

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session — Eighteenth Legislature

May 24, 1978

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

REPORTS OF COMMITTEES

Mr. J. Wiebe (Morse) moved, seconded by Miss L. Clifford (Wilkie) that the Fifth Interim Report of the Select Special Committee on Rules and Procedures be now concurred in.

HON. R. ROMANOW (Attorney General): — Mr. Speaker, I am sorry to put the vote on. This has been distributed, the one page . . . I beg leave to adjourn the debate.

Debate adjourned.

QUESTIONS

SURPLUS OF NATURAL GAS

MR. R.A. LARTER (Estevan): — Mr. Speaker. I would like to ask a question of the Minister in charge of SPC. Can the minister tell this House if, at the present time, we have bought more gas than we can handle or normally consume. If this is so, does it mean now that the minister will postpone even further along the trail, further use of Saskatchewan gas? On this surplus Alberta gas have we committed ourselves to a take or pay basis?

HON. J.R. MESSER (Minister of Mineral Resources): — Well. Mr. Speaker, the member alludes to a very complex ongoing situation for the Saskatchewan Power Corporation. He knows full well that we do have options to purchase gas in an ongoing manner. Those are negotiated on long-term contracts. There is a somewhat slight change in what we assume to be the situation, the present situation today, as to what we assumed it might have been several years ago in that gas was in short supply. There now is, as the member identifies, a surplus in the province of Alberta. There is an anxiousness to move that gas. This changes somewhat the position of the Saskatchewan Power Corporation in regard to exercising certain options in that it will want to now take advantage of that surplus to acquire gas at a cheaper cost than we assumed it might have been a year, 18 months or 24 months ago.

MR. LARTER: — A supplementary, Mr. Speaker. I don't believe the minister answered the question. Are we at the present time buying gas that we cannot store or use at the present time and if so, do we have the storage for it?

MR. MESSER: — The answer, Mr. Speaker, is no.

POWER GRID WITH MANITOBA

MR. E.F.A. MERCHANT (Regina Wascana): — A question, Mr. Speaker, to the Minister in charge of the Power Corporation. I ask the minister, in light of the fact that Manitoba has a massive surplus of power, not just now but also in the future and has been seeking to negotiate a western power grid, why this province steadfastly refuses to enter into some form of grid with Manitoba which would facilitate cheaper hydro power for Saskatchewan and also allow us not to go on expanding the ecologically dirty power

production that tends to be the rule in Saskatchewan because of our absence of hydro facilities?

MR. MESSER: — Well, Mr. Speaker, let me firstly say that the member bases his question on some, I think, facts that are not entirely correct. Manitoba may have some surplus power. Whether or not the most desirable market place is in the province of Saskatchewan is debatable. Whether or not that power, once it was purchased from the province of Manitoba, would be cheaper than generating our own power is also questionable.

I am disappointed that the member tries to mislead this Legislature — something that he consistently does, Mr. Speaker, and that is unfortunate. I am certain that the federal electorate will be considering his record in this Legislative Assembly before giving him any support at the federal level, if that time ever comes. I am glad to hear that he is going to run provincially again, knowing that he is quite likely to be defeated at the federal level.

May I return, Mr. Speaker, to the question. The member says that the government of Saskatchewan, and I assume that through he is also relating to the Saskatchewan Power Corporation, is not co-operating with the kinds of studies in regard to a grid with the province of Manitoba. That is not at all correct. We have interchanges with Manitoba now.

I was, Mr. Speaker, in fact, just speaking to the Provincial Treasurer of the government of Manitoba. Mr. Donald Craik, who is also the minister responsible for Manitoba Power, about four western provincial study in regard to a power grid in which the province of Saskatchewan is participating.

The Premier discussed it at the Western Premiers' Conference in Yorkton just a number of weeks ago, so that this province is undertaking to, not only participate, but in fact, give leadership to better utilization of power resources in the four western provinces. I might also say, Mr. Speaker, that if the member would keep quiet while I answer the question and listen, he might not have to ask these silly questions, Mr. Speaker.

May I also say that the Saskatchewan Power Corporation is discussing with the Power Corporation of Manitoba, a grid or an interchange of electric power. So on two fronts we are talking about how we might best utilize Manitoba and Saskatchewan power to the benefits of both provinces and their consumers.

MR. MERCHANT: — Supplementary, Mr. Speaker. I ask the minister whether it is not in fact the case that Manitoba has indicated to you that they could produce about 50 per cent surplus over and above their current and foreseeable requirements; that they could make that production available from hydro production and whether it would not in fact be true that that would be cheaper for Saskatchewan than the coal-produced power that tends to be the rule for this province?

MR. MESSER: — Not at all, Mr. Speaker, not at all. In fact I was discussing only recently, again, with the minister responsible for Manitoba power the possibility of investigating a large thermal unit - 700 megawatts - in which Manitoba and Saskatchewan would be participating jointly in order to produce power which would be made available to all three prairie provinces. At least we would have a grid connection and, if there was a demand for it, that thermal unit would provide the power, not hydro, so we are looking at both opportunities for the production and distribution of power.

MR. MERCHANT: — Mr. Speaker, is it not in fact the case that the Saskatchewan policy has been to proceed with coal production, or uranium production, notwithstanding the fact that one is ecologically dirty and the other is dangerous and that the government has decided to proceed in that manner because you feel that that uses Saskatchewan resources rather than proceeding with the cheaper hydro production that is available out of Manitoba?

MR. MESSER: — Mr. Speaker, I wonder where the member for Wascana has been? We have had underway for a number of months now a Coronach No. 2 a Poplar River and Nipawin Study, environmental study, looking at whether or not our next source of generation will be a thermal plant, an additional second generator at Coronach, or whether we will build a hydro installation at Nipawin. Surely, with that study underway, that's evidence of the government's and the Saskatchewan Power Corporation's looking at all the options, including hydro.

SLOW PROGRESS IN HOUSE PROCEEDINGS

MR. W.C. THATCHER (Thunder Creek): — Mr. Speaker, a question to the Attorney General. The Attorney General appears to be in such a chipper mood he must be going travelling.

Mr. Attorney General. I think it is fair to say that if one were to try to summarize the highlights of this Session of the Legislature not a great deal of paper would be required and it wouldn't take a great deal of printing on it. Mr. Attorney General..my, my, aren't we getting upset over there so early in the day..my question to you is, in light of what has probably been one of the more highly unproductive sessions in recent legislative history, if not total legislative history . . .

MR. SPEAKER: — Order, order. Next question. The member for Wilkie.

WILDERNESS CAMPS - EFFECTIVE REHABILITATION

MISS L.B. CLIFFORD (Wilkie): — Mr. Speaker, a question to the Minister of Social Services. Two professionals who have been working with juvenile delinquents in the city indicated in a recent Leader Post article that they felt that wilderness camps were a good method and an effective method of rehabilitation. Now your department has indicated that you believe and support such a principle. Could you give me again your assurance that your department would support such a principle as well as the other governmental departments that are involved in this area, like the Department of Northern Saskatchewan and the Attorney General's?

HON. H.H. ROLFES (Minister of Social Services): — Yes.

MISS CLIFFORD: — Supplementary, Mr. Speaker. Would you agree that you have left Ranch Ehrlo in an atmosphere of uncertainty and would your department insure that negotiations in dealings with Ranch Ehrlo and other government departments, will be hurried as much as possible and that you will insure that you will at least give them monetary support to open their camps, up to 75 per cent, when the time does come?

MR. ROLFES (Minister of Social Services): — Mr. Speaker, certainly we will consider that suggestion but let me tell the member again that I think that when wild accusations are made, not based on facts, those members responsible should pay the costs. We

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have always had a good relationship with Ranch Ehrlo. I think that they have done an admirable job and we will continue to support them in whatever way we can.

MISS CLIFFORD: — A supplementary, Mr. Speaker. Would the minister not agree then that it is the innocent party, Ranch Ehrlo in this case, that is suffering due to your indecision and not being able to take your responsibility and commit at least your monetary funds as well as your verbal atmospheres to this camp?

MR. ROLFES: — Mr. Speaker, I do not follow the member's reasoning at all. I do not see how she can hold me responsible for wild accusations made by the PC Party. They have ruined the reputation of Ranch Ehrlo, not us, nothing that we did. We have always had a good relationship and we will continue to have a good relationship with Ranch Ehrlo.

SOME HON. MEMBERS: Hear, hear!

OVERHAULING LEGISLATIVE PROCEDURES

MR. THATCHER: — A question to the Attorney General. Mr. Attorney General, and I will say it very quickly, because of the nature of this session and because of the length of the session and because of the question of productivity, has your government and you as House Leader, seriously considered a complete revamping and overhauling and a streamlining of legislative procedures that are presently in use in this Assembly which, by the very length of this session and the amount of work that we have cranked out, do appear to be, to say the very least, breaking down a trifle?

HON. R. ROMANOW (Attorney General): — Mr. Speaker, first of all, the question of whether or not this session has been productive or unproductive, I suppose is one that depends upon individual opinions. In my judgement I think a session such as the one that we have had, with a Budget which has announced the kinds of tax cuts and job stimulation promotions and other aspects cannot be categorized as being unproductive. I think of legislation such as the Heritage Fund, which I think will be a tremendous legacy which we will give to the future generations of the province of Saskatchewan, is not making this an unproductive session. I can see, however, how the member might come to the view that some moments of the session have been unproductive, namely those hours and hours and hours of endless repetitive questioning in Estimates that the PCs and the Liberals were involved in. At one time I thought that maybe the session was bordering on being unproductive. Frankly I think the unbalance of the session as such will go down as being very productive. I think the legislative mechanism is good. Whether it is used properly or abused depends upon the opposition parties and not the government.

SOME HON. MEMBERS: Hear, hear!

MR. THATCHER: — A supplementary question, Mr. Speaker. Seeing that we may be gone before the Attorney General got back, I thought I should give him an opportunity to make a final speech. But anyway, Mr. Attorney General, you did not answer the question as to whether you were considering legislative amendments. Now I will ask the Attorney General, as House Leader, to comment on an assertion by the Premier last week, where the Premier — oh, I suppose, shall we say, laid the groundwork that the MLAs are underpaid and that a salary increase may be in the offing.

My question to the Attorney General is, is this the typical mode of procedure of your party, of rewarding unproductiveness by an increase in pay?

MR. ROMANOW: — Mr. Speaker, again the question of unproductiveness, leaving the matter of pay aside, is one which is left I think to the individual judgement of MLAs and to the public. I believe personally that this session could have productively concluded four or five days ago, perhaps even earlier than that with the proper rationing of Estimates time and a proper direction of questioning, primarily by the opposition parties, with respect to the bills and the Estimates. However, I will not pursue that argument for fear of being charged with blackmailing the Estimates, the Liberal Opposition or the PC Opposition. But I think that if all members were honest with themselves and the press honestly appraised this, I think they would come to the conclusion that we could have productively come to an end four or five days ago. But that is not for me to judge.

There is an old saying that says, the government opens the session and the opposition decides when to close the session. I still feel that if it goes on another five hours, five days, or five weeks on balance, the session will be viewed by the people of the province of Saskatchewan as being a productive one for those things that I mentioned in the first question and a whole host of others that I could, but I do not think I have the time to do in this answer.

MR. THATCHER:—Mr. Attorney General, would the Attorney General agree with what is becoming an assertion out in the countryside, that perhaps there would be more productivity in the Legislature from all its Legislators if the reverse were true, that the salaries were in fact reduced; that the productivity over a shorter period of time would probably double or triple in proportion?

