

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — 18th Legislature
38th Day

Monday, January 16, 1976.

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

STATEMENT

RULING ON AMENDMENT TO RESOLUTION NO. 20

Mr. Speaker: — Before Orders of the Day I have a statement which I should like to make and if Members would wish to refer to page 20 of the Blues, item 42 which is Resolution No. 20.

On Tuesday last the Assembly was debating Resolution No. 20. The Minister of Municipal Affairs (Mr. MacMurchy) moved an amendment to that resolution which contained the statement that the Assembly unanimously supports a certain question. A Point of Order was raised to the effect that the amendment was out of order because of the use of the word unanimously. I deferred my ruling at that time.

Upon consideration I would agree that the amendment as presently worded reflects on the outcome of the debate. If the amendment was to be agreed to the resolution would read that the opinion of the Assembly was unanimous, yet some Members might have voted against the amendment. If there are no dissenting voices in the Assembly on the question, it is therefore up to the Speaker to declare the decision unanimous.

I refer all Hon. Members to Beauchesne's Parliamentary Rules and Forms, Fourth Edition, citation 198, page 166.

When a motion is adopted it becomes a resolution vote or order of the House. The form of the motion must consequently be so framed and its language so expressed that if it meets the approbation of the House it may at once become the resolution vote, or order of the House which it purports to be.

And further citation, number 199, page 167:

Any irregularity of any portion of a motion shall render the whole motion irregular.

I refer all Hon. Members to the ruling of the Chair whereby the Speaker, by leave of the Assembly deleted a small portion of a motion to make it in order. See the Journals of the Legislative Assembly of Saskatchewan, February 24, 1948, page 59 to 60 and February 27, 1948, page 70, March 17, 1970, page 97.

I propose to ask leave of the Assembly to delete the word unanimously, which will make the amendment in order. If leave is not granted I therefore am compelled to rule the amendment out of order. I remind all Members that if the amendment is ruled out of order a similar one can be subsequently moved by another Member. I therefore ask leave of the Assembly to delete the word 'unanimously' as it appears in the amendment to Resolution No. 20.

Motion denied, amendment out of order.

INTRODUCTION OF CONSERVATIVE MPs

Mr. R.L. Collver (Leader of the Progressive Conservatives): — Mr. Speaker, before the Orders of the Day it gives me a great deal of pleasure once again to introduce to you and through you to this Assembly two very esteemed gentlemen from out of the province of Saskatchewan. I'd like to introduce Mr. Claude Wagner, Member of Parliament for St. Hyacinthe and Mr. Jack Ellis, Member of Parliament for Hastings. Again I suggest to this Assembly that these gentlemen are here to learn from us and to perhaps help us and assist us in our endeavours and I'm sure that any one of the Members present would be more than happy or most interested in speaking to them outside this Assembly and I'm sure they would look forward to assisting you in your endeavours.

Hon. Members: — Hear, hear!

Mr. D.G. Steuart (Leader of the Opposition): — Mr. Speaker, before the Orders of the Day, I'd like to join with the Conservative Leader in welcoming them. I'd certainly pleased to see so many ex well-trained Liberals running for the Leadership of the Conservative Party.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — It will add a note of quality to that Party that I think is long overdue.

Mr. Romanow: — They are leaving.

Mr. Steuart: — No they're not leaving us, they are coming in the other end.

Some Hon. Members: — Hear, hear!

QUESTIONS

HICKENLOOPER AMENDMENT

Mr. Steuart: — I'd like to direct a question to the Premier, Mr. Speaker. Is the Premier aware that in the United States there is a piece of legislation referred to as the Hickenlooper amendment. The Federal Government, obviously the Minister of Labour isn't aware of anything and he has a little trouble with any word that has more than one or two syllables. I'll repeat it for his benefit. The Hickenlooper amendment which relates to the sale of products into the United States by foreign companies which have been seized, foreign companies that were owned by Americans that have been seized by outside governments, governments outside the United States of America, and attempt to sell products in the United States of America. The intent of the legislation is to protect, and I'm using the words now, their words, not mine:

Is to protect the United States from becoming a thieves' market.

And that's the word they used. The principle being that if a foreign government seizes unfairly an American company and then attempts to sell the products of that company whether it's a mine or a mill or a manufacturing company in the United States market, the United States Government has the power to place an embargo against the product of those companies. Now is the Premier aware of this and in the context that it might, the bearing that it might have and could possibly have in the context of their seizure of all or part of the potash industry?

Hon. A.E. Mr. Blakeney (Premier): — Mr. Speaker, I'm aware of it in a general way. It is hardly new. Senator Hickenlooper has not been very active in the last few years and therefore the amendment has been around some considerable period of time. I would expect that it would be applied with respect to potash in the say way that it was applied with respect to Arabian oil. And we noticed how vigorously the Americans refused to take any Arabian oil or any Venezuelan oil, and how likely they are to vigorously refuse to take any bauxite from Jamaica or from Guyana. I suspect that the circumstances will be the same. I think that in all the circumstances any acquisition by Saskatchewan will be able to be shown to be equally fair to the American companies as was any acquisition in Guyana or Jamaica or Venezuela or the other countries to which I referred.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Mr. Speaker, well it is to be hoped that if and when Bills 1 and 2 are passed that the Government of Saskatchewan of Mr. Blakeney won't proceed to emulate those banana republics and give them at least as fair a deal as the Arabs gave to the foreign companies when they seized their oil industry. However, is this the reason that you are now negotiating very vigorously with the Alwinal mine which of course is German and French owned, in an effort to buy that mine to avoid any possible implications of this amendment or any retaliation on behalf of the American Government in that area where we now, the United States market where we sell 870 per cent of our potash? Is this why you are attempting to buy Alwinal as opposed to some of the other mines?

Mr. Blakeney: — The answer to the question is, no, and may I before I sit down say that I do not share the view and will not apply the same derogatory appellation to countries like Jamaica or Venezuela as the Member for Prince Albert-Duck Lake does. Jamaica is in the British Commonwealth, Venezuela is an independent country in South America. And I do not care to refer to them as banana republics and I want to disassociate myself from that sort of remark.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Mr. Speaker, a further supplementary question. Yes, as a matter of fact on second thought I apologize to those countries for comparing them to the Government of Saskatchewan under Mr. Blakeney. I apologize for that.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Would he then answer the question now having apologized to those countries or having disassociated himself with them, would he now answer the question? We have great difficulty getting any information from the Premier, even getting him to get his courage up to speak in these debates. Will he answer the question? Is this why you are negotiating with Alwinsal in an attempt to buy it, to try and avoid the repercussions that are going to come for your very arbitrary action in this regard?

Mr. Blakeney: — the question was, is this why we are negotiating with Alwinsal? The answer was, no. I know the Hon. Member doesn't listen very carefully, but that word was very carefully enunciated. I will say it again. The answer is, no.

Mr. Steuart: — You are not negotiating with Alwinsal?

Mr. Blakeney: — That is not the question you asked. You asked is that the reason why we are negotiating with Alwinsal and the answer is no. when you want to ask another question I will deal with it, but not today because you have had your two supplementaries. Before I sit down may I join with others in extending our welcome to Monsieur Wagner and his associate from Ontario and to say how pleased to we are that he would join us in this House. We are very interested as I know all Hon. Members are in the continuing parade of visitors all on the same mission. We anticipate that the visits will be much less frequent two months from now than they are now.

Some Hon. Members: — Hear, hear!

GRANTS TO GROUPS RE CABLE TELEVISION

Mrs. E.G. Edwards (Saskatoon-Sutherland): — Mr. Speaker, in view of the information given in last night's Leader-Post regarding cable television groups and the amount of money they receive in grants, I wonder if the Attorney General could tell me if these grants would be made available, similar grants to those he has made to the so-called 'government favoured groups', would similar grants be made available to equally community minded groups of citizens who have put up their own money? Would grants be made available to other groups who are preparing submissions for cable television?

Hon. E.B. Shillington (Minister of Co-operation and Co-operative Development): — Mr. Speaker, the question is too hypothetical to have much meaning. None of the private groups have applied and I cannot imagine circumstances under which they would. If they were to apply with the same qualifications that the community co-ops have, they would be given the same kind of consideration.

Mrs. Edwards: — Perhaps the Minister then could tell me what qualifications do groups have to have to get grants from the Government on this basis?

January 16, 1976

Mr. Shillington: — They are non-profit and they have a high degree of community participation, something that this Government feels is important in cable TV.

Some Hon. Members: — Hear, hear!

Mrs. Edwards: — A second supplementary, Mr. Speaker. In view of the answer then, Mr. Speaker, is the Government not in danger of being guilty of discriminating against tax paying citizens who have shown initiative to put up some of their own money, and is the Government not afraid that their 'favoured groups', if they do receive the licence may be in danger of being accused of government influence because of being in the Government's pocket?

Some Hon. Members: — Hear, hear!

Mr. Shillington: — One way or another I suspect, Mr. Speaker, the public has put up the money for all the cable groups. The other private groups have got their money by and large from businesses and I think by and large the public through buying the services of those businesses, have put up the money. So one way or another the public has put up the money.

Again I say that if any group wishes to come forward and ask for a grant it will be considered. The grants which were given were unconditional grants. They do not in any way impair or touch upon the independence of the cable co-ops.

Some Hon. Members: — Hear, hear!

LAND SURROUNDING POTASH MINES

Mr. R.H. Bailey (Rosetown-Elrose): — Thank you, Mr. Speaker. I raised the point the other day and I would ask that either the Attorney General or the Hon. Member in charge of potash to attempt to answer this question. I think it's a question which requires an answer.

In the purchase or no matter what is used by the Government to acquire a potash mine, I'd like to have the Member answer this question. What does the Government plan and how does the Government plan on controlling the land which is now owned by the potash company? In what direction will this land be leased out again or what will be the disposition of that land after the potash mine has been acquired?

Hon. R. Romanow (Attorney General): — Mr. Speaker, I would again simply answer the Hon. Member as my colleague did, the Minister of Consumer Affairs, that to a certain extent this is a hypothetical question because really the answer will depend on what ultimately is negotiated or ultimately results in the negotiations and other actions that may spring from Bill 1 and Bill 2. I would say as a general comment that certainly every common sense indicator would point to a continuation of the arrangements that have been entered into where possible. I think that would be the answer that I would have to give at this stage in the game to the Hon. Members.

Mr. Bailey: — First supplementary question, Mr. Speaker. Would then, in the response of the Attorney General, these people who are now leasing this land back from the various potash companies, do I hear the Attorney General saying that there is a reasonable degree of guarantee that they will be able to continue operating their land as is the present situation right now.

Mr. Romanow: — Mr. Speaker, I think I can say to the Member as I intimated in the first part of the question that that undertaking can be made to those who are leasing lands now from potash companies who may be affected by either purchase or other operations of the law. So I think I can give that assurance to the Hon. Member and to the lessees.

Mr. Bailey: — Last supplementary, Mr. Speaker. Should the Government then, engaged in some mines or their own, do they plan on increasing the amount of holdings, that is the Saskatchewan Potash Corporation? Would they plan on increasing the amount of agricultural land in the immediate vicinity of the mine and if so would this land should they find it necessary to increase, would it go on a lease basis as the potash companies or would the land in fact go to the Land Bank?

Mr. Romanow: — Again, Mr. Speaker, it's perhaps just a little bit too early to say with absolute precision, but it would be my view that in that type of a circumstance, it would be leased back by the Potash Corporation of Saskatchewan to the farmers involved, much like the operation is at the present time. The Land Bank is a program designed for one set of objectives. I think not similar to the question of a potash operation and the holding of land which may be important to that potash operation. So what I am saying is that it would be my view that a lease arrangement or some other satisfactory arrangement would be made back to the farmers with respect to any potential new mine.

ANTI-INFLATION PROGRAM

Mr. E.F.A. Merchant (Regina Wascana): — Mr. Speaker, I wonder if I might direct a question to the Premier. You indicated a couple of days ago that the long heralded anti-inflation package may be in our hands within two weeks. Will that package involve provincial legislation or will it simply be Order in Council kinds of lawmaking where we adhere to the federal program? Will legislation be brought before this House?

Mr. Blakeney: — Mr. Speaker, that's one of the things which we hope to be able to announce within the two week period I referred to.

Mr. Merchant: — Mr. Speaker, as a supplementary, I expect that the Premier is aware that the House, I suppose, is grinding down and would be concluded very likely at about that time. I wonder then if the Premier would indicate whether you believe that by bringing the legislation at end of what the ordinary sittings of the House would be, that what you in fact are planning to do is

have us snowball the material through the House at a time when you might well expect that Members are no longer anxious to stay and that the House would ordinarily have been concluded. Are you holding off for the sole purpose of bringing it before the House at a time when the Legislature would ordinarily have rolled down, if I may use that phrase?

Hon. Mr. Blakeney: — The answer to the Hon. Member's question is, no, that is we are not holding off in order to present to the Legislature at a time which we might consider opportune. I will not express any comment on when the Legislature is likely to adjourn. I have mentioned some idle comments to that effect at news conferences and the effects have been adverse so I will not speculate at all. I simply say - to meet the thrust of the Hon. Member's question - we are not selecting our time to introduce legislation.

Mr. Merchant: — Mr. Speaker, assuming that the Government doesn't intend a rubber stamp, I wonder then if the Premier could indicate whether it is your intention that the House will sit straight through until seeding, if you bring in the anti-inflation package and therefore hold us for perhaps another three or four weeks, would it then within your legislative framework be the intention for the 1976 year, would you expect that we would go straight through or would there be a break of three or four weeks as some Members had expected may result?

Hon. Mr. Blakeney: — Mr. Speaker, again I don't want to state the views of the Government. Obviously we must be in the hands of the House as to when the House finishes business. But it was our thought that if it appeared appropriate to adjourn this portion of the House towards the end of January, on one side or the other of the end of January, we would have perhaps a four week break and then come back towards the end of February or early in March. That had been the rough thinking, whether or not that thinking needs to be revised or will need to be revised in the light of the progress made I think we have to leave our options open. But that was our thinking and it was not thought that we would go straight through. In my judgment perhaps the entire conduct of the House - and this is not meant to reflect in any way on any Hon. Member - might be improved by a short break since I think there is a measure of exhaustion creeping into some of our activities.

Mr. Merchant: — Mr. Speaker, I realize that I have asked both supplementaries. I wonder, Mr. Speaker, since my questions were so brief in relation to the way I usually ask questions, if the Premier might consider, and I am in his hands, indicating whether he thinks the anti-inflation package would be passed before the break?

Mr. Speaker: — I, for one, would like to be able to award the Member, however, I don't think we can leave it in the hands of the Premier. I think it is the question as to whether another question should be asked and if the Government is in favour of responding to another question.

Hon. Mr. Blakeney: — That's not an argumentative question, he is not attempting to prolong the debate under some guise as has been the case occasionally of some Hon. Members. It is not our thought at this time and I want to emphasize those words with some care, it is not our thought at this time that we would be introducing legislation in the next week or so and expecting the House to deal with it before the break. That is not our current thinking. That may well be revised. Our people are in Winnipeg today talking with the federal people about various ways to structure, if I may put it that way, an anti-inflation program and we are, therefore, not able to say definitively how it will be structured. But if I may give you my present state of mind or the present state of mine of the Government, it is not our current intention to introduce legislation in the next week or so which we would expect that the House would dispose of prior to an anticipated break. That is about as definite as I can be.

WELCOME TO STUDENTS

Mr. B. Allen (Regina Rosemont): — I apologize to the House for being late this morning. I was at another meeting, and I thank them for the courtesy of allowing me to introduce to you, Mr. Speaker, and through you to the House, to a group of 23 students in the Speaker's Gallery. They are from the Wascana Institute of Applied Arts and Science, particularly St. Patrick's Annex in my constituency, Rosemont constituency. They are accompanied by two of their teachers, Mary Ryba and Steuart Mien. I should just like to welcome you all on behalf of the Members and I look forward to meeting you a little later to answer any questions that you might have. I hope you have a very interesting day and that you will find it rewarding, and I hope educational.

Hon. Members: — Hear, hear!

POINT OF PRIVILEGE

QUESTION ON CABLE TELEVISION

Mr. R.L. Collver (Leader of the Progressive Conservatives): — Mr. Speaker, before the Orders of the Day, I should like to rise on a Point of Privilege if I may. I have been waiting today with eager anticipation for the answer to the question which I asked the Attorney General the day before yesterday as it related to the cable television organizations and the question was extremely simple. It was, has the Government of Saskatchewan made any grants to any cable television organization? That was my question. Mr. Speaker, we read or saw, and I didn't see it, fortunately the Member for Saskatoon-Sutherland (Mrs. Edwards) did, saw in the newspaper dated January 15th an item outlining in some considerable detail that certain organizations had received . . .

Mr. Speaker: — I ask the Member, what is the Point of Privilege?

Mr. Collver: — The Point of Privilege is surely it is more acceptable for the Attorney General or the Government of Saskatchewan to answer a question of that nature, which was put on notice, a very simple question, was put on notice to answer it in this

Assembly and not answer it in the newspapers through other organizations.

Mr. Speaker: — It is to determine at this time whether there is a prima facie case for privilege, a breach of privilege. Perhaps the Minister has an answer, I'm not sure.

Mr. Shillington: — I want to speak to the Point of Privilege. As so often is the case I think the Hon. Member has gone off half cocked in a suggestion that the cable group or anybody in the Government gave information to the Leader-Post. I think it was obvious if you read the article carefully, the Leader-Post obtained that information from Regina Cable and not from anybody on this side of the House. If you want to know the sums that were given to the various cable groups I would be glad to give it to you in writing. I'll give it to you right now if you want to copy it down or however you want the information. There is nothing secretive about it. But nobody from this side of the House gave that information to the Leader-Post. They got it from Cable Regina.

Mr. Collver: — Mr. Speaker, if I might just suggest on the Point of Privilege . . .

Mr. Speaker: — I don't feel that that is a Point of Privilege in fact. At this point I don't feel that it is a Point of Privilege. Really what the Member is asking the House or the Minister is, where is the answer to my question, and I expect the Minister will present whatever answer he has when he feels that he has it prepared. The Minister has stated in the short statement that he has now that information that you are referring to in the Leader-Post that it was not obtained from the Government but that it came from Cable Regina. Therefore, I think it is clear that there is no Point of Privilege.

Mr. Collver: — In response to your comments and I give deference to your comments, however, I think it is extremely coincidental that this information should be released in the Leader-Post one day after the question. It isn't that I am asking, what is the answer to my question, Mr. Speaker, because the answer to my question, obviously is, yes, there were grants made to cable television organizations. But that question which was a simple question was put on notice to be answered by the Attorney General or by the Government of Saskatchewan. That simple question was not answered in this Assembly until subsequent to the information being public in the Leader-Post and I think this is a prima facie case for privilege. I believe there is a prima facie case for answering of questions in this House and not through another organization, the newspaper.

Mr. Speaker: — I think that I dealt with the matter of providing information to this House before in a previous ruling. If the Member wants to look that up he can recall for himself the ruling at that time, and the obligations of the Minister who is answering questions. If the Member wishes to have me consider it as a Question of Privilege. I will consider it, but at this time I am doubtful that it is.

Mr. Collver: — Mr. Speaker, I should like you to consider it as a Question of Privilege.

Mr. Speaker: — I will bring in a ruling on that later.

Mr. Merchant: — Mr. Speaker, I would like to speak to you on the Question of Privilege. You may recall that the first question about Cable television was indeed asked by the Member for Saskatoon-Sutherland (Mrs. Edwards) and at some later time the Hon. Member for Nipawin asked a similar question. It seems to me, Mr. Speaker, that to take the Minister's comments where he said I am glad to give you that information in a written form would be a neat and easy way for the Government to avoid the supplementaries and I would ask you to consider that. I am not sure that a prima facie case of Personal Privilege arises but I do suggest that some direction is required from Mr. Speaker on how the Government may take notice. Because the Government could be developing a very effective way of avoiding topical and urgent matters and delaying them for a week or so and then putting the material out in whatever form they liked. I accept the Minister's comments that these comments came from Regina Cable but I think that it is an area where you, Mr. Speaker, should give it some consideration and some direction.

Mr. Shillington: — Mr. Speaker, before the Orders of the Day, if the Hon. Members are so concerned about it, I will read the information into the records. Just to clarify the record, if the Member for Wascana had been listening he would have heard me say that I would give it in writing, I would give it orally, or I would give it however he wanted it. I did not say I would just give it in writing. If I have leave, Mr. Speaker, I will read the question into the record now then.

Mr. Speaker: — You are answering a question that you said earlier you would provide an answer.

Mr. Shillington: — Yes, the answer is complete to December 31st, 1975.

