

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
December 8, 1977

The Assembly met at 2:00 o'clock p.m.

On the Orders of the Day.

QUESTIONS

Federal Government - CIGOL

MR. E.C. MALONE (Leader of the Liberal Opposition): — Mr. Speaker, in view of the statement of the Prime Minister yesterday that the federal government does not intend on using the CIGOL decision in anyway which would be unfair to the province of Saskatchewan and in view of his statements in the press conference indicating to me a willingness to sit down with the provincial government to sort out an administrative arrangement at least until a constitutional amendment could be developed, is it the intention of the government to move immediately to have at least officials of both governments to meet to see what administrative arrangements could be developed at this time?

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, we will certainly be pursuing the matter with the federal government to see whether or not there is any assistance they can give us in dealing with the matter of getting an adequate return for the people of Saskatchewan for petroleum products which have been extracted and will be extracted. I think I can assure the hon. member that we will be seeking to use that avenue.

MR. MALONE: — Supplementary question, Mr. Speaker. Would the Premier not agree that if you can clear up the possible constitutional difficulties by arrangement or agreement with Ottawa, be it an amendment or just an agreement that will make it much easier for you to negotiate with the industry, if the industry itself does not have the argument that conceivably Bill 47 itself would be unconstitutional and thereby be subject to attack?

MR. BLAKENEY: — Mr. Speaker, that may well be the case. We are talking now in psychological terms. I think it will be understood that no agreement between the government of Saskatchewan and the government of Canada could affect the constitutionality of Bill 47 or indeed Bill 42 and so any arrangement we may arrive at with the federal government, while it might affect the psychology of the oil industry, it certainly won't affect their legal rights and will not in any way remove the possibility of one company or two companies pursuing a remedy even though a significant number of companies were perfectly happy to adhere to some arrangement which might be worked out between the industry and the governments involved.

MR. MALONE: — Supplementary question, Mr. Speaker. In view of that answer then, Mr. Speaker, would the Premier give us the assurance today or give us an indication today, that he would be prepared to hold the passage or at least the proclamation of Bill 47 until such time as arrangements are worked out with Ottawa and, furthermore, attempt to clear up that particular problem, that is the Ottawa federal-provincial problem, before he starts negotiations with the industry in view to setting the tax rate or tax rates?

MR. BLAKENEY: — I think I have to answer. No, to each question. Firstly, I think it's important that the government of Saskatchewan not be dependent for its tax revenues on any administrative arrangement but rather on a firm legal foundation and we believe that Bill 47 is that firm legal foundation and does not in any way remove the possibility of arrangements, agreements or negotiations but we will seek to lay the firm legal foundation. Secondly, we would think that if there are to be negotiations with the industry and, in effect, there are discussions now, these must proceed from the point we now are at and we cannot leave them or set them aside while we have discussions with the federal government, if we do have effective discussions with the federal government, they will have to proceed simultaneously.

Electrical Billings to Resort Customers

MR. R.H. BAILEY (Rosetown-Elrose): — Mr. Speaker, I would like to direct a question to the minister in charge of the Saskatchewan Power Corporation. Previously, Mr. Minister you issued your electrical billings to the resort customers at the end of the resort season mainly in September and your new policy of issuing interim billings for electricity to resort customers is now before and in the hands of the resort customers. In your letter to them, Mr. Minister, dated December 1, which was addressed to resort customers, you indicate that the new interim billing has a wide acceptance and I am using the words of your policy statement. Could the minister provide this Assembly with the result of your survey which gave you the privilege to use the term 'wide acceptance'? Have you a survey and if so could we see it in this House?

HON. J.R. MESSER (Minister in charge of Saskatchewan Power Corporation): — Mr. Speaker, there was not in effect a survey but there were discussions that were carried on with field personnel who are, in fact, responsible for servicing the resorts throughout the province. There has been some ongoing discussion in regard to what might be the most appropriate means of billing them. The personnel, the DOs, the district operators who took part in those discussions indicated that their feeling was that the resort customers would be much more satisfied with an interim type structure of billing. On the basis of that information, which we think is genuine and we have no reason to believe it is not, we have undertaken to introduce this policy.

MR. BAILEY: — Supplementary question, Mr. Speaker. I am pleased to have the minister say that this wide acceptance came from his own people. The question, Mr. Minister, under this policy you will in effect have resort owners paying an electrical bill in this month of December for electricity which they will not use until next June and possibly July. My question is, will there be an allowance provided for the customer for the interest on that money that the SPC has used during the period of six or seven months?

MR. MESSER: — The answer, Mr. Speaker, is no because in any interim billing there is no allowance given or additional charge made for those who have not paid a sufficient amount for any given period of time. We have found out that in the recent past more and more resort customers are in fact using their cottages, which at one time were only used during the summer months, for winter months. They have in fact insulated them, they have installed electric heat. That was one other reason for undertaking, on an interim basis, to bill them for electricity which might well be used during the winter months which was not the case two or three years ago. So we think we want to have a more current system of being able to assess a charge.

I might also say that the member makes reference that we only use the advice of my own people. I stated in answer to his first question that my people were conveying to me that proposal after discussing with the customers in their jurisdictions what they felt would be best. Unless the member has something to bring forward which would lead us to believe that they were saying something which is not true, I ask him to deter from inferring in this House that the employees of the Saskatchewan Power Corporation are less than honest.

MR. BAILEY: — I might point out to the minister, Mr. Speaker, that I have some different information, largely from about 28 phone calls and letters recently. Mr. Minister, is it not true that during the summer months the normal cash flow into SPC for electricity consumed is at its lowest and what you are doing here by the interim billing is that you are taking into SPC a cash flow throughout the whole year for a period of time when the electricity isn't being consumed. Is the need of the SPC for this cash flow so that it can be transferred to some other department which is short of cash to honor some commitments that have not been made?

MR. MESSER: — Certainly not, Mr. Speaker, and I think the member for Rosetown is a little more intelligent than to really suggest to this House that that is the case. And again I remind him that in the winter months, especially in the resort areas, there is an increasing consumption of electricity and we think it is only credible and legitimate to undertake to, rather than read meters on a monthly basis during a very difficult and costly period of time, institute some sort of system which will undertake to estimate the amount of electricity that is being consumed.

Grassland National Park

MR. R.E. NELSON (Assiniboia-Gravelbourg): — A question to the Minister of Tourism. The ranchers in southern Saskatchewan have had the proposed Grassland National Park hanging over their heads for years. The decision was to have been made last June but it didn't happen. The minister said at that time that the decision would be made in the fall and the fall has come and gone and the uncertainty still remains involving these ranchers. Will the minister tell this Assembly what is holding up the decision on the Grassland Park?

HON. A. MATSALLA (Minister of Tourism): — Mr. Speaker, in reply to the hon. member's question, I want to say that the conditional agreement was reached on June 29th, last. We were hoping that we could come to a complete agreement on the project this fall, I believe it was October 1st. We were unable to do so. I want to first of all make it clear that this is a federal project, nevertheless there is some provincial involvement in it. There is an agreement with respect to the conducting of a study in the area, that is the Recreation and Tourist Development Study, and until this study is complete and until we know just what is involved in the entire project, we are unable to complete the agreement and finalize it. Nevertheless I want to inform the member and the House that the officials, my officials as well as the officials of Parks Canada, are working towards an agreement at this time. Nevertheless it won't be finalized until the tourism and development study is completed.

MR. NELSON: — Supplementary. Mr. Speaker. Would the minister tell us if it is not a fact that the main reason the decision is being held up is that in the signing of the memorandum of intent the government of Saskatchewan agreed to share the cost of oil exploration with the federal government and Parks Canada in the core areas only and that the Saskatchewan government now will be responsible to pay for the entire

exploration in the balance of the 290 sections of the park area?

MR. MATSALLA: — Mr. Speaker, no that is not the reason. Nevertheless it could be one of the reasons for the delay and, of course, all of this is going to come up at the time when the agreement is going to be finalized.

Answer to previous Question on Potash

HON. E. COWLEY (Minister in charge of Potash Corporation): — On Tuesday last, the Leader of the Liberal Party, the member for Regina Lakeview asked a question in this House of the Attorney General in which he stated with respect to the Potash Corporation that there was a net loss in the sales operation in the year ending June 30th of about \$1.3 million. The statement does, however, reflect an item for interest of some \$2 million. Was this interest item resulting from merely the corporation taking moneys advanced by the Energy Fund or through bonds?

I wanted, Mr. Speaker, to take this opportunity to respond to the member's question. The item he refers to is under income sales, \$22 million, interest and others, \$2.1 million. The bulk of that \$2.1 million is interest that was received on moneys invested on short term by the Potash Corporation. What had occurred was that the government of Saskatchewan had borrowed \$75 million which was advanced to PCS. PCS did not have at that particular time the requirement for all of the money. We were paying interest to the people who owned it, that's shown under costs and expenses, interest on long term debt, \$2.7 million. We were paying interest on it, we weren't using the money so rather than letting it lie in a bank account and not draw any money on it, it was invested. If one took out that particular item the income indeed for the Potash Corporation of Saskatchewan would have been higher rather than lower, because the rate we were paying on the longer term money was higher than we could invest it on the short term. So what PCS had done is taken the money, as Finance was able to procure it anticipating the need for it a couple of months down the road, invested it short term, which the member for Lakeview would agree was prudent. There was a small cost involved in effect, a net cost to the corporation. That's why we have income of \$2.1 million and the interest of \$2.7, that's not the total figures, you would have to break them down further than that. The net effect was a modest cost of a couple of hundred thousand dollars to the Potash Corporation. Indeed our statement would have looked better rather than worse had we reported some different way had we not received the money as quickly as possible. I think it was a good question put forward by the member for Lakeview and better than some of the rather ridiculous comments I have heard of late.

MR. SPEAKER: — Order!

MR. MALONE: — Mr. Speaker, I am not sure the member was referring to me with his last comments or other members. Would the minister not agree with me, however, that on the sales operations of the Potash Corporation of Saskatchewan, that is the production of potash and the sale of the potash and the expenses that are involved there, compare that with the income received by the Potash Corporation, notwithstanding loans or money it had available to invest, that the Potash Corporation of Saskatchewan was in the position ending June 1977 of having a loss of approximately \$1.3 million on that particular operation of the company?

MR. COWLEY: — Mr. Speaker, in response to the member's first question, no I wasn't referring to him. In response to the second question. I wouldn't agree with that. I think if

I can draw a parallel — the member for Regina Lakeview is a lawyer and if he was presenting his consolidated financial statement to this House, he might have earned let's say X dollars from his legal profession. (Interjection - about \$1.5 million!) Well, I don't want to suggest that, we'll use X, I like that a lot better. If he had at the same time borrowed in anticipation of buying a house, for example, or something else for \$50,000, paid \$5,000 interest on it and had invested the \$50,000 short-term, and receive, let's say, \$4,000 interest on it he would in effect on his financial operation have lost \$1,000. Now in effect, that's what the Potash Corporation did. So if the member is going to apply the income to PCS from the money they borrowed and say that has to come off the operations, then to be logical the member has to take the expense with respect to the financial operation and apply that to the operation. I want to suggest that if the member did that we would net out over a million dollars ahead rather than \$890,000.

SOME HON. MEMBERS: Hear, hear!

MR. MALONE: — Supplementary, Mr. Speaker. I wonder if the minister would agree with me, showing the business acumen that he has just displayed to this Assembly this afternoon, that a return on investment of less than one-third of one per cent is not a very good return indeed. In fact the Potash Corporation of Saskatchewan had an investment of some \$300 million of the taxpayers' money, yet on that return covering interest and everything else, the only thing that you could show to the people of Saskatchewan as a profit was less than one-third of one per cent. Do you think that's a good investment?

MR. COWLEY: — Well, Mr. Speaker, I think it is a good investment. I think it will prove to be an excellent investment for the people of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: — I want to say that the member has some of his numbers wrong. First of all I think if one is going to talk about a rate of return on investment then one should talk about the "equity" part of it which is \$229 million. I think the member will also recognize that the \$229 million was not the equity for the corporation for the whole year. Indeed, part of it was for eight months and part of it for two months approximately. So one would have to reduce that and prorate it to get an average level of investment for the year. I think the member would also agree that if he took a look at most companies in their first eight or two months of operation, taking over two new mines, one would anticipate their rate of return would improve with time as they had a full year's operation with respect to sales, etc. It is much like the member for Regina Lakeview (Mr. Malone). I am sure his financial statements were a lot better in his fifth year of law practice than they were in his first.

MR. MESSER: — I don't know about that.