MR. ROMANOW: — Well, Mr. Speaker, I believe that the electorate is prepared to pay a salary to the members of the Legislative Assembly to do their jobs, the people's jobs, if they do those jobs conscientiously and well.

I think that if we pay MLAs a paltry sum we can expect that many very able men and women will not be able to offer themselves that position and that very soon the members of the Legislative Assembly will be reduced to those who can afford to be MLAs by independent means. That does not necessarily mean, accordingly, that the job of the people will be done in the interest of the people. It may be done in the interests of that fabulous fifty, or a very small group of people involved.

Now the member for Thunder Creek may or may not be a member of that operation. I do not know whether a salary increase is warranted or is not warranted. That, the members of the House will have to decide in their own wisdom at the appropriate time. But I do say that the procedure of the Legislature is a procedure which merits men and women of conscientiousness and ability, and I think the public is prepared to reward that. I think to cut down on what I think is doddling of public time, that's almost inevitable in every session, but a little bit of cutting down in doddling would help the whole operation. On balance I do not agree with the member that somehow we should be speeding up the session by not paying the people to do the proper speaking on expenditures and bills. I don't think the public accepts that.

SENIOR CITIZENS' HOMES - FUNDING

MR. A.N. McMILLAN (Kindersley): — A question to the Minister of Social Services with respect to a change in government regulations in the Department of Social Services. Your department has recently announced the elimination of additional funding to

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senior citizens homes for activities that those senior citizens partake in outside of the senior citizens' homes in the way of developmental activities for dealing with everyday lifestyles. Your department has cancelled that program and I would like to ask you how you justify that in view of the fact that these people who are residing in senior citizens' homes that need that special training can no longer get it?

MR. ROLFES: — Mr. Speaker, that is not true.

MR. McMILLAN: — Well, I would like to ask the minister, then, if he would not confirm to me that he gave me that information. That in fact the regulations were restricted so that funding would no longer be provided for those people receiving recreational or activity training outside of senior citizens' homes when they, in fact, resided in those homes?

MR. ROLFES: — Mr. Speaker, that is simply not true. What I indicated to the member was that I made a grant available to the SCCCA. I forget the exact amount. I think it was around \$35,000 or \$37,000. In fact I think it was \$37,500 which was matched by the SCCCA to carry on those activities. It is true that we are having a look at the regulations that pertain to senior citizens in special care homes because the rate that is charged is

to cover all the activities of board and room and nursing care and the activities of senior citizens inside and outside of those homes. We are having a look at whether or not there is double funding. Negotiations are going on. I've sat in on a meeting with the Special Care Homes Association with the SCCCA and I believe the SAMR. to hammer out a solution to that particular program. But to say that we have cancelled them out to this time is simply not true. Are we looking at changing it? Yes, that is true.

MR. McMILLAN: — Two things, Mr. Speaker, by way of supplementary. Number one, is it not a fact that your Department of Social Services has sent a letter to several of the operations that have been sending people outside of their citizen senior citizens' homes for training, saying that that funding would no longer be provided? Number two, is it not a fact that the training that was given outside those senior citizens' homes was not in the way of everyday recreational training but rather activity training to help people develop the facilities to operate outside those senior citizens' homes on a permanent basis?

MR. ROLFES: — Mr. Speaker, first of all it is true that it was a director, I think a couple of directors of the region originally sent out a letter. I think that letter was premature. When I met SCCCA they showed me the letter. I wasn't aware of it at the time. I said, look I will put that letter in abeyance; let's set up a meeting and see if we can't resolve the problem. The problem, Mr. Speaker, is whether or not there is double funding. If the nursing home charges \$950 for the care of a level III patient or resident, does that mean that they then will take care of the total care of that individual? We say, yes, they should and there shouldn't be double funding. That would have to be resolved, but no one up until now as far as I know, is prevented from having the activities provided to them, as I said, because of the special grant that I have made available to the SCCCA who are looking at it at this particular time. I can assure the member that it will be resolved within the next two, three or four months.

MR. SPEAKER: — The member for Swift Current.

SEATBELTS — HANDICAPPED PERSONS

MR. D.M. HAM (Swift Current): — Thank you, Mr. Speaker. I would like to direct a question to the Minister of Health. Is the minister aware that the handicapped and those individuals unable to wear seatbelts are required to pay for medical exemption certificates? In other words, MCIC is not covering these medical exemptions.

HON. E.L. TCHORZEWSKI (Minister of Health): — I am not sure of that, Mr. Speaker. I will take that as notice and get back to the member.

HOUSING COST-SHARING

MR. E.F.A. MERCHANT (Regina Wascana): — Mr. Speaker, a question to the Minister in charge of Sask Housing, the Provincial Treasurer. The minister was asked in my company in January or February and was asked by me in the House about seven or eight weeks ago, when the provincial government intended to enter into a 44(1)(B) cost-shared agreement by which the federal government would pick half of the cost if the provincial government would turn on the faucet so to speak by the cost-shared process to assist subsidized housing and assist in the payment of rentals. I asked the minister then, what the proposal was and whether the government was going to act. Mr. Speaker may recall that he indicated that he was going to be meeting with the federal minister, Mr. Ouellet and he would have an answer shortly. I ask now whether it is not

true that this government has decided both under your ministry and under the former Minister in charge of Sask Housing not to enter into this agreement, notwithstanding the fact that it deprives poor people of the opportunity of having the rent subsidy and notwithstanding 'specific requests that you enter into such an agreement to facilitate the obtaining of these funds?

HON. W.E. SMISHEK (Minister of Finance): — Mr. Speaker the hon. member is probably not that well informed in this area either. May I advise the member that the provisions of 25-75 per cent sharing are still available to the province of Saskatchewan. We prefer to take that route. We as a province during the period of Liberal rule for seven years did not take advantage of the CMHC provisions which would have made more housing available to people of Saskatchewan. For that reason, the 25-75-5 per cent arrangement is still available to Saskatchewan. We intend to take advantage of it. May I also inform the member that we are currently in negotiations with the government of Canada on new arrangements, new agreements, right across the whole of the country not only is Saskatchewan involved in these negotiations but so are all the other provinces. There is an indication that there may be a meeting in the second week of June to try to finalize the agreements between the provinces and the federal government.

MR. MERCHANT: — A supplementary. Mr. Speaker. I take it from the minister's remark that you are saying that you do not intend to enter into this agreement by which the Saskatchewan Treasury would pay \$1, but the benefit to native people particularly, would be a \$4 benefit, that the Saskatchewan Treasury, for over a year, and your government for over a year, have refused and will continue to refuse to enter into this cost-shared agreement and that this program may well expire through new negotiated programs, which you may decide to avail yourself of, but that you intend not to ever go into a 44(1)(b) agreement. Thus you deprive native people and the poor of this opportunity?

MR. SMISHEK: — Well. Mr. Speaker, I think that I would be acting unwisely if we had available \$3 for every \$1 that we would have to pay rather than pay \$1 for \$1. It seems to me that economically we are better off in Saskatchewan and that certainly will not create any more housing under the 75/25 per cent sharing than his proposal of 50/50 sharing. Surely, I think that we would be unwise to be moving into that route.

MR. MERCHANT:—A final supplementary, Mr. Speaker. This is the third time that I have asked the minister, the second time that I have asked him and the third time he has been asked once in my company.

Is the minister then clearly saying that you will not be entering into a 44(1)(b) agreement? I understand that there may be some other program that you like but you are clearly saying that you have no intention of entering into a 44(1)(b) agreement though you know that it would now benefit poor people and native people particularly?

MR. SMISHEK: — Mr. Speaker, the program under 75/25 per cent sharing is just as available as the 50/50. There are no differences. What is available to us at this stage - 75 per cent through CHMC, 25 per cent through the province. Why should we be giving up that right for a 50/50 sharing deal? It seems to me that would be irresponsible. That will not create anymore housing; it will not give the poor people a better deal. So we intend to carry on with 75/25 per cent arrangements so long as they are available to Saskatchewan. If thereafter the federal government tells us that those arrangements are no longer available, then perhaps, we may be forced into 50/50

sharing agreements.

CONSTRUCTION STRIKE

MR. R. KATZMAN (Rosthern): — A question to the Minister of Government Services.

Due to the construction strike that is presently going on, how many days or weeks could the strike last before the government is having problems with moving its departments from rented space into the new government building?

HON. N. SHILLINGTON (Minister of Government Services): — We have, Mr. Speaker, a good deal of flexibility. It would have to last an incredibly long time before it would cause us any serious problem with respect to our departments which must move out of some lease space. We have, frankly, a lot of flexibility and it is not likely to cause us a problem unless it would last until about June 1979, that is right. It just won't cause us a problem.

MR. KATZMAN: — A supplementary. Is it not causing you a problem with a picket line being set up and government employees having to cross the picket line presently that are working there?

MR. SHILLINGTON: — There are no public service employees working inside the building at this moment. The building is still under construction. The picket line doesn't affect public servants who work in the other buildings in the Wascana area. There are no public servants working inside the building.

WELCOME TO STUDENTS

HON. H.H. ROLFES (Saskatoon Buena Vista): — Mr. Speaker, it has just been brought to my attention a few moments ago that there is a group of students in from Saskatoon, St. Augustine School, in Saskatoon. There are 52 in number. Grade Seven and Grade Eight students. I am sure they have enjoyed the question period here today. They are accompanied by their teacher, Mr. Newman. I will be meeting with them in a few minutes. I hope that they will have an enjoyable stay and a very educational one here in Regina. I will be meeting with you a little bit later.

HON. MEMBERS: Hear, hear!

MR. R.A. LARTER (Estevan): — Mr. Speaker, on behalf of the member for Saskatoon- Sutherland (Mr. Lane) it is my pleasure to welcome you here today also. I hope your day is productive and you do have a very safe journey home.

HON. MEMBERS: Hear, hear!

COMMITTEE OF THE WHOLE

BILL NO. 46 — AN ACT TO ESTABLISH A HERITAGE FUND FOR SASKATCHEWAN.

MR. CHAIRMAN: — Order, order please. If I might say, yesterday is gone, tomorrow may never come, today we live. So let's deal with that.

SOME HON. MEMBERS: Hear, hear!

Item 1

MR. W.C. THATCHER (Thunder Creek): — Mr. Chairman, before we were so rudely interrupted by the Attorney General last night about 8:00 o'clock . . .

MR. ROMANOW: — You have all afternoon today, Colin.

MR. THATCHER: — Well, I don't think we are going to need all afternoon because at least in this corner we intend to be productive.

Mr. Minister, we were talking about the Heritage Fund in terms of its total value. Now as I recall, the figure that you were using, the day that this Heritage Fund is set up that it will have either cash or assets of about \$460 million. Am I correct in that figure? I am going from memory. Thereabouts.

HON. W.E. SMISHEK (Minister of Finance): — \$429 million.

MR. THATCHER: — All right— \$429 million. Now, Mr. Minister, out of that \$429 million I think \$343.5 million was going to be money which had been advanced over (at different intervals) to the Potash Corporation of Saskatchewan. Am I correct in that assertion, Mr. Minister?

