

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fourth Session — Eighteenth Legislature

November 29, 1977.

The Assembly met at 2:00 p.m.
On the Orders of the Day.

QUESTIONS

FORTY HOUR WORK WEEK - GRAIN COMPANIES

MR. W.C. THATCHER (Thunder Creek): — Mr. Speaker, a question to the Minister of Transportation in the absence of the Minister of Agriculture.

Mr. Minister, under Bill C-8 which is a bill which was introduced late last month under the federal House of Commons, employees in federally regulated industries, will have to be paid overtime rates if they work more than eight hours a day or more than 40 hours per week. In addition, the maximum permitted hours in any week will be 48 hours. I'm sure the minister recognizes the ramifications that this will have for the grain handling industry in Saskatchewan, not only in the terminal elevators but in our primary elevators in the province. The minister is aware that it is routine at these small primary elevators for the agents to work longer hours at certain periods of the year and offset this with shorter hours at later times. Could the minister tell this Assembly whether or not his government has made representations to the federal government in Ottawa, permitting the grain companies to have a blanket exemption from this particular law in terms of the elevator agents in this province?

HON. A.E. BLAKENEY (Premier):— Mr. Speaker, I think that the ramifications of the bill referred to by the hon. member are being considered by the Department of Agriculture. I am not aware at what stage their considerations are. So far as I am aware no direct communications have been had with the government at Ottawa concerning the application of the bill or concerning our views on how it might apply.

MR. THATCHER: — Mr. Premier, at the same time there are some very tough new air pollution rules coming on stream that are going to apply to all grain handling and processing facilities again including the primary country elevators. Many of our elevator companies on the prairies, specifically in Saskatchewan, have been pressing for exemptions on this particular impending legislation. Could the Premier tell this Assembly whether or not in this area you have been pressing the federal government for exemption for the grain handling industry, despite the fact that this would be in direct opposition to the Canadian Congress of Labour which is opposed to any exemption for anyone?

MR. BLAKENEY: — Mr. Speaker, I have had some very, very, preliminary conversations and I suspect the Minister of Agriculture has had more extensive conversations with some representatives of the elevator industry on this issue. It is my understanding, and I emphasize that I speak from a rather casual conversation, that they seek not an exemption but rather a lengthening of the time during which they might comply with the air quality standards. I think it is their fear that if they are required to make these changes rapidly then a significant capital expenditure will be required. Some elevators will be found to not be appropriate to put that additional capital expenditure and accordingly it might unwittingly accelerate the closing of some small

marginal elevators. It is my understanding that the industry generally does not object to the standards as an overall aim, and that they seek more time in order to comply with the standards. However, I may not be fully informed on this and I will ask the Minister of Agriculture to give it additional consideration when he returns to the House.

MR. THATCHER: — A supplementary, Mr. Speaker. Mr. Premier your comments in answer to that supplementary question would indicate that you are in agreement concerning the increasing cost of maintenance, possibly necessity of hiring a greater number of employees and also the high capital cost to install this anti-pollution equipment. Would you not agree that you are being a trifle tardy in not getting on the federal government on these two areas, particularly when it could mean that somewhere between 300 and 500 small elevators may be closed on the prairies if this legislation goes through in its present form?

MR. BLAKENEY: — Mr. Speaker, I think that there are features to be balanced here as there are in most things and whether or not the safety of the workers which must be a prime consideration of any government and also of the employers must be balanced against the need to continue a healthy elevator system based upon a large number of country elevators. We all concede that. I do not concede that we should necessarily have been in touch with the federal government up until now. I think our first step should be with the elevator industry in Saskatchewan to find out what their views on the matter are. We will certainly also no doubt take counsel with representatives of the employees with respect to the air quality standards and then assess what the appropriate representations would be to the federal government in this regard. Knowing the federal House of Commons I don't think there is any imminent likelihood that legislation will be passed in the next week or two, or three.

BILL 42 - MINERAL RIGHTS

MR. J.S. CAMERON (Regina South): — A question to the Minister of Mineral Resources, although the Attorney General may want to pay some attention to it.

Under Bill 42, as you know, individual farmers' mineral rights were exempted from expropriation. The individual farmer receives a 12 1/2 per cent royalty from the producing company on the land. The 12 1/2 per cent royalty is calculated after deduction by the oil company of the taxes it pays under Bill 42. Do you anticipate a spate of additional actions by individual farmers to recover their 12 1/2 per cent of the taxes that were paid under the unconstitutional act?

HON. J.R. MESSER (Minister of Mineral Resources): — Well, I think that there is some hypothetical aspect to the member's question, and I think that .. and the members are fully aware that we are in the process of undertaking to prepare legislation in regard to the issue that the member is showing so much concern about, and I think at this particular point in time, all I can say is that we are aware of the freeholders, the 1280 acre and under situation, and that we in no way want to adversely affect that individual situation as it now is.

MR. CAMERON: — Are you prepared now to give us some assurance that the 12 1/2 per cent of the tax that was collected unlawfully from farmers will be restored to them, or at least, not taken from them in the new legislation?

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — I think, Mr. Speaker, that there is some question as to whether or not the tax has been collected in that instance unlawfully, and certainly we would want to be more precise and more positive in regard to that situation before I would undertake to give any specific or precise information or commitment to this House.

MR. CAMERON: — One last supplementary question, and I'll direct this one to the Premier. Are you giving some consideration to exempting and excluding the individual farmer in those circumstances from his claim for the additional 12 1/2 per cent which was denied him under Bill 42?

HON. A.E. BLAKENEY (Premier): — I'm not at all sure that the hon. member's facts are right. I'm not at all sure that when he indicates that the impact of the royalty surcharge of the middle income tax applies, that it applies to the 12 1/2 per cent that the land owner . . .

MR. C.P. MacDONALD (Indian Head-Wolseley): — He only gets \$3.00 a barrel and the farmer gets 12 1/2 of the \$3.00.

MR. BLAKENEY: — The hon. member for Indian Head-Wolseley is outlining his view of the law. The member for Wascana is making an interjection. Mr. Speaker, I'm being thrown off the answer to the question. May I simply say that we will, as the hon. member asks us to do, consider the position of those who have the 'farmers rights' and 'that is the 1280 acres', and if in fact, sums have been collected from them illegally, undoubtedly a consideration will be given to remedy that.

EXPROPRIATION OF RAIL LINE

MR. R.H. BAILEY (Rosetown-Elrose): — Mr. Speaker, I would like to direct a question to the Minister of Municipal Affairs. As he well knows, there is a great deal of discussion, particularly in the rural areas, concerning the abandoned rail lines — not only those that are up for abandonment, but those that have been abandoned for some time.

Does your government intend to use the powers of the Planning and Development Act of 1973, Statutes of Saskatchewan, chapter 73 to expropriate any or all of the abandoned railway property, both now and in the future?

HON. G. MacMURCHY (Minister of Municipal Affairs): — No, Mr. Speaker, we do not intend to use the special planning legislation to expropriate. We intend, as we have announced, to use the planning legislation to establish special planning areas on the abandoned rights of way, and under that legislation, establish special planning commissions which would do the planning or establish the use of that particular land appropriate to their thinking.

MR. BAILEY: — A supplementary question, Mr. Speaker. Has your government then, through your department, entered into an agreement for sale or an agreement of any kind, to acquire this property in the transfer of title, from say, the CNR or the CPR — has that agreement been made to proceed with this action, and if so, how much are you prepared to pay?

MR. MacMURCHY: — We have not entered into any agreement on the abandoned rights of way. In the most recent cases to purchase the land, our policy has been to establish the special planning areas, as I indicated earlier, which would only deal with

the land use once it has been in fact, abandoned.

MR. BAILEY: — I have here, your clipping, Mr. Minister. It sounds like this could be another way. Now if you succeed in the expropriation (and I think that's the words even though it is called the planning of such property), what is the intention, or what plans does your government have for the use of such land and would you not agree that in going ahead at this particular time that you are running the people of Saskatchewan into the very logical conclusion that there is going to be a confrontation with the possibility of very high legal expense at the cost to the people of Saskatchewan?

MR. MacMURCHY: — Mr. Speaker, I don't see any reason for any high legal expense. I indicated earlier that there is no expropriation plan. There is only a basis for planning, and how the land will be used, and we are already in the process — in the most recent abandoned right of way involving, and I have forgotten the line from Dilke into the Last Mountain Valley, that Craven-Dilke area — for the establishment of a planning commission, that will make the decisions about how the land should be used. I think it is appropriate that the local people, the people within the area should make those decisions. Whether the land is held in the hands of the federal government or whether it should be in the hands of the provincial government, the position which we take, which Hall recommended, I think has no difference on the establishment of the planning areas and how the land should be used in terms of who should make decisions about land use in this particular situation.

MR. BAILEY: — A supplementary question.

MR. SPEAKER: — I will take the next question, the member for Indian Head-Wolseley.

CIGOL Case

MR. C.P. MacDONALD (Indian Head-Wolseley): — Mr. Speaker, I would like to direct a question to the Attorney General.

The Attorney General indicated in a news conference on Monday that legislation would be introduced in the Assembly this week to rectify the problem of the CIGOL Supreme Court decision. Certainly I think the Attorney General would admit that this will be a very complicated piece of legislation. It has not been drafted in the last two or three days. In all probability it has been on the Attorney General's desk for a year, only now perhaps to be prepped up, whether it is months, weeks or years. Could the Attorney General indicate to members of the Assembly if he has sought outside legal advice as to the constitutionality of the bill that he is about to introduce?

HON. R. ROMANOW (Attorney General): — Yes.

MR. MacDONALD: — Mr. Speaker, I am sure that the Attorney General would also recognize that it is important in the assessment of members on this side of the House, their assessment of the bill, that they know who those people are. I would like to ask the minister if he would be prepared to table for the members of the Assembly the names of those constitutional experts that he sought advice from and also, if there are any written legal opinions, would he be prepared to table those legal opinions so members of the Assembly, as well as the people of Saskatchewan, would have an opportunity to evaluate them?

MR. ROMANOW: — Mr. Speaker, I am almost certain that I would not be prepared to

table any legal opinions for the well accepted and stated principle and that is that documents that are designed to assist the government in the formulation of policy and/or legislation are privileged documents. That is a position which has been taken throughout the piece and I maintain that position. Secondly, with respect to the names of the advisors, I would simply say that I will consider the request. I think we will have ample opportunity to review this at the time that the legislation is being introduced into the Legislature.

MR. MacDONALD: — Mr. Speaker, first of all I don't agree with the Attorney General. Something as dramatic, as important to the people of Saskatchewan, would he not agree . . .

MR. SPEAKER: — Order, order!

MR. MacDONALD: — I will get right back on track, Mr. Speaker . . .

MR. SPEAKER: — Whether you agree with the Attorney General or not is irrelevant.

MR. MacDONALD: — I appreciate that. Would the Attorney General then indicate to members of the House whether he has had any legal opinions that perhaps the new legislation being brought in or introduced may have a possibility of being declared unconstitutional in the years ahead? And once again I would ask him to reconsider and table those documents in order for us to assess the validity of the opinions he's got.

MR. ROMANOW: — Well, Mr. Speaker, the only answer I can give is that when the bill is introduced and there is clause by clause, there will be ample opportunity to discuss the constitutional and other provisions of the bill. I will be looking forward very much to the member for Indian Head and the learned lawyers opposite giving us their opinions on those provisions and we will debate it then.

DELTA HOLDINGS

MR. G.N. WIPF (Prince Albert-Duck Lake): — Yesterday when I questioned you about Delta Holdings and DNS, you stated that you were unaware of any eviction notice or negotiation between the DNS and Delta. Has the minister been in contact with his officials since yesterday, and if so, will you tell us this Assembly today if the DNS is negotiating a new contract with Delta or negotiating to buy the Delta properties in La Ronge?

MR. BOWERMAN: — Mr. Speaker, I have not been in contact with the department with regard to this specific question. I answered the question yesterday in the House. My answer to that question yesterday would be the same, the answer with regard to the question today is, that I am not aware of any negotiations under way to purchase the Delta Holdings property in La Ronge. That was the answer I gave yesterday.

MR. WIPF: — Mr. Speaker, a supplementary question. If you are not aware of any negotiations to purchase property, are you aware of any negotiations at this time to up the rents, or are you aware of the eviction notice that was given in September?

MR. BOWERMAN: — Mr. Speaker, I answered yesterday to the hon. member that I was unaware of any eviction notice. My answer to that question yesterday is the same as it is today, I am not aware of any eviction notice being given to the department. I am further unaware of any negotiations for the upward movement of rents related to the Delta

housing.

HOUSE LEADER

MR. E.F.A. MERCHANT (Regina Wascana): — A question to the hon. Attorney General. Is it a fact that you have been rather unceremoniously dumped as house leader and replaced by the Minister of Municipal Affairs? I ask the minister whether your failure to properly guide the government in the legal matters that you face has had anything to do with your being removed as house leader?

MR. ROMANOW: — Mr. Speaker, I am almost tempted not to answer those kinds of questions, which I think are even a little bit beneath the kind of quality of questions that I give credit to the member for Regina Wascana. As the Premier says, I have not been unceremoniously dumped. I have been ceremoniously dumped as house leader, for quite obvious reasons, Mr. Speaker, at the present time I am engaged in reading some judgments and the like.

MR. MERCHANT: — Supplementary. Is it the intention of the hon. Attorney General to take the legislation through the House regarding CIGOL and does that indicate to the House that the Premier does not have confidence in the Minister of Mineral Resources to take the legislation through? If the Premier for whatever reason has decided not to fire Saskatchewan's lawyer over this matter, will you be firing in your capacity as Attorney General George Taylor from the Imperial Oil case — he having lost the CIGOL case, or will we be continuing with the same two-punch package of losers to represent Saskatchewan.

MR. ROMANOW: — Mr. Speaker, I personally don't believe that the people of the province of Saskatchewan appreciate the kind of personal attacks which have been undergone primarily by the Liberal Party in the last two or three days, when they drag the names of what I believe are very eminent counsel who have argued before the Supreme Court probably more times than the hon. members opposite will ever even see the outside door of the Supreme Court. When again they get involved in personalities, I don't believe that the people of Saskatchewan commend that to the public business of the people of Saskatchewan. The answer is, simply put, I draw to his attention that arguing the case is one thing, drafting the legislation upon which the case is based is another thing. Up to now the questions of the members of the opposition have been geared toward the question of the drafting. Now all of a sudden they are changing their arguments to the advocacy of the case. I simply say and urge the Liberals of this party particularly to lift their sights a little bit from the low levels that they are at, and come on to the issues that face the people of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. MacDONALD: — Mr. Speaker, on a point of privilege.