MR. COWLEY: — Well perhaps the member for Kelsey Tisdale could ask him a question later.

Certainly I expect a better rate of return from the Potash Corporation when it has a full year of operation under its belt. In this particular year there was a full year of operating applied. We were negotiating and evaluating several mines at the time. We didn't have any income at all until almost half way through the year when we acquired our first potash mine. Our second potash mine really only came on stream near the end of the year. I think the operating statement for PCS is a pretty good one.

SOME HON. MEMBERS: Hear, hear!

Last Mountain Co-op Fishermen's Plant

HON. A. MATSALLA (Minister of Tourism and Renewable Resources): — Mr. Speaker, on Thursday last the member for Prince Albert-Duck Lake asked me a couple of questions related to the Last Mountain Co-op Fishermen's Plant. I had intended to provide the answer a few days ago but the question periods have been quite busy.

One of the questions asked in essence was, what action will be taken by my department to ensure operation of Last Mountain Lake Co-op Fishermen's Plant?

First of all let me state clearly that the decision to close the plant was made by the fishermen. In order to meet acceptable standards the plant was in need of upgrading of facilities and equipment. There was a need to spend several thousands of dollars in order to provide this upgrading, so the fishermen decided against this. Now in view of this, the fishermen decided to market their fish on an individual basis. I want to make it clear that the establishment of the Fresh-water Fish Marketing Corporation by the federal and provincial governments concerned was understood and agreed that all the fish would be sold through the corporation. The second question is related to the issuance of export permits to fishermen. The department will agree to issuing of export permits on the sale of tullibees providing it meets the approval of the corporation. But no export permits are issued for other fish. Now this is in accordance with the Freshwater Fish Marketing Corporation agreement.

PCS Financial Statements

MR. R.L. COLLVER (Leader of Conservative Opposition): — Mr. Speaker, I would direct a question to the minister in charge of the Potash Corporation of Saskatchewan. In a question earlier today he suggested that the interest on the financial statements shown as interest income and interest expense was in relation to a \$75 million loan as noted in the financial statement. I wonder if the minister could explain to this Assembly how he could possibly suggest that the \$75 million was only held over for earning of interest for a couple of months when the interest income on \$75 million for one year approximates \$2,700,000. Therefore, either the minister is suggesting that he held . . . the question is, is the minister suggesting that he held the \$75 million for almost a year in order to earn \$2,166,000 on the short term market or is he suggesting to this Assembly that there were moneys other than the \$75 million borrowed?

HON. E. COWLEY (Minister in charge of Potash Corporation): — I just want to say to the member for Nipawin that if I had \$75 million and kept it for a year and could only earn \$2.1 million, I would go into politics too.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: — I think if the member for Nipawin wants — eight per cent on \$75 million by my calculations is \$6 million, not \$2.1 million. I said the bulk of the \$2.1 million wasn't the only interest income the corporation has, the corporation has all kinds of money coming in and flowing out all the time. It has working capital some of which is borrowed which costs you money. That shows up in interest and long-term

debt; you have money which is in transition which you are earning interest on, that shows up in interest and other. The largest figure in there came from interest on the \$75 million. All of the \$75 million was held for a short period of time. With the acquisition of the Duval property part of it was used. Part of the \$75 million was held for a longer period of time until the Sylvite acquisition took place. The figures in there would be approximately \$1.5 million if you were earning eight per cent on the money. The average term for the \$7.5 million would be three months rather than two, but I suggest that if you had it for a whole year we would have done a heck of a lot better because we would have had probably \$6 million or \$7 million there. That certainly couldn't have been but that wasn't what was done by the corporation.

MR. COLLVER: — Supplementary question, Mr. Speaker. Since the minister has suggested that the \$75 million was not held for a year, of course, his statement suggests that in that it was taken out on January 28, 1977, the interest possible at 8 3/8 per cent for the minister's information from January 28 to June 30, is approximately \$2,700,000. The interest earned as shown by the financial statements is \$2,166,000 and the minister agrees that the earned lower rate of interest than 8 3/8 per cent as shown in financial statement. What I am attempting to ask the minister is this, did you hold the money from January 28, 1977 until June 30? If you did not did you use part of the \$229 million that was issued by the Energy and Resource Development Fund to earn part of that \$2 million?

MR. COWLEY: — Mr. Speaker, the answer to the first question, if I can explain to the member, the \$75 million was advanced to the Potash Corporation of Saskatchewan. We immediately began to pay interest on that to the people who loaned us the money. What we did with the \$75 million initially as we invested it short term. As we required the money, we withdrew those investments. Well I can get the member the exact date and if the member wants to put a written question on the order paper or raise it in Crown corporations, I can find him the date in a minute, I don't happen to have it with me right now. It wasn't all withdrawn at once, the money was used partly at one time and part was used later on. With respect to the \$229 million advanced from the Energy and Resource Development Fund, that money was not used to earn interest.

Funds for Audited Statements

MR. G.H. PENNER (Saskatoon Eastview): — A question to the Minister of Finance, Mr. Speaker. Since a year ago, the Assembly authorized the use of outside auditors to assist the provincial auditor's department, is it the position of the government to have funds expended by government departments controlled through audited statements?

HON. W.E. SMISHEK: — Mr. Speaker, I didn't quite get that question. It is the intent of the Department of Finance to do what?

MR. PENNER: — Is it the position of government to have funds expended by government controlled through the presentation at the end of each year of audited statements?

MR. SMISHEK: — Mr. Speaker, as the hon. member knows the provincial auditor submits a statement as well as Public Accounts which accounts for all the moneys that were received by the government and the moneys that were extended. That has been done every year and that's what is going to be done this year. I have yet to table Public Accounts, they are not quite ready.

MR. PENNER: — I wonder in the light of that answer, Mr. Speaker, if I may ask a supplementary. In the light of the fact that we had tabled the day before yesterday the office of the Rentalsman's Annual Report with an unaudited financial statement, why it is that that has happened, particularly, when one looks at the act, The Residential Tenancies Act and in 55(b) finds that the Rentalsman's office is required to account for its expenditures through an audited statement?

MR. SMISHEK: — Mr. Speaker, I am not aware that the Rentalsman's office submitted a report, an unaudited statement. It might have been a report. I'm not sure what the requirements are but if there were any errors made and there is a legislative requirement that in the Annual Report per se that there be an audited statement, I am sure that the provincial auditor is going to bring it to the attention of this Legislature. I could check that but I am not aware of this specific legislation of whether there is a requirement in the Annual Report that is submitted by the Rentalsman to have an audited statement attached to it.

MR. PENNER: — Mr. Speaker, supplementary to the minister in charge of the Rentalsman's office. In light of the fact that total payments of \$613,192.65 are accounted for in the financial statement for the year ending March 31, 1977, in direct contravention of the act over which you have responsibility, would you explain to this Assembly why that has happened?

HON. E.C. WHELAN: — That the provincial auditor will be a watchdog in this area.

MR. H.W. LANE (Saskatoon-Sutherland): — Mr. Speaker, a question to the Minister of Finance. With all respect to the minister in charge of PCS, in the Annual Report we see that there are some \$229 million advanced, from the way I read the statements and please correct me if I'm wrong but the way I read the statements, \$229 million advanced without interest from the Energy and Resources Development Fund. Now, in any normal situation, if this money was loaned by an ordinary company, they would have paid some \$18 million of interest. Now is it not true that if the loss was not shown here the loss will show up in the Energy Fund, the loss of interest. It has got to show up one place or the other surely, is that not the case?

MR. SMISHEK: — No.

MR. LANE (Saskatoon-Sutherland): — A supplementary question, the first supplementary is this, Mr. Speaker, at a nominal rate of interest if the \$229 million had been taken and simply placed in something like Canada Savings Bonds there would have been some \$8 million earned. Now that's not there. Surely with that kind of a view of it and also the fact that if the potash companies that had been taken over had remained in a private corporate sector there would have been at least \$300,000 worth of tax payable even by your profit statement, do you not then see as Minister of Finance that the Potash Corporation of Saskatchewan has lost the people of Saskatchewan some \$17.5 million? There is no profit at all.

MR. SMISHEK: — Mr. Speaker, the answer is no. This is exactly the same kind of a line that the Leader of the Conservative Party took yesterday, and I think that what we should do is send some of the Conservative members back to school so that they could learn the basics of arithmetic. But for the information of the hon. member in the case of the Energy and Development Fund, if he had taken the time he would notice that any interest that has accrued in the Energy and Resource Development Fund goes to the Consolidated Revenue Fund, it does not go at the present time to the Energy and

Resource Development Fund.

MR. LANE (Saskatoon-Sutherland): — Mr. Speaker, the point is though that the money was in PCS, it was not in the Energy Fund. So if PCS does not pay interest to the Energy Fund then surely, and my question is this, do you not admit that PCS has lost \$17 millions besides the lost provincial portion of the income tax which would have been payable by the other companies? The second part of the question is this . . .

MR. SPEAKER: — Order!

MR. LANE (Saskatoon-Sutherland): — Well, if he would answer that question, Mr. Speaker.

MR. SPEAKER: — Government Orders.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow that Bill No. 47 - An Act to provide for the Taxation of Income from Oil Wells - be now read a second time.

MR. J. WIEBE (Morse): — Mr. Speaker, I hope you will bear with me while I arrange my notes. It was my intention to present a speech today as lengthy as the Attorney General did in his introduction of this particular bill. However, I had second thoughts in that regard because I felt that first of all I would risk the danger of becoming as repetitive and as boring as the Attorney General did on Monday. I didn't want to take up too much time in this debate to allow members from our caucus, members on that side and especially members from the caucus to my left, to be able to participate and present their views in regard to a bill as important as Bill 47.

Let me say initially, Mr. Speaker, that there are many questions that have to be asked in regard to this particular legislation and unfortunately many of those questions that have been presented to date have not been answered by the Attorney General, the government or the members that have participated in this debate thus far. One of the questions which I presented to the minister yesterday during question period, dealt with the position that the oil companies would be in that had not paid the tax under Bill 42 during the existence of Bill 42, those companies that had not paid that tax under duress or had taken the government to court, what was their position in regard to that taxation and does Bill 47 now mean a double taxation to those companies who paid the tax believing that Bill 42 was a constitutional and a just tax. That question, Mr. Speaker, was not answered by the Minister of Mineral Resources. His only reply was that a tax credit would be applied to those companies who had previously paid the tax under Bill 42.

My second question then, Mr. Speaker, is under what legislative authority or under what legal right can these companies apply for a tax credit? There is nothing of that nature written into Bill 42 nor is there anything of that nature written into Bill No. 47. It is my hope, Mr. Speaker, that prior to the end of this debate either the minister in charge, or the Premier, or some other member from that side of the House will answer this question and advise all members in this House as to what legal or legislative authority the government has to apply tax credit under taxes collected under Bill 42 vis-à-vis

Bill 47.

Another question, Mr. Speaker, which we have to ask is what is our responsibility as legislators and representatives of the people of this province in regard to an issue as important as Bill 47 and the right of the people of Saskatchewan to own their own resources. How do we tackle an issue as vital to the future development of this province as is Bill 47? Let me say, Mr. Speaker, that I don't believe there is an MLA in this Chamber regardless of his political belief who believes that the people should pay back the \$500 million. The major question is: how do we go about solving the dilemma that this government now finds itself in?

Mr. Speaker, I believe we have an obligation to the people of Saskatchewan to obtain the best deal which we can on their behalf. We have an obligation as legislators to ensure that the windfall profits on oil and our natural resources are maintained and held in trust for the people of Saskatchewan not just now but for future generations as well. But in so doing, Mr. Speaker, we must also ensure that the method which we use to maintain those resources for the benefit of the people of this province cannot be overturned in the courts and cannot be deemed unconstitutional. In other words, Mr. Speaker, we must obey the laws of this land whether we agree with them or whether we disagree with them.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: — Let me remind members opposite, Mr. Speaker, that the laws of this land are designed by legislators such as those who sit in this Chamber. Whether we agree with those laws or not we must abide by them until we can through legal, constitutional and legislative means change those laws to ensure that they benefit the people which we represent. If we as legislators, Mr. Attorney General, expect the people of this province to obey the laws which we pass, then we in turn must obey the laws and the constitution that a government senior to ours enacts. If we disagree with those laws, Mr. Attorney General, then it is our responsibility to change those laws by representation to that senior government and by placing before them an adequate argument to back up our proposals, exactly the same way, Mr. Speaker, in which residents of this province present their case to us to have their laws changed in this province.

