

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Eighteenth Legislature
37th Day

Thursday, January 15, 1976

The Assembly met at 10:00 o'clock a.m.

On the Orders of the Day.

QUESTIONS

GOVERNMENT POWER TO LICENSE FARMERS IN SASKATCHEWAN

MR. L.W. BIRKBECK (Moosomin): — Mr. Speaker, before the Orders of the Day, I should like to direct a question to the Attorney General, in the absence of the Minister of Agriculture (Mr. Kaeding).

Does the Government of Saskatchewan through the Lieutenant-Governor-in-Council have the power to license every farmer in Saskatchewan?

HON. R. ROMANOW (Attorney General): — Mr. Speaker, I have to tell the Hon. Member quite frankly that I don't know the answer to that. I would suspect that we would need legislative authority to do that and we would have to come by way of specific amendment or specific Act to the Legislature of Saskatchewan. But having said that, the opinion in one that comes off the top of my head and I would have to give it more consideration to be more accurate, but I will answer the Member to say, I think the answer is no.

MR. BIRKBECK: — A supplementary, Mr. Speaker. In reference to your answer to the fact that you don't know for sure. I feel that I do know.

SOME HON. MEMBERS: — Hear, hear!

MR. BIRKBECK: — Because my supplementary would be, does the recent intention of this Government to require dairy farmers to make application for renewal of their licences to sell a natural product each year, indicate the Government's intention to extend these licensing requirements to every farmer in Saskatchewan?

MR. ROMANOW: — Mr. Speaker, the answer to the last question, the intention to extend this to every farmer I can answer, no. It is not our intention to do that. I am, however, noting the fact that the Hon. Member does apparently have an opinion as to the power of the Government of Saskatchewan to license. He has presumably looked into this by-way-of legislation himself. I sure hope that it doesn't mean that the Conservative Party is advocating or looking at the possibility of licensing farmers, because you seem to have done quite a bit of work on this, to have looked at it in detail.

I certainly want to tell you that I for one, and this Government would object to and strenuously oppose any idea of licensing farmers.

SOME HON. MEMBERS: — Hear, hear!

MR. BIRKBECK: — Mr. Speaker, just a comment on the Attorney General's remarks.

MR. SPEAKER: — Order! The Member, even though he does know more than the Attorney General is not permitted to comment. If you have a further supplementary fine.

MR. BIRKBECK: — Thank you, Mr. Speaker, I do have a second supplementary.

If this is not the Government's intention are you therefore prepared to accept an amendment to The Natural Products Marketing Act, removing the powers of the Government to license every farmer in Saskatchewan?

MR. ROMANOW: — Mr. Speaker, I don't as I said earlier, acknowledge that that indeed is a power or one of the powers of the said Act. And as to the actual amendment, if the Hon. Member would care to prepare and to submit such an amendment, I think we would be prepared to look at it and to consider it in the light of that.

SURVEY ON POTASH TAKEOVER

MR. D.G. STEUART (Leader of the Opposition): — Mr. Speaker, I know the answer to this one, too.

SOME HON. MEMBERS: — Hear, hear!

MR. STEUART: — Mr. Speaker, I should like to direct at question and I am sorry the Premier is not here, but I should direct it then to the Attorney General.

Is the Attorney General aware of the survey commissioned by the Board of Trade in the city of Saskatoon, carried out by the Croscan Consulting Services of Saskatoon on the question of whether the people have heard of the proposed potash takeover by the Government of Saskatchewan and if so, did they agree or did they not agree? Is he aware that of the people who responded, well over 70 per cent were aware of it, which is extremely high and that of those people 49.2 or almost 50 per cent were opposed; only 20.1 agreed and 30.7 had no opinion? Is he aware of this survey and the results?

MR. ROMANOW: — Mr. Speaker, indeed, I am aware of it. I received a copy yesterday of a document which was submitted to me and to two other Members of the Assembly, from the Saskatoon Board of Trade which purports to give the figures that the Leader of the Opposition has cited.

MR. G.H. PENNER (Saskatoon Eastview): — A supplementary to that. In light of the fact that of those who were surveyed, that 70 per cent, or at least of those who had an opinion, that 70 some odd per cent opposed the nationalization legislation. Is the Attorney General now prepared to withdraw the legislation?

MR. ROMANOW: — Mr. Speaker, let me say quite clearly to the Hon. Member and I think I may have said this is response to an earlier question outside the House by somebody, but I think I would have been probably the most surprised man in all of Saskatchewan if the Saskatoon Board of Trade had not commissioned or conducted a survey so that the majority of people in Saskatchewan were against the potash plans of the Government. We know that the Board of Trade has adopted purposefully and wilfully a campaign of open political attack against the Government and its policies. So how in the world would anybody be surprised? If the survey came out with the Board saying that 49 per cent favored the potash proposals then I think I would probably have retired from politics. But no one expects that in Saskatchewan.

Furthermore I would say, just in response, that even if that survey can be given any credence, but if any credence could be placed in that survey, it is not 70 per cent that are opposed as I understand it. It is 49 per cent on that — 20 per cent are in favor, 30 per cent want more information and have no opinion and 66 people and a certain percentage didn't want to give a response. Even if that was an accurate survey and I don't accept that it is accurate, for one moment, because I think it is commissioned by a group whose bias in this area is so obviously stated it cannot be seen to be an objective survey.

MR. PENNER: — Mr. Speaker, I wonder in light of the fact that during the Christmas break the Premier, himself, indicated that a vote on the matter would likely go 50-50 in light of what happened with the Boys' Parliament. Please understand, Mr. Attorney General, I wasn't attempting to suggest that 70 per cent of those surveyed indicated they were opposed, I said of those who had an opinion, 70 per cent indicated that they were opposed. In light of the fact of that and that you haven't had a mandate, in light of the fact that you have suggested that the people of Saskatchewan can darn well wait until 1979, the layoffs in the potash industry, the fact that they are drilling south of the border, the question that I want to ask . . .

MR. SPEAKER: — Order! I gather the Member is getting to the question.

MR. PENNER: — I was just about to ask, what it is, Mr. Speaker, that it takes to wake this Government up and realize that the people of Saskatchewan are, in fact, not prepared to go along with this nationalization.

SOME HON. MEMBERS: — Hear, hear!

MR. ROMANOW: — Mr. Speaker, if I were to believe in the concept of the Saskatoon Board of Trade's survey, this Government would not have gone ahead with Medicare in 1962.

SOME HON. MEMBERS: — Hear, hear!

MR. ROMANOW: — I want to tell you that the Saskatoon Board of Trade has the worst record of any board of trade in Saskatchewan

on its attacks against the CCF and the NDP Government. The Saskatoon Board of Trade is the only board of trade in all of Saskatchewan that has injected itself in the partisan political approach and now the Member asks me to predicate on a survey that they have conducted a decision to withdraw the Bill. Well how wildly improbable and unrealistic that is of the Hon. Member.

I want to tell you that the Board of Trade speaks for very few people in Saskatchewan, let alone in Saskatoon. I don't think that the Saskatoon Board speaks for the majority of the businessmen in Saskatoon, if you want to know, on this issue. So, if the Hon. Member says to me, well, will the Government get up — the Members say dig myself in — if I had to depend on the Board of Trade electing me or electing any of the Members on this side of the House, I would never have been elected an MLA.

I want to tell the Member opposite if he thinks that I, as one Member of the Government or the Government is going to rely on a survey which was commissioned purposefully to try to be a part of the on-going attack by the Board of Trade against the potash plans, then he is dreaming, because that is not the majority thinking of the people of the Province of Saskatchewan and we don't intend to withdraw the legislation.

SOME HON. MEMBERS: — Hear, hear!

DECENTRALIZE AND PROMOTE GROWTH IN SMALLER SASK CENTRES

MR. D.M. HAM (Swift Current): — Mr. Speaker, I should like to direct a question to the Minister of Municipal Affairs (Mr. MacMurchy). Is it not true this Government's stated policy is to decentralize and promote growth in smaller centres in Saskatchewan?

HON. G. MacMURCHY (Minister of Municipal Affairs): — Yes.

MR. HAM: — My first supplementary then, Mr. Speaker. Why then does this Government intend to build additional facilities in Regina, in a proposed downtown redevelopment?

MR. MacMURCHY: — Mr. Speaker, in reply to the Hon. Member's question, Regina is the capital city of the province, that a good majority of the Government offices are located in the capital city but not all of them. We have done a significant job of providing office building throughout the province. I think there is in the area which the Hon. Member represents, some activity down there. Extensive activity in Saskatoon; Moose Jaw; Kindersley; Swift Current and so on.

In response, Mr. Speaker, to a request from the city council indicating that they were considering a major development of the downtown core they asked would we participate, I responded by indicating to them that we would be prepared to participate with two office buildings; one probably in the very near future because we have some problems of office space for some of our Crown corporations because of a recent fire and because of the expansion of the economy and population in this province and on the longer term some Government office needs.

MR. HAM: — Mr. Speaker, would the Government consider at this time building additional facilities in smaller centres in Saskatchewan that haven't been recently announced as Swift Current was, with a new facility.

MR. MacMURCHY: — I can't respond directly to the question. I have been working very hard with the former Minister of Government Services for an office building in Last Mountain-Touchwood. I intend to do the same with the New Minister. I haven't had any success yet. Yes, I think, we will see further decentralization and office space provided whether through lease or through construction, that would be decided on the merits of the needs.

POTASH INVENTORIES OF NORTH AMERICA

MR. J.G. LANE (Qu'Appelle): — Mr. Speaker, before the Orders of the Day, I should like to direct a question to the Minister responsible for the Potash Corporation.

Statements have obviously been made publicly by the Government that the demand for potash is strong and will continue to be strong and will grow probably at a rate of five to six per cent per year. In light of the recently announced lay-offs at IMC mine of 700 workers over two weeks, is the Government aware that the total North American inventory of K₂O at the present time, is approximately 1,800,000 tons compared to approximately 340,000 tons last year and that in fact every potash producer in the world is in a surplus position at this time and will continue to be so in the foreseeable future?

HON. E. COWLEY (Minister of Potash Corporation): — Mr. Speaker, I am aware that the potash inventories in North America are higher. Mr. Speaker, I am also aware that there are indications that the market is somewhat softer now, but there are also strong indications that the market, particularly the North American markets, will be considerably stronger for the rest of 1976.

MR. LANE: — Mr. Speaker, by way of supplementary. Is the Government also aware that most major potash or chemical fertilizer purchasing countries in the world are now restraining demands because of price resistance or over-stocking, over-buying last year in anticipation of a surplus, or to prevent a drain on their own balance of payments. Is the Government aware of those particular facts in the existing market situation today?

MR. COWLEY: — Mr. Speaker, some of those factors are always present in the market. With respect to need for foreign currency, etc., and there are undoubtedly some countries experiencing those problems at this particular time, as I am sure there were some countries who are purchasers of potash who were experiencing those similar conditions in 1974 or 1975. Mr. Speaker, that is my response to the Member's rather broad question.

MR. COWLEY: — Mr. Speaker, all I want to say is the temporary present market conditions have nothing to do with Bills 1 and 2 and have nothing to do with the long-run outlook for potash. And if the Member opposite suggests that any individuals be they government or private enterprise, should make a decision as to whether or not an acquisition of a particular industry or enterprise should be down on the basis of market conditions at one particular period in time, then I think the Hon. Member opposite is a poorer businessman than even I believed him to be.

ANTI-INFLATION PACKAGE

MR. E.F.A. MERCHANT (Regina Wascana): — Mr. Speaker, in light of an announcement by the Premier yesterday, I wonder if the Government would permit a further question to the Minister of Finance, a brief question, regarding the anti-inflation package?

MR. SPEAKER: — The question periods, I don't know whether the Member judges it by the number that have been asked or by the time. I judge it by the number of questions asked and there have been four questions asked. Now if the House wishes to permit another question, that is fine.

FINAL REPORT ON MEADOW LAKE PROVINCIAL PARK

HON. A.S. MATSALLA (Minister of Tourism and Renewable Resources): — Mr. Speaker, before the Orders of the Day, I should like to table the final report summarizing development decisions reached with regard to the Meadow Lake Provincial Park.

The decisions reached are based on results of the four public hearings held in early 1973 on the provisional master plan for the park. The eight-page report outlines 18 recommendations. Meadow Lake Provincial Park increases in popularity each year. The park has become more accessible by roads and has become more desirable to visitors due to its natural attributes and recreational opportunities. A total of 133 written briefs were presented and received at the public hearings at Meadow Lake, Goodsoil, Pierceland and Saskatoon.

Approximately 1,000 persons attended the meetings. Response to the hearings was very encouraging and because of the briefs presented, my Department has taken a closer look at development of all provincial parks.

A panel of representatives from my Department and related government agencies compiled the briefs and arrived at suitable development policies for Meadow Lake Provincial Park. Persons and organizations that presented briefs at the hearings will receive a copy of the report in the mail. A copy of this report, as well, will be distributed to each of the individual Hon. Members. Additional copies may be obtained from the Extension Services Branch of the Department of Tourism and Renewable Resources in the Administration Building.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Romanow that Bill No. 2 — **An Act respecting the Potash Corporation of Saskatchewan** be now read a second time and the proposed amendment thereto by Mr. Larter (Estevan).

MR. A.N. McMILLAN (Kindersley): — Mr. Speaker, I'm sorry to see some of the Members leaving. I was assured that they had been mesmerized by the truth last night before I adjourned. I was encouraged by the fact that they seemed to be interested in listening to it from this side of the House.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — Bill 2 concerns itself with the establishment of a Crown corporation in Saskatchewan and specifically The Potash Corporation of Saskatchewan. It's an extremely important piece of legislation, as is any legislation that establishes a Crown corporation.

It's interesting I suppose when we discuss Bill 2 at least to know what terms of reference we are talking about, what in effect is a Crown corporation and what prompts the Government of Saskatchewan on behalf of the people of Saskatchewan to go to the means suggested in this Bill and establish a business entity to deal with the mining and marketing of potash in Saskatchewan.

The book called 'Canadian Crown Corporations' by Ashley and Smith states that:

A Crown corporation is an institution with corporate form brought into existence by action of the government to serve a public function.

And it is that certainly. It is more however. It is, as well as being a business entity brought in to serve a public function. It is something else and in this specific case it is a collection of involuntary shareholders brought together by the government to operate a business entity. So we are talking about more than a simple business transaction to establish a corporation. We are talking about over 900,000 shareholders. This Bill 2 deals not just with corporate law and the establishment of a business entity but with the social effect that such a business will have on Saskatchewan. It makes shareholders out of the population of Saskatchewan, every individual in this province.

I stress the fact as well that it makes involuntary shareholders out of the people of Saskatchewan, and that's an important point.

I'll tell you there has to be good reason before the Government of Saskatchewan forces the Saskatchewan people to become shareholders in a company which they previously had neither the desire to get into, nor the means to invest in.

MR. ROMANOW: — They just couldn't.

MR. McMILLAN: — Don't say 'just couldn't', Mr. Attorney General. I imagine you understand how a stock market works, how investment shares work. Shares in a company like IMC and other companies are available to purchase by the people of Saskatchewan.