Mr. Merchant: — On a Point of Order, which question is the Minister answering first. There were two questions and I should like to know whether he is answering the question posed by the Member for Saskatoon-Sutherland or by the Member for Nipawin.

Mr. Shillington: — I am answering the question that I understood was taken on notice the other day from the Hon. Member for Nipawin.

Mr. Romanow: — May I speak to the Point of Order because with all due respect to all the Members here there was a lot of needless, in my judgment, needless hassle about this. The Member for Saskatoon-Sutherland asked me a specific question which I took on behalf of the Government because the Minister was not here, as to what would be the amounts, this was the effect of it, and to what organizations were grants paid on Cable television. I didn't have that figure available. I took notice of that.

Very shortly thereafter the Member for Nipawin came back with what was basically the same question: were any payments made to community organizations or to organizations by the Government. I could have answered that very simply, yes, but to be fair to the House and to be fair to the Member for Sutherland, I also took notice at that question. Now those were both the same questions with slightly different variations and for the Member for Nipawin to get up and say because the Regina Cable TV spoke to the newspapers about that, somehow that's a breach of privilege, that I have offended his privilege or that the Government has offended his privilege, is really stretching the credibility of the House beyond belief. And I would simply say, Mr. Speaker, that we should get down to the business. The Minister has figures and names of organizations and he can answer both of the questions before the Members of the House and as far as I am concerned I am prepared to give one Member leave, if that suits, Mr. Speaker, and let's do it and get the information out of the way.

Mr. Speaker: — It is important that we define whose question is being answered because there are bound to be two supplementaries follow. From the explanation given by the Attorney General it would appear that the Minister will be answering the Member for Saskatoon-Sutherland's question.

Mr. Collver: — Since the Attorney General raised a Point of Order here I wonder if I might speak to that Point of Order. I don't see why not. Mr. Speaker, he suggests that a detailed question in terms of grants, in terms of amounts is identical, the same as what was the amount paid out. And he says today that he could have answered that question on that day, yes, but he gave notice on that question. Now, Mr. Speaker, I raise that as a Point of Privilege. He could have given that answer in this Assembly, yes. He perhaps could not have given the answer to the question from the Member for Saskatoon-Sutherland as yes, because he had to go into some details, he had to outline amounts, he had to outline in detail what these grants were but to my question there was a very simple answer, yes or no. He said today he could have done it and he did not do it, he put it on notice and then we see it in the newspaper, Mr. Speaker.

Mr. Speaker: — I think I have had plenty of guidance on this particular matter. I think it is quite clear that a Minister has a number of options that he can take when asked a question in the House and I have reviewed them before. It is in the Whites if the Members wish to check on a previous ruling. The Attorney General took an option that he thought was legitimate and there is no reason to dispute it at the time he took it. I gather now that the answer is going to be provided by the Minister of Consumer Affairs to the Member for Saskatoon-Sutherland and there is no question in my mind about what the question from the Member for Nipawin was or the question from the Member for Saskatoon-Sutherland.

Mr. Shillington: — Mr. Speaker, if you are finished I will then provide the answer. The answer complete to December 31, 1975. To my knowledge there has been nothing paid out since then, in Regina. Regina 1974-75 fiscal year - \$5,000, these are all of course the Community Co-operative Cable groups. In the 1974-75 fiscal

year - Moose Jaw got \$5,000. In the 1975-76 fiscal year Moose Jaw got \$13,500. The total in the two fiscal years was \$18,500. Saskatoon Cable Co-op for the 1974-75 fiscal year got \$9,000; in the 1975-76 fiscal year \$23,450 for a total of \$32,450. North Battleford Cable Co-op in the 1974-75 fiscal year, \$5,000; in the 1975-76 fiscal year \$13,500 for a total of \$18,500. There is an addition I think to make the answer complete, in addition to the grants there are moneys which are repayable loans and I will give you those as well. The outstanding money to be repaid from January 1st, 1976 to March 31, 1976, Regina got an incentive grant of \$4,900; Moose Jaw got a repayable incentive grant of \$2,000 and a managerial assistance grant of \$4,500. They are called grants but they are to be repaid. Battleford got a managerial assistance grant of \$4,500. Saskatoon got an incentive grant repayable of \$2,500, Saskatoon got a managerial assistance grant of \$6,000 which is also repayable.

Mrs. Edwards: — May I ask a supplementary? In view of the information given by the Minister, in addition to the amounts of money that have been granted in grants and loans, are there any individuals, government individuals who are on government pay who are working for these groups?

Mr. Shillington: — No., the Government has not paid the salary of any people working for them. The Government has provided technical assistance. We have gathered technical data and made it available to them. We have not paid a salary to anyone to my knowledge.

Mrs. Edwards: — What would be the cost to that assistance and has there been any other aid in any other ways by way of loans or guarantees of loans?

Mr. Shillington: — You have asked two. I should like to answer the last one because it is the easiest.

Mr. Merchant: — Mr. Speaker on a Point of Order . . . (inaudible) . . . repeatedly on about four or five occasions in answering questions seems to think that questions and supplementaries can only be one question at a time. I can rise in my place and say this is my question and it can be a six-part question or I can rise in my place, as I understand it and say this is my supplementary and it is a two-part supplementary. I don't think there is any doubt about that. There are three parts and I suggest that he has to answer the three parts.

Mr. Speaker: — The practice in this Chamber is quite clear. Four questions are allowed and two supplementaries per answer given. A question is a question is a question. If the Member can ask two questions when he is asking one question, he can ask ten questions when asking one question, if you want to carry it to the absurd.

Mr. Merchant: — Well, we don't.

Mr. Speaker: — No, but it becomes a contest then. If one Member gets two questions in when he is really only allowed one, then some

January 16, 1976

other Member will want to get three questions in. I have seen this happen in the Chamber. I would ask Members to discipline themselves so that they ask their questions and ask supplementaries and keep to the number that is allowed by practice.

Mr. Shillington: — All right then, I think what the Member wanted to know was what was the cost of providing the technical assistance, I think that was the main thrust of her question.

I can tell you that the information on the technical data was gathered by salaried employees, as such it is part of larger expenditures and you cannot simply say that it cost \$29,000 the way you could if it was gathered by an outside group. I think the best answer I can give you is that the budget of the group will be before this House in the Estimates. There is no separate figure which covers the expenditures of providing the technical data.

Mrs. Edwards: — Mr. Speaker, this is not a supplementary but may I just repeat what I said before. Is there not a danger . . .

Mr. Speaker: — Order! We are now at the Orders of the Day, Questions put by Members.

MOTIONS FOR RETURN

RETURN NO. 63

Mr. J.G. Lane (Qu'Appelle) moved that an Order of the Assembly do issue for Return No. 61 showing:

(1) Whether studies and reports were used by the Government of Saskatchewan supporting the statement by the Government of Saskatchewan in an advertisement in the Saskatoon Star-Phoenix on Saturday, November 29, 1975, "By expanding production, we'll be able to meet our share of this increased demand", regarding the Potash Industry takeover.

(2) If so (a) the names of the persons or groups who did the studies and reports; (b) the dates when such studies and reports were done; (c) copies of such studies and reports.

He said: Mr. Speaker, at the end of my remarks I will propose a motion asking for information from the Government opposite to really back up . . .

Mr. Bowerman: — We can leave now.

Mr. Lane: — Well actually for all you have contributed to the debate you might as well leave, there is no reason for you to sit here. As a matter of fact most of the Cabinet might as well stay away because they are not participating in the debate. They certainly haven't given any information to the Opposition Members.

Statements have been made by the Government opposite and

we have a series of what were originally motions for returns not debatable, in effect, asking the Government opposite to prove and to back up or enforce definitive statements that have been made by the Government in its advertising campaign. The advertising campaign designed to sell the potash nationalization or confiscation to the people of this province.

Return No. 63 refers to, and these words are taken directly from the advertisements placed by the Government of Saskatchewan, refers to the words "By expanding production, we will be able to meet our share of increased demand".

Some obvious facts with regard to expropriation have been placed before this Assembly. It is interesting to note and has been noted on many occasions that there are two major potash producers in the world. There are two main sources of reserves in the world, one being Russia and the second being Canada, namely Saskatchewan. Each has approximately 40 per cent of the world's known reserves. Each country at the present rate of consumption, each country individually could supply potash to the world for a period of 5,000 years. Those facts make it quite clear that the potash industry is extremely competitive and far beyond the foreseeable future will continue to be highly competitive and as a result of this great competition, will be an extremely volatile and uncertain and chancy industry or business.

The Government has seen fit to expropriate that industry in Saskatchewan. And it went upon an advertising campaign to try and convince the people of this province that it was a good deal. As I say they made very definitive statements.

Motion No. 63 will deal with expanding production. We know as a fact that the Government has commissioned a study into the establishment of a mine at Bredenbury. We believe that that study was not completed but that the Government was advised in that study that it should not get involved in the nationalization of the potash industry. That it should not become involved in ownership of the potash industry or the ownership of any particular mine.

We believe too, that the study commissioned by the Government bluntly told the Government that it should not build or construct its own potash mines. The Government makes a statement that by expanding production, given the obvious facts that it is an extremely volatile industry and that it will continue to be so for the foreseeable future, that the Government has information that it refuses to table confirming the uncertainty of the industry and warning the Government very definitely that it should not build its own mine, we want to know on what basis the statement that it will expand production and the expansion of production is necessary. We want to know what type of gamble the people of this province are embarking upon. We feel that the people of this province have a right to know and that the Government opposite has the duty to tell the people of this province as to what type of investment. Are we going to expand production through government participation to meet proposed maximum projected markets? Are we going to expand production to meet average increased demand projections or is there really an increased demand for potash? And is the Government in fact really buying a pig in a poke and going to expand production and get involved in the potash industry, not on any rational basis or with a reasoned and rational justification but for the pure doctrinaire socialist purposes of ownership of the resource

January 16, 1976

industry for the sake of ownership and any perceived benefit to the people of Saskatchewan. We oppose this philosophically but if the Government is going into it, it should go into it not with a doctrinaire socialist direction or thought behind it but on sound business management principles which includes the maximum amount of information in order to make a reasoned decision.

We want from the Government on this particular motion the information and the basis for your statement that, 'by expanding production we'll be able to meet increased demand'. We want to know specifically from the Government opposite how much you intend to expand production. We want to know what demand increase you're acting upon. We want to know what studies and reports that you have done that have led you to making this statement, and surely, we can only draw the following implications. That the refusal on the part of the Government to give information that justifies its statements made to the public of Saskatchewan means one of two things. Either the Government is lying to the people of the province of Saskatchewan or secondly, that the Government doesn't have the information and is merely trying to do a sell job, in which case the Government is obviously making a political decision as opposed to an economic or a business decision. Those are the only implications that can be drawn by a refusal of the Government opposite to answer these questions. I would find it very strange, Mr. Speaker, if the Government opposite made this statement without having reports and studies which do justify the making of the statement. But I suspect most strongly that that is not the case.

We believe, as I have said, that we have a right to know on what you are basing this statement that you have made. We simply want copies of the reports or studies supporting the statement that by expanding production we will "be able to meet our share of this increased demand". We simply want to know the names of the persons or groups who did the studies and reports. The dates when the studies and reports were made. And we have asked in the interests of allowing the Members of the Opposition to be able to criticize more effectively the Government copies of such studies and reports.

It is interesting to note, Mr. Speaker, that when one of the proponents of nationalization, John Richards, the former Member for Saskatoon who had been a Waffle supporter of the Government opposite introduced an amendment two years ago in this Assembly, asking the Government to consider nationalization. Never once did the doctrinaire socialist, Mr. Richards ever, ever suggest that the Government proceed with nationalization. He simply asked for studies. That is all that we are asking for. We want the Government to give us this information to prove the statement that is made. I move, seconded by Mr. Wiebe that an order of the Assembly do issue for Return No. 63.

Mr. R. Romanow (Attorney General): — Mr. Speaker, the Motion that is before us, Motion No. 63 is part of the Opposition's continuing endeavours to discuss the potash policy of the Government. There is nothing really basically new in the form of the Motion other than the fact that it has carried with it a bit of an ingenious twist, namely taking the advertising copy and then seeking to tie some statements made in the advertising copy to the request for reports and so forth.

I should like, Mr. Speaker, to make just two points very

briefly with respect to No. 63. I should like to say that it is pretty clear to me in any event that regardless of what the Government does by way of giving information to the Opposition and I would suggest with all due respect that a considerable amount has already been given to Members in second reading, and more information is likely to be forthcoming, I am sure, in Committee of the Whole where the detailed questions can be asked, the Opposition is not going to be satisfied with them. It would be unrealistic in today's political world to expect that if the Government brought before it absolutely everything that it had to the Legislature, that the Liberal Opposition or the Conservative Opposition would say, we are now satisfied. The political realities in Saskatchewan are that this posture no opposition party can maintain.

The Opposition questions can and I am sure the Member for Indian Head-Wolseley, Mr. MacDonald, would agree with me on this, they cannot be satisfied by the studies, if I may put it in those terms. Basically this is an issue of philosophy or program ideology or political ideology if you will, as far as the Opposition parties are concerned. I think if we were able to show documentation for the Legislature that can conclusively prove in the eyes of independent people that this was a financially sound deal or a good economic investment, I am sure that the Liberal and Conservatives parties would still get up and take the position that it was a philosophically wrong thing for a government to get involved in, namely government in business, particularly in a business that it should not be involved in. We have heard this argument. I have read this argument in newspaper reports of Bills 1 and 2, second readings. We have heard this argument on television and radio. We will continue to hear this argument. I am convinced that it would be impossible for the Liberals or the Conservatives to adopt and to accept any reports because of their very obvious philosophical and political beliefs that the Government involvement in potash is wrong. It is a meddling in the free market system, if you will, to describe it in a Tory term or an unwarranted intrusion in the free enterprise system to describe the Liberal term.

I think the people of Saskatchewan recognize that. I think the people of Saskatchewan will have to decide ultimately what they think about that as a basic philosophical point. I think the question of tabling the reports really is essentially a political step used as a part of the political argument and that this motion should be viewed and treated in that light.

The second point that I should like to make, Mr. Speaker, deals with the specific question asked, and that is on the statement relating to the extract, by expanding production we will be bale to meet our share of this increased demand. The whole thrust of the Member's remarks in introducing the motion was to certainly raise doubts on this. The nature of his whole remarks were to indicate that this was not the case, that it was highly doubtful that these markets of expansion, etc., could guarantee the markets and so forth. I would only say that the Member obviously won't accept our advertising, that is to say, the people of Saskatchewan's advertising. Perhaps he will be more inclined to take advertising by the potash or multinational corporations, or the Mining Association of Saskatchewan.

I should like to draw to your attention, Mr. Speaker, that on Monday, December 8, 1975, I think it was, to part one of a

January 16, 1976

four-part series by the Mining Association. This statement was made in part on this very question. I'll have to start off with the first paragraph to put it into context:

Potash, along with nitrogen and phosphate is the major ingredient in the fertilizer family so necessary to enrich the land in certain areas of the world to provide the farmer with a greater crop yield.

As the map and figures above indicate the reserves of potash in the world are enormous.

The key words however for the purpose of this debate are as follows:

Productive capacity however must be increased to supply growing world demand. To meet this challenge new production facilities will be required.

Please note, Mr. Speaker, those words by the Mining Association of Saskatchewan.

Productive capacity however must be increased to supply growing world demand. To meet this challenge new production facilities will be required.

Maybe the Member will be satisfied by the statement made by the Saskatchewan Mining Association in this area.

Further on December 9, 1975, in the Leader-Post, part two of the continuing advertisement was published and if I again may be permitted the privilege of quoting just a few sentences from that. It says as follows:

Saskatchewan is the largest individual producer and exporter of potash in the free world. But we can't hope to maintain our position without expansion; expansion which was planned by the industry; expansion which is stalled by high taxes; expansion which may fail if undertaken by amateurs.

Saskatchewan produced potash enjoys a healthy share of the world market with exports to the United States, Japan, India, Brazil and other countries.

The potash companies told the Government 18 months ago that expansion was needed. The Government of Saskatchewan now says the same. On this point there is no argument. The question of who is more capable of carrying out this needed expansion, the professional people who develop the industry or government officials?

The point that I make, Mr. Speaker, is that you can go through, don't take the Government advertising, go through the multinational corporation's advertising, you can go to the Mining Association's advertising, and you will see these statements, Mr. Speaker.

The potash companies told the Government 18 months ago that expansion was needed. The Government of Saskatchewan now says the same. On this point there is no argument.

That's what the Mining Association says. And yet the Members says that he wants to have tabled before him all the reports that justify the statement made in this area.

So, Mr. Speaker, you will see that the Liberal Party is either in its usual contradictory position, or is confused in this area, contradictory because throughout the entire debate of Bill 1 and Bill 2 their arguments have been entirely premised on the statements made by the potash producers. Entirely. Eighty-three per cent with taxes, and so forth and so forth, so I am not reciting back to the Members statements made by the potash producers on expansion. Now the Liberals don't accept them. So you see, Mr. Speaker, how contradictory the Liberal position is. Again, they say that 83 per cent is the tax position because the potash companies say so, but they don't accept that the expansion is needed because the potash companies say so. So you see, Mr. Speaker, I believe that this is, perhaps not as major a contradiction as the other arguments that the Opposition have advocated in this case, but nevertheless it's a point which is here to be taken.

Mr. Speaker, I should like to have a few more words to say on this at a later date and I accordingly beg leave to adjourn the debate.

Debate adjourned.

RETURN NO. 64

Mr. J.G. Lane (Qu'Appelle) moved that an Order of the Assembly do issue for Return No. 64 showing:

(1) Whether studies and reports were used by the Government of Saskatchewan supporting the statement by the Government of Saskatchewan in an advertisement in the Saskatoon Star-Phoenix on the 29th day of November of 1975, "There's every indication that demand will continue to be strong", regarding the Potash Industry takeover. (2) If so (a) the names of the persons or groups who did the studies and reports; (b) the dates when such studies and reports were done; (c) copies of such studies and reports.

He said: Mr. Speaker, at the end of my remarks I will be moving a Motion that again deals with the Government advertising and a definite statement made by the Government that demand for potash will continue to be strong.

We have had in this House probably one of the sorriest displays of hypocrisy by a Member of the Government opposite. On the one side they have publicly accused the potash and the multinational corporations of lying, distorting the truth, of bleeding and raping the people of this province, and now on the other hand the Deputy Premier says that those are the people that the Opposition have to go to for its information because the Government won't supply it.

Mr. Mostoway: — Agreed!

Mr. Lane: — Agreed, says the Member for Saskatoon Centre. You are forcing the Opposition into the position of only having one

January 16, 1976

source of information and that being the multinational corporations that you oppose and fight and complain about and harp about day after day after day. You are forcing our hands. It could well be that if you have information that differs from what the potash companies and multinational corporations say, that we would accept that information and if they are lying you've got a duty to prove that they are lying.

Some Hon. Members: — Hear, hear!

Mr. Lane: — You can't stand behind your refusal to give us information and accuse them publicly of lying and distorting the truth and refuse to give facts which would allow you to make that statement. You are tying the hands of the Opposition, you are forcing us into the corner of only having one source of information and, if as you say, that source of information is an untruthful lie, false, that's the position you are forcing us into. I think that if they are lying you should be supplying these reports and studies. That's a greater reason to supply these reports and studies than the need to know, the desire to know by the Opposition. It's a totally untenable position that the Deputy Premier has taken on behalf of the Government opposite. On the one hand he says they are liars, they are cheats.

Mr. Bowerman: — Hear, hear!

Mr. Lane: — Hear, hear, says the Hon. Member for Shellbrook. Endorsing the statement and the official policy of the Government opposite that the potash companies are lying and not telling the truth, but in fact, saying in this Assembly, we won't give you any studies to refute the potash companies, you've got to take their information. We are tying you into the corner. We won't give you information, we won't give the true story to the people of this province. We will not give information to the Members of the Opposition. The question is: — why? Certainly I think perhaps the Government position may be completely unreliable. I agree with the Hon. Member for Saskatoon Centre that the Government's position is unreliable.

We have tabled information in this Assembly in the last couple of days, information that is readily obtainable. We don't know from what the Government says whether our sources are a cheat and a liar. It happens to be the Potash Institute. If we are wrong for God's sake and for the sake of the people of this province, prove us wrong. Give us the information. If your information is correct, I can assure the Attorney General, at least for this party in the Opposition, we will accept the information that's true whether it comes from the Government, the potash industry or any other source of information. And that's all we are concerned about.

We are asking for proof of your statement. You seem to say that the potash industry is lying, for proof of your statement, your public statement paid for by the taxpayer, paid for at his expense, if there is every indication that the demand will continue to be strong.