Our caucus, Mr. Speaker, has withheld judgment on this bill until we are satisfied that the bill before us is legal and a constitutional document and will in effect solve the dilemma which we now face. The government today in its arguments in favor of Bill 47 has yet to give us or the people of this province any concrete proof or assurance that Bill 47 is legal and will in fact be proven valid in the courts. All they have been able to do to this point is try to shift the blame for this dilemma which they now find themselves in. They have tried to shift that blame onto the shoulders of the opposition: they have tried to shift that blame on the federal government, on Otto Lang, on Senator Sid Buckwold, on the Supreme Court of Canada and on the press of this province. Speeches to date have been on emotional issues vis-à-vis the government of this province against the multinational oil companies.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: — You have not demonstrated to us or to the people of this province the validity of Bill 47 nor have you given us any assurance that it will stand the test which could come before us. You have opted, Mr. Speaker, instead to take the shotgun

approach. Let's condemn the companies. Let's defy the law of the land and let's present a bill which has yet to be proven constitutional. When challenged in the courts, Mr. Speaker, this bill could be proven to be illegal three or four or five years down the road.

Why have they, Mr. Speaker, and the Conservatives to my left rushed to take this approach? Do they seriously and conscientiously believe that it is to the benefit of future generations of this province or is it some other political advantage that may occur to them at this particular point in time? Are they falling into the trap of legislating what is best for their re-election instead of what is right and just for the future generations of this province?

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: — This, Mr. Speaker, is the key question which the people of this province are now asking this government and each and every political party in this Legislature. Let me again state that neither the Attorney General, his government, nor the Conservatives have demonstrated to us or assured us that Bill 47 is legal and constitutionally sound. They are asking us in effect, Mr. Speaker, to buy a pig in a poke. Because of their lack of constitutional proof they are saying to us that Bill 47 may be unconstitutional. That we may be passing another illegal piece of legislation. But let's not worry about that. Let's do what is politically expedient for us to do at this particular point in time. They in effect, by not proving to the people of Saskatchewan that Bill 47 is sound, are encouraging MLAs and the people of Saskatchewan who may support their weak political arguments to defy the law of this land and they are using money, namely \$500 million, to encourage defiance of this law by the masses of this province.

As I said earlier, Mr. Speaker, there are still many questions that have to be answered before adequate judgment can be passed on Bill 47. Questions like where will we be three years from now? Will this bill be found unconstitutional and will this province then be placed in a position of having to pay back over \$1 billion? The Attorney General and the government have yet to provide one shred of evidence or to back up their claim that this particular bill is sound. They are taking the same approach to this bill as they did to Bill 42. The Liberal Opposition in 1973 did not buy their weak arguments, withheld our decision on Bill 42. We obtained sound legal and constitutional advice. We then took a position, Mr. Speaker, voted against Bill 42 and, Mr. Speaker, the Liberal Party in this province in 1973 was proved correct.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: — And might I say, Mr. Speaker, that the Liberal caucus will once again be proved correct in terms of their decision on Bill 47. Mr. Speaker, we will not be rushed into making a half-baked decision just on political considerations, such as the members opposite and the members to my left.

Mr. Speaker, it is the responsibility of this government to demonstrate and prove to the people of this province that Bill 47 is good, sound, constitutional legislation. They have failed miserably up to this point and do not deserve the support of this Legislature or the people of Saskatchewan. They have taken on the battle of blaming everyone else through this province, they have brought out red herrings of government vis-à-vis multinational corporations, but they have failed to prove that Bill 47 is sound, or that it is morally right and to the benefit of the people of this province in the long-term.

Mr. Speaker, not until this government is willing to get off its political rhetoric and start

to present facts and constitutional proof of Bill 47's validity and fairness to all involved can they expect any meaningful kind of support from MLAs and from the people of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: — Mr. Speaker, it is difficult to argue the very aspects of this bill until the government is prepared to provide proof, proof of validity and proof that Bill 47 will in effect protect our natural resources and the benefits derived for the people of our province, not just now but for future generations as well.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: — Again, all that the Attorney General has been able to convey to the people of Saskatchewan thus far is that by his judgment this bill is sound. The only demonstration of any sort has been the Attorney General's judgment that this particular bill is sound. Mr. Speaker, the people of Saskatchewan accepted his advice in 1973; the laws of this land proved him wrong, how can the people of Saskatchewan now accept his judgment. The people of this province put their confidence in this government back in 1973. They believe that what this government was doing was right and honorable. Mr. Speaker, their faith and confidence in this government has been questioned and you cannot expect them, at this particular time, to accept your flimsy recommendations presented to them thus far to date by members opposite.

Mr. Speaker, the issue in Bill 47 is no longer just a monetary issue, but whether we should or should not pay back the money to the oil companies. That issue, Mr. Speaker, has been decided. Let me repeat, that there is not one MLA or political party in this Legislature that does not agree that that \$500 million and the resources of this province belong to the people of this province. Mr. Speaker, that issue has been decided. The members opposite moan and groan. They moan and groan because they feel there might be some members in this House who want that money to go to the oil companies. That's the kind of rhetoric that they have used in their debate; that's the kind of rhetoric, Mr. Speaker, that they are going to use in constituencies throughout the province. They are going to be using that in my constituency. The Attorney General, I am sure, will be there, so will the Minister of Mineral Resources, so will the Premier and other members. They are going to say that to my constituents. What they fail to realize, Mr. Speaker, is that they are not giving the people and the voters of this province enough credit for their intelligence. Mr. Speaker, years ago you might have been able to sell that argument. You can't sell that today. You have got to give the voters of this province a heck of a lot more credit for their intelligence than you have demonstrated so far to date.

I am not afraid to take my position to the people of my constituency because they won't buy your argument, because you have tried to sell that argument to them for the last 40 years and they are getting fed up with that argument and they know that each and every time that argument has proven false.

The real issue, Mr. Speaker, now is whether Bill 47 it is constitutionally sound, and a just and legal document, and whether the directives of the Supreme Court of Canada are in effect supreme; whether this bill, the same as Bill 42, will in effect break the laws of this land.

Mr. Speaker, Mr. Attorney General, your responsibility and the responsibility of your

government is to prove to the people of this province that Bill 47 is constitutionally sound and will in effect not break the laws of Canada, that it will protect the resources of this province, not just for three years or until after the next election, but will protect the resources of this province for future generations as well. Mr. Attorney General you and your government do not address yourself to this question. You do not deserve, nor can you expect the support of the people of this province or the support of other MLAs in this Legislature.

AN HON. MEMBER: — Taxes before votes.

MR. WIEBE: — The question you have not answered if Bill 47 is enacted into law will it be legislation which defies the current law of this land. If it defies the current law, then surely it can only be considered in contempt.

In summary, Mr. Speaker, if we as legislators in our desire to ensure that all the benefits and wealth of our natural resources accrue to the people of this province, it is imperative that we as legislators obey the laws of Canada the same way we expect people of our province to obey the laws which we enact. Mr. Attorney General, your government has yet to demonstrate in this debate that good faith to the people of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. P.P. MOSTOWAY (Saskatoon Centre): — Mr. Speaker, I feel a moral obligation to speak in favor of this bill which protects the citizens of this province from the brazen gouging of multinational oil corporations. I feel a moral obligation to do so for a number of reasons. One is because I believe that approximately 93 per cent of the constituents of Saskatoon Centre constituency want me to do so. This is based on a little poll that was carried out during the weekend. Another is because we in Saskatoon Centre constituency are fed up with the giant corporations trying to have westerners knuckle under to their insatiable craving for profits that make King Midas look like an angel.

Another reason I feel I should speak in favor of this bill, Mr. Speaker, is because nowhere do I find in the Good Book that God made minerals, such as oil, for corporations. The Good Book is clear on that point. The things of this earth like oil are for the people of this earth and not for a small group of cigar-smoking, corporate decision makers from far away who pull the strings of their puppets who are jockeying for positions on your left.

AN HON. MEMBER: The Good Book . . .

MR. MOSTOWAY: — Now the gentleman mentions the Good Book, if he wants to know what the Good Book is I will certainly be more than pleased to give him a copy of same this evening . . . Well if you will look in the drawer of the hotel room in which you are staying instead of that other magazine that I know you are so addicted to, you would find the Good Book in that drawer.

The member for Wascana (Mr. Merchant) yesterday made some absolutely ridiculous charges that there could be bribery involved relative to this bill. I just say to that member, what a slur on the civil servants of this province. It is a slur that they are not

going to forget at the next election.

The member for Morse (Mr. Wiebe) made fun of the talk given by the Attorney General. I don't know, but it shows you how you can have two differing points of view, a right one and a wrong one. I believe I had the right one and I found his speech to be delightfully interesting. I also believe that the member for Morse lacked one thing when he gave that speech, he lacked heart. I really believe that he did not believe what he said in this House just a few minutes ago.

Mr. Speaker, since the Supreme Court handed down its historic judgement, and since this bill was introduced in this House, Tories have ranted, raved and prattled. Their leader has suggested the federal government overrule the Supreme Court decision to, as he suggests, "bail us out." Mr. Speaker, that is synonymous with asking the fox to bail out the chickens. Why should he suggest such a thing? We don't need bailing out in Saskatchewan. The taxes and royalties collected belong to our citizens. Why should we go begging to Ottawa to keep what is morally and rightfully ours?

SOME HON. MEMBERS: Hear, hear!

MR. MOSTOWAY: — Mr. Speaker, Liberal members to your left have no real position. I predict they will oppose this bill even though they imply they might go along with parts of it. I predict they can do nothing other than oppose it because they are allied, hook, line and sinker, with the multinational corporations.

SOME HON. MEMBERS: Hear, hear!

MR. MOSTOWAY: — They are straight-jacketed into this onerous position because they have, as in the past, taken an oath of allegiance to the multinationals in opposition to the citizens of Saskatchewan. Now, I would be the last person in the world to suggest that this corporate allegiance has recently been reinforced upon them by any bagman from our useless higher House of Parliament — the Senate. I would be the last person to suggest that the hon. Otto Lang strongly urged them to obey corporate wishes and I would be the last person to suggest that the joyful sound of corporate coins filling their political coffers has anything to do with their indicating they will fight this bill with all they have, and that, to me, appears to be of very little substance and logic. Well, I say to my Liberal friends opposite, if you want to appear as the official right wing party of Saskatchewan, so be it. But I say that selling your souls to gouging corporate barons will not win favor with the people of Saskatchewan who are well aware of your frantic desire . . .

MR. SPEAKER: — Order. order. What's the point?

MR. S.J. CAMERON: — I want, Mr. Speaker, I want to raise with you a point of privilege. We have heard all manner of allegation, Mr. Speaker, which I consider to be unparliamentary and that is ascribing base motives to members, a section of Beauchesne I referred to the other day, Mr. Speaker. Now the member has said that we in the Liberal Party had sworn an oath of allegiance to oil companies, that our votes had been bought by the oil companies, and then the last statement that the member made about us being in effect in the hip pocket of the oil companies.

Now, Mr. Speaker, my suggestion is that those kinds of statements which, in my view, are clearly unparliamentary have been permitted to be made in this House ought not to be permitted any longer and I would ask Mr. Speaker to take that under consideration

and give us a careful ruling in that respect.

MR. SPEAKER: — Order! I will take the members comments under consideration and report back to the House at a later time.

MR. MOSTOWAY: — Mr. Speaker, I think maybe I will just repeat what I said. just so that the hon. member can get the record straight. I say to my Liberal friends opposite if you want to appear as the official right wing party of Saskatchewan so be it but I say that selling your souls to gouging corporate barons will not win favor with the people of Saskatchewan who are well aware of your frantic desire to keep from being completely annihilated at the polls come election time. So I say to Liberal MLAs opposite tell CIGOL or Norcen or Exxon or Imperial Oil and all the other corporate friends you have to allow you to vote for this bill so that you may enjoy at least some sort of existence after the next election.

SOME HON. MEMBERS: Hear, hear!

MR. MOSTOWAY: — Remind your corporate bosses that they have sucked enough out of Saskatchewan. Stand up to them by arming yourselves with the shield of justice on your side as we on this side of the House have done, are doing and will continue to do. To Liberal members opposite I say it is time to stand up to the hon. Otto Lang who assisted CIGOL in its venomous attack on all Saskatchewan citizens. If he wants to defend Ottawa centralism, if he wants to forsake Saskatchewan people there is no reason for you to so blindly follow him. Demand that you be allowed to speak for Saskatchewan citizens but, Mr. Speaker, I believe that Liberal MLAs opposite cannot nor will they do this. They will fight this bill on some incomprehensible logic that I know will escape those who must be the beneficiaries of our oil, the citizens of Saskatchewan.

