

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
December 15, 1977

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

On the Orders of the Day.

QUESTIONS

CP and CN Trucking

MR. R.H. BAILEY (Rosetown-Elrose): — Mr. Speaker, I would like to direct a question to the minister in charge of Transportation. A year ago we had the CP trucking disgracefully renege in its obligations to Saskatchewan, now this year the same thing has happened with CN trucking. Did you as minister prior to the announcement of the date of their withdrawal negotiate with either the CN or CP to have them stay or what arrangements could be made, but more important did you attempt to find alternate trucking services prior to the expiry date when they said they would not renew their contracts?

HON. G. MacMURCHY (Minister in charge of Transportation): — Mr. Speaker, I was not personally involved at all with negotiations with CN. Negotiations did take place with CN and the Highway Traffic Board, as rightfully it should. There were negotiations which led up to a renewal of their licences or their franchises, or their licences in April which provided for ongoing negotiations with CN to provide some possible changes in the renewals of licences.

MR. BAILEY: — Supplementary question to the minister, Mr. Speaker. Many of the firms that applied for an abandoned route once CN or CP has reneged and left the route open, what the truckers call rights, many of the Saskatchewan firms wishing to apply for that trucking route or that freight line simply are not big enough and has your department considered in a financial way of assisting any of these firms to take over the running rights with some financial assistance in order to keep that business here in Saskatchewan?

MR. MacMURCHY: — No, we have not. There have been discussions obviously and there has been work going on in the Highway Traffic Board relative to the problem. The board in its reports to me have not indicated to this time at least a need for some kind of support. The hon. member will know, however, that the transportation advisory council is presently in the process of holding hearings on the trucking issue. I think they have had a meeting down in Lampman and they are to hold a meeting in Kelvington.

AN HON. MEMBER: — They have had the meeting.

MR. MacMURCHY: — They've had the meeting in Kelvington. This process will go on during the winter months and out of their work we look forward to recommendations which the government can consider for improving transportation to rural communities in the province.

MR. BAILEY: — Final supplementary, Mr. Speaker. Mr. Minister, in any of the discussions with the Traffic Board and the Transportation Advisory Council, has any consideration been given by your department or those who fall under your department

to the establishment of a publicly owned Saskatchewan trucking corporation to provide freight service to Saskatchewan?

MR. MacMURCHY: — No. You will know, Mr. Speaker, the hon. member will know that STC does operate a truck route. However, certainly at this time and in the certainly short-term future there are no plans by STC to expand into the trucking area. They do an excellent job now in the small parcel, the express operation but no plans for expansion into trucking.

Inquiry Boards for Power Plants

MR. R.E. NELSON (Assiniboia-Gravelbourg): — Mr. Speaker, I have a question for the Minister of Environment. The minister this morning appointed another inquiry board to look into the possible power plants at Nipawin and an additional unit at Coronach. We have committees sitting at the Churchill River Project, we have the International Joint Commission still sitting regarding the water quality at Poplar River. We know that the Poplar River Plant was designed and built to accommodate four 300 megawatt power units. Is the latest board not just more window dressing because SPC has long ago made up their minds what they are going to do at Poplar River as well as the other projects?

HON. N.E. BYERS (Minister of Environment): — Mr. Speaker, the board of inquiry which I announced this morning and subject to which I intended to make a statement to the House under ministerial statements, is not window dressing by any means on the part of this government. This government has established an environmental impact assessment policy whereby major developments must have a complete and thorough environmental impact assessment undertaken and done before any decision is made to proceed with the project, in this case the Saskatchewan Power Corporation. The proposed developer, has completed environmental impact assessment statements for the proposed site at Nipawin and the expansion of Coronach No. 2, and consistent with the government's policy, we have established a board of inquiry so the public may obtain information on these proposals, present them to the board, and the board can report to the government from which a decision can be made.

MR. R.E. NELSON (Assiniboia-Gravelbourg): — It appears that we may be well in need of new power plants before long.

Now, would the minister answer if it is consistent that the government usually spends millions of dollars like it has at the Poplar River power plant before deciding whether or not to make use of that dam and that plant?

MR. BYERS: — Mr. Speaker, unlike the procedure of the former government which undertook no environmental impact assessments before they undertook to proceed with major developments, our government has established such a policy. It should come as no surprise to the hon. member for Assiniboia-Gravelbourg that we now have environmental assessment reports from Nipawin on the proposed Nipawin site and the proposed Coronach No. 2 site, because I think if my memory serves me correctly my colleague, the minister in charge of the Saskatchewan Power Corporation made announcements in this House at the time that those assessments were undertaken. That should come as no surprise to him.

Budget Predictions

MR. W.C. THATCHER (Thunder Creek): — Mr. Speaker, a question to the Minister of Finance. The minister at a convention recently — I believe it was a convention in Saskatoon, gave a speech to that convention that was certainly not an optimistic one from an economic point of view for this province.

Would the minister tell this Assembly, in view of the press reports surrounding his speech in Saskatoon, does the minister still stand by his assurances to this Assembly some week or ten days ago, when he assured this Assembly that the Department of Finance and the deficit budget that had been planned in March, is proceeding on the same schedule that he had assured us it was some two weeks ago? In other words, is your budget on stream at this point in time? Do you wish to re-evaluate your comments of some two weeks ago?

HON. W.E. SMISHEK (Regina North East): — Mr. Speaker, in answer to the hon. member's question, what I told SUMA at their meeting was that certainly, the economy in Saskatchewan has some problems. Everybody is aware of that. Our agricultural sector is not in as good a shape as it was in 1975; probably a little worse than in 1976, but certainly there are other aspects of our economy that are in good shape and in better shape, in fact the mineral production is up. We expect that the total revenues from minerals will be up considerably. As far as government expenditures are concerned at the present time, they are on target, and I expect that the projection that was made on March 10, 1977 in the case of the deficit for this year, we expect to be on I target. In the case of budgeting for next year it is still not completed. At this stage we are hoping that we will be able to manage our expenditures in a fairly good way, and that will be announced when the budget is presented. That is in essence what I told the SUMA convention.

MR. THATCHER: — A supplementary question. Mr. Speaker. The minister, I'm sure is aware that statistics published this week indicate that income in the farm sector is down in excess of 11 per cent for this year. I'm sure the minister is also aware of figures which have been coming out indicating that retail sales are off very sharply in the province of Saskatchewan for this year.

Obviously if the farm income is down, then there must be greatly reduced revenue coming in in the form of income tax. Obviously if retail sales are down there must be sharply reduced revenue in sales tax revenue. Obviously then, the minister, if we may stand on his assurance that he is on stream with his budget must have some measures in mind to stimulate the economy. Would the minister care to tell this Assembly what these measures are, and what effect does he think they will have?

MR. SMISHEK: — Mr. Speaker, as far as the sales tax revenues are concerned, they are very much on target. Income tax revenues similarly are on target at the present time, and as far as any stimulating of the economy that is necessary, as the hon. member is aware, Saskatchewan has the lowest rate of unemployment, in fact we are still the envy of most of the provinces in Canada insofar as our total economy is concerned, but the government policy will be announced in due course.

Cutting Back in Programs

MR. G.H. PENNER (Saskatoon Eastview): — If I may, minister has indicated as he said to his address of SUMA, that the government expected a greater deficit position in fiscal 1978 than has been the case in 1977. I wonder if the minister would give the House any indication of what steps the government has taken, as an alternative to

increasing the deficit budget to cutting back in government programs, in order to better balance the books and allow the government to live within its means?

MR. SMISHEK: — Mr. Speaker, in the case of my statement to SUMA, I told them that certainly at this stage we are not able to definitely state of what the budget may be. Whether it will be in the order of the same size of a deficit as last year or it may be even slightly larger but the sums and analysis have not been completed, Mr. Speaker, and I that in essence is what I told him. In as far as government expenditures are concerned, we are managing the expenditures very well and the expenditures for the year 1977—1978, are expected to come on target as we projected last year.

Upgrading Station for Heavy Oil

MR. E.F.A. MERCHANT (Regina Wascana): — A question, Mr. Speaker, to the Minister of Mineral Resources which deals with a statement made recently by Peter Black on behalf of the government, where he said and I quote (he was speaking, Mr. Speaker, in reference to a heavy upgrading plant near Lloydminster, he said): "We feel that an upgrading plant should be regarded more as a utility with a guaranteed rate of return than as a potential source of profit-taking." I ask the minister whether if the government now regards an upgrading station for heavy oil as something that should not have any profit-taking motive, whether that does not indicate that the government does no longer believe that it can get the co-operation of private enterprise in establishing a heavy oil plant a no-risk, no-profit, kind of proposition which would seem to exclude Husky or anybody else?

HON. J.R. MESSER (Minister of Mineral Resources): — No, Mr. Speaker, I believe what Mr. Black was referring to in that statement was that we should have some means of acquiring or setting, before the plant is built, a reasonable return of profit for its operations and that it should not be allowed to fluctuate drastically in relation to circumstances that are beyond its jurisdiction. That goes both ways; a negative and a plus factor in relation to the gyrations of profits and that in so doing, the principals of that plant would always be assured of some reasonable rate of return, because of the agreement or contract reached between not only the private interests but the provincial and or federal interests and that the other excess profits that may be generated from extraction of heavy crude oil be attempted to be returned to the actual extractors of heavy oil. The reasoning behind that is that the plant will not be profitable unless there is a maximum delivery of heavy crude oil, which is costly and is difficult to extract. So the whole intent of an upgrading facility would be to encourage as much extraction of heavy crude oil in Saskatchewan and to a lesser degree in the province of Alberta and the plant would try to return the maximum profit to that interest or to that part of the whole package that has to be developed before a plant becomes economically feasible.

MR. MERCHANT: — Supplementary, Mr. Speaker. I would hope with a three quarter of a billion dollar matter, you might permit me another supplementary. When Mr. Black said, rather than a potential source of profit-taking at a minimum, one would assume from those words that he meant a rate of return comparable to the rate of return earned by utilities, 5 to 8 per cent on their investment, I ask the minister whether that is the kind of level of profit that the minister intends and if that is the case and it would appear that it is. I suggest to the minister that companies like Husky Oil are not interested in being involved in operations of such a low level of profit, that's the reason these companies are in the rather more explosive area of oil development?

MR. MESSER: — Well, Mr. Speaker, I think the member is undertaking to come to

some conclusions before all of the discussions or the facts are made available to him. Mr. Black may have related to utilities as a concept of establishing an upgrading facility but I do not believe that there is any evidence of him talking about what level of return should be enjoyed by the principals, who are involved in that utility because that is not yet a matter that has been concluded. But I can say in general, in answer to the member for Wascana's questioning, that we have no difference of opinions, no significant difference of opinions, in our discussions with Husky and other interests in the establishment of an upgrading facility, at least not in relation to the concept that we have in relation to the profits of that utility.

MR. MERCHANT: — Is it not a fact that Husky is the only company that might reasonably go in with Saskoil or someone else with this kind of massive investment and is it not also a fact that Husky is negotiating with the province of Alberta as well as negotiating here and I ask the minister whether if you insist on putting these kinds of constraints on the level of profit, which I believe will drive the plant into Alberta, whether you should not first negotiate with Alberta, to decide on the kind of proposal that the Alberta government will make or we will end up with a situation where even though we produce most of the heavy oil, the plant is in Alberta.

MR. MESSER: — Let me firstly say that we have discussions, on-going discussions, with the province of Alberta as well as the federal government in relation to the establishment of an upgrading facility in the province of Saskatchewan. It's not at all being undertaken in isolation. May I also say that it is only in his mind that there are constraints in the province of Saskatchewan which may drive the plant out of the province of Saskatchewan to the province of Alberta. They are certainly not in the minds of the people that we are discussing the upgrading plant with. I might also say that it is not correct to assume that Husky oil is necessarily negotiating with the province of Alberta as well. They have a proposal in regard to an upgrading facility; a proposal which to a significant extent emanated from discussions, early discussions, with the province of Alberta and Husky Oil. They have made that proposal available to not only Alberta but other private oil interests in hopes that they may be interested in participating in a plant regardless of where it is located. They have also made that proposal available to the federal government and it is also incorrect of the member to assume that it is only Husky Oil which is interested in participating in an upgrading facility. That is far from being correct. It is also incorrect to assume that it is only going to be between Husky and Saskoil because there are a number of combinations of interested parties who may be involved in an upgrading facility.