I said that when this Government goes ahead and against the wishes of the majority of the people in this province forces them to become shareholders in a new corporation that they are setting up, there had better be good reason. I say that there is no such thing as good reason in this instance in a democracy.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — And we have had some very concrete evidence in these past two days that a majority of the people in this province don't want to become shareholders in this corporation. We have survey statistics released out of Saskatoon yesterday or the day before, which the Attorney General scoffed at, done by an independent firm, surveying the people of Saskatchewan, at least in the Saskatoon area, to ask them if they wanted to become shareholders in this new corporation. Seventy per cent, or approximately 70 per cent of the people that were surveyed felt they were knowledgeable enough about what was going on to respond. That's being generous. Of those who responded over 70 per cent said they didn't want to belong to this corporation. That's something that you ought to remember. You are continually espousing the fact that you are democratic socialists, that's something that you would do well to remember. Put your ear to the ground. Take this province's pulse and you will find that the vast majority of its people don't want to belong to the Saskatchewan Potash Corporation as shareholders.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — Now under some circumstances Members on this side of the House, at least in the Liberal Party, have stated on previous occasions that we felt under some circumstances establishment of Crown corporations were a good idea. There are specific reasons why a government may be motivated to set up a potash corporation, and I suggest, there is potential for some legitimate reasons. The time for the provincial government to get into the potash business is when private interests are not doing the job on behalf of the people of Saskatchewan.

AN HON. MEMBER: — That's right.

MR. McMILLAN: — We say 'right' as well. I said last night, and our Members have been saying for 35 days, stand up in this House and tell us why private interests weren't serving this province. You haven't given us one good reason. Not one.

MR. ROMANOW: — You haven't been listening, brother.

MR. McMILLAN: — I have a good record of attendance in this House and I'm attentive while I'm here and I haven't heard one good reason why you have to be in the potash business.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — Now the Premier says we have reason to be in the potash business, we have reason to get into it and that's because private industry isn't doing the job. And, in this case he refers to the job of expansion to meet the growing international market, which we just recently discovered isn't really growing at all. The Premier says that the potash industry isn't expanding and that bears a little investigation. They are not expanding either for one of two reasons. Either they don't want to, or they can't expand. Now there are some reasons why the potash companies of Saskatchewan would be unable to expand, in a real sense. One of them would be if they lacked technology in order to expand at a reasonable rate. I don't think that's true.

The potash companies in this province have a fine record for developing technology needed to mine and market potash. I don't think that's the reason why they didn't expand. They may not expand because they didn't have the financial resources at hand in order to expand, to facilitate their expansion. I don't think that's the case either. The potash companies in this province indicated a willingness to expand. They indicated that they were willing to expand in a very short time to the tune of \$200 million, so I think they probably did have the financial resources available to expand. They had the technology and they had the financial resources so I don't think it was because they couldn't expand, and I have to assume it's because they wouldn't expand, and that's the interesting question. Why wouldn't the potash companies of Saskatchewan expand? Basically because . . .

AN HON. MEMBER: — Because they are getting screwed.

MR. McMILLAN: — One Member says because they are getting screwed. I wouldn't be that harsh with my terminology. I would say it is basically because there was insufficient return on their investment to make it worthwhile for them to expand. And I'll tell you something, there is incentive in the potash industry in this province to expand, if they get a reasonable rate of return on their investment.

The potash industry has stated that in their opinion, they were getting in the neighborhood of five per cent return on their net investment and a three per cent return on their gross investment. There is no incentive there to expand in the potash industry. Which one of you, if you had invested \$100,000 in a bank and were getting a five per cent return on the investment would turn around and put another \$100,000 in there when you knew you could go somewhere else and get 10 per cent or 12 per cent?

MR. ALLEN: — Farmers have been doing it!

MR. McMILLAN: — We do it for other reasons too, aesthetic reasons. Now I suggest that under the circumstances the potash companies had no choice but to cancel their expansion. They would have been foolish to expand when they weren't getting a reasonable

return on their investment. They would be foolish, just as you would be foolish to keep investing money in something that didn't give you the best rate of return on it. I would have to think perhaps this Government wasn't concerned whether they were getting a reasonable rate of return on their investment or not. You seem to be a little hung up about getting involved in the industry. I think maybe you turned a blind eye to the potash industry and whether or not they themselves would expand.

MISS CLIFFORD: — A deaf ear too!

MR. McMILLAN: — A deaf ear too. Well said. Now if the companies can't expand, if they lack the technology available, and that in many instances would be a rare case, if they lack the technology available, there is little the Government can do in order to help the companies. The Government in that case perhaps has a responsibility to search for technology and get involved themselves. Perhaps under those circumstances there is some reason for the Government to get involved in potash corporations. It certainly wasn't the case here. If the companies lack the financial reserves necessary to get involved in potash, then again maybe the provincial government has the responsibility to move in, because we have been discovering in the past couple of months that certainly the Province of Saskatchewan has funds available to invest in potash. We have to assume that. We are glibly told by Members opposite. We are not told how much or where we get them, we are just told that they are there. If there is no money available for potash companies to get involved in expansion, then perhaps the provincial government has the responsibility to get in. There are many ways they could do it. They could do it by guaranteeing credit to the potash companies — a hundred different ways you had of seeing that companies had finances to expand, if in fact that was the problem. It wasn't. I still don't see the reason why you particularly had to get into the potash business.

As I say, if the companies won't expand, the government has the responsibility to see that they have sufficient incentive to expand, keeping in mind at all times that they do so in the best interests of the people of Saskatchewan. And all Members of this House operate on that presumption. I would hope. Rather than risk millions of dollars of the taxpayers' money, this Government, I say, could have encouraged the potash industry to expand. It could have facilitated expansion in the potash industry, still maintaining the best interests of the people of Saskatchewan, and they wouldn't have had to risk this money. I say there is no need to establish the Saskatchewan Potash Corporation.

SOME HON. MEMBERS: — Hear, hear!

AN HON. MEMBER: — How?

MR. McMILLAN: — One Member says how? How could we have done it? You could have sat down with the potash companies in an atmosphere of understanding and found out exactly what was wrong with them, why they wouldn't expand.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — You could have taken an

objective look at your tax policy. That's apparently where the problem lies. You have all the controls you need. I went over that last night. I may attempt to go over it again for the edification of the Member for Saskatoon Eastview (Mr. Penner) who was absent.

MR. PENNER: — Yes, I would like to hear them.

MR. McMILLAN: — I'll save those comments for another time, Mr. Penner.

So what you are doing, in effect, in trying to pass Bill 2 in this House, is setting up a corporation that I say wasn't necessary. It wasn't necessary to set it up. We say, under some circumstances it may have been necessary, but under these circumstances 'no'.

Now I'm sure the Attorney General feels there was some reason to set it up. I hope before this debate is over you stand up and give us one good reason. We are not even asking for all the answers any more, we just want one for starters.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — You're setting up a business which I say is unnecessary to set up.

AN HON. MEMBER: — One in eight weeks is better than none in seven years.

MR. McMILLAN: — You are, at the same time setting up a business which the people of this province don't want you to set up.

AN HON. MEMBER: — On a Point of Order, Mr. Speaker. There's Member back there smoking and . . .

MR. ALLEN: — Mr. Speaker, I apologize to the House. I was so enthralled with the Hon. Member for Kindersley that I completely forgot myself and I assure the House it will never happen again.

MR. SPEAKER: — The Chamber accepts the Member's apology and we can continue on with the remarks.

MR. McMILLAN: — This is 'kick the habit week' and I hope he follows this resolution.

I'm sure the House and the Members on this side accept the indiscretions of a new Member of the House.

MR. SPEAKER: — I'm sure that the House will accept the indiscretions of all new Members, such as not sitting down when a Point of Order is being raised, or smoking in the House, or anything else that contributes to the abuse of the rules of the House and the decorum of the House.

MR. McMILLAN: — Well I certainly apologize, Mr. Speaker, for not sitting down when you were on your feet and it certainly isn't an indication that I lack confidence in your ability but I was a little scared that I wouldn't be recognized or might lose my place in this debate so I apologize as well.

Now the really significant thing about Bill 2 and something you Members opposite must keep in mind, accepting the fact that the people of this province don't want this Bill and that it is unnecessary. Really, a very hideous thing about this legislation is that it will for all intents and purposes be irreversible.

I think it's an accepted fact that specifically in resource development, and we've seen this in the past two years, there is only a certain amount of money to go around and I talk about financial requirements to expand in the potash industry. I said that if those funds weren't available to the potash industry then perhaps the Government had a responsibility to supply them in one form or another. One form would be through a Crown corporation, to see that that industry did expand. We've seen that happen. We've seen that happen in the development of petroleum reserves and specifically the Syncrude project.

The frightening thing about that sort of development and it's been pointed out on many occasions, is that so much money is being poured into the Syncrude project and potentially the Mackenzie Valley pipeline that there wouldn't be any money left for exploration elsewhere. It pointed out that there are limits on the amount of funds available to people and to governments to develop their resources.

Now you are thinking of sinking, through this Potash Corporation, perhaps a billion dollars into the potash industry, perhaps \$2 billion. I tend to take the small 'c' conservative estimate of that. What's going to happen to that money and I'm going to point out to you why the Saskatchewan Potash Corporation may be unfortunately a permanent fixture.

When you pay that money to people who are involved in the potash industry, they are going to go elsewhere and sink it in the ground. There is no question about that. We've discussed many possibilities of where they might go. Once that money is in the ground somewhere else it is in effect irretrievable.

Now what happens, and this is a big fear with us, and I think the people of Saskatchewan. What happens if five years down the road and six years down the road we find our Saskatchewan Potash Corporation is unworkable? What if we find we want to get out of our equity position in the Saskatchewan Potash Corporation? What do we do? Let's say the government changes in 1979, which I am confident it will. What are we to do if we find that we're operating with a bad business deal? We can't get out of it. What do we do? Do we sell it? To whom? Who is going to have a billion or two billion dollars to come in and relieve the people of Saskatchewan of the burden of their Saskatchewan Potash Corporation?

You have not shown this House one good reason why we the people of Saskatchewan should risk that situation.

I point out to you and I'm sure that you must be taking

second looks at the potash industry and specifically about the establishment of the Saskatchewan Potash Corporation. You don't have good reason to get into this business. You haven't indicated reasons why the potash corporation in Saskatchewan aren't doing the job. The only problem that seems to be developing is around your administration of those corporations while they are in the province and your controls on them. Now you are prepared to cover up the kind of mistakes and mismanagement you've had in dealing with these corporations on behalf of the people of Saskatchewan.

To sink us into a billion dollar or multi-billion dollar irreversible deal through the Saskatchewan Potash Corporation, I find particularly disturbing. I'm sure the people of Saskatchewan do. It would be one thing for us to stand here and say well, we don't like what you are doing and it's certainly going to be a bad thing over the next four years and we may lose money on a four year operation and on the interest we have to pay, but we won't be in a position to bail this province out in four years. We won't be perhaps in a position to bail this province out in 20 years. That is disturbing.

You've not show us one good reason yet why you have to get involved in the Potash Corporation of Saskatchewan, why you have to establish it.

I keep saying I hope Members from the opposite side will get on their feet. I hope the Premier of Saskatchewan will stand up and point some reason out, some reasons that I as a new Member have shot holes in every one of your arguments you put forward so far, a new Member. I don't even have any experience in the Potash Corporation, but I understand the general principles which influence those decisions in Saskatchewan.

We haven't heard from your Premier, from the man who's going to run this corporation. I hope he gets on his feet. It would set my mind at ease to some degree if he could stand up and prove that the kind of arguments I put forward weren't true. He doesn't seem to have the courage to even stand up and do that.

SOME HON. MEMBERS: — Hear, hear!

MR. McMILLAN: — I would appreciate if the Minister of Finance would stand up and set my mind at ease about the finances surrounding the establishment of the Saskatchewan Potash Corporation.

MR. STEUART: — If he would even show up it would help.

MR. McMILLAN: — If he would even show up it would help.

I'm going to sit down in a few minutes, urging this Legislature to vote against the establishment of the Saskatchewan Potash Corporation. I hope Members on that side of the House will have the common decency, I may question the fact that they have the intelligence to stand up and point out to Members on this side why this is a necessary step.

Mr. Speaker, I am very much opposed to the Motion to Bill 2 and to the establishment of the Saskatchewan Potash

Corporation and I urge all Members in this House to vote against it.

SOME HON. MEMBERS: — Hear, hear!

MR. A. THIBAUT (Kinistino): — Mr. Speaker, as this has been the first speech that I have made during this Session, I will ask you to indulge me at the beginning to welcome you, Mr. Speaker, as a new Speaker of the House and you have already demonstrated that you can handle the job very well. I also want to welcome the new Members to this Legislature. Some are learning fast and some are slow learners. I also want to welcome the Member for Melfort (Mr. Vickar) who took one of my constituencies, because under the former redistribution I represented two constituencies for four years. I know that the previous government said we can't defeat him, we'll wear him out. But I'm still here, my friends.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAUT: — I know that the Member for Melfort is going to give a good account of himself. I want to read a little passage that was said by the former Leader of the Opposition, Mr. Hammy MacDonald. Well you got him into the Senate now and that's where you are going Davey.

MR. STEUART: — Dominus Vobiscum!

MR. THIBAUT: — Dominus Vobiscum is right. I want to repeat a quote from Hansard, February 15, 1960. When I delivered my maiden speech he spoke immediately after me and he said:

First of all I would like to congratulate the new Member for the constituency of Kinistino. I am sure that we are all pleased to see him take his place this Session. He probably arrived here without the help of some of us, but on the other hand he has considerable help from some of the people sitting opposite. I do hope that his stay here will be a short one, but a very enjoyable one.

Well, Mr. Speaker, it was a enjoyable one, how short it was, I'll leave it up to you to judge.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAUT: — I also want to thank the people of my constituency for sending me here for the sixth time.

And now there is one thing that I have learned as a politician, is to listen. I have listened for 37 days. I was absent one day for the benefit of the Member for Rosetown (Mr. Bailey) if he's keeping track of how many days we are in.

There's one thing that I learned that filibustering was something that we also practised, but you should use it with reason. When the point has been made, what's the point of continuing and we were led by such great men as Woodrow Lloyd who told us, well, you've made your point.

I want to say that when you go beyond that you are damaging Parliament or the Legislature. We have so many important things to do, so many things that are waiting to be done. We haven't even got one bill out of the way. Well, you know that the Government calls the Legislature and the Opposition decides when it quits. That's the practice.

I know that we got a deal with the former Liquor Report and the Traffic Safety Report with all the carnages on our road, we are playing around with a filibuster. I want to say that Parliament is going to be as good as the Members of that Legislature make it. I think we had better get on with the business of running the country and do it in a credible way.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAUT: — There is another thing that I learned while I have been sitting here, whether Bill 2, the Crown Corporations of Saskatchewan, the Potash Crown Corporation of Saskatchewan. I sat here and tried to assess whether it's a good thing or not. I wasn't too sure when I first came in, to be frank with you. But over the years I have learned that if the Liberal Party opposes something very strongly that's the best guarantee we've got.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAUT: — It has never failed. It has never failed and I could go down the list, one thing after another. I want to tell the Members opposite that the people of Saskatchewan have the pioneering spirit and I'm telling you right now they are pioneering and God bless them for it.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAUT: — I want to read a little article from the Leader-Post January 15, 1976 that perhaps will wake some of you people up. Mr. Campbell criticizes free market system. Premier Alex Campbell, Charlottetown, said yesterday:

AN HON. MEMBER: — Liberal?