Our indications are that France and Belgium combined market will reduce its consumption and reduce its orders by 25 per cent. That Ireland has already cut back its demand of chemical fertilizer by 40 to 50 per cent. If we go to the manual printed by

the Department of Mineral Resources by the Government opposite, the Hon. Ed Whelan, Minister, so I'm assuming by your stated position that what's said is true, that one of the major markets, Brazil probably has the largest potential for potash usage of any Latin American country, that's a statement by your Government, that Brazil has reduced its orders for potash, 1974-75 compared to 1973-74, by roughly 30 per cent from 415,000 short tons of K_2O to 347,000 short tons of K_2O . Now you have stated that Brazil has the greatest potential of any South American market for our potash, and yet they have reduced their purchases by roughly 30 per cent.

We know, we have information that Japan is now considering not honouring its contracts, or not fulfilling completely its contracts for the balance of this year for potash because it overpurchased last year in a belief that there would be a shortage this year, that Korea is presently refusing to indicate what its demand will be, or its needs because it overpurchased last year by approximately 50 per cent in anticipation of a shortage. As I say that France and Belgium, Ireland and the Philippines and Indonesia have all reduced their demands this year because of costs and in anticipation of a price drop. We know that the United States or the North American market this year will have a projected surplus of one and one-half million tons at the end of this potash year, notwithstanding anticipated higher sales during the spring seeding season.

The Minister, irresponsible for the Potash Corporation, indicated that he expects a higher anticipated demand for potash this spring. And I say from the potash industry that that is not the case, that at the end of the spring seeding season, sowing season, that there will be a North American surplus of one and one-half millions tons of K_2O . That completely refutes the statement by the Government opposite in an advertising campaign that there is every indication that the demand will continue to be strong. Is the Government lying? Or does the Government have some facts, some information that completely refutes what the potash industry is saying?

I don't think you've got a choice, Mr. Deputy Premier, but to give us these reports and studies, because somebody is lying, either you or the potash industry. And I want to know who. They put their facts out and I think the people of Saskatchewan want to know who is lying, you or the potash industry. They put their facts out. Are their facts untrue? You have no choice but to prove it.

There is a possibility, according to the Member for Saskatoon Centre (Mr. Mostoway) that perhaps there is a third party that has information, or facts. That a third party is lying. We are taking the facts as we have them. You are forcing us to go to this source of information because you won't give us your facts, what you are basing your statements on.

I will tell you one thing, Mr. Member for Saskatoon Centre, that if it turns out that the Government opposite is lying, the people of Saskatchewan are never going to forget it.

Some Hon. Members: — Hear, hear!

Mr. Lane: — And if it turns out that the potash industry has in fact been telling the truth and you haven't, the people of Saskatchewan

January 16, 1976

are never going to be able to forget it because they are going to be saddled with the highest taxes and the biggest economic white elephant in the history of any jurisdiction in North America.

We have given some facts. If they are wrong, provide the proof. I think you've got a duty to. I think, too, that the facts should have been readily available and should have been tabled in this Assembly before the Government commenced on its advertising campaign, because again, the other implication that can be drawn is that you have gone on an advertising campaign at the Taxpayer's expense, that is giving out false, misleading and distorted information, that you are in fact doing a hype job on the people of this province trying to con them into accepting your policy decision of nationalization of the potash industry. If that's the type of Government that you are running, I think the people of Saskatchewan are going to be the biggest losers, and I think too that backbenchers should have a difficult time justifying that type of action by your Treasury Benches of false and misleading advertising. If the information we have is not true, Mr. Deputy Premier, then for the sake of the people of this province, give us the true facts, give us the true information. And I'm giving you that opportunity with this Motion and I so move this Return, seconded by Mr. MacDonald (Indian Head-Wolseley).

Mr. C.P. MacDonald (Indian Head-Wolseley): — Mr. Speaker, I want to add a few comments to what my colleague, the Member for Qu'Appelle, has indicated in moving this Motion for Return.

First of all, I don't find anything difficult about this Motion whatsoever. All the Government has to say is yes, they have studies or no they do not have studies and if they have studies present them to the Assembly and to the Members of the Government. I rise to speak on an entirely different related matter, Mr. Speaker.

This is the 15th session in this Assembly and never have I seen a government as closed and as secret as this Government.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — Mr. Speaker, this is either the 37th or 38th day, plus we have had a 10-day Christmas break, which would under normal circumstances take us beyond an average sitting other than the last two or three years with the fall session. And yet, the only returns that have been given to the Members of the Opposition have been innocuous ones. The Government has completely rejected resolutions asking for information. They have turned around and stood them; they have amended them into nothing resolutions and those that they have passed they have refused to provide information. This is the most closed and secretive Government or group of Treasury benchers that I have ever seen since I have been in this House.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — The interesting part about it is in most cases a denial of information relating to the biggest economic move that this province has ever, ever attempted and where they should have the

most willingness to provide that information and demonstrate the truth or the strength of their argument that they have to present to the people.

And to have a government that is supposed to be an NDP Government and have it as secret and closed as your Government is becoming, is something that denies the very philosophy that you are supposed to stand for. And it is a complete repudiation and it is a demonstration of arrogance and the lack of concern for this Assembly and for the people of Saskatchewan, that I have witnessed before since I have been a Member of this Assembly.

When I look back to the great pulp mill debate in 1965, and the piles of information that were demanded and provided on feasibility studies, on environmental studies, on cost studies, on engineering studies, all the contracts, everything. And that was for an investment in the province of Saskatchewan of \$1.5 million. That is what the Government of Saskatchewan put up to obtain 35 per cent other than their guarantee and the establishment of the delivery system. And the howls of anguish that went up by the Members of the NDP, who were then in the Opposition, demanding information and yet here at this particular time you have all of a sudden become a government that is looking inward; you have lost your perspective and your responsibility to your own party and to the people of Saskatchewan; you have lost your perspective of responsibility to this Assembly. I am going to ask the House Leader, the Attorney General and the other Members of the Treasury Benches to realize what you are doing to this House and the kind of information you have denied; I would ask the Attorney General to go back to the Ministers and ask them to provide the Orders for Return, to stop amending resolutions or demands for information into innocuous returns, and all of a sudden stop becoming a secret and closed organization. Of all the people that demand that business disclose information, of all the groups of people in Canada that are demanding public disclosure, the NDP has the loudest voice and yet when it comes to request for information that belongs to this House and belongs to the people of Saskatchewan, you are the most secretive and the most closed.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — I ask every Member to vote for this Resolution; I ask the Government to examine the Orders for Returns and the requests for information and provide them to this House and provide them to the people of Saskatchewan as is their responsibility as a government.

Some Hon. Members: — Hear, hear!

Mr. R.H. Bailey (Rosetown-Elrose): — Mr. Speaker, I should like to add a comment or two to this particular motion that we are discussing at this particular time and relate to the Members of this House particularly to the Members who sit opposite, a very interesting phone call which I received yesterday. Mr. Speaker, indeed the comments made on this particular phone call relate very direction to the question at hand.

The telephone call, Mr. Speaker, happened to come from the secretary of a rural telephone company at Herschel, Saskatchewan which is northwest of Rosetown. Mr. Speaker, the questions

January 16, 1976

which he asked me, and I will give them just a little later on and I will also provide this House, in a rough way, with exactly the answers which I gave to that rural secretary of this telephone company.

Mr. Speaker, there is a direct relationship to the problem which he presented to me. Of course, the problem was very definitely a local problem in that this rural telephone company is attempting to move ahead and bury their telephone lines. Now in doing so, Mr. Speaker, he informs me that he must have the positive vote from among the ratepayers before they can proceed on this venture. Also, if the vote is positive he therefore must involve a figure of money which, he tells me and indicated it to them, which is \$90,000, and if they approve a rural telephone company must, in turn then, come to the local Government Board for approval of expenditure of that amount of money.

Mr. Speaker, on the surface this may not appear to be directly related to the question at hand. I should like to suggest to you that this is a related question because I want to indicate to this House the three questions which he asked me following this early information which I have discussed with you.

He said, this, first of all: — are you telling me that the Government of Saskatchewan, in the Legislature, has not given any information whatsoever as to the amount of money involved in the potash takeover? And my answer, and I had to be honest, was no. Figures have been mentioned but they are figures which relate to a half a billion dollars difference, so I think no one could accuse me of being evasive in saying no.

His second question was this: — has the Government of Saskatchewan indicated in the House through any of its Ministers as to what mines or what portion of the potash industry they plan on taking over? And again, I had to answer my constituent and I had to say I am very sorry that they have given no indication.

And his third question was: — have they provided, to your knowledge, in the House any idea as to, not only related to the cost but the studies and the feasibility studies? And I had to answer, again, no, they have not. I can't repeat his language in this House as to what his last comment was to me, because, Mr. Speaker, it would be ruled out of order.

I want to suggest to the Hon. Members opposite that I have never talked to this man before and I don't think that I have ever met him. But here is a person way out in the country who is equally concerned, as Members in the Opposition are, as to the actions of the Government at this time. How can an individual MLA, whether he sits on that side of the House or on this side of the House, go to his constituents and provide any information whatsoever about the potash takeover?

Mr. Speaker, if the Members opposite will not listen to requests from this side of the House for information, I bring this story to the House at this time, to show the Members opposite that the people in Saskatchewan are very definitely concerned and they want to get some information.

Some Hon. Members: — Hear, hear!

Mr. R. Romanow (Attorney General): — Mr. Speaker, I would like again just to say a few words in response to this Motion, which I think is in the same category as the first motion that I spoke to and I don't know whether I can add very much more. I would simply just ask the Members to adopt, for the record, my remarks as I made in the earlier motion. One or two new points have been made, in the course of this debate, primarily by the Member for Indian Head-Wolseley (Mr. MacDonald) and the Member for Elrose (Mr. Bailey).

I want to deal with two points raised by the Member for Indian Head-Wolseley.

The first point was that this is a very secret Government and that it does not pass orders and does not pass motions and things of that nature. I would simply say to the Members of the House I have not been a Member of this Assembly as long as the Member for Indian Head. I won't indulge in what I think is subjective opinion as to what the attitude of the former Liberal Government was when I was in Opposition from 1968 to 1971, about motions. I think they weren't all that good on it, but I don't think that is particularly relevant.

Mr. Steuart: — . . . everything we did.

Mr. Romanow: — No, we are not going to do everything that you did. I can tell the Leader of the Opposition that we are never going to put deterrent fees on, never. But I am not sure that the Members opposite, if they had a chance wouldn't do it again.

I just want to say, simply, to all the Members of the House that the one of the oldest games of an Opposition Party, and I must say I look back now and regret having done the same thing, is to cry secrecy and lack of information. It has been traditionally felt that Private Members' days were the days for Opposition Members to do that. Sometimes Opposition people would sit and concoct questions that they knew could never be answered by the Government so that when the Government gets up and answers that it can't be answered, the cry is always that the Opposition can't get any information that is properly asked.

I don't think that anybody in the public or this Assembly certainly those of us who have been around more than this first three-month Session, would argue that any credence of any degree of seriousness could be placed on the Members' comments of secrecy. I think all those questions that are capable of being answered by Government, if they are properly asked and I mean properly in the sense they are worded the right way and there are not other problems related to confidentiality, are answered in due course as quickly as they can be.

Mr. Speaker, the Member for Indian Head-Wolseley made a second point relating to the Prince Albert Pulp Mill deal and he said that all of the information was tabled in the House and why wouldn't the Government follow the example of the Prince Albert Pulp Mill deal. And this has been the crux of a lot of the Oppositions remarks and I think that I have dealt with this. It is so long ago now, in second readings of Bills 1 and 2, but if I didn't let me just make this point.

I would ask the Members to note that there is a considerable difference, and I underline the words considerable difference,

in asking a government to table documents related to a completed transaction, which the Prince Albert Pulp Mill Athabasca was, and asking a government to table on the floor of the House, projected analysis for studies. If you want to say to your negotiators, be they Parsons and Whittemore or IMC, just to pick out a name, or any company, if you want to tell your entire world what your negotiating stance is then the thing to do is simply to table all of your internal and other feasibility studies.

The former Liberal Government never did that. I don't think we ever asked for them to do that because it would be irresponsibility of the highest extent and I say that the same argument applies here. And when the Opposition says, come on, table all your reports, show us all that you have got, they are really saying, show all the potash companies all the bargaining positions, that is your move. That is basically what they are saying. And that is another issue entirely. They can take the position that it is philosophically wrong. It is an attack on free enterprise. There may be a risk here, all of that, but for them to ask that as a blanket statement I think is irresponsible for the Opposition to do so, and there is a big difference.

The final point that I should like to make, Mr. Speaker, is with respect to the Member from Melrose, who, in his conversation with the individual from Herschel, and he gave us the conversation and he said, 'mean to tell me the Government hasn't given you any figures as to what the mines are likely to cost?' The Member said, No, I had to be honest. I had to be honest and I had to say no, the Government has not given us any.' Then he said that the response on the other end of the telephone wasn't fit to be repeated here.

Mr. Speaker, I find this a strange position to take by the Member for Elrose and by the Conservative Party, because I really feel that we are now seeing, what I feared but what I hoped I was wrong on, about the Conservative tactics. I think they have gotten themselves into a position after three months of exposure, from the Liberals, it is rubbing off on them, and that is inconsistency, contradiction, basic contradiction. I wish I had the clipping in front of me - I would have, had a thought these remarks would be coming from the Member for Elrose. Maybe I will have them yet for sometime later today. But I recall distinctly hearing the Leader of the Conservative Party (Mr. Collver) either saying in this Legislature or saying outside the Legislature that it would be irresponsible and wrong for the Government to give financial figures asked by the Liberal party during the course of negotiations.

I wonder if the Member for Elrose told that to the man from Herschel? I wonder, if in his bent for honesty, in his desire to be totally honest with this man whom he had never met before, he told that person that our Leader thinks that the Government should not supply those figures because it would be irresponsible to supply those figures? If he said that, if he conveyed that message, he sure didn't tell us that in his remarks.

So one of two things happened, Mr. Speaker. Either the Conservative Party is saying on the one hand, the NDP is right in not giving this type of information as they did earlier, and on the other hand saying, they are wrong in not providing this information as the Member for Elrose seemed to imply to the man from Herschel. They are either saying that, which shows a

fundamental contradiction lying to the credibility of the Conservative Party, or they are not saying that. And if they are not saying that then the Hon. Member shouldn't get up and cast doubts on the Members of the Government about why we don't provide this information and how he is all upset, because I invite him to go back and to read the words of his Leader, because his Leader and the Conservative Party position is that we were right and that we would be wrong and irresponsible to provide that information to the House. And yet his entire remarks have been to the contrary in this area.

Mr. Speaker, I want to say that I am - and the Member says that he gets to me and you know I say that the Member does get to me, because I think he is one of the ablest of the Members in this Legislature, one of the abler Tory Members and that is a compliment to him. But I want to say that having got to me what he also does is that I think that the Tories, I think, have disappointed me very much in this debate by virtue of these remarks made by the member for Elrose, because they are in total contradiction from what their Leader said. I think they indicate political expediency on the part of the Conservative Party opposite. It seems to me that the political ambitions of the Conservatives overrule their duties in this House and their statements that they have made. In that regard I think they have followed into the league with the Liberals. There is no difference between the Liberals and Conservatives. Mr. Speaker, I think I would have to simply say like I did with the earlier remarks that those are I think two points which must be made in this debate. They have been made over and over again. I don't know if the Press has ever printed them, I don't think they ever have. That is for them to decide what should be printed or not. That certainly has been the position of the Government and I think that is quite clear. Mr. Speaker, I should like to say a few more words on this and I therefore beg leave to adjourn the debate.

Debate adjourned.

RETURN NO. 65

Mr. J.G. Lane (Qu'Appelle) moved that an Order of the Assembly do issue for a Return No. 65 showing:

- (1) Whether management and personnel studies and reports were used by the Government of Saskatchewan supporting the statement by the Government of Saskatchewan in an advertisement in the Saskatoon Star-Phoenix on November 29, 1975, "They will be joined initially by a team of outside experts", regarding the Potash Industry takeover.
- (2) If so (a) the names of the persons or groups who did the studies and reports; (b) the dates when such studies and reports were done; (c) copies of such studies and reports.

He said: Mr. Speaker, we have seen another effort by the Attorney General to come up with a reason for not giving the information and ignoring previous efforts by the Opposition as we continually refute his reasons one by one, he keeps trying to come up with a new one. Today every reason that he has given for refusing to give information, or failing to give information has been refuted by the Opposition. He has referred to these questions as questions having an ingenious twist to them. I

January 16, 1976

think that he has now come up with a response - he has failed to notice notably to answer his or dispute the Opposition's statements that we are really being backed into a corner. We are being forced to use the information of the potash industry, notwithstanding that the information is extremely suspect by the Government opposite, of course he never referred to that.

He says that the difference between this and the Prince Albert Pulp Mill is because matters are in negotiation and the information can't be given out in negotiation. I don't see what the questions on the world demand for potash and the projected world demand for potash has got anything to do with the negotiations going on between the Government opposite and the various potash companies. It has nothing to do with it. That argument is nonsense by the Attorney General and is totally irrelevant to the questions. And totally irrelevant to each and every one of questions that have been proposed here today.

It is interesting, secondly the Attorney General says that we won't give out information again because we are in negotiations. This is the only reason he has given. We have asked the Attorney General and the Members of the Government opposite to even tell us if studies have been made and if reports have been made. We have asked on several different occasions in this debate whether you have even undertaken these studies, without asking for the content of those studies. You haven't even indicated to this House whether or not you have made studies. Considerably more basic questions by the Opposition than the false argument given by the Attorney General for his stonewalling of the attempts by the Opposition to get information.

The Attorney General doesn't have a reason or a rational argument for refusing to answer these questions. We haven't asked any questions of these four that have anything to do with the negotiations, not a one. There is no reason why you can't give the information to the people of this province. They are your statements. These are not statements being made by the opposition, these are statements being made by Members of the Treasury Benches, by the Party opposite, by the Government Members. They are your statements. Have you got any reason to back up, justify what you are saying. We haven't heard it from the Attorney General today. We haven't heard one reason that has stood up, as given by the Attorney General for his refusal, your refusal to give information to the Opposition and the people of Saskatchewan.

Backbenchers opposite are as responsible for these statements as are the Treasury Benches. You can't hide behind your lowly position within the Party and say that you have nothing to do with it. Because you made a statement, paid for again by the taxpayers in your ads that you approve, that Potash Corporation of Saskatchewan already has a core of highly capable people and they will be joined initially by a team of outside experts.

We have asked Members opposite what personnel management company that you used; whether you are seeking people - so-called head hunters; whether you are using them; how much you are paying for this search. You see, we know the facts are that the Government opposite has run into a brick wall in its attempts to get a new head of the Saskatchewan Power Corporation; that the Government opposite had originally attempted to get a new general manager of the Saskatchewan Power Corporation at roughly \$50,000. They got no replies or no qualified replies. They

have now upped their ante to \$60,000 per year and still haven't got any takers for the bait. That in all likelihood the new general manager of the Saskatchewan Power Corporation whenever he is appointed will come in somewhere at \$75,000 per year salary and possible fringe benefits but certainly in that range.

We know that you have failed in your attempts to hire a general manager of a Crown corporation, that same Crown corporation you use in your ads as an indication that the Government can make these things work. You use that as a basis for the Crown corporation takeover of the potash industry. You make the statement that the Potash Corporation of Saskatchewan already has a core of highly capable people. That is not true. That is a false statement. That they will be joined by a team of outside experts. What has happened to the Potash Corporation? So far, you have appointed Mr. Dombowsky, who with all respect to Mr. Dombowsky is not well versed in the potash industry. Then you hired Donald Ching, who was a political appointment without mentioned his capabilities or questioning his capabilities. The fact is that it was a political appointment, a party hack by the NDP who was put into a senior management position. The only individual whom the Potash Corporation had who had experience in the potash industry was Mr. Schultz who quit when you took over and nationalized the potash industry. The statements that you have made about personnel in your ads under the name of the province of Saskatchewan paid for by the people of this province is in fact untrue. It is a false statement. It is not true.

Surely, when the Government by known existing facts is proven to have made false and untrue statements has a duty to tell the Opposition whether or not management of personnel studies and reports were done. Why are you afraid of that? What are you ashamed of? It is a very simple question. We had asked you in the past whether you had even done studies, you even refuse to tell us whether you have done a study on it. The least you could have done was admit you had one. Are we to imply, and imply I think properly that your refusal to answer the question of whether or not a study was done, that in fact a study was not done by the Government opposite. And that when we are embarking on \$500 million to \$1 billion gamble, that again we have no alternative but to draw the conclusion that what you are doing is not done in a businesslike and efficient manner, that what you are doing is bowing to the doctrinaire socialists and that you are simply nationalizing the potash industry without adequate information, without proper information. And you are doing it to satisfy the socialist goals that many of you espouse.

