference to Mr. Watkins, Mr. Laxer in Ontario, but the quote I think probably would be within the last 18 months or so. So I would think that if we had a committee of the Legislature, one of the first witnesses I should like to see called before that committee would be the Hon. Tommy Douglas. So not only could he talk about this statement he made, not only could he explain the validity of that statement, he could also tell us about the promises that he made to the potash companies back in the 1950s when he induced them to come into this province to invest the millions of dollars that they did.

I'm sure that Mr. Douglas would have a lot to add to any committee of the Legislature that was struck to discuss this problem.

Mr. Speaker, there are a couple of other things that I'd like to read into the record. I have the third page of the Saskatoon Star-Phoenix, dated December 13, 1975. I think that the representative of Sylvite Company quoted in this story would add a lot to a committee of the Legislature to discuss this problem because here are some of the things he says about the potash industry in the world at this time. The headline is, "Potash Official Claims World Demand Lagging" and the byline is Mr. Jeff White of the Star-Phoenix. The story goes as follows:

High inventory as is lagging demands are causing the bottom to fall out of the world market for potash, says a spokesman for Sylvite of Canada Ltd. As a result potash firms are offering buyers extended payment periods and offering cash discounts for early payment, the spokesman said. He said in a telephone interview from Toronto Friday, the agency which handles all off-shore export

sales of potash, Canpotex, is forecasting a serious decline in demand for potash in this fertilizer year from July 1st, 1975 to June 30, 1976. While original projections for the year were 3 million tons of potash, Canpotex is now predicting sales of 1.8 millions tons, the spokesman said. The sales slump is created because of high inventories, shortage of foreign exchange in importing countries and a diversion of funds once destined for potash purchases into purchases of energy requirements, he said.

I should just like to pause there for a moment, Mr. Speaker. Where he refers to diversion of funds into purchases of energy requirements. I think again a committee in the Legislature could ask itself about priorities. What do we need in Saskatchewan to develop with the assets that we do have? What should we be developing? I suggest that perhaps potash would be on that list, but I would suggest that higher on the list of priorities would be energy resources, that the millions of dollars that have already accumulated in the Energy Fund which are to be used according to the remarks I believe of the Premier some months ago, to be used to be developing energy resources, I think those funds should be used just for that and not for the takeover of potash companies.

In any event, the story goes on, Mr. Speaker.

Sylvite's program intended to spur sales will allow purchasers who normally have a 30-day period in which to remit payment, to wait until March 31st before payment is made.

I'm going to skip a little bit here, but I just quote again from this gentleman from Sylvite.

The beautiful market situation which some people think exists in the potash industry is just not there, he said. The market is falling to pieces, falling flat on its face. What shortages which will occur in coming months will be logistical shortages due to bottlenecks in the potash delivery system, he said. Because the price of potash is one of the factors included in the reserve tax formula, the discounts being given customers will affect the amount of revenue taken in by the Provincial Government, but not enough to be really worth talking about, the spokesman said. He said, the current slump could not only be attributed to normal seasonal variations characteristic of the fertilizer industry, but claimed it was indicative of a longer term market softening. Shipments from the Soviet Union and the Saar are also threatening the share of Canadian potash producers in the world market, he said. There is every indication the potash supply is beginning to meet demand, he said.

Mr. Speaker, I think that those remarks are significant. I think that if we had a legislative committee as this amendment proposes we would get the full story about the future potash market in the world. We would get all of the particulars we have been asking for for so many days in this debate and I think once those particulars were obtained and received that the Government perhaps would reconsider its position. I think it's apparent, Mr. Speaker, that the Government is not going to allow this amendment to pass. I say that in many respects it's a shame,

it is a tragedy. If they do not let this amendment pass I suggest, Mr. Speaker, that several conclusions can be made by the people on this side of the House and by the people of Saskatchewan. The Government's actions to date on this debate, Mr. Speaker, can only be described as arrogant and contemptible, contemptible of the Opposition and the rights of the Opposition, contemptible of the people of Saskatchewan.

We keep harping, Mr. Speaker, on the fact that we have not heard from the premier on this debate. We have not heard from the Minister of Finance in this debate and we have not heard from the Minister who is to be in charge of the Potash Corporation of Saskatchewan.