O.K. Now, Mr. Minister, about the time we were being rudely interrupted you didn't have an opportunity to respond. The Heritage Fund is going to be worth X number of dollars - \$429 million. Now \$343 million of that will have been advanced at different times from the old Energy and Resources Fund to the Potash Corporation of Saskatchewan. Believe me I am not trying to resurrect the potash debate, I am trying to strictly talk numbers. But it has been advanced and it really didn't matter whether it was to potash or mining and development or whoever, they have advanced that money on an interest-free basis with no repayment schedule. Therefore, Mr. Minister, if the normal procedures with Crown corporations are followed it is highly unlikely that money will ever be repaid back in to what then will be the Heritage Fund if this bill passes. Because it has been a very rare tradition when any Crown corporation has ever repaid its equity money. Occasionally there have been dividends (and I suppose I should say occasionally with some degree of facetiousness); occasionally there have been dividends from your Crown corporations. Well Mr. Minister, would you not agree that to list the Heritage Fund with an asset of \$343.5 million, listing that in as an asset, is something akin to what the old con men used to do (maybe they still do it), it's known as kiting a loan. Because you are going to be showing the \$343 million as an asset in the Heritage Fund. No doubt somewhere along the line in this bureaucratic red tape, that \$343.5 million is going to be shown somewhere else as an asset of the Potash Corporation and I have every faith in the bureaucracy it will be shown twice at least, and maybe three or four times. Consequently, it really gets blown out of proportion. So that is why I ask you, Mr. Minister, is that not something akin to maybe kiting a loan? Kiting a loan is not all that complicated a procedure. To put it very simply, you go to a bank and you borrow, say, \$500 and then you go to another bank and you borrow \$500 from them and you take that \$500 and you quickly pay off the first one and you've established a pretty good line of credit. Then you go back to the original bank and by this time your credit is up to \$ 1,000; you pay off the original one; you get a couple of more banks floating in there and you can get yourself into a pretty good position in a short period of time

I am suggesting to you, Mr. Minister, in a way, with this Heritage Fund, by showing that

money which has already been advanced to the Potash Corporation in this case, and another \$40 million to the Mining and Development Corporation, you are in effect, kiting the value of the Heritage Fund because you don't know when or if that money is ever going to go back. It is just a very loose piece of paper. I'm sure the intentions are good if the money is being advanced out of there, but we both know from past experience with Crown corporations, that equity money is never going back in the form of cash.

MR. SMISHEK: — I beg to disagree with the hon. member. It is no different than any parent company setting up a subsidiary of providing equity money to get the company started. This is what we have done to get the corporation started. They needed equity money and we advanced that equity money to them. It is an investment and an asset that belongs to the people of the province. May I also tell the hon. member that there will be an annual report of the Potash Corporation which will be subject to the scrutiny of the Crown Corporations Committee. There will also be an annual report in the case of the Heritage Fund, of all the assets of the Heritage Fund and that report will be tabled in the Legislature for consideration of the members of the Legislature.

MR. THATCHER: — Well, Mr. Minister, I'm afraid we are back into the political — what was that word again? We are back into that political rhetoric.

Mr. Minister, you have skirted around the issue a little bit because what I'm questioning now is the Heritage Fund, calling that \$343 million an asset. It may be very valid for the Potash Corporation to call it an asset and maybe some other area to call it an asset but not the Heritage Fund. That is a totally unrealistic proposition. Of course when you want to get right down to the nuts and bolts of it, really, how much of an asset is it? What is the closing in the case of the Potash Corporation of Saskatchewan if you wanted to dispose of those assets forthwith — if you had to do it in six months?

Mr. Minister, where would you turn to? You know, if you phoned up Duval and said, would you buy your mine back they would laugh at you. If you phoned up Alwinsal, well, I've got my doubts. In short, Mr. Minister, really what are those assets worth? If you had to cash them tomorrow, who would buy them? Well, you could always get a buyer at a fire sale price but you didn't buy them at a fire sale price either did you? You paid top dollar for them. On top of that in some cases, you paid US dollars. So really, Mr. Minister, I suppose we could debate what is the cash value. Under your government, what is the cash value?

With your philosophy and your track record in dealing with private enterprise and private industry, what are the assets really worth? Obviously, under a Conservative government, a good free enterprise government, we could get 100 per cent of the value but you couldn't.

MR. SMISHEK: - Ha!

MR. THATCHER: — Well you can scoff if you want but I think that is an unreal premise. As a matter of fact we will show you exactly how it is going to be done and we will show the head of the Potash Corporation just how quickly a Conservative government can return the potash industry into the proper hands which is a public corporation.

However, getting back to the Heritage Fund, Mr. Minister, again, I say to you, how can you possibly justify that as an asset of the Heritage Fund. Granted, the money has gone out of there but it is no longer in the hands of the Heritage Fund. As I understand it

the dividends coming from the Potash Corporation of Saskatchewan will be there, and I'm strictly using this as an example and I'm not trying to re-debate the Potash issue at all. But the dividends, should you ever by some minor miracle, make some sort of a respectable profit in the potash industry, the Board of Directors of the Potash Corporation of Saskatchewan will therefore have their choice as to whether or not that money will be kept as retained earnings or whether the profits or the dividends will go to the Consolidated Fund. Now perhaps your office will have some input into those decisions but because those sort of decisions are available to people outside of the administration of the Heritage Fund, it is totally an unrealistic proposition to consider funds which have already been disbursed from the Heritage Fund as an asset.

MR. SMISHEK: — Mr. Chairman, in as far as the dividends from the Potash Corporation, those will be subject to Cabinet review and Cabinet decision of whether they will be- the dividends will go to the consolidated fund or will be turned over to the Heritage Fund. If the hon. member read the bill, that is precisely what the bill specifies. On the long-term basis I am confident that there will be substantial dividends that will be returned to the people of Saskatchewan just like we have seen the initial investment many years ago, in the case of sodium sulphate. The CCF government of the day invested \$1 million in sodium sulphate; since then I believe sodium sulphate has returned something like \$17 million in dividends and in profits to the people of Saskatchewan. I think on a long-term basis we will see the same kind of an experience through the Potash Corporation and certainly on a much longer-term basis because at the current rate of recovery and mining we have at least a 3,000 year supply of potash.) I am convinced that the decision that has been made . . . we have debated this issue for some time in this Legislature, while the member says that he doesn't want to open up the debate all over again on potash, yet he is making every effort to do that, I am sure that he is doing it for posturing purposes and for the hope that he might catch another headline in the newspaper.

MR. THATCHER: — Mr. Minister, with all due respect, it is rather unlikely that I will ever require your assistance to get a headline or anything else in the newspapers.

MR. SMISHEK: — Where are you . . .

MR. THATCHER: — Mr. . . . possibly back to what I do best, making money.

Mr. Minister, in the Budget you listed and I don't have a copy of the Budget before me but you listed some disbursement that will be coming from the Heritage Fund. As I recall there was about \$400,000 into a veterinarian clinic. There was about \$40,000 for a causeway at Buffalo Narrows. There was a disbursement to the Wild Animal Park — the amounts aren't important — the point I am attempting to make, poorly as it may be, is, are you also going to call these disbursements as assets to the Heritage Fund? Tell me how the causeway at Buffalo Narrows is going to be a productive asset for the Heritage Fund? Now, I am not disputing the causeway, fine, the causeway, I am sure is a needed procedure. But how is there going . .

MR. KRAMER: — Better you . . .

MR. THATCHER: — My goodness — the fellow over there he gets upset early in the day and he finds the strangest things funny and chortles away there . . . perhaps, he en wants to make a speech too. I sort of missed what the point of it was but he does find the strangest things humorous . . . my, my, goodness and it is only a quarter to three too.

Mr. Minister, again I am trying to spare myself a speech on the necessity of the causeways up at Buffalo Narrows because I am sure it is a necessity. The point of it is that it will never be a cash value as far as a dividend back into the Heritage Fund. It will be a social benefit, conceded. What I am asking you is, are you also going to show this causeway as an asset of the Heritage Fund? Are you also going to show the expansion of the Moose Jaw Wild Animal Park, which, again there will never be a dividend come from that. Are you going to show that as an asset of the Heritage Fund? Therefore, how can you isolate one from the other? The one happens to be much more, \$343 million and the others are several hundred thousand. Isn't the principle identically the same?

MR. SMISHEK: — Mr. Chairman, the hon. member might refer to page 112 and 113 of the blue book, the Estimates. The expenditures for the provincial development are shown totalling \$ 14,883,000. Now, these are expenditures and will be shown as such. The Heritage Report has an expenditure on an accumulated basis from year to year as the reports are published; and for what purposes. This year we are proposing to spend and the breakdown is there, if the hon. member has it in front of him. Certainly they will be shown as an accumulated expenditure, not as an asset as such to earn a cash dividend.

MR. THATCHER:—Mr. Minister, the breakdown that you have got or that you are giving here, are the dollars that are coming out of this, are they, well let's say Buffalo Narrows, Northern Development Airport facilities, are you taking the funds of that as a dividend from the Heritage Fund? Of dividends that have accrued from capital expenditures or interest on the funds or what is your source of funds on this or are you taking the capital of the Heritage Fund to arrive at this?

MR. SMISHEK: — The source of funds is the actual amount of money that we will be receiving from oil, from natural gas, from potash from uranium, from sodium sulphate. These are the royalties that are paid into the fund and then a certain percentage of them, I think about 63 per cent this year as I recall it correctly in percentage— in terms of dollar amounts, \$293 million will be going to the consolidated fund; \$40 million for natural gas exploration, conservation and development and the balance of expenditure of just about \$ 15 million to the provincial development expenditures. But the money, the income that comes in is from the royalties that come from these particular non- renewable resources.

MR. THATCHER: — O.K. Mr. Minister. I think that sort of answers the question. You know it is getting a little screwier and screwier here because the source of funds that is going to be put out, on page 113, is identical to the \$343.5 million that was used in the potash business or the \$40 million that is used in the Sask Mining and Development Corporation.

Mr. Minister, again I will ask you, why would you show, in the fund, the Heritage Fund, what has gone into the Crown corporations as an asset of the Heritage Fund? Because you are going to talk in terms that the Heritage Fund is worth \$429 million and that is nonsense because the cash value of that is nowhere near \$429 million once you have dispersed it into another channel. So you say we are doing it here with the Crown corporations, but here on page 113, these expenditures here are not going to be listed as an asset of the Heritage Fund. Consequently, I think your position has to be highly inconsistent. The only realistic thing, Mr. Minister, that I would suggest is that you show as an asset of the Heritage Fund your cash. If I recall your figure from last night, I believe you indicated that would be about \$75 million. Mr. Minister, that is the

only thing that you have as an asset because to show this thing at \$429 million you are deluding yourself and you are deluding the taxpayers and you are simply giving some bureaucrats a few extra figures to fool around with. But as far as a cash value of \$429 million that you could lay your hands on, on very short notice, whom are you trying to kid? You haven't got that anymore than I have.

MR. SMISHEK: — Mr. Chairman, the same is true of any company or corporation that has set up, whether it be a Crown corporation or whether it be a private company. For example, in the case of the Saskatchewan Power Corporation, as I recall the figure, the total assets of the Power Corporation, in terms of the book value, is in the order of \$ 1.5 billion. Now, if we decided to sell the Power Corporation I don't know what it would sell for. Similarly in the case of Saskatchewan Government Telephones, whether you compare that to say. Bell Telephones of Canada; they have large assets. But in terms of the liquid amount of money that is there it certainly does not equal the total asset.