We in the Opposition say that is wrong. We disagree with what you are doing philosophically but we also disagree with the manner in which you are embarking on this venture. You are doing it without adequate knowledge. You are doing it with insufficient knowledge. You are doing it by completely avoiding any sound businesslike or managerial practices, completely avoiding them. And yet you are dragging the people into the biggest gamble in the history of this province without doing the studies, without giving the information. I say that there is only one conclusion that the Opposition can draw from the performance of the Attorney General today and the performance of the Government opposite is, that you decided to nationalize the potash industry to get people. You didn't do it because it was a good deal for the province of Saskatchewan. The answers of

the Attorney General today are weak. Probably the worst offence by the Deputy Premier, any actions of the Government opposite, any argument he has given to date has been refuted, has no validity. I think the performance of the Government opposite and its attempts to nationalize the potash industry has certainly the seeds for self-destruction of the Government opposite and certainly have the seeds for destruction of the fundamental, economic position of the people of this province. Again I would hope that the Deputy Premier speaking on behalf of the Government Members opposite can do better than come up to give better answers to the questions that have been asked. And they are your statements they are nobody else's statements. I hope you can give a better performance and give us the information on this. And make no mistake that your argument that things are in negotiation with the potash industry has no effect on this particular motion. None whatsoever. And makes absolutely no difference whether you are in negotiations or not negotiating, you can answer this question if you have information.

I move, seconded by Mr. Steuart (Prince Albert-Duck Lake) that an Order of the Assembly do issue for Return No. 65.

Mr. D.G. Steuart (Leader of the Opposition): — Mr. Speaker, I do want to say a word or two on this Resolution. It is very similar to the other two resolutions that have been stonewalled by the Attorney General and the Members opposite. By stonewalled, I mean obviously they are going to refuse to give us the information. The part that I find intriguing is that obviously the Attorney General hasn't even read these resolutions. He has not even been bothered to read what the Member for Qu'Appelle is asking for in these resolutions. It has got nothing to do with the negotiations that are being carried on. It simply asks for some information, some guidance and some proof of the statements that have been made in the ads inserted by the Government opposite, paid for at the taxpayers expense. He has asked for some proof. Did you do studies? Who did the studies and what are their results? Nothing, nothing at all to do with negotiations. Nothing that would embarrass the Government or put them in any kind of difficulty at all in their negotiations.

Then to compare this say to the pulp mill was irrelevant. It was different in the fact that we were open and we did lay the facts in front of the Legislative Assembly. But again to come back to his argument that they can't give us any information at all because they might prejudice their position. That is absolute hogwash. It is nonsense, it is ludicrous. They can give us surely the outside figure, \$500 million to \$1 billion that is the figure that we have had tossed casually out to the public of Saskatchewan by the Premier who again I want to say doesn't even both to sit in this House for this important debate. He hasn't had the nerve or the decency or the courage to stand up and enter the debate. You never see the Minister who will be in charge of the potash industry, of the Potash Corporation when and if these Bills pass, Mr. Cowley, the Member for Biggar. He never bothers to attend this House. The Minister of Finance who will be involved in borrowing the money in the largest transaction that has ever taken place in the history of this province. He doesn't even bother to sit in on this. He has not even had the courtesy to get up and engage in this debate. So when the Members on both sides, this side of the House, both from the Conservative caucus and the Liberal caucus accuse the

Government of arrogant secrecy, we are telling the truth. And it is not good enough for the Attorney General to say, well this is what happened in the past. Even if he wants to compare it to the past, there has never been a Legislative Assembly that I have attended where we have had fewer answers, where fewer Orders for Returns at this stage of the proceedings have been answered. So their record stands out clearly far in advance, far ahead of anything that has ever been done by the old CCF Government or the Liberal administration that sat for seven years.

It is amazing that the Members opposite, the backbenchers don't show some courage and say to the Ministers, for God's sake put those answers on the table, at least those answers that you can. Because I know that they are getting the same kind of complaints and questions from the general public that we are getting and probably getting more of them if they told the truth, if they were allowed to tell the truth and if they had the courage to tell the truth.

I come back again to say that the Attorney General obviously hasn't even read these motions, these Orders for Return. He hasn't even read them. Automatically we ask anything to do with potash and the answer is no. No answer, no information, no facts, nothing but harangue by the Attorney General and no one else. Change the subject, get off it and accuse the members of being inconsistent. Accuse them of playing politics. Say anything, do anything to try and distract the public's attention from the facts and that is that they are afraid to tell this House and through this House the public of Saskatchewan exactly the background of the proposed takeover. They are afraid for only one reason and that is that they are doing something that they know they cannot justify. They blindly hope that three and one-half or four years down the road, the people will forget this act, this desperate act, this very terrible act that they are doing. Mortgaging the people's future. They hope they will get away with it and so their attitude is, boys hang in, hang tough, hang your head, say nothing. This thing will pass. In three years the public will have forgotten about it and we'll get away with it.

Mr. R.A. Larter (Estevan): — Mr. Speaker, I don't think, in this last motion, it has anything to do with any detailed information whatsoever. I don't think the Member for Rosetown-Elrose has changed our stand one iota. We certainly don't think you would be doing right if you were to introduce to this House an individual price you were offering the mines or any individual mines. We are not asking for detailed information. Coming from an oil community and seeing what has happened in the oil industry, drilling has stopped, what it has done to the community of Estevan, taken the heart out of a city, many people out of the community, we are concerned and they are asking questions. I think you would be very wrong in giving a price like this out. We don't know how many mines you are buying. I think as far as it not increasing taxes, I believe this is a fallacy. I think back to the years I went into the farm machinery business, had a few bad years and had to re-finance, I believe if the same thing happens in the potash industry you can't help, if not through extra taxes, through extra interest rates, but somehow it will get to the taxpayer in time if the potash industry doesn't work.

I am trying to point out that this isn't just another

Crown corporation, you are entering into the private sector. You are now competing with the private sector throughout the world. There are so many factors that take place whether you are going to be successful or not, you have to get the good people around you and if you are successful, on that, you haven't been so far in some ventures, if you can't do this, this is one factor. There are no two ways about it, we have the product, we have the quantity, but there are so many ifs attached to it. It is the first venture we have gone into where there are so many ifs to it, things do have to go well.

Mr. Speaker, the people of the Estevan area are concerned. I think truly on almost any issue, in the last election you could have run a yellow dog for a Conservative and he would have got in, that's how fed up the people were in that area. I am pointing out that this resource industry - I have to draw a comparison to the oil industry. We have seen what can happen and we are afraid this could happen to the potash industry. I would ask you to look very carefully at it.

Mr. Romanow: — I want to thank the Hon. Member for giving me a chance to say a few words in rebuttal before I ask leave to adjourn the debate. I sometimes feel I have said this before. I have heard this argument before somewhere. I don't know where.

Mr. Speaker, I should like to make one or two points to some of the points raised. I don't believe, I say this of the Liberals, I am not so sure about the Conservatives but I suspect it to be true, the Liberals are definitely not interested in the answers. This was confirmed by remarks made by the Hon. Member for Qu'Appelle (Mr. Lane) in his motion just a few minutes ago. For example, we are talking on motion number 3, which deals with the question of personnel and management teams. The Member full well knows the names of the personnel who have been thus far announced and hired. He knows them, David Dombowsky, Mr. Matheson, Mr. Kaukinen, Mr. Karvonen, Mr. Ching. There may be one or two others. This was put out in a press release and I am sure the Members have gotten that, all their background. What happens when they get the answer? They don't believe it. They take the position, these guys are incompetent, political hacks and they are no good. Ching is this and Dombowsky is that. It doesn't matter what we did with the Liberal Party, Mr. Speaker, that would be their response. They are not interested in the answers. I think if anything shows that it is the remarks made by the Member for Qu'Appelle.

Mr. Speaker, take a look at this specific motion. It says whether management and personnel studies have been undertaken by the Government and then it says, the names or the persons who did the studies and copies of such studies. The question is put on the Order Paper, Mr. Speaker, I ask you to note, some considerable time after a verbal question was directed to me because I happened to be in the House at the time, I think by the member for Saskatoon Eastview, or Saskatoon Sutherland and the question specifically put in oral terms to me was: — has the Government hired a team of consultants on personnel or hired management people or something to that effect, was the basic intent of the motion. Basically, the same question that we have here in the Order Paper.

Mr. Steuart: — What did you say at that time?

Mr. Romanow: — My answer at that time was yes, that a team of consultants had been hired but that I could not tell them the names of the consultants, because it would prejudice the activities of the head hunters involved. That was the answer I gave and I used the term head hunters. Someone said, why? Because, Saskatchewan, as the Leader of the Opposition will know, if we have engaged consultants who are now in the business of contacting high profiled people, perhaps some in the potash industry, some in other mining industries, to table the studies, to table as the Member for Estevan has not fully quite understood, copies of the reports and the studies, to have done all of that, surely somebody would say, it would be a distinct possibility for prejudicing the attempts to attain the personnel that we feel we need to obtain in addition to the ones we have already obtained. I don't think anybody else could come to any other conclusion but that that certainly must be treated with confidentiality. The moment that someone is hired, you will be the first to know. The moment that this job is completed, you will be the first to know the name of the consulting firm, the costs and the copies of the report.

Mr. Steuart: — . . . if they resign?

Mr. Romanow: — If they resign, you'll probably be more than the first to know.

The point is that the House will know this. This is what the Liberal Opposition asks us. I think it is important in the terms of sequence to note that this question is placed on the Order Paper after I gave that answer in oral question period. Why? Because as I say, it is part of the attempt by the Liberal Opposition in particular, to talk about the refusal of information. It is Private Members' day. This is obviously the gimmick, if I may put it in those terms, that the Opposition would try.

I want to close in response to the Member for Estevan, and make two points. He is wrong about this being just a simple straightforward question, for the reasons I have enunciated. The moment you name the head hunters group, then quite obviously you are going to be telling the industry a lot as to what approaches are being made by whom. Secondly, if you tabled copies that the head hunters have made, anybody who looks at those reports can certainly determine a lot as well.

But that is not as important to the one fundamental point that the Member did make. This, Mr. Speaker, is one of these myths that are being propagated by the politicians opposite, and by people like the Saskatoon Board of Trade. The Press only reports this, so it of necessity follows the Board of Trade as well, and that is that somehow taxes and financing of a project of this nature are the same.

Taxes are used to pay for services in government programs, building nursing homes, building hospitals, building highways, helping with school grants. Those are taxes. When you go to the Saskatchewan Power Corporation, you can't tax. What the Saskatchewan Power corporation did when the Leader of the Opposition was Minister of Finance, you finance. You borrow as against the corporation's holdings, to be paid off as against the corporation's earnings. That's how you did it in your

business. When you say you had to re-finance, I am sure you went back and got a second mortgage, or whatever you needed, re-negotiated a new mortgage, just like Saskatchewan Power Corporation would have to do. You pay it out of the proceeds of the business. Those are two distinctly different streams. When someone says that it is going to mean increased taxation, that is clearly wrong. If the Liberals were right on this, then someone should ask the Leader of the Opposition when he was Minister of Finance, did he borrow \$50 million on the capital market, to build highways? Never. Maybe once. That's about the only example that you did that. If they did, I am surprised we got a double AA rating or whatever rating we got in New York. We have never borrowed \$50 million for hospitals. No government in Canada has done that that I know of.

Mr. Steuart: — The hospital board borrows money from the province.

Mr. Romanow: — I'm telling you, Mr. Speaker, the Hon. Member opposite, that these are two different financial activities. Everybody knows that. I am saying that that is the tendency to confuse the taxation. I think in the case of the Tories it may be inexperience with government, but in the case of the Liberals it is a purposeful, deliberate attempt to say, you're getting \$1 billion and just think of the taxation that is going to mean to you. Just think of what that means in terms of lost services elsewhere. They are two different ways of raising money. If we had never taken over the Potash Corporation, if we didn't spend one red cent on them, it would have nothing to do with the ordinary activities of government. You wouldn't go about borrowing \$1 billion to finance the ongoing activities of the Government.

You have to ask yourself why is it that this potash thing really hasn't caught on as far as the Opposition side. It really hasn't. You go out in the country. If hasn't caught on, and one of the reasons why it hasn't caught on, is because the Opposition has been incredible. I say that in its best sense. This being a classic example of it. Do you think when the people in Toronto read the speeches of the Leader of the Opposition, or the speeches of the Leader of the Conservatives, they talk about this blending back and forth, what do you think they think? Do they think that is a credible opposition making a credible attack on a government piece of legislation? You can laugh. You can go to the next motion and say the same thing all over again. Even the people of Saskatchewan are that sophisticated. They know that. You can't do this any more and still maintain some degree of credibility. If what we are doing with the Potash Corporation is wrong, then it was wrong for seven years when they borrowed for Sask Power, borrowed for Sask Tel, and I mean borrowing millions, because they had to, and other borrowing powers as well.

If you want to achieve government, I say to the Conservatives, there is no chance the Liberals will ever achieve government during our time anyway. The key thing in politics today is credibility, believability. You are incredible with the advancement of these types of arguments. I really don't think the Liberals are going to achieve this, I say to the Conservatives, don't fall into the same trap as the Liberals do. It is not credible.

Mr. Speaker, I beg leave to adjourn debate.

Debate adjourned.

RETURN NO. 66

Mr. J.G. Lane (Qu'Appelle) moved that an Order of the Assembly do issue for Return No. 66 showing:

- (1) Whether studies and reports were used by the Government of Saskatchewan supporting the statement by the Government of Saskatchewan in an advertisement in the Saskatoon Star-Phoenix on the 29th of November of 1975, "And the potash decision will not result in increased taxes," regarding the Potash Industry takeover.
- (2) If so (a) the names of the persons or groups who did the studies and reports; (b) the dates when such studies and reports were done; (c) copies of such studies and reports.

He said: The Attorney General again ignores in his remarks, Mr. Speaker, some of the obvious facts. The Government has made point blank statements that there will be 450 new people in the head office. Seemingly from the remarks of the Attorney General that statement made by the Government opposite isn't true either, that it is another false and misleading statement being put out around the province. From what the Attorney General has said, they have only contacted the head hunters, they haven't done the management and personnel studies and reports that we had asked for.

Every time the Attorney General has given one of his weak defences . . .

Mr. Speaker: — Order, order. I ask the Member for Qu'Appelle to shed some light on item 4.

Mr. Lane: — Before the lights went out . . . we had some indication from previous questions that the Attorney General thought we were being repetitive. We are certainly repetitive on our demands for more answers, more information by the Government. We were certainly repetitive in the question that, "from Government advertising prepared under your authorization and paid for by the people of Saskatchewan." We were not repetitive however, on each of the areas upon which we were asking questions, Mr. Speaker.

The first question we asked, "Statement by the Government by expanding production," that one dealt with the extent of the involvement of the Government opposite in the potash nationalization. The second statement dealt with future demands and we gave facts that indicated future demands for potash were very soft. The third one dealt with the personnel aspect, and the type of people who supposedly would be employed by the Potash Corporation of Saskatchewan. In every one of those areas there are very strong indications that the Government opposite is either operating on no information, bad information, wrong information and there is every indication that the Government has not made a reasonable effort to inform itself before it embarked on this tremendous gamble.

January 16, 1976

The fourth one and the motion that I will be moving deals with an unequivocal statement by the Government opposite that the potash decision will not result in increased taxes.

There have been speeches made in the debate on Bill 1 and Bill 2 as to the demands that the borrowing by the Government opposite could make upon the capital markets, would be such that the Government opposite may be borrowing or charging to the credit of the province of Saskatchewan to such an extent that local governments will have their sources of funds dried up or diminished. The borrowing by the Government opposite of say, a billion dollars which is the outside figure given by the Government will roughly mean that every tax paying family in Saskatchewan will have borrowed in effect \$10,000. That's what the Government opposite has indicated would be one end of the borrowing scale. We know and I think the Government opposite knows that this will dry up tremendous sources of funds for local governments. Already the major centres in Saskatchewan are faced with a deficit position. In all likelihood most local governments will have to borrow funds in the next couple of years, just to maintain the level of services that they have now.

We know and I think it's obvious that the demands on local government however, will continue. The squeeze that local governments are being put into by the decision of the Government opposite is of great concern to them. When you make the statement that the potash decision will not result in increased taxes, you may have impliedly said, provincial taxes, but you didn't. Your statement is unequivocal in that it says increased taxes and we say that that applies to municipal taxes which may be increased by your decision.

There is little doubt that a billion dollars borrowed by the Government opposite, if that is the figure, will encroach upon the capital markets and encroach upon the desire or the borrowing capabilities of local governments. It will mean in effect, an increase in taxes. It will mean probably an increase in taxes for every local government that has to borrow money when the Government borrows from the capital markets of the United States or whatever.

So we are saying again, for the fourth time today, that what the Government has said is neither true, nor has any basis in fact.

We have another concern about increased taxes. You've made a statement that there wouldn't be any and yet every rural municipality in the province that has a potash mine firmly believes that it will have to increase taxes because every potash mine that will be nationalized will be a Crown corporation, not subject to local government taxes. You have given no assurance to these local governments that there will be grants in lieu of taxes to maintain their tax base. You have been asked about that particular area and so far we have heard no answer. I think a firm statement from the Deputy Premier would be in order in that regard.

But, again, Mr. Speaker, it's not repetitive. A different statement was used, a different commitment was made by the Government and everyone of these questions that has been referred to and each of these specifically. I think and I say again, that you have a duty as a government to give the Opposition and local governments an indication as to what effect on their

borrowing capabilities the nationalization of the potash industry will have. You have a duty to assure local governments with potash facilities that you will give them grants in lieu of taxes, wherever a mine is nationalized.

We asked the Government whether the studies and reports were used by the Government supporting the statement in the ad and I quote:

And the potash decision will not result in increased taxes.

We say that is not a true statement, that on the evidence we have it's not a true statement. If, in fact, it is a true statement then surely each and every one of the Members opposite have the duty to put pressure on the Treasury benches to give the information both to this Assembly and to local governments in Saskatchewan and prove the statement that you have made to the people of Saskatchewan, that there will be no increase in taxes.

Mr. Speaker, I move seconded by Mr. Steuart that an Order of the Assembly do issue for a Return No. 66.

Mr. Steuart (Leader of the Opposition): — Mr. Speaker, I just want to speak briefly to this question really that's being asked, or this Motion and join with the Member for Qu'Appelle (Mr. Lane) who just spoke in answering some so-called arguments of the rather fuzzy lesson the Attorney General attempted to treat the House to this morning on financing for the takeover of the potash industry and what it may or may not do to the level of taxation in this province. He put forward the theory that in no way would the intrusion of the Government of Saskatchewan into the potash industry affect the level of services provided by the Government or the level of taxation. Clearly he is either misinformed or it's very obvious why they didn't make him the Minister of Finance. Besides the ways that the mover of this motion mentioned whereby taxes could be affected, there are two other clear ways that taxes may be affected.

To begin with you are investing anywhere from \$500 to a billion dollars to begin with. Depends on how many mines you take and what price you pay for them. But you have also talked about expansion. This is one of the pegs you are hanging your hat on, one of the reasons you are giving, as to why you have to move in and take this drastic action. Of course, with expansion costing anywhere from \$150 to \$200 a productive ton, if you are going to bring about an expansion that's worth anything, that is of any size, you are talking about another investment of \$200 or \$300 or \$400 or \$500 million dollars. So we are talking in the next two or three years of a minimum of \$1,000 million that the Government of Saskatchewan will invest.

Now how can this relate back, possibly costing the people more in taxes? Well, Mr. Lane outlined many ways, but there are two other clear ways. One, of the Potash Corporation of Saskatchewan loses money and they have commitments to repay the loans and pay the interest, clearly they will have no other way, they can refinance, but in the long run if there is a great loss it comes back eventually on the backs of the people of Saskatchewan, those are the people who guarantee the loan. When you sign the note on behalf of the Potash Corporation of Saskatchewan you are in effect mortgaging the future of every man, woman and

child in the province of Saskatchewan. That's who the people who lend you the money are betting on. They are not betting on the NDP Government or the Liberal Government or the Conservative Government if this event ever happens. The credit rating of this province depends on the people, the farmers, the working people, the professional people, the small businessman and the large business corporations, on their credit rating, on their assets, on their records as groups and individuals who pay and how they pay their bills. So if this corporation fails, if it shows losses in the final analysis it will be the people of the province through their taxation, through general revenue who will have to pick the losses up.