MR. SPEAKER: — What's the point of privilege?

MR. MacDONALD: — The Liberal Party has been discussing professional competence, not a personal attack on the Attorney General but on his competence as a law . . .

MR. SPEAKER: — Order, Order! I think that is a debating point, 'snuck' in under a point of privilege. I think I was at the point of interrupting the member for Wascana for his comments, because I thought they were getting into the area of debate. Consequently, I

feel it is just a debate.

TRANSFER OF SPC SUPERVISORS TO WEYBURN

MR. R.A. LARTER (Estevan): — Mr. Speaker, a question to the minister in charge of SPC. Some time ago some of the supervisory staff of SPC, as the minister knows and I was in touch with him, were transferred to Weyburn. Estevan was in the centre of this jurisdictional area. They transferred these supervisors to Weyburn. It seems to me that Weyburn is at the west end of this area. Why wouldn't Estevan be retained — it is the Power capital why wouldn't we be retained as the home for these supervisors?

MR. MESSER: — Mr. Speaker, I believe I have undertaken to try and explain to the member for Estevan on previous occasions there are divisions within the province as far as Sask Power Corporation is concerned that involve both the delivery and provision of electrical service, as well as that of natural gas service. Those boundaries were somewhat chaotic in comparison to each other. In order to give better service to customers and in order to deal with some confusion that customers have had in past years in regard to going to one district to resolve concerns they may have with electric service or requirements with the Saskatchewan Power Corporation and other occasions having to go to another community to resolve concerns they may have with natural gas, the boundaries were redesigned so that we could locate in some areas of the province representatives of both the electric division and the gas division. We believe that this will bring about better service to customers, not only in regard to areas where they wish to discuss with the corporation concerns they may have but in the actual delivery of that service. We have found, mostly without exception, in our discussions with the communities involved, once we explained to them what the intention and endeavors of the Saskatchewan Power Corporation were, that they agreed even though there may be some disruption for some of the communities. But in the net, they felt that it was legitimate and credible that we be moving in this manner.

MR. LARTER: — Supplementary, Mr. Speaker. Mr. Minister, I would like to question though, and this is a disagreement point, that Estevan (when this situation arose) we are the central point of southeast Saskatchewan. Weyburn is only 70 miles from here, and we are about 70 miles from the Manitoba border, so you have one electrical man who has to go out almost every day and drive to Estevan. I'm questioning you if there really is economics in this?

MR. MESSER: — Well, Mr. Speaker, the member wants to, I think, contain his remarks to only the electrical division, and if was to undertake to also take a look at the services that are provided in the gas division he would, I think, appreciate, and I think, had an open mind, agree with the movements of the corporation to try and provide services for both divisions in a better manner to the consumers of electricity and gas.

MR. LARTER: — Final supplementary, Mr. Speaker.

MR. SPEAKER: — I will take the next question.

LOTTERY IN NOVA SCOTIA

MR. L.W. BIRKBECK (Moosomin): — Mr. Speaker, a question to the Premier. Mr. Premier, given the fact that the NDP in Nova Scotia has started its own lottery to

illustrate income differences between the Liberal government cabinet ministers there and the average citizen in that province, and given the fact that the first prize is \$680 which is the current weekly salary of a cabinet minister in Nova Scotia provincial government, have you, Mr. Premier, considered a similar lottery in Saskatchewan . . .

MR. SPEAKER: — Order, order! Next question.

PAYMENT OF POTASH

MR. S.J. CAMERON (Regina South): — A question to the Minister in charge of the Potash Corporation of Saskatchewan. Was any portion of the funds payable in respect to the purchase price of any potash mines payable in American funds, firstly, and secondly, were any funds that were to be paid at a later time, including presently, to be paid in American funds?

HON. E.L. COWLEY (Minister in Charge of the Potash Corporation of Saskatchewan): — Mr. Speaker, I think the member will be aware that the acquisition of the Duval property was in American funds. It was paid, with the exception I believe of \$10 million at that point in time when the Canadian dollar was at a premium so the net effect was a benefit to the Potash Corporation in terms of paying fewer Canadian dollars than American dollars. With respect to the note for, I believe \$10 million (and there may have been some odd dollars tacked on there), that was in US funds, that was paid off some time ago when the Canadian dollar appeared to be declining somewhat. I will check those figures out for the member for Regina South and make sure they are accurate. But that's my recollection at this point in time.

MR. CAMERON: — By way of supplementary. Then I ask you if in fact the Minister of Finance when he said to me in this House:

There was a question yesterday of what portion of the funds which were used for the purchase of potash mines are payable in US funds? The answer is 'no'.

Would you agree that was incorrect?

MR. COWLEY: — My understanding of that was that the minister was replying to the current state of the Potash Corporation in which we have no outstanding liabilities in US funds.

AN HON. MEMBER: — When did you pay the \$10 million . . .

MR. SPEAKER: — Order, order. Ministerial Statements.

QUESTION OF PRIVILEGE

ATTACKS ON SUPREME COURT

MR. S.J. CAMERON (Regina South): — Mr. Speaker, before the orders of the day, I want to raise with you a matter of order. Yesterday in the course of debate in the Assembly there were several references to the Supreme Court of Canada, some of which cast aspersions on the Supreme Court. I want to refer, Mr. Speaker, particularly to comments by the member for Cutknife-Lloydminster (Mr. Kwasnica) who said the following — I want to refer Mr. Speaker, following the quote, to the rules of the House

and ask Mr. Speaker for a ruling upon whether Mr. Speaker will permit these unwarranted attacks upon the Supreme Court of Canada. The member for Cutknife-Lloydminster said this, I quote:

By deciding against the government of Saskatchewan the Supreme Court of Canada has thrown its support behind the oil companies and has made it clear that the oil companies are above provincial law. I can't help but feel the final decision made by the Supreme Court was made on philosophical grounds or beliefs, rather than constitutionality.

I refer, Mr. Speaker, to Beauchesne's Rules of Procedure and Parliament, particularly to page 127, item 149, which reads as follows:

Besides the prohibitions contained in standing order 35 it has been sanctioned by usage both in England and in Canada that a member while speaking must not (j) cast reflections upon the conduct of judges of superior courts unless such conduct is based upon a substantive motion. (There is no motion before the House, Mr. Speaker.)

Refer Mr. Speaker, to page 128, item 152(4):

All references to judges and courts of justice and to personages of high official station of the nature of personal attack and censure, have always been considered unparliamentary. The Speakers of the British and Canadian Houses have always treated them as breaches of order. Members have been interrupted in Committees of the Whole by the Chairman when they have cast an imputation upon a judicial proceeding. The proper course for persons who feel called upon to attack the conduct of the judge is to proceed by way of petition in which all the allegations are specifically stated, so that the person accused may have the full opportunity to answer the charges presented against him.

Mr. Speaker, I say to you that you have before you now a clear question of privilege and breach of order of the rules of the House by the members opposite in their unwarranted attacks on the Supreme Court; may I ask you to deal with that question.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: — I will take this opportunity to mention to the House that I have noticed a few times in this debate that members have (in my opinion I state) come close to discussing the personages of the Supreme Court of Canada. Now I would obviously have to check the record to satisfy myself one way or the other. I also remind members that breaches of this nature should be brought to the attention of the Chair at the time they occur. I thank the member for bringing it to my attention at this time, and would assure the member that I will examine the matter at the earliest opportunity and report back to the House at a later time.

MR. MacDONALD: — Mr. Speaker, on a point of order. I'll make this very brief. Very often, Mr. Speaker, it is very difficult to bring something up in relation to the diction of the individual until the record is checked. That's the reason we bring it up today, or we would have been glad to bring it up yesterday.

REFERENCE TO STATEMENT MADE BY LEADER OF PROGRESSIVE CONSERVATIVES

MR. R.L. COLLVER (Leader of the Conservative Opposition): —On a matter of

privilege raised by the member for Indian Head-Wolseley, yesterday I wish to quote into the record today the Hansard transcription in Ottawa pursuant to the matter raised by the member yesterday. The question by Mr. Hamilton was as follows: (that's the member for Qu'Appelle).

Mr. Speaker, my question is for the Minister of Finance. In view of the Supreme Court decision yesterday, the federal tax coffers will benefit to the extent of approximately half of the \$580 million which the court has ordered to be returned to the oil companies. When the government is considering the implications that the half of \$580 million the federal government will receive, which it did not expect will be returned to the people of Saskatchewan.

(Answer by the Minister of Finance) Mr. Speaker, I'm taking notice of the question by the hon. member. Further, Mr. Speaker, I should like to direct my next question to the acting Prime Minister, and it is along the same line as the question proposed by the member for Saskatoon-Biggar — in view of the difficulties we now find ourselves in, not only in Saskatchewan, but all across the country, in the government's consideration, would it consider emergency legislation by this Parliament to guarantee to all provinces in the future, that they will have the first right under the constitution to impose direct taxes on all of their resources?

(Reply) Mr. Speaker, the representations made by the hon. member will be considered in our overall review of this particular subject matter which arose yesterday, and which has not yet been given the serious consideration by the government that it deserves.

MR. SPEAKER: — I don't believe that we can allow members to debate this issue, and I think what we have here is a situation where the hon. member from Nipawin is bringing forward support of the position that he put in the House which he felt was misrepresented by another member. And it appears to me that the issue could be quite debatable, one way or the other. Now, we have on the record, the views of the member for Nipawin, and I think other members can judge for themselves by checking the record at an appropriate time.

ADJOURNED DEBATE

ADDRESS-IN-REPLY

The Assembly resumed the adjourned debate on the proposed motion of Mr. N. Lusney (Pelly) and the proposed amendment thereto moved by Mr. E.C. Malone (Leader of the Liberal Opposition) for an Address-in-Reply.

HON. E.B. SHILLINGTON (Minister of Government Services):— Mr. Speaker, I said last evening when I adjourned the debate on the Reply to the Speech from the Throne, that the CIGOL decision would in all likelihood dominate this session of the Legislature. Well, I expect that will be true.

It will certainly, in financial terms — this issue dwarfs anything else we are likely to deal with except the budget. But in terms of social justice as well, Mr. Speaker, there is a very basic issue here — the right of the people to democratically elected government to control their economic destiny and their economy.

To the extent that the federal government, directly by participating in the case, and indirectly to the Supreme Court, have allied themselves with the oil companies, then they are a part of the villains in the piece. And they have to accept some responsibility for what has happened. Indeed, Mr. Speaker, I think it is fair to say that resources and a struggle to ensure that Saskatchewan people get the benefit of our resources, have in a sense, characterized this government. I recall in 1971, campaigning on two broad goals — one, to establish a farming industry on a sounder basis, and secondly, to ensure that resources were developed for the benefit of Saskatchewan people.

SOME HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — We recognize, Mr. Speaker, that this province is rich in resources. We recognize that if we could but wrest away from multinational oil companies the benefit of those resources, we might stand a fair chance of developing a modern and strong economy. We believe that the farming industry had to be put on a sound basis and that has happened. We also believed that unless we were able to ensure that the benefit of resources stayed in Saskatchewan and didn't go to New York or to London, or to Houston, we didn't stand much of a chance of developing a modern economy and a strong economy. And to a large degree, Mr. Speaker, I believe that we have been successful.

In 1973 we introduced Bill 42, over I may say, the solid opposition of many members opposite, and there was weeping and gnashing of teeth over the future of this province. When we introduced Bill 42, we were told by members opposite that it was the virtual end of the oil industry. Oil industry would pick up their tents and leave, and they're still saying it is .. the oil industry aided and abetted them in that. The oil industry went through all kinds of games, closing down wells, halting production. The only people that the oil companies really hurt with those little songs and dances were their own service people and the industries which served them. The oil industry continued and we continued to produce oil at about the same rate, and we're still exploring and producing.

MR. CAMERON: — At the same rate? It's up this year over . . .

MR. SHILLINGTON: — No, no, it's not the same rate. It's up actually over what it was.

I would suggest that if the hon. members spend less time talking from their seats and more time reading the economic review of the province, they might know that exploration is up.

We did the same thing with potash.

SOME HON. MEMBER: — What do you want to do, ship it all out?

MR. SHILLINGTON: — We said that the benefit of potash should endure to the Saskatchewan people, and we did that. We're getting about \$220 million a year from oil; we're getting about half of that from potash. That, Mr. Speaker, is about 10 times what this government was receiving in 1971 .. 10 times the benefit. And we have been reasonably successful in using this money to build an economic and social structure in Saskatchewan.

I invite the members to go around this province, if your members are long enough, and compare the roads now with the kinds of roads you had in 1971.

I invite the members to look at recreational facilities — the kind of recreational facilities that were there in 1971 and are there now. I have had an opportunity to do that. There aren't too many small communities Mr. Speaker, in this province that aren't building sports complexes or halls, skating rinks or curling rinks. This is the only province, Mr. Speaker, where that is occurring, not because Saskatchewan people pay a higher rate of taxes, because they don't. That's occurring because we are able to use that money from resources to build these kinds of structures. I invite the hon. members opposite to compare the kind of school taxes, the municipal taxes we pay here with those of other provinces except Alberta. We compare very favorably. That, Mr. Speaker, is a direct result of higher school grants and higher municipal grants. Again, we don't have any special or any particular money tree to get the money. People in this province don't pay higher taxes to finance those grants. Those grants, higher school grants, higher municipal grants are paid for through resources. I invite the hon. members opposite who are shaking their heads so vigorously to compare the tax rates of this province with those of other provinces. If you make a fair comparison, — I know there is an old saying that figures don't lie but liars do figures, — if you make a fair comparison, if you compare the various taxes which are paid, income tax, lower automobile insurance, no medical care insurance premium, the hon. members will find that Saskatchewan people pay no higher rate of tax than anyone else and yet we are able to finance a much higher grant system to schools and municipalities.