MR. PENNER: — Paul, any logic escapes you.

MR. MOSTOWAY: — Well, when it comes from that side I allow it to escape me for the benefit of all members on this side.

Mr. Speaker, Liberal intentions to oppose this bill smell to high heaven and should the Liberal leader form the next government of this province, and heaven forbid that this should happen, and should he present a cheque for \$450 million to the oil companies I predict an outrage much worse than when the last Liberal junta ran roughshod over the wishes of the people of Saskatchewan.

Now, Mr. Speaker, I should like to turn my attention and remarks to that other crew that sits to your left. The Conservatives who, by their silence on this matter, I presume, have given me an inclination to believe they will like their close friends, the Liberals, oppose this bill. Yes, Mr. Speaker, I believe, the smokescreen, phoney Tory position will soon vanish and their true intentions of opposing this bill, in an indirect way, will soon become evident. Like Liberals opposite they, too, are hooked to and muzzled by the multinational corporations. Their phoney stance . . .

MR. BAILEY: — . . . Schenleys

MR. MOSTOWAY: — You say you are hooked to Schenleys. Well, I'll tell you what hon. member there is Alcoholics Anonymous for people who are hooked to Schenleys and I certainly advise you to pay them a visit if that is the case.

Now, like Liberals opposite they, too, are hooked to and muzzled by the multinationals Their phoney stance does not fool me one bit, Mr. Speaker. I say this because one of CIGOL's lawyers, a friend of certain Tories opposite, has, it is alleged, been ordered by CIGOL to order them to take a phoney stance initially and then, tactfully, if this is possible for Tories, end up voting against this bill. But I tell you. Tory members opposite, your slippery movements will not fool the keen-minded citizens of Saskatchewan which, naturally, includes all members on this side of the House.

SOME HON. MEMBERS: Hear, hear!

MR. MOSTOWAY: — I thought you would like that. Now some might ask why I feel Tory members opposite are being muzzled. Now I don't know if it's because of the almost incomprehensible amounts of money given the Tory Party by the multinationals; I don't know if they have been ordered to end up opposing this bill because it might offend their corporate baron friends who direct the greatest Muppet show on earth with Tory members opposite the puppets. But, Mr. Speaker, I do know Tory members opposite are being muzzled. Why else would two Tory MLAs who represent oil constituencies, the hon. members representing Estevan (Mr. Larter) and Swift Current (Mr. Ham) not participate in this debate? You ask where they are, with the approval of their leader, by the oil companies. How can two Tory MLAs who represent large and small oil producers, oil servicemen and workers, say not one word in this House on this bill which, as I stated previously, is of historic significance? Now I say it is because they and their seatmates are being muzzled. Any way you look at it, Mr. Speaker, one must come to the conclusion their act is phoney, they are being muzzled and they will, in their usual slippery manner, end up opposing this bill which seeks to protect our citizens.

So I say to Tories opposite, this phoney approach of yours to this bill will not go unnoticed. Do not slip around on this issue. Do not, as I suspect you will, reject the bill on the phoney basis that there are a few parts that you will not be able to support. Tell those who order you from the boardrooms of New York that you are through being lackeys. Tell them where to put their almost infinite supply of financial contributions which you have been greedily lapping up over the past number of years.

Tories opposite, I predict you will not heed my words of wisdom and common sense. You will oppose the bill and when you do you will have forsaken our people; you will have dedicated yourselves to giving the greedy gougers back - not like the Liberals \$450 million, only \$250 million; and like the Liberals opposite, you would want to give them something back. You will slip so badly in the eyes of our citizens that you will rue the day for many a year to come.

Now I should like to mention one other point, Mr. Speaker, and that is the Opposition's demand that a set tax rate be incorporated into the bill. Now it 's plain to see why they want a rigid tax rate in the bill . . . Liberals and Tories opposite. It is because time lags relative to tax rates usually are beneficial to those corporations who pay these taxes, Mr. Speaker. This is just another example of members opposite wanting concessions for their money-hungry masters.

If they were really on the side of the people they would want to give this democratically elected government the tax rate flexibility to operate in the interests of our citizens. Now to this nonsensical suggestion, which came from members opposite, I say to those same corporate corporals, some of whom when debate on this bill ends may be promoted to corporate sergeants, do not all provincial governments and the federal

government have this same flexibility when it comes to levying a percentage on personal income tax? They certainly do.

It seems to me that insofar as individual citizens are concerned, all parties agree, governments should be free to have flexibility in setting their income tax rates. But opposition members say 'don't allow the same flexibility to governments in setting tax rates on our precious little oil corporations, don't touch them.'

Mr. Speaker, what kind of twisted logic do members opposite embrace? I call it cold and callous corporate logic.

Mr. Speaker, I say this bill will prevent one red penny from being paid these gougers in spite of what I know will be opposition to this bill by the two old line parties opposite. The Liberal Party will oppose it in a move to become a right wing movement. The Conservatives will initially support it, but end up opposing it on the grounds that certain sections are unacceptable and this will become self-evident phoniness in the next few days.

AN HON. MEMBER: — . . . constitutional legislation.

MR. MOSTOWAY: — The hon. gentleman is talking about phoniness. If you are an expert on it we will be pleased to hear you at a little later time.

Both parties, Mr. Speaker . . .

Just continue signing your Christmas cards, Mr. Member for Wascana, it may get you over the hump although I doubt it. Both parties are to be pitied for these anticitizen stands that they will be continuing to embrace.

Mr. Speaker, I have tried to make my speech plain and simple so that the majority of opposition members could understand it. I see one is questioning me, he doesn't understand it. Well to the best of my ability I have made it truthful which may have made it difficult for some of those same members opposite to grasp its significance. Mr. Speaker, I am very proud to have spoken on behalf of the Saskatoon Centre constituency citizens in support of this bill, a bill which once again proves that this government acts when action is necessary to safeguard the interests of the nearly one million citizens of Saskatchewan and approximately 17 million Canadians of other provinces and their various provincial governments of varying political stripes. I will certainly, as you can well determine, Mr. Speaker, be supporting this significant bill.

SOME HON. MEMBERS: Hear, hear!

MR. J.L. SKOBERG (Moose Jaw North): — Mr. Speaker, yesterday, I must say, I was somewhat impressed with the press conference of the Prime Minister and our Premier of this province and actually believed at that time and I hope that that belief has foundation, that the Prime Minister was sincere when he said that the federal government does not intend to exploit the decision on CIGOL. I only wish his colleagues in Saskatchewan would be as sincere rather than being the mouthpiece of the oil companies at this time. I sincerely hope this statement of the Prime Minister is heard by all members of his Cabinet including the hon. member for Saskatoon-Humboldt. If present press reports of Mr. Lang's position are correct, the people of this

province can only look forward to confrontation not only with the oil cartels but with the federal government being led down the garden path by that minister for Saskatoon.

Mr. Speaker, the article in the news release in the November 26 edition of the Leader Post refers to, "Lang says Ottawa could gain by Saskatchewan loss." Mr. Speaker, I am suggesting that the hon. Otto Lang's decision to intervene is a disgrace to this province. The hon. Otto Lang's statement is to the effect that our legislation sounds like confiscation in this article. The hon. Otto Lang's inference is that our image abroad has been hurt badly. The hon. Otto Lang's determination is to use his power and influence to hurt and defame his own province and his own people of Saskatchewan. The hon. Otto Lang's avowed political purpose is to take away any self-determination by the provinces, then stand up and say that Canadian unity is a cherished goal. I am suggesting, Mr. Speaker, that is a farce, to say the least, and it is a disgrace for any member of Parliament coming from Saskatchewan to make that type of statement.

I might also say, Mr. Speaker, that there should be little concern felt for the grand statesmanship utterances coming from the Saskatoon Senator. After all, these people not being elected are answerable to no one and should, in the main, be recognized by no one in what they say or do. Many Senators' records of involvement on the boards of conglomerates are well known and documented, so one may conclude by questioning their sincerity and integrity when it comes to speaking and acting for other than their corporate friends.

I believe two statesmen were being interviewed yesterday with the Premier of the province and the leader of this party making it abundantly clear this government stands in defence of the people of this province to have and to hold that which is rightfully theirs under the BNA Act.

I would like to take a few moments today, Mr. Speaker, to say a few words on the absolute right of this province of ours and all other provinces in this nation to rule their own resources and specifically to rule their own oil industry as was intended in December, 1973 and is now definitely the avowed intention under Bill 47 introduced by the New Democratic Party government in December of 1977.

It may be of interest to some in this House in noting in the years 1860 to 1900, oil companies which were later to develop into the leading world oil enterprises, namely Standard Oil of New Jersey and Texaco, had their roots in Canada. These original Canadian companies were sold to American corporate interests in 1898, in the case of Standard takeover and in 1948, in the case of Texaco takeover. This short period of our history raises some doubt as to the sincerity and force behind the national policy followed by Canada's early leaders and further points to a policy which will allow for increasing foreign takeovers of key resource industries in later years with little complaint or interference by national governments. To date, Mr. Speaker, this policy has not changed and when a government, the New Democratic government attempts to develop a policy on behalf of the people of this province, all one hears is a decision by a federal minister from Saskatchewan, none other than the hon. Otto Lang leading a federal intervention against Saskatchewan people and on behalf of the foreign oil companies.

We should never forget, Mr. Speaker, by the early 1900s geological surveys pointed to the fact Canada had rich oil reserves. Development was slow mainly because there was little left of independent oil industry in Canada and the foreign countries were not interested in possibilities when they had known reserves in Texas, Venezuela, Mexico,

the Middle East and the Dutch East Indies at their discretion.

Canadian political leaders did not look favorably on government development of industry and so the resources of the prairies lay untapped for decades. During this period the economy of the prairies was tied to the production of our staple product - grain.

There was no industrial base in the province and what little industry there was, was tied to the agricultural sector. The depression saw a disastrous decline in the provincial income with an income drop in Saskatchewan of 72 per cent (from \$478 per capita in 1928-29 to \$135 per capita in 1933).

This economic collapse had the effect of replacing the government of the day and the government which replaced them following 1944 was to be instrumental in the development of the oil industry in later decades. The most important realization developed, Mr. Speaker, that there must be a diversification of the economy if another depression was to be averted. There is no question of the magnitude of oil exploration in this province and there was clearly an economic benefit to Saskatchewan.

It was not until 1962 oil companies were starting to receive a somewhat 'harsher' deal on the international level. Countries such as Venezuela and others began asking for a greater slice of the pie for their oil. In many Persian Gulf states, as Kuwait, oil was a single source of any significance of national revenue and in Venezuela oil accounted for 99 per cent of the nation's exports in 1962.

It may be interesting to note, Mr. Speaker, in an article written not too long ago by Mr. John D. Harrison, Foreign Affairs Analyst of the Thompson News Service, he said:

Dealing with Venezuela controls its oil. After more than a decade, Venezuela now has major steel, aluminium, smelting and secondary industries, whose exports will help substitute oil exports when that vital commodity runs down in Venezuela near the end of the century.

I am suggesting, Mr. Speaker, that that is the reason that we in Saskatchewan have to look at that situation as it pertained to those other countries at that time.

It was also clear, Mr. Speaker, and apparent to the oil cartels that the 'dance of the concessions' had come to an end in many oil producing countries of the world. It may be interesting to note that in Canada not much changed in that time. Oilweek so ably put it:

Accustomed to dealing with fermenting political climates in insecure areas around the world, the industry has always found a welcome contrast in stable, Conservative, prosperous Alberta.

No doubt the same applies today, Mr. Speaker, and this would be and is the giveaway policy now being loudly advocated by a Conservative Party in Saskatchewan that has no concern for the people nor the economy of this province.

SOME HON. MEMBERS: Hear, hear!

MR. SK0BERG: — It is more than interesting to note, Mr. Speaker, the federal government said they could not become involved as other national governments had in

other countries as the Canadian constitution had given control of natural resources to the provincial governments in 1867 under the BNA Act.