There is another very distinct way that the people of this province will be affected and this way doesn't depend on a possible loss, it doesn't depend on anything else, it will happen. It's bound to happen. Right now the Government of Saskatchewan is taking in, will take in something in excess of \$130 million from the potash industry this year. Now that's 13 per cent of their budget. That's a fantastic amount of money - \$130 million. That money is now used to pay for hospitalization, to pay for roads, to pay for education. It is a very serious part and very major part of the expenditures of the Government opposite. The people depend in a major way on the expenditure of that \$130 million.

Now when the Government takes over all or part of the potash industry, all or part of those profits, if they are as successful, if, and that's a big if, if they are as successful as the private corporations in operating the potash industry, if they are and if they make the same kind of money, what will they do with it. Well, what they do with it now is take it into general revenue and spend it on behalf of the people on the services I mentioned. Once they go out and borrow the money, the first charge on those profits, and surely they are not going to put forward the proposition they'll make more money than the private industry, the first charge on those profits will be to pay the interest on the loan and to pay back the principal. Now they'll borrow the money, probably for 20 years and they'll pay at least ten and a half or eleven per cent. So the first year alone their commitment for interest repayment will be in the neighbourhood of \$100 million. That's if they only take over two potash mines.

So this will call for the allocation of all the profit they make from those two potash mines, plus almost all the taxes they take from the balance of the seven potash mines that are still under operation by private sources. On top of that, they will have one-tenth or one-twentieth of the principal to pay back. That will call for the repayment of another \$10 million at least, or maybe \$50. It depends on the size of the loan and how long it's amortized, what period of time it's amortized over.

So I say clearly and without any doubt and no one can deny it, if the Attorney General rises in this debate, he can't deny it, that when they borrow the money and they pay the interest back and the yearly principal it will take more than the profit they make from the mines they take over. It will in fact, if they only take over two mines, be a first call on all the taxes and more that they are now receiving from the potash industry. So from the point of view of general revenue, the money they have to spend on all the services the public depend on the Government for, whether it's education or health or whatever it is, they will be in a net deficit position. They will be

in the hole well over a \$100 or \$125 million. They have to make it up. So they will either have to cut back on services or raise taxes, at least for the period of time until they have made enough profit out of their two or three mines they take over to repay the loan so they don't face those principal payments and interest payments.

So, Mr. Speaker, there is no question that the taxes, the level of government services in this province will be seriously affected with the Government moves in and the people should be under no illusions.

The Attorney General is talking the most specious kind of nonsense and he should know it if he knows anything when he says that this will not affect the level of taxation or the level of services in the province. This is another reason why we think it is vitally important and is a responsibility of the Government to give us the information that we are asking in the questions.

So, Mr. Speaker, again I ask the Members opposite to reconsider their democratic responsibility to the people of this province and make the information upon which they have based their decision to take this fantastic risk with the taxpayers' money and that's what it is, make this information available to us, and through us to the people of the province of Saskatchewan, so we will be able to judge whether they have made a sound decision on whether they haven't and so the Government opposite will be the recipients of sensible, thoughtful, sound advice from people all over the province and if the advice says don't go ahead, they might back off before it's too late.

So I support this motion, I ask everyone to support the motion and I ask the Government to give us the information as quickly as possible.

Some Hon. Members: — Hear, hear!

Mr. R.L. Collver (Leader of the Progressive Conservatives): — Mr. Speaker, this morning in reply to one of the other motions of the Member for Qu'Appelle we heard a rather interesting dissertation and reply to comments made by the Member for Estevan (Mr. Larter) and the member for Rosetown-Elrose (Mr. Bailey) linking the Progressive Conservative Party with the Liberal Party in their support of these motions for information and suggesting that somehow our request for information from the Government puts us in the same boat or in the same shoes as the Liberal Party. I want to suggest to the Attorney General today that if our request, a legitimate request for information from the Government of Saskatchewan puts us in the same boat as the Liberal Party of Saskatchewan then so be it. Then we are proud to stand there and ask for this information.

Our stand, our position on the filibuster I think I have made relatively clear to this Assembly and I don't plan to go into that in any more detail, but our request and we believe that the Government of Saskatchewan, and have spelled out before, owes a duty to such a huge acquisition and to such a major acquisition as it relates to the province of Saskatchewan. If it is the Government's real intention to obtain these potash mines, then it should provide this information. If, on the other hand, the hidden intention of the Government of Saskatchewan is to put forward this legislation to drive the legitimate

January 16, 1976

organization out of courts, then it will not provide this information because it wouldn't want the people of Saskatchewan able to handle this information and have this information at its disposal after having gone through a month and a half or two months of debate and argument in the House, just merely to get these organizations out of the courts and off the back of the Government of Saskatchewan.

This particular motion asks for information pertaining to studies and reports. Mr. Speaker, we heard the Attorney general this morning talk about the Liberals and the Conservatives being the same. We have heard the Liberals rise and speak on the potash debate and say that the NDP and the Conservatives are the same. Now you are about to hear the Leader of the Conservative Party saying that the Liberals and the NDP are the same. Mr. Speaker, our study and report that the Government of Saskatchewan has probably got and has probably read and probably didn't cost them anything is a study and report prepared by Eric Kierans, a former Liberal Cabinet Minister, federally . . .

Mr. Steuart: — We all have renegades.

Mr. Collver: — We don't have any. We don't have any renegades at all, in answer to the Leader of the Opposition, none whatsoever. Mr. Horner is in no way a renegade at all. We will take the Liberal renegades, of course, and any NDP renegades that wish to come and join us.

This study and report on natural resources policy in Manitoba, prepared by the former Liberal Cabinet Minister to the Government of Manitoba concludes as follows, and I would like to repeat this for the edification of the Members opposite who I am sure have read it. He goes on:

For the long term I recommend that: — (1) The Manitoba Mineral Resources Ltd., be given an adequate budget to pursue an active and aggressive exploration program in Manitoba, the size of such a budget to depend upon the extent of known ore bodies and the government's assessment of the proper pace at which resources should be developed. (2) The Government of Manitoba abandon the practice of assigning mineral rights to the private sector for exploration, mining and development purposes and better than that legislation forbidding the transfer of existing exploration reservation, mining claims and leases. Upon termination, existing rights would revert to the Crown. (3) Crown corporations be created as the decisions to develop new ore bodies are taken by Cabinet. Such decisions resting not only on presenting profitability and we have heard that in this House, the difference between costs of output and selling price but also a careful assessment of the economic choice between development now and in the future. The operations of the Crown corporations should be confined to mining and milling ores to the primary stage.

Now this sounds very much like what the Government has decided to do in the province of Saskatchewan in regard to the potash legislation, both Bills 1 and 2. We are certain and convinced that the Government of Saskatchewan has read this particular study and report with a great deal of interest. We

hope that the Government has not paid for any other studies and reports since this is exactly what they decided to do. Obviously this study and report should have been sufficient. Unfortunately, the Manitoba Government, an NDP Government, decides that this was not the correct course of action for the Province of Manitoba. They decided that this policy for their resource development should not be included, this is an NDP Government in Manitoba, should not be the policy for the Government of Manitoba because it was not in the best interest of the people of Manitoba. And why this Government chose to implement directly a policy of a former Liberal Cabinet Minister when their own party rejected it in the Province of Manitoba is beyond me and beyond the Members of my caucus.

Mr. Speaker, I will have a great deal more to say on this in the future and I would beg to adjourn the debate.

Debate adjourned.

RESOLUTIONS

RESOLUTION NO. 40 - ASSISTANCE TO SASKATCHEWAN HORSE BREEDERS

Mr. R. Katzman (Rosetown) moved, seconded by Mr. Birkbeck (Moosomin):

That this Assembly urges the Government of Saskatchewan to assist the Saskatchewan horse breeders to facilitate the promotion and advertising of the high quality of Saskatchewan bred horses for the world market which are produced in Saskatchewan.

He said: Mr. Speaker, I am glad to talk about something I have been hearing about for several days now. I should like to talk about a problem that bothers me personally. Being a horseman I have many a time wondered what the Government of Saskatchewan's position was with regard to the horse industry. Their position towards cattle is well known. They assist the cattle producer with a brochure called, Saskatchewan Livestock Buyers' Guide. It shows the high quality of livestock, be it any form of cattle that we have. They also have produced a booklet in Japanese for the Japanese people on the same product. I commend the Government for that, helping that industry. But being a horseman, many years ago I was seeking advice as to where to buy good horses. I went to the Government of Saskatchewan, agriculture division, they had no information.

Well, to me horses are part of agriculture. In fact, as I will be doing later, I will be quoting a study that was done in Alberta in 1972, which shows and it goes back many years, for in 1906 this country, Canada, had 226,500 horses. I realize that horse power today now comes from gasoline or diesel engines. But in 1972 this country still had 89,000 horses. Now, do horses bring money to governments, is there any economical value in horses? Well, the Department of Agriculture tells me, no. But whose fault is it that they tell me no? Theirs or is it the horses? Maybe they don't know of the horses being shipped to Cuba from Canada and the profit made pays taxes to the Canadian Government and the Provincial Government. Maybe they don't know about the seven horses Australia bought last year for \$107,000, taxes paid to the Government of Saskatchewan as well as the

Government of Ontario and the Government of Canada.

Let me quote an interesting figure from the 1972 Alberta study and for the benefit of the Agriculture Minister who is presently not here, I have asked one of the pages to present to Mr. Romanow the study so that he may check it later. Did you know that \$3 million taxes was paid to the Government of Alberta in 1972? That is direct taxes, not personal income tax or anything like that, that is taxes off the racetrack. Now going through the study I had a bit of a chuckle and for those of you who like to go to the racetrack spend an average of \$60 at the track but when they go home they go home \$12 lighter. Now what that means to the Government of Alberta is that \$12 million is spent on racing. Let me give you some interesting statistics and once again I must quote the Alberta study. There is over \$100 million invested in the racing industry in Alberta and that is only five per cent of the horses in Alberta. Now fur marketing in Alberta only has \$2 million investment. Honey \$3 million. Eggs \$16 million. Sheep, which we are in this particular Government promoting and telling the world about our quality, only \$2 million. I wonder if maybe the horse people have got to convince the Government that there is an economic reason for the Government to be assisting these producers.

First of all I must commend the Minister of Youth and Culture (Mr. Tchorzewski), approximately three years ago his Department got involved. They are concerned with people, they are concerned with the horse people, the quality of education given to these people and are assisting. As a horseman I am glad to see that. They are assisting with education, they are assisting with grants for the people. And on that point I will go a little further. Saskatchewan is going to be represented in March in Toronto in the first Canadian championships for Youth, in the quarter-horse area. The Saskatchewan quarter-horse people are sending a team of seven young people to represent us. The Government is assisting, I commend them on that, they are assisting the people.

The University of Saskatchewan assists because of their grants. The Department of Continuing Education assists. But Agriculture seems to keep telling us we are not an economical thing within this province. Well, I don't think Agriculture is completely to blame be in under the former Government which was Mr. Thatcher's government, or under Mr. Blakeney's government. I think maybe the people in the industry weren't bringing their message. So today I will try to bring their message to you.

An Hon. Member: — . . . they all represent the rear end.

Mr. Katzman: — I will ignore the comments that are being batted around.

I have wondered how the Government of Saskatchewan assists cattle producers. I discovered two Acts; one Act, The Horn Cattle Purchasing Trust Account. I have discovered that within this particular area research is done with the money, the money comes from the cattle people. There is another one, a checkoff list where every time you sell some cattle, ten cents is put aside for promotion. Now this is co-operation between agriculture, the cattle people and the Government and I am certain the

horse people would like to do the same, co-operate, assist in a joint venture. They are not asking for your money, for you to look after it all for them, they are asking you to assist. You have the areas, people come to you, you direct them where to go. That's their concern.

Now in this particular one, I notice that \$3,912.08 was involved in sending people to Japan and Korea to talk about our livestock. The Government of Saskatchewan has now with the producers made a shipment to these countries. We are marketing a product. I think we have a product that is marketable in Saskatchewan in the horse. I referred to Alberta, now let me make another reference. As past president of the Quarter Horse Association, I know that area the best so I will refer to it. Mr. Minister, I am sorry you weren't here earlier. I complimented your department on the work it is doing within the Saskatchewan Horse Federation and I wish to repeat that for your benefit.

Approximately seven years ago when I first started showing horses, the Alberta people used to come to Saskatchewan and win everything. We couldn't touch them. Now they won't come back to Saskatchewan and compete with us any more because we are winning. We win all the placings. In fact, having the year-end results with me, on all the open competitions only one was won outside the province. Mr. Speaker, looking at the Alberta results I see a shocking thing, Saskatchewan horses are cleaning up, but we are not promoting them on the world market, gentlemen, and we have this high quality. We have Arab horses standing at Weyburn, Mr. Pepper in the Weyburn constituency. Horses are coming from all over the United States and Canada for this excellent breed. We have excellent horses throughout this province. Very simply, Mr. Speaker, what I am suggesting is that it is time that through agriculture the Government should assist the world market to know the high quality of product that we have.

I notice that in Alberta, if I am a foreigner and wish to come to find out about the quality of animals, they have a special man who, by the way, is a Saskatchewan native, who will inform you where you go for information on anything to do with horses. One man. Within the Department of Youth and Culture, if you want to know about horses, we see Mr. Mather. Very nice. But if I want many other different things, there are seven different people I can run to and I will go in circles, if I am not very patient. So maybe the Government department should tell each other what they are looking after, which areas, so that when someone comes to one area they can say, no, we don't look after that but go and see the other department.

Now, my motion concerns the quality of horses produced within this province. I don't know if any of the other gentlemen are involved in that particular line as I am but I will tell you that I am proud of what I see in this province, because the quality is good. So why don't you help us promote it for world markets, therefore, if we are selling these products around the world, we will be paying taxes which will help this province operate.

Mr. Speaker, I am hoping that as I move my motion I will get the support of all Members of this House. It is not a party motion, it is not politically oriented, it is concerned with the good people of Saskatchewan and the product which they produce, in this case the high quality horses which are part

January 16, 1976

of agriculture in my belief. Horses are bred for a purpose, now there are several different breeds and depending which purpose you wish to be involved in depends on which breed you will be interested in finding out about. If you are concerned with a good jumping horse you will look toward the hunter type, the thoroughbred, and you will look to find those organizations for information on who has quality products. If you are concerned with Cutting horses, there is the Arab horse and the quarter-horse and you will go to those organizations. But how do you find these organizations within the province? If you go to the Saskatchewan Agriculture Department, they don't have a list of who is who in these organizations and who is president. Fortunately, through Saskatchewan Federation, the Youth and Culture has a list, but that's not normally where people go. They go to Agriculture, because horses are part of the agriculture industry.

Mr. Speaker, horses are part of rural life. They give us much pleasure. They teach our youth responsibility, and make good citizens out of them because they have the responsibility, they mould men. They mould the future citizens of Saskatchewan by giving them the responsibility that that animal must and has to have their care.

Mr. Speaker, I suppose I could talk for many hours on this subject. With me I have considerable literature and could go for many hours, but somebody once told me many years ago, make your point, explain it as best you can, and see if you can get everybody else to agree with you. Well I am hoping that I can do that gentlemen.

I should like to make one other comment, if I may, which appeared in the Alberta study once again.

Did you know, that of all the professional sports in Canada, hockey, baseball and so forth, the largest spectator sport is racing. Three million to Alberta in direct taxes each year. Mr. Speaker, did you know that there is one sport that attracts more people than that? It's called the rodeo. We have a gentleman in Saskatchewan from Moose Jaw who has one of the top bucking horses in the world. World champion rodeo, we heard about it on television, but not from the Government of Saskatchewan. Quality - takes good breeding, lots of years.

You know I can't resist this, so I'll do it, and I hope that the Hon. Member for Riversdale (Mr. Romanow) won't take it too badly.

I used to teach youths how to show their horses and I used to say, 'kids, you've got a plain horse but he is a good performer, if he is a little hard to catch the judge's eye. He may have all the outstanding qualities, but you've got to get the judge's eye to look at him'. What you do, you get him to act up a little. Then you get everybody's attention and you get your point across. Well I have seen a bit of showmanship in this House since I have been here. It's usually excellent quality, as our horses in this province are.

On that note, gentlemen, I would ask your support for the Motion, moved by myself, seconded by the Member for Moosomin (Mr. Birkbeck).

Mr. L.E. Johnson (Turtleford): — Mr. Speaker, I'm not that familiar with horses. I think the last time that I attempted to harness one I got kicked, but I should like to take some time and say a few things on what has taken place. First of all I should like to read part of the Motion, because I feel that the Motion and the mover did not seem to agree on the direction that the Motion takes. The part in question would be the:

Saskatchewan horse breeders to facilitate the promotion and advertising of the high quality of Saskatchewan bred horses for the world market which and produced in Saskatchewan.

And the mover is asking that the Government assist these breeders in their attempts to market their horses over a worldwide market.

Mr. Speaker, in his comments he went into the fact that there is some racing but the reason that these horses, or some of them, are of such high quality is they have been winning in races recently. And it is, I thought, a well known fact, at least I knew about it, that there are grants to exhibitions that are being used to pay for the construction of facilities that are used for horses and that the area in Saskatchewan regarding horses that there are people and money from the Government being put into that.

I should like to say as well that during the period of restraint that a particular program may cost more money than what one would want to spend in that particular direction.

The Resolution raises some other questions that require some analysis and study in depth. First of all the individual says that he believes that all the horse breeders in the province of Saskatchewan would be agreed on a program of this nature. This would have to be determined prior to going into any extensive program of that nature. Is it possible to cover it under programs that are already available, or would there be a need for a new program? Is there a need for increased promotion and advertisement as it affects the world market? It may be that there is a need and it may be that there is not a need regarding a world market.

While the Government agrees with the principle and the objectives of assisting the Saskatchewan farmers to promote and advertise their products in a world market, this objective must be weighed against the changing role of the horse in today's society and against the priorities for assisting producers of other agricultural products to achieve the same objectives.

One would find, as I have previously indicated, that there has been some assistance given to the horse breeders in regard to racing. As well the Saskatchewan Department of Agriculture has assisted the Saskatchewan horse breeders in the past by assisting the Saskatchewan Livestock Association in financing the annual shipment of livestock which includes horses, to the Royal Agricultural Winter Fair in Toronto, and by making the services of the Animal Industry Branch of the Department of Agriculture to horse breeders available to horse breeders on the same basis that these services are provided to other livestock producers in the province.

January 16, 1976

With these reservations I feel the need for more preparation and background material and I would therefore like to move, Mr. Speaker, to adjourn the debate.

Some Hon. Members: — Hear, hear!

Debate adjourned.

RESOLUTION NO. 42 - THE POTASH PLEBISCITE COMMITTEE

Mr. D.G. Steuart (Prince Albert-Duck Lake) moved, seconded by Mr. Stodalka (Maple Creek):

That this Assembly requests the Government of Saskatchewan: — (a) to conduct a formal plebiscite of the Saskatchewan electorate, on the question of whether the province should acquire by purchase or expropriation some or all of the potash mines in the province and to spend up to one billion dollars of taxpayers money thereon; (b) that such plebiscite be conducted by an independent committee “The Potash Plebiscite Committee” to include a judge or retired judge as chairman, the Chief Electoral Officer, and one additional member of independent and high reputation such as Dr. Norman Ward of the University of Saskatchewan or Dr. E.C. Leslie; (c) that such plebiscite be conducted by mail as soon as reasonably possible; (d) that until the results of such a plebiscite are determined the Government of Saskatchewan not proceed with the acquisition of any potash mines; (e) that the commission request each of the Government and the Opposition parties to prepare a short summation of their respective arguments for and against the government proposals, in booklet form, that such booklets to be prepared at the expense of the “Potash Plebiscite Committee” and be distributed along with the ballots so that the electorate may have both sides of the argument before it in short concise written form before casting ballots; (f) that unless 51 per cent or more of those eligible to vote and who vote in such plebiscite, favour government acquisition of potash mines to the extent of a billion dollars, the government not proceed with its current plans to acquire some or all of the potash mines by purchase or expropriation but rather convene an open conference of all interested parties to devise and settle a program to provide (i) the expansion of Saskatchewan’s potash producing capacity (ii) for a fair return to the people of Saskatchewan on the production of potash by way of a properly balanced tax system.

He said: Mr. Speaker, just for a change I thought we should get the subject back to potash.

When I finish my remarks, Mr. Speaker, I shall make the Motion which will have to do with having to take a plebiscite in regard to the potash takeover. I don’t really expect the Members opposite to support this Resolution. They wouldn’t support the last resolution but I don’t know what kind of resolution could be put over from this side of the House that that group of freethinking individuals could ever support. They wouldn’t support the last resolution and I thought it was a very sound, very sensible one, and one that was very worthwhile.

However, what we are proposing in this Resolution, Mr. Speaker, is that a plebiscite be taken on the question of the Government of Saskatchewan entering into the potash industry.