MR. THIBAUT: — I believe he's a Liberal.

Canadians must stick to their Prime Minister Trudeau's remarks on the economy, and added that the free market system has not served the Atlantic regions as adequately as some had hoped. If Atlantic Canadians permit the free enterprise system to operate without restraint they would find their way of life, their jobs and their industry operated by the board of multinational corporations. He said, Canadians must put aside their ideology, minds set, and accept the Prime Minister's statement as an invitation to discuss the nature of the economy. See how it works. Determine how we want our country to operate and who we want to control it.

My friends, instead of knifing your Prime Minister I would say, listen and maybe there is some pioneering to do in that area and the people of Saskatchewan are going to do it.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAUT: — I have seen in the past too much of the Liberal Opposition but we haven't seen the Conservatives for about 40 years. They gave us four years of it and we took the motors out of our cars and we put horses on it. The people could never forget it in 40 years. One man they elected in 1964, I believe, he made his way out of the coop and I'm going to tell you, the ones that have come in right now, I'll tell you how come you got in. To the Leader of the Opposition, you know I used to be a little kid and I played with chickens. I take my hat and throw my hat up and scare them and these chickens would run, scurrying for the coop. The Leader of the Opposition was doing the same thing with the Land Bank. You know, he did scare some people. He did scare some voters and they ran into the Conservative coop. Because they knew what was in the Liberal coop and I tell you what. You know the voters have already found out that the odor in the Conservative coop is not any better than the other one.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAUT: — They are already coming out. Now that they have seven Members, they want an election every month.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAUT: — Good night, take it easy. In the Medicare filibuster that we carried on about three weeks, I got up and I said, look we're not going to ask for an election. You can check the records. I asked the Leader of the Opposition who was the Minister of Public Health at that time and I said, if you and I will resign our seat, we'll have two by-elections on the question. You know I made that offer. You know I would be prepared to try Kinistino but I'm getting a little bit too old to fight elections. They wouldn't take us up. It wouldn't cost society that much money. But that was my proposition at that time and you didn't take it.

People are elected for four years and at the end of four years, which is going by pretty quickly, it will be settled if we've done wrong. They will settle it with us and let us make parliament work and you will have the credit, you know, and deserve coming back if you played your part well.

There is one thing that I have learned in the early years, and it was to listen and be careful what you say.

Now, we can go down the whole list. We remember the hospitalization when we brought that in. Fought the same way you are fighting Bill 2 and Bill 1.

MR. STEUART: — We whipped you in the next election too.

MR. THIBAUT: — Oh yeh, but you didn't stay there very long. The people soon found out that programs for people cannot be trusted in the hands of the Liberal Party.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAUT: — Out they went, you were not trusted because you tried to stay in power through gerrymander.

You know, how could you have had an intelligent vote when you told the women, you're going to have your babies out on the street, the doctors are going to leave, and you get people into the frame of mind that you could not have an intelligent vote on those basis and you're going to have a vote at the end of four years and we are prepared to accept what the people will do for you.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAUT: — With the support of the prime Minister and the Premier from Charlottetown I think we are going to be all right.

The funny part of it is after one of these programs similar to the one we are trying to bring in, in Bill 2 the Liberals would come back. Yes, this is good, but give it to us we'll take care of it. We'll do better if you put us in. They tried.

MR. ROMANOW: — . . . better on Medicare!

MR. THIBAUT: — On Medicare they tried to abort the little baby before he was born.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAUT: — The people at the end of four years when deterrent fees came in they said put the baby back in the hands of its mother because it is being strangled to death.

My friends the people of Saskatchewan are pioneers and the spirit of pioneering is still with them. I am sure the record of the CCF and the NDP in being the custodians of the things that are programs for the people of Saskatchewan and the people will support the CCF and the NDP.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAUT: — I did a little research here, I want to quote the Star-Phoenix, June 1961, June 6. It sounds very much like the same songs you hear today about programs like Bill 1 and Bill 2. They haven't changed.

Liberal Leader, Ross Thatcher charged today in Regina that the government financial dealings with Interprovincial Steel and Pipe Corporation are approaching proportions of a scandal. For all practical purposes the company would appear to be bankrupt.

That was their desire, but look at Interprovincial Steel today. They were looked after my friends.

They tried their best to stir up the people of Saskatchewan. Well they don't stir up any more. I have had no phone calls and no letters about the potash. I have had no letters at all. I would go to parties and you know what they talked about?

They talked about snowmobiles. They were more concerned about snowmobiles. I got letters on snowmobiles and telephone calls on snowmobiles. Our Government is going to bring in good legislation for snowmobiles I can guarantee you that.

MR. PENNER: — . . . and bring in another . . .

MR. THIBAUT: — Well listen here. We are the kind of people who see when we are going wrong and we are prepared to mend our ways and that's more than the Liberal Party can do.

Now I would say that the people of the province have listened to the Liberal Party crying wolf, wolf just too often. They don't pay any more attention to you, and that's why you can't stir them up. You have lost your credibility. That's the problem. The Saskatchewan people are not too excited when they have an NDP or CCF Government in power and they know the best is going to be done for the people.

You can see, Mr. Speaker, by my few remarks that I will be supporting the Bill and opposing the amendment.

SOME HON. MEMBERS: — Hear, hear!

HON. A.S. MATSALLA (Minister of Tourism and Renewable Resources): — Mr. Speaker, it is my desire to make a few remarks on this very important legislation and the fact that the hour is getting near 5:30, I should like to call it 5:30.

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

MR. MATSALLA: — Mr. Speaker, with all the encouragement I am getting, I will do the best I can in putting forward my views with respect to this legislation.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — Mr. Speaker, when I called it 5:30 I had indicated that this debate is of very great importance. I believe it is of great importance because here the Government is offering a proposal out of which will grow the most valuable industry ever developed by the people of Saskatchewan for their own benefit.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — I find it most interesting to sit back and listen to the arguments of Members opposite as they stumble along attempting to wave the old flag of free enterprise on behalf of their multinational corporations.

Liberals and Conservatives alike are singing the same old song each purporting to be the defenders of free enterprise. As the chorus of protest against this legislation continues from across the way, both old line parties are trying to assert their corporate allegiance by pretending each is best qualified to be given the leading role against these resource measures.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — Mr. Speaker, nobody is going to be fooled by this little game of political charades. The only thing that matters to those fellows to your left is power. They have consistently shown in this debate that they are fully prepared to stoop to any level to get it. Predictably one can understand the political logic of not supporting this Government in relation to this legislation because after all for years they have heatedly opposed every and all progressive legislation brought forward by this Government.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — Yet, Mr. Speaker, the question is much deeper than that. Why is it that Members opposite are against this legislation? Why do they always run to the defence of those poor maligned corporations? Why don't they want to see the people of Saskatchewan receiving a better deal from our resource development? Mr. Speaker, they always talk of the rights of the individual, freedom to rise in society, self enterprise and so on. Yet whenever this Government moves to ensure the future rights of the people of this province, Members opposite rise in unison to criticize and condemn. We say the resources of this province belong to the people of this province.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — They belong to us and we should control the major decisions respecting how these same resources are exploited. Mr. Speaker, that is what this legislation is all about.

The Leader of the Opposition continues to amaze me as he consistently brings in every red herring in the book in relationship to this legislation. On the one hand he says we are being too hard on the potash corporations. He says we are hitting below the belt, we are taxing them to death. It is unfair, it is unprecedented. I remember the time he appeared on an open line talk show during the debate on Bill 42. The arguments were similar then and the same principles apply now. Oil and potash are both non-renewable resources and the Government has a responsibility to ensure orderly and responsible development of these resources.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — Now the Member for Prince Albert-Duck Lake was telling his radio audience how bad this legislation was, claiming those poor corporations would just pack up and leave and things would be in chaos. Then somebody phoned in and asked him who he felt owned these resources. He said, "The people." When asked why it is fair then for corporations with head offices in Europe and the United States to call the shots in relationship to these resources which were owned by the people, the Leader of the Opposition said, "Well, they are people too." Mr. Speaker, what he was saying was that the president of a German potash company operating in Saskatchewan should have just as much say about our resources as any person living in this province.

Mr. Speaker, I reject that principle. This Government rejects that philosophy and the people of Saskatchewan reject that narrow way of thinking.

Ownership of the potash industry in Saskatchewan is a complex business. As an example, International Mineral and Chemical Corporation of Canada with its two large mines in the Esterhazy area is a wholly owned subsidiary of International Minerals Chemical Corporation of Libertyville, Illinois, the world's largest producer of chemical fertilizer and fertilizer material. Other mines are owned in part or wholly, by British, French, and German and other companies. They go wherever they can make money. If one area of the business operation becomes unprofitable, they may decide to close down or sell or cut staff or to postpone expansion. This is not the best ownership structure for our potash industry. It would not ensure stability and sensible development. The Potash Corporation of Saskatchewan is a Crown corporation that assures for all time that the full benefits of our potash will come to the citizens of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: —During this debate we have heard much about alleged persecution. Liberals and Tories alike say we are being too hard on these corporations. They say leave them alone, they took all the risk in the first place and now that the industry is profitable, we should reward them for their initiative and let them go their own way. Don't think for a minute, Mr. Speaker, that these corporations are motivated by humanity, don't think for a minute that one nickel would have been plunged into the potash development had not the prospects of huge profits provided their sole motivation. Governments did their share during the early times. Yes, seed money was provided, tax breaks were provided during those development years. Incentive grants were also provided.

Mr. Speaker, this whole issue is very interesting. Corporations generally have a strange set of values. When they start up, and when they find themselves in a bit of trouble, or when they want to expand their operations, they come running to the government for help. Give us a grant, they plead. Then when things get rolling and profits start pouring in, they want no part of the government, and they say leave us alone. We are free enterprisers. Now that is all well and good. But what happens when all the control rests with these free enterprisers who have their head offices in New York or Seattle? What happens if these same corporations decide one day to pull out? Don't say it can't happen.

One only has to look at our neighbors on the West Coast, at the town of Ocean Falls, dependent 100 per cent on a multinational corporation which had established a paper mill in that community. Things went well for a while then the decision makers in New York decided to pull out. Then they had the nerve to run advertisements which said, "For Sale, One Town. All you have to add is people." They were willing to sell for \$10 million. The NDP Government in British Columbia offered \$1 million, they sold and the town was saved and so was the industry. Yet the government there was criticized for its move. In the crunch the people didn't matter a bit to these corporations. Paper prices were down on the international market, so this corporation was going to lock the doors and leave.

Mr. Speaker, I finally have it all figured out. It all depends on whose tail is caught in the gate, whether or not we support free enterprise or not. From now on what we should do

is when we give money to corporations, we'll call it welfare, but when we give money to help people help themselves, we'll call it a grant.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — So, Mr. Speaker, the myth of free enterprise is even being exposed by the Prime Minister when he tells us the free enterprise has failed. There are many others. We are not saying there is no place for private initiative, but what we are saying is that we will never accept the prospect of being ruled by such a system when it continues to pursue such selfish and inequitable goals.

Mr. Speaker, why haven't Members opposite told the real reason they oppose these measures. The Minister of Transport, Members opposite are singing the same tune, so it is fair to assume that there is a bit of collusion involved. Do Members opposite challenge the province's right to control the development of their natural resources? Are they against seeing the province earn more from these resources so we can ensure that our children can benefit from the programs of the future?

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — Do the Conservatives run full page advertisements against the legislation because they are really concerned with the direction we are following, or are they just trying to use scare tactics and half-truths in order to sell Conservative Party memberships?

No, Mr. Speaker, we haven't heard a peep about these issues. All we hear is that free enterprise is good, and we are bad.

I should like at this time, Mr. Speaker, to draw attention to the Liberal and Conservative statements made in and outside of this House . . . In the hallways as one Member had indicated. They were saying that this Government has no right to proceed with the legislation before us, and to develop our own potash industry. Member after Member in Opposition keep calling on the Government to call a provincial election on the issue of the potash takeover. Recently they talk about surveys. For the Opposition to suggest an election and surveys on the issue is about the weakest argument put forth by the Members.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — I want to say that this argument — both the Liberals and the Conservatives are at their last and are starting to grasp for straws. Personally I have little faith in surveys. I question their accuracy. To follow the direction of surveys as suggested by the Members opposite is an indication of weakness and deterioration in a parliamentary system and democratic process. I believe that the people spoke on June 11, last, when they elected this Government. And I believe that they want this Government to stand by their choice.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — Let us examine the full page advertisement I referred to earlier. I want to particularly draw your attention to point number nine which says:

The Government has no mandate to do this. The NDP made no mention of this potash takeover in the election only six months ago. While they received 40 per cent of the popular vote, they hide their intentions from the people of Saskatchewan, from the voters and from you.

Then it goes on and says:

Call a provincial election now and let the people have a say.

I want to point out that people did have their say. They did have their say in 1971 on June 23, and I make reference to our election program booklet "New Deal for People". Let me quote from it. Point number five under Resource and Economic Development.

Towards these ends a New Democratic Government will review existing royalty and other arrangements with a view of renegotiating where necessary, those not in the interests of Saskatchewan people. Where feasible we will reclaim ownership and control of foreign owned resources.

The people of this province spoke on June 23, 1971. Then on June 11, 1975, they spoke again. I want to refer you to our election program booklet, "New Deal '75". I should like to quote under Resources. I quote:

Specifically we will (1) defend and protect the right of Saskatchewan people to the full benefits of their rightful heritage, the natural resources of this province.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA:

(2) Speed up direct government participation in exploration for development of potash and hard rock minerals to achieve a greater measure of public ownership of these resources and industries.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — I am not going to take the time of the House to read this again but I am going to send a couple of these booklets over to the Opposition. I wanted to send it to the Leader of the Opposition, but he is not in. I would ask one of the pages to come and take these booklets to the Hon. Member for Morse (Mr. Wiebe). I would suggest that at one of your caucus meetings you have a seminar on this. I also have a set of booklets, 1971 and 1975 and these I would like to send to the Conservative section. I would ask the page to take these across the floor. I know that they too could get a very good lesson from these two booklets.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — Mr. Speaker, in reply to the ad, I want to say to the Conservatives opposite that their advertising is false. And that the intent of the ad is to mislead the people of Saskatchewan. Further in my reply I want to say that the Saskatchewan people had their say and it did give this Government a strong mandate on two occasions, on June 23, 1971 and then again on June 11, 1975.