I think the hon. members opposite are under an obligation, when the hon. members opposite urge that we give the money back to the oil companies, they are under an obligation to tell the Saskatchewan public how they are going to finance that generosity to Imperial Oil and CIGOL. What programs are you going to cut out? Are we going to go back to the good old days when property taxes are rising out of sight as they were in 1971, is that what's going to happen? Are we going to have local financial autonomy for schools and municipalities? Are we going to cease building infrastructure such as curling rinks and halls? I think the hon. members are under an obligation to be honest with the people of the province in this issue. It is too big an issue, Mr. Speaker, to play trick politics with.

Mr. Speaker, when we introduced Bill 42 we did so on the best of legal advice that was available. There seems to have been no doubt, Mr. Speaker, that that bill was in accordance with the law as it was then understood. We won the case in the Saskatchewan Court of Appeal. We won the case in the Court of Appeal but somehow or other, Mr. Speaker, the Supreme Court of Canada acted differently. I may say here in response to the comments made by the member for Regina South (Mr. Cameron), members of this Assembly have a right, indeed a responsibility, to discuss the Supreme Court of Canada where the Supreme Court of Canada is intimately involved in an economic issue in this province, as they are. We have every right to do so, to the extent that the Supreme Court of Canada begins to rewrite the constitution, as I say they have done, then we have every responsibility to discuss them. I would hope, Mr. Speaker . . .

MR. CAMERON: — . . . order that is under . . .

MR. SHILLINGTON: — Mr. Speaker, I am not casting any personal aspersions on any members of the Supreme Court. I don't know who they are. I couldn't name them if I

tried, but I defend the right of other hon. members to do so if they believe that that is part of an issue which is before this House.

Mr. Speaker, I believe that the Supreme Court of Canada is not a proper forum in which to rewrite the constitution. I believe that if that is going to be done, it ought to be done by elected representatives. I allege, Mr. Speaker, that the Supreme Court of Canada did change the constitutional law as it was understood and that the federal government shares part of that responsibility. I suggest, Mr. Speaker, that the federal government's act of intervening on behalf of the oil companies lent a good deal of moral weight to their case which they didn't have before. I suggest, Mr. Speaker, that had the federal government not lent their moral weight to the case of the oil companies the result might well have been different. The federal government has to accept responsibility for what has happened. I hope the members for Regina South and Regina Wascana keep that in mind.

Mr. Speaker, I have been sadly disappointed by the position taken by the opposition parties. The Liberal caucus suggests that we should negotiate. Let's call that what it is, Mr. Speaker. The Liberal caucus suggest that we should give the money back, that is really what they are saying. They suggest that we should negotiate from a position of weakness, that's what they are suggesting. Hon. members opposite shake their heads vigorously. I suggest that anyone who proposes that you negotiate from a position of weakness is either a fool or wanting to lose an awful lot in the negotiation process.

Even more bizarre however, Mr. Speaker, was the Conservative position. The Conservatives suggested that the federal government ought to intervene. Apart from being completely impractical, because the federal government was the author of the problem and not likely to want to be the solution, apart from the fact that the federal government wouldn't intervene on our behalf, we reject that. What that suggests and what the Conservative caucus suggests is that resources and resource taxation are a federal matter when they suggest the federal government ought to intervene. We reject that. I am surprised to hear the Conservative caucus suggesting that resources and resource taxation are a federal responsibility. We don't believe that, Mr. Speaker.

However, I suppose that the position taken by the Liberal caucus that there was negligence is equally bizarre. It was equally bizarre, Mr. Speaker, to suggest that the Attorney General who doesn't personally exercise his legal judgment, that he is not the legal counsel for the government, he is the Attorney General. The legal counsel is hired in the Attorney General's department. We have the best of talent. We won in two courts.

To suggest as the Liberals do that we are negligent, Mr. Speaker, is equally bizarre. I suggest that it is being done for the same reason that the Tories are making their suggestions. Because they don't want to take a position on this issue. The Conservatives are suggesting that it is a federal matter, the Liberals are suggesting that there is negligence because they are afraid of the issue. Mr. Speaker, they are afraid at one point to offend their friends in the oil industry and they are equally afraid of the Saskatchewan public who they realize are lining up behind the government on this issue.

SOME HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — I suggest to the hon. members opposite that if you haven't got the courage of your convictions in opposition then you have no right to be in government. It is a good deal easier to take a position in opposition than it is in

government. I suspect the same thing will happen to you.

Our position, Mr. Speaker, is clear. We say the people of Saskatchewan own the resources; we say the people of Saskatchewan should derive the benefit of that. We will not be frightened off by the combined forces of the old line parties, the oil companies or the federal government and whoever else they may be able to marshal.

SOME HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — Mr. Speaker, we will do whatever is necessary to ensure the benefits of Saskatchewan's resources stay in Saskatchewan and go on building curling rinks and roads and hospitals. Mr. Speaker, we will do whatever we have to, to protect the birthright of Saskatchewan people.

Mr. Speaker, in the few moments remaining to me, I want to take this opportunity to once again extend my congratulations to the Queen on her Silver Jubilee. I was very pleased with the reception that was given to the provincial government program on the Queen's Silver Jubilee. We agonized for some time how we should go about celebrating the Silver Jubilee, and we finally decided that we would celebrate it by giving out pictures to schools and churches and halls throughout the province. And we gave away a lot more pictures than we thought we would.

Mr. Speaker, anyone who suggests that the Queen and the Monarchy are a dying institution in Saskatchewan hasn't sat where I have sat for the last year. The overwhelming and the positive response given to this program suggests to me that the Monarchy and the Queen are alive and well in Saskatchewan. As well, Mr. Speaker, we took the position that those pictures ought to be delivered through the MLAs wherever possible, and unlike many governments we didn't just deliver them through the government MLAs, all members of this House had an opportunity to participate in this program.

Mr. Speaker, with the remainder of the program which involved delivering pins to school children, we took the same position. We took the position that we shouldn't be narrow and partisan about it, but that all members of the House ought to have the opportunity to deliver the pins and to explain to the school children the role of the Monarchy and the role of the MLA. And we think this was positively received by the Saskatchewan public.

I just want to mention one other subject, and that is in a sense, I suppose, national unity. I had an opportunity, Mr. Speaker, to spend some time in Quebec recently and I had an opportunity to speak to many Quebec people about where they saw Confederation going and what they saw us doing.

My impression was that Canadianism, or the spirit of Canada is a good deal stronger in Quebec than it was a year ago. I saw many changes, Mr. Speaker. My first opportunity to go to Quebec was 13 years ago, when I was in Montreal, and in Montreal at that time I couldn't find anyone who spoke French, out of the French quarter. When I was back this time everybody is speaking French. And that's a positive sign, it's sign of pride in their culture and in their language, and I think that's the first step towards the French people feeling to be full partners in Confederation. But I saw some very positive signs. I saw many, many French people wearing little Canadian flags on their coats or in their hats. I saw all kinds of toques with Canada written on them. When they sang "The Queen", or when they sang "Oh Canada" at the opening of an event everybody stood up

and everybody sang, and I sensed a nationalism today that wasn't there a few years ago. I also sensed a feeling that there may have to be some compromises. I sensed a feeling by the French people that they want to be a part of Canada, but they want some renegotiation to take place, and that I think means that we are going to have to give a little and they are going to have to give a little. Perhaps some powers might go from the province to the federal government and undoubtedly some powers that the federal government has exercised should go to the provinces.

The problem, Mr. Speaker, with the federal government exercising powers is that they tend to apply a uniform pattern about Canada. That can sometimes be very destructive. I think, for instance, of the bitter reaction the bilingualism program has stirred up.

In this province, Mr. Speaker, we have attempted to encourage not a bilingualism, but a multiculturalism. We have tried to encourage not only the French, but including the French. We have also tried to include people of all backgrounds, Ukrainians, Germans, and the list is nearly endless, to take a pride in their culture and their language, and it succeeded. Multiculturalism is flourishing in this province as it never has before and we think this is a far more positive way to approach the problem than the pen of the narrow way, in many ways that the federal government has approached it.

Mr. Speaker, I think it is clear from what I have said that I will be opposing the amendment and supporting the Speech from the Throne.

SOME HON. MEMBERS: Hear, hear!

HON. E.L. COWLEY (Minister in Charge of the Potash Corporation of Saskatchewan): — Mr. Speaker, I take great pleasure this afternoon in joining in this Throne Speech Debate. I want to first of all congratulate the member for Pelly, for his first speech in this House, who moved the Address-in-Reply to the Speech from the Throne, and to also congratulate the member for Meadow Lake (Mr. McNeill), who seconded the motion, both of whom did an excellent job I think in outlining the policies and the priorities of this government.

Mr. Speaker, I want to spend most of my time in this debate dealing with one specific issue, and that issue is the decision the Supreme Court handed down last week on the CIGOL case. That decision, I think, leaves many basic questions unanswered in the minds of the people of Saskatchewan. Probably the most important question is: what is going to be the financial impact, and is the province of Saskatchewan going to be placed in the position of paying back some significant sums of money to the oil industry?

Now, Mr. Speaker, I think it is worthwhile looking at what the position of the two parties opposite are and the position of this government. It is always difficult to find out what their positions are. The Leader of the Liberal Party, the day that the decision came down, wanted an immediate debate on what we should do. A couple of days later he was saying we should really cool it and think this over calmly and rationally, just what we have said all along and he finally came to his senses. But in his resolution which he proposed that this House debate, he talked about the money the province owed the oil companies. Mr. Speaker, the Liberal Party's position is clear the money belongs to the oil companies. The Liberal member for Kindersley today in the debate shouted across the House that it isn't even our money. Well, Mr. Speaker, the Leader of the

Conservative Party isn't quite so bold. He says adopt the Alberta system. Well what that really means, Mr. Speaker, is that he says give half the money back; \$250 million or \$250.00 for every man, woman and child in this province. He had one other wonderful idea, Mr. Speaker, and that was that we should get the federal government to pass remedial legislation. Now, Mr. Speaker, even the Leader of the Conservative Party should know that that's like asking the fox to guard the chicken coop.

Mr. Speaker, we in the New Democratic Party, myself included, believe that that money is our rightful heritage for our children. It's there to build their future, their children's future. I want to assure the Assembly that I will do everything in my power to ensure that it is there to build that future and not to line the pockets of the corporate friends of the Liberals and the Conservatives. Mr. Speaker, the people of this province have three alternatives to choose from: a Liberal Party which says give it all back; a Tory Party which says give half of it back; or the New Democratic Party which says that it belongs to the people of Saskatchewan.

Mr. Speaker, I want to talk about the implications of this decision, not just to the province of Saskatchewan but to all of Canada, to every province and resource development in this country. You don't need to be a lawyer to follow the judgement. It's fairly simple and easy enough to understand. There seems to be three basic reasons why the Supreme Court ruled our tax regime unconstitutional and beyond the powers of the provincial Legislature.

1. They seem to say that it was an indirect tax in the nature of an export tax or commodity tax and is passed on to purchasers.
2. That the royal surcharges are tax and not a true royalty and is invalid for the same reason.
3. That the legislation has the effect of setting a minimum price of Saskatchewan oil exported from the province.

I should point out here, Mr. Speaker, that 98 per cent of our oil that we produce in this province is exported. The judgment called for CIGOL to be repaid all taxes with interest accrued. The cost of the CIGOL decision in itself would be about \$3.9 million but it has implications for the province of over \$500 million. I think that we should examine the decision and see how it might apply to our provincial resources and their taxation. The basic argument was that it was an indirect tax passed on to the consumers. Well, I ask, Mr. Speaker, what was the effect of our legislation on the price paid for oil by consumers? The price for oil is now set by the federal government. It was set then by the federal government when we passed our legislation and when our legislation came into effect. Mr. Speaker, it seems to me that our legislation made and does not make one dollar nor one dime nor one cent of difference to the price of oil paid by Canadians or people outside of this country. The logic escapes me. The logic of the opposition, indeed, if there is any over there who have raised not one word even of discussion, much less protest about the decision, escapes me as well. If this applies to our royalty system, Mr. Speaker, then it appears to me that it applies to Alberta's royalty system, to British Columbia's natural gas royalties, to timber royalties, coal royalties, virtually every resource royalty throughout this country. Further, on the question of the effect on price of our legislation, I want to read a short quote from the minority opinion written by the hon. Mr. Justice Dickson and I quote:

For myself, I can find nothing in the language of the act, nor in the oral or

documentary evidence to suggest that the price of Saskatchewan crude was increased by the addition of the mineral income tax levy or that the purchaser of Saskatchewan crude paid more per barrel than he would have paid in the absence of the tax. Nor can I discover anything which leads me to conclude that the legislature of Saskatchewan acted in any view other than that of collecting maximum tax from the persons who are by statute made liable to pay it, namely Saskatchewan oil producers.

Mr. Justice Dickson sums up the situation well with the line "The tax does not set the price, price sets the tax." He goes on, "I cannot stress too strongly the point that purchasers would be paying the same price whether the tax existed or not."

Mr. Speaker, the effect of this decision is in my view, that the federal government cannot tax resources, because they have clearly a responsibility. However, it now appears, that the provinces may not be able to tax them effectively either. Is the effect of this then, Mr. Speaker, to be that the companies who harvest these resources in Saskatchewan are to be given a free rein? Our legislation does not set a minimum price; I suggest that it does not effect the price at all. Let me quote from the majority opinion written by Mr. Justice Martin from page 22. It says and I quote:

Thus the effect of this legislation is to set a floor price for Saskatchewan oil purchased for export by the appropriation of its potential incremental value and interprovincial and international markets or (and I stress that it says or and not and) to ensure that the incremental value is not appropriated by persons outside the province.

Now, Mr. Speaker, that indeed was the purpose of our legislation to ensure that the incremental value of our oil does not go outside the province. I would suggest, Mr. Speaker, that's the purpose of Alberta's oil taxation structure as well. If Alberta's legislation is challenged and if the Supreme Court follows this thinking, then Alberta could have to pay not \$500 million back but could be faced with a \$5 billion bill, Mr. Speaker.