Now I said when I rose that I was going to talk about potash again. And we have talked about potash this morning, we are talking about it now, we talked about it yesterday, and we have talked about it now on every opportunity for almost the last three months. Strange, we are the only ones talking about potash. The Government is not answering. The Government is not involved. The Government refuses to talk about it. The front benches have refused to become involved in this. In fact they have had some of the backbenchers get up, because they are even embarrassed by their lack of participation in this serious and important debate. It's pretty easy, Mr. Speaker, after time drags on to fall into the trap that this is not an important debate. It is pretty easy after long hours that the Government has forced us to sit, morning, afternoon and at night, and this in itself is an extraordinary situation. It is very rarely that the House sits morning, noon and night except towards the end of a normal session when we are trying to clean up the business of the Legislative Assembly in time to let those Members engaged in agriculture get out on the land, because we recognize, we always have recognized, that farming is still the backbone, the basis, of our industry, and so when May comes along and the time for seeding comes this House adjourns, or at least it always has. But that's usually the only time, unless by mutual consent, that this Government, or this Legislative Assembly goes into morning, afternoon and evening sittings. Except on this occasion, and the Government forced this on the Members of the Legislative Assembly in an effort to grind the Opposition down and force through Bill 1 and Bill 2. As part of their strategy they have refused up until the last day or two to even enter into the debate. And again, I am going to say this and I'm going to continue saying it, the disgraceful situation we find in this Legislative Assembly, where the Premier of the province not only refuses to enter this debate, but refuses even to attend the House about 90 per cent of the time.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Well anyway, Mr. Speaker, why a plebiscite? Well, again I reiterate that this is the greatest single issue that's ever confronted this Legislative Assembly in the history of the province of Saskatchewan. There has been no government in the history of our province that has ever brought before this Legislative Assembly a proposal that even comes close to matching in size and magnitude the proposal, the size of the proposal that we are considering in Bill 1 and Bill 2 in the potash takeover. We are, as I said, not talking about \$500 million, we are not talking about \$1 billion, we are talking about well in excess of a billion dollars, and everything else that has ever been tackled or attempted or considered by this Legislative Assembly or by any government in the history of this province pales by comparison to the proposed potash takeover, the threatened potash takeover. So this is why we come back to it. We have tried in every way that we can think of to get the Government to put the facts before the people and to consult the people on this issue. And let me again say, what they are doing, whether they will admit it or not, when they borrow this huge sum of money, they haven't got enough money in the Energy Fund,

they can raid the Energy Fund, they can empty all the trust funds that have been built up by the people of this province in the clear understanding that they'll be used for energy or for some other purpose, they can wipe out all those funds and gamble them on this toss of the dice that they have embarked on, the potash gamble, the potash risk, and they still will be far short, far short of the necessary amount of money that they need to take on even one potash mine, never mind the two or three that we suspect they are talking about. So when they borrow the money (and they will have to borrow it) and they will get it because they will mortgage the future of the province of Saskatchewan, the people of the province of Saskatchewan, when they borrow the money they are into figures of \$500 million or \$600 million even if they wipe out the Energy Fund of \$200 million or \$300 million and then when they make expansion they are back up again having committed the people to over \$1 billion, the interest payments on which for one year alone will exceed \$100 million, will exceed 10 per cent of the present inflated budget, the budget that they are now working on in the year 1975-76.

So we say, take a plebiscite. But before you take a plebiscite we are asking the Government to give the people the facts. If you read this Resolution urging the Government to set up the plebiscite, it asks that first a booklet be put out stating very clearly and as simply as possible, this very complex deal the Government is going to involve us in, setting out the attitude of the Government, the reasons of the Government, backing those reasons up with facts which they haven't given to us or the people yet and allowing the Opposition to the potash takeover to be heard in that booklet. From the Opposition in the Legislative Assembly, from the opposition in the private sector, from people like the Chamber of Commerce, the Boards of Trade. Let all sides be heard, and then send that booklet out, or that pamphlet or series of pamphlets to people and then take a vote. And they need to know where you are going to get the money, whom you are going to borrow it from, how much you think you will have to pay. They need to know far more than they know now about whether you can in fact gather in this province the technical and professional skills necessary to successfully operate this very complex, worldwide industry. They need to know by all means, as we need to know, what you know about the future markets. Not just some statement that the Attorney General glibly refers to that the private sector and the potash industry, the potash industry itself, has predicted long range. There will be a terrible demand for potash down the road. We all know that. We know that in global terms taken over a 10 or 20 year period that the demand for fertilizer and thus the demand for potash will grow, probably, in real terms anywhere from three to six per cent in the long range, a year.

It doesn't mean that it will grow every year by that much. The history of the fertilizer industry and the history of the potash industry indicates very clearly that it has a roller coaster effect, it goes up and down and has very violent swings of high demand and low demand. It has that because it is based on agriculture and agriculture itself suffers swings and ebbs and flows in the demand for agricultural products and the price for agricultural products, and that demand and that price has a direct bearing on whether, indeed, the farmers want to buy fertilizer or are in a position to buy fertilizer. And what is true of farmers in Saskatchewan is true of farmers all over the world.

I raised the question today of possible action by the United States government against the possible export of potash, Saskatchewan potash, into the American market, because of the seizure of potash mines that now belong to American interests. And this is a very real fear. As a matter of fact it is not just the fact that there is on the law books of the Federal Government of the United States of America, a law not just giving them the power but, in fact, instructing the Government to place an embargo against the importation of goods, products in mills, mines or factories, that have been at one time owned by American interests and seized in an unfair manner by foreign governments. That is not the only one, that itself is a very serious factor and a very real possibility, but it is not the only factor, it is not the only bit of proof that is available to the Government of Saskatchewan today.

We know that the State Department in Washington has written a note to the Department of External Affairs in Ottawa, protesting and stating their clear concern about what the Government of Saskatchewan is doing in regard to the potash industry. If that isn't proof enough of concern that is felt in the United States about this move of the Government of Saskatchewan, we know that five or six years ago the same American Government moved to put an embargo on potash being exported from Saskatchewan into the United States, using another law they have on the books, the anti-dumping regulations laws. Very simply stated whenever an industry in the United States feels that they are threatened by the importing or the exporting on behalf of another country of goods at distressed prices or low prices, they may appeal to the Federal Government to place an embargo against the importation of that particular product, and this happened in the case of Saskatchewan potash and Members opposite, who were in the Opposition at that time, know that it happened and it was a real concern. As a matter of fact there was a move made in the Congress of the United States, to place a partial embargo against Saskatchewan potash five or six years ago. Now we avoided that, we avoided that by very extraordinary action taken by the government of the day at that time, the Thatcher administration, by introducing rationing, but most important by introducing a floor price to prove to the potash producers of New Mexico that the producers of potash in Saskatchewan were not attempting to dump our potash into their market at distressed prices and undercut them. That was the only thing that saved us from having an embargo put against our potash at that time. The point that I want to make here is how much more proof does the Government opposite need to indicate, very clearly, the dangers of this happening, of this kind of action happening, being taken by the Government of the United States of America.

I don't have to explain to Members on either side of the House how serious an action like that would be for working people in this province and for the Government of this province. It would be serious at any time. We have at least 12,000 working men and women who depend on the potash industry for their daily bread, at least that many.

The Government of Saskatchewan depends for something like 13 per cent of their revenue on the same potash industry. And so every man, woman and child in this province has a tremendous stake in the health of the potash industry. We know that the health of the potash industry depends, in a major way, on the American market. That is where we sell 70 per cent of our

January 16, 1976

potash, 70 per cent of the jobs, 70 per cent of those 12,000 jobs that Saskatchewan men and women in other words, over 8,000 jobs are dependent on the good will of the Americans to continue to buy our potash and to continue to pay us a reasonable price. Seventy per cent of the \$130 million that this Government depends on to pay for part of the drug plan, part of the highway system, part of the health costs, part of the education costs. In other words, again, better than \$90 million of the revenue, almost 10 per cent of revenue this Government takes in every year, depends on the Americans buying our potash at the same rate they bought in the past.

So if that Government opposite, or those front benches are not concerned about the American market, then they are exhibiting an almost total irresponsibility about the future and the wellbeing of Saskatchewan people and the Saskatchewan Government.

Our people need to know, and we need to know, and it is imperative and the time is late, we should have known long ago, what steps the Government has taken to assure those markets; what studies they have done; what assurance they have been given that if they proceed with this takeover, with this confiscation, with this nationalization of all or part of the potash industry, that in fact this huge market will not be closed to us. These are some of the facts that need to be given to the people.

The Premier mentioned in a question that I asked him, today, about the law that is on the books of the Government of the United States of America that would allow them, in fact, not only allow them but I think demand of the Government that they take some action against potash coming in from Saskatchewan, if in fact, the Government of Saskatchewan seizes American owned mines and pays them an unfair price. He said he would take the same action - he said it sarcastically, that they took against the Arabs in regard to the oil for other countries in regard to the bomb site. Nations that have moved in and nationalized the oil or the bomb site industry, part of which, at one time belonged to American interests.

Well, we have two very separate situations for a variety of reasons. To begin with, the Americans couldn't cut the Arabs off of oil if they wanted to, not maintain their industry and not maintain their lifestyle because they depend almost completely on the importation of Arab oil for a great percentage of their oil needs.

On top of that there has never been any suggestion that when the Arab nations moved in and took back some of the oil industry of the Americans - they didn't take it all - that they gave them anything but a fair price. The same with Venezuela, there has been no question, study the situation and it is very clear that the American interests were paid a fair, reasonable market price for their oil industry when they decided to nationalize them.

So you have a totally different situation. You have a product that they can't live without and they can't get in any quantity from anyone else. You have a situation where the Government moved in and nationalized the oil industry and paid a fair price. How does that compare with what the Government of Saskatchewan is doing?

To begin with they don't depend on our potash. Sure they

want our potash and we have the best potash, we have the largest known deposit in the western world and they are dealing with themselves in effect. A great many of the people in the potash industry who come up here from the United States have a captive market, but they don't need it as they can divert most or all of their potash needs, especially now, when the demand is down to New Mexico and to Russia, and this is a serious question mark right now. We know, and the Government opposite knows, if they have made any studies at all, and I know they have, that the only other super large deposit of potash exists in the USSR and we also know that for some reason the USSR have not been as aggressive as Saskatchewan has, or Germany has, or as other producers of potash have. They haven't been as aggressive in attempting to market Russian potash in the western world. But that has changed and it will continue to change. The increasing demand by Russia, the increasing need by Russia for western wheat, alone, has changed all that. The Russians have launched a very vigorous and a very aggressive international sales policy in regard to a host and a variety of products among which is potash. We are aware and the Government is aware, I am sure, that they have already signed a contract with one company alone for something like one million tons.

So a million tons of potash in one deal is a great deal of potash. It is 10 per cent of the potash produced in one year in Saskatchewan and they have only begun. So if the Government opposite is deluding themselves that they have a captive market in the United States or in the Orient, then I say they are not facing the responsibility as a government; they are playing fast and loose with the future of this province, with the future of thousands of jobs and millions of dollars of government revenue.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — So, Mr. Speaker, to compare potash and what is happening in Saskatchewan, to oil and what is happening in other countries, doesn't make any sense and is not valid. I urge the Government, I plead with the Government, if they have any facts to lay to rest the legitimate fears that are growing in the province of Saskatchewan about the future markets of our second most important product, then I say, tell the people, tell us, but more important tell the people, lay the facts on the table. In no way can assuring the people of Saskatchewan that you have done studies and you have taken action and you have made moves to guarantee a sound and long, medium, short and long-term markets for Saskatchewan potash. In no way will that weaken your hand in negotiations with the potash companies that you are now trying to buy nor will it place the Government in an embarrassing position for future trade of potash. On the contrary, I say it will strengthen your hand if you have done sound studies and you have valid proof that you have looked after this very, very vital concern. It will strengthen your hand both in negotiations and it will strengthen your hand with the people of the province of Saskatchewan in looking to your leadership, leadership now that you are not giving them.

There is no question that if this deal fails, if you are wrong, that people engaged in the business, people who spoke, for example, for the Board of Trade are right and that you are engaged in a very risky venture and it just may well be that their motive are not political, it may just well be that their motives are of a higher nature and a higher order than the Attorney

January 16, 1976

General is prepared to give them credit for. It may well be that members of the Board of Trade of Saskatoon who have their investment in Saskatoon, who have their future tied up in the province of Saskatchewan, have just as great a concern for the future of their province as the Premier of the province and the Attorney General. I guarantee you, Mr. Speaker, that the average member of the Board of Trade in Saskatoon has a great deal more financial interest in the province of Saskatchewan than either of those two gentlemen, who are so gaily taking us down the garden path in regard to the potash investment.

I think that it is extremely high-handed that the Members opposite with, I would say, very little stake in this province, are refusing to listen to people who have put their money where their mouth is and invested in businesses large and small, and are anchored, their future is anchored in this province. And when they ask legitimate questions about a billion dollars, a billion dollar industry you are embarking them on - and they are embarking on it whether they like it or not, they are being dragged down this road by you people, surely they have a right for a better performance from these men who walk out now who don't even have the courtesy to sit in and take part in this debate. Haven't got the courage or the guts to take part in this debate, leaving it all to the Attorney General. And he smears anybody, Boards of Trade, politicians, Members on this side of the House, anyone who dares to question him, to say, are you on the right track, where are your facts, we think it is a bad deal. He smears them and threatens them and the Premier ignores them.

This is the most disgusting performance that has ever been put up by a government that sat on the Treasury Benches in the province of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — What about the evidence, the concern about the people of this province about this gigantic gamble, this great risk? Well, there is mounting evidence of the concern . . . I don't know which one of those thoughtful backbenchers interjected, the thoughtful concern and the mounting evidence, but let me elucidate for him some of the mounting evidence.

There was a survey taken and it was brought into the House by the Members to my left about two months ago, the survey taken that showed that something like 60 per cent of the people surveyed were against the potash takeover. This was pooh-poohed by the Government and the Members opposite, the few who have spoken on this Bill and said it amounted to nothing and said they weren't impressed.

Then there is the survey commissioned by the Board of Trade to a company which does this sort of thing and if the Members opposite would be objective enough and fair enough to just read this and take off their biased glasses and read it in an objective way, I am sure they would come to the conclusion that there might just possibly be something to it. It is certainly conceivable that 50 or 60 per cent of the people in this province are against this and that another 20 or 30 per cent, though they have no thought out opinion one way or the other, are very concerned. I have never heard of an issue that this quickly has been brought to the attention of over 70 per cent of the people. Usually it has to be something like Medicare,

that affects every man, woman and child immediately, and, of course, it doesn't take very long for that to become an issue and for it to be known by 80 or 90 or 100 per cent of the people.

But an issue like this that doesn't affect people's everyday lives, that has effect five, ten or 12 years down the road usually even after three or four years, if it is known by 50 per cent of the people, it is rather amazing. This to me is a clear indication that there is a growing concern among the people of the province of Saskatchewan about the road the Government opposite is taking us down in regard to development of first potash, then clearly uranium, and then every other resources in the province of Saskatchewan.

Mr. Speaker, I can tell the Members opposite and they can sneer at it if they want that I have had a number of letters from schools asking for pros and cons. This is rather amazing, very interesting, asking for both sides of the issue. I have sent them material from our side and I have sent them some material from the Government side. I am sure if I have had these kinds of letters the Government has had these kinds of letters too.

The reason the people are doing this is that they are debating this. I would say that I have had eight or nine inquiries. I have had two by phone and I think six or seven by mail, inquiring, asking for information about the potash industry because they were either doing an essay or having a debate.

Now again, if I am getting that kind of response, I am sure the Government is. Even if they are only debating this in a dozen schools in the province, that to me is indicative. I am not aware - and I have been here a long time - that very many other issues that have happened in the Legislative Assembly or in this province where this quickly, schools at the elementary level and the high school level are taking it upon themselves to debate the issue and become informed and to talk about it. It was a major issue in the Youth Parliament that took place just a few weeks ago.

Mr. Speaker, there is no question in my mind that there is mounting evidence and there is plenty of evidence of concern of a large group of people in this province. We can argue all day whether it is 50 per cent or 40 per cent against, or 20 per cent or 30 per cent in favour. I don't think the final figures are that important. I think what is important is that a substantial body of people in this province are concerned and ready to express an opinion. I am just as concerned about the 30 per cent who say they knew about the potash industry, the potash industry takeover as proposed by the NDP, but didn't know enough about it to have an opinion. I am just as concerned about the 20 per cent who said yes, they favoured it as I am about the 50 per cent of the people who responded. This to me calls out clearly for more action than the Government has taken so far.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — What is the responsibility of a Government between elections? Our Government is elected in our parliamentary system, they are elected to govern. And we have not in this province or in Canada used the referendum or the plebiscite to

January 16, 1976

any great extent. In some states of the USA, the nation to the south of us, it is a requirement. So-called proposals are put on the ballot for state and federal elections on a regular basis. In fact, there are many projects that governments down there cannot proceed with unless they refer them to the electorate and get a favourable response before they can proceed with them.

The idea of a referendum or plebiscite has been used to a far greater extent by local government than it has been in either provincial or federal governments. But it is an instrument that has been used by every government without exception that has held responsibility in the province of Saskatchewan. It has been used to decide questions with regard to the consumption of liquor. It has been used to decide questions of time zones, this province being one of the province that is split by the time zones. It has been used locally and provincially to settle, sometimes not to settle questions of exact time that we would use in the province of Saskatchewan. It has been used, not often enough in my opinion by the Members opposite but it has been used to settle the question of marketing natural products. In fact, we have on the law books of the province of Saskatchewan legislation that calls for a plebiscite being taken or a referendum being taken under certain conditions in regards to the marketing of natural products.

The people of this province are not strangers, either municipally or provincially or from time to time federally to the idea of a plebiscite or a referendum. I fully agree the government has no legal responsibility to call a plebiscite. I can almost hear the speeches of some Members opposite saying, this is, as the Attorney General is fond of saying, this is a gimmick of the Opposition. Whenever they are in a corner they say take a plebiscite. Now they can come back and I am sure they will because you can hardly debate any issue in this Legislative Assembly without the Members opposite returning to Medicare, the earth mother of the NDP. They return to Medicare.

An Hon. Member: — Hear, hear!

Mr. Steuart: — If you want to interject and me to understand, say it in English and say it slower.

Mr. Mostoway: — In three and one-half years . . .

Mr. Steuart: — There is no question in three and one-half years you will have a plebiscite and if you don't listen to us and I hope in some ways you don't, unfortunately that plebiscite will be final and decisive as far as you are concerned and you will be out of power.

Mr. Mostoway: — Like on the . . .

Mr. Steuart: — Well that will be refreshing and encouraging to people like myself who don't believe in socialism. Unfortunately, the damage you will have done by that time to the economy and the future of the province of Saskatchewan will be decisive and will almost be irreparable.

I know you can come back and say to us, you didn't take a plebiscite when you put in utilization and deterrent fees. And we didn't. I am going to tell you something. We would have been a damn sight smarter if we had. Because we would have been told in no uncertain terms that the people didn't like them. We may have avoided that mistake. It was a mistake. In a democracy when you do something that the people don't like, that is a mistake. Surely that is the basis of democratic government.

An Hon. Member: — . . . Bill 2.

Mr. Steuart: — Bill 2, no we didn't take a plebiscite. I agree we didn't take a plebiscite. I am telling you that Bill 2 or deterrent fees are not - and maybe we should have taken a plebiscite and it is very interesting that you people asked for a plebiscite under Bill 2 - you didn't get it. However, again, you can compare anything that has been done by other administration in the history of the province and it doesn't stack up to the importance and the magnitude of this project that you are embarking on in the potash takeover.

I say if you did take a plebiscite, it would be wise from several points of view. To begin with, you have nothing to lose and everything to gain. All you have got to lose is some money, not a great deal of money relative to the proposition you are talking about. It will take you some time but not that much. You will as a result be forced to re-examine yourselves what you have done before you go any further. And if you still think you are right, it won't have cost you anything or done you any harm. You will just be more determined, more sure in your belief that what course you are taking is right. But there is a good chance that you are maybe wrong. And that is the process of examining this situation and putting it before the people and the playback, the dialogue that results from a plebiscite and giving the people the information, it may well be that you would have second and more sensible thoughts.

Mr. Speaker, I say sincerely that if this happened not only would you serve the best interests of the people of the province but very significantly you would serve your own best interests.

Mr. Speaker, we hear ad nauseam that the NDP believe that the resources belong to the people of Saskatchewan. I have never heard anyone in my life, certainly I have never heard anyone on any side of this Chamber at any time say anything different. A fact of life.

Mr. Romanow: — Actions speak louder than words.

Mr. Steuart: — They sure do. I will get to that in a minute about the actions.