Here today, in our history, we see a Supreme Court countermand that BNA Act and tell us in Saskatchewan we do not have the right to receive for the peoples of this province a just share of revenue from our resources for the benefit of the people of this province. I say, regrettably, Mr. Speaker, shame on those that rule in this decision but mainly shame to those Liberals and those Conservatives that are puppets for the oil cartels and especially to that Saskatchewan MP who does not believe in establishing a firm economic base for our future generations in Saskatchewan. The people of Saskatchewan know far better than those Liberals and Conservatives in this House and particularly far better than some of the most idiotic, biased, senile editorials we have seen, that any special tax benefits of any magnitude can only mean increased taxation for the people of this province or a decrease in government programs now existing or in the future. The opposition parties cannot have it both ways as they should know, if that is possible, when our nonrenewable resource is gone so is the tax revenue and development associated with that resource,

The Carter Commission, Mr. Speaker, on taxation has demonstrated that special tax concessions to the oil industry do not promote competition or exploration and development in the oil industry and in fact could be decreasing growth potential in other sectors of the economy but of course, under great lobbying, nothing has been done with the Carter recommendations.

The gravity of our oil shortages and the serious decision of the Supreme Court points out a permanent policy and a strong one is urgently needed. To leave the oil corporations to their own devices has obviously failed as we see huge oil profits for the oil cartels exploited from our resource economy. The question we ask is whether the private corporations are to handsomely profit from our resources or should the public that owns them be entitled to them?

SOME HON. MEMBERS: Hear, hear!

MR. SKOBERG: — Should the oil cartels profit from the tremendous windfall in oil prices without spending anymore on exploration or development or should the public once again benefit from that type of development?

Oil corporations as any other citizen must come under discipline and in so doing realize our resources are a public resource for the benefit of the people of this province.

It is unfortunate those opposite want to sell out our nonrenewable resource for a pittance. It is unfortunate both Conservatives and Liberals are striving to be the voice and front for the oil cartels instead of defending and fighting for the interests of the people of Saskatchewan.

Bill 47, Mr. Speaker, is a vehicle now before this House wherein the people of Saskatchewan and their children will be provided with some security in the future. All of us should unanimously support this bill and loudly and clearly tell Ottawa the provisions of the BNA Act were drafted to give the provinces their right to their resources.

Mr. Speaker, as we go back to some of the clippings a short few years ago, and I look at one of December 11, 1973 in the Times Herald, I see it says, "Saskatchewan Moves to Rule its Own Industry. Hard Hitting Bill to Freeze Profits". I don't think anyone disagrees that Saskatchewan does have the right and should control its oil industry at this time and should have always controlled it at all times in the past. Then, when we look at an editorial on Saturday, November 26, in the same Moose Jaw Times Herald, we see the editor and I will not say Mr. Editor because I believe it is a Madam Editor, refers to in this particular article and I will quote one section:

That Collver's suggestion that the federal government come to the aid of the province has not met with any enthusiasm by Ottawa. In fact, Justice Minister Ron Basford called the idea a silly one, even though Collver correctly pointed out that Ottawa came to the aid of the Queen in the cases of Expo and the Olympics.

Mr. Speaker, it has been said once before and I'll say it again. It's disgraceful for a

politician of this day to use that as an analogy. Anyone who uses that is doing it for political opportunism and they know it. They absolutely know that it is politically acceptable in western Canada in some circles of this time, to try and play the East against the West, particularly, the province of Quebec against the prairies. I would suggest that when we talk about politicians standing up and talking about having one nation and using that as an analogy, then it is a disgrace for that type of a person to be used.

As we go on into this editorial, Mr. Speaker, the editoress says that "Perhaps then it wouldn't be in the position it's now in (we're speaking of Saskatchewan) of reasonably being expected to return what belongs to someone else. Mr. Speaker, this particular editorial writer, no doubt, fails to realize that the resources of this country and this province belong to the people of Saskatchewan and this is the type of tripe that we see in editorials at this time. The last part of this editorial reads: "The lesson being that greed generally leads in unpleasant directions and that not everyone will stand quietly by as government attempt to control where it isn't wanted or needed". I'm suggesting, Mr. Speaker, that if the attitude today is for a laissez-faire type of a governmental protection for the people of this province, then this editorial writer, of course, is out of step with the time. I must say that it is idiotic and senile, to say the least, the type of editorials we have seen in this particular case.

Another article I see here, Mr. Speaker, has to do with the Leader Post of November 25 and of course it refers here:

"Time for caution" responsibility and oil revenue fiasco". It refers to the fact that surely it must have been obvious to those who drafted and approved Bill 42 that the provincial legislative authority could not extend to directly fixing the price to paid for oil produced in Saskatchewan if sold outside of boundaries. I'm suggesting, Mr. Speaker, that that editorial writer in his haste to condemn this government has really cast serious reflections and condemnation on the judges ruling previously on the constitutionality of Bill 42 and again I would suggest that when I hear those Liberals opposite stand up and try to defend their colleagues in Saskatchewan it is almost time then that they try to defend some of the judges that we do have in this province that it did rule on this particular issue on more than one occasion.

The other point. Mr. Speaker, I would like to refer to and deal with on Bill 47 is a news article of December 7, 1977, in the Leader Post, last night.

"Laskin questions Lawyer" It has to do once again with central Canada and the potash throughout that they repeated the CIGOL case and I'll read the first paragraph. It says, "One of the key arguments in the Saskatchewan companies Supreme Court of Canada's challenge of the provincial pro-rationed scheme came in for some close scrutiny from Chief Justice Laskin Tuesday. Douglas Laidlaw, a Toronto lawyer, representing Central Canada Potash Limited, was pressing his client's view that conservation of a resource for economic reasons is not sufficient grounds to permit a province to restrict production." That is the position of those opposite. They would not in any shape of the imagination believe that the province should have the right to control its resources. It goes a little further here:

The case follows closely by a decision by the Supreme Court striking out Saskatchewan's controversial 1973 oil and gas taxation system. Although the central Canada challenge involves

smaller sums of money than the \$460 million placed in jeopardy by the oil tax decision, similar principles are involved relating to our province's powers to manage and control resources. The potash company is being supported by the federal government which, in 1973, took unusual action to have itself named or proclaimed in this case. The provinces of Newfoundland, New Brunswick, Ontario, Manitoba and Alberta have intervened on Saskatchewan's behalf.

Mr. Speaker, I am saying once again, that by this particular action of the Supreme Court in dealing with Bill 42, they are now laying in jeopardy all of the provisions of every act in every province of this country. And not now is it surprising to say the least you'll find that the same people that supported the Supreme Court oppose the people of Saskatchewan and Bill 42 by doing exactly the same thing now insofar as Canada potash is concerned. It is also no surprise that the Liberals, particularly, the hon. minister from Saskatoon-Humboldt is no doubt leading those federal members of the Liberal Party in Ottawa against the Saskatchewan people and it will be interesting to note the Conservative's position, especially the MLA for Thunder Creek who had a few observations to comment at that time. It would be rather interesting if the hon. member for Thunder Creek finds the way clear to stand and speak in this debate to say what he was talking about in Moose Jaw here just a short few days ago. He was talking about the approach of the federal government for legislation that will make the taxes legal. He is now going to approach the federal government which in themselves condemn the province of Saskatchewan.

It is also interesting to note and I will read this part that "While the PC Leader addressed the government the Premier and the Attorney General just sat in their seats and listened. They were really a beaten pair." Now, Mr. Speaker, if the Attorney General and the Premier of this province were a beaten pair when they introduced Bill 47 I must not have been present then to see that type of a spectacle. If there is anybody beaten in this House at this particular time, it is both the Liberals and Conservatives opposite and I would like to see the hon. member for Thunder Creek stand and be accountable in this particular debate.

Mr. Speaker, in closing I think the real dangerous position is the decision on CIGOL and now, aided and abetted by that decision and the federal government through the hon. Otto Lang of Saskatchewan, all provinces are jeopardy of losing control of their rightful resources as was indicated in the BNA Act. As I said when I began there is no question that probably and I hope I am correct, that when the Prime Minister and the Premier spoke yesterday he said the CIGOL case would not be used in that sense. But after looking at the history and reviewing some of the statements of the hon. minister from Saskatoon-Humboldt I have some reservations whether or not the Prime Minister would be able to suppress that individual to the extent that he will not be the leader in again condemning the province from which he came.

MR. R.E. NELSON (Assiniboia-Gravelbourg): — Mr. Speaker, it appears that the Tories will be giving the same type of opposition on Bill 47 that they did on the potash issue and that is nothing. After listening to the members opposite for the last two days I wonder if the Attorney General has got around to telling them they lost that court case on the oil revenues. If they just took time to come over to this side of the House and to take a look at that Attorney General they would know well of the financial fiasco and the huge blunder that he has put this province through.

Today we have witnessed what has seldom been seen in this Chamber this sick oratory

that we witnessed from the member for Saskatoon Centre, his ravings of untruths, half truths, slander and phoney noises disgrace the constituency he represents. His lawless, anti-Canadian speech puts it very clear that his political future in his mind is way ahead of the laws of the land and ahead of Saskatchewan and ahead of Canada. It is difficult today to take the high road following those two speakers on the government side and I have many more things to say on Bill 47 and at this time I beg leave to adjourn debate.

Rule on Decorum

MR. SPEAKER: — Order! I just bring to members' attention the rule on decorum, Rule 18(3)(2). Order!

When Mr. Speaker is putting a question no member shall enter, walk out or cross the Assembly or make any noise or disturbance.

I was putting a question and several members were commenting. I am going to put the question again.

Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. MacMurchy (Minister of Municipal Affairs that Bill No. 28 - **An Act to amend The Community Capital Fund Act** - be now read a second time.

MR. L.E. JOHNSON (Turtleford): — Mr. Speaker, I would like to make a few remarks on this bill No. 28. The Community Capital Fund Act exemplifies to me one of the stronger points of this administration and that is long-term planning, for the benefit of the people of Saskatchewan. Directly The CCF Act provides funds to urban municipalities in a manner that allows them to plan their projects. If one examines a number of projects it is clear that this program has meant different things to different communities and different communities have used the fund in manners suitable to them. For example, Edam, a village in the Turtleford constituency, has used the money in a number of ways and I would like to point out a few of them. They have used some money for office equipment, they have repaired streets, filled in some depressions in the town, paved the streets and are now progressing in developing a park.

Mr. Speaker, I would also like to add that the \$1.5 million being added to the fund means \$1,050 to the village of Edam because their population in the period between 1971 and 1976 increased by 14 people.

Mr. Speaker, we can then look at Spiritwood, my home town, which has done exactly the same thing - spent the money in a number of smaller ways. They have purchased vehicles for the town, they have purchased a cat and a loader, surveyed some land, dug a standby well which was needed for the town, extended their sewer and water and purchased land for future development, so that they are able to plan not only for the five-year period which this fund carries over but for the future as well.

Mr. Speaker, I would like to then show where several communities have looked at the fund in a different way, this is Mervin and Turtleford, which have used the fund in total for single projects. Mervin has used it for a community complex and Turtleford has used it for a community sports area. Both of these communities have used the fund in

one large chunk.

Mr. Speaker, as an example of positive benefits that planned government expenditures can have, this fund, I believe, is a shining example. Mr. Speaker, I would at some future time like to add a few more points and I beg leave to adjourn the debate.

SOME HON. MEMBERS: Hear, hear! Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Messer (Minister of Mineral Resources) that Bill No. 24 - **An Act to amend The Power Corporation Act** - be now read a second time.

MR. W.C. THATCHER (Thunder Creek): — Mr. Speaker, we in this particular corner of the Assembly, very strongly oppose the massive borrowing program that is under way in this particular bill which pertains to Sask Power Corporation. Mr. Speaker, we in this corner of the Assembly are very concerned with the massive, mounting public debt that goes on in this province.

Mr. Speaker, every time that the government of Saskatchewan borrows \$100 million, per capita debt goes up \$100. Mr. Speaker, the way the per capita debt has risen in this province since 1971 is simply incredible. Last year about March, if my memory serves me correctly, the total per capita debt and I have forgotten the specific day that I retrieved this figure from the Department of Finance, was some \$1,350 million. Mr. Speaker, in the Budget of 1977 it was indicated that the province would borrow on the international money markets some \$340 million. That means in essence then that this province is approaching somewhere close to a total overall debt of some \$1,700 million - \$1,700,000,000.

Mr. Speaker, you don't really have to be a genius in mathematics to know that this means for a province with a population of a little less than one million that the debt of every man, woman and child in the province of Saskatchewan is approaching \$1,700. Mr. Speaker, if you are a family of four - husband, wife, couple of children, one wage earner in the family, the net per capita debt of that family is \$6,800. Now that's a rather horrifying figure but whoever the wage earner is in that family, whether it be the mother or the father, somewhere along the line in his/her provincial income tax is paying interest on a debt of \$6,800. Now I get that from four members in the family times, approximately, \$1,700. Mr. Speaker, that's a pretty horrifying figure that somewhere in the sales tax that he pays or in his provincial income tax - which I would not miss the opportunity to point out at 58.5 per cent is the highest in Canada at this point in time - somewhere in that figure he is paying interest on an amount approaching \$6,800.