Recapturing Tourist Industry

MR. R.A. LARTER (Estevan): — Mr. Speaker, a question to the Premier in the absence of the Minister of Tourism. In light of the \$160 million deficit in the tourist industry in 1977 over 1976, will the government plan or are they going to have any emergency plan to recapture and promote the tourist industry in Saskatchewan in 1978 and would you be implementing any sort of programs in the USA to capture some of the American money with the 10 per cent exchange on the American dollar? Is the government making any plans towards this?

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, the government has no emergency plans to use the words of the hon. member that it is about to announce at this time.

MR. LARTER: — Supplementary, Mr. Speaker. This is our third largest industry in Saskatchewan, Mr. Premier, and now that the Prime Minister and the President of the

United States, Mr. Carter, have gotten together on associations and service clubs, holding conventions in each country and being able to deduct the expenses from their income tax, will the government immediately move to assist any convention bureau to aggressively go after these markets?

MR. BLAKENEY: — Mr. Speaker, the government has a policy of assisting interprovincial and international conventions. It was the source of some levity in the House yesterday when the convention grant to the interprovincial was the subject of some scorn by some members opposite. We are continuing that policy notwithstanding the scorn and we are also giving consideration to assisting convention bureaus. I am not able to advise the hon. member of what that situation is at this time but I will ask the Minister of Tourism and Renewable Resources to respond when he is back in town.

Plans to Protect Agriculture

MR. J. WIEBE (Morse): — Mr. Speaker, a question to the Minister of Finance. In light of the declining net farm income in the province and agriculture being our major industry, the federal government appears with the only program to help protect that industry, namely the Grain Stabilization Bill. Is your government planning any programs within the next year to protect our major industry in this province, which is agriculture?

MR. SMISHEK: — Our policy will be announced in due course.

MR. WIEBE: — Supplementary, Mr. Speaker. In the consideration of that policy which may be announced, farm fuel being our major cost and the major necessity to the farming industry in this province, would the minister take into consideration the reintroduction of the Farm Fuel Cost Reduction Program?

MR. SMISHEK: — As the hon. member is aware, farm fuels are not subject to any provincial tax. Farm fuel is sold at cost, the province does not derive any revenue from farm fuel. The government decision has been made in respect to the rebates which were paid, really it was a bonus that was given and because of the energy prices that have been going up considerably that has been eliminated as the hon. member is aware. As far as what the future may tell, the government certainly is concerned about the farm situation in the province and during this session government policy will become known.

Answer to question on Meals on Wheels

HON. H.H. ROLFES (Minister of Social Services): — Mr. Speaker, the other day I took notice of a question from the member for Regina Wascana. The question was: "Did the minister or the department advise the Family Service Bureau that funds would not be provided for their Meals on Wheels van?" At that time I said I would take notice of the question and the answer is, No. At no time did the Senior Citizens Branch or myself state or even infer that the expenses of the van and driver would not be approved in the 1978-79 Budget. These costs were approved in the 1977-78 Budget, however, the van is costing the bureau \$11,000 per year. We have been advised by Rod McLeod executive director of the Family Service Bureau, that their board of directors has considered discontinuing use of the van to keep the cost of the meals down. As it is now, of the total cost of \$3.35 per meal, \$1.25 was earmarked for delivery. The decision of whether or not to use the van in the future rests solely with the board of directors of the Family Service Bureau.

MR. MERCHANT: — Has the Family Service Bureau not requested an additional amount of funding in the amount of \$10,000 and has the Family Service Bureau not told your department that without that \$10,000 they will have to withdraw the van which was a voluntary van and was given to them? It is the \$10,000 that they are not to receive from you that will cause them to withdraw the service.

MR. ROLFES: — Mr. Speaker, in their request for a budget it is true that they have put that in but we have not turned them down on that particular item. So I don't see how you can infer that I am saying no to them. If they want to put it in their budget that is up to them, they can include it and we will look at their total budget request. We have not said no to them including that in their budget for next year.

Sale of Land Bank land

MR. L.W. BIRKBECK (Moosomin): — Mr. Speaker, a question to the Minister of Agriculture. Mr. Minister, the fact that your newly stated policy regarding the sale of Land Bank land at the average current market value will result in unnecessarily high profits for the government of Saskatchewan and result in hardships on the Land Bank tenant, I wonder, Mr. Minister, would you consider allowing Land Bank tenants, wishing to exercise their right to purchase land, to have a portion at least of their lease payments applied to the purchase price of their land?

HON. E.E. KAEDING (Minister of Agriculture): — Mr. Speaker, it is not our intention to have lease rates applied to the purchase price of the land. As I indicated earlier, we are discussing, in its final stages, the sales policy of the Land Bank Program and they will be announced in due course.

MR. BIRKBECK: — Supplementary, Mr. Speaker . . .

MR. SPEAKER: — Ministerial Statements.

MINISTERIAL STATEMENTS

Establishment of Board of Inquiry

MR. BYERS: — I would like to report briefly to the House concerning the establishment of the Board of Inquiry raised in the question period.

The Saskatchewan Power Corporation has advised the government that additional electrical generating capacity will be required over the next ten years. Consistent with the government's environmental assessment policy I have established a Board of Inquiry to review two projects which SPC proposes to meet additional electrical generating capacity which will be required over the next ten years to meet the demands of the growing Saskatchewan.

The prime task facing the board is a thorough review and analysis of the plans for a second unit at Coronach, the Poplar River Power Plant and the proposal to construct a dam and hydro electric generating station on the Saskatchewan River near Nipawin. The board will consider the environmental, social and economic effects that these

proposed projects might have on the Coronach and Nipawin areas, and the measures proposed to protect the environment and to assist local people to cope with the effects of development on their communities.

With respect to the Poplar River plant, the board will also determine whether the environmental protection measures are adequate to meet Canada's international obligations. Additionally, the board will examine the proposed strip mining and land reclamation proposals for Units No.'s 1 and 2. The board will provide an opportunity through public hearings for the people of Saskatchewan to present their opinions on these proposed projects. Finally, the board will also consider how these two projects would assist in meeting the long-term electricity needs of Saskatchewan.

The chairman of the Board of Inquiry will be Mr. Lyle Bergstrom. Mr. Bergstrom served as the Deputy Minister of Education from 1965 to '73, and since then has been a special advisor to the Minister of Education. Other members of the board are Douglas Bryson, a farmer from the Outram district, Mr. George Lee, head of the Department of Agricultural Economics at the University of Saskatchewan, Mr. Bud Gray, a farmer in the Aylsham district who brings to the board, a special knowledge of the needs of the people in the Nipawin area.

Based on the projections of the SPC, the government will have to make a decision in mid 1978 about expansion of the Saskatchewan facilities for producing electricity. I have no doubt about the ability of the board to bring back to the government, its decision by the middle of next June. The board has been asked to review the SPC forecast of the electrical energy demands for the next decade, and to provide advice regarding those estimates and their relation to the proposed projects.

The government is aware of the need to conserve energy and is making significant efforts to reduce future demands through conservation. But the government believes that while the people of Saskatchewan are becoming conservation-minded, they also want development in the province to continue. This means that new energy sources must be available.

I am asking the Board of Inquiry to tell us whether there are any compelling reasons why either project, or both projects should not be approved. The government believes that both of these projects are sufficiently important to seek public reaction to them. We reject the view of a few people that public inquiries such as this are not necessary. We believe that both public and private developers must make public, the details of large project proposals and be prepared to defend them in the public arena.

In addition to the public view, various agencies of the government will be reviewing in detail, the proposals for these two projects, and I expect they will make their views known to the Board of Inquiry.

The board has been asked to look at strip mining and land reclamation plans proposed for Poplar River project units No's 1 and 2, and to review all available information about the nature and extent of any international impact the Poplar River project No. 2 might have. The Honorable Len Marchand, the Minister of State for Environment and I have agreed that the Saskatchewan Power Corporation will comply with all conditions of its provincial and federal licensing with respect to the Poplar River project. However, neither of us anticipates any problems in developing the projects to conform to the Boundary Waters Treaty or any other of Canada's international obligations.

We want this board to take a look at what we have done, what we are doing and what we may do in the future to live up to those obligations.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON (Assiniboia-Gravelbourg): — Mr. Speaker, I would like to briefly reply to that long ministerial statement. The Minister of Environment and the minister in charge the Sask Power Corporation would certainly be wise to begin speaking to each other and not continually get the cart ahead of the horse. Certainly this environment inquiry would have been held before hundreds of millions of dollars were spent on the power building and the dam at Coronach. The Department of Environment was just a little behind at the time as well, at Poplar River when they waited until the reservoir was full fore they went fishing for the 5 1/2 miles of barbed wire that was under the water.

This inquiry board is indeed nothing more than window dressing, and one wonders if the ministers have not already dictated the results of that board.

We know that there are high feelings in Montana because of the sulphur dioxide pollution anticipated from the Poplar River Power project, and we understand that North Dakota Governor Link has also announced that that state will be monitoring the air because of the fears of pollution, and it is difficult to understand why the government continues to ignore these governments as well as the people in Saskatchewan regarding the sulphur dioxide problem at the Coronach site.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON (As-Gr): — If the minister does not give a positive announcement that is government will use the best possible pollution equipment on the stacks at Coronach before the hearings, they will certainly be jeopardizing the results of those hearings.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON (As-Gr): — I think, Mr. Speaker, it is time for solutions and we've had far too many inquiry boards already.

SOME HON. MEMBERS: Hear, hear!

MR. R. A. LARTER (Estevan): — Mr. Speaker, I would like to add something and concur with the member for Assiniboia on a few points. I noticed too that the government is willing to live up to all IGC specifications and Saskatchewan's specifications on the environment, but you still have not satisfied our neighbors to the south. The water treaty that goes back quite a number of years, is part of the original treaty and this is what you are living up to.

The sulphur dioxide that the member for Assiniboia mentions is very much of a concern both the States. They are worried more about what they are going to do with their own proposed future industry across the line, and they are afraid that we'll reach the heights of our pollution and they won't be able to do anything across the line. Now these are some of the concerns.

I thought you might announce, you're going to build the unit No. 7 at Boundary Dam too.

STATEMENT

Unwarranted Attack Upon The Supreme Court of Canada

MR. SPEAKER: — On November 29, 1977, the member for Regina South raised a point of order concerning 'unwarranted attacks upon the Supreme Court of Canada' by the member for Cutknife-Lloydminster when speaking in this Assembly on November 28, 1977 as follows:

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

While there is a slight variation of wording between the words quoted by the member for Regina South and the words recorded in the debates and proceedings under the name of the member for Cutknife-Lloydminster, I treat the statements as essentially the same for the purposes of this statement.

It is fair and parliamentary to speculate that Supreme Court Judges make decisions using a philosophical base as well as a constitutional base. I can recall the appointment of the Chief Justice as well as the recent appointments of the last two justices being accompanied by generous amounts of public comment from all quarters about whether their philosophies were centralist, federalist or other. Indeed, it would probably be impossible to appoint judges to the Court who lacked a strong philosophical base. I, therefore, find nothing in the nature of a personal attack, censure or imputation in this part of the statement.

In dealing with the first part of the statement I feel I must protect the balance which has to exist between respect for our institutions and full frank and free debate allowed to Members in this Chamber.

However, the members words when he said "... the Supreme Court has thrown its support behind the oil companies" is of more concern. It is questionable, upon examination, whether the member for Cutknife-Lloydminster meant that the result of the Supreme Court Decision had been to support the position taken by the oil companies and not support the position taken by the province of Saskatchewan or whether the intent of the Supreme Court was to support the oil companies and not support the province of Saskatchewan. The latter would constitute "an imputation upon a judicial proceeding", and would, therefore, be unparliamentary. (See Beauchesne, Cit. 152 (4) and Cit. 149(j).)

In order to conclude the matter I would request the member for Cutknife-Lloydminster to withdraw any imputations on a judicial proceeding which may have existed in his statement.

MR. M. KWASNICA (Cutknife-Lloydminster): — Mr. Speaker, I thank you for those comments and I hereby withdraw any imputations against the Supreme Court that may attend my statement.