From this it is very clear, Mr. Speaker, what the New Democratic Party policy is with respect to developing resources for the benefit of Saskatchewan people, as a result of the two elections that we have had, one in 1971 and one in 1975. It is also very clear, Mr. Speaker, that this New Democratic Party Government has a strong mandate from the people of Saskatchewan and it is the intention to proceed and carry out policies upon which this Government was elected.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — For a moment, Mr. Speaker, I should like to submit a couple of thoughts respecting this resource and the future. We are told that world demand for potash will double in the next fourteen years. There is no doubt that we need to expand potash production in Saskatchewan. World potash production is growing at something like one and one-quarter billion tons a year. And that is what a good size potash mine produces. According to industry spokesmen world demand for potash will double by 1990 to equal approximately 48.65 million tons.

The refusal of the potash companies to proceed with expansion places Saskatchewan in a poor situation in the international market. We can't afford to have our market jeopardized while the private companies hold out for even more tax concessions. It takes four or five years to get a new mine into production. In the interim if we have effective control of the industry we can expand the mines efficiently. And the expansion must proceed without delay. The only way we can be sure of getting expansion in the way Saskatchewan wants it and needs it, is to do it ourselves.

The citizens of Saskatchewan will do it working through their own company, the Potash Corporation of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — Projections indicate further that the price will jump from \$70 per ton to \$100 per ton in the next ten years.

In other words the future for the potash industry is bright. Saskatchewan sits on 40 per cent of known world reserves and possesses some of the highest grade potash known to exist. The opportunity for co-operation between industry and government becomes very apparent.

In 1974 industry revenue exceeded \$434 million. Under the old royalty structure the province would have received less than \$20 million. We said, it is just not good enough so we increased the royalties, meaning that the Treasury would receive more money.

This in turn meant that we would be able to continue financing programs such as the prescription drugs and the hearing aid plan. Any businessman will tell you that a 10 to 12 per cent return on investment is fair and equitable. And that is what was happening to the potash industry. But they wanted more. They fought our measures tooth and nail. Costly court battles were launched and for a period, companies even refused to pay the provincial taxes. At a time when orderly development and a long-term strategy were needed the potash industry dug in their heels and said, no way!

Mr. Speaker, this is a brief history. However, it brings to us the key issues of this debate. This Government has displayed leadership in a sense of commitment. We said if the industry is unwilling or unable to take steps necessary to ensure the maximum benefit from the development of this important resource, then we will do it. And that decision immediately drew the battle lines. The Opposition says the move is unnecessary and they say it is too risky. We say the potash industry is a good investment.

In the calendar year of 1974, total revenue from potash sales was over \$300 million, and total Crown revenue was about \$35 million. For the calendar year, 1975, it is estimated sales will be approximately \$400 million, and Crown revenue will be about \$100 million. At this point, Mr. Speaker, I should like to endorse what was said by the Hon. Member for Melfort yesterday when he spoke in this debate relating to the potash industry being a good business. It is a business which makes a large yearly profit. It would be a purchase into an investment which would be paid for as a self-liquidating debt, in a manner similar to Saskatchewan Power and Saskatchewan Telecommunications. The potash investment is a good safe business venture. It will not only return millions of dollars to our Treasury but it will increase the assets of Saskatchewan people.

What would the Opposition, Liberals and Conservatives do if they were government? Would they knuckle under to the corporations and give them what they want.

SOME HON. MEMBERS: — Yes.

MR. MATSALLA: — They would? I believe that too. Would they be satisfied to allow hundreds of millions of dollars of our money to flow from the province never to return again? Would they continue to support multinational corporations . . .

SOME HON. MEMBERS: — Yes.

MR. MATSALLA: — . . . which through a board room vote in Germany could immediately wipe out the financial security of hundreds of Saskatchewan workers and their families?

SOME HON. MEMBERS: — Yes.

MR. MATSALLA: — No, Mr. Speaker, they don't want to talk about the real issues involved but rather they choose to criticize and condemn and they say, trust us, we can do a better job. I should like to tell the Leader of the Opposition, the people of Saskatchewan gave you an answer when your forestry policies in the North were

tested in June of 1971.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — And to you, the Member for Nipawin (Mr. Collver), he is absent. I should like his colleagues to pass on the message, it appears that you too, have committed your Party to this direction. I have every confidence that your Party's presence in the Legislature will be limited to four years because you fellows are learning too late that the people of this province will never again allow our resources to be sold down the river, never again.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — Gulf Oil does not own the oil. And International Minerals and Chemical Corporation does not own the potash.

Mr. Speaker, in conclusion, I just want to say this. God put these resources in the ground so that mankind could display his responsibility in ensuring that the development took place in such a way as to benefit mankind.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — That, Mr. Speaker, is the issue. That is what is represented in this legislation. And any Member of this House who does not support this principle should reconsider the question of whom he represents in this Legislature.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — Mr. Speaker, it is very obvious that I will be supporting the main Motion and I will be voting against the amendment.

SOME HON. MEMBERS: — Hear, hear!

MR. D. HAM (Swift Current): — Mr. Speaker, not intending to monopolize the time as I normally do speaking . . .

SOME HON. MEMBERS: — Hear, hear!

MR. HAM: — I should like to direct a statement or two before I begin to the Member for Canora (Mr. Matsalla). I should like to begin by thanking him for this "New Deal '75".

The New Democrats when re-elected will continue to act to see that Saskatchewan people get the greatest possible benefit from our resources.

SOME HON. MEMBERS: — Hear, hear!

MR. HAM: — As a taxpayer of Saskatchewan I hope to God you are right.

This may involve new approaches to public ownership of joint ventures between government and private enterprise.

I didn't really think that those words would even be printed in an NDP brochure, I was quite surprised to see them. One other comment before I begin, Mr. Speaker, and that is that I should like to pass this onto the Member for Canora that I totally agree that seven Members were elected on the basis of their performance and promises in seven PC constituencies in Saskatchewan, with 29 per cent of the vote.

I am privileged to rise, Mr. Speaker, in support of the amendment to Bill No. 2, specifically pertaining to the inherent unlimited power of the Bill. It is an extremely dangerous bill which empowers the Government to acquire products and items listed in the Bill, which can be described as disassociated products and items. With respect to the Bill, Section 2, clause (c), interpretation and definition of potash, if I may quote:

Potash means any nonviable substance formed by the processes of nature that contain the element of potassium and includes any substances found in association with or produced, or capable of being produced with or incidental to the mining of such a nonviable substance.

This section empowers the corporation to expropriate any property in which potassium is present. And would you not say that the corporation has in fact the power to expropriate farm land, grazing land or any other property for that matter that contains potassium, regardless of its relationship to the potassium mine, whether or not the potassium mine is lying beneath it or not. Respecting Section 9 clause (b), if I may quote again:

In addition to any other powers conferred by this Act, the corporation may (b) manufacture, buy, sell and otherwise deal as principals and as agents in and with all kinds of fertilizers, both natural and artificial chemicals and natural products of all kinds and of all elements and materials entering into the composition or manufacture of fertilizers and chemicals and natural products thereof, and generally carrying on the business of manufacturers and wholesale and retail dealers, all kinds of fertilizers both natural and artificial chemicals and natural products.

This section puts the corporation in a position to force potential competitors or competitors out of business if they desire. Retail, wholesale firms merchandising fertilizer could become direct competition to the corporation under this clause. This clause allows the corporation to go beyond potash expropriation related to the associated products.

With respect to Section 10, clause (1), I will quote:

It may acquire and dispose of real and personal property where the corporation considers any property real or personal to be necessary for that efficient operation of its business and it may, subject to subsection (2) acquire by purchase, lease or other means, in particular, that without limiting the generality of the foregoing by purchase or expropriation pursuant to the

provisions of The Potash Development Act, 1975, any such property from the Crown or any firm, partnership, association, venture, syndicate, corporation, or person, and where the corporation considers any of its property, real or personal to be no longer necessary for its purposes, it may sell, lease or otherwise dispose of any of the property.

We have debated in this House on Private Members' day, a resolution by one of the Members opposite on nationalization of the railway road beds. I can see a distinct comparison or parallel between that particular amendment and this particular clause. And under this clause the corporation could conceivably expropriate any rail line, municipal road, its services or as deemed necessary for the efficient operation of the corporation of a mine.

Section 13, which I will not read but it is pertaining to superannuation. Under this section the potash employees presently employed by all potash mines effectively lose their pensions — superannuation. The corporation may on its own accord establish and support, etc, etc, a new superannuation. It may. Each employee loses pension accumulation. There is no guarantee that these same employees will have any pension plan or one of equal substance. Employees presently employed at Crown corporations or government departments, such as Sask Tel, Sask Liquor Board stores and the like, can transfer their superannuation in the event that they are transferred or take a transfer or take employment with the potash company and transfer their superannuation. But there conceivably could be five different pension schemes at the same time in the same business.

The powers acquired typify the very nature of this Bill. Centralization and government control to which this Government seems dedicated to carry out. I will support the amendment and not support the Motion.

SOME HON. MEMBERS: — Hear, hear!

MR. G.H. PENNER (Saskatoon Eastview): — Mr. Speaker, in rising to debate Bill 2, I am sorry to see the Premier and the Deputy Premier leaving the Chamber, I really don't find that too difficult to understand. Logic has always been something that has been difficult for either one of them to listen to. I am sorry that the Member for Kinistino (Mr. Thibault) is not here, I wanted to tell the Hon. Member that I enjoyed listening to him speak this afternoon. It is the first opportunity I have had to hear him. I respect the fact that he is one of the deans of the House and I respect the fact too that some of the things he said made a good deal of sense. One of them in particular where I hope that the Attorney General and the Premier and other Members of the Cabinet were listening very carefully, because he directed some comments through us to you when he commented about some important pieces of legislation which could have been before the House but which have not been before the House. And, of course, all of us know that there is only one reason why pieces of legislation which Members on that side consider to be important are not before the House and that is because you have chosen not to put them before the House despite the fact that you have had many opportunities to do so. As I say I appreciated the sense of humor and I appreciated the delivery of the Member for Kinistino and I wish

he were here to hear my remarks.

I must say, Mr. Speaker, that in referring to what was said by the Member for Canora that I feel somewhat differently because I can't attribute anything he says to his longevity in the House and I, therefore, do not have any extra respect for the kinds of things that he might have suggested. It is a great thing how people who get up and speak the way he did can string a few slogans together and try to make some sense out of them; it's great that he is so much in defence of the people; unfortunate that despite his great attempts to show how a mandate had been provided to his party that in fact they don't have a mandate. They didn't ask for a mandate. They talk about doing what the people want them to do and yet just a few short months ago they went to the people and nobody mentioned the term nationalization of the potash industry. There is only one reason why you didn't mention nationalizing the potash industry in June and that, of course, was because you knew that the people of Saskatchewan would not support you on that kind of a move. You talk about the resources belonging to the people of Saskatchewan. You have never heard anybody on this side of the House argue that, either from our caucus or from the caucus to my left. When a number of controls that the Government already has including where a company is going to dig, and when they are going to dig, and how much they are going to be able to produce, and are taxed now to a point that is somewhere between 80 and 95 per cent depending upon the mine, and you have shown nothing whatever to indicate that that is not good, solid factual information.

MR. BLAKENEY: — Rubbish!

MR. PENNER: — If that is rubbish, I invite the Premier and entreat him as a matter of fact, to get up and show it. The Member for Canora talked about all the information that they have and alluded to some studies that might have been done but those studies haven't been put before us and as a matter of fact I don't think any have been conducted at all.

I couldn't help but think, Mr. Speaker, as I listened to the Member for Canora's attempt to defend, feeble as it was, the move to establish a potash corporation, that they really don't have any good reason for what they are doing except that they may be interested in state control. I invite any Member of the Cabinet if he has some good reasons why this is being done that he stand up and tell us what they are. We have been six weeks and we haven't heard anything yet. The Member for Canora, Mr. Speaker, suggested that because the potash companies were fighting some legislation, albeit poor legislation, that this Government has put into force in this province, really doing nothing other than what any other person would do if they felt that they were being badly treated, but because they have dared to go out and fight the legislation in the courts, that we are going to get them and we are going to get them by nationalizing the industry. I think, to boot, they likely thought up the scheme and dreamed it up in a pout and are convinced that they should carry it through in a pout.

With regard to the brief comments that I want to make with respect to Bill 2 I want to point out that I am not in favor of Bill 2 being read a second time and I don't suppose that the Hon. Member for Saskatoon Buena Vista (Mr. Rolfes) is surprised

that I would say that. I don't think he expected me to stand up and say that I agreed that it should be passed.

I want to make a couple of points, Mr. Speaker, if I may, about some of the things that are not in the legislation and some of the things that are in the Bill with which I am having some difficulty.

The first thing that I want to comment upon, Mr. Speaker, is that the legislation does not contain any limits on funding and recognizing the fact that the Bill is going to be passed simply because of the force of numbers and the fact that I doubt that anyone on the other side is too interested in listening to logic. I should like them to keep in mind that it is a matter of course that bills connected with corporations have some kind of spending limits in them. I have a number of bills here that I should like to draw your attention to. There was a time when I thought I might read most of them but you are spared that. I have one here, an Act respecting the Manitoba Hydro Electric Board and I draw the Members' attention to section 33, subsection (2), which gives specific limitations on borrowing power. I have an Act from the Province of British Columbia which has to do with the Development Corporation of British Columbia Act, 1973, and draw your attention to Section 6 which also has specific limitations of the powers of the corporations with regard to funding. I have an Act from the Province of Alberta, The Agricultural Development Act which has a specific section with regard to funding and specifies an amount of money which the Legislature passes limiting the borrowing power of that corporation. I also have a Bill from the Province of Manitoba. The Manitoba Trading Corporation Act and direct your attention to Section 11 (1) again, Mr. Speaker, where there is a definite amount of money which is set aside in the Act which is passed by the Legislature.

Now, Mr. Speaker, I think it is incumbent upon the Government in passing Bill 2 that there be an amendment put forward in committee, indicating a limit on the amount of money that the Saskatchewan Potash Corporation is going to be able to borrow. Now we have been asking for weeks, Mr. Speaker, for some kind of spending limit. I remind Members opposite as I said in debate a few days ago, we have had figures that ranged between \$500 million and \$1 billion. It leaves 100 per cent room for error. We think that the people of Saskatchewan since it is their money, at least deserve a clearer indication of the kind of money that you are prepared to squander in order to buy potash mines that can already contribute, have already been show to contribute very effectively to the economy of the province.

Now, I want to go one step further, Mr. Speaker, and this refers back to a statement that the Member for Canora made a little while ago when he talked so glibly about how this was a great business deal and was going to be good for the people of the province and I remind him in talking about the setting up of this corporation that as yet we haven't seen anything that proves that. We have been asked to accept some things on faith and at the same time the Attorney General has indicated that faith is a bad way to conduct business when you are doing it with potash companies. I think that, in deference, Mr. Speaker, if we could have some figures maybe we would be able to see what up until now has had no logic in it at all.

I refer to an article that was in the Saskatoon Star-Phoenix, written by a professor at the University there, I referred to this earlier and hadn't intended to refer to it tonight until the Member for Canora spoke indicating the business about the kind of money that is involved.

MR. ROMANOW: — Is he the Professor of Geology?

