

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**December 15, 1977**

**EVENING SESSION**

**Debate on Bill 47 continued**

**MR. WIEBE:** — Mr. Deputy Speaker, at 5:00 o'clock I was attempting to convey my feelings and the feelings of the members on this side of the House, at least in this little corner of the House, about the need for all members of this Assembly to support the amendments which were so eloquently proposed through this Chamber by the member for Regina South on behalf of the Liberal caucus. Amendments which I believe are vital to the strengthening of not only the oil industry but the future development of this province as well. In the remarks made earlier this afternoon by the member for Kerrobert-Kindersley, he mentioned a comment that had been made by the member for Qu'Appelle about the strange things that were going on within the provincial Legislature. And I say, Mr. Speaker, that the member for Qu'Appelle is right, there are strange things going on within these Chambers. And I think one of the strangest things that I witnessed this afternoon, one which I thought I would never see, one which I had hoped I would never see, was to see the MLA for Thunder Creek stand up in this Assembly and vote along with the NDP, to vote along with the NDP, Mr. Speaker; it is the first time in the history of this Assembly that any Thatcher has ever voted in favor of the government and you can rest assured, Mr. Speaker, that the first Thatcher to ever grace this Chamber would definitely never have voted along with the NDP on a motion such as this, Mr. Speaker, it's a disgrace to the constituents which he represents, and I believe, Mr. Speaker, that I can say that with some authority because 60 per cent of the constituency which the member for Thunder Creek now represents is a constituency which I represented from 1971 until 1975 and the constituency which his father represented from 1960 until 1971, Mr. Speaker.

I'm wondering what the comments are going to be throughout that constituency when they learn that the member for Thunder Creek stood up in this House along with ten other cohorts of his and voted right along with the NDP. They're in bed with the NDP, Mr. Speaker, something that I personally thought that I would never witness. I wonder, Mr. Speaker, how the member for Thunder Creek and the other ten members are going to vote when it comes to these amendments. Are they going to vote for the people of this province, are they going to vote in favor of protecting the benefits from our oil industry for future generations or are they going to vote to protect their own political hide? And, Mr. Speaker, that is the only reason that I can see why they are taking this type of an approach and voting in favor of the government on a motion as important as this one. Earlier in my remarks, I mentioned how important this bill and these amendments are to my constituents which now under redistribution surround the city of Swift Current and how important these amendments are to preserve the industry which we now have in that area. The member for Swift Current has taken the approach in the house by not speaking and I'm sure by not appearing tonight that he has no concern or no interest about the second largest industry which is located in my constituency and I would dare say the largest industry located in his constituency. Let me just read what the industry itself says about the CIGOL case.

Sage Oilfield and other oil related industries preplan their activities for at least five years, said Mr. Steen. Our development may go on in 1978 providing no new legislation is brought in that's detrimental, he said. (and I

might point out, Mr. Speaker, that I'm quoting from the Swift Current Sun) but the Supreme Court's ruling will have a long reaching effect on the oil industry in Saskatchewan, he said. He had mixed feelings about the decision because that isn't very healthy for any provincial economy and because the decision was so long in coming. When the royalty surcharge, Bill 42, was first implemented it brought the oil fields to its knees. But it is now with us and we will live with it, he said.

No, Mr. Speaker, this is a representative of the oil industry from the city of Swift Current. When the Attorney General says that Bill 42 and what I just read is baloney, let me tell the Attorney General in the absence of the member for Swift Current that Bill 42 took hundreds and hundreds and hundreds of people out of the city of Swift Current.