Point of Privilege-Committee on Privileges & Elections

MR. M.J. KOSKIE (Quill Lakes): — Before the orders of the day I rise on a point of privilege. I want to say that I regret not having given the two hour plan of notice. A notice under the rules that, Mr. Speaker, may waive that. I'd like to state my point of privilege to be as follows:

The statement made by the member for Thunder Creek on Tuesday December 13, 1977 and repeated by the member for Qu'Appelle on Wednesday December 14, 1977 that this Legislature's standing Committee on Privileges and Elections was a "kangaroo court".

Mr. Speaker, this committee was instructed by the resolutions of this House on November 21, 1977 as follows:

That a letter of November 16, 1977 to the Speaker 1977 to the Speaker of the Assembly from Mr. Eric Berntson, MLA for Souris-Cannington, be referred to the Standing Committee on Privileges and Elections to determine whether the allegations contained therein breach the privileges of any members and if so, what actions should be taken in respect thereof.

There was no dissent, I wanted to point out. Mr. Speaker, by anyone to the passage of that motion by this body. The committee is carrying out the essential mandate of this Assembly. As Chairman of the committee and as a member of this Legislative Assembly, I claim that the two above mentioned members have breached the privileges of this House by their statements. I ask your Honor to rule on the issue and to request both members to withdraw their remarks so as to protect the integrity of this Legislature's actions, particularly as directed in this instance by the resolution of November 21, 1977. In respect, Mr. Speaker, I could refer you to Erskine May Parliamentary Practice, Page 132, Chapter 10 where it states under the heading 'Misconduct in the Presence of either House or Committees or either House'.

Any disorderly or disrespectful conduct in the presence of either House or any committee thereof, whether by strangers present or by persons attending as parties or witnesses, will constitute a contempt.

It is on that basis, Mr. Speaker, that I would ask you to consider whether in fact a breach of the privilege of this Legislature has been committed in view of the mandate that was set out in the resolution.

MR. SPEAKER: — A privilege when it's raised in this Assembly or any other Assembly practising the parliamentary tradition is a very serious matter and I would ask at this point if there are any members who wish to comment on the point raised by the member for Quill Lakes without debate?

MR. J.G. LANE (Qu'Appelle): — I would like to make a comment, Mr. Speaker. The opposition, unfortunately, has been placed in a position because of the precedent recently established in this House in that agreed to by the other two parties that even if a member was to withdraw, it wouldn't make any difference because they would have the 'kangaroo court' all over again and it wouldn't make a bit of difference and that's the foolish part of it

MR. SPEAKER: — As I have said, this matter of privilege is a very serious matter and should be treated seriously and it's a matter which I propose to give some contemplation to and I would inform the member for Quill Lakes and the House that I

will take it under consideration at the earliest possible opportunity and report back to the House after giving it serious consideration.

ANNOUNCEMENT

Page - Miss Natalie Biberdorf

MR. SPEAKER: — To turn to another matter of not so serious a nature but a happy event, I am pleased to inform the members of the House, pursuant to the Marriage Act and any amendments in Bill 46 which may be before the House at this time, that one of our Pages, Natalie Biberdorf, is due to be married on Saturday, December 17 and I am not just sure whether any of the amendments in Bill 46 to the Marriage Act would pertain to her in any case. I know that hon. members will join with me in wishing her and her husband-to-be unanimous support for success in their marriage. She will be marrying Mr. Ken Kalk and I had thought that some of the members may wish to conclude the business of the House as quickly as possible. Perhaps we could sit right over including Saturday and get the business out of the way prior to the wedding and I know all members will join me Natalie, in wishing you the best.

ADJOURNED DEBATES

SECOND READINGS

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

MR. E. ANDERSON (Shaunavon): — Continuing the debate on Bill 47, a bill that we feel is being rushed prematurely through this House for reasons that are hard to understand. We have proposed an amendment which, of course, I am debating concurrently which we believe would correct some of the faults inherent in Bill 47 as it is written. These faults being that with the collections of a retroactive tax the bill could be declared unconstitutional because of retroactivity.

It appears that Bill 47 has shown again a strange union in this House, a union between the Progressive Conservative Party and the NDP. Very strange, a strange union.

AN HON. MEMBER: — An unnatural union.

MR. ANDERSON — An unnatural union. This union showed, if I may digress a bit, in Bills 1 and 2, the potash bills in 1976, bills of a similar nature which at that time by the Progressive Conservative Party we were told, let's rush it through, we will assist in any way to put the bill through and they did. They didn't enter into the filibuster that we conducted in the Liberal Party to try to hold this bill before the House for consideration. We find again that when another bill for the taxation of our industries, a bill that we feel leads in the same way that bills 1 and 2 to the nationalization of a basic industry, we find again the PC Party in a strange union. I don't know if you could call it a marriage, this would be more of a common law union than a marriage. But the strangest part of this union is that as the Conservatives move closer to the NDP, the NDP doff their caps and move away. The Progressive Conservative Party says, "let's rush this Bill 47 through the House, let's get it through, let's get home for Christmas." I suppose they are thinking. Should we strangle another industry as Bills 1 and 2 for the potash debate was, they used the same argument, let's rush it through. But then

we find the NDP saying to them that oh, don't support our bill, oh, no, no, back, but as the Conservatives rush blithely forward not wishing to defend either constitutionality or the right of a company and any company's right is important, I would suppose to all of us as the rights of an individual, we believe in them, the Progressive Conservative Party says, no, we will support anything as long as it gets out of the House.

And why I say, why this rush? We have been told by a speaker yesterday and other speakers, that if we don't rush this bill through the House that we are losing dollars for the province, that every day we're losing \$50 million or some \$5 million going up the spout. I find it's a strange argument that we must rush the bill because we are losing money. On December 2nd we asked the Premier this very question that are we collecting the money now illegally, are we going to cease and desist collecting this money because it's illegal and he said and I am quoting from Hansard:

Mr. Speaker, let me first correct what the hon. member is saying. First he asserted yesterday that the taxes we are now collecting are illegal and that was the issue. I said there was no basis for that belief other than a possible legal opinion argued by analogy. No bill under which taxes are now being collected is struck down, accordingly the collections under the mineral resources tax are legal until found otherwise. That is an elementary point of law and I am sure the member for Lakeview will explain it to the member for Indian Head-Wolseley.

Well, the argument that I heard yesterday from the member for Cutknife-Lloydminster was that we were delaying the bill. He says the oil companies would collect money. Obviously unless your Premier is mistaken and I find he is usually not mistaken, he's very careful, - some of his judgment is bad, yes, - but we are not collecting a legal tax. The problem lies in the collection of taxes before 1974 when the regulations were changed. This at this time only affects one judgment which is \$4 million, so there is no unseemly rush, there's no need to rush blindly into another bill that kept in its entirety could be struck down. This is our position, we say let's keep the money for the people but let's do it with consideration, legally and look at the best avenues.

The way Bill 47 is written now it can be quite well argued and can be argued because of the statements of the Premier himself in question period when he said that we will probably not pay very little money back to the oil companies because what was owing back will be questioned under Bill 47, a statement I find very difficult to believe why he should make it because, as has been said before, he is a man who chooses his words well. Why he would choose to use those words knowing that there's a good chance that this bill will be put before the constitutional review before the Supreme Court and will have to be argued that it is not an attempt to do by the back door what we couldn't do by the front.

We ask in our amendment, that the bill be split in two, withdrawn, we come back in the new year with a bill re-written that would achieve the results that we want, without the danger of it being struck down again at a future period of time, and at that time we will have more money in jeopardy.

SOME HON. MEMBERS: Hear, hear!

MR. ANDERSON: — This bill, much as Bills 1 and 2 did, seeks to remove from this Legislature, the very cornerstone for a parliamentary system, and that is the right of the Legislative Assembly to assess taxes and disburse taxes. It removes this right from the

Legislative Assembly to the minister. Men have through the years fought and died to put the basic corner parliamentary stone of our system in place, which was not to play political games it was to allow the people out of the country to levy, to collect taxes and to disburse those taxes, to remove that power from an autocratic monarch or a dictator. We are now failing back with these types of bills into that position. Were we allowing dictatorship of a minister or of a cabinet to take away the right or the very reason to be for parliament and that is the levying and disbursement of taxes for the common good. There is no reason that the rates of taxation if they are not intended to follow closely the moneys collected under Bill 42 cannot be set, debated and considered in this House, where they should be. We find strange, as we see the rush to pass this bill, we find strange the desire of the Progressive Conservative party to pass this bill quickly. I would say a good example of their desire of this was yesterday in an attempt they made to introduce morning sittings.

AN HON. MEMBER: — Invoke closure.

MR. ANDERSON: — Yes, invoking closure, I think its the first time I would imagine in parliamentary history that the opposition party invoked closure. I would imagine that they find their position embarrassing, very embarrassing. I found their position almost as interesting and unbelievable in the potash debates. They sat there on their hands and said, "Let us rush quickly to the decimation and death of the industry, let us take it over." I find the Tory Party, these great upholders of the free enterprise system, the people who say, 'let the devil take the hindmost, and let the strong win because that's the way nature puts it'. Ah, but not in this case. They say, "let's rush to nationalization, let's rush . . ." I think some of these gentlemen should have run in the other party. In fact, I find it strange that in my seat that if we don't run a Conservative, the Conservatives vote NDP, and that's a fact. Strange, strange. Not so strange when I look at their actions here.

MR. BLAKENEY: — What alternative do they have?

MR. ANDERSON: — Well, you said it, Mr. Premier. The PC's say they are the only alternatives. That's right . . . I hear, 'that's right'. The only alternative here who invokes closure. Yes, that's right.

We find in looking at the actions of the government in rushing this bill through, in the face of the fact we are not endangering any taxes collected now, in fact the need is for taxing in the future and for collecting taxes lost because of the striking down of Bill 42. Obviously, the need is for two separate bills. The bills could be considered and brought in — there's no rush before Christmas to bring this in.

I think we have a whole new year ahead of us that we can withdraw the bill, stop the bill, withdraw it and come back with a bill that will remove the risk of the whole mess being struck down and being back to page one again.

SOME HON. MEMBERS: Hear, hear!

MR. ANDERSON: — The only reason I can see for the tactic used here is it's much like the tactic that was used in the potash industry where taxation was put to such a degree the rate of this taxation was challenged. When the challenge was struck down it was

used for an excuse for nationalization. The original Bill 42 was obviously known to be unconstitutional, it was obviously considered unconstitutional by this government or why did they introduce the new regulations they are collecting the tax under now? They were told time and again that tax was unconstitutional.

I would say they wanted the bill struck down so they could go before the people of this province and take a \$4 million loss and now scream to the country we are losing \$500 million which isn't a fact yet, scream to the country we are losing so many millions per day, which isn't a fact yet but it is a good tactic if you wish to nationalize an industry, a very good tactic.

We see in the drawing of this bill, in one piece, not accepting - I hope they will accept - but I would imagine not accepting amendments that will remove this risk. I can see the only reason is that they are hoping now to collect taxes under this bill, knowing that they can set the tax rate to such a degree that it will break an oil company, it will force them to contest this to the Supreme Court. When that bill is struck down four years hence and then they come with a billion debt, then they have the excuse to say that we must nationalize the industry. They have no other reason for their actions, there is no other reason that is explainable. From their own mouths they say we are not losing money; the risk right now is \$4 million. The bill is needed to collect, not to protect what we are collecting now because it is not declared legal in the Premier's own words. We need no bill for that, we need a bill to get the CIGOL decision reversed and to protect the others, that's the bill we need. That bill could be brought in. The other problem should be attacked in a different way. This government refuses to, for only one reason; it is obvious. They want the bill struck down as Bill 42 was; they want the added money there so they can go and say that oh, we have only one recourse and that is nationalization.

I would suppose in being able to set the taxes for the oil companies they can say what are the deductions, the government says what is taxable income, what is gross income. You can quite easily put yourself in the position that you had the potash companies in, in saying we have declared a tax that is reasonable. The companies refuse to pay a legal tax and we'll nationalize them because they won't pay their fair share. No one will know that they are paying their fair share because you and your Cabinet will decide all the little nice things, what's deductible and what is fair and what is unfair. They won't be taxed in a manner as you and I are taxed as individuals or companies and other businesses so that you have a comparison of what is a fair share of tax.