MR. PENNER: — Geology. That's right. And he said this:

Twenty-one years from now if the market holds steady we will receive approximately \$170 million, our first real profit in over 20 years. If we don't buy the mines we will have \$130 million per year profit and 21 years from now we will have received a total of \$2.73 billion from potash sales.

One of the interesting things that I note as I read that is that the Attorney General shakes his head and he is making all kinds of signs and things and he obviously doesn't believe what Prof. Stauffer is suggesting. Now I say this to the Hon. Member for Saskatoon Riversdale (Mr. Romanow) and the Hon. Member for Saskatoon Buena Vista (Mr. Rolfes) that . . .

MR. ROLFES: — I am taking notes.

MR. PENNER: — All right, I hope you are taking notes. I say this man is making all kinds of assumptions and if he is wrong and if we, have said some things and made some assumptions that are wrong, then I would like to suggest that you bring in the studies, bring in the marketing analysis and the feasibility studies and whatever else you have got and show that we are wrong. One of the things that I want the Attorney General to understand and the Member for Buena Vista to understand is that we are not unreasonable and if you can show us by providing us some simple facts that this is a great business deal then we are going to go ahead and agree that it is a great business deal. But you haven't asked the people for a mandate, haven't given us any figures. You go straight forward on a course for disaster and you don't give us any statistics at all.

I want next, Mr. Speaker, if I may, to spend a few minutes talking about a statement, and I am sorry I missed it. My friend, the Member for Saskatoon Centre (Mr. Mostoway) says things in the House when I am not here that I know I would have copied down if I had been here. But I noticed in last night's Leader-Post that he is quoted as saying:

Mr. Mostoway claimed the Conservatives and Liberals have a burning dislike for Crown corporations and said if they appreciated the value of these institutions they would want the Bill passed.

For the record, Mr. Speaker, I just want it pointed out that that is the kind of misleading arguments, the kind of silly statements, that takes away credibility from anything that is suggested by the other side of the House. I invite the Member for Saskatoon Centre or any one of his colleagues to stand up and read from the debate, statements that show that this caucus is opposed to Crown corporations. When we talk about having some concerns . . .

MR. MOSTOWAY: — Okay . . .

MR. PENNER: — Are you going to stand up after I am finished Mr. Member for Saskatoon Centre? I can understand you not wanting to get up but if the Member for Saskatoon Nutana (Mr. Robbins) wants to get up that's great. I want the Members opposite to understand that there is a considerable difference between the principle of Crown corporations and the principle of opposition to this Bill. When you talk about Sask Power and you talk about Sask Tel, you are talking about monopolistic situations which are a little different from potash. Unless, of course, the Government has some other grandiose schemes about becoming monopolistic in their approach to the potash industry. So let's not reduce the argument to those kinds of a difference between the corporations like Sask Power and Sask Tel and a corporation like the Saskatchewan Potash Corporation. I want to be quick to point out that I recognize that in any corporation when it comes to the responsible reporting of the financing of that corporation there are some difficulties and they have been made very clear to me by some of the responses of Ministers opposite when asked questions in the House, who have hidden behind the skirts of the statement, you can bring it up in Crown Corporations. And there are some very specific dangers there, Mr. Speaker, and I should like to have those underlined by just a couple of quotations from some people who have done some analysis of the situation and I refer to a book, *Public Ownership and Accountability, the Canadian Experience*, printed by the Harvard University Press. I just want to take a look at two paragraphs, Mr. Speaker, from that. Again I thought I might be giving them a good portion of the book. Anyway in Chapter 2 under the Roots of Accountability, the author says this:

Increasing uses of public corporations in democratic countries has brought in its wake a growing awareness of the difficulty of devising an acceptable form of control. An early faith in the theory of the autonomous government corporation has increasingly given way to a realization that the virtue of a corporate flexibility may be balanced by the vice of irresponsibility. Widespread recognition of the problem is reflected in recent studies dealing with a number of different countries and situations.

I am not going to bore the House, Mr. Speaker, by going through all of the examples that are given but I want you to note that the question of irresponsibility with regard to reporting the financing is something that experts are recognizing and have recognized for some time.

In Chapter 5 in the first paragraph:

Briefly stated parliament's aim with respect to public corporations must be to obtain sufficient information on their activities to enable it to discharge its obligation of holding the corporation ultimately responsible.

Now I want to invite the Members opposite, Mr. Speaker, to take note of that when they think upon the kinds of questions that the Members of our caucus have been asking for a long time with regard to the potash nationalization.

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We have it incumbent upon us if we are going to be able to hold the corporations responsible fiscally to know enough about it before it is incorporated that we have a chance of doing that.

And so, when we have asked and asked questions about why the takeover and what money is involved and what is the interest rate and how many years is it going to be amortized for, those questions, Mr. Speaker, are extremely legitimate questions.

Given the special position of corporations so dramatically driven home to parliament by the early railroad debates and the necessity to rely on Ministers for much of the information parliament's past path is at best a difficult one. When in addition the burden of parliamentary duties seem to increase yearly along with the size and complexity of government the difficulties, etc.

Now, that book was written in 1950, Mr. Speaker, and it talks about the complexities and difficulties of government. Twenty-five years have gone by but the principle of the difficulty is still there. The need for us if we are going to be a responsible opposition to know some of the facts related to the potash takeover and the money that is involved in the amortization and all the rest of it, are that much more vital in 1976 than they were in 1950. And, again I entreat the Members opposite to provide that kind of information to us. If they are not going to do it in debate in second reading, that it be made available to us when we are in committee.

I think, to sum up the point, Mr. Speaker, that the monetary limits that are going to be made available to the potash corporation should be in the Bill. I think they need to be in the Bill in a good deal more detail than what the Premier has given repeatedly when he uses the statement, \$500 million to \$1 billion.

I should like to spend a few minutes, Mr. Speaker, dealing with the question of the whole pattern of nationalization. I think the Members opposite may see something that fits very closely what has been happening in this province over the last little while with what I am going to suggest to you here.

Nationalization would seem to operate on the theory that a social government can legislate unsuccessful people into prosperity merely by legislating successful people out of it. The thinking people (and this article refers to Britain) of Britain are walking about with grim faces chiefly because their rewards of endeavor, the glittering prizes of achievement are no longer attainable.

And then this statement and we are talking how nationalization is accomplished, Mr. Speaker. I think that refers pretty specifically to the Potash Corporation Bill because that is the vehicle by which all of this is going to be funded.

The first move is to get the governmental propaganda machine in motion and to lay on the poisonous juice progressively until the selected industry itself begins to wonder how it ever came into existence at all. It is coaxed, threatened, cajoled and insulted with equal hypocrisy at every stage.

It is told it is inefficient, costly, greedy and as far as this government is concerned they repeat that word 'greedy' a number of times and quite incapable of working harmoniously with its employees. When as much as possible of this mud is firmly plastered over the industry, the next move is introduced.

The industry has set a minimum production target or goal, even if the industry left to itself to attain it, the government has no intention of allowing it to do so.

I refer again to what the Member for Canora said a while ago, when he said, you know those darn mines aren't expanding any more. Of course, they are not expanding, they have been squeezed to the point where they couldn't possibly expand. When you talk about using that as a reason for taking over the industry, it is begging the question. Because if there is any fault in that, it rests squarely on the shoulders of the Members opposite. With their rules and regulations and licenses and permits the Government already has the power of life and death over almost every private enterprise undertaken in the province. I invite Members opposite to rationalize in their own minds the statement that they need to control the industry, when already you can control when they dig and where they dig. And you can indicate how much they are able to produce and you have them taxed at a higher rate than any other industry in this province and possibly in the Nation.

Mr. Speaker, I just have a couple of other points that I want to make.

MR. BOWERMAN: — Minor points.

MR. PENNER: — No, they are important ones because we don't get up and speak on minor points. We speak about important things all the way. I want to refer to the study that was done, Mr. Speaker, to give another reason why I don't think that this Bill should be passed now, that Members opposite should be aware of. And I tend to suspect that many Members opposite have not read through the study that was put out by the Saskatoon Board of Trade and have taken the position that the Attorney General has enunciated and have sort of scoffed at it. Would that be a fair statement? I am going to read it to you because I think every Member in this House should know exactly what this study said and how it was conducted. It was done by an independent committee and it had an objective. The objective of the study was to determine whether the people of Saskatoon are in agreement with the Saskatchewan Government's intention to assume the ownership of one or more of the provinces' existing potash mines. That was the objective. I should like to make it available to you so you know exactly what the parameters of the study were. It was done pretty well. And if you know anything about statistics and taking samples, you will realize that it wasn't a loaded sample at all. They are not loaded statistics at all. When you want to get right down to the heart of the matter, while at Christmas time the Premier indicated after the Youth Parliament had met, that the people of Saskatchewan are likely to be 50-50 on this matter, the fact of the matter is that today on the number who had an opinion on this study, 70 per cent of those who expressed either a yes or no, were opposed to potash nationalization.

There were four basic requirements of the study. I hope that the Member for Saskatoon Centre is listening to this. In order to avoid any suggestion of political bias this was the first requirement of the study. The questioning procedure was to be restricted to a simple question or opinion. So there was no preamble, there was a question. I am going to tell you what that question was in a minute. You judge for yourself how biased it is. The opinions of at least 500 Saskatonians were to be sought. The study was to be completed as quickly as possible. And the study was to be conducted in as objective a manner as possible. The research design indicated that the requirements of the study were such that a telephone survey appeared to be the optimal research approach. The only major drawback regarding the use of the telephone related to the highly controversial nature of the topic. It was anticipated that interviewers might be subject to some verbal abuse. Fair? Yes, that is probably fair, making the task of obtaining 500 opinions unpleasant and time consuming. It was decided therefore to undertake a pilot study. They found out that it was a reasonable kind of approach and that they weren't having any problems. So they went ahead with this methodology. Five female interviewers carried out the survey, four of whom had previous experience in marketing research. All were given instructions regarding the question in process, and all were given a sampling procedure which provide for the random selection of respondents from the Saskatoon telephone directly. The phone numbers of respondents were recorded to allow for call backs, in order to insure adequate control. The first 25 calls of the inexperienced interviewer were checked and monitored to see that she was doing it properly, and then they went ahead.

Now, the results. Answers were given to the following statement. "I am conducting a survey and I would like your opinion on the Saskatchewan Government's intention to take over all, or part of the potash industry. Do you agree or disagree with this action?" That was the statement and that was the question. The response, 132 agreed; 323 disagreed; 201 had no opinion, 7 were unaware of the issue, and 66 refused to answer. Seven hundred and twenty-nine people were telephoned.

Excluding those people who refused to answer or were unaware of the issue, the working sample become 656, agreed 132, disagreed 323, no opinion 201. Twenty point one per cent agreed with your proposal to nationalize the potash industry. I know that it may be politically expedient for the Attorney General to call that study hogwash. That may be politically expedient. But it certainly doesn't represent the facts. It doesn't recognize the impartiality of the question. And if any Member opposite can indicate that the question is a biased question, I should like to hear him get up when I am done and show me how it is; a very simple statement and a question, do you agree or do you disagree and in response, 20 per cent said yes, we agree. I don't think that is anywhere close to enough public opinion in favor of anything to make it a mandate for so important an issue as nationalizing the potash industry. I think that the amendment while it was put by a Member from the Conservative caucus, makes more sense than trying to risk the future of this province with an investment that is so questionable that it is not worthy of our action.

I should like to direct the Members' attention next, Mr. Speaker, to Section 20 of the Bill. And in Section 20

of the Bill, Mr. Speaker, it talks about the audit function and says this — and I would hope the Attorney General would at least listen to this whether he is going to agree with it or not. I don't expect you to agree with everything that I might suggest but this is one which I think there is a good chance that you may want to bring in an amendment to. I am referring to Section 20 of the Bill, the Section which deals with audit. Mr. Speaker, it says this:

The books and the accounts of the corporation shall be audited annually by the Provincial Auditor or such other auditor as the Lieutenant-Governor-in-Council may appoint and shall be audited more often at such time or times as the Lieutenant-Governor-in-Council may require.

Mr. Speaker, I suspect that somehow the words 'or such other auditor as the Lieutenant-Governor-in-Council may appoint' somehow got in there and is not really intended to be there. I invite the Attorney General to bring forward an amendment when we are in Committee dealing with the Bill that the matter must be dealt with by the Provincial Auditor.

Mr. Speaker, I indicated earlier when I was speaking, the difficulty that there is in keeping track financially of Crown corporations. One of the things that we at least have to go on and the people of the province have to go on, most of them, is that their books must be submitted to the Provincial Auditor.

SOME HON. MEMBERS: — Hear, hear!

MR. PENNER: — This whole move to nationalize the potash industry has been cloaked in so much secrecy in terms of facts that unless the Attorney General brings in an amendment to Section 20, I can only conclude that he is afraid of what the Provincial Auditor may find in the books. I want the Attorney General to understand that if he is not prepared to bring in an amendment to Section 20 which eliminates the possibility of these books being audited by anybody other than the Provincial Auditor, that we will. We think, Mr. Speaker, that this is fundamental and it ought to be amended so that it is taken out.

I am referring to a bill that is before us now and to throw in a red herring about what happened a few years ago, I am not concerned about. I am concerned about Section 20 of this Act and despite the fact that I don't like the legislation, that at least Section 20 be amended with respect to the Auditor, Mr. Speaker. And that the books be submitted to the Provincial Auditor and nobody else.

Mr. Speaker, earlier in the debate the Member for Canora got up and he was a little annoyed at the ad that the Conservatives had put in the newspaper. I don't intend to defend what the Conservatives put in the newspaper, in terms of whether it is accurate or whether it isn't. I want to point out, Mr. Speaker, that the Government put some ads in the newspaper. I spent a great deal of time the other day debating the amendment to Bill 1, pointing out how ridiculous some of the statements in these ads were, and how misleading they were, and how, despite the fact that they talk about all the facts being there, there aren't very many there at all. Where they talk about bringing the Potash Corporation of Saskatchewan head office home

to Saskatchewan that they didn't talk about the number of things they had done through estate taxes and succession duties to drive other head offices out of Saskatchewan, conveniently left those kinds of things out. If the Member for Canora is trying to suggest that an ad appeared in the newspaper that he referred to, was a bit misleading and didn't present the facts, I want him to understand Mr. Speaker, that he ought then to have pulled out one that said, "The Potash Decision - Some Facts You Should Know", and "Head Office - Saskatchewan - It Makes Good Sense", and punched the holes in those that the ads deserve having punched in them.

In conclusion, Mr. Speaker, I want to say that this afternoon I heard the Attorney General comment about something to do with other solutions that as far as the Government was concerned, this was the only solution. I just want to close with this statement, that had the Liberal Party been involved, Mr. Speaker, there would have been other solutions, reasonable solutions without the risk of \$1 billion and doubling the debt of the Province of Saskatchewan and ensuring a reasonable return to the people of Saskatchewan and working in partnership with people who have some expertise in a particular industry. Mr. Speaker, I will not support the second reading of Bill 2.

HON. W. ROBBINS (Minister of Health): — Mr. Speaker, the Member who has just taken his seat said that if the Liberal Party had been in power there would have been a different solution. We know what that solution would be, give in to the multinationals, let them have their way in every respect. I often hear Members from the opposite side accusing people on this side of just following blindly the Attorney General and the Premier.