Mr. Speaker, I have here a clipping from the Leader Post of November 26, 1977. It's headed 'Lawyer takes look at Policy' and I quote from it:

Elements of Alberta's petroleum oil policy may be unconstitutional says a Calgary lawyer who successfully had the Supreme Court of Canada declare Saskatchewan's petroleum royalty system unconstitutional. James Crawford said in an interview here that there might be grounds for arguing that Alberta's creation of the Petroleum Marketing Commission and provincial methods for approving the removal of natural gas from the province exceed Alberta's constitutional powers.

He added at the end that he didn't know of any petroleum company considering challenging Alberta's policy. Well now, Mr. Speaker, I was interested in hearing a moment ago the member for Wascana shout across the House 'nowhere are oil companies going to challenge Alberta's oil policy.' Why is that, Mr. Speaker? Why are they not challenging Alberta's policy, if indeed, their very own lawyers who worked on this particular case, say it is unconstitutional. Could it be, Mr. Speaker, that the oil companies don't care about the constitutionality, that they are prepared to have a tax from their friends which is low enough, so that they get a higher return but they attack the constitutionality of our legislation simply because they don't like the rate of taxation we levy.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: — Mr. Speaker, some people have suggested that we were challenged simply because our rates are too high. That I suggest may indeed have been the oil companies' reasons for attacking our legislation, however, Mr. Speaker, that obviously could not have been relevant to the decision of the Supreme Court.

Mr. Speaker, I want to take a minute to just give a brief review of the background of the people who sit in the highest court of our nation, the Supreme Court. First, there is the hon. Mr. Justice Martland, who wrote the majority opinions. The reason he writes the opinion in oil cases is geographical, he's from Alberta; and also, because previously in private practice he was an oil company lawyer. Justice Martland was appointed by the Diefenbaker government, I believe.

Next is the Chief Justice of the Supreme Court, the Right Hon. Bora Laskin, Chief Justice of Canada. Justice Laskin was appointed by Pierre Trudeau on December 27, 1973. It was the first time that the most senior judge in the court was overlooked by a Prime Minister in appointing a new Chief Justice. Laskin had been on the Supreme Court for only three years at the time and at least five other judges outranked him in seniority. Most of the members of the House will recall the public reaction to the appointment and some charges that the Prime Minister was promoting him because of the strong centralist and federalist stand he had taken throughout his years. Chief Justice Laskin concurred in the majority opinion against the province of Saskatchewan.

Another judge I will mention, is the hon. Justice Beetz. He also concurred in the decision against the province. During his career he was from 1966 to 1968, the assistant secretary to the Pearson Liberal Cabinet; from 1968 to 1971 he was the special counsel to the Prime Minister on constitutional matters. The Prime Minister some four years ago appointed Justice Beetz to the Supreme Court.

Another Justice is the hon. Mr. Justice Pigeon, who was a law partner with Jean Lesage, the former Liberal Premier of Quebec; and from 1960 to 1966 was a legal advisor to the Premier of Quebec.

It is interesting to note — appointed on merit the member for Wascana says. I am sure that he and his brother-in-law could give us some good lessons in how they run the merit system. It is interesting to note that of the seven justices who decided against the province of Saskatchewan, three were educated at Osgoode Hall in Toronto, two in Montreal, one, Mr. Justice Martland the former oil company lawyer in Edmonton and one in Nova Scotia. Osgoode Hall must be considered to provide a nice rounded background for Supreme Court Justices. Of the 15 justices judges who have sat on this case, eight have found in favor of the province and seven against. Of the eight in favor, seven were western in their background and one from eastern Canada. Of the seven against, six were from eastern Canada and one from western Canada.

Mr. Speaker, on Thursday last, the Leader of the Liberal Party objected to the Premier's suggestion that they represented the oil company interests in this Assembly. The Liberal leader again objected to on Friday during this debate when the Minister of Mineral Resources referred to the Liberals and the Conservatives as puppets of the oil companies. Well, Mr. Speaker, I have had a chance to review the returns filed with the federal electoral office which show the groups and the individuals who contribute to

the political parties and the amount they have contributed. Now there are many oil companies and other resource corporations listed as contributing to the Liberal and Conservative parties.

I want to talk about one in particular. During the period from August 1, 1974 to July 31, 1975, Northern and Central Gas Company Limited contributed \$700 to the Liberal Party and \$1,000 to the Progressive Conservatives. This company is now Norcen Energy Resources Limited and is the owner of CIGOL, Canadian Industrial Oil and Gas Company.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: — During the calendar year 1976, Norcen gave \$1,994 to the Progressive Conservatives; from August 1, 1975 to August 1, 1976, Norcen gave \$1,000 to the Liberal Party. But in the last six months of 1976, Norcen gave to the Liberal Party contributions totalling \$4,200 after the Attorney General of Canada, Mr. Lang joined CIGOL in the court case against the province of Saskatchewan.

One interesting contributor to the Progressive Conservatives was Edmund Charles Bovey of Calgary. Mr. Bovey gave the Progressive Conservatives \$600 in 1976; Mr. Bovey is the chairman and director of Norcen and several other companies, including a director and chairman of the executive committee of CIGOL. Now, Mr. Speaker, perhaps the Liberals and the Conservatives of this Assembly don't think or feel as though they represent the oil company interests but it is obvious that the oil companies think that the Liberals and Conservatives represent their interests.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: — It's obvious that CIGOL and Norcen who attack the right of the people of Saskatchewan to collect revenues on their oil under Bill 42, are of the opinion that the Liberals and the Tories are on their side and represent in this House oil company interests.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: — During the debate which went on in this House and outside, on Bill 42, the opposition, both Liberals and Conservatives didn't oppose it because it was unconstitutional; both the Liberals and the Tories attacked it because it was too hard on their oil company friends. The translation of all their arguments could well be, if you take too much from the oil companies in taxes, there won't be enough left for contributions for us. I have never received an answer yet from the Conservatives, Mr. Speaker, to one of the questions I raised in the budget debate last year. I ask them again, how many \$99 contributions did Murphy Oil make to Tory candidates in 1975? You know, Mr. Speaker, they let the one from Last Mountain-Touchwood slip through and it was reported when it didn't have to be. What were all the oil companies gaining from those contributions, Mr. Speaker?

Before going on, Mr. Speaker, let me run through a few other contributors, these figures are for one year only, a year which wasn't an election year I might point out. For the PCs paying the piper, were Gulf Oil to the tune of \$23,168.50, to the nice round figure, Mr. Speaker; Alberta Gulf Gas Trunk Line, \$16,439; Denison Mines, \$25,800; Dome Petroleum, Husky Oil and the list goes on. Mr. Speaker, the Liberals weren't fussy; \$25,000 from Denison Mines, \$21,000 from Gulf Oil and countless other contributions. He who pays the piper calls the tune, Mr. Speaker, and the oil companies pay the Liberal piper and they pay the Conservative piper.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: — Mr. Speaker, the Leader of the Conservative Party has been adamant at calling us bunglers for a drafting of Bill 42. I want to point out for the benefit of that member that both at the trial level with Justice Hughes presiding and at the Court of Appeal with five judges, Justice Culliton presiding, that Bill 42 was found to be constitutional and was in our powers as a province. Now if the Conservative Leader is saying that because a supreme court has ruled the bill unconstitutional that somehow this government bungled, he is also commenting indirectly on Justice Hughes who passed the legislation and approved it and on Chief Justice Culliton.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: — Now while the Liberal Leader hasn't been quite as adamant in his condemnation of our competence, he should as well explain how it is that we are incompetent for passing the bill, but two court levels are not incompetent for approving that same bill. I will watch with interest how the Liberal Leader responds if the next court challenge in the supreme court goes against the government of Saskatchewan.

On December 6th the Central Canada Potash case in which the Court of Appeal in our province found in our favor, will be heard by the Supreme Court. That case deals with the prorationing system which was a product, Mr. Speaker, I remind you, not of a New Democratic Party government, but of the previous Thatcher Liberal administration. I believe, Mr. Speaker, that the member for Regina South's father was a Minister of Mineral Resources at that time. And Premier Thatcher's son now sits in this Assembly as a recycled Conservative. Mr. Speaker, if that event comes about we will have to see if the two members accuse their fathers of being incompetent. Just think of it, the act for which the member for Thunder Creek's father, Ross Thatcher, was made an honorary

colonel, was not a great move, but could be "bungling incompetence". That's the member's opposite statement, Mr. Speaker.

Mr. Speaker, I am concerned, as I look over the scene now, that we may indeed lose that case if the logic of the Supreme Court is carried over into our potash prorationing scheme. It will be interesting, Mr. Speaker, when and if that one comes forward, to see what the opposition stand is with respect to that.

Mr. Speaker, I want to take a few moments to deal with some of the policies or attempted policies that were put forward by one of the leaders of one of the opposition parties opposite the Leader of the Conservative Party. I want to talk about his policy with respect to the potash industry. May I say, his absence of a policy with respect to the potash industry. Mr. Speaker, the Tory Leader, the member for Nipawin came out slugging at his own party's resolutions during their convention in October. In an attempt to squash the first three resource resolutions, even before his delegates could debate them, the Conservative Leader was reported in the Leader Post of October 29th as saying "the PCs did not want the NDP government to spend a half a billion dollars to buy potash mines from the private companies in the first place". But, Mr. Speaker, he went on to note, that should he ever be so lucky as to form a government the PC's would be "faced with a situation where the mines are already owned by the government and it would be unrealistic to think that they could be sold back to private industry". It might be as difficult as it would be sell shares, Mr. Speaker, in Mismanagement Associates or even Build Nothing Construction. Then the Tory Leader, after eliminating the possibility of selling the corporation to private interests for the original price made the astounding statement that "if a Conservative government sold them back to a private industry at a lower price than the NDP government paid for them, the NDP would criticize the PC's for rewarding their business allies."

Now the member for Nipawin isn't a bit concerned about selling off valuable public assets for less than cost price. His only concern is that the NDP would criticize the PC's for rewarding their business allies. No concern for the public investment of hundreds of thousands of Saskatchewan people. No, Mr. Speaker, only a fear of criticism from this side of the House that they were somehow helping out their business allies.

Instead, Mr. Speaker, the Tory Leader proposed that shares in the potash corporation should be traded on the open market. He attached three conditions to this plan:

1. That the majority of the shares be owned by Saskatchewan residents.
2. That the head office remains in Saskatchewan.
3. That the majority of the board of directors be from Saskatchewan.

All, by the way, Mr. Speaker, are currently being met. He also proposed that no one be permitted to hold over two per cent of the shares. With his usual penetrating insight the member for Nipawin declared that this policy would lift the burden of debt from the province.

We are all in favor of lower debt and lower taxes, the trouble is that the member for Nipawin's plan would do neither. The Tory plan would force every man, woman and child in Saskatchewan to pay roughly \$500 for a share in the mines. That's roughly what the cost is using Mr. Collver's half a billion dollar figure. But the citizens of Saskatchewan, Mr. Speaker, have already paid for the mines. Mr. Speaker, is the

Conservative Leader seriously asking for the people of the province to pay for the mines again. Perhaps he meant to give away the shares at no charge. If so, how does he plan to repay the energy and resource development fund in the borrowings. With no price charged for the shares, the Conservative's policy will saddle the province with an enormous debt and leave no income, no profit to pay it off except taxes. Mr. Speaker, just to do that would require him to raise the sales tax to six per cent. But never mind, Mr. Speaker, let the member for Nipawin decide how he wants to distribute the shares. Consider what happens to them once he sells them. The two per cent restriction on holdings means the market will be limited. A further limitation will be imposed by demanding majority in property to province ownership. And don't ask how they would enforce it. Mr. Speaker, any way you look at it, it doesn't make much sense. Now, Mr. Speaker, I think it becomes more obvious why the member for Nipawin seems to have so much trouble in his business dealings.

Mr. Speaker, I want to comment briefly once more on the performance which went on in this Assembly a couple of weeks ago. I feel that it's rank hypocrisy for the Conservatives to one day pronounce in self-righteous terms that their intentions to behave in this Assembly to bring proper decorum to the Assembly and then the next day to attack the institution of your Chair, Mr. Speaker, in a manner which was totally unparliamentary, which was totally unparliamentary. Their only purpose was to grab the press to make big headlines and they did. They say they won't smoke in committee. Well, Mr. Speaker, the only thing they contributed during the debate in this Assembly has been additional smoke and noxious gases. They say they won't pound their desks, the traditional applause of parliaments. Well, Mr. Speaker, that shouldn't be hard for them, they've never said anything worthy of applause.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: — Time and time again they have made it clear that they have no respect for this Assembly, no respect for the institution, no ability to operate effectively within the institution. Mr. Speaker, the Conservative Party can boast of many fine parliamentarians — John Diefenbaker, Jed Baldwin, Robert Stanfield and others. The Conservatives across this House have totally failed to follow in those fine traditions, Mr. Speaker. While the Conservatives in this House waste our time over petty concerns such as whether they sit and do nothing to your immediate left or sit and do nothing to your more distant left, they have gone to the right of the Speaker in our neighboring province of Manitoba. Since the Conservatives in this House are incapable of telling us what their policies and programs are, we are left in a position where we have to judge them by their fellow Conservatives in other provinces. In the province of Manitoba they have had little time to fully bring in their policies of, "acute protracted restraint," but it has been long enough to set the tone. Let me give you a few examples.

MR. SPEAKER: — Order!

MR. J.G. LANE (Qu'Appelle): — We are following your directions that the point of privilege be raised at the time of the allegations. Several allegations were made by the minister as to payments made by major companies to political parties and the point to be raised of course is that the hon. member speaking ignores major, and I am talking in several thousands of dollars by Schenley, Hiram Walker ...(Interjection of jeers and laughter.)

MR. SPEAKER: — Order! Order! That is a specious point of order or a point of privilege for that matter. Order! I would ask the member for Qu'Appelle to maintain his seat. He

does not have a point of privilege. The member who is speaking can report all of the case, part of the case, or any part of the case that he wishes to report and if the member for Qu'Appelle wishes to debate that issue he has a proper time to do it.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: — Mr. Speaker, I think we have seen once again the total disregard in this House of the Conservative Party for the rules of order in this House.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: — Mr. Speaker, the Conservative member for Qu'Appelle no more had a point of order than I am riding an elephant standing here. Mr. Speaker, once again the Conservatives have shown by example the best possible way that they can show you their total lack of regard for the rules of this House.