Why would a government want to do this? Obviously, for one reason and one reason alone, to force a climate on the people so that they would accept nationalization of another industry. And of course we shouldn't find this strange because if you go back to the CCF Manifesto, it said that we believe - and this was years ago - in the nationalization of all forms of production resources. They have never refuted the fact that this is in their founding constitution but they have neglected to state that this includes - except when they are far from home like down in Washington, D.C. - when they say that we believe is that farm land can't be owned in a free manner. That's sometimes said by the Minister of Agriculture in Washington, D.C., not very often in the House, very little I suppose around home but when you are far from home you can say different things or you can say more of the truth of what you believe than you dare to at home. I would believe that this is the thing which will set a climate with a lot of convoluted arguments of this and that and how you are protecting the people from these big, bad multinationals, for one purpose, to follow. I cannot fault for following what your constitution has said, what the old CCF Manifesto said and that is we believe in

complete nationalization, we are a socialist government. But I find it so strange that you don't come out and talk about your bill in an open manner and say this is what we're doing. If we want to nationalize the company we'll bloody well do it whatever way we can. But you come around the back door and the long way with these bills set up to achieve one purpose and that is to put the companies in a position where you can have people accept your take-over of them, very tricky.

MR. ROMANOW: — Are you saying . . .

MR. ANDERSON: — No, not really. I was just commenting on your wit and wisdom and your foxiness of politics that in nationalizing companies, you used the same tactics as you - I'm sorry you're . . . I'll repeat that. The only reason you're putting this bill in, Bill 42 is to have it struck down because you wanted it struck down so that you could say to the people, we must nationalize. You, yourself said this - expropriate and nationalize the industry to create that climate.

MR. ROMANOW: — I didn't say that.

MR. ANDERSON: — Oh, I thought on a little television program, you looked me right in the eye and told me that, Roy. We can get the transcript from two nights ago, that's 44 hours - channel 2. I was eating my supper - didn't make me throw up - I kept eating my supper. So as I was saying with putting in a bill that follows Bill 42 which the government obviously knew or had a good idea that it would be struck down and wanted it struck down. If they felt that the bill was constitutional, they wouldn't have changed the regulations so right now they are in the rare position of putting in a bill with their own statements, almost assuring that it will be struck down, leaving it in one section so that the whole bill will be struck down for one reason and one reason only - a step to nationalize another one of our industries. As I say, I find it strange that our Progressive Conservative friends so happily assist them in their ventures. Although I suppose the very name, Progressive Conservative, is a sort of a misnomer because how can you be progressive and conservative at the same time. I suppose where the name came from was back in the good old Anderson buggy days when they had the progressives and the conservatives go together to form a government and out of that misbegotten mess became the CCF. You wandered apart awhile, you wandered together awhile before the CCF back to the NDP, over to the Conservatives, I suppose in time we will see some of CCFers that join in to make the Progressive Conservative Party - back over to whence they started.

AN HON. Member: — Had to go through the Liberals to get there.

MR. ANDERSON: — Yeh, it's strange. Of course you can't keep kooks out of every party, you know. It's just not democratic. We're really broadminded - we'll put up with most anything. I suppose it comes from our farming background, we walk through corrals and step on things that we don't - you know you get used to things. But as I say, by my statements it is probably very obvious that I will not be supporting Bill 47 in this manner. I will be supporting the amendments. They are very well needed. The object that I would like to see shaved is that we hold the money that was lost under Bill 42 for the people of this province. I believe this is an honorable thing to do but I don't think this government can in any way, shape or form, convince anyone that that is their intention. If it were, the bill would be split, so that while the money collected for future taxes would not be tainting the whole bill. That isn't their intention. It's a lot of the arguments that state. Oh Yes, this is our protection from losing millions every day and millions are being struck down and so we put this bill in. The bill is very well designed for one

purpose: to collect tax on one hand, but a portion of it by the statements of the members opposite already are half way into colorability that they will be struck down for one reason and that's to nationalize the industry. There's no other. I imagine you gentlemen will succeed, you will set the stage for it quite nicely with this bill. There is no way we can stop it. Certainly not when you have your ex-CCF friends backing you over there — there is very little we can do about it but at least we can say that you don't fool everybody in the province, just some of the fools or as it once was said, there was some truth in it. To stew a brood of lies is to confound the fools and fool the very wise. Thank you, Mr. Speaker.

HON. A.E. BLAKENEY (Regina Elphinstone): — Mr. Speaker, I want to enter this debate and first I'd like to comment on a few of the remarks by the member who just took his seat. I think that there are certainly some matters which ought to receive a word of comment or two. I think that the suggestion that the bill is being rushed prematurely is surely a little difficult to sustain since the debate has been proceeding in a relatively leisurely way now for several weeks.

MR. MacDONALD: — One and a half.

MR. BLAKENEY: — Perhaps after listening to speeches like the one that I've just listened to, it just seems longer than that. I did want to point out a couple of things. The member apparently believes that the bill will be unconstitutional because of retroactivity, I hope to deal with that a little more fully a little later in my remarks. With respect to whether or not the province is losing dollars, clearly this is something which we should understand what the facts are and I regret if I have in answering questions in the House, mislead the House because it is not true that we are not losing dollars, we are losing some dollars. Under Bill 42, there were three primary things that the bill did, and I will come to this a little more fully, but it dealt with the expropriation of certain mineral lands in part 4, it levied a mineral income tax and it applied a royalty surcharge on lands then owned by the Crown representing approximately 55 per cent of the producing mineral lands in the province and it permitted the application of a royalty surcharge on the mineral lands which were to be acquired by the Crown pursuant to the expropriation provisions in part 4. That represented another 22 or so per cent of the producing mineral lands in the province. The royalty surcharge accordingly was collected on approximately 78 per cent of the producing mineral lands in the province and the mineral income tax on the remaining 20 odd per cent. Last year the royalty surcharge was merged with the regular royalty and the road allowance royalty, what has been popularly called a composite royalty, and that has been collected and continues to be collected under I believe the Mineral Resources Act. So with respect to the revenues from those approximately 78 per cent of the mineral lands the money is being collected under another act and not under Bill 42 and accordingly those revenues are not directly in jeopardy. They may be in jeopardy because the collection may be able to be struck down by the arguments as I said by analogy taking the arguments of the Supreme Court on Bill 42 and applying them to the new composite royalty. I do not know that, that obviously is a difficult legal point. However, with respect to the mineral income tax that is being collected under Bill 42 and was struck down and with respect to approximately 20 per cent, a little more than 20 per cent of the flow of revenue we have no statutory base for it now. Now to the extent that I indicated that 78 or 80 per cent represented the whole I mistakenly mislead the House.

MR. MacDONALD: — How long have you not collected?

MR. BLAKENEY: — The mineral income tax is being collected now under Bill 42,

companies are still paying, not all of them, some of them I haven't checked the records but we have no statutory base for collecting that now that Bill 42 has been struck down. Let me now move to the next point made by the honorable member and this deals with the question of the right of the Assembly to set tax rates. This is a mineral income tax, oil well income tax it is akin in a sense to a royalty.

MR. MacDONALD: — Its akin to income tax.

MR. BLAKENEY: — It is akin to the Ontario mining tax, it is akin to other taxes on minerals whether they be taxes, royalties, mineral taxes or the like. I am not aware of any occasion when royalties or mineral income taxes have been set by statute, they certainly were not when members opposite were sitting on the treasury benches. Certainly, when they were sitting on the treasury benches the amount that we collected from oil in this province, from oil companies in this province, from potash companies in this province, from sodium sulphate companies in this province, was not determined by this legislature but was determined by the Lieutenant-Governor in Council.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — So far as I am aware that is equally true in Alberta, equally true in British Columbia, equally true, again so far as I'm aware, in every province of Canada. It is simply factious to suggest that this is somehow breaking new ground. It is the normal and ordinary custom to levy mineral taxes by regulation. And it is because situations change radically with respect to prices and levels of taxation and accordingly the legislatures almost universally across Canada have decided that with respect to profits on mineral extraction they will leave flexibility in their statutes by permitting rates to be set by the Lieutenant-Governor in Council.

We will come a little later, Mr. Speaker, to some of the quite disgraceful allegations of possible bribery of public servants and the like. I think that it will not be seemly now to reply to some of those allegations but I will touch upon them a little later.

A word also on the suggestion by the hon. member that somehow somebody was applying closure. I don't often have very much sympathy with the member for Qu'Appelle but when the member for Qu'Appelle suggests that the hours of debate be lengthened so that everybody may have the fullest and greatest opportunity to present all their views, however factious, it seems to me a little ungracious to suggest that he is suggesting closure. He is, in fact, wishing to extract from members opposite all of their pearls of wisdom.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — I was also heartened by a couple of the comments of the member in suggesting that this was really a plot for us that we were going to nationalize the industry and that obviously when this bill was struck down three or four years hence, then the next move of this government would be to nationalize the industry. I am glad that the hon. member for Indian Head-Wolseley suggests that we will have no other choice and I am particularly glad that he acknowledges that we will be here to make the choice.

MR. BLAKENEY: — I believe we will be the government three or four years hence, I

have never doubted it. but it's nice to have the opposition's seal of approval on it.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — I will just comment on the point raised on by the hon. member. May I say that this government has no intention of nationalizing the oil industry at this time.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — Nor do we have any intention of nationalizing it when this bill is struck down. Mr. Speaker, hon. members are suggesting that our moves in the potash industry were precipitated by some legal decision, that is of course, totally nonsense. There was no legal decision which struck down anything which led to any reaction in potash; it was the failure of the company to pay taxes, as we all know.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — Mr. Speaker, I want to add a little to what hon. members have said from this side of the House, particularly do I want to congratulate the Attorney General on his excellent detailed presentation.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — He has outlined the background with clarity and completeness and I really need to say little more. But I do want to deal with some of the criticisms made by the parties opposite and particularly I want to examine their alternative proposals. The opposition to the bill has taken every form from reasoned presentations of points of law by one member opposite to quite disgraceful allegations of possible bribes to public servants to connive at misleading the Lieutenant-Governor in Council, also from some members opposite. We have heard this bill and generally the factual situation misrepresented. We have heard members opposite suggest, for example, that Bill 42 in some way took something from farmers. They have alleged quite falsely, and I think they know it's false, that the royalty surcharge or the mineral income tax somehow takes something from a farmer who has his land leased to an oil company. That is quite false. If he gets 12 1/2 per cent royalty, he gets his 12 1/2 per cent on the international price and not on any price less royalty surcharge or mineral income tax. But I have heard members opposite represent the picture quite falsely as to mean the contrary.

Before dealing with the principle of Bill 47, let me state again, the background of Bill 42. In 1973 oil prices were increasing rapidly. The potential for huge windfall profits was great. Near the end of '73 the federal government imposed an export tax on Canadian oil. One of their justifications for extracting this tax on provincial resources was that the oil companies stood to make a killing, and the provinces weren't acting and I remember comments by members in the federal government to that effect. Late in 1973 our government did act. We introduced Bill 42. That bill, as I indicated earlier, had three main provisions. It imposed a mineral income tax on oil produced on freehold lands; it imposed a royalty surcharge or an extra royalty, and it expropriated certain tracts of producing mineral rights. The Supreme Court has now held that the mineral income tax and the royalty surcharge enacted by Bill 42 are invalid, and it has upheld the expropriation provisions. As the recent Supreme Court decision, the CIGOL

decision has been made, the need arises now to devise a new tax structure to tax the profits from oil production. And Bill 47, the bill before you, sets out that tax structure.

Now the opposition Liberals have reacted in a very interesting way. They said that the Attorney General took bad legal advice in enacting Bill 42 in 1973, and I heard it again today that we were warned over and over again. They told the House and keep telling the House that Bill 42 is unconstitutional — they knew it all the time and they warned the government, and I have heard them say that again and again and again. Now they have offered a new and fresh set of legal advice on Bill 47. Let me say first, that I have complete confidence in the Attorney General of Saskatchewan. He has shown courage and skill in advancing the cause of the people of Saskatchewan. He has made tough decisions and to date the people of Saskatchewan have not been the losers. Now, certainly he could have knuckled under to the oil companies in 1973 and 1974, and that would have been safe. That would have been safe but what would have been the result? Huge losses, certain losses for the people of Saskatchewan. Some losses may still be incurred. We'll see. But at least, with the Attorney General acting for the people of Saskatchewan, we have an excellent chance of large recoveries.

Under the appeasement policy of members opposite the losses would have been huge and they would have been certain and they would have been irreversible.