Mr. Speaker, I have never seen a more perfect group of mindless, meaningless, mutton-headed Merinos in my life than those sitting opposite.

SOME HON. MEMBERS: — Hear, hear!

AN HON. MEMBER: — . . . didn't say to whom you were referring.

MR. ROBBINS: — The official Opposition. The Member for Saskatoon Sutherland (Mrs. Edwards) the other day went through a long and dreary discourse with respect to the Crown corporations that had failed; the fish marketing, the shoe factory, the tannery, the woollen mill. She even got into the reconstruction corporation which when set up it was specifically stated was only there for a few short years to attempt to rehabilitate veterans coming back from World War II and in terms of things they intend to do with respect to housing for them. It was specifically stated that when that reconstruction corporation was set up it would be dismantled in a relatively short time.

I repeat, that they never, never, give credit. And that is why we come to the conclusion that they are opposed to Crown corporations. I don't object to them talking about the ones that failed, but they do not give credit to the ones that have succeeded. The Saskatchewan forest products; printing plant, fur marketing, Saskatchewan Minerals, the bus company, SGIO, those six have returned \$38,826,000 to the Treasury.

MR. SPEAKER: — I call again to the serious deterioration of the debate in this House.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — And I don't think that necessarily requires applause, because I notice it on both side of the House and I think it is due, in part, to Members addressing themselves personally to other Members across the House rather than to the Speaker. That is what the Speaker's Chair is there for, is to have the remarks addressed to the Speaker. That takes some of the personal feeling out of it, if it in fact, goes through the Speaker. I think that the Members are tempted too easily to pick up stray remarks that are coming across the Chamber and respond to them in the middle of their speech. I think it enlivens the debate if that is done occasionally but it has become the Order of the Day rather than the occasion. I would hope that Members could get the debate back on track. I would admit that Members are sticking to the subject more closely than they have in the past. I think it is occurring on both sides of the House and I want to say to the Members who have had some experience in the House, that that is not a good experience for new Members who are here for the first time. They get the wrong impression of the true intent of this Chamber. I think the Members should direct themselves towards the debate, addressing their remarks to the Speaker, rather than to other Members.

MR. ROBBINS: — Thank you, Mr. Speaker. I attempted to point out that I do not believe, and I never have believed that private or public business is villainous or virtuous in itself. I think it is important for us to realize that public corporations have a part to play. And the reason that I am talking specifically about corporations that have been set up in the past and referring to Members of the official Opposition and coming to the conclusion that they do not support publicly-owned corporations generally, is because of their record. All you have to do is go back and look at the record.

When SGIO was set up tremendous criticism from the Liberal Party was voiced at that time. I recall a former Member, Mr. Procter, I believe from Moosomin who was bitterly critical of the SGIO, when it was being established. I recall the Members of the official Opposition being bitterly critical of the bus company when it was set up. I am simply saying that these have been successful, and useful corporations in the Province of Saskatchewan. And, therefore, I contend that we have every reason to believe the Potash Corporation can become a very successful Crown-owned public corporation, Mr. Speaker.

SOME HON. MEMBERS: — Hear, hear!

MR. ROBBINS: — I recall, Mr. Speaker, this afternoon, and I notice the Member isn't in his seat tonight, the Hon. Member for Kindersley (Mr. McMillan) making some remarks with regard to stock markets and he made the comment that no one over on this side would know anything about stock markets.

I want to say that I did have some experience for a number of my working years in this particular field and actually had

personal responsibility over a number of years for buying and selling some \$66 million worth of securities on the exchanges in this country.

I merely cite this, Mr. Speaker, because the assumption seems to be that if a business is operated privately, automatically society is going to benefit. This is an illogical conclusion to come to. I recall in the mid '60s when the Atlantic Acceptance Corporation was rising to a certain measure of prominence in eastern Canada. A man named Powell C. Morgan, at that time headed that particular company. The Atlantic Acceptance Company became the fourth largest consumer finance company in Canada after Industrial Acceptance, Trader's Corporation and Laurentide. That organization swindled — and that is the only word you can properly use — swindled the people of this country out of \$365 million. Atlantic Acceptance Corporation is one example in the field of private industry that really had a very serious impact on the people of Canada.

I can cite other examples, I refer to the IOS mutual. A fellow by the name of Bernie Cornfeld, Mr. Speaker, this individual really took out of the North American Continent some \$2,400 million. He is now living in France. He is assumed to have about \$150 million in terms of his bank account, two castles and three townhouses. The assumption that automatically private operating businesses are going to benefit society is a rash assumption and also a false one.

Robert Vesco is another one associated with Bernie Cornfeld. He was a big wheel at one time in the Bank of Montreal in Montreal. He now lives in the Bahamas. He was instrumental in the loss of about \$500 million to the general business community in North America.

Well, Mr. Speaker, I think we have to keep clearly in our minds that the assumption that automatically private enterprise or public enterprise, for that matter, is going to be virtuous or villainous in itself is a rash and false assumption.

We are told that the Potash Corporation of Saskatchewan is too risky. Well we are all familiar with the fact that — and this has been mentioned previously in the House — that there are very large substantial beds of potash in this province. It is not difficult to find potash in this province. Almost automatically you can find it if you drill anywhere in a broad band across the centre of this province.

We should take a look, perhaps, at the situation with regard to those potash companies a few years back. In 1969 Members opposite occupied the Treasury Benches. I am not blaming them for the fact that potash markets were bad at that time, but the sales of potash in the year 1969 were approximately \$69 million. They paid about \$2 million in revenues to the Provincial Treasury. They were left with some \$67 million. Five years later, in 1974, they sold \$313 million of potash; they paid \$54 million into the Provincial Treasury and they had \$259 million left. Now you take \$69 million and divide it into the \$259 million and you find that you have about four times the gross revenue flow, after paying taxes to the Provincial Treasury, for the potash operating companies in this province. No one can tell me that in those five years their expenses, in terms of operating costs, depreciation, wages and salaries, etc. multiplied by four times. They simply did not. And the returns

to those companies must, therefore, be very substantial.

Obviously when the potash group comes out with a consolidated statement of all ten mines, this is a meaningless sort of thing. Incidentally, it is interesting to note that on that financial statement they show \$54,200,000 in deferred income taxes in their capital and that assists them of course in lowering the return of their capital. It is an interest-free loan from the Canadian taxpayer. Members of this House might be interested to know that I did a little bit of research and I found out that in the last 10 years that I personally paid more income tax than the 10 potash mines did in this province to the federal authority, from the time they started until the end of the year 1973.

Well, I engaged in this debate before the amendment occurred, Mr. Speaker, and I don't want to prolong the debate, but I think it is important that we look at some of the statistical facts related to the situation. I should like to quote Mr. Mel Hurtig an Edmonton Liberal. I think he is the only Liberal in Alberta. He owns the Hurtig Publishing Company. He indicates in the statistical analysis for investment in Canada from 1950 to 1974:

That \$23 billion worth of investment flowed into this country, but \$17 billion in dividends flowed out, \$7 billion in interest payments and \$16 billion in what is termed head office transfer payments.

That's a very convenient approach these companies might use and it is very difficult of course to find out really what the results are in potash if you want to look at a firm like Cominco. Any person in Saskatchewan who attempts to invest, Mr. Speaker, in a company like Cominco really ends up with an investment in potash of about one or two per cent in relation to the total operation of that company, again a subsidiary of the CPR, a company with which we are all familiar.

I think it's a rash assumption to assume that automatically because investment flows into this country that we are getting the values that we should get out of it in relation to the industrial and commercial development of the country.

Why do the potash companies so strenuously resist providing any information, which they were supposed to give by law? I notice even the Board of Trade in Saskatoon admits that this was an error on their part. The companies say they are in difficulty. If they really are in difficulty they should really welcome an opportunity to change their fixed assets into liquid assets and silently flee away to some other place that they think the investment climate is more suitable. Incidentally they place large ads in the newspapers indicating that they are in very grave difficulties in relation to the taxation situation. They never mention the federal authority or the non-deductibility of royalties which obviously does put some pressure on them. In effect, they are saying that they are hard up, it's tough for them, and they put out big ads in this regard. All of those ads incidentally are deductible expenses in terms of their income tax, and therefore, we as individuals, pay for those ads on an indirect basis.

One other thing that we constantly hear from the Opposition people is that we did not indicate that we would use a

nationalization approach in terms of the potash industry. I am going to read again, it has been read before, but it's pretty clear I think from page 5 of the booklet, 'New Deal '75'. We said we would:

speed up direct Government participation in exploration for and development of potash, and hard rock minerals to achieve a greater measure of public ownership of these resources and industries.

And I don't think you could state that any more clearly, really, unless those people over there really can't understand English, there's no reason why they wouldn't interpret that as the fact that this Government is interested in public control in the potash industry, because it clearly says so.

SOME HON. MEMBERS: — Hear, hear!

MR. ROBBINS: — I said at the beginning that I didn't intend to participate in the debate for any prolonged period of time and I'll keep my word. Obviously, Mr. Speaker, I support the Bill and will not support the amendment.

SOME HON. MEMBERS: — Hear, hear!

MR. N.H. MacAULEY (Cumberland): — Mr. Speaker, as I rise to speak in support of the proposed potash legislation, it gives me a great deal of pleasure to do so. I think of those pulp mills in northern Saskatchewan siphoning money from Saskatchewan to other areas and leaving behind huge tracts of wasteland which will be useless for many, many years to come.

SOME HON. MEMBERS: — Hear, hear!

MR. MacAULEY: — These areas were used by Indian people in that area. Today, I am saddened to see the conditions. I'm not only saddened, but I'm angry and determined to do my utmost to prevent similar happenings to the future of this province.

SOME HON. MEMBERS: — Hear, hear!

MR. MacAULEY: — The proposed legislation makes good sense and I wonder sometimes as I sit listening to the Opposition how they can argue day after day when they know at the bottom of their hearts that this type of legislation has to come today or in the years to come. Many years ago, (I want the Opposition to listen to this very carefully) many years ago the Federal Government was asked by Tommy Douglas, CCF Party, to assist the Province of Saskatchewan to develop the potash industry in Saskatchewan, but he was refused. Consequently we are now dealing with foreign capital investment in Saskatchewan and the provincial Liberal Opposition are trying to prevent the people of this province from developing their own potash corporation to benefit Saskatchewan residents.

SOME HON. MEMBERS: — Hear, hear!

MR. MacAULEY: — Mr. Speaker, the Member for Regina Wascana (Mr. Merchant)

at time has rather nasty remarks suggesting and presenting the Government with the word 'gestapo'. I think it must be mistaken. The black armbands and the black ribbons at the desk over there are saying 'loyal opposition' . . .

SOME HON. MEMBERS: — Hear, hear!

MR. MacAULEY: — . . . earlier this week they were definitely suggestive of the gestapo of 1939-1945 war years. And that is why the Government Member had to run for a Saskatchewan flag showing our defence of the province.

SOME HON. MEMBERS: — Hear, hear!

MR. MacAULEY: — The time is passed when the ordinary man on the street is listening and doing just what the Liberals tell him to do. He has his own mind and he is using it. He knows, as I do, that the Liberal Opposition are still sitting on the old multinational corporations' band wagon.

SOME HON. MEMBERS: — Hear, hear!

MR. MacAULEY: — They are unable to see it, or they don't want to see it, but times are changing. Really you know, at times I feel sorry for the Hon. Members.

SOME HON. MEMBERS: — Hear, hear!

MR. MacAULEY: — The potash legislation was proposed for one reason, and one reason only, to see the ownership and control of the resources return to the Saskatchewan people.

SOME HON. MEMBERS: — Hear, hear!

MR. MacAULEY: — This will result in extra cash revenue each year which will stay in this province. Salaries and wages will be spent in Saskatchewan and be of benefit to the treasury of the general economy and secure jobs for the Saskatchewan workers would be available for years to come.

Mr. Speaker, as you will know, that this is the first time in the House for me, but I am learning a great deal, especially about which party really cares about what is happening and was happening to the people of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. MacAULEY: — And that party is certainly not the Liberal Party.

SOME HON. MEMBERS: — Hear, hear!

MR. MacAULEY: — The Liberal Opposition is wasting valuable time at this Session trying to convince the people that free enterprise will go down the drain if the potash legislation is passed.

I for one would like to know what they mean by free

enterprise. Do they mean by that large multinational corporations spending huge sums of money on expensive and showy buildings; bringing workers from other areas and taking money back to the United States and other countries for their profits? I feel they do and I cannot understand how Opposition politicians in this province can sit down day after day working against their own province.

SOME HON. MEMBERS: — Hear, hear!

MR. MacAULEY: — Mr. Speaker, the Hon. Member for Prince Albert-Duck Lake (Mr. Steuart) consistently has criticized our Member for Athabasca (Mr. Thompson), the Minister of the Department of Northern Saskatchewan and particularly myself. I should like to tell him now that I am dead sure where I'm going. First I support the leadership of Premier Allan Blakeney and his Ministers and secondly I support the potash Bill to the fullest.

SOME HON. MEMBERS: — Hear, hear!

MR. MacAULEY: — As far as I am personally concerned there is no government that has done so much for Saskatchewan and received so little credit for it and that is the New Democratic Party.

SOME HON. MEMBERS: — Hear, hear!

MR. MacAULEY: — I am proud to carry the card of the NDP and I will do so for the rest of my time.

In closing may I say there is one more industry that we need to free from the multinational corporations and that is the potash. I'm certain that we shall succeed and we'll get the help from Saskatchewan people. Therefore, I oppose the amendment and support the potash Bill.

SOME HON. MEMBERS: — Hear, hear!

MR. E.F.A. MERCHANT (Regina Wascana): — Mr. Speaker, I don't propose to speak to this House for an unduly lengthy period of time. I do think however, that some review of the direction in which the potash debate has gone is of importance and is of merit in speaking to this amendment.

As you, Mr. Speaker, are now finding in checking through the lists, I am speaking to the amendment solely and I am restricted and not able to speak as well to the Bill.

I think that that review, not on the merits of the legislation as it's proposed but some review of the direction in which the various amendments have moved is of consequence. The first amendment that came before you was an amendment that asked for a commission. An amendment that said that this legislation should be considered by an independent body. I say fairly and I think it's a fair description that the Government has not been overly open about the direction in which they intend to move and haven't been very open about the studies and the direction that they now propose to take for the Province of Saskatchewan.

We've said over and over again, and I don't think it's an

unfair comment to say that this is a large endeavor for the Province of Saskatchewan. We'd characterize it as the biggest gamble in Saskatchewan history. The Government might say that it's the largest investment in Saskatchewan history, but in either event it is beyond any doubt the largest investment of Saskatchewan tax dollars in our history and quite a move to take for a government that was recently elected and I suggest a government that didn't have a mandate to follow the course of action that this Government now proposes to follow.

AN HON. MEMBER: — Better than the Olympics.