I want to continue on, Mr. Speaker, with a few comments about the Conservative government in Manitoba. I quote from the Winnipeg Free Press of November 4th, 1977:

By February the Manitoba government's desire to freeze public works building projects costing \$37.4 million will add 5 per cent to a projected 30 per cent unemployment rate amongst the province's 28,000 tradesmen.

Now, from the same paper of November 10th:

Great West Life Assurance Company is paying the salary of a top advisor to the new Conservative administration. During the October 11th election campaign William McCance had also take a leave of absence from Great West but at this time his salary was paid by the Progressive Conservative Party due to restrictions on corporation donations.

Mr. Speaker, I could go on and quote again and again from the examples of the Conservatives and their actions in Manitoba since they have become the government. Mr. Speaker, the only way that we can judge the policies of the members opposite is to see how their parties work in other provinces.

Mr. Speaker, I think you can gather from my comments that I will be supporting the main motion and voting against the amendment.

SOME HON. MEMBERS: Hear, hear!

MR. G.H. PENNER (Saskatoon Eastview): — Mr. Speaker, I am pleased to have the opportunity to rise and participate in this Throne Speech Debate and to attempt to put some semblance of reason into the discussion that has been before you. In beginning I would like to thank the government for an occurrence that happened in my constituency within the last few months, that is the opening of the Stensrud Wing. It is something that I am sure the Attorney General will recall that I mentioned during the campaign in 1975 as being something extremely important and I was gratified at the time to note that the Premier took the suggestion and announced that the wing was going to be built. I have to say too that I was somewhat surprised that a candidate not yet elected would have so much clout. I have to say that since then I have been somewhat disappointed. I want as well to thank the Minister of Highways for finally getting his troops off their seats in getting some work done with regard to the 42nd Street bridge in Saskatchewan. I think that most people who live in that community and in the surrounding area will be pleased that the bridge is now on track and that we have a time line for it.

Mr. Speaker, before I begin to make any remarks with regard to the Throne Speech itself, I would like to direct some remarks to the matter of the Supreme Court decision of

the last week. As has already been stated, Mr. Speaker, the Supreme Court decision has shown that part one of Bill 42 was the most irresponsible piece of legislation ever perpetrated on the people of this province. I think that can be said for two reasons, Mr. Speaker. The first is, the attitude of the government in passing Bill 42 virtually destroyed the industry in Saskatchewan and secondly, not only did we lose the industry but we also now have lost potentially \$500 million.

Mr. Speaker, the NDP have attempted and we have heard it in the members who just spoke prior to me in this debate, to shift responsibility for this predicament to the Supreme Court of Canada. The government has not had the fortitude to accept the responsibility it ought to accept, its having passed unconstitutional legislation. The government has not fulfilled its obligation to the people of this province insofar as protecting provincial rights to the resource industry is concerned. As a matter of fact, the government has accomplished two things, as I said a minute ago, Mr. Speaker. It is interesting when one reflects upon what the member for Last Mountain-Touchwood (Mr. MacMurchy) said yesterday afternoon in debate, when he said that prior to Bill 42 when the price was \$3 a barrel, things were going along reasonably well. The oil industry and the province itself had a working relationship that was pretty reasonable. Then we had Bill 42, Mr. Speaker. In 1973 there were 86 million barrels produced in this province; in 1974 there were 73 million barrels produced in this province; in 1975 59 million barrels of oil in this province. And at the same time, Mr. Speaker, we have had a bill that has been declared unconstitutional and placed us all in an extremely difficult position.

Mr. Speaker, it is time for the government to take the advice of our leader, advice which has been talked about and recognized as being the only reasonable thing that's been said about this whole thing since this legislation came down and that's to sit down and begin to negotiate with the industry. While we have not yet seen the legislation that you announced we're going to have next Thursday, we strongly suspect that since it has been prepared relatively quickly, that it's retroactive legislation. I fail to see how unconstitutional law and \$500 million problem can be cleared up by further unconstitutional law.

Mr. Speaker, in turning my attention to the Throne Speech itself, I want to first of all say how devoid it was of any meaningful statement about the Saskatchewan scene; it was a truly innocuous statement saying nothing. It could indeed be better labelled a 'drone speech.' Mr. Speaker, it gave no indication whatsoever of this government's willingness to accept responsibility for some very serious problems and gave no indication of any attempt whatsoever to deal meaningfully with them.

Some of the most pressing concerns facing Saskatchewan today are of an economic nature. We know, for example, that this province has shown low economic growth. The Conference Board of Canada noted that Saskatchewan's real growth in 1977 to be only 1.4 per cent. The forecaster for 1978 is also low, 2.8 per cent. This is expected to be well below the national average forecast 4.9 per cent growth rate in 1978. This problem is compounded by the fact that Saskatchewan leads the nation insofar as the inflationary spiral is concerned. Figures released by Statistics Canada show that for the month of October, Regina's inflationary factor was 1.6 per cent and Saskatoon's 1.5 per cent, compared with a national average of 1 per cent. The cumulative figures for 1977 to October 31st, placed Regina at 10.3 per cent and Saskatoon at 10 per cent, again compared with the national inflationary rate of 8.8 per cent. Fortunately, Regina and Saskatoon experienced gasoline price wars or the inflationary factor would have been higher still.

Mr. Speaker, as we recognize this low economic growth factor in Saskatchewan and the extremely high inflationary factor, let's examine some other what to me are rather startling statistics. Saskatchewan residents are slowly but surely being strangled by excessive taxation. During the 1973-74 fiscal year, Saskatchewan residents paid a total of \$115 million to the provincial Treasury through income tax payments. In 1977-78 the provincial budget of March last, assumes a total payment through income tax by Saskatchewan residents, of \$393,000, an income tax payment increase of 245 per cent in five years.

Mr. Speaker, during the period from 1972-1977 the rate of provincial income tax paid in Saskatchewan has jumped from 37 per cent of the federal tax to 58.5 of the federal tax, an increase of 21.5 points or 58 per cent. Now let's compare that to other places in Canada, Mr. Speaker. I want to take the time to do this for member's opposite because I am sure they don't take time to do it themselves.

Let's begin at the West Coast with the province of British Columbia. During the period from 1972-1977 their provincial income tax went up 16.5 points to 46; in Manitoba it went up 13.5 to 56; Ontario from 15.5 to 46; Prince Edward Island, and here, Mr. Speaker, we get into some of those parts of Canada that are nationally known to be in poor shape. For the people in Prince Edward Island their provincial income tax is 50 per cent of the federal tax, it's gone up 14 per cent; in Nova Scotia it's gone up 14 per cent to 52.5; in New Brunswick it's gone up 14 to 55.5. Mr. Speaker, the comparisons speak for themselves. Saskatchewan residents are being ripped off by a government that is unable to manage its fiscal affairs in a responsible manner.

SOME HON. MEMBERS: Hear, hear!

MR. PENNER: — During the period from 1972 to 1977 not one province in the Dominion of Canada increased its provincial income tax rate higher than did the province of Saskatchewan. Not one of the Maritime provinces even, who are generally recognized, as I said earlier, as having a very low economic growth has hit its citizens as hard as has this government. We now find ourselves, Mr. Speaker, in a depressing and shocking situation of having the highest provincial income tax rate of any province in the dominion. Mr. Speaker, it's no wonder this is the last NDP government in Canada.

While all of this has been happening, Saskatchewan has continued to be a have not province. Cash in-flow to this government as a result of federal payments to Saskatchewan have increased from \$292 million in 1972 to \$364 million in 1976. Government borrowing jumped from \$76 million in fiscal 1972 to \$341 million in fiscal 1977-78. Borrowing on the US market has had a significant detrimental effect due to the floating nature of the Canadian dollar and due to the further burden placed on Canada's balance of payments situation.

Mr. Speaker, it's no wonder this is the last NDP government in Canada, while they may have over the years demonstrated some strength in social legislation, they demonstrate incompetence and irresponsibility in their economic management or mismanagement of this province. The negative impact of the government's decision to nationalize the potash industry on the investment climate of this province is simply one more example of this government non-caring attitude about the oppressive tax burden placed on its citizens and an indication of a lack of foresight or tunnel vision, if you like, regarding a broadening of the tax base rather than a narrowing of it.

Mr. Speaker, this government's economic mismanagement and fiscal irresponsibility, is compounded by the fact that despite increased federal payments, despite the highest provincial income tax rate of any province in Canada, despite the fact that no province in Canada increased its provincial income tax rate more than did this province in the period from 1972 to 1977, this government still cannot live within its means. This government has budgeted a deficit in 1977-78 of \$40 million, a figure which I expect will be considerably higher when the year ends. I suspect, Mr. Speaker, that the reason this government cannot live within its means is that, by and large, they are caught up in an additive budget psychology, a psychology which assumes that last year's program was good, simply because it exists. This is an attitude in the bureaucracy which says we must use last year's budget as a base, add an inflationary factor, then add enough that when Treasury Board makes some cuts, because after all, that's what they're expected to do, that there is still enough money to operate the program for another year. I suspect, Mr. Speaker, that this is an apt description of the process generally in use by this government.

What is needed, Mr. Speaker, is an entirely different approach, if this government is to reduce spending and learn to live within its means. One method, and it is only one, is to use a zero-base budgeting approach. While time constraints would not allow it to be used in every department of government every year, it could certainly be used with some departments every year on a rotational basis. Now during question period a few days ago, Mr. Speaker, the Minister of Finance and now the Attorney General indicated that they didn't understand the concept of zero-budgeting. In deference to them, my explanation will be simple and relatively easy to understand.

The psychology of zero-base budgeting has the advantage of forcing review of a program. Reviewing the program, as it were, Mr. Speaker, from the ground up. It forces a justification of a program in light of changing social and economic factors and in terms of the value of a program compared to its costs. It forces assessment in terms of need. It forces examination of the very foundation of the program rather than an assumption that there is a need to add an additional floor to the building. Yes, as a matter of fact, the member opposite, his government would do well to take a page out of the book of a lot of school boards in this province who in fact do pursue and practice effectively the concept of zero-base budgeting. It presupposes that government will do, as a matter of course, what my colleague from Regina South suggested last spring when he introduced a bill entitled 'The True Cost of Government Program Act'.

Let me illustrate my point with an example. I want to use as an example the Saskatchewan Prescription Drug Plan. Well if the Attorney General would care to be quiet and get on his feet earlier if he wants to participate in this debate, I'll explain to him how it maybe would work, work to his benefit and work to the benefit of the people of the province. I think it is fair to say, Mr. Speaker, that the Saskatchewan Prescription Drug Plan has as its goal, a desire to protect Saskatchewan citizens from excessive drug costs. It is a universal scheme applied to us all; its a laudable goal and an expensive goal. In 1976 the cost of the plan was just over \$17 million. A neighboring province, Manitoba, also has a universal prescription drug plan. It protects those, who through no fault of their own, require extensive and expensive drugs. People of Manitoba pay the initial \$50.00 and the plan plugs in after that. The cost of their program in 1976 was \$5.4 million, a third the cost of the Saskatchewan plan.

Now, Mr. Speaker, I want at this point to raise a question that arose in debate the other day when the Minister of Health was on his feet. If I quote from Hansard of November 24, 1977, the Minister of Health said, and I quote: "In Manitoba it cost almost \$10

million". Now, Mr. Speaker, if the Minister of Health or any other member over there would care to get the Manitoba Health Program Annual Report for 1976, and if he were to turn to page 34 at the top of the page, the cost of the Pharmacare Program in Manitoba - \$5,406,063.00. Now, Mr. Speaker, I think it's unfortunate when a minister of the Crown stands up in this House and doubles the cost of a program to try to make a point and misleads the people of the province when he's doing it.

Now there are a couple of points, Mr. Speaker, that I want to make with regard to this. First, Saskatchewan's excessive costs are due in large part to an army of civil servants, 82 of them hired, (and all you have to do is go to the estimates to take a look at it,) in 1976, to administer the plan. Second, it's costing most Saskatchewan residents more to pay for a so-called free drug plan through their tax dollar than it would if they paid for their own drugs. Now, members opposite, they smile and they may scoff, but I invite them to look at the facts. Our total cost for the prescription drug plan in 1976 was \$17 million — we have a population of just a little in excess of 900,000 people and a simple division leaves the rate at about \$18.80 per person. That's what the cost of the plan through our tax dollar is, Mr. Speaker. Now the average cost for a four person family then is about \$75.00. Now, I submit, Mr. Speaker, and as a matter of fact the Minister of Health revealed when he spoke the other day, that it doesn't cost the majority of Saskatchewan families \$75.00 a year to pay for drugs. He pointed out that if they had to go out and buy them on their own it would cost them \$66.00 but we're paying for it through the tax dollar, Mr. Speaker, and it's costing us for a family of four \$75.00. Because you have not examined the program that you have made mandatory, you force every four member family to pay \$75.00 for drug care whether they need it or not and in a neighboring province, the cost is one third. I say, Mr. Speaker, that the plan represents two things. As it stands now, it represents a con job on the people of Saskatchewan because of its unwarranted expense and waste. And you see, Mr. Speaker, there is the other part of the con job. You see, they not only con the people of Saskatchewan in a program, they con them in the way they comment about it. Never have we suggested that there ought not to be a drug plan in this province, Mr. Speaker. What we have suggested, Mr. Speaker, is that the Manitoba Drug Plan provides care for those who need it through no fault of their own, who require drug programs that can be provided without the waste and the extravagance that the Saskatchewan Drug Plan provides.

SOME HON. MEMBERS: Hear, hear!

MR. PENNER: — I invite the Minister of Social Services to join me anywhere when we can debate the pros and cons of our position with regard to drug care and your position in regard to drug care. The second thing that I want to say about this example, Mr. Speaker, is that it's a perfect example of a program which if examined critically using a zero base budgeting process could provide a valuable and needed service but without the costs presently attached to the program.

AN HON. MEMBER: Hear, hear!

MR. PENNER: — Mr. Speaker, I want to move on to a couple of other points. The Throne Speech indicates the government's intention to raise the minimum wage in Saskatchewan to \$3.15 an hour effective January 31, 1978 and \$3.25 effective June 30, 1978. We recognize that, for the working adult population, this is a rather modest increase.

However, we also recognize, as do many spokesmen for the business community in this province, that further increases in the minimum wage mitigates against the hiring of Saskatchewan students. The simple, practical fact of the matter is that this provision will prevent many high school and university students from obtaining part time employment.