Now, what was the prevailing legal opinion in 1973 when Bill 42 was passed? Did members opposite warn of possible legal consequences as they now claim? Now, let's look back at the record, and four members opposite were here in 1973. Messrs Lane, MacDonald, Malone and Wiebe, the present members for Qu'Appelle, Indian Head—Wolseley, Lakeview and Morse. Now, what did they say about the constitutionality of the bill?

AN HON. MEMBER: — They were Conservatives.

MR. BLAKENEY: — Not then, they weren't Conservatives. The member for Morse said not a word, and that's surprising that he didn't deal with the constitutionality aspects. The present member for Qu'Appelle said not a word, notwithstanding the fact that he is a lawyer. And that's pretty surprising. If he felt that Bill 42 was unconstitutional, it's rather surprising that in 1973 he said not a word about this feeling he nourished in his breast — he said nothing at all. Instead, he attacked the bill as being unnecessary. He was especially critical of the argument that action was needed to capture some of the windfall profits for the people of Saskatchewan. "Not so," said the member for Qu'Appelle, "not so at all." He argued, and I'll quote from Hansard:

The reasons for this bill, I should like to review at this particular time. First of all, we have Part 1, the so-called windfall section. As I advised the House the other night, there are no windfall profits. The export tax imposed by the federal government took over those windfall profits, and the arguments of the government members opposite, that we are about to stop all these big profits, these windfall profits from going to the oil companies is unfortunately and regrettably, not true. The so-called windfall profits have already been recovered for the people of Canada by actions of the federal Liberal government.

That's what the member for Qu'Appelle said. Note that well, Mr. Speaker. He was entirely satisfied that the export tax took from the oil companies, all the windfall profits he felt should be taken. In his words, 'there are no windfall profits'. Shortly put, he was perfectly happy to leave with the oil companies, all the money that hadn't been taken by

the federal export tax. That means, Mr. Speaker, and there can be no doubt at all about it, and I invite anyone to read his remarks, that he was quite content to leave with the oil companies, all of the money collected under Bill 42, all of the more than \$500 million that has been collected to date. Speaking for the Liberal party he felt that that money was not windfall profit, but just fair and reasonable profits for the oil companies. That was his position, speaking for the Liberal Party, and so far as I know, he hasn't changed his position. Even though he used every argument, however thin and watery, to attack the bill, he at no time attacked its unconstitutionality. And he didn't, because the legal problems of today were not foreseen by him or by anyone else at that time.

Now, I said that two members four members opposite spoke — two more, the member for Lakeview and the member for Indian Head-Wolseley, and the member for Lakeview is a lawyer. His speech is recorded in Hansard on page 648. He particularly opposed part 4 of the bill which deals with the expropriation of privately held mineral land. For one thing, he said it was unnecessary — unnecessary, and I quote: "However, in my opinion at least, the provisions of part 1, 2, 3, 5 and 6 of the bill are more than adequate to control future operations of these oil companies and ensure a proper return to the people of Saskatchewan." That was his view then. Shortly put, part 4 was bad, and in any case unnecessary; the other parts of the bill were more than adequate to ensure a proper return to the people of Saskatchewan.

Now, what did the Supreme Court say? They said that part 4, which the member said was unnecessary, was the one that was valid. That's the one that was valid. And they offered a provision of parts 1, 2, 3, 5 and 6, the portions which the member said were more than adequate to protect the people of Saskatchewan. The Supreme Court said those were invalid. The member was wrong, completely wrong, wrong on every count. I don't criticize the member for not anticipating the Supreme Court decision but surely, surely, Mr. Speaker, it's, to say the least, ungracious for the Liberal Opposition Leader to criticize the Attorney General for accepting the legal advice of Mr. Malone.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: Mr. Speaker, that wasn't the only legal advice we got from the opposition side. We had the benefit of the advice from the present member for Indian Head-Wolseley. He, too, strongly opposed part 4; he called it a provision to confiscate private property. The member set out his argument in some detail. And I want to quote at a little length here because there's some interesting provisions. O43 The second reason, Mr. Speaker, for this big swindle, according to the Premier, is to prevent wind-fall profits of the oil industry. No one in Saskatchewan objects to the government stepping in to prevent oil companies from reaping benefits out of the Arab pressure and the Middle East situation. Why do you need to confiscate private property? Let me ask. Never has a provincial government in Canada, to my knowledge, ever been challenged on its rights to tax natural resources. In the province of Saskatchewan, we tax lumber or timber through stumpage dues. We have a mineral tax on minerals coming out of the ground. We have a royalty rates. In fact the Premier of the province and the Cabinet just increased the royalty rates a few months ago. Examples, we have all kinds of them. The province of Saskatchewan has the right and responsibility to charge and tax the natural resources of the province at whatever level they want. The Minister of Mineral Resources told us yesterday that the way that this new act was going to operate is that they were going to take the international or Chicago price of a barrel of oil as a base. They were going to provide a return to the oil company at a stipulated rate and anything over and above that would be a 100 per cent direct tax and that is not

unconstitutional. So it is the right of the provincial government, it does not require the seizure of private property or the rights of any citizen or any company in the province of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: Nothing could be any clearer than that. My point, Mr. Speaker, is this: these members even in marshalling all their arguments, strong and weak against Bill 42, never at any time stated or even suggested that they felt the bill was unconstitutional. And they did not, for a very good reason; the overwhelming weight of legal opinion was that the bill was constitutional and was sound.

I note that the Conservative Leader, the other day, told us that we had been warned by the Liberal members to his right as he said time after time in answer that the bill could be attacked on constitutional grounds. Well the Conservative leader hasn't been reading, he's been listening to the Liberals and he shouldn't do that. He shouldn't do that. He should recognize that they have a great capacity to rewrite history and it's only the nagging inconvenience of Hansard that serves to restrain their great creative powers even more. It's just plain nonsense for these members to argue that the bill was bad and that they warned the government. They did nothing of the kind. They and we all shared the legal opinion, later reflected by the Saskatchewan Court of Queen's Bench and the Saskatchewan Court of Appeal. I have mentioned the four members sitting over there, who took part in that debate. Not one of them, not one, and two of them are lawyers, challenged the constitutionality of that bill. So much for the legal advice received for members opposite on Bill 42.

What weight should be given to the new legal advice coming from the other side of the House? No doubt it's up to their past standards, no doubt it's up to their past standards; I suspect it is wrong on all counts. This time they are more cautious. This time they are not saying that it's unconstitutional. They're saying that well maybe no, maybe yes, maybe there's a problem. But if there is a problem, then on the record of performance I, for one, will rely not on the members opposite but on the Attorney General.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: Now let's look at some of these supposed problems. It is argued that the bill is retroactive and accordingly defective. But surely this is unsound. In the CIGOL judgment itself, some of the changes made after 1973 were made by retroactive legislation. And nowhere in the judgment of the Supreme Court did they attack the bill on that ground. Let me say a little more about retroactive legislation. Some people assert that it's improper for a government to enact retroactive legislation. I've been interested in these assertions because the moral indignation that they exhibit is so selective. It is selective.

Bill 47 proposes to levy a retroactive tax on about 200 companies. The new tax will seek to recapture all or some of the money which will be refundable as a result of the CIGOL judgment of the Supreme Court.

In 1975, the Ontario government applied the federal price and income controls to provincial public employees in Ontario. This had the effect of taking away the statutory rights of collective bargaining of 200,000 people. It had the effect of taking away the statutory right of arbitration of wages, of a very large number of people. In 1977, the Supreme Court struck down the legal steps taken by the Ontario government. The

Ontario Legislature then passed a law applying price and income controls to 200,000 people retroactive to 1975. Was it wrong for the Ontario government to enact this retroactive legislation simply because it was retroactive? I don't think so. Whatever I may think of the law, the fact that it was made retroactive was not objectionable. The Ontario government acted to deal with the situation created by the Supreme Court decision.

The Manitoba Legislature passed similar legislation this month, just this month of December, retroactive to 1975. I say retroactive aspects of the bills in Ontario and Manitoba are not objectionable. And I say that it's no more objectionable to bind by retroactive legislation 200 companies than it is 200,000 public employees.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: Only someone who has a particularly tender feeling for corporations would approve of the Ontario bill, would approve of the Manitoba bill but would object to Bill 47 on the grounds that it is retroactive. Whether members opposite are totally committed to the tender loving care of corporations we are about to find out.

What other objections are raised? One frequently heard is the argument of colorability, or that the government can't do indirectly what it can't do directly. Nobody of course can say that that actually won't be used. Every argument will be used. But I view the argument as being without merit. Surely it is clear and obvious that the purpose of the government of Saskatchewan in passing Bill 42 was to capture some of the windfall profits from oil production. No purpose could have been clearer. If Bill 42 interfered with interprovincial trade and commerce that was incidental to capturing some of the profits. If the tax levied was not apt because it was indirect rather than direct that too was incidental. The Legislature has no wish to interfere with interprovincial trade in oil. The Legislature has no wish to levy an indirect tax as opposed to a direct tax. The Legislature wishes to capture some of the windfall profit from oil production. I say again, that intention could not be clearer.

Now the Supreme Court has not attacked that objective or that intention. They have simply attacked the methods used. There is no reason to believe that a direct tax on oil profits will be questioned by the Supreme Court. It is not a case of doing indirectly what one cannot do directly. It could be better stated as doing directly what we failed to do indirectly.

Mr. Speaker, I want to take some time to restate the policy contained in Bill 47 and to compare the alternative policies offered by each of the opposition parties. The policy of this government is to capture for the people of Saskatchewan a major share of the windfall profits received by the oil companies as a result of the sharp increase in the value of oil in the ground. Now that has been stated over and over again and I state it here again today. We believed that Bill 42 would achieve this. The Supreme Court decision has now created the need for further steps to achieve this and Bill 47 is before you. We believe that the amounts required to be paid under Bill 42 were generally reasonable when account is taken of the substantial growing credits and other allowances available. We do not expect Bill 47 to capture the same sums representing tax on windfall profits from the same payers of taxes and royalties but we expect generally comparable sums. What sums are we talking about? Well, I've calculated the revenue from royalty surcharges and mineral income tax. the two levies provided for in Bill 42 from January 1st, 1974 to March 31st, 1978, a little over three months from now, on the assumption that these levies will continue to be paid. I include some

amounts which were previously collected under Bill 42 but are now collected under the composite royalty, approximately pro rata amount; the total amount therefore collected under Bill 42 using that definition is \$620 million. This is the tax on what we have considered to be windfall profits of the oil companies but it is by no means all of the revenue collected from oil production. Oil producers, like other citizens, have been paying other taxes, they have been paying a regular royalty, they have been paying road allowance royalty. The total collection of regular royalty, historic royalties, road allowance royalties and Bill 42 levies, that division including a portion of composite, since January 1, 1974, is \$855 million. Broken down this way: road allowance levy \$20 million; regular royalty, excluding that part of the composite which has gone into the Energy and Resource Development Fund, \$215 million; royalty surcharge, including that portion of the composite, \$620 million, royalty surcharge mineral income tax, Bill 42, Mr. Speaker, \$855 million.

Since January 1, 1974 this \$855 million has been disposed of as follows: Consolidated Fund \$235 million; Energy and Resource Development Fund \$620 million. Of this sum of \$620 million transferred to the Energy and Resource Development Fund as we know some money has been transferred to the Consolidated Fund from that. Three times \$35 million, \$105 million. In addition to that, payments have been made to oil companies as incentives for production and exploration. These have amounted to or will by March 31st about \$65 million. Now after giving effect to this maze of figures I have given you, we will see that there came from that sum of money into the Consolidated Fund about \$340 million. There went back to the oil companies about \$65 million and there stayed in the Energy and Resource Development Fund for disbursing \$450 million.

So in money over and above the road allowance in regular royalty we have collected \$620 million. Now this isn't all extra, to be fair I suppose you should take off from that the \$65 million we paid out because if we weren't collecting those big sums of money under Bill 42 we wouldn't be paying those big incentives of \$65 million. If you do that you still have \$550 million, less of any payments out for incentives, that is there because of Bill 42.

Bill 47 is designed to capture a reasonably comparable amount of the windfall profits earned by the oil companies. The member opposite said, it would have been there under another bill, I say to him, he sat in a caucus whose spokesman said there were no windfall profits. There were no windfall profits.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — Now what is the position of the other parties? Where did the other parties stand on Bill 42 and I am not asking the hon. members opposite now to adopt the arguments of the towhead member for Qu'Appelle (Mr. Lane). His perambulations both political and logical are difficult for all of us to follow. But where did members opposite in the Liberal Party stand on Bill 42? They opposed Bill 42 in 1973, they spoke against, they voted against and they continue to oppose it. In the June election of 1975 they campaigned against it and their election platform specifically promised to repeal Bill 42. In December, 1975, they moved a motion in this Legislature:

That this Assembly urges the government of Saskatchewan to repeal Bill 42 thereby ensuring incentives to the oil industry etc.