I am not sure what point the hon. member is trying to make. Maybe I might help him in referring to the province of Alberta, that has also established a Heritage Savings Trust Fund. In many respects what we are doing is similar to that of Alberta. For example, they invest some of the Heritage Fund into such things as children's hospitals, the Alberta Health Science Centre, the Cancer Centre, into cancer research, art facilities to the tune of \$57.5 million. Then they provide for irrigation and rehabilitation expansion programs at a total of \$12.5 million. They also invest in the Alberta Oil Sands, \$44 million; they also invest into such things as capital projects for city parks and other park facilities. I notice \$45 million for the year ending March 31, 1978.

So really what they are doing is using some of the resource money for the kinds of things that we propose to make as well as to invest them into other continuing non-renewable resource development, exploration and expansion.

MR. THATCHER: — Mr. Chairman, I will be brief. I think the member for Wascana (Mr. Merchant) is right. With anybody else I would be rhetoric, but I think with this Minister of Finance it is rhetoric.

However, Mr. Minister, again I think we are sort of getting around the issue a little bit and I don't think you are answering the question. The question is, it is absurd to call your asset of the Heritage Fund \$429 million. Because, Mr. Minister, it reminds me of an instance last year when I think we had the most ludicrous example of government accounting practises or bureaucratic paper shuffling. This was when in Finance Estimates we came across something in SEDCO. Well SEDCO was facing a pretty substantial loss and SEDCO to avoid that loss they converted I think it was \$1.6 million or what was it - it was \$9 million or \$10 million in what were loans from the government Finance Office and they converted it to equity. I have forgotten the figures exactly, but it saved them about \$1.5 million in interest charges on their financial statement. So instead of showing a huge loss SEDCO actually showed a profit of \$168,000 as I recall.

The point of the matter was nothing happened. The government Finance Office had been showing that loan as a loan, as an interest bearing loan and then they decided to convert that to equity financing. Now, you tell me what difference that made to the people of Saskatchewan? They already own all of SEDCO anyway. But we converted what was a loan, an interest bearing loan, into equity. What it did, it made your financial statement look a heck of a lot better. But you tell me one tinker's thing that that did for any taxpayer in this province. But, boy, a bunch of bureaucrats had an awful lot of fun. That's exactly what you are doing with this Heritage Fund. You are calling this thing a

\$429 million and that is unadulterated nonsense and you haven't even bothered to deny it. All you have got in that fund at this point in time, from the figures that you put into this House last night, is \$75 million and to suggest that you have got the amount of \$429 million is misleading the public. The point is that you have taken an awful lot of money that has gone into the Energy and Resources Fund and you have squandered it onto these hair-brained, screwball, socialist philosophies of your government. I said an awful lot of it - hundreds of millions of dollars right down the tubes, to the point that all you've got to play with now and you can have all your bureaucrats do all the paper shuffling they want and you can make all the rhetorical speeches that you want, but all you've got is \$75 million. Mr. Minister, I would sure like to battle you on the hustings on whether you've got \$75 million or \$429 million. Unless you do a better job of making that one wash out in the boondocks, you're dead politically, the whole works of you. Take up the challenge in the hustings, Mr. Chairman.

MR. E.F.A. MERCHANT (Regina Wascana): — Well, Mr. Chairman, I share the lack of confidence with the member for Thunder Creek and I wonder, though it tends to cause headaches I'm sure for the press because of the changing numbers, I wonder if we could go back just a moment to some of the numbers that we were discussing both on Friday and on Monday. On Friday, Mr. Chairman, the minister was kind enough to advise that there was a \$349 million investment and then over the weekend \$5.5 million disappeared. Now, Mr. Chairman, we are used to that kind of management from this government but we were surprised that the loss was quite as quick as that and I wonder if the minister would be kind enough to advise why a \$349 million investment became a \$343.5 million asset?

MR. SMISHEK: — Mr. Chairman, I in fact have made a copy of the exact figures available to the hon. member for Regina South. The figures that I provided yesterday and have provided him today are identical figures. Maybe the hon. member for Wascana was confused but if he takes a look at the newspaper account in the Saturday's paper I don't think that the news media people were confused because outside of rounding out some figures, they have the figures accurately. Obviously the hon. member for Wascana was not getting them correctly. I have provided the Liberal Opposition with a copy of the precise figures. I can go through them again but I think it would be an exercise that would only take up time. I think the media are informed. I think I have given all the detailed figures to the Liberals - I would be glad to give the hon. member a copy. His colleague and I had a chat after the House rose and I agreed to give him the figures in writing and there they are. They are the same figures that I used yesterday and on Saturday.

MR. MERCHANT: — Now, Mr. Chairman, there is no question about the fact that the figures given yesterday were maintained. The Tuesday figures were maintained through Tuesday. I was suggesting to the minister that the figures that were given the day before were different.

The other area that has troubled us and continues to trouble us is that the minister for whatever reason, and I will be imputing some reasons in a minute, has refused and I don't know whether will continue to refuse to indicate to the Committee how much our alleged investment of \$343.5 million in potash is going to net for the province in the coming year. I asked the minister on Friday if he would inquire from the Minister in charge of the Potash Corporation who was at that point day dreaming in the Premier's chair in the hope that 20 or 30 years from now that might become vacant and available for him. I see that the Minister in charge of the Potash Corporation is back from Spain or wherever he spent the weekend, and is here again, sitting once again day dreaming in

the Premier's Chair. When I asked the minister yesterday if he had the figures (he had four days to get them, Mr. Chairman) he indicated that he had been unable to obtain from the Minister in charge of the Potash Corporation any estimates in the amount of money that the Saskatchewan taxpayer could anticipate receiving on this alleged investment. I ask the minister today if you can now indicate to us what the return will be on our alleged investment of \$343.5 million?

MR. SMISHEK: — Mr. Chairman, first of all, let me bring the hon. member to the attention of Friday's Hansard. I refer him to page 3098.1 said then that the assets were \$429 million, exactly the same figure that he has in front of him. I provided him with a recap. I said there is \$75 million due to the fund from the consolidated fund. There is just about \$ 10 million in investments through the Government Finance Office; \$343.5 million investment in the Potash Corporation. Mr. Chairman, I have given those figures on Friday. I gave those figures yesterday; those are the same figures. The only person who does not seem to be getting the figures accurately is the member for Regina Wascana. I again refer him to the newspaper accounts that appeared in Saturday's paper. Certainly the media got the figures correctly they are not confused. Let us hope we put that to rest. In the case of what the dividends might be or the profits that the Potash Corporation is going to be making at this stage, I do not know what the profits of the Potash Corporation are going to be next year. The Annual Report of the Potash Corporation will be tabled in the Legislature and the figures will be there for everybody to see.

MR. MERCHANT: — Is the minister telling the Committee that you refuse to ask the Minister in charge of the Potash Corporation for an estimate of the amount of money that we as taxpayers and as the investors may anticipate receiving in the coming year?

I take it, Mr. Chairman, that the silence of the minister is your answer?

MR. SMISHEK: — I have already answered it. How many times does one ask the same question and get the same answer?

MR. MERCHANT: — . . . And get no answer!

MR. SMISHEK: — . . . You know, repetition when it gets over done, is prohibited.

MR. MERCHANT:— Is the minister saying that you refuse to ask the Minister in charge of Sask Potash what the estimate will be of the money paid? Is that what you are saying?

MR. ROMANOW: — Agreed, agreed.

MR. MERCHANT: — No. Mr. Chairman. Is the minister prepared to answer that question?

MR. SMISHEK: — I have answered it.

MR. MERCHANT:—Mr. Chairman, let's go back to the question of figures. The minister says that the figures are clear. The minister at page 3108 on the same date indicated, 'We have \$429 million in assets of which \$349 million, or a figure somewhere there is invested in potash. The balance of \$75 million, etc. So that on Friday the last thing the minister said, the definitive statement from the minister was \$349 million. The minister also said on Friday that the amount of money that had been received from revenues was

\$608 million. Then he changed that to \$605 million. Of course, nobody expected him to be very accurate because the Premier had already some days before been wrong and had been at \$620 million. The Premier had said that \$65 million was paid to the oil industry. The minister says \$69 million was paid to the oil industry. Mr. Chairman, anybody, anyone listening to the way this minister has handled the Heritage Fund on three successive days would have absolutely no reason whatsoever for confidence in this minister to handle this Heritage Fund. The facts and the returns would give any but the most foolhardy great cause. An average investment last year of about \$250 million in potash has netted \$894,000 in profit. That is a fact, a \$250 million investment and an \$894,000 profit. Now, based on that brilliant money management by the minister with all of his fantastic background in money management, after that tremendous investment we are expected to accept on face that the minister will do better with the investment in the coming year. He is two yards from the minister in charge of Sask Potash, he has had five days to do it and Mr. Chairman, the minister refuses to ask the minister in charge of Sask Potash, what kind of a return may we anticipate. How gullible does he expect us to be? How gullible does he expect the Saskatchewan taxpayer to be? That's the Saskatchewan taxpayer, who was dragged into the potash investment, not an investment that the Saskatchewan taxpayer wanted — the Saskatchewan taxpayer dragged into the investment has his first year's return, \$250 million and he got about 1/5 of one per cent back on his money. He got the taxes that he would have had anyway and about 1/5 of one per cent return. Now we are going into the second year of the investment with almost a \$350 million investment and the minister won't give us the return. We know that Sask Potash doesn't run its operations the way the Heritage Fund proposes to run its. We know that Sask Potash, as with any other company, has these estimates. No company on earth, even run by a bunch of NDP money geniuses who think that they are dealing with monopoly money — no group on earth would have a \$343.5 million alleged investment and not have some figure about what they expect they will have to pay back on that equity. So we know Sask Potash has an estimate and then we are asked why, Mr. Chairman, won't that figure be given to this committee. The answer is simple. It won't be given to this committee because this year's returns will miss next year's election. This year's returns won't come under Crown corporation scrutiny in time for the next election. This year's returns on a \$343.5 million investment can be kept hidden from the public, the public who made the investment, in time the government hopes to be re-elected next June.

Now, Mr. Chairman, . . . (inaudible interjections) . . . oh, you can make jokes but what other possible reason could there be for the government to give such divergent figures and refuse to give figures when they know that those figures are crucial and figures that the Saskatchewan taxpayer has every right to know and information to which the Saskatchewan taxpayer has the right and has an interest. Mr. Chairman, we have \$343.5 million so-called invested and we are not going to be told what the return will be. We have \$10 million so-called invested in GFO, an investment that returns no profit; nothing comes back to the Heritage Fund. We have \$75.5 million held in the consolidated fund. The minister told us on Friday that that's earning money, but it is not earning money for the Heritage Fund. That is money that goes directly back into the consolidated fund although it is invested in short-term financing.

Mr. Chairman, we have an alleged \$429 million investment; \$85.5 of it is sort of on the cuff. It is owed either by GFO or by the consolidated fund but not earning anything for the Heritage Fund and \$343.5 which may be earning something, probably a million or two, but we are not receiving that information. Mr. Chairman. I can imagine the response if any other Minister of Finance any place else rose and gave such scanty information and so obviously tried to deny information to the taxpayers and to the

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committee. I can imagine an Alistair Gillespie, if he rose on energy matters, giving these kinds of returns in the House of Commons and being flayed by the opposition and by the press. Yet, this press thinks that because they are so used to a government that denies them information, that that is really sort of acceptable. Mr. Chairman, this is something that we should have and to facilitate the minister having a little conference with the minister in charge of Sask Potash, I move that the committee rise and report progress.