**SOME HON. MEMBERS:** Hear, hear!

**MR. WIEBE:** — Bill 42, in 1974 literally took out close to 700 families from the city of Swift Current as a direct result of that Bill 42 and I am sure, Mr. Speaker, that if the member for Swift Current was here tonight that he would say exactly the same thing if the rest of this caucus would allow him to get up on his feet and talk in this debate, Mr. Speaker, we have not had an opportunity yet during this debate which has gone on now for just about two weeks, to hear from the Conservative caucus as to what their concerns are in regard to what's happening to the oil industry in Swift Current, nor have we heard from its member as to what's happening in Swift Current. They are not prepared, Mr. Speaker, to talk about the amendments or the bill within this Legislative Chambers but they're certainly prepared to go out and talk to the press about what their feelings are in regard to the bill. For the record and on behalf of the constituents in the city of Swift Current I would like to read what the MLA for Swift Current has to say about the CIGOL case and I am quoting again from the Swift Current Sun. Now this is what the MLA for Swift Current said in regard to the CIGOL case and I suppose his and his party's position in regard to this important legislation. Let me point out as well that this statement was not made within the confines of this Chamber, it was made, however, from the city of Regina, and I understand by telephone, but I'm quoting the member for Swift Current. I believe it's Mr. Ham, and I go on to quote, Mr. Speaker, if I may be allowed to do so. "The Saskatchewan government made a terrible blunder" said Dennis Ham, local MLA. "CIGOL, now part of Norcen Energies Resources Limited of Toronto, contested Bill 42 in the Supreme Court after losing their case in lower courts. They have been awarded retroactive tax refunds which totalled \$300 million", said Ham. "Now the precedent has been set, this could lead to a government loss of about \$ 500 million, it is the most expensive blunder that any political government has made," he said. "The government had made legislative provisions in case they lost the case," Ham said. But I think this paragraph is very interesting:

"But there is a good chance that the government may not legally do this."

Mr. Speaker, he is prepared to say that to the press outside of his Chambers. He is prepared to say that because his constituents are going to read it. Yet is he prepared to stand up in this House and defend his constituents, or is he prepared to stand up in this House and vote against his caucus members when he knows for sure that by voting with the government on this issue, that they are in fact, voting in favor of a bill that may not be legally constitutional in this province?

Mr. Speaker, I'm very pleased that the member for Thunder Creek has decided to come tonight. Oh no, he's still here. I thought possibly because of the announcement which

we heard in the paper tonight that the Leader of the Conservative Party, the member for Nipawin, was planning on resigning as leader of the party, that possibly he was out actively campaigning for that position. And I was rather surprised to see the member for Qu'Appelle still in his seat. Either that or he didn't see the news reports which were on the radio tonight.

**SOME HON. MEMBERS:** Hear, hear!

**MR. WIEBE:** — Mr. Speaker, it has become quite evident that over the past year and one-half that the Conservative Party in this province has been on a gradual upswing. It is certainly very evident the last two and one-half weeks and especially because of their position on this particular bill, that the Conservatives have peaked and now are slowly on their way back down.

Might I say, Mr. Speaker, that there have been some questions, Mr. Speaker, for the edification of some of the members opposite, and I understand, members to my left. There was a press report, I believe, on CKCK radio tonight which mentioned that following a provincial executive meeting of the Progressive Conservative Party last night that an unidentified source had stated that if the particular court case which the member for Nipawin is now involved in will hurt, or has any possible chance of hurting or damaging the Progressive Conservative Party, that he would resign. It is my understanding that that particular television station contacted the present member for Nipawin, and of course, he denied any allegations of that whatsoever.

**MR. SPEAKER:** — Did the news item say anything about the amendment?

**MR. WIEBE:** — Mr. Speaker, my feeling on that . . . my concern that possibly the member for Nipawin, possibly the member for Qu'Appelle and the member for Thunder Creek, may not be here to speak on this particular important resolution for fear that they might be out actively campaigning for that position.

Mr. Speaker, it is not my intention to delay the proceedings of this Chamber. I have attempted tonight, to speak on behalf of not only my constituents, but on behalf of the constituents of Swift Current, and I would like to sit down at this time to leave an opportunity for the member for Swift Current if he wishes to speak on behalf of the oil people which he does represent in that city.

Mr. Speaker, I will be supporting, very proudly, the amendments.

**SOME HON. MEMBERS:** Hear, hear!

**MR. G.H. PENNER (Saskatoon Eastview):** — Mr. Speaker, I am pleased to have the opportunity to address a few remarks to the amendment which has been placed before the House by my colleague and seatmate, the member for Regina South.