No talk, Mr. Speaker, no talk about replacing it with other taxes, none whatever, just

repeal Bill 42. Now, Mr. Speaker, in this House at this time, since the CIGOL decision was announced, members opposite of the Liberal caucus have introduced five bills in this Legislature dealing with all manner of weedy subjects but none of them have been a bill to apply a tax on the oil industry. They have not put forward their proposal, Mr. Speaker, the members opposite think that the Opposition can't move to tax money. I think they will find they can. What they can't do is move this big money and I think you will find that you can move to tax money. I may be in error there but I do not think I am.

MR. MacDONALD: — Yes you are.

MR. BLAKENEY: — Mr. Speaker, whatever members opposite may say, they have opposed Bill 42 in 1973; they have opposed Bill 42 in the election of 1975; they moved that it be abolished in December 1975 and they have at no time proposed any tax structure on the oil industry to replace Bill 42. No, Never. Now why? Because that bill takes money from oil companies that Liberals think the oil companies should have. The Liberals advance a hundred reasons but they all add up to one — that the oil companies should have the money and that the people of Saskatchewan shouldn't have the money. In 1973, their spokesman said 'there are no windfall profits'. In June of 1975 they campaigned; in December of 1975 they moved and in 1977 in the face of the CIGOL decision, right now, they advocated that we pass a new bill but not proclaim it. I ask all members to read the comments in Hansard on Page 265 of this session when the member for Regina South was pressing to have a bill referred to the courts before it was proclaimed.

Speaking of the possibility of the bill being attacked with resulting uncertainty he said this:

Now you can avoid a portion of that uncertainty by taking the bill before it is proclaimed, referring it directly and simply to the Court of Appeal for its opinion, which is appealable to the Supreme Court of Canada and at a minimum we could save two years in that respect.

Now that proposal is clear. Pass a bill; don't proclaim it: refer it to the courts for a decision. If we followed that Liberal policy, the mineral income tax, and I underline those words 'mineral income tax' struck down by the CIGOL decision, would not be collected under the old Bill 42, would not be collected under the new Bill 47. The oil companies would have a tax holiday, while the courts deliberated on the matter. Now I suspect a lot of us would like to have a tax holiday for our income tax - very nice I'm sure. But the Liberal income tax holiday is not for us; not for us ordinary people; just for the oil companies. Now this is thoroughly consistent with their basic policy. The oil companies should have the money and the people of Saskatchewan should not have the money. We have now the latest Liberal proposal; I won't say the last, the latest. This one calls for two bills; one for the past and one for the future.

Now, Mr. Speaker, I leave aside any extensive discussion of the adverse legal consequences of such a move. All I can say is that it seems to me that if we attempt to split that bill, we are asserting the colorability of Bill 47; a colorability which I don't believe it has. Members opposite are in effect suggesting and I invite you to read the amendment, that we pass a bill for the past as a club, to force a settlement on the industry with respect to past taxes on Bill 42. Now if one was deliberately trying to set up a plan which would cause the Supreme Court to have a second look at that legislation, it would be difficult to find a more effective way, than to split the bill. Well I don't want to talk primarily about the legal consequences. I return to the question of the

tax on the windfall profits made by the oil companies from 1974 to the present. That is the issue. Where do they stand on those windfall profits? Where do they stand on that \$550 million net which we have collected? Members opposite are very clearly saying that they think the oil companies should have that money.

MR. MALONE: — Show us once.

MR. BLAKENEY: — Mr. Speaker, we know in 1973 that was their position. We know that they said these were not windfall profits and accordingly ought not to bear any special rate of taxation. We now have them saying that the oil companies should agree to deal with the funds which were dealt with in the CIGOL decision. They are suggesting that what we should collect for the period from 1974 to the present, should be that which the oil companies agree to pay. The Liberals say very clearly that the amount of that money should be set on the oil companies' terms. Read the amendment and see if you can get any other meaning out of it. It amounts to another statement of the Liberal position; that the oil companies should have the money and the people of Saskatchewan should not. This time they have added another few words, 'unless the oil companies wish to pay us something'. I'm sure many of us would like to pay taxes at rates we set; very nice I'm sure. But we're not to have that privilege. We have to pay taxes set by governments. Liberals say oil companies should pay taxes set by oil companies. Running through the whole Liberal Party's response to this issue on windfall profits, their response to Bill 42, their response to Bill 47, is this one basic position, it was part of their response in 1973 and again according to the Liberals there weren't any windfall profits and any attempts to tax those profits were unfair and unjust. Their fundamental position is that the oil companies by right should have that money, the people of Saskatchewan should not. Based on the record that is the Liberal position. Perhaps that's a poor statement of the Liberal position. Perhaps it is better stated by their resolution which they passed at their convention on November 3, 4 and 5, 6, 7, I guess. What did the Liberal Party advocate one month ago? Be it resolved that the province of Saskatchewan adjust and lower its oil royalty rates to make them more in line with Alberta, thereby increasing oil and gas exploration in Saskatchewan.

Now perhaps that's their position. When I read that resolution just a day or two ago, it occurred to me that I heard that before. I heard it on November 23 from the Conservative Leader. Speaking of possible refunds because of the CIGOL decision, he

said that the Conservatives don't want to refund the moneys when the companies are quite prepared to pay a reasonable level of taxation as was designed in the province of Alberta. Again, on November 23 we don't believe the oil industry should get the windfall profits just as the Progressive Conservative Party in Alberta did not wish the oil industry to get the windfall profits. And again at Hansard on page 171 you recommend that we should do what Alberta did, make the oil companies pinch but not attack. On December 2 again, the suggestion by our caucus that legislation similar to Alberta they redo. The Progressive Conservative Party at least has taken a clear position. We know where they stand. And I congratulate them for that. I congratulate the Progressive Conservatives for that. And again and again they have said they favor legislation like that in Alberta. Now I've reviewed our collections for oil and I've outlined them to this House, total \$855 million, we got 235 million for the consolidated fund, that's before the transfer 65 million for rebates and money from The Energy and Resource Development Fund.

Now, I want to ask you and I want to tell you what we would have got had we followed the Conservative policy, and maybe the Liberal policy, for all I know. We would have got from instead of 855 million, applying the Alberta rates to Saskatchewan we would have got less than 300 million. Some questions of interpretation are obviously involved, but I will be generous when I say 300 million and if members opposite want to have a little debate about this in committee, we would be delighted to lay the figures on the table and show how much.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — I suppose one can say that the 855 million is unfair because with Alberta with those low royalty rates they wouldn't need our big incentives. So perhaps, let's take 65 million off there. But we still would have had \$790 million compared with Alberta's less than \$300 million, a difference of \$490 million.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — That's the Conservative Party's Christmas present to the oil industry, \$490 million. I earlier estimated this to be \$250 million. I obviously was low, far too low. The figure is over \$475 million close to \$490 million. Suppose the Conservatives had collected, had been in government and had collected this \$300 million. Where would we be as a province? There would have been no money for the oil incentives of \$65 million, no money for potash, quite right, no money for heavy oil research, quite right, no money for exploration in northern Saskatchewan for hard rock minerals, quite right, and Mr. Speaker, there would have been tens of millions less for the consolidated fund. The Conservatives profess a concern for schools and hospitals. They would have had as I say tens of millions less for those schools and hospitals if we had followed their tax proposals. I hope that those who share our concerns for schools and hospitals have noted those speakers as well.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — This is what would have happened, and this is what still could happen if one of those parties opposite should form the government. Mr. Speaker, I think, from this review of the facts the broad choices before this legislature and the people of Saskatchewan are now clear. Do you wish your government to try to recapture from the oil companies a sum of money reasonably comparable to that collected under Bill 42? Now that's the NDP policy.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — Or do you wish to have this province adopt legislation like Alberta's at a cost to Saskatchewan people since 1974 of over \$475 million? The Conservative Leader assures us that the oil companies will readily agree to this. And I expect he's right. That is the Conservative position. Now do you wish to forget about Bill 42, ask but not proclaim any law now but rather give the oil companies a tax holiday while constitutional questions are debated and meanwhile, negotiate with the oil industry to get their agreement to pay something in respect of those taxes since 1974. Now that's the Liberal position. The NDP position involves risks, it involves the risks of legal controversy. The oil companies may not like it, yes it has some risks but it's a policy which is right and is responsible.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — The Conservative position and the Liberal position isn't risky, it doesn't involve risk, it involves surrender. It means buying the favor of the oil companies with over \$475 million up to now and more in the future, money which the oil companies don't need and which this province and its people do need.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — That is the Liberal policy, that is the Conservative policy and I say it's a policy which is craven, irresponsible and wrong.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — Mr. Speaker, I think it's clear the lines are drawn. I call upon this House to support Bill 47, I call upon all members to support the people of Saskatchewan in this fight to keep for themselves a fair and reasonable share of the windfall profits made from extracting . . .

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — And I say to all members of this House that the people of Saskatchewan expect no less, I will oppose the amendment and support the motion.

SOME HON. MEMBERS: Hear, hear!

MR. A. N. McMILLAN (Kindersley): — Mr. Speaker, I for one had hoped that upon the entry into this debate of the Premier we might be blessed with a little higher caliber speech than that which has been delivered by his backbenchers over the past few weeks. I assure you this one was as weak as those delivered by your backbenchers in the past few debates in this House. This Premier has stood in this House, addressed himself to an issue of grave importance to the people of Saskatchewan, picked up his 1973 Hansard and read his distorted little bedtime story into the record completely eliminating the important chapters of that story. Where, Mr. Speaker, did we hear mention of the fact the member for Regina South, the lawyer stood in this House and with calculation warned this government that it faced the grave possibility of having its Bill 42 struck down in the Supreme Court? No mention of that from the man who is supposed to bring grace to the office of the first minister of Saskatchewan. Sort of sad, I

suppose, Mr. Speaker, to see our first minister regardless of his politics, sort of sad to see him stand in this House, a man who once enjoyed some respect I suspect inside and outside of Saskatchewan. To stand here and if he had not previously done so to totally destroy any credibility he might have had. He gives further credence to old argument that there is considerable difference between academic intelligence and common sense and if there was any doubt about that previously there is no doubt today. You still may possess a good deal of academic intelligence, Mr. Premier. The man spent an hour in here distorting the truth, misleading the House, and disgracing his office and you have no right to walk out of here. When you leave, you should crawl shamefully. I had hoped that the first minister would address himself to the amendments that were put before this House or at least the single amendment you've seen today by Mr. Cameron the member for Regina South. He did not deal with it in substance, if in fact he dealt with it at all and in fact clumsily skirted the issue. I would have been interested in hearing your serious remarks about, his most sincere proposals to prop up this piece of failing legislation that you've put before the House.

I would however, as I have not spoken in this debate previously, like to address a few remarks to the speech that was delivered in here by the two and a half hour rabbit raving by the bionic mouth from Riversdale, the Attorney General. I say that in jest to Mr. Attorney General because while I appreciate your delivery I was not impressed with the substance of your remarks. Some things that the Attorney General did however say, I think are of interest to this legislature and certainly the people of Saskatchewan. One of the remarks that he made, Mr. Speaker, and it bears some consideration, he said and I quote from the Hansard of December the 5th, "Mr. Speaker," he said most eloquently, "this government came to office in 1971 and perhaps the most important issue in that election was the question of resource management." I don't argue with you there, Mr. Attorney General. I wasn't involved in the election campaign of 1971 but those were the words, "the most important issue in the election." I don't disagree with that. I suspect it was important. The Attorney General then asked himself a question and he said to this legislature. "Mr. Speaker, how should a provincial government set about managing its valuable resources," and given the kind of background to the position the people of Saskatchewan are in today I don't doubt that you should stand in this legislature and ask that question.