Motion defeated on the following recorded division.

YEAS — 7

Malone
Wiebe
Merchant

Cameron
Anderson

Nelson (As-Gr)
Clifford

NAYS — 28

Thibault
Bowerman
Smishek
Romanow
Messer
Snyder
Byers
Kramer
Baker
Lange

Matsalla
Robbins
Mostoway
Banda
Whelan
Kaeding
Dyck
McNeill
MacAuley

Feschuk
Rolfes
Cowley
Tchorzewski
Shillington
Skoberg
Nelson (Yktn)
Allen
Johnson

Item 1 cont'd

MR. W.C. THATCHER (Thunder Creek): — Mr. Chairman, I don't think the minister is going to need his officials for these few remarks.

Mr. Chairman, the last few moments in this Assembly, I don't think are a credit to any of us in this Assembly. If there has ever been an example of straight asinine stupidity it has got to be this last vote that we had to take.

SOME HON. MEMBERS: Hear, hear!

MR. THATCHER: — I am not particularly happy with the answer. . .

MR. CHAIRMAN: — Order, order, please! I ask all members to try to use parliamentary words. I am saying this to both sides of the House— and innuendos. I know that it is a heated argument and heated debate but I think for a time we should try to practice perhaps the idea of being statesmen as well as politicians.

MR. THATCHER: — Mr. Chairman, I was just getting warmed up, however.

AN HON. MEMBER: — He's playing leader today.

MR. THATCHER: — Yes, for those of you who didn't know, I am the house leader today.

Mr. Chairman. I am not particularly happy with the concept of the Heritage Fund. I am not particularly happy with the minister's answers. The answers have been bad; the philosophy behind it is bad and everything else about it is bad. Mr. Chairman, the absurdity that we are now seeing in this Assembly, last night and today and for some strange mysterious reason to drag this thing out into next week and perhaps the week after completely and totally mystifies me.

SOME HON. MEMBERS: Hear, hear!

MR. THATCHER: — Now if you guys really want to cut me to pieces just keep on doing that because that really hurts, that really hurts.

Mr. Chairman. I think these last few moments really makes us wonder whether our whole system hasn't broken down.

You know, Mr. Chairman, in Texas and Montana their Legislatures meet every second year. For those of you who may have driven through Montana or Texas, you may notice that the state still functions. The traffic still goes; the cars still work. They still build highways. The legislators only meet every second year. Here we are dragging this thing on. We have already set an all time record in days, an all time record in uselessness and unproductivity. Then we have a silly vote as to whether we should rise and report progress.

Mr. Chairman, I suggest to you that the answers the minister has given are highly unsatisfactory. If I thought for one moment keeping him here for another week and asking the same questions, having the same philosophical debates with him hour after hour would do any good towards eliminating the Heritage Fund and the concept behind it. I would be happy to take part in it. But maybe I've become a cynic. Unfortunately, if I did that and took part in it the bill would still pass; there would still be something termed a Heritage Fund, which I suppose in the penchant of this government to try to copy everything of good old Conservative Alberta (because they do everything, or most things, right over there and have a highly successful Heritage Fund) we in Saskatchewan must have a Heritage Fund, although the only similarity is in name, certainly not in success. While theirs has got billions of dollars, ours is going to have the great total of \$75 million. But nonetheless, we are going to jockey figures and say it is half a billion. Nonetheless, Mr. Chairman, my message today is simply this. We are down to philosophy on the thing. I disagree with him, you disagree with him. I don't like his answers any more than you do, but unfortunately by going round and round in circles we are not getting anything done and we are making things difficult for MLAs and legislators generally that have something else to do other than take part in this charade known as the Saskatchewan Legislature.

MR. SMISHEK: — Mr. Chairman, I find the arguments at this stage of both the Liberals and Conservatives somewhat surprising because when we announced the establishment of a Heritage Fund during the Throne Speech way last falls and again the announcement in the Budget, both opposition parties welcomed the concept.

MR. MERCHANT: — Until we heard you.

MR. SMISHEK: — It is also interesting to see the member for Wascana any time he loses an argument or hasn't got an argument. It shows the smallness of a person that he immediately resorts to name calling and personal attacks. That's sort of the sign and the size of the person and we have seen that happen again.

Mr. Chairman, the Conservatives and the Liberals, for whatever reason right now, are saying that they are opposed to the idea of a Heritage Fund. Interesting, Mr. Chairman, that throughout the province and elsewhere we have seen the endorsement of the concept and idea of the Heritage Fund from the business community, from the banking community, from the investment community. There have also been (and we have proof to demonstrate that) people in the financial world who see this as a very welcome move for the province of Saskatchewan. It gives clearly to the Legislature the control of the fund, to be able to deal with the fund on a regular basis. I am indeed surprised that for some reason the Liberals and the Conservatives at this eleventh hour are trying to resist the idea of a Heritage Fund when just a matter of a few weeks ago they were saying they welcome it, they agree with the concept that the Legislature is going to have more control, but for whatever reason now they have changed their minds.

MR. E.C. MALONE (Leader of the Liberal Opposition): — Mr. Chairman, I would just like to say a couple of words on this particular bill.

I would like to point out that since we started debating this particular bill again today, most of the time taken in debate was taken by the member for Thunder Creek, repeating speeches that we have heard one hundred times before from the member for Thunder Creek.

I would like to point out as well, Mr. Chairman, that the member for Thunder Creek - took longer to give his latest diatribe to this Legislature than it took to hold a vote on the motion that was presented to you.

I think it should be pointed out to the press as well. We warned the Tories and we warned the government weeks ago that we were not going to let these bills just slip through. We are not going to let Estimates just slip through. At a time when the Tories were dragging the Health Estimates, dragging the Highway Estimates, how many times did the member for Rosthern make such lucid comments as 'the pavement is thicker on the road from Rosthern to Duck Lake now than it was ten years ago'. Something of great interest, I am sure, to everybody in this Legislature.

The delaying tactics in this House have come from the members to my left and the stupidity of the Attorney General. That's why we are having somewhat delaying tactics now.

Let me just say something about that Heritage bill.

MR. CHAIRMAN: — Order, order please. I am going to refer to a ruling back (I believe it was) in March 28, 1941. All right . . . order. I would ask that you at least listen to it and I would hope would adhere somewhat better to it than what we have in the past.

Certain hon. members seem to have developed a practice of late of referring in somewhat sarcastic terms to the debates which take place in the House. Too frequently hon. members are prefacing their remarks by allusions to the amount of time taken by other members making use of such statements as, too much talk, wasting time in useless debate, getting down to business and

so on, with the reference to the House itself that nothing is done.

Now it is my considered opinion that such comments are subversive of the dignity of parliament and the prestige of this Assembly. They are also calculated to restrict privileges of the individual member, which are his by right, by precedent and by tradition in a British parliament.

There is more to this article. I would like to take the time of the House to read it but I think that explains, and I would hope it would bring home to many of you, the purpose of parliament. This is from citations in connection that these remarks are S.O.26(2) Beauchesne's and S.O.41 and the reference thereto, particularly 293(k) and 294(9).

MR. MERCHANT: — Mr. Chairman, it seems to me that if you denied the House the opportunity to complain about time that was wasted and silly things that were said and how a man wants to get back to his seating and so on, the net effect of that would be to deny my friend and former colleague, the member for Thunder Creek (Mr. Thatcher), any opportunity to ever become involved in debate again.

MR. MALONE: — Mr. Chairman. I thank you very much for those comments. I am sure they are directed to the members seated to my left and to the members who sit opposite me. The question that we are talking about right now, I think is a very serious question. What we have asked the minister to do is to tell us in this Legislature how much his department anticipates in return on an investment of some \$340 million dollars.

Now I say that that is a very critical question. The people of Saskatchewan should be having some sort of idea of how their money is being spent by your government. Now I know you do not look after that particular investment yourself; the Minister in charge of the Potash Corporation does. But we come in herewith a bill that you bring before this Legislature. You come in and tell us about investments you have made, assets you have in this fund, and we ask you for just one small minor piece of information as to how much the people of Saskatchewan can expect to receive on a gigantic investment and you refuse to answer us. I say to you, Mr. Minister, that that type of conduct on your behalf puts your whole behaviour in doubt. It puts the whole bill in doubt. How can we possibly support a bill which presumably in principle is a good bill, when you come in here and you cannot answer the most basic of questions like, how much are you going to get back?

I just cannot understand why the press has not dwelled on this to a greater extent than it has. Time and time again we put this question to you, to the Premier and to the Minister in charge of the Potash Corporation (Mr. Cowley). It seems that you just ignore it as a non-issue. I suggest to you that it is an issue. The member for Thunder Creek (Mr. Thatcher) suggested it was an issue. Everybody in this Legislature wants to know how much we can expect back, \$ 1 million, \$ 100 million, or somewhere in between. You sit there and you refuse to answer the member for Wascana (Mr. Merchant). You refused to answer him today. You have given us no details of what we can expect to receive, not one scintilla of evidence as to what we can get back from that investment and you have got the gall to criticize us for calling a standing vote on a matter like this where we try to display our contempt and displeasure for you.

I suggest to you that the only proper way of dealing with this particular bill is to refer it back to you, to not deal with it now. I suggest to you that if you knew what was going on, and I think you do know what is going on, you should be giving us this information. But I

suggest to you that it is such a small amount that is coming back that you are afraid to give us the information because you know that the people of Saskatchewan would be outraged if they found that you had an investment of \$343 million and were getting back \$1 million or \$2 million dollars.

That is the issue. That is the whole guts of this bill right now. I say to you that for you to deny us this information is shameful. I suggest that if this happened in any other Legislature or in the House of Commons you would be removed as a minister; the opposition and the media would be putting such heat on you that you would resign from embarrassment. But not you.

We have made our point; we are going to continue to make it and we are going to continue to hammer away at it. That is the point of that resolution that the member for Wascana brought to this committee. That is the point of what we have been saying for the last three days and that is the point of continuing this debate on this particular bill.

MR. SMISHEK: — Mr. Chairman, when I presented the Budget this year I said there was nothing that gave me more pride, since I became elected to this Legislature, than presenting the Budget that I did on March 7.

SOME HON. MEMBERS: Hear, hear!

MR. SMISHEK: — Included in that Budget was set out the government's position with respect to establishing the Heritage Fund. At that same time we tabled the Estimates of the amount of money that we will be taking in into the Heritage Fund. I again refer the hon. members to page 112 on which we set out very clearly the amount of money that the Heritage Fund will be receiving: from oil, \$349 million; from natural gas, \$500,000; from potash, \$108 million; from uranium \$2.3 million; sodium sulphate \$872,000; coal \$540,000; other revenues from non-renewable resources \$545 million, for a total of \$462 million that the Heritage Fund will be receiving, Mr. Chairman.

I know that the Liberals are outraged because this is an indication and the story of success of this government. When we took office, Mr. Chairman, all we were getting is a paltry sum of \$33 million from all non-renewable resources. In a matter of seven short years the NDP government, through its management of natural resources, is bringing to the people of Saskatchewan, \$462 million. Fifteen times the amount! For the purpose of building schools; for the purpose of providing better health services; for the purpose of providing drug care; better social services; for building better roads, housing programs, a whole host of things for the people of Saskatchewan. That is a success story!