I think most members, at least I assume that most members will appreciate what the intent of that amendment is. First of all, to divide the bill so that there is a difference between the collection of the taxes which are owing to the people of Saskatchewan, that it is separated out between that which is retroactive and that which is going to be collected from here forward. I think members appreciate that the amendment has been placed with one motivation and one motivation only, and that is to protect the rights of the financial Position of the people of Saskatchewan. I think most members recognize also that there is only one reason for the people of Saskatchewan being in the position

that they are in today. That reason of course is the bungling of the government of Saskatchewan in the way it worded and represented Bill 42, and the fact that the result of that was that the government neglected its responsibility to the people of Saskatchewan to collect the money that was rightfully due them as a result of the windfall profits that accrued because of off-shore oil increases in 1973.

Now, the Attorney General suggests that that is baloney. I would suggest, Mr. Speaker, that it is the Attorney General who is full of that. There can be no other reason why we are in the predicament we're in, except that the bill that the government attempted to use to collect what is rightfully the people's of Saskatchewan, was unconstitutional. That's the only reason that we've got Bill 47 in front of us today. They bungled Bill 42, and there's a very good chance that Bill 47 will simply make that \$500 million mistake a billion dollar bungle. And the member for Saskatoon-Riversdale knows that. He is fully aware that it is because of the responsibility or the irresponsibility of his government that they are in the difficulty that they're in. He has gone to great lengths, Mr. Speaker, to indicate that the blame rests with the oil companies or the federal government or the Supreme Court or anybody else but neither he nor his colleagues have got the intestinal fortitude that is required to stand up individually or collectively and say to the people of Saskatchewan and to this House that the reason we are in the mess that we are in is our fault. We're sorry we made the mistake that we did and we want to correct it. Rather than do that, they have introduced a bill which as I have indicated, Mr. Speaker, we do not feel is going to correct the problem and as a result we have the amendment that my seatmate placed before us.

Now, Mr. Speaker, I want to analyze the positions that have been taken with regard to the amendment. I would like to begin by assessing the position of the Tories. The member for Eston-Elrose in his speech in the House earlier this week indicated that the position that the Progressive Conservative Party has taken has been to protect the rights of the people of Saskatchewan. Now, Mr. Speaker, I don't suppose that there is any statement that could be any closer to nonsense than that and I don't even think that the member for Eston-Elrose really expects anybody here or anybody in the country to believe that. There is only one reason why the Progressive Conservatives have taken the position that they have and that's because of political expediency. I don't for one minute believe that they have any real concern for the position of Saskatchewan residents and I would suspect that it would be fair to say, Mr. Speaker, that even the lawyer Lanes' the members for Qu'Appelle and Saskatoon-Sutherland, can see that there is a reasonable chance that the bill that is presently before us is unconstitutional. Despite that, they haven't been able to get on their feet, Mr. Speaker, and address themselves to the amendment that has been placed and address themselves to the fact that if we are to accept the amendment, while we have not necessarily guaranteed the problem up until now because the amendment itself indicates that further action is required in that regard, we at least make certain that there will be no constitutional challenge from this day forward.

Now, Mr. Speaker, rather than take that position, the Progressive Conservative Party has decided that what they would like to do is to go to bed with the NDP. At least they have attempted to give the opinion that they want to go to bed with the NDP. I think when all is said and done and we have analyzed the situation, Mr. Speaker, we will find it's not really a matter of going to bed with the NDP, it's a matter of attempting to seduce them. They'll oppose the bill in committee and they'll vote against it in final reading. I think that's already pretty evident. Members of the Conservative Party have indicated that oh, yes, we're going to approve the bill in principle but we're going to have some amendments and I think everybody here realizes that we are going to be in a position,

Mr. Speaker, where the Tories, neither now nor later have any intention or will have any intention of supporting the bill in committee and supporting it in third reading.