MR. MERCHANT: — Well I'm not sure that that's a very apt comparison to talk about the Federal Government or the Provincial Government picking up a matter that is in the national interest and is a matter of some hundreds of millions of dollars for the Province of Quebec. That is far different than talking about a potential \$3 billion operation for the Province of Saskatchewan. To use the words of the Member for Regina South (Mr. Cameron) it's a chalk and cheese kind of comparison. Indeed, it's the kind of comparison that we've had repeatedly in this debate, because repeatedly in the whole discussion of the potash debate the Government has harkened back as they say to the things that the Federal Liberals are doing and now the Quebec Liberals are doing, saying impliedly that two wrongs don't make a right. I have my own opinions on the decision of the Quebec Liberals to move into the Olympics. I have my opinions on, for instance, the use of federal money through the mint. That's a national endeavor and I say it's a good endeavor but what possible difference could that make to the potash debate and the comparison is an apt one.

Now, Mr. Speaker, the first amendment that came before you was an amendment that asked that we look at this matter through a commission. That was the broadest kind of amendment that we could have put before this House. We weren't getting the figures. The House was being deprived of the opportunity to do the job that the House wanted to do.

MR. SPEAKER: — I'm glad that the Member reminded me that he had spoken on this debate before, therefore, he has to restrict himself to whether we should have a provincial election. Now the Member is talking about a commission and I expect that, if I may speculate for a second, he is going to talk about a special committee after that. Neither of those had anything to do with this Bill whatsoever. They had to do with Bill 1, which is now in committee. Therefore, the Member must restrict himself to the call, as this amendment says, for a general election.

MR. MERCHANT: — Mr. Speaker, may I speak to the matter in the nature of a Point of Order? All of those things and this is the sixth, this the sixth of our manoeuvres if you like, the sixth following our other five attempts by the Liberals and now on the sixth occasion, we are aided by the Conservatives and I say, good. This is the sixth attempt to get the Government to take the wraps off the whole potash package. I suggest to you that speaking of those matters and I intended as I said, to address myself to them briefly. Not to the merits of particularly the commission for instance, but the fact that that was an amendment that was voted down by this Government, I suggest to you is a very important and profound proposal.

The next matter as I said and I suggest to you that it is appropriate to talk about the next endeavor that we made and that was to have a committee of the Legislature look at the potash question. I think that Bills 1 and 2 to a limited extent have to be seen together. Bill 2 is the financing bill and again that was an attempt to take the wraps off to have some look at what was happening.

Now those were two things in Bill 1 and perhaps in light of what Mr. Speaker has said, I'll move quickly from them. I think they have to be seen by Members of the House as part of the piece.

The next thing was request for a debate. That was a debate over both Bill 1 and Bill 2. Certainly again, is a part of the process of the six steps that, not intentional particularly, but the six steps which we used as we ran out of means of asking the Government for information about this potash decision. We even asked the Government to debate. We said take the matter to the people. Take Bill 2 to the people. I suppose it's possible that the Government could interpret that as little more than a manoeuvre. I gather they did interpret it as little more than a manoeuvre. But again we had an example of the Liberals saying, air the matter, tell the people of the province about it, tell the people of the province who in various polls have said they don't approve, take your position to the people, you don't have a mandate to proceed with this legislation. At least go into the seven media centres, debate the matter two on two and let the people know what's going on with this Bill and Bill 1.

The next step we took was Crown corporations. That wasn't moved again in the debate and again Crown corporations wasn't moved as an amendment, but it's part of a piece in terms of trying to expose the potash legislation. Just to take the wraps off the potash legislation. Again the Government said no that they weren't interested in having this matter examined in Crown corporations. They weren't interested in having Ministers capable of being hurt under subpoena, they weren't prepared to have their Ministers exposed to the kind of cross examination that's possible in Crown corporations and is possible in Committee of the Whole. Surely by that time the people of the province were starting to ask, what do they have to hide? Surely by that time and I think fairly so, the people of the province were starting to think that what this Government wanted to do was spring these changes upon them without a mandate. Go through an election, spring these changes and then hope for the best.

The next thing we asked was for a plebiscite. Now if the Government is elected for four years and wants to take the largest gamble in the history of the province, surely it would have been appropriate and is appropriate now for the Government to look to the people by way of a plebiscite and enquire of them whether the people of this province approve or don't approve of the direction that they are now taking. I'd describe it as the biggest gamble, the biggest investment. Surely the people of the province were entitled to express some opinion by way of a plebiscite, some opinion about the direction that the Government is taking, particularly, Mr. Speaker, when one remembers that that is a government elected by a minority of the people. A substantial minority but not a majority of the people. Again harkening back to this amendment and harkening back to the lack

of a mandate that that Government has. Sixty per cent of the people of the province didn't support them. They don't have a mandate to proceed in this way.

Now last, I say I am pleased that the Conservatives became involved and I am pleased that the Conservatives moved this amendment. Now last they suggest by their amendment the sixth step, that the Government should consider an election. I don't frankly think that the Government is very likely to call an election. The Government isn't likely to call an election because I think that Members opposite know that they'd probably lose. They wouldn't lose so much over potash. Now we hear a lot about letters and I've heard a lot about letters in this debate. I've received two letters. One opposed and one from a Liberal saying that he's in favor of the potash takeover, but he'll keep on supporting me anyway.

I haven't been one of the people who was a recipient of much of a mail result from Regina Wascana nor from the province. Other Members have. I tend to get quite a bit of mail but it doesn't seem to be potash mail but I believe my colleagues that they are getting the flood of mail that they say they are getting but I know that there is a genuine concern amongst people about this legislation. Not so much because of the legislation itself, but a concern about the implications that it raises about the intentions of the Government in the future. But there is a government that said to the province in the last election, we're not doctrinaire left. Said to a John Richards when he wanted to nationalize the potash industry, no that's not for us, that's not the NDP, it may be the Waffle, but it's not the NDP. Then they slide through an election leaving every impression that the last thing on their minds was the nationalization of the potash industry. They slide through an election and then promptly bring it in in the Speech from the Throne and move in the direction that they have moved.

I suggest to you, Mr. Speaker, that the amendment is a very good one, even if it won't be passed, not a good one because it improves the legislation, but a good amendment because again it draws to the attention of the people of this province that you are a government without a mandate to take the step that you are taking.

You may think that in four years, if you pepper the province with a giveaway here and perhaps a good job there, that this kind of thing will be forgotten and it may well be. It may well be forgotten, not in terms of the effect on the province, not in terms of the effect on the investment climate of the province, because that will be remembered forever. That will be remembered as long as the NDP are in power. Indeed you have affected the investment climate, I suggest for the whole country. You have opened the door now by saying that it's a government that will go back on its word.

I suggest categorically that this Government has a duty somehow to go back to the people either through the process of a plebiscite or through the process of an election. I'm almost surprised at the crass political nature of the Government. It's not in any way comparable, for instance, to the federal picture on wage and price controls, where the Federal Government during the exact same election while they sought a mandate, had to their misfortune at the time leaked to the Press that there was a study going on, on wage and price controls. The Prime

Minister in the midst of that campaign said, "Yes, we've been looking at wage and price controls, but we don't think that the situation is serious enough yet." Then over a year later when the Federal Government had decided that the situation was changed sufficiently and indeed it had, indeed Canada had been a better performer against inflation and now was a very bad performer.

At that time the Federal Government decided that the circumstances had changed and they decided that they would move into a wage and price kind of package. Quite a different situation where that government, where the Liberals federally had always said, wage and price controls aren't categorically bad, but we don't think they fit now. Quite different from a government that clearly went into an election planning a potash move, and I've not heard any Members of your Cabinet deny that there was an intention as that election shaped up, an intention to move as you did. Went into an election, cooled the potash debate, cooled the squabble if you like with the potash industry, got . . .

AN HON. MEMBER: — We what?

MR. MERCHANT: — You cooled it. Indeed did we get your vote as a result. Indeed as the Hon. Member for Nipawin was speaking, I was personally offended that he forgot about the Welsh coal miners and the chicken killing in Texas. The chicken killing in Texas was the best of all.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — Mr. Deputy Speaker, I don't intend to go on any longer. I think that the pattern has been clear. We on our side began this debate saying quite simply do what the Liberals did when the Liberals were in power for instance with the pulp mill. Lay on the table the kind of information that we laid on the table.

MR. ROMANOW: — After the deal was finished.

MR. MERCHANT: — The deal was set in your mind. The intention that you've got was set in your mind, the money that you are moving towards was set in your minds.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — There's a difference. I concede there's a difference. There's also a quantity difference that that deal that you were so concerned about and the direction that you were so concerned about was a \$50 million deal and we're talking about a \$3 billion deal, 1 to 3. There's a very different quantity kind of situation here.

Mr. Deputy Speaker, we started simply saying that we would categorically put our position on record but we wanted some information. You know as the Deputy Premier will recall the intention to filibuster by this side, and we have run out, but the intention to filibuster was slow developing. While I was speaking we decided for instance to filibuster your move to

make us sit in the mornings. The whole direction that this legislature took flowed out of the arrogance of that Government and the refusal of that Government to put any information before us.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — If the Government had come before this Legislature and gone to the people of this province and said, this is what we have got in mind, this is as far as our planning has gone. If they had been candid with the Legislature and candid with the 60 per cent that we represent of the Province of Saskatchewan and candid with the Press, I suggest, Mr. Deputy Speaker, that you would have seen a very different progress in this House. Instead what the Government chose to do in an arrogant way was set time tables and say that we passed a Bill and we passed a Bill without any information. I think in my own mind that they looked across at us and said, ten new Members and seven Conservatives to the left waiting to see what the Liberals will do and we'll just have them on one time. I think that the Government has figured out that that was a very big mistake that they made in the way they dealt with this Liberal caucus, and certainly the way they dealt with the Opposition and the people of Saskatchewan.

Now, Mr. Deputy Speaker, as I have said the amendment for an election is nothing more than the final development of the piece. It's nothing more than the final step from a filibuster through the various requests that we made for information and when this Bill is passed we'll know nothing more it seems if I believe the direction of the Government, we will know nothing more than the vague generalities that have been expressed to us thus far. The people of this province have every justification as they do to oppose this legislation, to be concerned about this legislation, to wonder where their Government is leading them when their Government either doesn't know or refuses to tell them where they are leading them and why they are leading them in that direction. I very strenuously support this amendment although I am confident, Mr. Deputy Speaker, this amendment won't be passed. It should not be seen as simply a manoeuvre. I think in fairness to the Conservatives who moved it, it is far more than that. It has been their view throughout and a fair view if naive that the Government should seek a mandate. And there is no doubt in my mind that your Government does not have the mandate that you purport to exercise now.

SOME HON. MEMBERS: — Hear, hear!

MR. S.J. CAMERON (Regina South): — Mr. Speaker, during the introduction address of the Attorney General in connection with this Bill which now seems so very long ago, I recall him saying at the time, I recall one of the other Members during the course of his address saying what this Bill was going to do was separate the men from the boys, as though the boys were here and the men were there. I thought to myself at the time, what it may do in its course, and we'll have to see what it may do, we'll watch for this, is not so much separate the men from the boys as the rational from the irrational and the dogmatic from those who are reasonable. Now having seen several Members from the other side participate I think we are getting closer to the fact when we say it is going to separate the rational from the irrational, rather than the men from the boys. I thought to myself too that what really is going

to happen in the process is that it is going to separate those who value and abide by their commitments and those who treat solemn assurances like old shoes to be thrown away when they have outlined their usefulness.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — Having listened to some of the Members opposite participate in the debate we hear the most interesting things along the way. They must have a cardinal instruction issued to their Members on that side of the House. We are getting to suspect the cardinal instruction, eschew reason, by all means and at whatever cost don't get reasonable. Rely on the pocketful of slogans that were given to you and you can never go wrong, don't defend the Bill, don't talk about it in reasonable terms, don't give any information; attack, attack the Liberals with all those slogans which we coined over all these years. In fact, what they have become is master slogan slingers, that is really what the Members opposite are, master slogan slingers. We are all now so familiar with them, we began early in the going in this Legislature to reason in respect to some of their slogans. We are fast getting to the point where we too are going to abandon attempting to reason with Members opposite in respect to some of their slogans. As you know their favorite one is every time one of us stands up to speak in connection with substance, the record will show that what we have said is 90 per cent substance as opposed to five per cent substance that comes from the other side, then we hear the response every time they stand up, they all get to their punch lines, they always come in order as though there is a formula, I wonder if it is the John Burton formula for the slogan slingers. Here they come, and this is the order when you sit here and watch, the first one is, "There they are (referring to the Liberals) aligning themselves again with those dirty multinational corporations." Well, I'm going to have some fun I'll tell you with the Members opposite when we get to clause by clause study of Bill 2 because I am going to put them to the test to see what they really think of these dirty multinationals. Oh, I'm going to ask that Member there whether or not he is going to support this kind of an amendment. I am going to put you to the test, because again we've heard day after day what rotten people those international corporations are, how they shouldn't be in the province, how it is bad they are sucking out and drawing away millions of dollars from our province and how we can't permit that and you Liberals who would stand by and allow those dirty multinational corporations to be here. There is a clause in this Bill 2, clause 6, it says, the Lieutenant-Governor-in-Council and it is talking about the powers of the corporation. It says:

The Saskatchewan Potash Corporation can associate, participate or enter into joint or other ventures with individuals, associations or other bodies or corporations.

Now I am going to move an amendment that is going to say, or corporations but not including multinational corporations, so that we don't give the Saskatchewan Potash Corporation the power to enter into any kind of joint venture agreements or associations with any international or multinational corporations. Then we are going to see if the Members opposite are going to support that amendment.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — We are going to have some fun and we are going to see what the Member who just spoke a few moments ago is going to do in connection with that one. We will be interested to see what the Attorney General is going to do in connection with that one. Because it is going to tell us something. What it is going to do is make you tell us whether all those references to those dirty multinational corporations that you keep peddling whether you really believe that or whether you don't.

As I said earlier we tried to reason with you and our reasoning got nowhere apparently because you continue to enter into joint venture arrangements and pursue joint venture undertakings with various kinds of multinational corporations including oil companies, uranium companies and the like. What I tried to begin to say to you earlier which is a very reasonable point of view but as I say there seems to be an absolute blank wall to anything that is reasonable. What I am about to tell you is this, Mr. Premier, if we can ever draw you into the debate perhaps you can give us the kinds of information we are looking for.

I am going to do something else in the course of my remarks on Bill 2. As I tell you I guarantee I am going to smoke out at least a couple of your Members over there. The Minister of Mineral Resources (Mr. Whelan) has made the observations many weeks ago when he talked about Bill 22 as being oh, just a little routine piece of common legislation, nothing to get very excited about. When one looks at the real purpose of this legislation, when one looks at some of the background of this legislation, we will see in due course that it is a good deal more than just a little routine piece of legislation.