The Budget that we presented received universal approval by the people of Saskatchewan. The establishment of the Heritage Fund has been hailed as a step in the right direction, as a step for progress by business, by communities, by municipal governments, by the people of Saskatchewan. They have faith in this government, Mr. Chairman. They have faith that we are managing the resources in a way that no other province in Canada is trying to do. These will be the benefits for the people of Saskatchewan, not for multinational corporations, not for giveaway programs to the Liberal friends. Mr. Chairman. This is the story of the Heritage Fund! It is good legislation. Mr. Chairman. As I said when I introduced the Budget, nothing gave me more pride in bringing in the Budget. Equally nothing gives me more pride than being the minister bringing in the Heritage Fund, which successive generations are going to

praise this NDP government for what we are doing.

SOME HON. MEMBERS: Hear, hear!

MR. MERCHANT: — I do not believe that the minister can have that much confidence in what I assume he thinks is the stupidity of the press; that he believes that that kind of an argument could follow the argument of the member for Lakeview (Mr. Malone). When the member for Lakeview doesn't ask questions about taxes, doesn't ask questions about the royalties that will be returned, doesn't ask questions about the theory of the potash takeover, but says, all right you have a \$343.5 million investment, what will that \$343.5 million investment return to the taxpayers of this province?

I don't think there can be any doubt, by any fair thinking person in this House, anyone that knows of this discussion, but that the government is deliberately keeping from the House and from the taxpayers of this province, all the information they can about what they think will happen in the coming year in the Potash Corporation. There can only be one reason for keeping that information.

Let's suppose. Mr. Chairman, that \$343.5 million investment was going to return \$70 million. Wouldn't an Elwood Cowley be screaming from the rooftops that he has a 20 per cent investment? Wouldn't a Walter Smishek be writing to everybody, everybody he can find, to say, this is a 20 per cent investment? Isn't that, Mr. Chairman, what the Minister in charge of Potash or the Minister in charge of the Heritage Fund would be saying?

In fact, I suggest that the return will be a return in accord with the return that we received last year on a \$250 million investment. Last year on a \$250 million investment, on an average, that was the average investment, a \$250 million investment the return was \$894,000. Now the investment is up by close to a third, about a 30 per cent increase. I suspect. Mr. Chairman, that the return in this next year will be less than \$2 million, less than 1 per cent on the \$343.5 million that has been invested.

The minister can talk about the tax returns but surely to God nobody in this province is dumb enough to be sucked into thinking that tax returns had anything to do with the return on the equity.

I suggest to the members of this committee, Mr. Chairman, that the return will be under

\$2 million and there can be no other logical reason for denying, to the committee, the information about the projected return other than the fact that the government does not want to go into an election with that information known by the taxpayers of this province, the voters in the next election.

The Minister in charge of the Potash Corporation knows full well that this year's returns won't come under public scrutiny in the Crown Corporations Committee until after the next election if the election comes in June of 1979. So then what the minister will be able to do is say, oh, yes, we had a start-up year and in the start-up year the returns were \$894,000. That was the start-up year. Then you'll confuse us a little even over the start-up year as they have now tried and they'll say, but, you know, it is hard to know how much the investment was because it was a small investment at the beginning and some of that money was out in short term and it wasn't really invested in mines and it wasn't invested in potash. So they will have a logical way of confusing the voter about the start-up year and they will keep that information about the following year from the taxpayer. They will say, Mr. Chairman, exactly what the Minister of Finance has said

that, oh, we've got a great future. We've got a future in the coming years.

Mr. Chairman, clearly the minister, no matter how much pressure he receives is not going to give us the projected return for the coming year. The Minister in charge of Sask Potash says, agreed. On Tuesday, the minister said that he hadn't been able to get the information yet from the Minister in charge of Sask Potash. Now the Minister in charge of Sask Potash has been sitting here for the past hour. There can be no doubt but that this is deliberate, that the government is deliberately keeping this information from the committee and from the Saskatchewan taxpayer and the Saskatchewan voter. Well, Mr. Chairman, I am hopeful that if afforded some additional time as I think the hon. The Attorney General is now growing aware of the fact that we may well be here in the coming week. I think almost inevitably we will be here in the coming week. I wonder, Mr. Chairman, if the minister might be prepared so that we can get off the Heritage Fund to get that great mass of people to agree that you will stand item 1 to permit you obtaining that information.

Mr. Chairman, we saw in the last vote, which was designed to facilitate the obtaining of information that the government is prepared to roll out that mindless sea of whatever they are, to vote for whatever the government may decide is appropriate in a political sense. I am hopeful, Mr. Chairman, that the minister might be prepared to move through this bill and I move to facilitate fast progress but get this information nonetheless. I move, seconded by the member for Lakeview (Mr. Malone):

That the committee stand item 1 of the Heritage Fund legislation to afford the minister additional time to advise the committee of the estimated income to be received in the coming year from the investment in the potash corporation.

SOME HON. MEMBERS: Hear, hear!

MR. SMISHEK: — Mr. Chairman, the member got up the last time and I think he started his remarks by insulting the press. I think he referred to the stupidity of the press and I think the record will show that. He will recall that just shortly before that he was hurling personal insults about myself. He has gone beyond that of calling the people working for the media, who in my experience and certainly during this session are honourable and decent newspaper reporters who are trying to do a decent job, and if he is not getting good reports I think he should examine his own conduct, his own behaviour, his own contribution to this Legislature, rather than insulting the people of the media. As I said, my experience with them is that they are decent and honourable people trying to do a decent job to try to inform the public of Saskatchewan.

Mr. Chairman, the hon. member keeps harping on the same question. May I bring him back to the answer that I have already given. In the case of the Potash Corporation, he will recall that our first acquisition was the Duval mine sometime at the end of October, 1977. The fiscal year for the Potash Corporation ends on June 30 of each year. The report that was tabled for the Potash Corporation was for the period ending June 30, 1977.

The total sales as well as the profits were for the periods that the corporation had been in existence since its acquisition of the Duval mine which is for a period of eight months. Then the second mine, the Sylvite mine which was acquired, I believe, at the end of April, 1977. So we had one mine operating for a period of eight months and another mine operating for a period of only two months when the fiscal year ended for

the Potash Corporation.

The annual report for the Potash Corporation for 1978 will be prepared and will be ready in the fall of this year. At that time we will be able to see what kind of profit the corporation made in its second year of operation which is the full year of operation, except again, the Alwinal mine will only be in operation for part of the time. The returns for AMAX will be for only part of the year and Allan mine will again be for only part of a year. So again, in 1978 the total investment that has been made will not be for a full year period but will be only for a partial year.

It is impossible, Mr. Chairman, at this stage to say what next year's profit will be. Certainly when the annual report is tabled we will then be able to see what the profits will be. The year following, we will have a more comprehensive figure. In addition to that I have already indicated to the hon. members that the Potash Corporation is making investments and expansion and renovation of the mines. Some of the profits that they are accruing are being used for the upgrading of the mines.

Mr. Speaker, we do not have the figures and for us to be speculating of what the profits will be — if they are not the same kind of stage figures that we might at this try to estimate, then the opposition will be haranguing us that we try to mislead them. I do not propose, Mr. Chairman, to in anyway, give figures that cannot be, at this stage, audited figures. For that reason, Mr. Chairman, it seems to me that the questions that are being asked are totally irrelevant to the subject matter of this bill.

MR. THATCHER: — Mr. Chairman, I must say that I am amused at the sanctity of the minister and his references to the member for Regina Wascana about personal aspersions, etc. As a matter of fact I almost saw the halo tilt there I think, on one occasion. I was almost feeling sympathetic for the minister but I just had a feeling that perhaps in a battle such as that, the minister just may be able to look after himself.

Mr. Minister, if I could make a suggestion to you that may possibly satisfy everybody in this Assembly so we can get going and get out of here, why don't you be completely honest about what this Heritage Fund is? You are making a very grave mistake when you are trying to throw this \$343.5 million into the Heritage Fund as an asset. You are kidding yourself. Why don't you call it exactly what it is in terms of cash? You've got about \$75 million, give or take. Call your Heritage Fund \$75 million on Bill 1 and proceed from there.

MR. CHAIRMAN: — Order. We have a motion before us and any of the comments I think have to be relevant to the motion. I would like to put the motion, if that is agreeable, then your comments perhaps afterwards.

Motion negatived.

MR. THATCHER: — O.K. Mr. Chairman, again, Mr. Minister I am going to be very brief. Taking the equity money which is long since gone out of the Energy and Resources Fund and putting it into the Heritage Fund as an asset is apparently what the biggest portion of this argument is all about. If you simply take that out and simply put in cash, then obviously that has to be the end of the argument. Also it has to be the realistic way to start this supposed Heritage Fund. Again, I will respectfully suggest to you that by taking all these other things which may or may not have been purchased with the money from the Energy and Resources Fund, you are simply putting something in there that a group of future bureaucrats can have fun with and can get their jollies by

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jockeying things around in the coming sessions of the Legislature and the upcoming years. I am not going to make it as a motion. Let's get on with the business. Again, I will put it to you, simply call the Heritage Fund the actual cash that you are going to put into it and start square one like that; that's the only way to go in the first place. Item 1 agreed.

Item 2 as amended agreed.

Items 3, 4 and 5 agreed.

Item 6 as amended agreed.

Items 7 and 8 agreed.

Items 9 to 16 agreed.

Motion agreed to and bill read a third time.

BILL NO. 70 — An Act To Amend The Election Act, 1971.

HON. R. ROMANOW (Attorney General): — I would like to introduce Mrs. Carol Bryant, who is the Chief Electoral Officer. I think I am going to have two lawyers here to help me out on the law, Mr. George Peacock and Mr. John Scratch.

MR. MALONE: — I am tempted to say a number of things about the two lawyers hereto help him out with the law but I will just let the opportunity go by. Mr. Chairman, I didn't have enough opportunity to make any remarks on this bill in second reading and I don't intend to speak on it at length now. The bill has caused us some very great concerns both in particular sections and in the general philosophy of the bill. There are two things I would like to dwell on this time and try to get hopefully a proper response from the Attorney General. Number one is the restriction on spending of a political party of \$50,000 in any year. Now I will be the first to concede that when I first saw this particular provision in the act I couldn't quite understand why it was necessary. I don't believe that the Liberal Party has spent \$50,000 in a non-election year in my limited involvement with the Party. I am not sure about the NDP or what the Conservative Party has done. Be that as it may, it does put a restriction on what we can do as a political party with our own money, money that will be raised by supporters of our party, from the traditional donors that we have which is basically individuals in the province of Saskatchewan. When you couple that limitation of \$50,000 and you consider what the NDP government has been doing for the past year or so, that is their heavy advertising campaign not only of Crown corporations but other government programs, we see something there that is very disturbing. We see the government saying to opposition parties, you can only spend \$50,000 to advance the philosophical beliefs of your party, the candidates of your party, your platforms and your policies. But we in government are putting no limit whatsoever on advancing the philosophical beliefs of the New Democratic Party, of the policies of the New Democratic Party and the platforms of the New Democratic Party. Are you going to get up and say, well, there is the same \$50,000 restriction for the NDP? Surely, even the Attorney General perhaps in a lucid moment would concede that that is absolutely ridiculous when you sit there as a government, spending hundreds and hundreds of thousands of dollars on government advertising. We still have not been able to gouge out of your government how much has been spent on one program only and that is the program advertising Crown corporations. We are going to pursue that with the Premier and as he is aware we are going to ensure we are

going to get those figures before his Estimates are over with.