Mr. Speaker, in this bill we are being asked to approve additional borrowing for the Saskatchewan Power Corporation of some \$500 million. Mr. Speaker, in this corner of the Assembly we do not dispute that many things are going on in the energy field; we do not dispute that extraordinary steps have to be taken to ensure energy supplies for the future. We do not oppose the concept of additional expansion, additional technology being made available for the Sask Power Corporation so that not only our urban residents but our rural residents are ensured of only the highest quality of electrical and natural gas service.

Mr. Speaker, we believe at this time when things are in a state of flux, when the Canadian currency is down, when frankly the entire Canadian economical outlook does not look good, we say that at this point in time it is a moment to go slowly. Therefore, it is the position of the members in this corner of the Assembly that we cannot support this bill. We are in no way saying that the Sask Power Corporation should not be taking the necessary steps to ensure future energy supplies. What we are saying is that \$500 million is simply far too much for this Assembly to give blanket approval to at this point in time. Mr. Speaker, I think it would be irresponsible of the opposition to give tacit and blanket approval to an expenditure of this size because frankly at this point in time we really don't know exactly what the province's financial situation is. When I say that, we just simply don't know what the deficit for the year 1977 is going to be.

Mr. Speaker, I can point to the province of Manitoba that was — well double A, that's a long way off triple A and when you're playing games in that New York money market it had better be triple A because at double A don't think you're getting the top of the line interest rate. Now of course the member for Quill Lakes being a trifle restricted and not all that well informed may not have known that fact but if it's double A you're talking about then go back to your financial papers, you need a little bit.

Now, Mr. Speaker, if I could return to the subject. As we all know in the province of Manitoba there was a budget there projected for the year 1977 of some \$32 million — \$32 million to \$40 million if memory serves me correctly. Mr. Speaker, the new incoming government in Manitoba was shocked, stunned to find out that they weren't looking at a \$32 million to \$40 million deficit, they were looking at some \$225 million.

Mr. Speaker, that's enough to sort of create the suspicion on this side of the House that perhaps we're not looking at only the \$40 million to \$45 million deficit that was suggested by the Budget in March, 1977. I believe the suspicions of members on this side of the Assembly were raised as early as September when the Premier, in one of his weekly press conferences to an innocuous question from one of the press members at that conference, answered in such a manner as to indicate that in 1978, the budget of March '78, may very well be another deficit budget, the second one in a row that this province will have budgeted for, the third one in a row in which it will have been an actual fact that the province has been in a deficit position.

Now, Mr. Speaker, I think it is a very logical conclusion on the part of the members on this side of the Assembly that when that early in the ball game they are talking about a deficit for 1978, we have every reason to wonder exactly where we stand as far as 1977 is concerned. Mr. Speaker, as we wonder exactly where we stand for 1977, we get a bill dropped on us asking us to approve \$500 million blanket for a Power Corporation which in the past couple of years has been one of the greatest contributors to inflation in this province — I think you will have to forgive the members on this side if we say before we're ready to approve \$500 million blanket for Sask Power Corporation we would like a little more information as to exactly where this province stands at as of December 1 or November 15th.

Mr. Speaker, therefore, on the basis of the financial information that we have on the province at this time, which I will grant you is scanty and should be updated, the members in this corner of the Assembly will have no alternative but to vote against the bill.

MR. D.G. BANDA (Redberry): — Mr. Speaker, I am certainly not surprised to hear the

members opposite especially from the Conservative side of the House, say that they are going to vote against this bill. Those are exactly the same comments which they made against the Sask Telecommunications bill, again showing that they are against Crown corporations, again showing that they are against advancements for Sask Tel and Sask Power. It is very clear, Mr. Speaker, that this bill just enables Sask Power to continue to develop and produce the facilities and capital expenditures that they need to provide the services which we need now and in the future; it's certainly not a blanket sum of money that is given just to be spent. It's a blanket sum of money that is given to be spent over a period of time over the years to provide the services necessary. To say that Manitoba had a deficit because of the previous government is a complete falsehood and the member knows that. He knows it was because of a cut in equalization payments by the federal government, Mr. Speaker, he also knows that in his comments that the Crown Corporation, Sask Power, is on good financial grounds and he has a chance to question that in Crown Corporations where he gets a break down and answered on how the corporation is running as well as what it is going to be doing in the future.

Mr. Speaker, I want to say more on this bill and I beg leave to adjourn debate.

Debate adjourned

The Assembly resumed the adjourned debate on the proposed motion by Mr. MacMurchy that Bill No. 34 - **An Act to amend The Property Improvement Grant Act, 1972** - be now read a second time.

MR. W.J.G. ALLEN (Regina Rosemont): — Mr. Speaker, I would like to say a few words on this particular bill. I had thought that the member for Saskatoon Eastview (Mr. Penner) was going to say a few words that is why I was a little hesitant in getting to my feet immediately. What I would like to say, Mr. Speaker, about this bill is that this is just one more example, the Property Improvement Grant, of the promise made by this NDP government and a promise kept. Some of the members will recall that when we were running to become the government in 1971 we promised at that time that we would try to reduce for the individual taxpayer . . .

AN HON. MEMBER: — You said you would.

MR. ALLAN: — Well, in fact we did. We said we would try and we did it to 13 mills; we knocked 13 mills off the tax rolls right across the province. We are delighted to tell people today that it is not 13 mills that we have knocked off the taxes by Property Improvement Grants but in fact, Mr. Speaker, it's 22 mills now and I think it is a tremendous record of a promise made and a promise kept. more than kept by this government.

You will recall, Mr. Speaker, when we started out, the grant was \$70, the old Homeowner Grant by the Liberal government, it is now \$ 200 for people in their homes and we have also added small businesses and farms, where it is \$220 for the business and \$330 for the farm. I think that this particular type of rebate to individual citizens is a very good idea. I have always believed that property taxes in a sense are a regressive tax. The reason that I say that they are regressive, Mr. Speaker, is that they fall equally on property and have no relation whatsoever to income. I think this is unfortunate because senior citizens, I know, have a particular problem with increasing taxes whereas more wealthy people don't. In this particular type of grant where we give \$200 as a rebate to everyone it helps these people much more than it helps people who are more wealthy and in effect redistributes some of the wealth that we have in the

province. Many of the people in my constituency, Mr. Speaker, like some other members are not as affluent as other people in the province. Many of the people in my constituency are senior citizens, on fixed incomes lower wage earners than probably the average. So they really appreciate the \$200 a year that the province is able to give them back by way of this Property Improvement Grant.

I have a number of other things I want to say in this bill and perhaps when Mr. Penner comes back he will have a few things to say as well, so I would beg leave to adjourn the debate.

SOME HON. MEMBERS: Hear, hear! Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. MacMurchy that Bill No. 44 - **An Act to amend The Municipal Employees' Superannuation Act, 1973** - be now read a second time. Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow (Attorney General) that Bill No. 23 - **An Act to Establish a Unified Family Court for Saskatchewan** - be now read a second time.

MR. E.F.A. MERCHANT (Regina Wascana): — Mr. Speaker, I want to speak in support of this act. I indeed have very high hopes for this court. Some programs, however, for reasons of economy tend to languish for many years in the pilot project stage and I have some qualms about the government doing just that with the Family Court. The intention is to establish one Family Court in Saskatoon and I hope that within a year or so we will have Family Courts all over the province.

I think, Mr. Speaker, I am somewhat justified in being concerned about the delays from this government and though I don't want to flavor my general approval of the legislation with too many criticisms I do want to say to members that there is good reason to be concerned about the tendency of this government and the Attorney General to drag its feet in the establishment of a Unified Family Court. I, Mr. Speaker, began asking for such a court in 1973. I've spoken twice about such a prospect in this House and the Attorney General, as I recall, first promised a Unified Family Court in 1974. Then for three years he manufactured one sort of a delay or another. Some of the reasons for delay were understandable. But you know in Ontario without that year or two of promises they established a court very quickly once they decided it was necessary and while Saskatchewan was first talking about the problem in the person of the Attorney General amongst others Ontario and British Columbia log us into the actual fact of a court by a year in one case and two years in the other.

I accept, Mr. Speaker, that we have a relatively small population spread throughout the province and we therefore have particular difficulties with a court of this kind. I do not accept, however, the feeble attempt to justify the long delay in bringing forth legislation which the Attorney General alleges is due to the jurisdictional problems between Saskatchewan and Canada. The alleged problem was to decide whether federal jurisdictional matters, such as divorce and custody would be granted to provincial judges or whether provincial jurisdiction over matters such as juvenile delinquency

and the deserted wives court would be passed to federal judges. That was nothing more than a petty dispute over who would appoint whose friends to the Bench. Mr. Romanow stated his case the other day as though there has been general agreement that the Magistrate's Court is the stronger court to handle marital matters. Most people don't share that view. The superior courts are generally regarded as having better judges because the superior courts receive a higher level of remuneration, have better support staff, work fewer hours, have more generous perquisites, have lifetime appointments and very generous retirement provisions. But most of all the reason that the superior courts are generally regarded as having a better quality of judge is that they are better regarded by the Bar, so better lawyers aspire to those superior court appointments.

Mr. Speaker, members . . .

AN HON. MEMBER: A generalization . . .

MR. MERCHANT: — One lawyer said 'agreed' when I talked about people thinking that Magistrates' Courts are better and the other says it is a generalization. Of course members can judge whether they believe the Attorney General when he says that the Family Court would be better served by judges of the Magistrate's Court they can judge how much respect he has for the Magistrate's Court by the fact that he limits their jurisdiction to \$500. He doesn't think they are competent to handle a \$501 matter.

Mr. Speaker, I appear regularly before the courts, the quality of the judges of the Magistrate's Court is extremely high. Indeed this Attorney General is to be congratulated for his work at improving the quality of magisterial appointments. But that is not to say . . . Well, I may have to go back in front of those magistrates I say to the hon. member. That is not to say, Mr. Speaker, that there is any general preference amongst the Bar or the Bench to support the idea that this court would be better served, the Unified Family Court, better served at the magisterial level than at the District Court level. Indeed one wonders why the Attorney General would choose in dealing with an act where he can expect all party agreement to muddy the waters delivering a speech, thrashing away at some imagined political enemy, presumably simply to keep in practice. I suppose, Mr. Speaker not unlike a punched out boxer, the Attorney General these days feels it necessary to bob and weave and swing his arms madly in reflex at anything that he thinks might be a political enemy. He couldn't avoid taking the occasion to flail away his imagined political enemy even when introducing legislation like this.

The response in substance to the Attorney General's comments and comments like that, is that he knows quite well that it is impossible constitutionally for the federal jurisdiction to pass its powers over divorce and similar matters to the province. It is similarly impossible constitutionally to pass the power of appointment of superior court judges to the provinces. So that the federal government, particularly because of its constitutional struggles with Quebec was not in a position to move in anyway and if the Attorney General was choosing to justify his three year delay with that feeble excuse, then that excuse comes well short of the mark.

Mr. Speaker, as I have said, we wholeheartedly support the legislation. I am sure the Attorney General understands the usefulness of this kind of legislation. My greatest concern is that now dealing with people engaged in a marital breakdown we'll be able to better deal with the effect upon them, better look to the prospects of reconciliation and better deal with the children. No other area of law is more destructive of people and in no other area of law is there a greater potential to serve the Saskatchewan community.

Marital conflict, Mr. Speaker, sets spouses against each other in a very unfortunate way. A series of court actions that have existed before this Act came into effect is very destructive of one spouse or the other. The specialization of the judges and the specialization of counsel that will flow from this Act when it is introduced throughout Saskatchewan, will reduce expense for people, improve the quality of advice and decisions involved in family law and lessen the mental burden which usually falls upon wives rather than husbands.

One court of this sort will now permit a court staff to work on the job of reconciliation. As a nation with a growing incidence of marital breakdown we are doing far too little to protect the institution of marriage, and far too little to ensure that children are adequately dealt with by our courts. This kind of legislation, broadly used throughout Saskatchewan, will assist in dealing with those two areas.

My last area of discussion centres on Section 20 of the Act. I am very pleased to see its inclusion. As with the Unified Family Court I have spoken twice before in this Legislature about the need for legislation such as that involved in Section 20. Last year or the year before I introduced into this House exactly the same amendments to The Social Services Act that are now embodied in Section 20. The government at that time chose to defeat that legislation, but frankly it is nice once in a while to see some of the ideas that flow from the opposition benches coming back in the form of legislation.