I was interested to hear the Member for Saskatoon Centre in his comment, having dug out the slogans as I said and having spent 15 or 20 minutes stringing together those various kinds of slogans, never of course descending to reason in respect of anything, he made a couple of interesting points nonetheless. He was referring to an article by one Morris Shumiatcher, talking about the breweries and how at one time there was a movement by the old CCF to take over the breweries and how Clarence Fines had the sense not to do it. He was obviously concerned about the way in which Mr. Shumiatcher in writing that article was making some rather valid points. Then he wound it up by saying in his bombastic kind of way, all lawyers should stick to the law. Lawyers should stick to the law. I thought, well, we certainly agree with that, if the two lawyers sitting opposite in the front benches if the Premier and the Attorney General had stuck to the law we would have been a whole lot better off in this province.

There was another good point made, but of course he made it in the absence of the Premier and the Attorney General as he usually does with respect to those references to lawyers. Then it was interesting because he referred to the ads that were coming from the Board of Trade. Among other things and what, of course, the Provincial Secretary (Mr. Cowley) will only hint at, will only insinuate and imply, the Member for Saskatoon Centre boldly states. The Provincial Secretary's hints become the bold statements from the Member for Saskatoon Centre. He said those ads were taken from probably the same source as were the Liberal Party ads in the last election. Then it wasn't 20 seconds later he took off his glasses and said, my eyesight is

very bad.

I was interested in another comment that came from the Member for Weyburn. He said, you know the Potash Corporation is going to be hiring a number of people. It is going to draw some top engineers and some top managers. He said it would attract these in setting up this head office in Regina or in Saskatchewan, some 400 employees or 500 employees who are now not here and we'll have these top engineers and top experts. Then he said for that reason alone this Bill and this investment in the potash business in Saskatchewan would be worth it. That was interesting, a billion dollar investment to create 400 jobs; \$2.5 million a job. A good buy. At least he made some little effort to reason which is something more than most of the Members opposite do.

We have heard in the past a number of references to the Saskatoon Board of Trade and the ads that it has run and the opposition it has expressed to this Bill. It arose again in connection with the Saskatoon Board of Trade survey which my colleague and seatmate referred to early in the debate. Once again the Attorney General used the same kind of tactics he used before when he saw the ads being run for the same association. Every time you see someone express a notion opposed to anything the Government does, what kind of response has it drawn. The kind of response you get is most often anger. If it isn't anger you get some sort of a threat of retribution from the Member for Saskatoon Centre or you get some kind of vilification from the Attorney General. Well, I tell you Mr. Attorney General and Member for Saskatoon Centre that no juggling of words and no retreating, no mumbo jumbo is going to erase the fact that what you have done is you have threatened the Board of Trade in Saskatoon, you have vilified them, you have done everything you can to undermine that organization.

Now the Member for Saskatoon Centre when he deals with the Saskatoon Board of Trade doesn't pull his punches like the Provincial Secretary does. He is bold indeed. He says their ads come from the same source as the Liberal Party ads, which is so much nonsense, but that doesn't matter because as I said earlier one principle at the outset is never reason with anybody. That is the other thing he does. Again, he doesn't use the hinting kind of approach and the quiet approach of the Provincial Secretary who lacks a little bit of the courage that the Member for Saskatoon Centre has. Then he says we are going to see to it that the Government does not continue to fund the Saskatoon Board of Trade. It would have been interesting, I am going to tell you what is so bad about that in a couple of minutes. What is so bad about some of the approaches you use and which is so consistent, if you sit back and watch it particularly from the perspective of a new Member. You laughed at me the other day when I said to you when you talk about multinational corporations, I said what you are talking about is people. Because a person is a person whether in Saskatchewan or the rest of Canada or anywhere else. If you once invite a person to come to this province for a purpose and you give him certain assurances, you don't blandly throw them away when it suits your interest to do so. That's the point I was trying to make. The point I am now making to you is that the way in which you handle things is almost as big an issue as the very things you do because it seems to us that you brook no opposition of any kind, you can't stand any kind of opposition . . . that's the very thing you do. What I am going to remind you is

that the Saskatoon Board of Trade is not a corporation, or some kind of a malevolent association. What it is, is an association of people who come together in that community. Good people, sound people, people who spend a great deal of their time trying to better their community. What do they do? Don't those people have a right of free speech?

MR. ROMANOW: — So do I.

MR. CAMERON: — So do you, but what you have at your disposal is the power of the Government to cut off their funds, and to vilify them as the Attorney General of the province. You can't seem to understand, this is why I say this must be your fundamental cardinal principle over there to never reason with anyone. The difference between arguing the issue with the Board of Trade which is one thing and threatening the Board of Trade with the power of the Government is quite something else. A totally different concept. He says point out the reasons in their ads. The point I am trying to make to you is that there is a group of community people who are engaged in trying to better their community, good people, who come together in an association for the benefit of their own community.

MR. ROMANOW: — We're not good people?

MR. CAMERON: — Well then start acting like good people. Don't confuse the power and the apparatus of Government with your political objectives either. They don't mix. That's another thing you kind of lapse into.

The Board of Trade did two things, one is they took the courage to oppose the Government and what the Government wants to do. The next thing it did is they commissioned a survey, it was a well done survey and an independent survey that genuinely shows that at least 50 per cent of the . . .

MR. DEPUTY SPEAKER: — Order, Order!

MR. STODALKA: — On a Point of Order.

MR. DEPUTY SPEAKER: — State your Point of Order.

MR. STODALKA: — We had a little lesson here tonight about cat calls from senior Members. I wonder if we couldn't have a little bit of practising what that lesson was all about.

MR. DEPUTY SPEAKER: — I think that the Hon. Member for Regina South could perhaps do with a little less help from the other side and I ask all Members to govern themselves accordingly.

MR. CAMERON: — Well, my seatmate asks that you listen. There is little value in that I tell you, from the experience we have had thus far. The point I am making to you, Mr. Attorney General and to the Provincial Secretary and the Member for Saskatoon Centre is a very serious kind of point. The Board of Trade did two things. One is that it has opposed your policy. The second thing it did is commissioned a survey. I am satisfied it is an independent survey done scientifically and you weren't in

the House when my seatmate read the question that was asked of those Saskatoon people. It couldn't have been a fairer question. Indeed you couldn't have designed it any more fairly yourself. It was a clause plucked right out from the Throne Speech, that was the question that was asked. Fifty per cent of those who expressed an opinion were against your move; 21 per cent said they were in favor. If you take out those who did not have an opinion in connection with the thing, you were left with 76 per cent having been opposed as opposed to 21 per cent in favor.

The Board of Trade having done that, what kind of response does it draw from the Government when I say you are impatient with any opposition to your notions. First of all the Attorney General says the opposition to that kind of opposition will mean you jeopardize the chance of getting the head office of the corporation in Saskatoon. The Minister in charge of the Potash Corporation implies that the Board of Trade draws its funds from the potash companies, and that is the implication he left on what he said. I notice he didn't say that outside the House where he has no immunity in respect to statements of that kind, which is interesting. I am talking about the Provincial Secretary and what he said. He said the Board of Trade had drawn funds, or at least he implied this, from the potash companies. If you ask members of the Board of Trade in Saskatoon, they will deny that and deny it categorically. I say to you that what the Provincial Secretary said was slanderous and he didn't say it outside the House because if he had said it outside the House he might have faced an action by the people of the Board of Trade in Saskatoon, for attempting to slander them in that way. It was clearly slander. Then the Member for Saskatoon Centre, as I have said suggested that their funding ought to be cut off. That is the way you treat opposition. I said . . .

MR. DEPUTY SPEAKER: — Order! I think the Attorney General should not be interrupting the Member for Regina South.

MR. CAMERON: — What I predict you are going to see develop as a consequence of the way you handle things, as I said earlier, is that not only the issues themselves are going to be important but what is going to develop in the process is the way in which you do it.

Another example of the same things is, we have been asking you people for a very long time for some fundamental kind of information with respect to the takeover of the potash industry. To this very day, we await answers to some of those fundamental questions. A basic kind of information. As I said the other day we are not looking at all the intricacies of the thing although we have alluded to some of those, we are still asking you questions which belong in square 1 and square 2, like now much money, and not an answer like \$500 million or \$1 billion. That is not an answer. That is nonsense. We are asking you where is the money going to come from? Again we haven't got an answer except you said, well it may come perhaps from the energy fund, some may come from here or there, there may be a little reserve there. But we don't have a definitive statement of where the money is going to come from. We have asked you how much cash do you expect is going to have to be put as opposed to how much is going to have to be borrowed. The most simple and basic fundamental kinds of questions, and yet we don't have

the answers. That is a second example of the way in which I say you are handling this issue which in itself is going to become an issue in due course.

Then we ask how much money are you going to have to borrow do you think? What is the interest rate you expect to have to pay on that money? Again, the answers come back, we don't know or we are not prepared to say. We ask you for some rather basic things, like some of the studies you have done, and we know that you have got studies. Indeed I know some of the people who did some studies for you, on market projections, where you see the market going, what kind of market you think you can hold. Because there is some serious question about holding them all. What about the Bredenbury Mine study? Information that has come to us suggest that for a 3.8 million ton capacity mine it would cost you \$300 million. It might take three or four years to get the mine into operation. Over that course of three or four years it may cost \$600 million for that mine.

Those are pretty basic kinds of information which we as Members of the Legislature, as I said the other day representing 10,000 people each, ought to have. We are entitled to it. We are entitled to a whole lot more than Member after Member arising on the other side, the backbenchers and giving us nothing but a string of slogans. And hitherto that is almost all we have got. Almost all we have got.

Now, let me be reasonably fair. The Member for Weyburn did in fact give us a little bit of information the other day and I was interested in it, genuinely interested in it. He said, and interestingly enough, we expect in 14 years the world market for potash will double. He referred to a new mine taking three or four years to get into operation. He talked about getting expansion, he talked about \$312.6 million having been produced in '74 and \$36.4 million of that having gone to the Crown. Then in '75 there was \$400 million in sales and \$100 million of that went to the Crown. Interesting bits of information and fairly useful kinds of information, those were. I give the Member credit because he is one who at least in part applied some reason to the debate that is going on.

We have had some indications, some indications is all, from the Premier. Very generalized kind of information. I don't think we have had anything from the Minister of Finance or the Provincial Secretary. I ask you in fairness, what kind of shoddy conduct is that in the treatment of the Members of this House?

Seriously, this is a big issue. Even by our own figures you are talking a billion dollars which is a staggering amount of money. Day after day after day, we pound away trying to get some answers. We don't get them from the Minister of Finance, we don't get them from the Attorney General, we don't get them from the Premier, we don't get them from Provincial Secretary. I will give you an ounce of credit in the process too, Mr. Attorney General, because at least you did this, at least you did this. When you introduced Bill 1 at least in the hour dissertation you gave us, as I said to you earlier, at least you spent about two hours of that three hours in giving us a step by step history of what led you to this decision. I told you earlier that I didn't agree with your conclusion that you arrived at but at least you made an effort, a genuine effort to

explain to us the reasons behind them.

I will tell you, that short of what you gave us in connection with Bill 1 and short of little tidbits of information gotten from the Premier and little tidbits of information like we get from your Member for Weyburn, we don't have anything else. We asked you at one time to refer this matter to an independent commission, for what reason? To try and get a handle on what we are talking about. This is the only reason. You said, No. Then we asked you to refer it to a committee of Members of the House, an intersessional committee, that would have power to ask questions and get some documents. Again, you said, No. We asked you to convene the Crown Corporations Committee so these questions could be answered in view of the late hour that we have got with these Bills, because we will soon be through them, the answer was, No. We said, let's go to the people in seven centres of this province and debate two on two. You called it a gimmick, despite the fact that we were prepared, not having had more experience in this House than two months, to go out with you in the seven cities in this province and debate with you. I was prepared personally to debate with you and my seatmate was prepared to debate with the Minister of Education. How readily and easily you dismissed that as a gimmick. Let me put to you that it is not a gimmick in this sense.

If you had said, Yes, that debate would have taken place. In other words Glen Penner and I would have been debating you and the Minister of Education in Yorkton under some neutral ground rules. If you don't think that was a genuine offer and a genuine statement from us and a challenge from us, I ask you this. Suppose you had accepted. We would have to have met you there. The Member for Saskatoon Eastview and myself are going to be in Yorkton tomorrow, yes indeed which is the very day that we challenged you to debate us in Yorkton. I can tell you that we are going to make the point in Yorkton when we are there that we are there on the day that we prescribed for the debate. We will remind people again that you are not there and the Minister of Education is not there. We are going to remind the people that that was the fourth in a series of steps that we have tried to engage you people in some rational discussion of what you are asking this House to do. Then you said, No.

We now have an amendment calling for an election. I think that goes too far. I don't think you have got a very good mandate in respect of this piece of legislation, because as has been pointed out many times you had a 40 per cent vote of those who voted. Of the total votes in the province I think you had something like 32 per cent. One out of three people in this province voted for you. That is number one. Number two is that you did not lay before the people of the province despite all you hear, you did not lay this proposal before them when you had a chance in June '75. Only five months after you put this proposal before the House. Believe me, it stretches our imagination when you suggest to us that you didn't have it in mind at least in part prior to that election in June.

AN HON. MEMBER: — What about Trudeau?

MR. CAMERON: — He says what about Trudeau. As though that justifies bringing before this Assembly and the people of Saskatchewan a billion dollar deal of an enormous variety, a few months after

a provincial election. We say this is wrong. And then what is the justification for that, when we make the charge? What about Trudeau? What a weak kind of defense. Why don't you stand up and tell us exactly what was going on at that stage if it was defensible at all and I suspect it isn't. Then we asked for a plebiscite. There is a resolution now on the Order Paper which will come up tomorrow asking for a plebiscite. If you think that Board of Trade survey was so rotten, and so partisan and the figures are not reliable despite the fact that the Premier himself indicated that 50 per cent of the people are likely opposed, that is what that survey showed, then let us have a plebiscite on the issue. You have talked about plebiscites in respect of a whole lot of other issues, rather minor ones. We asked you for public hearings and you said, No, despite the fact you had public hearings on a whole variety of inconsequential issues compared to this. You are always in favor of plebiscites until the crunch comes. And if there was ever a time for a plebiscite I tell you this is the time.

One of the Members remarked the other day, once the egg is scrambled you can't unscramble it. With respect to Bill 42 and with respect to your snowmobile legislation which somebody the other day admitted was a mistake, and I agree and I commend you for having recognized it and withdrawn it. Bill 42 was a mistake, as well, which we have seen by the admissions of the Minister of Mineral Resources when he comes back now retrieving the position.

MR. BLAKENEY: — Rubbish!

MR. CAMERON: — Rubbish! Baloney to you! When your Minister of Mineral Resources stood at his desk not too long ago and he admitted that the industry in the province was declining and you were going to have to provide additional incentives for it, what that was was a confession that in part your policy had failed. When you withdrew the snowmobile legislation as one of your own Members today indicated it was because you recognized a mistake and he said at least we are big enough to do it. And I said, right you are, and I commend him for it. Now you have got a very, very big one compared to Bill 42 and snowmobile legislation and that is this potash legislation which is looking at a billion dollar expenditure as a minimum. We say let's have a plebiscite, you say, No. We say that if you once make that mistake you cannot retrieve it.

Mr. Speaker, I can see the Members opposite would be happy indeed if I called it 9:30.

The Assembly adjourned at 9:20 o'clock p.m.