When you put that amount of money out into the public, into the media day after day, month after month, year after year, and you come to us and say, the Liberal Party and the Conservative Party are going to be restricted in their spending of \$50,000, we say that puts the government obviously at a decided advantage and puts opposition parties at a decided disadvantage.

Perhaps before I go on to other matters of concern to me, I can ask the Attorney General, what is the basis, what is the reason for this limitation for spending in non-election years? Can he give me an example of where there is a similar provision in any other jurisdiction in Canada? What is the reason for it?

MR. ROMANOW: — Mr. Chairman, the basic reason for the restriction is one which is consistent with the basic reasoning behind the bill. The overall basic purpose of the bill is to try and put the political parties — I know the member says you can't draw a distinction between political parties and governments or agencies of government, I am going to submit, not in too lengthy terms to him but you can—but leaving that aside for a moment, the whole purpose of the bill is that a political party, or political parties, should be on an even basis for the exposition of their political party platforms during an election period. That the decision should be based by the electorate on a consideration of the issues and not on a consideration of the largest exposure by advertising of a political party of issue or issues. That is the basic thrust of it. When we looked at the bill, we said during the election period that is clear enough. We would have a restriction for all of the candidates and all of the provincial parties; there is no difficulty there. But what would happen if a political party, be it NDP, Liberal or PC or any other, sought to thwart the basic purpose of the bill by pumping in \$200,000 in a two-month period just prior to the 28 day election period? One might say, well, that is their business; it is their money. That is true. It is their money and it is their business, that is true. I think one would also say quite clearly that on that kind of an example you could pretty well get around many of the big provisions of the bill by simply storing up your war chest of advertising and putting it in that one month or two month or three month period prior to the 28 day election period. Technically you don't avoid the bill, that is true but I think you do pervert portions of the philosophy of the act.

MR. MALONE: — I would suggest to the Attorney General, the philosophy of the act is to control election expenditures. That was the reason the act was introduced some years ago. I believe we voted in favour of it at that time in principle. What you are doing now is going beyond the election period. You are saying to the Liberal Party that you are going to control the amount of money that the party can spend this year. Assume for the moment that the election will not be called until 1980 - just assume that for the moment. So what you are saying is in 1978, two years, more than two years before an election comes along, you are going to tell the Liberal Party how it is going to conduct its affairs. You are saying the same thing in 1979. But what you are going to permit is that if the election is in June 1980, you are going to permit the Liberal Party and all other parties to spend from January 1, until such time as the Premier calls the election, \$50,000. All you are doing is upping the ante in a very devious way as to how much can be spent in an election year by increasing that amount by \$50,000 and you as the government are telling me as the Leader of the Liberal Party, the executive of the Liberal Party how we are going to run our affairs. I suggest to you that is a basic infringement of our basic right as a democratic party to conduct ourselves in any way we want. Surely that is what the democratic system is all about.

Now, your argument about spending during the election period may be well taken. I am inclined to agree with it but this goes far beyond the election period. It is telling us what we can do right now when conceivably we won't have an election in this province for at least two years from now. We may have one tomorrow; I don't know. According to the Premier today he said it could be June of 1980. Well, you get that stupid look on your face and giggle and so on but I suggest to you that this is an important problem. I suggest to you that what you are trying to do is use the overwhelming amount of money you have as government to steamroll the opposition parties.

Now, I ask you, give me one other jurisdiction that has a similar provision?

MR. ROMANOW: — Mr. Chairman, I wonder if I have the permission of the Liberal Leader to breathe today because it seems that no matter what I do, I am stupid as a consequence. So with his permission and with the permission of the Liberal Party, I will say a few words and breathe. Perhaps I will look and not offend anybody's sensitivity here, Mr. Chairman.

MR. MERCHANT: — It requires the unanimous consent.

MR. ROMANOW: — The member for Wascana has got a good retort. He says I require unanimous consent.

Mr. Chairman, first of all, the Leader of the Liberal Party, in my judgment, is misreading the provision of the section. He says that we have to wait for two years, in his example, in limiting the expenditure of that political party to \$50,000. That is not correct.

The section in the bill would limit it to \$50,000 per fiscal year for the party — point number one. The second point that the Leader of the Liberal says is that you are infringing on our freedom because you are putting a limitation of expenditure on our actions. Well, perhaps, he is partially right but I draw to his attention, again, that the particular bill, page 33, section 203(AA) says that the infringement of the freedom, so called, is with respect to newspapers or magazines published in the province or with respect to the right to the use of time on the facilities of a broadcasting undertaking only.

So it limits it to the major, so-called major expenditures of \$50,000 a year, fiscal year of the party. Now, the member can get up and say, the principle is there and it is wrong, the whole routine. Well I can't argue that if he wants to take that position, but I would say that anybody who looks at this logically would say that a political party that can spend \$50,000 a year on radio, television, newspaper advertising and says that is an infringement without perverting the basic intent of the act, somehow argues there is no inconsistency there, well, I guess we agree to disagree.

In answer to the question specifically, there is no other precedent that I know of in Canada of this provision and that ought not to be so unusual because I think there are only about four or five provinces that do have election control expenditures. Four or five of them don't have and Canada is, of course, in a constant state of — not in a constant state of revision — but in a recently revised state.

I am not saying that this is a stand pat thing. My party people, those who have seen this bill, say, look it, what are you doing with this provision, not particularly referring to this. It is an attempt to try to lay the ground rules as fairly as I can.

MR. MALONE: — Let me turn it around, if I can, and come at it in another way.

When has there been an election or when has there been a political party that in a non- election year has spent so much money on media, radio, television, newspapers, that has caused any problem, caused any complaint, caused any human cry, caused anybody to say that that party is trying to buy a future election? Can you tell me when you have had any complaints whatsoever about that?

MR. ROMANOW:—Well. Mr. Chairman, I haven't had any complaints from the public in any formal sense, written sense. I think it is correct to say that prior to the 1975 provincial election campaign, your party in particular and I think ours may have done the same thing. I don't know, I don't mean that in any partisan sense, did spend some large sums in advance of the provincial election campaign. Whether they totalled \$50,000 or not, I don't know. I think that when we were in opposition in 1967 we, too, as an NDP Opposition spent some fairly substantial sums with respect to the pre- election period. So it has happened.

MR. MALONE: — It didn't do much good.

MR. ROMANOW: — No, it didn't do much good but that is not the point. I think the point is whether or not in the exposition and in the debate of political issues whether or not we continue on what I think has been the reason for bills of this kind, namely to continue on the pattern of unparalleled, uncontrolled expenditures basically to the mass media as a definition of issues. I think all of us, as you indicate yourself, have agreed that that is not the right way to go. That is an attempt to make this consistent with the bill.

MR. MERCHANT: — I just wanted to say briefly before my colleague continues; the minister makes light of a \$50,000 limit and implies that that is a very generous amount of money. That is the implication he leaves. He says he can't imagine a party spending \$50,000 on radio, television and newspapers. If you bought no radio and you bought no newspapers and you bought about 48 minutes — 48 one minute commercials on every radio station in Saskatchewan you would have blown your \$ 50,000. I say to the minister that the Crown corporations ads cost more than \$50,000 for production alone, never mind the cost of running them. It costs over \$1,000 a minute to run a commercial in Saskatchewan television. To think that \$50,000, which sounds like a reasonably sizeable amount of money, is anything more than a drop in the bucket in a media campaign is a very wrong assumption.

MR. ROMANOW: —Mr. Chairman, I must confess I don't know the cost of advertising in television but I am not sure that that difficulty can be directly attributable to the money expenditures. I don't know the cost on this and the member may very well have a point. I take my advice from others. I do admit that the Liberals do have a point; the figure is arbitrary in that it could be 50 or 25 or 75, it is true about that, but I think the principle of the clause, the principle of the section is one that is still well taken on the arguments you have advanced.

MR. MALONE: — You seem to be not intransigent on it. Are you prepared to put in a House amendment to double the amount or whatever? I am not as familiar with advertising costs as perhaps the member for Wascana (Mr. Merchant) but I think his point is well taken. Forty-eight 1 minute commercials on television is not a lot of advertising. I suggest to you that if we wanted to have a modest advertising campaign, you couldn't do so, if you wanted to 7 cover all forms of the media. I see you are reaching for something. I will ask you again, are you prepared to double the amount?

MR. ROMANOW: — Mr. Chairman. I would be prepared to increase it by \$25,000. That is not double but it is up to \$75,000. I should perhaps have my head read for agreeing to this but on the assumption that the ministers who are here will agree and support it, I when it comes to the appropriate section will bounce it up to \$75,000.

MR. THATCHER: — Mr. Attorney General, in the line that the two previous speakers have mentioned, do you consider the family of Crown corporations to be advertising on behalf of a political party or do you consider it to be neutral advertising?

MR. ROMANOW: — Neutral and not part of a political party.

MR. THATCHER: — Briefly, could you tell us how you would consider it neutral since there is only one party that subscribes to the philosophy of domineering Crown corporations and that is the NDP? How can you consider it to be neutral?

MR. ROMANOW: — Mr. Chairman, I would really like the hon. member to consider carefully what he has just said because certainly (and I am not trying to debate with him here) but I think it is correct to say that for all of the parties at least take the position in the House that they support the Crown corporations that we have in Saskatchewan. They will argue that they don't like the way we run it or some of the management things, but they say they support them. The hon. member says that certainly the PC party does not support Crown corporations.

MR. THATCHER: — (inaudible)

MR. ROMANOW: — Well you just said that and you presume to speak for the Liberals. I won't take your words as speaking for the Liberals, notwithstanding your very deep experience with respect to that party and its thinkings as well. But my point is that the ads do nothing more, nothing less, than make the people of Saskatchewan aware of the kinds of functions that a Crown corporation does. I don't think it promotes a socialist philosophy or anything of that nature in particular. That's my view of the situation.

MR. THATCHER: — Mr. Attorney General, is it also your view that in the process of you getting these very costly production ads done and portions of which I am told are done in universal cities in California, or have been done down there. Some of the producers are from down in that part of the country, the best in the business and they do a good job. Do you consider it fair to allow these ads to be going on at a spectacular rate? You are going to restrict everybody else that may be in opposition to your government to \$50,000. Do you honestly and truly consider that to be fair? I will leave it at that.

MR. ROMANOW: — Mr. Chairman, I obviously do consider it to be fair. Your father, when he was the Premier of the province of Saskatchewan, ran Crown corporation advertisements in large volume as well. I don't know the number. It wouldn't be relevant particularly because of the increased costs and radio time and so forth. Most governments have. I didn't, at that time, take the position that because the Liberal government was the government of the day that somehow those ads would accrue a political benefit to the Liberal government, no more than I do today, because we are the government of the day think that those ads accrue a political benefit to the NDP. I think we are all proud of our Crown corporations in Saskatchewan; at least I would hope we are. As a principle you may disagree with what we are doing with some of the Crown corporations and that's another issue. They provide jobs, they provide services, they

provide and generate income in the community. They are very productive operations and they are ours. That's all these ads say; at least that's all they say to me. Now you can say that's an NDP or socialist philosophy. I can't quarrel with you on that but I think if anybody looks at it fairly they would not agree.

MR. THATCHER: — Mr. Attorney General, therein lies the crux of the whole argument. Because it is one thing for you to spend a great deal of money on ads of this sort. That's fine. We can take that to the people and ask for them to make the final decision on that. We have the right, eventually, to go to the people on that. Except, the time period you are referring to (and my father) you were not restricted in opposition as to what you could expend. Now you are running these big massive ad promotions, put together by the best people in the business, probably good capitalists. Like Lenin said when they are hanging the last capitalist that probably a capitalist will have sold him the rope.