The resources of the province belong to the people of the nation. The questions isn't whom they belong to, the question is how we develop them.

The greatest single resource we have got in this province is the land. The land belongs to the people. But we have decided up to this point in time that the best way to utilize that resource is to give free farmers as much freedom as possible to farm that land on our behalf. Now, I say up to this point in

January 16, 1976

time because I say it is changing. I say it is changing under your administration. And when you say the resources belong to the people, I think the people should be aware of what you really mean. You don't really believe, the resources belong to the people, we all believe that, that is a truism. The debate surely is on how best to develop those resources in the best interests of the people.

In the case of farming we say and we fight - that is why we fought the Land Bank.

Mr. Mostoway: — And Medicare.

Mr. Steuart: — Medicare, my God! If someday you fellows fall down on your little pointed heads and they break open out will come Medicare, Medicare, Medicare, Medicare . . .

Some Hon. Members: — Hear, hear!

Mr. Steuart: — The tragedy of Medicare is you are making such a lousy job of it, you are charging the people for Medicare and they can't get in the doctors' office or hospitals any more.

I want the people of this province to know when you say that the resources belong to the people, you don't only mean they belong to the people but that the people through the government should have the total control over the development of those resources. That is the debate we are engaged in now. This is the debate we engaged in in the Land Bank. But if you mean the resources belong to the people, then why are you so frightened to give the people a vote on how they want those resources developed. Why are you so frightened even to hold hearings and let groups of people be heard for a week or ten days about how those resources should be developed? If you really believe that then I say again, show the courage of your convictions by (a) holding a plebiscite and giving the people all the facts (b) if you won't do that at least hold some hearings. At least slow down for ten days or two weeks, and give the people a change to be heard. Anybody who said so, so far is treated to the sarcastic remarks of the Attorney General or Ministers opposite, play them down. Surely you don't take the attitude that what you are doing can't be questioned, that you come up and say that is the course of action. What you say in fact is, here is our course of action and anyone who dares question it, we will threaten them, we will ridicule them, and we will paint them into a corner and we will take every action we can to destroy their credibility and to destroy their good name, to destroy in fact, the Opposition. That is exactly what you do.

Present some facts about your arguments, that is all we are asking. Don't stand up and say we are going to seize an industry. We may spend \$500 million to \$10 billion and we know it is a good deal. Ask your Premier to come out from behind his desk in that office and appear in this Legislative Assembly and take part in this debate. When we challenged him to debate publicly, I got his letter and it said, the place for debate is in the Legislative Assembly. Okay, let him debate, let him stand up and debate. He is the leader of the government. Somebody said that Premier Blakeney is harder to see than the Pope. I said, which Pope? And they said the one that is dead.

That is a fact. It is impossible. It used to be possible to see him in this Legislative Assembly but outside of that unless they caught him in the corridor rushing back to hide in his office, now it is possible to see him 10 per cent of the time in this Legislative Assembly.

Mr. Rolfes: — I should would like to . . .

Mr. Steuart: — You just be careful, Herman, if he ever finds out your record as a Bingo player, you are out, I can tell you that.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — You don't even know what comes under the B.

Mr. Mostoway: — . . . won the contest.

Mr. Steuart: — Where? The Vatican. It was the Lutherans that invented it and we stole it from them and that is why they have been mad at us ever since.

Mr. Speaker, there is no question that these people opposite are going to vote this Resolution down. But I want to say this. That this Resolution and all the other amendments and resolutions are one package. They are a serious attempt on the part of the Opposition in this Legislative Assembly to get the Government opposite to recognize their responsibility in a project or proposition of undertaking that will affect the lives - and they have never denied this and they can't deny it - of everyone in Saskatchewan for decades to come. Mortgage their future, involvement of hundreds of millions of dollars, will affect without question future investment policies of people for the next 10 to 20 years. Will affect the jobs, the level of salaries, the numbers of people we have. Whether in fact, we are a have or a have-not province for generations to come. Will affect whether we have to continue to live off the back of the farmers as we have had to for the first 50 or 60 years of our history in this province. There isn't a facet of life in this province that will not be affected by what you people are doing. You should be humble, you should stand up and give pause for thought of what you are doing. You are tossing yourselves in a way that indicates to any thoughtful observer that you haven't got the slightest sense of the enormity of what you are undertaking and what you are doing.

So, Mr. Speaker, I move and I hope it will receive support of free thinking, independent Members, concerned Saskatchewan citizens, who sit in this House as MLAs regardless of their political stripe. I so move, seconded by Mr. Stodalka, Resolution 42.

Mr. E.L. Tchorzewski (Minister of Education): — Mr. Speaker, I should like to say a few words on this Resolution and some of the remarks that the Leader of the Opposition just made in speaking prior to moving the Resolution.

First of all, Mr. Speaker, let me refer to some of the comments of the Member for Prince Albert-Duck Lake (Mr. Steuart)

with regard to the Premier. Let me tell you, Mr. Speaker, that I'm not very often disappointed in this House, because I have gotten to know and understand the functions of this institution and to know and understand the psychological makeup and the attitudes of people who sit in here and the kinds of pressures that come on them and the kinds of dedication that they have on all sides of the House and in all political parties. When I hear the Leader of the Opposition get up in this House and at a point where he gets excited for some reason because somebody made a comment that he obviously did not appreciate or maybe that hit a very sensitive string somewhere to go off into a tirade about the unavailability of the Premier of Saskatchewan, then I have to question whether the judgements which I have made have really been the right judgements.

Let me tell you, Mr. Speaker, that I don't think that any where in Canada there is a Premier who dedicates more time and makes himself more available to not only the questioning in this House but to the people of Saskatchewan as the Premier, Allan Blakeney has done in the last four and a half years.

Some Hon. Members: — Hear, hear!

Mr. Tchorzewski: — Every one of those Members including the Leader of the Opposition know that and it is more than clear that the kind of comments which he has been making here today, underline the insincerity, the clear and complete insincerity that is motivating this particular Resolution.

Some Hon. Members: — Hear, hear!

Mr. Tchorzewski: — Mr. Speaker, it is absolutely clear that because he runs out of arguments and because in fact he begins with no arguments that he has to bring in that kind of topic which is so incorrect.

Mr. Speaker, the Member of the Opposition wept about the grinding of the Opposition during this debate and I found that almost laughable because the Opposition knows and he knows that the length of this Legislature is determined by them. If they have something to say and if they have an argument to make other than the reading out of books, then they have had time to say it and can have the time to say it. That's why this Session has gone to the 23rd of December and recessed for a period of time during the Christmas holidays when all of us went to our constituencies, I hope all of us went to our constituencies and heard from the people in the constituencies on this issue as well as other issues that are before them and of concern to them. That we came back on the 5th of January to discuss this Resolution and Bill 1 and Bill 2 and yesterday finished with the Committee consideration of the Rent Control Bill. So there has been time to make all those points and I'm glad that there has been that time. Because when there is a need for it or someone in this House, be it the Opposition or the Government who feels that there is need for that time it ought to be provided as it has.

Now the Leader of the Opposition was concerned about the motives of the Government in the venture of making sure that the control and the benefits of the potash industry go to the people of this province. Well, let me make it very clear, Mr. Speaker, that the motive of this Government in this move is

to assure that the best interests of the people of Saskatchewan are served and that is the underlying motive. Because it is the responsibility of any government to consider the needs of all the people, not only a select few whoever they may be, not only a select few people who may be involved in the largest corporations that they obviously are trying to protect and defend, but the interests of all the people. That is why our motive is to make sure that the people of Saskatchewan get the best possible benefit from their potash industry and their potash resources.

Now the Leader of the Opposition spoke about something that everybody talks about, the resources belonging to the people, the Liberals do, the Conservative Party does and so does the New Democratic Party. I heard someone on this side of the House say that actions speak louder than words. Surely, it is evident from actions by that government prior to 1971 in such industries as the forest industry, indicates that actions speak louder than words. Because although the Liberal Party speaks of the resources belonging to the people, I have yet to see any concrete evidence of them assuring that in fact that happens.

Mr. Speaker, in the arguments presented by the Leader of the Opposition for Resolution No. 42, he talked about the borrowing of the sums of money that would be needed to purchase potash mines. He spoke of it as a gamble. Well I don't consider it so much as a gamble, Mr. Speaker, because I consider it as being a way of assuring the future of Saskatchewan people. Even the Canadian Mining Association has indicated, in spite of what the Leader of the Opposition says, that the demand for potash in the world in the years to come is increasing and will continue to increase and the market will grow. Because that market is growing surely it is important for the industry in this province to do what is required in order to be able to get into that market, not hold back on expansion as has been happening, but to expand the industry as it has been required to expand, in order that those markets can be met.

The Leader of the Opposition talked about, and I will use his figure, I wouldn't want to be incorrect, but he indicated and I underline that it is his figure, that the Government of Saskatchewan depends on 13 per cent, or gets 13 per cent of its revenue from the potash industry. Well if that is the case, if he is correct on that, surely we have a responsibility as responsibly elected people to make sure that that revenue stays with the people of Saskatchewan. Surely when the industry in Saskatchewan as the potash industry is doing is trying everything within its power and taking every step that it can possibly think of taking in preventing that revenue from going to the people of Saskatchewan, that the Government of this province ought to be doing the kind of things that have to be done to make sure that that revenue stays with the people of Saskatchewan, so that it can benefit them.

Some Hon. Members: — Hear, hear!

Mr. Tchorzewski: — Now the interesting thing that I was a little concerned about and I hesitate to get into this particular area because you brought it in. I think it was an interesting point and since you laid the groundwork I'll build a house on top of it. He brought in the question of what I consider to be international relations, which I think, of course, is better dealt with at the

national level of government, but he seemed to be alluding to this House that because there is a danger in his view, that some other countries of the world, and he used the example of the United States, may think that what is happening in Canada or what is happening in Saskatchewan is not exactly the right thing to be happening, but because they think that we ought not to do it. I ask the Leader of the Opposition, that surely he does not suggest that the affairs of this country or the affairs of this province and the governing of this province ought to be dictated to by somebody else in some other country, be it United States or anywhere else.

Mr. Steuart: — Sure don't.

Mr. Tchorzewski: — Well, that's what you indicated in what you were saying. The Leader of the Opposition told the history of the development of the prorationing system. I'm not going to go into that because I'm sure every Member of this House has heard it before and knows clearly what it's about. He indicated how the prorationing system was developed in order to help the potash industry. We have indicated that after 1971 the prorationing system was continued because the potash industry asked that it be continued. But why is it then that after that happened even at the request and co-operation with the industry that the industry decided after the last provincial election to go to court to fight in the courts the prorationing program? Why, if they really had the interests of the people of this province in mind?

What I'm saying, Mr. Speaker, is that just because someone some where says that you ought not do something is not necessarily a reason why any government of Canada or any government of Saskatchewan does not have a responsibility to do the things that it knows is best for its people.

Mr. Speaker, this motion asks for a plebiscite. That's rather interesting because now we have seen once again the similarity of both the Conservative and the Liberal Parties. We see it on a lot of issues and we see it on this one because they have both now asked for a plebiscite.

Now I suppose if any other Member of the House, particularly the newer Members of the House had asked for a plebiscite or moved this resolution, it would have different kinds of connotations, but it seems to me to hear the Leader of the Opposition talk about a plebiscite and a free vote of people, a free democratic vote of people to determine something is a little short on credibility. I shall say no more on that.

Mr. Speaker, there has been a long debate on this matter and a lot of points have been made. Some of them have been made here today. Let me say as I say when I began that I worry about the real motive of the Liberal Party when they move this kind of resolution, because in the development of the democratic parliamentary system I think we all understand, we ought to all understand how our system works. We all know that in our system people, political parties go to the electorate during an election campaign and that during that election campaign an election program is presented and different parties use different ways. Some parties tend to spend more time through the television medium, our party tends to spend more time talking to the people on their doorsteps and asking the people what they think.

So in the last election campaign as in the 1971 election campaign the program of this Government and the program of the New Democratic party was presented to the people and we are now in the process of implementing that program because that vote or that plebiscite that the Member talks about has been taken. The people I think, have spoken fairly clearly.

So for the Member opposite now to ask for a plebiscite, Mr. Speaker, I think as I have said, leaves one to have to question what his motives are and I don't think the motives are necessarily the sort of the democratic principles of hearing the people so much as they are to gain some political points.

I suppose that's fair. That's one of the ways in which the Opposition, any opposition can make some of its points, but because it is a tool or a mechanism that an Opposition has, does not necessarily mean that I have to agree with it.

So, Mr. Speaker, in closing I just want to say that I cannot agree with the Member for Prince Albert-Duck Lake with this Resolution and I will be voting against it.

Some Hon. Members: — Hear, hear!

Mr. W.H. Stodalka (Maple Creek): — Mr. Speaker, at various times during the course of this debate we've been accused of using repetition. I would suggest that during the course of the last few moments that we certainly also had repetition. The Minister of Education (Mr. Tchorzewski) revealed very little that was new to us. He resorted to arguments that the potash companies refused to expand and that the province must have more revenue and a consistent source of revenue from the potash companies and they were not getting it. He was also very touchy at the beginning of his remarks particularly when he was defending the Premier's absence from this Chamber. I cannot understand why he was so touchy. I think that the thing that disturbs him is the truth.

One of the things that really has amazed me in the course of this debate is the strategy of the person who is determining the Governments speakers in the debate. I've been wondering about the strategy. Why the strategy where there seems to be a deliberate decision not to have the Premier participate, the Minister of the Potash Corporation not to participate, and the Minister of Finance? It seems that there definitely must be some inner plan. A plan many of us have wondered about for many weeks as to why that approach was adopted by the Government.

Now, Mr. Speaker, the motion introduced by Mr. Steuart suggests that the people should be able to express their opinions on this potash issue through the form of a plebiscite. The Government claims that they have a mandate which entitles them to take over part or all of the potash industry. We in the Opposition claim that you do not and we have suggested numerous methods by which public involvement could be attained. We've suggested a public commission, we've suggested the various debates, we are now suggesting a plebiscite, but of course all of these different suggestions have fallen on deaf ears.

Now, Mr. Speaker, during the morning and afternoon of yesterday, I had the occasion to visit Moose Jaw with the Member for Qu'Appelle just as the Member for Wilkie and the Member for

Indian Head, Mr. MacDonald had the occasion to be in Prince Albert and Mr. Wiebe and his partner Evelyn Edwards had occasion to be in Weyburn. Today Mr. Malone is in North Battleford, Mr. Penner and Mr. Cameron are in Yorkton. We have circulated all parts of Saskatchewan, talking to people. When we compared notes on coming back, I am more convinced than ever that the public wants to become involved. The people are upset and they are disturbed. They want to know where the Government is going.

Mr. Speaker, I had occasion to ride the bus back and forth from Regina on weekends and on other times when I must return home. Last weekend, I had the occasion to be sitting on the bus and hear a potash discussion between two people on the bus. The one fellow was from the province of Ontario and the man was from the constituency represented by the Member for Quill Lakes. After listening to the discussion for some time, I asked him if I might become involved and ask him a question or two. He was a very knowledgeable supporter of the New Democratic party. He indicated that he lived in the constituency represented by the Minister of Municipal Affairs before redistribution. His Member of Parliament was Les Benjamin. He now lived in the constituency represented by the Member for Quill Lakes and had supported him in the last provincial election. After the course of the conversation I asked him a very simple little question: — what do you think of this proposed takeover? His answer was very simple, the Government should keep their cotton picking fingers out of the potash industry.

Some Hon. Members: — Hear, hear!

Mr. Stodalka: — Mr. Speaker, as a candidate for election last June 11th I made it a point to read the election material that was prepared by not only our party, but by the Conservative Party and the New Democratic Party. In reading the material of the Conservatives, I was amused at their proposed repeal of the five per cent sales tax. I envisaged them talking to the Premier of British Columbia, and the Premier of the province of Ontario, who have sales taxes, they with their cup in hand. The have-not province, approaching two provinces who have sales taxes indicating that Saskatchewan needs a handout from the federal treasury, and yet they had abolished their own provincial sales tax. It didn't quite make sense.

Mr. Speaker, I also read the New Democratic literature as well. I was taken by surprise last night when the Minister of Health (Mr. Robbins) referred to a section of the NDP platform in which he indicated that the Party's intentions were outlined relevant to potash. He indicated the Government through its election platform had told the people of Saskatchewan of its impending plans to purchase or to expropriate some or all of those potash mines. Last night he read a section of that platform, with the intention of scrutinizing it rather carefully. My reason for doing this, Mr. Speaker, was because I had read that same program during the election period, and somehow I had not received that same interpretation.

Mr. Speaker, I am going to read that statement to the Assembly again. It is my contention that if the Government had intended to purchase or expropriate the potash mines, and knew of its intentions to do so when that policy was written, then there was a deliberate attempt made by the NDP to deceive the people of Saskatchewan. Mr. Speaker, that statement says, and

I will read it in its entirety:

To 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.

Now let's analyze that, the first phrase, "To speed up direct government participation." I recognize that this means greater government involvement in the potash industry. It is in the second part, "... in exploration for development of potash." To read it all, "To speed up direct government participation in exploration for and development of potash." Now what does the word exploration mean, what does the word development mean? Certainly to me neither one leaves the connotation that this means expansion of existing mines or the takeover of existing mines. To me it indicates that you were going out to find a bed of potash and develop it, like your idea for Brendenbury. You were going to start your own mine. I can't see how you can read an interpretation into that statement which you claim was an indication to the public of Saskatchewan that you were going to expropriate or purchase mines.

The last statement, "... to achieve a greater measure of public ownership of these resources and industries," I would accept. No doubt this is the Government's position they would like to own more and more and more of the resources of this province.

Mr. Speaker, the aforementioned policy statement, the Hon. Members claims told the people of this province that the Government intended to purchase or expropriate some or all of the potash mines. Mr. Speaker, how anyone can possibly attach such an interpretation to that statement is beyond my imagination or comprehension. If that statement was supposed to tell the people of Saskatchewan of the proposed takeover, the message certainly did not reach the public. From what the Hon. Member said, it must be assumed that the Government went into the election with the full intention to take over the potash industry. If that is the case, then that policy statement was deliberately designed to deceive the people of Saskatchewan. Yes, Mr. Speaker, it was a deliberate move to deceive.

My own personal assessment as well as others that I have talked to, certainly did not get that message. I ask each of the Members opposite not in the Cabinet, in particular the new Members over there, did you conscientiously know that these were the Government's intentions when you took that nomination? The Minister for Shellbrook nods his head. I wonder if he told the people in Shellbrook before the election on June 11, that that is what his intentions were. Now if the truth were told, I am sure that the MLAs, particularly the new MLAs, went into that election with no idea that this Government was going to expropriate or take over the potash industry.

Mr. Speaker, while most people were aware of the Government study regarding the Brendenbury mine, we certainly were not aware of the existing plan to take over. I am convinced that people like myself first became aware of that takeover when the Throne Speech was read here in the province of Saskatchewan on November 12 - it seems like an awful long time ago. In that Throne Speech the Government listed a couple of complaints in the initial part of the Throne Speech in which they indicated that

January 16, 1976

they had a problem with the potash companies. It has been so long since we heard that paragraph. The Government's complaints were as follows:

The response of a majority of the companies has been to decline to (1) provide information required to be provided by law (2) to decline to proceed with expansion required to meet anticipated future demand (3) and to challenge in a series of legal actions the right of the province of Saskatchewan to conserve the resources and to collect them.

Now these were the three points that were mentioned. I have listened in the course of this debate to many, many other arguments. Initially when I came into this Legislature I had some scepticism about government involvement in business and as I listened to the debate ensue during the course of the following weeks, I became even more convinced that governments should not become involved in the business of potash.

Mr. Speaker, in a previous presentation in this Assembly I indicated that certainly there are some Crown corporations that we as Liberals have absolutely no hesitation in supporting and Sask Power is one of those particular corporations. Mr. Speaker, I first became aware of the Government's intentions in listening to the preamble on November 12 of the Throne Speech. With regard to potash development the following sentence was read:

You will therefore be asked at this Session to approve legislation which will enable my Government to acquire the assets of some or all of the producing potash mines in the Province.

A rather significant statement and certainly one that has been quoted all over Canada.

Mr. Speaker, I was pleased to receive this particular booklet on potash published by the Department of Mineral Resources. I must confess that my knowledge when I came into this Legislature some two months ago was that we had a number of mines in Saskatchewan and that it was used as a fertilizer. In listening to the Leader of the Opposition this afternoon, he indicated that the Russians and the Americans had made an agreement for the purchase or a barter arrangement where the Americans would receive one million tons of potash. Now one million tons of potash if you take a look at the figures presented in this particular booklet, in table seven, you will find in 1973-74 the Americans only used 4,613,000 tons of potash. They themselves produced 2,239,000 tons of potash which means that they purchased 2,300,000 tons of potash. Mr. Speaker, in terms of 1973-74 production this would mean that in that barter arrangement with Russia, we would have them purchasing 1,000,000 of 2.3 million tons of potash. In other words converting that into percentage figures, it represented 43 per cent of the 1973-74 consumption of potash in the United States, certainly a considerable amount of potash. Realizing of course that the United States undoubtedly has increased the use of potash since 1973-74 the percentage figures would have to be adjusted.