I say, Mr. Speaker, that the fact that these Members and these Ministers have chosen not to speak shows a government that has become so arrogant and so overstuffed with power that they feel that they don't have to respond to the duly elected Members of the Legislature. They do not have to respond to the people of Saskatchewan. I say that this is the first sign of defeat of a government. I think if you go back and review history, Mr. Speaker, that you will find before any government falls, whether it was the Liberal Government of Louis St. Laurent or the Conservative Government of John Diefenbaker or the CCF Government of Tommy Douglas, that they become arrogant. They become secretive, they become so that they act in such a manner that they feel that they are responsible to nobody but themselves and that's what this Government is doing right now, Mr. Speaker. They feel that they are not responsible to this Legislature, they feel that they are not responsible to the people of Saskatchewan. I suspect that the Cabinet thinks that it's not even responsible to its own caucus. Mr. Speaker, I can't think of any other adjectives to describe the manner in which this Government has acted other than arrogant and as I say, contemptuous. This is, I say, Mr. Speaker, a shame in many respects.

I respect what the NDP stands for, I don't agree with it, but I respect it. The NDP in the past and the CCF before them have always stood first and foremost, at least in my mind, Mr. Speaker, for social reform and for social justice. Only secondarily did they stand for takeovers of business, takeover of power, attaining as much power as they could possibly swallow. I think it's indicative, Mr. Speaker, of how this Government feels if you just look at the Speech from the Throne. There's nothing in that Speech from the Throne that talks about social justice or assistance to people who are on old age pensions and are trying to fight the battle against inflation. I mentioned this earlier in a speech, that there is nothing there for elderly people and I think the Premier's remark was that it would be inflationary. Of course, it would be inflationary, but what is worse? Letting these people live in the manner in which they are or contributing a small bit to inflation. I suggest the first priority of any government should be to help the people that need help in the province and not to take over potash companies which will add little or nothing to the gross national product of this province.

Mr. Speaker, I think it's indicative of how this Government has become old and arrogant, by looking at the Members that are now in the Cabinet. I think that the only refreshing thing that we have seen from this Government in the past 32 days or whatever it is, that we have been here, has been the newly

appointed Minister of Consumer Affairs (Mr. Shillington). He had the difficult task of bringing to this House the Rent Control Bill. I don't agree with a lot of the provisions of that Bill and I think my friends to my left probably disagree with more of that Bill than I have. At least this Minister has got up in this House, has explained the provisions of the Bill he's negotiated with Members of this caucus about possible changes in the Bill, he's negotiated with Members of that caucus about possible changes in the Bill, he showed an interest and a refreshing approach at least to try and co-operate and do his job as a Minister. I congratulate him for it. But he is the only one, Mr. Speaker, he's the only new blood on that side of the House. Look at all the other Members of that Cabinet. They are all fine people, Mr. Speaker, however there is no new blood in that Cabinet. They were all here as backbenchers before.

I wonder, Mr. Speaker, if the Minister who is going to be in charge of the Potash Corporation of Saskatchewan, when he first came into this House as a Member of the Government in 1971, if at that time if this Bill had been before the House whether that Minister would have remained mute, sitting in his seat or not even bothering to attend these sessions. I doubt it, Mr. Speaker. I wonder if at that time the now Minister of Finance, the then Minister of Health would have sat mute in his seat and done nothing while this significant legislation had been before the Legislature. I doubt it very much, Mr. Speaker. I say that they have just grown arrogant and fat with power over the last four years and it's the first sign of the collapse of the NDP, Mr. Speaker. I think the collapse of the NDP over the next three years is now inevitable if they continue to operate in this manner.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — There is no question, Mr. Speaker, that if this Government continues to act in this manner, that they will not form the government after the next election. There is no question at all, because they won't, Mr. Speaker.

Mr. Speaker, I've got several other things I'd like to say on this Bill, I wonder if I could call it 9:30 at this time.

MR. H.H.P. BAKER (Regina Victoria): — Mr. Speaker, I'd like to stand on a Point of Privilege. I just want to inform this House that I'm going to present a shovel to this Legislature to get rid of some of the bull that was spread by the Thunder Creek Member.

SOME HON. MEMBERS: — Hear, hear!

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