Our law used to be that a judge, perhaps deciding the future of children of a marriage, would make the decision about their future without having seen the home, without any real understanding of which spouse would have the better opportunity to look after the children. I said, in addressing myself when I moved these amendments, particularly in addressing myself then to the Minister of Social Services, that is what happens; a Queen's Bench judge on a four or five hour trial with counsel to dress up the problems of one spouse or another, then had to decide which of the two spouses had the better opportunity to look after the children. The lawyers could dress up their clients and the judge was really without any eyes or ears to look at the question in substance. We've always refused in Saskatchewan to allow social welfare workers to testify. Social welfare workers under our law are neither compellable nor competent and this means that in all law other than the Unified Family Court we've not only been unable to force them to testify but more important even if they wanted to testify voluntarily, they were not allowed to testify without a great deal of difficulty and, were not, in most circumstances able to come before the court. During the past few years we've done a lot to cure the abuses which exist in terms of getting women fair treatment in marital breakdown but the development of our law made very little effort to be equally kind to children. That was my concern when we weren't allowing social workers to come before the courts. I say particularly to the Minister of Social Services that you might want to look at your act because you may find that it is in conflict with this act and that a concurrent amendment would probably be in order.

Now, Mr. Speaker, what I suppose is the importance of children particularly well for one thing they're the only people involved in a marriage breakdown who beyond doubt are absolutely blameless. At best children lose by going from a united home to a home of a single parent and worse they usually are used as pawns in the battle between the parents. Frequently they are separated in some effort to settle that dispute. Other jurisdictions allowed social service workers to be the eyes and ears of the court. We're overdue in making this change. I congratulate the government on listening to make the change embodied in Section 20.

Other jurisdictions are also moving to ensure that children are properly represented in the courts. I suggest to the Attorney General that we in Saskatchewan are doing absolutely nothing to ensure the position of that children is properly presented in our courts and that's something that should have been included in this legislation. In fact, we continue in Saskatchewan to have the most archaic law in the nation regarding the right of children to be heard before the court. Our system not only makes it difficult for a child to obtain counsel but even where a child is of such an age that they might well be interested in stating their opinion on where they want to live. They're usually not allowed to express that opinion in the courts. Even at 12 or 13 their opinion is not solicited and in most cases is refused even if they want to come before the court and indicate their choice and their view of which of the two parents would be the better parent to have custody of them. Some years ago, one judge, he's now the Chief Justice of the Trial Division, allowed children to testify before him away from the trappings of the court in the presence of counsel but not in the presence of the parents and he was severely criticized in the Court of Appeal for that procedure.

I suggest that the pilot project Family Court should allow counsel and in appropriate circumstances the children themselves to appear before the court. I suggest to the Attorney General that he should say to the court that they have some budget to allow people to come before that court to choose lawyers to represent juveniles where the court feels that that is appropriate.

Ontario, incidentally appointed a committee to study the question of representation of children before the courts in family matters. In July, that committee reported that they believed judges of the Family Court division should have the power to appoint counsel to represent children at hearings under their act and I recommend to the government that we take the same step. The potential biggest losers in marriage breakdowns are children and children deserve far more attention than they are receiving from our law.

With those comments, Mr. Speaker, I repeat our approval of the legislation, better late than never, and we will be supporting this act.

SOME HON. MEMBERS: Hear, hear!

HON. H.H. ROLFES (Minister of Social Services): — Mr. Speaker, I first of all want to make a few comments in regard to the comments made by the member for Wascana. I am certainly pleased that he is supporting the legislation. I had no other thought that he would. I want to first of all say that I will make a few positive remarks about some of the things that he has said but I will also take some exception, I think, to some of the things that he has said today.

First of all, Mr. Speaker, I think he sort of admitted it right from the outset; he wasn't really serious about the alleged delay, he couldn't help but throw that in. He tried to lay the blame on the Attorney General. I want to tell the member for Wascana that had he any experience in negotiations with the federal government, he would not be surprised that there can be delays of four, five, six or seven years before you can get very little accomplished in those negotiations.

Let me give you a good example, hon. member, let me refer to the Income Security Act. Income Security Act negotiations between the provincial and federal government went on for a least three or four years, and then, Mr. Speaker, unilaterally the federal government rejected it and said it will no longer be on the boards for negotiation or on

the table for negotiation.

Mr. Speaker, all of us were somewhat surprised at this but we were even more surprised when the minister, the hon. Marc LaLonde during the summer announced that the Social Services Act would not be proceeded with. And the reason that was given for both of these acts not being proceeded with was that they couldn't get agreement from the provinces. Mr. Speaker, certainly we weren't able to get total agreement but the Province of Saskatchewan gave the hon. Marc LaLonde the assurances that we would proceed and that we would support his Income Security Act and that we would support the new Social Services Act.

Mr. Speaker, I know why the federal government did not proceed with those two acts and I know why they are slow walking many of the other progressive moves and negotiations are going on, for the simple reason that the federal government doesn't have the money to proceed with some of these progressive moves. And there is absolutely no doubt at all that Marc Lalonde needed at least a billion dollars to proceed with the new Social Services Act and the Income Security Act and all that Cabinet would allow him, if we can believe Monique Begin, is a \$123,000,000. He said that's all there is. And he knew full well that he could not implement a new social services act and I state to the Member for Wascana that it's not the provinces, usually, that you can blame for the slow walking of these acts and particularly, I don't think, if you're fair with the people of Saskatchewan, you can blame the province of Saskatchewan for slow walking in a progressive legislation in the area of the social environment. I really think that is being somewhat unfair. And, Mr. Speaker, let me say I took some exception to the remark of the member saying that delay was caused because of the bickering that was going on as to who would appoint whose friends to the court. And he said that as though that is the way things are done. You appoint your friends to the court. Not because they may be competent, not because they are the people who are deserving, but because they are your friends. And Mr. Speaker, secondly, yet again it speaks, it speaks very lowly of the member for Wascana when he says that you judge the competence of a judge by the pay that he receives, by the clerks that they have and by the few hours that they work. That's how you judge the competence of a judge. Well I'll tell you that I would take grave exception if I were any of the people who were appointed to the Queen's Bench Court. And I pity the member for Wascana if he doesn't win the next federal election and he has to appear before any of those people. Because I think we're going to remind them. But, Mr. Speaker, having said that, I want to wish the Member for Wascana, luck in the next federal election. For two reasons, or maybe three reasons. First of all, we're rid of him from this House, secondly, that I think he can do less harm to the people of Saskatchewan by being a backbencher in Ottawa; and thirdly, I'm afraid of what might happen if he loses. Because if he loses this time and he loses maybe the next time if he's lucky he may become a judge but if he's unlucky he'll be appointed to the Senate. He'll join Davie Stuart and Sid Buckwold.

MR. SPEAKER: I hope the hon. member intends to link this to the unification of the Family Court.

MR. ROLFES: Yes, Mr. Speaker, I certainly was going to do that in the very next statement in saying that I did not think that the hon. member for Wascana was qualified to speak on the Unified Family Court because he, although he said that he supported it, he couldn't help but take some very, I think, low blows at the Attorney General. Mr. Speaker, let me now say a few words . . . I want to say personally, Mr. Speaker, that if I

had my druthers, I wouldn't appoint any judge to a Unified Family Court. I say that, Mr. Speaker, as a lay person, I would appoint a competent lay person. I would appoint a person who has a number of classes in psychology, a number of classes in sociology, a number of classes in philosophy, a number of classes in family counselling. I don't think, I'm not saying, Mr. Speaker, that a judge or a lawyer is not competent in law but just because they are lawyers, and become judges, does not make them competent in dealing with family problems. I'm not the only one, Mr. Speaker, that supports this particular point of view, I think there are many lay people, professional people, particularly those in the social services area who feel that the family and family problems and children would be much better served if we did not have a judge heading up the Unified Family Court but that we have a professional lay person, a person who's experienced in family counselling, a person who's experienced with working with families who have problems, a person who may be experienced in working with teenagers. I think that those people, Mr. Speaker, would be much more competent in dealing with families who have problems. Let me say, having said that I welcome the remarks of the member for Wascana when he says that and I agree with him wholeheartedly, that we as a country and we as a province, simply have not done enough in intervention services and in preventative services.

One may save a dollar today by not providing help and assistance to families in need. But you'll pay at least ten fold or a hundred fold, seven, eight or 10 years from now by not dealing with the problem now. I refer, Mr. Speaker, I think to our problem today that we have not only in this country but also in this province. Why, for example, are many of our young people today, the people who are 18, 19, 20 or up to 30 years, why are those people today, many of them in trouble with the law? I think you don't say to a guy who's 20 years old today and he's in trouble with the law, what did you do wrong today? What led you to doing wrong today, 10 years ago? And it could well happen, Mr. Speaker, that that individual came from a broken family, from a family that could have used family counselling, could have used a Unified Family Court in dealing with the problem that may have existed between his parents. All I'm saying, Mr. Speaker, is we're reaping, I think, the disastrous result of things that should have been done in this province and in this country, 10 or 15 years ago. We're simply too late in dealing with some of the problems today. And I think, consequently, right across this country we have our jails and our penitentiaries bursting at the seams because governments were not prepared and governments of all stripes, of all political parties were not prepared to spend the money on preventative services and intervention services, 10 or 15 years ago, that we should have spent, Mr. Speaker, having said those few remarks on the remarks made by the member for Wascana. I want to go to some of my prepared text on the Unified Family Court.

Mr. Speaker, it's true, I think, to say that this government recognizes that the unique relationships within the family requires special legal and social approaches when internal conflicts occur. It is especially true as our society become more complex where society becomes more complex, and the number and kind of problems within families reflect that complexity. To see the extent of the problem we need only look at the social assistance statistics at the end of August of this year. At that time, Mr. Speaker, 701 persons were receiving assistance due to desertion by the spouse, and 1723 were being given assistance because of separation or divorce. This number of people by themselves reflects strains within the family, but when you add to that number a further 5,535 dependants of these people, the extent of family breakdown and the need for a mechanism to deal with the results becomes very obvious. Mr. Speaker, we are all aware of the increase in intra-spousal assault, child abuse, desertion by a spouse or parent, custody of children issues, support and marriage breakdown, to name only a

few of the matters where help from the court is sought. Mr. Speaker, recently, I attended a Minister's Conference, on Social Services in Edmonton, and I was astounded by one of the remarks made by one of the ministers, in Canada. He said, that 38 per cent of their case load, was made up of people in the category that I have just described, those people who are having family problems. I think, Mr. Speaker, that this proves that it is about time that governments act, in providing services to intervene, and assist families, who are having serious family problems. Two aspects which are basic to the Unified Family Court hopefully provide a much better way of dealing with these problems. They are unification of the legal system and provision of support services. Unification of the legal jurisdiction and provision of support services which are presently lacking or inadequate, will mean that the family will have a greater degree of continuity of action throughout the whole process. Unifying the legal jurisdiction will help in three ways. First, one court will hear all family matters instead of a number of different courts' and let me say to the member for Wascana, that, if I understand it correctly, British Columbia, does not have this in its system, and it does not have, what is called a Unifying Family Court 's. Maybe, honorable member, because, we delayed ours by a few months, our people will be the better off, once we get that kind of project on strain. Secondly, Mr. Speaker, this will cut costs to the public and save time. Lastly, the resources of the court will be used more effectively in dealing with family matters. Providing support services to the unified court is a very necessary part of this approach. Very often counselling is required for families that have financial, marital or child-related problems, which may surface in family fights, desertion or delinquency, or some other problem area. Other types of counselling may help couples to reconcile their differences and to continue their relationship. Help is also required for those people who don't want to reconcile, but may be able to reach agreement or settlement of issues. One of the benefits, Mr. Speaker, that I see deriving from the Unified Family Court, is that when a couple decides that they can no longer save their marriage, at least maybe the love that they have for each other can still be sustained. Why must we permit families to break up, in such a way that when the procedure is completed there is no love remaining at all, but only hostility towards each other? One of the most important support services will be the provision of information about where families can get help in the community. Often families either do not know or simply don't take advantage of support systems in the community. Mr. Speaker, the target of the problem is couples, families, and children who realize they have family problems and who approach the family court for assistance. These people will have had some contact with the law, or will be contemplating legal action. Presently the Family Services Branch of my department deals with some of these people who are referred directly to them. Family Services is fully occupied by these referrals; other families who seek this assistance voluntarily are referred elsewhere and may never receive the assistance they need. Providing these services right at the court will fill this gap, for people who now can't be served by a public agency. As well, it will provide services which aren't now being provided by any agency. Mr. Speaker, there are 15 social services agencies in Saskatoon which are now providing services to families. These agencies will make referrals to the Family Court, or they will be asked to provide on-going services to families who are or have been clients of the court. The Social Services staff of the Unified Family Court will provide a short-term counselling service, counselling families who are before the court on charges under the criminal code, and conciliation counselling of couples who wish to terminate their relationship. The project staff will also provide custody evaluation service to the judge. The only service which is presently available through any of the agencies in Saskatoon is the counselling of juvenile delinquents and their families which Family Services provides. Conciliation counselling assists couples to prepare for life after divorce or separation. A couple must face the fact that, if there are children, property, or maintenance, the spouses will