A number of facts came out of that potash bulletin and I should like to refer to one or two of them. The most impressive figure to me is that in terms of 1974 production of potash in

Saskatchewan have enough to last the entire world for 5,000 years. If you consider the fact that the Russians have as much potash as we have, this would mean between the two, you could supply at present rates of consumption, potash for 10,000 years. Mr. Speaker, this is not like oil, therefore it is not a resource that is being depleted. While conservation is necessary, I don't think at the present time we can say there is any extreme amount of importance that we would have to attach to conservation of potash.

Also, Mr. Speaker, our leader referred to the fact that 70 per cent of the potash was marketed in the United States, indicating that we really were going to have to be careful in which way we handle the United States. It would seem to me in the course of this debate that this decision to expropriate the potash mines was done without, as the Minister of Education indicated, Federal Government knowledge whose responsibility it is to negotiate with other governments. From what I understand the province certainly did not inform the Government of Canada, and of course therefore the Government of Canada naturally could not have negotiated with the United States of America. It would seem to me, because of the very fact that the market in the United States is our most important market and that it is a market that is not really secure that it is indeed a very risky business.

Mr. Speaker, I might say that I have listened for many weeks to this debate and have also talked to many people, not only here in Regina, but in the country. I feel there is a great need to have some involvement on the part of the people of Saskatchewan. I think that a plebiscite is a very democratic procedure. It is something that a government should not be afraid of. In fact the name of your very own party, the New Democratic Party, would seem to indicate where you would be a party that would readily accept democratic principles. Yet, Mr. Speaker, we hear from Members opposite, from the one person who spoke plus the catcalls that have come across the aisle a message that the Government will not support a plebiscite. Mr. Speaker, I should like to say that I will be supporting the Motion to have a plebiscite of the people of Saskatchewan.

Mr. Romanow: — I am going to speak for two or three minutes, five minutes at the most.

I think the Member who has just taken his seat is dead right. There is no way that the Government can support the call for the plebiscite. I think that the Members opposite know that there is no way that any government in a parliamentary system is going to be able to support the plebiscite situation. That is a phrase that Norman Ward has described as plebiscitarian democracy. That just doesn't exist in a parliamentary system of government. I agree with him on this. It has never been used, certainly to my knowledge in Saskatchewan, or if used, so rarely as to make it next to meaningless. It is not consistent with the theory of government being responsible in the first instance to the people and in the second instance, to the legislature when elections are not called. It is just not compatible with our system of democracy, and plebiscites on matters of government policy certainly can't be accepted. We don't intend to accept them either, over and above any other comments that one might make about the patently obvious political posture that this move indicates.

January 16, 1976

The Leader of the Opposition in his remarks in introducing this motion, said that there is a keen interest in this issue. He cited the keen interest in schools. He said there was a growing interest. I want to tell the Leader of the Opposition that I for one welcome that development if it is true, because I believe that on this debate on this issue, the more discussion and the more debate there is, the more support will grow for the Government side of the policy. I think it is a very complex issue. It is one where people want more facts. I think it is an issue where it is easy to scare people, with the figures of costs, taxation and so forth. But as time goes and if indeed the school debate is taking place as the Leader of the Opposition says it is, I welcome that. I believe the students will see through this debate, that among other things, making sure that Canadian resources belong to Canadian people. The difficulty we had with the potash industry, the future benefits will become manifestly clear like they were with Medicare and we will get full support for them.

Let me make another observation with respect to this whole debate on potash. I want to tell the new Members of the House and the Press, the people of Saskatchewan through the Press, that these tactics throughout this entire debate are not new. We have seen these tactics advocated and carried out by the Liberal Party in the one other major debate in the Saskatchewan history and that was the Medicare introduce in 1962.

I just happened to do a little bit of quick research today in anticipate of the plebiscite move. During the course of the Medicare debate on October 1961, the Liberals proposed three amendments. I don't think, Mr. Speaker, it would surprise too many people that the Liberals proposed with this amendment that the Bill not now be read a second time, but the subject matter thereof be referred to the Select Standing Committee on Law Amendments and Delegated Powers. This is almost identical to the Committee amendment that we had earlier on the potash question. Then there was another motion, 'that this Bill be not now read a second time because it makes no provision for the holding of a plebiscite on medical care or for the administration of medical care plan on reasonable basis.' That was a debate on this and it was ruled out of order. So then the Liberals came back and they made another motion on this. "This Bill be not now read a second time but that the question on medical insurance be referred to a plebiscite of the people.'

I am not going to read at length because we are all familiar with it, but in speaking to the plebiscite motion then, in 1961, I would just like to read this little quote which I think will be very familiar to everybody. This is from a Member who no longer is a Member, Nuteku-Willowbunch. He was defeated, Mr. Klein. And he said this:

I am not convinced yet that we have the kind of public acceptance or that we do have the co-operation of the electorate on this issue.

This is now from the Member for Maple Creek:

I mention that there were many areas that the public is a bit concerned and perturbed. The first reason they are perturbed is because if this Government continues to bulldoze this legislation through, in spite of the

opposition that they are receiving from the medical profession, that the doctors may be sufficiently annoyed to pack up and leave. If this happens many of our small communities which are now enjoying the services of a doctor will be without that service and that is a serious problem.

Here is another quote which I think is very interesting about the socialistic attitudes.

This is one of the prime concerns, and in our own community we are just quivering in our boots for fear that when this Government imposes their socialistic attitudes, as some persons call it, into this field, the minute you have rammed this legislation through the House our doctor will leave and go to another province. This is of vital concern to us and they won't give you support of your medical plan under those conditions.

So you see, Mr. Speaker, this is the terrible sum and substance of the Liberal tactic. It has happened before.

Let me quickly make two final points. The danger of the United States Government placing an embargo on potash markets was raised by the Leader of the Opposition. I suppose that is always a danger. But how in the world can we, or any government, of free enterprise or otherwise, guarantee against that? How can we table the study to guarantee that that won't happen, which the Leader of the Opposition asks us.

Why, it happened in the free enterprise times, when the proration was introduced as a result. It happened in cattle, not strictly an embargo, but in the cattle dispute of a few months ago. How can the free enterprise government in Canada protect itself against that development? Who knew that it would happen? What study could be tabled to guarantee that it wouldn't happen? None.

This is the type of specious nature of the arguments which are advanced in this area.

I won't make any comments about the Board of Trade in Saskatoon. I will conclude by saying that the Leader of the Opposition says that the resources of the people belong to the province and to the people of the province and that he believes in that. Well, as I said to him while he was speaking, actions speak louder than words. And the action of the Liberal Party in opposing this move which follows that statement will belie the statements that he makes. When he tries to raise the old scare tactics of 1948 and the farms and the nationalization of farms, that argument has long ago been settled. I don't anticipate that anybody in the province will give credibility to it.

Mr. Speaker, needless to say, I will not be supporting this Motion in this form. I don't think that anybody in Saskatchewan expects the Government to support it, or would, indeed, want such a patently frivolous waste of money on a patently political exercise. Mr. Speaker, accordingly, I beg leave to adjourn the debate.

Debate adjourned.

RESOLUTION NO. 44 - COSTS OF CABLE TELEVISION

Mr. E.F.A. Merchant (Regina Wascana) moved, seconded by Mr. Wiebe (Morse):

That this Assembly urges the Government to stop contributing to the delays which are depriving Saskatchewan residents of the right to cable television and this Assembly urges the Government to:

(a) declare its willingness to co-operate in providing Sask-Telecommunications facilities at reasonable costs to applicants successful in receiving CRTC approval to bring cable service to Saskatchewan people; (b) ensure that over the air broadcasters be supported in continuing to provide service to Saskatchewan people and communities; (c) forward a telegram to the CRTC on behalf of this Assembly and the people of this province encouraging the early provision of cable facilities to Saskatchewan homes as soon as possible.

He said: Mr. Speaker, the Resolution that I propose to move addresses itself not to who of cable but to the when.

First let me say that in western Canada, Saskatchewan is the only province that doesn't have cable. We lag in behind the western Canada and we lag behind the rest of Canada and I think that it can be fairly said that that is in part due to the attitude that is taken by the Government about cable facilities in the last four years, an attitude which has now been ended, an attitude which I hope has been laid to rest in October of this year, when some new direction was enunciated by the Government.

I don't frankly intend to go into the merits or demerits of the struggle by this Government to acquire jurisdiction over the right to provide cable. That is the same battle that the Quebec Government entered into. I don't think that this Government should have gone into the battle. I don't think that the people of Saskatchewan, by and large, care whether cable is controlled by the Government in Regina or controlled by the Government in Ottawa, provided only that the media is properly controlled and that properly adequate and viable media is provided throughout the province. In my opinion, frankly, the decision of the NDP Government to enter into that struggle was a silly decision.

Let me say, only in passing, that the Government now, in speaking of the Sask Tel application in trying to downplay the continuance of the struggle, doesn't in my opinion, speak completely candidly to the province. What the Government essentially says is that they want, through Sask Tel, to maintain ownership of all of the delivery material. The actual recipients of the CRTC licences would be little more than bill collectors under the plan of this Government.

I don't think that the Government should continue to delay the provision for cable for the province by seeking hardware control, I think that is a meaningless endeavour and one about which the people of Saskatchewan care little.

The squabble however, in my opinion, a separate matter from

timing and really this Resolution addresses itself to the question of what should now be done.

The Government first should indicate that they are prepared to work with whoever gets CRTC approval to bring cable service to Saskatchewan people. There are pluses and minuses to the various applications and I could take the time to read the various applicants. Provincial Cablevision is a company involving many of the large owners of radio and television stations in Saskatchewan. That is an application that should be viewed in a similar vein to the application being brought forward by the Moffat group of applicants. Both applications have the merit that they promise the expertise to the industry. They have the difficulty that to receive a grant, both of those applications would be flying in the face of enunciated CRTC policy. The Board has from time to time granted licences to companies that are already involved in the media, but not companies in their own base area. The old CBC granted some small applications but the CRTC a more far ranging, stronger, more aggressive kind of board, no such application has been granted though they have been forthcoming. I expect that those applicants will have some difficulty in overcoming the natural disinclination of the CRTC to duplicate their services.

I don't propose to handicap the applicants, as I have said, except to briefly mention that the community groups are considered by all involved to be amongst the front runners and one of the applicants mentioned in a catcall this morning, during question period, is also considered to be amongst the front runners along with Provincial Cablevision.

Mr. Speaker, ignoring the handicapping for the moment, I suggest that the biggest question for us, in Saskatchewan, is whether the Government will delay cable reaching Saskatchewan viewers because of their preferences one way or another. I say that the Government should declare that it is willing to co-operate with whatever applicant receives CRTC approval. I have asked for that kind of declaration in question period and that declaration has not been forthcoming. I believe that at the same time the over the air broadcasters should be protected. They are the people who are going to go on seeing to it that local programming is provided. Protection for them is important.

Really, however, the call to action, part (c) of this Resolution, asks that the Government forward a telegram to the CRTC on behalf of this Assembly and the people of this province encouraging the early provision of cable facilities in Saskatchewan homes as soon as possible. That should be one of the things that the CRTC considers and one of the things that the Government considers in this province.

What can the Government do? I hope that when we hear from the Government on this Resolution they will indicate that the same price has been quoted to the various applicants that has been quoted to community groups.

The community groups, as I understand it, have been quoted an 85 cent charge per customer in Regina for a three-channel American service. That three-channel service would have to be brought from the United States through Manitoba to a link near Moosomin and then brought to Regina. There is an alternate proposal, but I am hopeful that the three-channel service will

come and, indeed, the community services outlets that that will be the opting of the Government.

I asked again, repeatedly, in question period for an indication and it may be that the Attorney General didn't know the answer, but he didn't make any indication that he would provide it - asked repeatedly to know whether other applicants have been quoted the same price. I think that is important, because the CRTC may well grant the cable facilities, not to the community groups and again because of the attitude of the Government of Saskatchewan people will be delayed in receiving the cable facilities that every other province has and that Saskatchewan people are entitled to receive.

The Minister spoke again this morning and again made no indication of price. I request from the Government a specific quotation. Second, the people have the right, I suggest, to hear from the Government to the effect that Sask Tel itself will never get involved in the provision of cable service. Nothing frightens us more than the direct involvement of the Government in some form of the media. I suggest that we are entitled to be frightened on behalf of democracy and that even Members opposite will agree that in an involvement of government in the media, it is a bad involvement.

No, indeed, the CBC is not too bad in my view, although it has been a mixed bag in many ways, and that is a far cry from the kind of involvement that Sask Tel holds out, because the CBC is an independent corporation and emphasizes and indicates its independence repeatedly and continuously and, second, the Government of Saskatchewan in its political outlook is a far cry from the Government of Ottawa, a far cry, far less involved in questionable activities than this Government is. We are a haymaker government in comparison to the Government in Ottawa, and I am delighted that you brought it up.

Third and last, I hope that the Government will give an absolute guarantee that they will move as quickly as possible to provide cable service. What does this "as quickly as possible" mean?

We would have had cable if this Government hadn't delayed matters through the years. We would have cable today. Those applications were forthcoming years and years ago. As soon as possible now, means, December of 1976. Now to give us cable by December of 1976, Sask Tel, if they opt for the Manitoba route, will have to build seven to nine towers to bring the message to Regina for instance. And that can be done by that time. Regardless of the applicants that are successful in getting a licence in this area we could have cable in December of 1976 provided Sask Tel does its job. The profit-making operation for Sask Tel, and I hope that, thirdly, we will hear from the Government with a guarantee that they will provide the hardware quickly and as soon as possible. That means by December of this year.

Mr. Speaker, in question period this morning there was some reference to the involvement of the Government in dealing with community stations. I must say that as far as the Regina cable are concerned, I am quite impressed with that group. I don't know about the others in the other cities and they are independent. But I must say that I am impressed, I am less impressed with Saskatoon. I got the impression in Saskatoon that it was a contest to see which groups could be more left wing; that you

had a contest going to see who was the farthest out on the left before they decided whom they would support. But that is not the case in Regina. Regina is what I know best.

An Hon. Member: — . . . about . . .

Mr. Merchant: — Well, he certainly is an active NDP supporter. Ken Norman? Ken Norman of the University Law School? Certainly an NDP supporter. Herman, if you haven't sold him a membership I would fire that membership chairman.

Mr. Speaker, one of the matters that the Minister in answering questions today glossed over, was loans and the guarantees of loans. Although I had said that I am not unimpressed with cable Regina, there are two loans that I think are of interest. First, the loan that is guaranteed by the province of Saskatchewan, a \$50,000 loan. Why is that loan guaranteed by the province of Saskatchewan, by Order in Council? It is guaranteed because that money couldn't have been borrowed because any lender would have considered the loan a speculative bad risk. That is the kind of money that is being put up by all of the other applicants. But with the other applicants it is money out of the pockets of some free enterpriser and that free enterpriser hopes that if he is successful they will not only get back their \$50,000 or whatever their initial front money has been, but also do very, very well on their investment. But the Government of Saskatchewan for that \$50,000 invested and gave the \$50,000, if you like, to Regina.

Now, secondly, in Order in Council 1759, the Government has guaranteed \$3.5 million to the Regina Cablevision Co-operative. Guaranteed \$3.5 million with our money, signed by Ned Shillington, yet in answer to questions today, about the Government involvement, not a mention of these guarantees and not a mention of the \$3.5 million which Regina Cablevision could not have borrowed, couldn't meet in a collateral way, could not have borrowed without the guarantee of the Provincial Government.

I stress, again, that for my part I am relatively impressed with Regina Cablevision. Indeed, for my part I have little suspicion that they would be open and susceptible to the pressures of this Government in a political way. And that's that group now, today, with those people for whom I have a good deal of respect, and I must say I am worried when I see that kind of money going into the provision of cable facilities and that kind of money being invested by this Government. That's big money and that's the kind of money that involves influence and with which influence tends to go.

Now, Mr. Speaker, as I have said, we on our side have some concerns. We don't overpress the matter to be frank. In fairness let me mention that the \$3.5 million is not money that's advanced, it is money that is to be advanced in the cable facilities go ahead. So that in all fairness I suggest to you that the Government will start to pick up the kind of collateral and security that one might have expected on an ordinary loan. But at this point there is a 100 per cent guarantee, a guarantee made under The Co-operative Guarantees Act, because the money could not have been advanced and would not have been advanced under any other circumstances. Beyond any doubt, the Government is giving a very real preference to these groups and is getting a very real preference not only in the advancing of its money

directly, but in its pressure and its moral pressure if I can use it in that phrase.

Mr. Speaker, we could have cable in Regina in December of 1976. We could have had cable in Regina some years ago if it had not been for this Government. Without seeming to cry over spilled milk, all that I suggest by this Resolution is that no matter what happens in Regina at the CRTC hearings on the 9th February and whenever that decision is brought down, I'm reminded incidentally that the Hon. Attorney General indicated to us that CRTC means - Canadian Radio and Television Commission. It doesn't really, it means Can't React 'Til Christmas. It may well be a few months before we hear from the CRTC but I am advised that if the Government moves on it we could have cable by December of 1976, that's the nub and substance of this Resolution and I hope that the Government takes it upon itself to take away some of the roadblocks that have existed and see to it that cable facilities are provided promptly and quickly.

I so move Resolution No. 44, Mr. Speaker.

Mr. J.L. Skoberg (Moose Jaw North): — Mr. Speaker, I will be very brief at this particular time because I intend adjourning the debate and picking it up at a later date.

It is rather remarkable when I hear the Hon. Member for Regina Wascana say that actually all he was going to talk about is the 'when' of the cable then deliberately get into the interest of the cable applicants. It is also rather remarkable for him to stand up and say why hasn't the Government done something when he well knows as does everybody else in this Legislative Assembly that the Government has been putting cables into many, many different households, or rather providing the cables so that the households can be connected up. There have been millions of dollars spent in Moose Jaw, Regina and Saskatoon, and Battleford and anywhere that there has been that type of application that will be coming before the CRTC, that money has been spent in order that we will be ready for cable when the applicants are approved and when the CRTC makes its decision.

I should like to suggest, Mr. Speaker, when I listened to the Hon. Member talk about catcalls across the way, I can understand now why he is somewhat concerned about the Canadian Radio Television Corporation, particularly when he refers to them as 'Can't React 'Til Christmas'. I have some confidence in the CRTC, I have some confidence in the member or chairman of that board who resigned to run for politics, I have some confidence because they did believe in the type of national control by a CRTC and of broadcasting and televising that all of us should be concerned about. I am wondering when I listen to the Hon. Member opposite whether or not he wasn't now trying to raise that old scare tactic that we know so much about in order that he can get a lot of publicity, in order that the CRTC members will read that in the paper, and will then leave the thought in the minds of people that don't want Sask Tel to have it insofar as the machinery and the carrying of the message is concerned and in order that he can scare the commission off.

I know that he knows also that there has been a situation in Alberta that the commission has ruled on and said that they could well change their minds in that particular application and

well change their minds insofar as present regulations are concerned.

Mr. Speaker, I personally am concerned about community television being in the hands of the community that is involved. I am more than concerned when I look at one applicant, and I won't use the name of that applicant at this time, when I look at that one applicant and see that 40 per cent of the shares are Toronto owned, are Toronto based and which would be Toronto manipulated if that particular applicant is successful. However, if we get into the throes of what is right and what is wrong, and the Hon. Member suggest that he wouldn't do that, and deliberately did it, then of course we could be here for some time and we could try to set ourselves up as a judge and jury and take the place of the CRTC. I am suggesting that the individual applicant can have the assurance from the Sask Tel that they will deal with whatever applicant that obtains a licence for cable television. I don't know what more could be said as far as that regard and in regard to that situation.

I would suggest that if the Hon. Member is interested in community programming, community control and involvement of the people in the individual communities in this province, then surely we don't have to go out on a binge of trying to support some type of applicants that are not going to be within the community themselves. I can well visualize what can happen insofar as some applicants are concerned. They will say in this one case, 60 per cent of the shares will be community owned and they will apply to the commission for a community cablevision licence saying that they are really participants in the community when all in all the 40 per cent share will call the shot and, Mr. Speaker, the Hon. Member for Regina Wascana well knows that.

I will pick this up at a later date, Mr. Speaker, and I beg leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 5:12 o'clock p.m.