We propose therefore, for government consideration that the wage for students remain at \$3.00 an hour. We expect that some people may consider this to be discriminatory towards students. However, it's our view that the proposal will be of some considerable assistance to students because more of them will be able to obtain employment.

Mr. Speaker, before I resume my chair I would like to direct some remarks to the Minister of Municipal Affairs regarding the revenue sharing study presently under way between representatives of municipalities and the department. The concept of revenue sharing is one which we support. As the minister knows our party proposed the concept in 1974 and we are very pleased that the government agreed to study and implement our suggestion. Having read the report on revenue sharing authored jointly by the department and by SUMA, I note a proposal to include police grants in the revenue sharing pool. It is my view and the view of a number of spokesmen from municipal governments that this would not be a wise move. As the Attorney General well knows the entire question of law and order and the growing crime rate in Saskatchewan is a very serious problem — one which should not be ignored and should not be hidden.

The very direct involvement of the Attorney General's department in co-operating with local police officials must not only be present but must be seen to be present. One of the best and most effective means of accomplishing this is to maintain grants related to police services as a visible and separate entity. The difficulty which I am sure the Attorney General recognizes relative to bargaining in our large centres between municipality and the police forces the hammer now held by police union people in this regard is another reason why direct grants recognized for police services should be maintained.

Mr. Speaker, I indicated earlier that the Throne Speech failed to come to grips with some very serious issues and problems faced by Saskatchewan citizens and I therefore have no alternative but to oppose the motion and to support the amendment.

SOME HON. MEMBERS: Hear, hear!

MR. R.H. BAILEY (Rosetown-Elrose): — Mr. Speaker, I am very pleased to join in this debate on the Speech from the Throne. I must say, Mr. Speaker, that I have never before in my life witnessed such hypocrisy from members who sit in government seats as I heard and witnessed today. We heard the member for Biggar give his annual report to this House hoping the press would pick it up, about all the contributions made from those big, bad, sinful multinational corporations. It's an annual affair, Mr. Speaker. Last night driving into this city, I heard a vicious attack again about the big, bad multinational corporations. Hundreds of times in this House, since the session opened, that's what we've heard. They're working on the assumption, the government members opposite, that if you say it long enough maybe the people will believe it.

Mr. Speaker, I wish that every member opposite was in his seat this afternoon because I want to read into the record some of the contributions made to the New Democratic Party by the big, bad, sinful multinational corporations. Let me read a few to you, Mr. Speaker. Listen to this one, Mr. Speaker: "Federal Pioneer, James Richardson". Oh, yes \$2,820. Not to this party, Mr. Speaker, not to the Liberal Party, but to the NDP Party.

Mr. Speaker, here's a dandy. This one's a dandy, INCO Limited which is truly a big, bad multinational corporation. Sinful and all. A contribution to the New Democratic Party of \$4,240. What a bunch of hypocritical statements coming from the members opposite. What a bunch of hypocritical statements. Mr. Speaker, I have a few more here I would like to read, maybe we can make this an annual affair. I listened to the Minister of Labour and his vicious attack last night on these sinful, multinational corporations. Why would you people in all honesty ever accept a cent in donations from them? I've named two. Let me name some more. Here's a major trucking firm, Bechtel Freighters. Oh no, they just want a comparison, Mr. Speaker. They didn't have the courage to mention it.

Mr. Speaker, on March 15th, I mentioned to this House that during the first three sessions, we had witnessed a group of people over there with a great deal of composure, with a great deal of stature and into the sessions developed we've watched a lot of people growing more and more nervous. Only a government being nervous would use the type of has used attack that this government during this particular session. You know, Mr. Speaker, I was very pleased to hear the Attorney General today in response to a question from the member for Wascana, reply to that question that his party was not going to be involved in this personal attack as they were attempting to do. And I am glad the Attorney General has mentioned that because if the members of his party will adhere to what the Attorney General said today then we are not going to ..(Interjection) Oh, the minister says, no way. No way, it is all right for one, Mr. Speaker, but not right for them. It is all right to read into the records the contributions from the multinational corporations on this side but don't read it on that side. I am glad, Mr. Speaker, that the Minister of Education is in his seat. I am really pleased that he is here today because I want to show this Assembly more of the hypocrisy, not of the minister, but of his government. (Interjection) I will attend to him later.

I want to read into the House a statement by the hon. member for Arm River (Mr. Faris). Speaking and under the heading "Legislation to Curb Drinking Favored by Parents." Well, you know, I don't care if they would cut the drinking out altogether it wouldn't bother me, but let's see what the minister had to say, listen, Mr. Speaker.

As long as there is a profit motive behind the sale of liquor and tobacco, sales of these products will tend to increase. The idea of taking over these industries does not result from an overall desire for public ownership but from necessity to eliminate the profit motive from these industries.

The profit motive, Mr. Speaker,. Now I want to and I hope the member for Arm River is listening. I want the Minister of Education to listen to this contribution, Gilbey of Canada, a multinational distillery, Mr. Speaker, made a contribution to the New Democratic Party of \$2,500. Here's another one, House of Seagram, I am not a drinker, Mr. Speaker, and that word rings a bell with me. House of Seagram, listen to this amount, \$7,500 to the New Democratic Party. Here's one, K-Tel International, (isn't that the one that sells records?) That's a big, bad, mouthy multinational corporation, \$160. Here's a beauty, Labatts \$320. Mr. Speaker, the list goes on and on and on. A contribution, Lagers Distillery \$1,000 to the New Democratic Party. London Winery

\$500. Here's a dandy Mr. Speaker. I'll bet this government will have a lot of nerve to stand up in the House in the future. I did the annual report about this sinful, multinational corporations. Here's a dandy, Canadian Schenley Distillery, \$1,500. Where? To the New Democratic Party. I wonder how the Minister of Education in making the statement that he has made, "We've got to nationalize these things." Why nationalize them when you get contributions like that. Here's one, London Winery Ltd., \$800. Hiram Walkers, isn't that Scotch Whisky, I believe, \$3,000. Where, Mr. Speaker? To the New Democratic Party, the party that stands in this House day in and day out and preaches against the multinational corporations and yet accepts from them thousands upon thousands of dollars in return in contributions. The booze companies, Mr. Speaker, the booze companies. Here's a notable contribution, the member for Quill Lake, doesn't like this but please, Mr. Speaker, I am going to say this. When I make a speech in this House I don't have to run downtown to get some learned friend to print it up for me so I can deliver it in the House.

Mr. Speaker, here's one, a contribution made from the architect who designed the white elephant which the member for Arm River will be aware located at 2220 College, \$1,000. Very interesting, Mr. Speaker, the contributions made to this party. Western Tractor, \$5,000. Rock Brothers \$800. Mr. Speaker, I would run the clock out at 10:00 o'clock tonight if I was going to go through all these big contributions to the New Democratic Party. Mr. Speaker, this is the first time in the four sessions that I have been here that these people have got egg on their faces, and it is on their faces this afternoon.

Mr. Speaker, here is an interesting contribution, here is a couple of SEDCO companies, companies that are operating with SEDCO money, Westank Industries. Tisdale Agencies Ltd., a total contribution of \$1,200. Mr. Speaker, the people of Saskatchewan are not going to believe this fairy tale about the big, bad, multinational corporations again.

Mr. Speaker, I want to say something in regard to some of the things which have been mentioned in the House during this particular time. I was glad, as I mentioned earlier, that the Attorney General, even though he has been somewhat demoted, disagreed with the personal attack and members who have worked with him in the House, and I am glad to hear him say that.

Mr. Speaker, I would like to congratulate the mover and the seconder of the Throne Speech. I want to say that it was greatly superior to last year's. I recall last year somebody brought in during the Throne Speech brought in a doll and was playing with it in the House. But anyway outside of the two people it is very obvious that the government benches opposite have got some new speech writers. They have got some new speech writers and I must admit that in some cases that they are a little better.

Mr. Speaker, last year speaking on March 15th in this House, I made mention that the government was a very nervous group of people. They were an uneasy government and I want to say that during this particular session, they have demonstrated that nervousness and uneasiness as never before. But why wouldn't they be nervous and why wouldn't they be uneasy having lost their former composure and the question which I asked in the House today will give some indication, Mr. Speaker, of where we are going.

You know, Mr. Speaker, I would have never believed a man like Tommy Douglas, a man like M.J. Coldwell . . . Mr. Speaker, this government during the Pelly by-election, which

the Premier declared was a sure seat sanctioned and permitted their members to go into the constituency of Pelly and directly impose upon the people, a statement which was absolutely untrue and ungrounded. A party opposite that plays to be "holier than thou art holy" went in to the Pelly by-election, and I have been told by the people of Pelly, they said the member for Rosetown-Elrose advocated a \$10 a day hospital fee. It was sanctioned by that government.

Mr. Speaker, I want to read into the records that which is found on page 825, part 2 on March 15, 1977 and I quote:

This evening there are probably 100 people in Saskatchewan right now that would pay \$10 a day just to get into a hospital.

Now, if there is any intelligence in anybody over there at all, nobody could say that the member was advocating \$10 a day. Mr. Speaker, only a nervous government would go to the people with a thing like that. It was used by the NDP, it was a deliberate lie by the NDP. A government that is in the position that it is, is not afraid to distort and bend the truth.

You know, Mr. Speaker, I was not in the Pelly by-election, but I followed the press clippings and I've saved one here from the Leader Post on June 4, 1977 and it is very interesting to me to read the account of a press reporter in reviewing and contacting some of the people in that constituency. I'd like to read the last paragraph of this particular report. It said, "I've been a guy that's been down-trodden for many years and the NDP is the only people that help me".

Referring to the social assistance payments he receives from the provincial government he said, "the NDP pays me for not working". That's a press story that was carried from the Pelly by-election.

Mr. Speaker, I want to make mention of the problems which this government has. We've already directed ourselves to the attention of the annual reading in report of the bad multinational corporations. I want to go to another topic which this government deliberately tries to propagate upon the people of the province and that is the idea that things are 'free'. That's their favorite topic in using the word 'free'. We refer to such sayings as, 'free this', 'free dental care', 'free drug plan', free, free, free. You know, Mr. Speaker, the people of this province are no longer about to buy that particular approach. You know, in talking about the drug plan, the hon. member was just mentioning the drug plan, I'd like to inform this House of three experiences that I've had with the drug plan. Only three. In March of this year, Mr. Speaker, I had an eye problem come back, went back to a specialist, he gave me a prescription and I went to the druggist and he said, "What are you doing?" I said, "I'm getting my card out." He said, "Forget it, give me \$15, it isn't even covered." I thought, that's fine. Two months later, my mother became very ill and she soon had some very expensive medicines, I found out, for a throat condition that she had. I went down, and I took her card, and the druggist said, "I'm sorry but it's not covered." Two times and I got two strikes again. Later on this fall, Mr. Speaker, before my daughter presented to me my first grandchild, which is a grandson, I went downtown with a prescription and you know what, Mr. Speaker, it wasn't covered either. Somebody had mentioned \$60, the three prescriptions cost me a total of \$48 and I thought we had a drug plan. Oh, a dandy drug plan. A dandy drug plan that will supply free of charge the contraceptive pills but won't supply pills for a pregnant mother whose feet are swelling. That's a dandy plan, that is. That is a dandy plan.

Mr. Speaker, you know we make some changes. I wish the Minister of Education was in his seat because . . . (interjection) you tell him. Take the message to him because I hope it's taken to the people of this province as well. Now, Mr. Speaker, we have a real probably particularly out in rural Saskatchewan and certainly the boards are facing it right now and that problem is that we are going to have to, not out of choice but rather out of financial difficulties, and in many cases in some of our younger people, we are going to have to deny them the opportunity to teach because we simply do not have the finances to maintain all of these positions. And that hurts me very much, I happen to be a superintendent and I hate to see young people without work. I'm afraid that that's the future for them here in Saskatchewan. Admittedly there is a declining enrolment but boards simply cannot keep up with it.

Now, Mr. Speaker, while I may have to go to some of the finest people I know, particularly these young teachers, particularly these young teachers and tell them that we just don't have employment for them, what does the Minister of Education do immediately that he is appointed? You know what he does, Mr. Speaker, he goes and brings to himself, two of the most highly paid executive assistants with which if I had it in my budget I could retain those four young teachers. Brings on to himself, two new executive assistants. I might add that they're both out of the Arm River constituency. Very capable men. But he brings them in. And you know at what price, Mr. Speaker. I want to give this House a glaring example. That was the first action of the new Minister of Education. You know what the second action was, Mr. Speaker, I want to tell you about that because it's alarming. It's alarming to the people of rural Saskatchewan. I want to tell you. You know we have a number of communities in my constituency, in my school unit, where parents are German, Ukrainian, you know if I had about as much in my head as you did I'd close my mouth so it wouldn't rattle so much. Mr. Speaker, we encourage those people to take these courses because their parents can help them, so if a student wants to take a German course, wants to take a Ukrainian course, by correspondence they can do so. Our board happens to favour this type of thing so they'd pick up the cost, most boards in the province don't. Last year, Mr. Speaker, and for many years a student in the rural area of Saskatchewan who wanted to take language, say by correspondence, could do so at a tuition cost of around \$6.50. One of the first moves of the new Minister of Education was to put the tuition cost up to \$26.00. Over 400 per cent in one year. How does that minister go to the people of Saskatchewan and explain the necessity of raising the tuition costs while he himself has to quickly appoint on himself in excess of \$50,000 two new executive assistants. I want to tell you, Mr. Speaker, that a good many people in the Department of Education that can't understand it either.

Mr. Speaker, I want to mention just a few points about some of the speeches that have been made in this House. Mr. Speaker, we are very fortunate to be able to live in Canada and in North America. We are very fortunate, including the members opposite, to be able to enjoy the highest standard of living anywhere in the world. But that is about to be ruined by the same people over there who preach to the people that you have to get rid of business whether its corporations no matter what, let's get rid of them. And I listened to the vicious speeches last night, Mr. Speaker, and I'd like to ask the members opposite this. How many members opposite have an automatic dishwasher in their house? How many members opposite? Made by a big, bad multinational corporation and yet you purchase it. The very lights in this building come from the big, bad

multinational corporations. They telephone in surprise and go to Sask Tel, Sask Power and I notice that the members opposite, Mr. Speaker, drive Fords and Chevs and Chryslers all these evil, evil corporations within our country. Mr. Speaker, I want to say this, to the members opposite, that they no longer and the people of Saskatchewan no longer agree with that kind of garbage because nobody, in effect, is listening to you at all.