continue to relate to each other concerning these matters. Therefore, this function of the support services will emphasize resolving issues centering on these concerns so that both parties can live with the decision. Custody evaluation requires a lengthy study of the parents' situations before reaching conclusions on which recommendations about custody can be made to a judge. This service has often been requested by Queen's Bench Judges. Due to the intensive nature of both these functions, the caseload of the individual counsellor would probably be about five to seven active cases at any one time. Cases requiring longer term counselling will be referred to the existing agencies. The Family Services Branch will continue to provide counselling to juveniles and their families and to handle adoption and child protection matters. Mr. Speaker, at this time I would just like to say that I agree with the member for Wascana, that children ought to be heard, or considered a lot more than they have in the past. I can't speak for the courts, since I do not have legal training, but I do want to say to the member for Wascana, that as far as the Department of Social Services is concerned, we do take into consideration, and we weigh very heavily, the opinions of children, and at a much younger age than 12 or 13, (interjection from the floor), pardon me, yes, like the ones in Prince Albert, and let me tell the member from Indian Head Wolseley, that I just recently made another decision in concerning that particular family, where the wishes of the children are taken into consideration, I am sure the member from Prince Albert-Duck Lake will corroborate me on that particular statement. We are not, Mr. Speaker, we don't have our minds closed to this. All I'm saying is that I agree with the member for Wascana, I think, more must be done, more services must be made available and that we intend to do it. One of the other unique features of the Unified Family Court will be the atmosphere in which family problems are dealt with. The judge may rule that proceedings be as informal or formal as the situation seems to require and I hope, Mr. Speaker, that most of the cases, that they will be rather informal. This freedom to create the best possible atmosphere in order to resolve family problems will help to do away with the adversary role between family members in legal actions. In other words, the emphasis will be on resolving family differences in a more amicable and understanding way.

Mr. Speaker, it is impossible to estimate how many people will use the project services, while there may have been requests for the new services, no count has been kept. As the court will be able to suggest that people use the project services, it can be expected that more people will be exposed to counselling services than ever before. It makes good sense that family matters should be dealt with in a very special way.

Mr. Speaker, I wonder how many family conflicts might have turned out differently if this legislation had been in effect 10 or 15 years ago? How many young people might not have ended up in our correction centres because of family matters dragging on through one court after another before finally being resolved? How many parents might have been destroyed through drug and alcohol abuse because this aspect of their problems could not be properly dealt with? Mr. Speaker, I wonder, out loud, if our correction centres, and our penitentiaries, are bursting at the seams, because government's neglected 10 or 15 years ago, to support services, that should have been there, for families and their children. Mr. Speaker, this government through the Unified Family Court Act is taking yet another step to aid Saskatchewan families, in dealing with the problems they face, by strengthening and improving the court's ability to deal with the changes affecting Saskatchewan people this government is showing once again that its first concern is about people. The Unified Family Court is a good beginning in the provision of help to families who have reached the critical stages of seeking a solution to their problems in the courts. Close co-operation between both the Department of Social Services and the Attorney General's Department in monitoring

the program will ensure that people receive the best of both social and legal systems. Mr. Speaker, I feel that the most important part of this program is the fact that problems will be approached as a whole, rather than piecemeal. It seems natural that the family which ideally operates as a unit should, when in difficulty, be dealt with in a holistic manner.

I had hoped as my colleague the Attorney General has said, that the Unified Family Court could be in the Magistrates' Courts. Magistrates' Courts in my opinion are more accessible, and understandable to Saskatchewan people. We have the fine example of Judge Mary Carter and Marion Wedge of Saskatoon proving that family matters can be dealt with humanely by Judges of the Magistrates' Courts, who are part of the community and familiar with the help available to the community. Mr. Speaker, therefore, I was disappointed, that in a matter affecting the lives of many Saskatchewan people, the federal government found it necessary to reject the province's proposal to house the Unified Family Court in the Magistrates' Courts. But, Mr. Speaker, in order to get a pilot project underway in Saskatchewan we have agreed with the federal government to have a jointly funded Unified Family Court project in Saskatoon at the District Court level.

Mr. Speaker, the concept of Unified Family Court is an excellent idea. That this government has moved to establish such a project in Saskatoon is evidence of a continuing concern by the government for the well-being of the people of this province. I contrast this action, Mr. Speaker, to humanize family matters in the courts with the Conservative Government in Manitoba's announced intention to undo family law legislation. Mr. Speaker, when the results of this special social and legal approach to family problems are evident, we will be moving to expand this program. In closing, Mr. Speaker, I want to congratulate the Attorney General once again, and I also want to congratulate this government, and I certainly will support a unifying family court and hope, (yes I'll also congratulate myself) and hope that all members of this House will do the same. In conclusion. Mr. Speaker, I also want to congratulate the member Wascana for saying that he will support the legislation. Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, Hear!

MR. P. P. MOSTOWAY (Saskatoon Centre): — Mr. Speaker, I am pleased to speak in support of the Unified Family Court, in Saskatchewan. Once again this government is taking positive action to combat the desperate efforts of absentee corporations and the so-called free enterprise system to quite possibly destroy Saskatchewan families. Mr. Speaker, if you will just wait, you'll find out that this is really a soft approach, hon. members opposite. Mr. Speaker, I am appalled at the philosophy preached by the minions of private enterprise who know problems exist but offer no real solutions. Some of these minions say they care about the individual. Individuals, they say, can go a long way, as long as they never care about the person next to them. So, we have a corporate system pushed by these people that has turned a number of greedy people into monstrously rich men and women at the expense of the family. That system, Mr. Speaker, divides the generations, it divides wives and husbands, it divides parents from children and undermines every decent virtuous human attribute. That point of view, Mr. Speaker, a point of view shared by too many on this earth, is one which says that the type of character who remains indifferent to the well-being of his neighbors as long as his own personal appetite is satisfied is just fine.

Mr. Speaker, the Unified Family Court is another way this government is saying, that's just enough! Corporations and their little corporals, wherever they may be (and I have

no idea where they are) have tried repeatedly to destroy the family farm. We've stopped that. They are trying to kill small towns in Saskatchewan by promoting rail line abandonment. We are trying to stop that.

AN HON. MEMBER: — What about the Wheat Board?

MR. MOSTOWAY: — Well there is a connection between families and the Wheat Board, only you fellows aren't too aware of that. They have tried to destroy the whole spirit of co-operation and unity that built Saskatchewan by inviting Cargill and friends into this province so that our young people will be forced to leave their homes and families to seek work because what their mothers and fathers have built in the Saskatchewan Wheat Pool co-op movement and 100 other organizations is being . . .

MR. MERCHANT: — Fine point!

MR. MOSTOWAY: — Well, I'm very glad that you agree with me, hon. member for Wascana.

AN HON. MEMBER: — Don't miss Otto Lang!

MR. MOSTOWAY: — I don't know in what context you mean that, "Don't miss Otto Lang."

Yes, Mr. Speaker, the Unified Family Court is another way of removing the strangling tentacles of the "no holds barred" corporate, free enterprise octopus from the necks of our children and their children. Over the past year, Mr. Speaker, I have spoken to a number of clergymen who deal with family breakdown and the terrible results of this fact. They agree, Mr. Speaker — most of them tell me that they believe the root cause of so much distress, mental anguish and family breakdown is because husbands and wives and children are being daily manipulated into believing that the pursuit of the almighty dollar is the only route to go. Get ahead, no matter what the cost in abused children, neglected children, dissatisfied husbands and wives is the message.

Mr. Speaker, that is the bleak, hopeless future outlined for us by cold, impersonal corporations. Mr. Speaker, that is a view I hear too few better known citizens attack. I am proud, Mr. Speaker, very proud, proud because I know that this government is willing to show anyone, who has eyes to see, that the health and wealth of Saskatchewan has a direct relationship to the health and well-being of the family which is the backbone and strength of this province. This government does not talk about corporate profits. This government does not worry about scaring corporations away. This government is not silly enough to suggest that more money will somehow mend the tragic happenings in our society that are a direct cause of years of neglecting the needs of people by corporate and big business greed, which for the most part has gone unchecked and, at times, even assisted by governments of all political stripes.

Our government speaks about resources and people. Mr. Speaker, the Unified Family Court is an example of using the best resources in the best possible way, people for people. All of us will be anxious to see the results of this fine project in Saskatoon. As it develops, I hope that one day we will see compassionate, caring lay people assisting in the decisions being made with families in this court, as I believe, was the case in Manitoba a few years ago. I am led to believe that it was a very successful family court by using a lay person as a presiding judge.

Time after time, Mr. Speaker, this government has acted to show its confidence in the ability of all citizens to act on behalf of one another in Saskatchewan. We will not stand by and see the destruction of the hopes of Saskatchewan people for their future because of the malicious greed of some who think only in terms of the almighty dollar. Mr. Speaker, I heartily support and endorse the Unified Family Court but I will in all probability have a few more words to say on the matter. I beg leave to adjourn debate.

Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Byers that Bill No. 1 — **An Act to amend the Saskatchewan Telecommunications Act** — be now read a second time

MR. F.J. THOMPSON (Athabasca): — Mr. Speaker, I am pleased to rise in support of Bill No. 1, an Act to amend the Saskatchewan Telecommunications Act. This government has always displayed its commitment to rural communities; we recognize that those who live outside our major centres in some of the rural and northern parts of this province have the same needs and certainly the rights to the same services.

Mr. Speaker, in 1971 this government came to power with a firm commitment to upgrade the quality of living in all sectors of the province and our record of achievement is one I am very proud of today. Let me look at what this government has done to improve communications in Saskatchewan. Mr. Speaker, communications is a field which is growing by leaps and bounds. We are into a period when new ground is being broken every day, new, faster and better ways are being discovered by which people can communicate with one another. Our administration is trying to catch up with those changes and, Mr. Speaker, it is my contention that we are doing a good job.

Mr. Speaker, let me cite specific examples of how this government has upgraded services in my constituency of Athabasca. In 1971 when this government took its place as the party in power, no one in the Athabasca constituency had access to long distance telephones or only one or two communities had local dialing. Communities such as Buffalo Narrows, and Green Lake, Ile-a-la-Crosse, La Loche were not equipped with services that were common in cities such as Regina and Saskatoon. Even in a major centre such as Uranium City, there was no direct long distance service. Residents of Uranium City had to place long distance calls through Hay River in the North West Territories. This was not only time-consuming and annoying but was also very inefficient.

Mr. Speaker, this government was quick to act on this very poor state of affairs. We understood why in this day and age the people of the north were demanding a better grade of service than had been given them in the past.

In six short years, Mr. Speaker, communication service has been up-graded a hundred fold. You can now reach any centre, even the very smallest communities in my constituency, by telephone and, Mr. Speaker, I think that's something this government is proud of. All communities in the constituency of Athabasca have access to long distance service at this time.

Not only do all communities have access to most necessary telephone service, they also now, in almost all cases are able to receive TV through the Sask Tel microwave system that was installed to provide communications in northern Saskatchewan.

This certainly has reduced the sense of isolation that accompanied northern living. It is only just that people who choose to make their contribution to this province by living in its upper half have the amenities of their southern brothers. No one would disagree with that.

Sask Tel is committed to continuing to improve services in rural areas of the province. This expansion can only be achieved by spending more money. That, Mr. Speaker, is the object of this legislation now before us.

This amendment is designed to increase the borrowing limitations of Sask Tel to — a \$750 million from \$500 million small price to pay for making life better for Saskatchewan people. That is the commitment this government has to the people who elected us and we will continue to meet that commitment.

Mr. Speaker, the accomplishments of SaskTel are numerous and I will have more to say on this bill at a later time.

Mr. Speaker, I beg leave to adjourn the debate.

Debate adjourned.

MR. MacMURCHY: — Mr. Speaker before we start our second reading program we have quite an extensive list. I wonder if we can call it 5:00 o'clock.

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