How should the provincial government set about managing its valuable resources? Well the Attorney General, I'm sure not confident in the job he's done to date attempted to justify his position. He pointed out that the provincial resources must be developed in the public interest. He said there are three key elements that the government must try and accomplish when dealing with resource development. This is an issue that concerns us all. He said firstly that an appropriate return to the people of the province the owners of the economic resource is important. Little disagreement here. He said as well, point No. 2 that conservation of our resources to use them not only for this generation but for generations that follow was an important consideration. He said the third point, the key element in the management and development of our resources was that the protection of the environment now and in the future was of the utmost importance.

One might take the Attorney General on those comments and examine this government's record with respect to the Attorney General's goals. Firstly, of the three key elements, appropriate return on the development of our resource - what do we have today in Saskatchewan as a result of this government's management of our resource development program? How much money do we have as the people in Saskatchewan from the development of our oil resource? Nothing. How much money do we have in

Saskatchewan as a development of our potash resource? Well, we know we saw the PCS report tabled shortly from the first year of its operation. What was the rate of return to the people of Saskatchewan from our involvement in the potash industry? One third on one per cent net return on our investment. Where is your first goal? How is our timber business doing, our government's resource management in the timber industry? Last year we lost \$4 million. No return for the people of Saskatchewan, a burden of \$4 million. What about the uranium industry? I have some considerable respect for the degree of ferociousness with which the Minister of Mineral Resources attacks the problem put before him and that in this case is certainly to see that the people of Saskatchewan will get a fair return from the development of the uranium industry. The member and the minister in charge of mineral resources has been scrambling for one year to two years to now enter into every joint venture his government can possibly get into in the hopes that they will probably avoid some of the pitfalls they've fallen into in potash, timber and oil.

What else do the people of Saskatchewan have in the way of an appropriate return from the development of our oil industry? Well we don't have much money from the industry. We have a bill today perhaps for \$500 million, 550 million. What about the spinoff from our oil industry and this is of course directly related to your management of the oil industry. I don't know about every area of the province but I do know that in Kindersley we are short, probably 60 families that were involved in the oil industry in the Kindersley area in 1973 that aren't there today, perhaps 250 people. Informal estimates are that there is \$2 million less revenue in circulation in the Kindersley area today that there was in 1973 as a direct result of your handling of the oil resource in this province. How did we do on the Attorney General's first goal of an appropriate return? We did sadly, Mr. Attorney General, I say, one goal up, one goal down.

The next point that the Minister moved to was the question of conservation and I say your record is considerably better in this respect than it was in the question of an appropriate return to the people. We have conserved a good deal more of the oil that we have under our ground and the natural gas, under your government than we might under saner governments. We have had a cut back in drilling that amounted to about 25 per cent of the drilling starts, the level they were in 1971, or less than that. We dropped from 1200 drilling starts to 250. That's conservation. I'm not sure it's the desirable way to achieve it but that's conservation and I give you some perverse credit for the kind of job you've done on that goal.

We see, however, some disturbing trends in other areas - a determined rush by the Minister of Mineral Resources to get his greedy little hands and the hands of this province into the uranium industry. That leads me into the Attorney General's third point. The third key element in resource development management in Saskatchewan is the question of protection of the environment. We see today the Minister of Mineral Resources in such a rush to get his hands on the uranium money and every time you mention it to members opposite, the dollar signs dingle up in their eyes; in such a rush that they, in spirit, badly abused the principle that the Bayda Enquiry was set up to ensure. You've done a lousy job, when measuring the standards you've achieved on the goals you've set for yourself, a lousy job. One would ask why, I suppose, this government is incapable of achieving the kind of results it sets up for itself as appropriate goals.

The Attorney General referred to, in this same speech that he gave, the way that a

government would set about to try and achieve these three goals; the appropriate return, the conservation and the environmental protection. He said, now what are the management tools available to government in our democratic society? Traditionally those tools are taxation, regulation, royalties, income tax, fees, special taxes, licences, permits, leases and so forth. He said that when we came to office, we said we were going to use these traditional tools but where we differed from some other government, and certainly, Mr. Speaker, where we differed from both of the parties which sit opposite, was that we said that yet there was another tool of management - public ownership. And the Attorney General admitted that we have a problem here and that's the question of resource development management. We have three goals we want to achieve, appropriate return, conservation and protection of the environment. What are the tools we have to achieve it with? And he listed them. His government has, in fairness, attempted to use those tools, certainly since 1971 to achieve results that it hopes to achieve in resource developments.

The government, however, as we've seen, has done a lousy job of achieving its goals. And what has it done as a result? It hasn't blamed its own inability, its own incompetence, its lack of understanding of the tools, its lack of ability to use them in a proper way, to achieve its goals. It blames the tools, not itself. Well, you know the old adage of the workman who blames his tools, it's a poor workman who blames his tools. The results that your government has set out for itself, the goals that you've set out, can I assure you be accomplished using the tools that you have available to you today without resorting to public ownership.

Finally, the Attorney General slams his desk, says that having failed, having failed in what we attempted to do, we got cuffed. He says that where innovation was called for, we innovated. Where we had to break new ground in resource policy, we broke it. And where the boat had to be rocked, we rocked it. Well, I'll tell you, members opposite, you innovated yourselves and the people of Saskatchewan completely out of an oil industry and out of \$500,000,000. You broke new ground all right but all it grew was weeds. And you rocked the boat and it sank and unfortunately the people of Saskatchewan sank with it.

SOME HON. MEMBERS: Hear, hear!

MR. McMILLAN: — I'd like to draw a little analogy in a way, in the hopes that some of the members opposite would find it a little easier to understand. The situation is in reality not unlike a group of people who have a goal. They happen to be on one point of land and would like to get to another point of land and have a considerable body of water to cross. They decide that as a group they are going to try and reach their goal across the water. They decide the best way to do it is to take the existing tools at their hands, build themselves a boat, which in this case would be Bill 42 and sail it to the other side, merrily across the water and achieve their goal.

Well, in this case they had the people of Saskatchewan as passengers and they had a skipper, an old salt of a premier, who was determined that these people reach their goal and retrieve their rightful return on the industry that belongs to them. They had a first mate, the old sea dog from Riversdale, who was quite prepared to enter into any little building activity, drawing up of legislation and negotiation that the old skipper would encourage him to do. The two of them got together and they decided to build this boat to tackle the sea. They took the tools they had, they were not at all skilful in their use and they put together one of the creakiest, leakiest, old barges that this province will ever see - some of the worst legislation that anyone could have possibly brought before this

Legislature because it was illegal legislation.

SOME HON. MEMBERS: Hear, hear!

MR. McMILLAN: — Well, they built this boat and they loaded the public on it and the old salt, the old captain, pulled his hat down tight over his head, jammed his corn-cob pipe between his teeth, gritted his teeth, closed his eyes and ordered the sea dog out to launch it. Away they went, despite the warnings from people who said that their bill was no good, in fact, that the craft they were using was liable to run into rough water and sink. Not heeding those warnings, they pushed off, sailed out into the sea, ran into rough water. The Attorney General, the young sea dog and the old skipper realizing their problem, I suppose, decided they'd better snarl back at the ocean when it got rough. The skipper stumbled around in the rudderless old barge at the back and the Attorney General, in order to rock the boat called a square dance and the whole shebang went down and the people of Saskatchewan with it and that's in fact what has happened to your Bill 42, it hasn't been because of the federal government or because of the press or because of the Regina Chamber of Commerce or the Liberal opposition that your bill went down. It was only because of your own incompetence and the day you people get up and admit that fact you'll perhaps gain a little respect among the public in Saskatchewan. Well, this was a pretty serious situation and it was sort of interesting to see how the skipper and the sea dog retrieved it. The skipper ordered the sea dog to swim for shore probably crawled on his back along with the rest of the crew and the Attorney General's being saddled with bailing him out of this mess ever since.

One would suppose that there would have been a lesson in this for the government. What happened? They got back to shore and decided that the goal was a reasonable one and one that should be achieved and set about again to take steps that might achieve for the people of Saskatchewan the fair return on the development of their resources. So what did they do? Did they set about to build a new boat, a better boat, a stronger boat, take a little more care and a little more caution as they were urged and go about this as I say with a little more consideration than they did the first time, did they learn their lesson? No, instead the old skipper and the young sea dog out of fierce pride decided to go and raise up the old leaky barge, drag it to shore, patch it up and launch it again for the people of Saskatchewan. Well, the Attorney General rocked the boat all right. (Well you'd always be glad to get rid of them if they did I'm sure and no one stands more glad than the member for Kindersley). This Liberal caucus has told you in 1973 despite the convenient omissions by your premier we warned you in 1973 that you had problems with your legislation. We were right. We take some satisfaction out of that I suppose. How much satisfaction can you take out of it when the people of Saskatchewan were the real losers? We came back into this legislature with the hope that you had learned a lesson from your mistakes and what have you done? You've gone and you've raised that old barge from the bottom of the lake, patched it up, the people are stuck with the skipper and the sea dog and they've commanded everybody back onto the ship and say come heck or high water were sailing again. Well I suspect and we have warned you again that the results of this trip are liable to be just as serious as the results of the last trip. Your Premier and your Attorney General will suffer as a result of the mistake they are trying to make now, but the people of Saskatchewan are the ones that will suffer the most.

We've made some I think reasonable suggestions to the government in order to improve your chance of being successful with this new piece of legislation. We sat here today and expected that the first minister of this province would stand up with some good grace and address himself seriously to our suggestions because they were

delivered with a considerable amount of sincerity and good conscience. The premier as I stated earlier clumsily stumbled and avoided the issue, chose rather to try and lower the debate back to the moronic level that it has been on, on that side of the House since this entire issue came back into the legislature.

You people must surely wonder about the validity of the amendments offered by the member for Regina South. I know that there are some members here who are incapable of taking an objective look at any suggestion that's put before the floor of the legislature, whether it comes from your own side of the House or this side of the House. I know there are some front benchers there who are well aware of their own limitations as legislators and in many instances welcome the good sound advice that they have so often received from the member for Regina South. I ask you members here and I know the Minister of Social Services has not been one to take that advice with any degree of objectivity at all and your jaundiced eye will indeed cost the people of Saskatchewan dearly. You have the opportunity to examine in a reasonable way the alternatives that he has placed before you. We have said and I am in complete agreement with the member for Regina South that the risk involved in Bill 47 is far too great to take without some serious consideration of alternatives. The member for Shaunavon points out the first alternative that came to your mind and I saw the members opposite smile smugly. You seem to be under the impression that if you can't get the job done and see things politically then shoot the whole thing and nationalize after the next provincial election if you're fortunate enough through some fluke of the electoral process to be still in power. Then the whole issue might solve itself.

The premier didn't deal with the amendments nor the substance of the amendments. He suggested on the news last night or at his press conference yesterday morning in his only serious attempt to address the issue, he suggested that by splitting the bills the retroactive bill would be in grave danger of falling on its own. He stands here today and dismisses the argument of colorability. Well I don't have the legal training that the premier has, but it would seem obvious to me that if the Supreme Court finds that bill while it stands alone colourable and consequently ultra vires then the new bill that is introduced if challenged, if it in any way, in any manner represents the same colorability that a separate bill would represent then the entire new bill would fall irregardless or pardon me regardless I have to correct that mistake I keep making. The member for Regina South has corrected me. That bill in its entirety would fall because one aspect of it is objectionable to the Supreme Court. The premier didn't deal with that. In fact he tried to mislead the people of Saskatchewan about the colorability issue.

I have a considerable amount of trouble believing that this government is prepared in order to try and save face to risk the past taxes that it unsuccessfully collected for the people of Saskatchewan, to risk the hundreds of millions of dollars that we will collect over the next few years under the new tax. I find it difficult to believe that the executive council that sits opposite would be prepared to risk all of that simply to save political face. However, that seems to be the position. The premier in a confused and insincere way, offhandedly dismisses the objections and the amendments that have been raised by the Liberal caucus. I find that shameful, Mr. Speaker. Not so much the fact that the man would have been incapable of agreeing with them but the fact that the man was incapable of even discussing them. A poor commentary on the first minister of Saskatchewan. I know members opposite, who I say are unable to take the good advice from the member for Regina South, advice that has proven to be sound in the past and on much more minor issues you have readily accepted his advice, and in fact I see many instances, anticipation on that side of the House for proposed amendments by the member for Regina South.

You have been so ready when there has been no personal pride or collective party pride at stake. You have been so willing to accept his good advice and write it into your legislation, but you have the inability to accept it on the same principle when your own pride is involved and that is a small attitude of a small government.