Mr. Speaker, I want to mention just something of a different nature, something which certainly crosses all political lines. It cannot be that which has been branded as Liberal or Conservative or NDP. I want to talk to you briefly about a very pressing problem that we have in our country. It's a problem which should be the concern and I realize is the concern of every legislator across Canada. If you think that to the people of Saskatchewan today that the CIGOL case is second to the weather in topic on coffee row, I think the MLAs would be mistaken. I suspect that the conversation with follows second to the weather is that of a very serious social problem we have not only in this province but across Canada. It's like the weather, Mr. Speaker, everybody talks about it. I suppose all of us and all parties are guilty to some extent and I think that one would have to admit that every legislator is guilty to some extent. You know the most common question that people are asking is why all the crimes that we are facing in this country.

We hear a lot of different answers. We hear answers from the sociologists who will tell us that it's because of poverty and unemployment. Now, Mr. Speaker, that logic may hold true to a certain extent but certainly being a youngster of the 30's where there was a great deal of poverty and a great deal of unemployment we certainly did not have the amount of crime that we do now. We should be devoting some of our attention and certainly some of our attention in this Assembly into taking a look at this very serious problem which confronts the people of Saskatchewan. We should be asking ourselves this question, is there anything that we can do as legislators to decrease the amount of crime that is found in this country. Mr. Speaker, the answer is not in just building more spacious penal institutions, the answer is not only in just speeding up the courts, that's an open admission that it's going to continue. I think we need to have some in-depth study as to how that we can, in fact, attack our number one social problem both here in Saskatchewan and across this country.

Edwin Markham had this to say, Mr. Speaker:

We are all blind until we see
That in the human plan
Nothing is worth the making,
If it doesn't make the man;
And why build these cities glorious
If man unbuilded goes.
In vain we build the world
Unless the builder also grows.

People want an answer, Mr. Speaker, to some of the questions that are confronting them in the courts in the decisions in the rising rate of crime. And I think that the legislators across Canada owe it to the electorate to take a more serious stand and a serious attempt to deal with this thing in whatever ways it can be dealt with. And I'd like to see this Assembly, Mr. Speaker, on all party lines agree in the formation of a committee to study this problem to see if we cannot come up with some reasonable solutions and a reasonable effort to lower this escalating crime rate in the province of Saskatchewan. It is costing us millions upon millions of dollars every year and yet, Mr. Speaker, all of us across Canada, all political parties, in my feeling are certainly not spending enough time and enough effort to deal with our number one social problem.

Mr. Speaker, I will be supporting the amendment, I'm sorry Mr. Speaker but I in no way could support the motion.

SOME HON. MEMBERS: Hear, hear!

HON. N. VICKAR (Minister of Industry and Commerce): — Mr. Speaker, it's a pleasure for me this afternoon to be able to have the opportunity to speak on the Throne Speech Debate particularly as my first year as the Minister of Industry and Commerce.

Firstly, I'd like to congratulate the mover and the seconder of the Throne Speech, the member for Pelly and the member for Meadow Lake for their capable manner in which they made their presentations. I would also like to congratulate the member for Pelly on his election to the Legislative Assembly. I know the constituents of Pelly have elected a capable, hard working representative who I am confident will serve them well.

Mr. Speaker, it is a privilege for me to be associated with and be part of the government which brought down this Throne Speech. It is a political commonsense document with sensible priorities. Mr. Speaker, the announcement that work will begin in 1978 on the Gronlid bridge, is of particular good news to the people living . . . That's what it said, particularly to the Melfort constituency. The construction of this bridge will benefit not only that particular area but all those living in the northern and central part of Saskatchewan. The bridge will provide an important link from the South to central and northern Saskatchewan that will be accessible all year round. It will be an invaluable asset to the transportation system and future development of our central northern regions.

Mr. Speaker, it was with a great deal of pleasure that I heard the member for Qu'Appelle (Mr. Lane) last week in this House acknowledge this province is in the best times we've ever had. I must concur with him on that point. These are the best time that we have had. You know how we got these good times? It was with good planning, good management by this government since 1971.

I am well aware, Mr. Speaker, that some members opposite have chosen to make political hay of last week's Supreme Court decision in reference to the CIGOL case. They have been quick to start hurling accusations of bad management and mismanagement in regard to Bill 42, making reference to SEDCO and Intercontinental Packers. Those comments from the members opposite were not of course any great surprise to me or to other members of the government. After all, Mr. Speaker, we simply consider the source, the same source that has been for months and months, predicting doom and gloom for this province's economy. These predictions of doom and gloom by the opposition members lead me to one of two conclusions; either they continuously wish to confuse the economy of Canada with the economy of Saskatchewan, or they simply dispose of the facts about the Saskatchewan economy with the facts that don't conform to their doom and gloom predictions.

Mr. Speaker, let me give you and the members of this Legislature the facts about Saskatchewan's economy. The economy of this province during the '70s has shown a period of unprecedented growth; from 1970 to 1976 the value of manufacturing shipments in Saskatchewan more than doubled, total investments tripled and new manufacturing investments increased four times; in 1975-76 the new job creation of this province averaged 15,000 per year, all in the non-farm sector and per capita income reached a par with the national average after lagging 25 per cent below in 1970. Farm income in this province has dropped. However, for the first time in the

province's history a substantial drop in farm income has not resulted in a similar drop in the overall economy. Even though farm cash receipts declined 7.4 per cent in 1976, the overall output of the economy still increased 9.3 per cent. Sectors, such as mining and manufacturing picked up the slack. The momentum has continued into 1977. It is particularly significant to note that the Saskatchewan labor force again has reached record high levels this year. The August figure was 432,000 employed, up 17,000 from the August of 1975 figure. Our agricultural unemployment rate at the end of October was the lowest in Canada for the third consecutive month. Five out of the last six years, Saskatchewan has had the lowest unemployment rate in Canada. Last year we were second, Alberta was 3.9 and we were 4.0.

Mr. Speaker, the manufacturing sector in Saskatchewan has experienced remarkable growth in recent years. From 1970 to 1975 manufacturing employment in Saskatchewan increased by 31 per cent or 4,500 jobs, compared with 6 per cent nationally during the same period. In 1977 manufacturing in this province continued to expand, despite little growth elsewhere in Canada. From January to August of this year, the value of manufacturing shipments were up by 11 per cent over the same period a year ago.

There, Mr. Speaker, are the facts about this province's economy, the proof that we are in the best times this province has ever had. Yet, according to some members opposite this is mismanagement.

Mr. Speaker, there is no question or no doubt that the recent Supreme Court decision in regard to CIGOL is a grave decision for this province; indeed it is a grave decision for our sister provinces and for our country. Its effects have just begun to be felt. Let me make it clear that while the Supreme Court decision is grave it is not because of some perceived mismanagement of the part of this government but because of the extremely important issue of the resource control. The people Saskatchewan know, Mr. Speaker, that it is their resources, and these are at stake; they also know that in the past they have had to fight sometimes against what seemed to be insurmountable odds to get the good things that this province now offers.

The struggles, the trials and the tribulations of this province's people have resulted in some of this country's greatest institutions such as the credit unions, the co-ops and the wheat pool. Their struggle for a better life and control over their own destiny has resulted in some of the most progressive programs and services in the world. Take medicare, the Land Bank, the Saskatchewan Automobile Insurance. I can go on. The people of Saskatchewan also know, Mr. Speaker, that every action this government has taken in the past, the actions we take today, and the actions we take in the future, will be for the people of Saskatchewan. They know that this government need not apologize for its resource policy or for Bill No. 42; they know that resource revenue has enabled this government to hold the line on most taxes, reduce others and eliminate others, such as hospitalization and medicare premiums. They know that resource revenues have enabled this government to give them improved and expanded services, a prescription drug plan, a dental care for children and day care to mention only a few programs. The people of Saskatchewan also know that this government's resource policy has enabled the establishment of the energy and resource development fund and they know that this fund has been used to invest their future into their future of the province of Saskatchewan. Bad judgment and mismanagement. I think not, Mr. Speaker, nor do the people of Saskatchewan.

Mr. Speaker, in my earlier remarks, I commented on the economic condition of

Saskatchewan today. Unfortunately, Saskatchewan cannot elude the effects of the down turn in the Canadian economy nor can we entirely elude the effects of the drought in farming. Nonetheless, as a government we can be justifiably pleased with the state of our economy. Once again I repeat that we had accomplished this in the face of the opposition's doom and gloom predictions and ravings that a New Democratic government will stunt the economic growth of this province. An average of 15,000 new jobs per year in 1975 and 1976 in the non farm sector is the kind of stunted economic growth the New Democratic government has brought to this province. My colleague, the Minister of Mineral Resources, stood in this House only last week and told us that the development activity in regard to oil was over 200 per cent of the activity in 1976. Mr. Speaker, these kinds of facts and figures belie any imaginings of the stunted growth in this province. I am very pleased, as the Minister of Industry and Commerce, to say that my department has played a key role in the economic development of this province. One year ago, Mr. Speaker, I stood in this House and talked about the industrial development strategy for Saskatchewan. Part of the strategy was the development of policy guidelines for foreign investment in Saskatchewan.

It is important at this time that I repeat some of the statements that were made last year. Our development strategy stresses the need to diversify Saskatchewan's economic base and to increase resource processing within the province. In addition, it stresses the need to foster the industrial and commercial development of all sizes of centres in the province. Saskatchewan's recent economic performance shows that the strategy is working well here. Our development strategy sees the public sector playing a key role in control, development and extraction of the province's non-renewable resources. It also sees a clear and extensive role for the private sector in the manufacturing and processing stages of resource base activities in the province as well as in the commercial sector. Our foreign investment guidelines reflect the government's development objectives for key sectors of the provincial economy. The government generally welcomes foreign investment in manufacturing sectors provided that significant benefits accrue to the province.

In the energy resource extraction sector, the government is generally against the expansion of foreign control. Consequently, foreign takeovers in oil, gas and coal industries are opposed as a matter of policy while proposed major new ventures in this sector are subject to close scrutiny. In the development of Saskatchewan's other non-renewable resources, the government sees a definite role for foreign direct investment. However, firms must be fully aware of Saskatchewan's commitment to manage these resources for the maximum benefit of its people. The government generally opposes direct foreign investment in the primary production of renewable resources chiefly in agriculture and forestry.

In the forestry sector the government will approve foreign investment only where the investment is of singularly significant benefit and where no Canadian or government controlled firms are willing to undertake that investment. In the sector which includes personal and business services, retail and wholesale trade, construction, real estate, financial institutions, the government prefers to see much of the anticipated expansion take place through Canadian controlled enterprises. The response from the business community to these guidelines and the subsequent clarification of the rules of the game, have been positive.

Mr. Speaker, while large projects are important, we are placing increasing emphasis on

our small business and small community programs. The small businessmen and women of this province have made a very substantial contribution to both the economic and social development of Saskatchewan. Small business people not only provide a wide variety of services and goods but also are often very involved in community organizations and projects. They are also in the main, people that make up the heads of our civic governments. This government recognizes the important role played by the small business community. Therefore, we intend to provide greater opportunity for small business people to advise the government on business related programs and recommend solutions through the formation of a Saskatchewan small business advisory council.

Mr. Speaker, over the past year my department officials and I have held a number of meetings with various business organizations on both a formal and informal basis. The exchange of dialogue has been valuable. We look forward to the small business advisory council creating an important link in our communications chain. At the same time, of course, we will continue to work closely with the existing business organizations such as the Chamber of Commerce. One initiative being supported by both the Saskatchewan Chamber of Commerce and the Saskatchewan Urban Municipalities Association is a business opportunity survey. The objective of this project is to assist communities in west central Saskatchewan to identify, to attract and maintain retail professional and service business.

Another initiative of Saskatchewan's business development program is designed to assist communities in revitalizing their commercial area with storefront design and renovations and overall rejuvenation of the commercial area. Town officials are enthusiastic about the program to date and its potential for showing an increase in retail trade. In the coming year additional help will be provided to smaller communities for the revitalization of the commercial areas and the identification of business opportunities.

In recent years we have taken major steps towards realizing our objectives of further diversification, balanced employment, developing sound energy policies and encouraging the development of a strong Saskatchewan based private sector. I have mentioned some of our existing tools for accomplishing these goals. In addition industry and commerce offers one of the most extensive business counselling service in Canada. This service is decentralized through nine regional offices throughout Saskatchewan. Industry and commerce also offers a wide range of services to an industrial client interested in locating or expanding in this province. I am pleased to say that my department will be introducing new programs in the near future to add to our existing resources. These programs will be aimed at encouraging and strengthening the initiatives of Saskatchewan businesses and manufacturers.

Mr. Speaker, before closing my remarks I would like to take a few moments to comment to the members of this House about another tool which has contributed greatly to the economic development of this province. I refer to the Saskatchewan Economic Development Corporation established in 1963. The object of the corporation is to expand the economic base in the province by providing a wide variety of financial and other services for its clients. Mr. Speaker, SEDCO is accomplishing exactly what it set out to do. In the course of accomplishing our goal, we have to take risks. To put it another way we expose ourselves to bad consequences or mischances. Our risk is not a bad thing, Mr. Speaker. It's not a thing that the members opposite make it out to be. Risk is the thing a farmer takes every year when he plants his crop. Risk is a thing a small business man takes when he expands his business. For that matter, Mr. Speaker, you

take a risk when you cross the street. If you don't take that risk you will never get over to the other side. If SEDCO didn't take that risk, it wouldn't contribute to the economic development of this province. Certainly those risks result in mischance or bad consequences. Let me tell you what else those risks result in. Because of the risk in the last year reviewed, 1700 direct jobs were created or maintained in the province as a result of financing provided by the corporation. Because of the risk the city of Saskatoon will have an 80 acre industrial research park. Because of the risk people are lining up at the box-office to see a movie, "Who Has Seen the Wind?"