Mr. Speaker, as I said earlier, the difficulty that we are in today and I suspect one of the reasons why the government has, at least until this point, given no indication of wanting to support the amendments is because they haven't yet taken the position of accepting responsibility for our predicament. The Minister of Education, Mr. Speaker, sent out a newsletter recently in which he said to the people of his constituency and I quote, Mr. Speaker: "Do you think the oil companies need the money more than you do?" That was the statement from the Minister of Education in a news letter that he sent out to his constituents - "Do you think the oil companies need the money more than you do?" - in a defence of the government position today.

Now, Mr. Speaker, one would think that a Minister of the Crown and particularly a Minister of Education as an argument would take a different attack than that. He's using, Mr. Speaker, and I think this analogy is perfectly legitimate, that when people, when anyone of us at the end of January get our bill from Eaton's or the Bay for what we've bought during the Christmas season, that we should determine whether we pay it on the basis of whether we think that Eaton's needs the money more than we do or whether we think the Bay needs the money more than we do. It may be very well that the Minister of Education will take the position at the end of January when he pays his mortgage payment and I assume like most of us, he has a mortgage payment to make, that he'll decide whether to pay it or not on the basis of whether he thinks the mortgage company needs it more than he does. Now, Mr. Speaker, that kind of thinking reflects the kind of thing we've heard from the other side of the House since debate began.

Mr. Speaker, I want to go back to the position of the Tories for just a moment. I think that the position that they have taken to date with regard to the bill and with regard to the amendment indicates that they are in one of two positions. As my colleague indicated earlier this afternoon, either they are in the hands of the oil companies completely or their position is solely politically motivated. Now, Mr. Speaker, I can't speak for all the members of the Conservative Party. I'm not sure that I can speak for any one of them but do know two of them a little bit better than any of the others because I had them as colleagues for a while, the member for Qu'Appelle and the member for Thunder Creek. I would suspect, Mr. Speaker, that they are smouldering inside when they take a look at the predicament that they are in at the moment because, Mr. Speaker, they are almost like pancakes. They've switched their ideals. We've heard both of them in the past indicate how with a passion they do not like what the NDP stands for in this province and yet we saw them this afternoon standing up and voting with them; no idea of what kinds of principles they really have nor do they realize that the party to which they have jumped in their haste to defeat the NDP, has peaked and I think that it's fair to say that the Tory Party has peaked in Saskatchewan voting with the government; something that member for Qu'Appelle and the member for Thunder Creek indicated that they had no intention to do and they're in a situation tonight as we learned in the media over the supper hour, where they have a leader who has realized that his personal situation is such that a resignation may very well be what is required.

Now this afternoon, Mr. Speaker, the Premier spoke for some time. There were two things that stood out in the remarks that the Premier made, in my mind. We obviously haven't had an opportunity to assess what he said in the context of his speech.

One of the things that stands out in my mind, Mr. Speaker, was the fact that he used the words, royalties and income tax almost as though they could be interchanged; that you

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could use one in one occasion if it suited the situation and you could use it in any way if it suited another situation. The other thing that stands out in my mind, Mr. Speaker, was the statement that he made that, 'we're not going to nationalize the oil industry at this time'. Mr. Speaker, I haven't had an opportunity to assess the remarks that were made by the Premier in the context in which he made them. I consider it unfair to isolate the statement that he is not going to nationalize the oil industry at this time without having an a opportunity to read through the remarks that the Premier made, in their entirety. Because of that, Mr. Speaker, I would like at this time to adjourn the House.

**MR. SPEAKER:** — Order! I find the member's motion out of order, and the citation is Beauchesne, 165 (8) — a member who has moved or seconded the adjournment of the debate, cannot afterwards, during the same debate, rise to move the adjournment of the House.

**MISS L.B. CLIFFORD:** — Mr. Speaker, I have listened with interest in the last few days about the Debate on Bill 47. I particularly am interested in the Premier's remarks today, as well as a number of the member's across the House. I am going to, in a number of minutes, beg leave to adjourn the debate. I would like to state that if a voice count indicates that if the members of this Assembly do not agree, the standing vote will be indicated that we won't take it until one minute to 10:00 o'clock.

Mr. Speaker, I beg leave to adjourn debate.

**Debate adjourned.**

The Assembly adjourned at 7:35 o'clock p.m.