Mr. Speaker, until such time as any of the members opposite, who have proven incapable in the past of making rational arguments on the issue, until such time as they are prepared to stand and point out to us what potential weaknesses there are in our suggestions, I have no alternative, and in fact, am proud to support the amendments put forward, or the amendment by the member for Regina South. I stand here as well, proud of the kind of deliberations that our caucus has given to this debate. They have come, with few exceptions, from the heart with sincerity and with a truly sound desire to see that the people of Saskatchewan are extricated from this mess that your incompetence has gotten them into.

I would like sometime, however, and just in case I was mistaken when I sat here and attentively listened to the Premier, I would like the opportunity to review his remarks, those scanty, clumsily put remarks about the amendments, on the slight chance that I missed something that he said in that debate, and I expect it's going to take a lot of coal oil and late lamp burning to find much that he said in his speech that had any sincerity. I would appreciate the opportunity to review his remarks and make some comment on, them at the first possibility at a later date.

Mr. Speaker, I would like to beg leave to adjourn debate.

Adjournment negatived on the following recorded division:

YEAS — 9

Malone	MacDonald	McMillan
Wiebe	Penner	Nelson (As-Gr)
Merchant	Anderson	Clifford

NAYS — 37

Pepper	Kaeding	Koskie
Thibault	Kwasnica	Johnson
Bowerman	Dyck	Lusney
Smishek	McNeill	Larter
Romanow	Feschuk	Bailey
Snyder	Faris	Lane (Qu'Ap)
Byers	Rolfes	Birkbeck
Kramer	Cowley	Ham
Robbins	Shillington	Katzman
MacMurchy	Skoberg	Wipf
Mostoway	Nelson (Yktn)	Lane (Sa-Su)
Banda	Allen	Thatcher
Whelan		

MR. McMILLAN: — Mr. Speaker, I must say I am possessed with a horrid temptation to say it all over again. However, there are a few things that I had forgotten to say and I would like to begin by quoting some remarks made by the MLA for Qu'Appelle on CKCK radio and he chirped to the public. "There is something strange going on in the Legislature." I would like to say that there is nothing which more clearly demonstrates that fact than the vote that just took place.

Mr. Speaker, we in the Liberal caucus have proposed some amendments, which we said and have stated again and again, that we feel in sincerity will improve the possibility of this bill warding off any challenges that might arise in the lower courts in the Supreme Court. We have a bill here of grave consequences. We have some amendments that are designed to change and improve that bill and yet we find members of this House unwilling to debate either the main motion, as we've seen from the members to my left or the amendments as we see from the members sitting across from me.

One can, of course, account for these respective unnatural positions for several reasons. I'm not at all surprised in view of the absence in the Premier's speech today of any sincere reference towards the remarks, not at all surprised that the New Democratic Party, the government opposite, doesn't want to discuss the amendments. In every respect, those amendments in quality pale the initial bill that was introduced in their superiority of craftsmanship and the kind of positive effect that they will have on the outcome of that legislation. I am not surprised, as I've said, to see a reluctance on the part of members opposite, to get up and speak about those amendments. The Premier, the supposedly golden tongued leader of that party, made a feeble attempt to address himself to those amendments and messed it up badly. The members to our left not only wanted to avoid any discussion on the main motion in view of the position that they' taken and I'm sure feel doubly as strongly that they have no desire to speak to the amendments that

It Mr. Cameron has put before this House, is interesting for me, Mr. Speaker, to see the Conservative caucus take the position that it has. I was quite convinced when I was first elected to this Legislature that one of the functions that I had, as a newly elected member, was to come to this Legislature with an open mind, to try and see that the legislation that was passed here was in the best interests of the people of Saskatchewan. I did in some way, while I never considered myself a Conservative. I did feel that there was some possibility that we would be getting assistance, albeit, Conservative assistance from the seven newly elected members to the Conservative Party. I felt that in some perverse way they would be an asset to the province of Saskatchewan, in bringing about better opposition and in influencing the role (interjection) - I don't doubt that the member for Qu'Appelle would rather I get into different a subject. I'm sure no member in the Saskatchewan Legislature since 1905 has had more egg on his face than the member for Qu'Appelle has in the last six months.

I had truly expected, certainly in this particular instance when there was serious legislation introduced in this House, I had really expected that the Conservative caucus

to our left would join with us in making reasonable and well thought out suggestions to try to improve this bill so that we might ensure that the people of Saskatchewan get the maximum return from their resources. What's the result been? It's only been since we've seen them assume this unnatural stance that we've really begun to investigate the stance that they've taken. Members say it's really not so unnatural and that's what I refer to when I say we've really begun to investigate it. We look on the seven members who were initially elected. Those members that I had expected would help bring better legislation to this province. How many of those people were in fact supporters of this provincial government in 1971 when the Thatcher government was defeated? A considerable number. How many of those members fought the Liberal government at that time as New Democrats and how many fought the government as Conservatives? I stop now and I look at that situation and I have to assume that I was foolish to expect any positive help from them in my role as an opposition member in this Legislature and we have seen in the past ten days, time and time again their willingness not to support the opposition in this Legislature but rather a willingness to support the government legislation in this Legislature and I say bad legislation. It's enough of a blow to a conscientious opposition member to see the Conservative members that sit on this side of the House support the government. It is quite another thing to see them leap into this Legislature and try and speed up the proceedings so that this legislation can be rammed through before Christmas. I say that is an unforgiveable act by the Conservative Party in Saskatchewan. Some members who sit in the Conservative Party have little difficulty in switching positions here and there and they are double jointed, it's not unusual to find them in these unnatural positions.

SOME HON. MEMBERS: Hear, hear!

MR. McMILLAN: — Members say one thing one day from the Tory caucus, another thing another day. Some members said one thing in 1971 in a philosophic way, some of them said, "I support the New Democratic Party, throw out the Liberals, they are bad government." Today they say - well not so much a different thing, that's the Catch 22 of it — they say, "I support the government, throw out the Liberals, put a stop to them, don't let them continue with the debate." I say, Mr. Speaker, that that unnatural position that the Conservatives have taken in their double jointed manner is costing them dearly in the country. I say if they had one ounce of integrity when it came to legislation that came into this House, they would be opposing this bill. They would have sat down and in a very calculated way say to themselves, what is it that we are trying to accomplish as a Legislature? We want to take a bad position that we are in, regardless of how we got here, and we have discussed those items before, and we want to extricate ourselves as representatives of the people of Saskatchewan from that bad position. That should be the natural reaction of any conscientious member that comes into this Legislature. That was the position that the Liberal caucus took and we stood up immediately and we said, "We support the goal that this government hopes to achieve and that's to retrieve the \$500 million that you so erroneously lost for the people of Saskatchewan." Our next question had to be and indeed it was, "What means do we best use to retrieve that money still in the public's interest?"

We saw a piece of legislation introduced in this House that upon thorough examination proves to be a facade, a facade, a false front on Bill 42, no substance in change, little possibility of being any more successful in the courts than Bill 42 was. We had only one conclusion that we, as the public watchdog, could come to and that was that this was not the best manner in which to solve the problem.

SOME HON. MEMBERS: Hear, hear!

MR. McMILLAN: — The Conservative caucus had assumed would have taken the same approach but apparently not. Apparently they sat down and saw the issue and said, well what are the politics of the issue, what are the politics? Well, we know our limitations in defending ourselves on the hustings so we better not be on the tough side of it. I'll tell you that, and cast any conscience that we might be expected to have to the wind and take the political side of that argument and they have been doing it ever since. I say you will be paying for this dearly in the country.

We put some amendments in that I expected the Conservative members to my left to understand and support as I had hoped they would or to stand and oppose with some logical arguments that as I say again, we failed to get from the Premier today. What do we get from the Conservative caucus? Instead of their positive input into this legislation, we get an attempted motion from the member for Qu'Appelle to have the House sittings extended for two reasons. One, so that his member for Souris-Cannington in the Conservative caucus will not be allowed to be embarrassed any further by the committee hearings that are going on, and secondly, to help the government ram this legislation through this House before the people of Saskatchewan have had an adequate time to peruse it. I say that is certainly, in this legislature, an unconscionable act. Mr. Speaker, I think in some respects I have covered the remarks that I had forgotten to make before I was so rudely brought to my feet again by this legislature. However, Mr. Speaker, I feel that I have at least aired the issue to my own satisfaction and I hope to the satisfaction of members sitting opposite and to my left. I will be supporting the amendments, Mr. Speaker, and will definitely be opposing the bill.

SOME HON. MEMBERS: Hear, hear!

MR. J. WIEBE (Morse): — Mr. Speaker, not wanting to deny the member sitting to my left an opportunity to fully participate in this debate, I thought best instead of allowing the question to be called at this time to add a few more words to the amendments as presented to date.

I understand that the member for Swift Current is hopefully planning on making a contribution to this debate, particularly, Mr. Speaker, because he has yet after three weeks of the House sitting, has yet had an opportunity to make his maiden speech in this House, and secondly because part of the effects of this bill affect his constituents more so than any other MLA in this province, more so than any other MLA in this province, let me say, Mr. Speaker, especially the voting constituents. A large part of the oil industry in the southwest part of the province is located in my constituency, the constituency of Morse, and I'm very pleased to now have the second opportunity to be able to speak on behalf of those constituents in this debate. But let me also point out, Mr. Speaker, that the majority of the people who work in the oil fields located around the city of Swift Current, in my constituency, live within the city of Swift Current, and they have yet to hear one single word from their representative in this legislature as to what his stand is or the stand of his party in regards to a bill as important and as vital to the future development of their industry and this province.

Let me say, Mr. Speaker, I was also very surprised at the attitude taken by the government members opposite and the members to my left when they denied the opportunity for the member for Kerrobert-Kindersley to adjourn this debate. What we heard this afternoon was a major statement on behalf of the provincial government by its first minister, the Premier of this province. The member for Kerrobert-Kindersley

asked this legislature to allow him an opportunity to study and look at the words that the member spoke about the policy and the position which their government is taking in regards to the amendment that we now have before us. What is normally natural after a major speech is given in this house, especially by the Premier of this province, an opportunity is then given for opposition members to digest and look carefully at those remarks which were made. That did not take place in this House this afternoon. The member for Kerrobert—Kindersley was not given the opportunity to adjourn debate nor was he given an opportunity to have a look, a closer look, at the words that were spoken. And what is even more disgraceful, Mr. Speaker, and I call it disgraceful, is that a group of members sitting in this legislature to my right are prepared to go to bed and vote in favor of that government to deny themselves the opportunity of studying the remarks that were made by the first minister this afternoon.

But one has to ask, Mr. Speaker, why, why are the members to my left opposed to these amendments? Why are they opposed? One has to ask, too, why are they in such a rush to have this bill passed through? They have stood up on the few occasions that they have in this house, more so in the press and the news media outside the House and in their odd weekly MLA reports stating that they are not in the hip pockets of the oil companies in this province. They want the money to go back to the people of this province. That's why they're supporting this bill. One has to wonder why are they in such a hurry to get it through. Is it because the oil companies got to them and said look we want to start negotiating with the government on this bill and as long as the Liberals are holding up this bill, it's not in the best interest of the oil companies of this province. I say, Mr. Speaker, that that's the answer and they have been bought hook, line and sinker by the oil companies in this province.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: — Again, Mr. Speaker, I was rather disappointed by the remarks from the first minister of this province in regards to his particular comments about the amendments which the member for Regina South so eloquently placed before this Legislature last Tuesday. I think that those amendments were placed in a conscience and a serious constructive and reasonable approach and the fact that the Premier in his remarks paid literally no attention to them whatsoever, leads us to believe that those amendments as presented are good, sound and just, and he did not have a sound argument to defeat those amendments as presented. They are not prepared to sit down as a the member for Kindersley said and accept sound reasonable constructive alternatives from this side of the House if those constructive alternatives will in turn embarrass the position which they are taking on this particular bill. The Premier, again, this afternoon as well as the Attorney General when he introduced the bill, gave us no reasoning whatsoever why we should not support those amendments, nor why we should support this particular bill. The only assurance that they have given us up to this date is the word of the Attorney General. The word of the Attorney General was proved wrong in 1973 and there's nothing that they have led us to believe that his word now all of a sudden shouldn't be right.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: — Mr. Speaker, I too, would like to have the opportunity to further digest and study the remarks made by the Premier this afternoon and would like at this time to call it 5:00 o'clock p.m.

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