Mr. Speaker, I am optimistic about the long term prospects for Saskatchewan's economy. We have a tremendous wealth of natural resources. We have a skilled and well-educated work force. Saskatchewan enjoys a central position in the buoyant prairie economic region, with good access to expanding US markets to our immediate south. And we have a living environment second to none in North America. Just look at the record, Mr. Speaker, seven years of continued economic progress. No previous government could make that claim. Under the sound economic leadership of this government, Mr. Speaker, the Saskatchewan economy is coming of age.

Mr. Speaker, with those few remarks, you will realize that I will be supporting the motion and not the amendment.

SOME HON. MEMBERS: Hear, hear!

MR. A.N. McMILLAN (Kindersley): — Mr. Speaker, one would expect having sat in this Legislature and heard previous Throne Speeches and having been witness to Throne Speeches delivered at the national level and even at other provincial levels that this Provincial Government would have taken the opportunity with the introduction of this Throne Speech this fall to outline some major steps that it was prepared to take to deal with some of the major problems that we have in Saskatchewan. Unfortunately, this government has decided to avoid taking action on some of the more serious economic and social problems that we face and has brought in what has been properly characterized as a "nothing" Throne Speech and indeed a barren Throne Speech. There is a reason for this, of course, and I think probably fairly obvious to those people who follow politics in general and certainly the works of this Legislature. It's an indication, that fact that you brought in a "nothing" Throne Speech that your government lacks the confidence kind of in its own philosophy, in its own ability to bring in programs that will meet with the approval of the majority of people of Saskatchewan. Your members would like to quite candidly pass it off in the halls of the Legislature as being "smart politics" not to get the people of Saskatchewan stirred up in the last 20 months before a provincial election. But the fact remains that you have no confidence in your own abilities to sell the people of Saskatchewan on the programs that you might even in your own misguided way think would be solutions to the problems we have in this province.

You have a cabinet that leads this party's lack of confidence, I suppose, rattled cabinet. We certainly see to what extent you're rattled through the events of the Supreme Court decision and the subsequent days of the discussion following the CIGOL case. Your government tends to stumble from one problem to another and in fact, the CIGOL case may be a blessing in disguise to you because it perhaps give you some consistency at least in the focus that your cabinet puts on problems that you're faced with. I say your cabinet is confused and paranoiac, intellectually ill and your programs are stale and your front benches are generally bereft of talent. And I am pleased to see that the Premier came back in for those remarks and I repeat to you, have

you, as the leader of your party and the head of the government of Saskatchewan any confidence in your political philosophy or in the ability of your cabinet ministers to bring in workable worthwhile programs, I suggest we should have and would have seen them in this Throne Speech. We never, and that speaks for itself.

SOME HON. MEMBERS: Hear, hear!

MR. McMILLAN: — I would like to take the opportunity to outline two examples that I suggest reflect your inability as a cabinet to deal with problems or situations that arise in Saskatchewan. The first example is relatively speaking a very large example. It is a complex problem I expect that has developed in Saskatchewan since 1905. It is problem that would demand fairly basic action on the part of your government to try and correct or improve, and it is one that your government has failed miserably in dealing with and that, of course, is the Department of Northern Saskatchewan, and the problems that surround the people in northern Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. McMILLAN: — The goal of all members in this Legislature and certainly the people of northern Saskatchewan with regards to those problems that arise in that geographic area would have to be that all people of Saskatchewan should make it their goal to see that the people of the North are put on an equal footing to the people in the south part of this province, in other words, that they don't suffer as a result of their geographic position in this province.

There are many things that a government in Saskatchewan could do to overcome some of the geographic disadvantages that are suffered in northern Saskatchewan. Most would require capital expenditures to improve communications and transportation links, indeed, money spent to put those people on the same position to attract industry to northern Saskatchewan as we have in the South, to put them in the same position to be well aware of the workings and goings on of government in Saskatchewan in order to eliminate, in fact to eliminate the problems that they experience because of communication difficulty.

These problems are the basic problems in northern Saskatchewan. The economic problems that we find up there are generally speaking as a result of geography rather than a lack of resources, which is not the case, or in fact a lack of manpower to develop them. So your government had, I think, a fairly basic approach to take in northern Saskatchewan. What have they done?

It created the greatest colonial bureaucracy that anyone in my generation is ever liable to see, in not just Saskatchewan, but in North America.

SOME HON. MEMBERS: Hear, hear!

MR. McMILLAN: — Your ordinary expenditure, not your capital expenditure but your ordinary expenditure in the last budget approached \$1,830 per capita in northern Saskatchewan, for a family probably close to \$12,000. Members of the Northern Municipal Council when trying to measure the benefit that those gross ordinary expenditures made for the people of northern Saskatchewan estimate that probably of the \$1,830 per capita that is spent there on ordinary expenditures, perhaps \$150 gets down to each individual in northern Saskatchewan.

What is your answer to the problems in northern Saskatchewan? Well I will tell you. I did some research to try and see where the thrust of your government's policy was in northern Saskatchewan and I looked at the personnel records, or tried to look at the number of civil servants that were in place in northern Saskatchewan and what their functions were. To the best of my knowledge, I can find that there are 482 civil servants that work within the boundaries of the Department of Northern Saskatchewan. Well I will tell you, it gets pretty difficult to find them and I will just give you an example of that.

The government personnel directory, in the back of the book when you look under names and which departments they work for, lists roughly 275 people working for the Department of Northern Saskatchewan. The government department directory, which is as the Leader of the Opposition pointed out to you quite extensive, seven pages long, lists that there are 325 people working for the Department of Northern Saskatchewan. The 1977-78 estimates list that there were 482 people working in the Department of Northern Saskatchewan. One would, on that basis alone, have a good deal of difficulty in estimating how many people really do work in the North. Yet, when one goes a little further and looks at the Orders in Council that were in effect between the 1st of January, 1975 and the 1st of October, 1976, over 50 per cent of the people that were hired by Order in Council between those dates aren't to be found anywhere in the government directories or on government telephone lists, or in fact on the government lists at all. We can only assume that either the Department of Northern Saskatchewan doesn't know who works for it or whether they work for it, or you had the highest turnover in the history of government, and North America for sure.

You have, in fact, if we can assume that your estimates for '77-'78 were correct, 482 civil servants working. You have roughly again, listed under 'R' for the member for Saskatoon, one civil servant for every nine families in northern Saskatchewan. This is your answer. And listen closely, this is the answer of a confused and rattled, stumbling, paranoiac government to a problem in northern Saskatchewan — one civil servant for every nine families in the North. If each civil servant was to spend one hour each day and his lunch hour, visiting with one family he was responsible for, he could see every family, every day, five days of the week. Now that's socialism, and that's the real solution to the problem of northern Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. McMILLAN: — Mr. Speaker, \$1,830 per capita in the North, and one visit one day from your own personal civil servant in northern Saskatchewan. That's the solution. I say that's the kind of solution you get from a government that doesn't know how to spend the money it has been blessed with as the government of Saskatchewan, or a government that has the ability to solve problems in northern Saskatchewan.

Let me tell the member for Athabasca something. You talk to the people that are responsible for local government in northern Saskatchewan. Who do you suppose told your government that of the \$12,000 per family you are spending only \$150 per capita ever gets down to them. Where is the benefit in that?

SOME HON. MEMBERS: Hear, hear!

MR. McMILLAN: — The other thing your government has done is go to every person in northern Saskatchewan that ever complained about your government, and hires them, puts them on the government payroll to keep them quiet. Co-op management advisers — have you ever heard of the position of a co-op management adviser? Tell me what

that is. Every member of every local community in northern Saskatchewan that has ever complained about your government is put on the government payrolls by Order-in-Council as a co-op management advisor. You ought to know that better than anyone.

Let me give the member for Athabasca another little example about the wonderful programs that this confused, rattled, paranoid cabinet has put into northern Saskatchewan. I refer specifically to what it has to be considered the highlight of the DNS years in northern Saskatchewan, and it's called the Fish Aging program, and if you investigate your government directory you will find that the Department of Northern Saskatchewan has quite an extensive program going on, training local residents to tell the age of fish. Now I thought that just about explained it all in northern Saskatchewan. If you check page 62 in the government directory you will find that the Department of Northern Saskatchewan has employed a fish aging supervisor, Mr. Bill Musker — money well spent for the people of northern Saskatchewan.

I keep hearing stories from people who have worked for the Department of Northern Saskatchewan, or who have come back from the Department of Northern Saskatchewan. I had expected when the Throne Speech, I think, referred to some transfer of responsibility from the government of Saskatchewan to the local government in northern Saskatchewan — I welcome that if that's the case, but I highly doubt it in view of the kind of stories that have been coming out of the north recently. I have heard rumors within the past five days that DNS is planning on building a new \$6 million office building in La Ronge, and I would be interested in hearing the minister's reaction on that.

People will also be interested to know that our bureaucracy in northern Saskatchewan employs 12 to 13 aircraft. Admittedly, six of these are Causo water bombers, an undoubted necessity for northern Saskatchewan, but the remaining six or seven aircraft employed fully by the Department of Northern Saskatchewan, and owned by the DNS, are to fly their civil servants back and forth across the north. Two Cessna 185's at \$60 or \$70,000 apiece. Every remaining plane is bigger and more expensive than that. We'll be putting questions on the order paper to see whom those planes flew and where they went, and when they went, and for what reason, and I hope that your cabinet has enough integrity to provide the people of Saskatchewan with those answers.

What's been the result, what's been the result .. the member for Athabasca loves to brag about the money that is being spent there and says, 'oh pull it out and see what people say'. What's been the result of money that is being spent up there in your program? Well, we heard the other day that we have a new log saw mill at Weyakwin that's going to manufacture grooved logs for cabin construction, and that's fine, but I'll tell you what the general response has been to your government's programs in northern Saskatchewan, and in a file that's as thick as the arm of the member for Athabasca.

Continually controversy surrounds Delta's contract — "Auditor Claims Gross Mistakes" — "Delta Ltd. Liens Exceed \$280,000, — Employees Call for Disbandonment of DNS" — again, again, again. "Council (referring to the local council), Opposes Changes in the North". "DNS Shakeup Sees Acting Director Fired".

I have reams of press releases and I'm sure if your cabinet had the courage you would look at them and study them and try to decide exactly what they are trying to say. Your government is a failure in northern Saskatchewan in almost every respect. You've gone

to the point now where there's no question — the member for Athabasca and the member for Cumberland would never, ever let you pull out of the kind of programs and money you've spent there now, because it would certainly mean their imminent failure in the next provincial election.

But you have the opportunity as a government to step back — you have 20 months to do it in if you're worried about the next provincial election, and I suggest that you should be. You have 20 months to step back and re-examine your priorities in northern Saskatchewan. You should do it with more than the DNS problem you have. You should do it with almost every program and department you have in your government. But you have a chance to step back and examine and check out the kind of progress you've made in northern Saskatchewan. I'm sure that you would have to admit yourselves, that you don't have enough confidence in your own judgment, and you certainly shouldn't today after the CIGOL case. You don't have enough confidence in your own judgment to determine whether or not you have been doing a good job there.

I suggest that you approach a group of independent people to go into northern Saskatchewan and assess the level of development that has gone on there as a result of the government money that is being spent there. Set up a commission made up of northern residents — Indian and Metis peoples, Chambers of Commerce, the public at large, whoever you feel may be able to give you an accurate assessment of the problems in northern Saskatchewan and check that against the initial goals of the DNS. At least if you haven't got the confidence in your own abilities to check it out, see that someone who does have some talent gets in and gives you a little good advice about it. You may very well find that your programs are doing the best that money can buy. If that's the case, if you get that opinion from a group of independent people appointed to a commission, then I would say, by all means, in your own wisdom, go ahead with the DNS as it now exists. If you don't get that advice from those people, have the courage to change the thrust of your program. And I'll tell you one thing they will tell you and that's the bureaucracy you've built up there is not the answer.

There is one other matter I would like to bring up, Mr. Speaker, that indicates this government's lack of ability to deal with problems in Saskatchewan, its lack of sensitivity to local problems. This problem came up in the Wilkie and Kindersley constituency and has been dealt with in some degree, but it really indicates, and I see the minister responsible for STC laughing, and I know the people in those areas would be interested in his response. I hope your other members listen to what's going on here too, Mr. Minister, because it's a good indication of the kind of direction your cabinet is taking in many instances. It's a small problem in relative terms but it is big in the way it indicates this government's sensitivity to people and the kind of priorities they have in Saskatchewan.

Some time ago, we had limited bus services from Macklin to Saskatoon via Denzil, Salvador, Luseland, Kerrobert on Highway 51 to the city. In the past five years we have had two different private operators try to make a viable living out of a run serving these communities. For whatever reasons both these individuals have seen fit to terminate their service on that line. In one instance, I understand, the one member or firm that provided the service the fellow who ran it felt he could make more money farming, and that comes as a surprise to me. In the other instance, the fellow who was running the bus service felt he couldn't provide service because STC had a monopoly on much of the freight run that was available there. So there was some considerable pressure put on the Saskatchewan Transportation Company by members of those communities that were served previously to provide bus service to these areas. STC's initial reaction was

November 29, 1977

a good reaction. They apparently looked at the problem, saw that there were many communities here without bus service that needed bus service. Must have, I'm sure, in the first instance, felt that their role as a community transportation corporation was to provide service rather than to make money and they committed themselves in writing to the member for Wilkie to provide community transportation service to the communities that I'd mentioned plus four communities that badly needed bus service that never had it before. This letter came, I believe, in March of last year, to the MLA for Wilkie. It also stated that it was a formality that the bus service would go ahead when the Highway Traffic Board approved the application for service.

A strange thing happened to that bus run. When the application for STC service on those runs came before the Highway Traffic Board it happened to have a little paragraph on the end that sort of pointed out that the application was conditional and that STC would provide the service if they were allowed to withdraw service from the community of Unity, which is in the general vicinity, one day a week. The Highway Traffic Board used the application readily agreed that the STC application was a good one, held a hearing with regard to the withdrawal of service one day a week from Unity and decided that they couldn't allow STC to withdraw service from there. There was local input into the hearing and the Highway Traffic Board Chairman and his board members were apparently quite convinced that the service was necessary and besides that STC said that at the outside they expected the withdrawing the bus for one day a week would save them \$8,000 a year.

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