But Mr. Attorney General, you are spending this massive amount of money on this ad campaign and maybe that's fair game. Ultimately we are going to go to the people and we can say, look at what they have done, and the people will pass judgment. But with this bill you are restricting us. You are saying we can spend only X number of dollars to fight it. Take the restriction off and maybe it is fair game (or double it or triple it). But I don't think it is fair right now for you to take this biased advertising (I say it is biased). Ultimately we will decide whether it was or not. But that will restrict us. I say it is biased; the member for Lakeview says it is biased. O.K. you say it isn't. That's fine. That debate will be settled in an election some day. But in the interests of fairness and democracy, then don't restrict us; take the lid off this. Mr. Attorney General.

MR. ROMANOW:—Mr. Chairman, this argument was advanced in 1972, because the same restrictions..this provision of \$50,000, now to be or soon to be \$75,000 (there is a slightly different wrinkle to this)...but leaving that aside for a moment, the debate about tying the hands of the opposition parties in electioneering but not tying the hands of government was debated in 1972 when we introduced the election control aspects of this bill back then. I don't think it tied your hands in 1975. You weren't a member of the PC caucus — you got seven guys elected under that operation. You fought three election campaigns with relative success or lack of success with some difficulties. I don't think anybody argues there. My point is simply put, that that argument, I think, is surely behind us now. The second point that I make is, I don't view the ads being a political ad; they may be philosophical in the sense that we promote Crown corporations. I had thought that that was the common philosophy of all of us in Saskatchewan. If the Liberals tell me no and the PCs tell me no, that is not the philosophy, O.K. then maybe we have a political argument on our hands. I don't think that is the case.

MR. THATCHER: — Mr. Attorney General, my last time and I have had enough of this nonsense Mr. Attorney General, back in 1972, I don't think even your government had orbited to the point where it dared go into such a biased form of advertising such as this Family of Crown Corporations. In fact at the time you probably didn't even envision that you would ever do it. Of course you have chipped away a little bit here and a little bit there, now you have orbited to this point where the massive, flagrant, blatant advertising on behalf of a government with taxpayers' dollars is going on. As I say, maybe that's fair game because ultimately we will have a chance to take this to the people and they will decide. Mr. Attorney General, don't give us this nonsense that it is fair for everyone because when you put the lid on us — what are we talking now 1978. Compare that to the 1971 dollar. I think I heard the figure the other day, something like a 58-cent dollar, just going back from 1978 to 1971. That sounds incredible — I have

forgotten the source of the figure but assuming it's even close to being accurate, the figure, the limit that you are putting on us is just completely handcuffing us. We have no place else to go. We can't go to the taxpayers for dollars. We simply have to go to people as private individuals and raise our money that way and you are even going to restrict how much we can spend on that. If you call that fair, I suppose that is pretty indicative of the philosophy of your party. You purport yourselves to be the great protectors of democracy. Every time we turn around in this province we have lost a little bit of freedom. That's how you and your party operate and you as Attorney General have been one of the real spearheads of that sort of philosophy.

MR. A.N. McMILLAN (Kindersley): — Mr. Chairman, I am really interested in what the Attorney General says, because it is a joke. The Attorney General says, it's fair, it's fair. The Attorney General doesn't believe that for a minute. The people sitting beside him and behind him don't believe that as it applies specifically to governments — particularly the member for Biggar (Mr. Cowley) who masterminded the entire Election Act doesn't believe that for a minute. The minister for Biggar knows full well the intentions of The Election Act and the intended injustices that Election Act is set about to establish. It does a good job of it. It does a wonderful job. The New Democratic Party in itself is restricted the same way we are. The public doesn't distinguish between the New Democratic Party and the government today because the vast majority of the people in Saskatchewan know that the New Democratic Party is in power today. You don't kid me and you don't kid the other members of this House when you tell us and you say this is a fair situation. You will spend this year probably \$3 million to \$4 million advertising your philosophic programs in Saskatchewan. You won't spend \$ 50,000 or \$75,000. You are going to spend between \$3 million and \$4 million. For what purpose? Specifically to forward the interests of the New Democratic Party in Saskatchewan, that's all, no other reason. For you to get up, and if you would get up and suggest that that was not the case you would be intentionally misleading everyone in this House. I know very well you are capable of getting up and doing that. I know you have no qualms about saying that. I wonder about the Chief Electoral Officer, how does she sleep at night? She puts on the blinders and she says, well, (. . .perhaps alone, I don't know . . .) The Chief Electoral Officer puts on the blinders and she says, I will be going to concern myself with how this Election Act applies to parties in the strictest sense. That's what she says and that's how she justifies her support for the Election Act and the same with your legal counsel. They say, as far as we are concerned we have to deal with political parties and their standings in the Election Act applies to all three in the same manner. If they can live with that, that's fine. She knows and she understands the thrust of this Election Act and the implications it has on the political system in Saskatchewan. You know it. The two lawyers sitting behind you, I suspect, know it. For you to suggest that it isn't an unfair system of applying the rules in Saskatchewan is a laughable matter.

Answer me one question. If the kind of government advertising you people do is not directed in a political manner and will have little or no political effect in Saskatchewan, why do you eliminate it during the 30 or 28 day campaign? Why is that provision there? If it has no effect, if there is no political intent to it, if it has no intent to sway the people of Saskatchewan, why do you eliminate it during the 28 day campaign? Why is that? Do you know why that was? Why did you agree to eliminate it during the 28 day campaign? You admitted that government advertising during that 28 day campaign could influence the people's political choice in Saskatchewan. Now you tell me why that advertising shouldn't have any different effect outside of the 28 day campaign. I suspect during the 28 day campaign you may only be able to spend \$400,000 or \$500,000 in this province advertising your political program but during the year you

will spend between \$3 million and \$4 million and it has exactly the same influence outside of the election period as it does have inside the election period. Your approach is inconsistent. Your Election Act is designed specifically to squelch the opposition in this province in order to prolong the longevity of your government, no other reason. Your advertising is blatantly political and those people of Saskatchewan who don't support your party as a rule are upset about it, very upset. Some of your own supporters are embarrassed about it, including some of the members in your Cabinet. When approached by members of the opposition and needled about programs they brought in and points we might have scored in the press, often their answer is, don't worry I'm starting a big advertising campaign next week to negate that. Why is that? They understand full well the purpose of your government advertising programs. What's this? It's bad enough radio and TV. What's this? It's called the Crow Rate and National Transportation Policy, an advertisement put out by the Transportation Agency in Saskatchewan. Pure garbage. It's not factual. It's designed to promote the political argument of the New Democratic Party at public expense. The \$3 million to \$4 million you'll spend this year had a minimum doing that day in, day out, prime time television advertisements about the family of Crown corporations, trying to promote your own political philosophy to the people of Saskatchewan. For you to get up and say, that is not the case, puts the lie to everything you have ever said in this House.

SOME HON. MEMBERS: Hear, hear!

MR. L.W. BIRKBECK (Moosomin): — Mr. Chairman, I might just make a few comments.

The government, surely, Mr. Attorney General, you would have to agree, would you not, has done more advertising and promotion of, in particular, utility corporations in this province today, than ever in the history of the province? Surely, Mr. Attorney General by this time the people of Saskatchewan know what Sask Power is, they know what Sask Tel is and it is very hard to understand why we need to do such extensive advertising on those utility corporations. But you go down them and you look at Sask Power and Sask Tel. SGIO, SEDCO, Saskatchewan Transportation Company, Saskoil, Saskatchewan Potash Corporation, plus you throw in the regional Cabinet meetings, the news releases from your departments, the various departments of your government, which place yourself as a government on a pedestal, in terms of the many programs that you are providing for the people of this province. You are doing all of that, Mr. Attorney General, on the taxpayers' dollars. Surely, Mr. Attorney General, to introduce an act of this nature, which is going to place restrictions on the Opposition, is consistent with the philosophy of this government and that is to take complete and total control and to have the total demise of opposition parties in the province of Saskatchewan.

Mr. Attorney General I don't have to tell you what that is going to mean to the people of this province. You are so close now to a dictatorship and you know it. You have been part of it and you have masterminded it and you can't deny that, Mr. Attorney General.

What we are talking about here today, other members of the Legislature have been talking about, the control which you have over taxpayers' dollars to further your own ends and your own means, is totally unjustified on your part as a government and as Attorney General. I think, Mr. Attorney General, rather than just suggesting to the Chairman to let it go, no response, that you have an obligation or a responsibility not just to the members of this Legislative Assembly, but to the people of Saskatchewan to answer to the programs and the spending of their tax dollars that you have been responsible for.

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We have asked you in Estimates and repeatedly in other questions and not got any answers. Mr. Attorney General, you are one member of that government side of the House from whom I expect answers and good answers, which we can take to the people of Saskatchewan. Surely that would be better to your end than the answers that we are going to take, Mr. Attorney General, if you don't give us some answers. I suggest, as the member for Thunder Creek has suggested, that surely it is unfair, and you would have to agree, to place any restrictions on opposition members, because the very future of the people of Saskatchewan rests on the strength of the opposition parties in the province of Saskatchewan.

Mr. Attorney General, do you not agree with these comments that I have made?

MR. ROMANOW: — Mr. Chairman, I definitely agree that a strong opposition is the key to a good working government. I am awfully tempted to make some speeches as to whether or not we have been as good as I think we should have been, but I won't do that for fear that it will provoke somebody's sensitivities today.

But nevertheless, I agree that the strong opposition is keen. I think on balance we have had a very good opposition in Saskatchewan. I think you fellows have done such a good job in opposition you deserve to stay there for a very long time in order to keep a good government for the people of the province of Saskatchewan.

But I don't know how else I can answer the kind of speech of the member for (where is

McMillan from) . . . ?

MR. McMILLAN: — Kindersley.

MR. ROMANOW: — Or from yourself. I have given the answer to the member for Thunder Creek, I have given the answer to the Leader of the Liberal Party as to my view as to the advertisements. You fellows don't agree with them. I can't prevent you from making your judgment calls on them. I think I have provided the best answer that I can with respect to the nature of the advertising there.

MR. MERCHANT: — Mr. Chairman. I have a series of questions.

First, I wonder if the minister would indicate whether it was always the intention that you would introduce this legislation?

MR. ROMANOW: - Yes.

MR. MERCHANT: — I wonder if the minister would indicate why this legislation, which is in theory within the hands or under the purview of the minister directly, designed to be under the purview of the minister directly so that he will elevate it I suppose out of the political realm with which your association is so clear? Why was a decision made first, that all questions in the House (as of about five or six months ago) related to the Elections Act and now the legislation itself should be introduced by you and not by the Premier?

MR. ROMANOW: — Mr. Speaker, I am sure the Premier will be pleased to know that he is not a political person in the province of Saskatchewan. Certainly I wouldn't have thought that listening to the speech of the liberal Leader last night, but I will communicate that to him. I am sure the Premier takes the view, the view that I subscribe,

that any member of the Executive Council can pilot any bill, which is a government bill, through the House on the direction of the Premier or on the decision of the Cabinet. That's a provision which is well accepted. I piloted the 1972 election bill through the House. I don't know whether the member was in the House or not in 1972, but I piloted it through. It is only logical that I would pilot the 1978 one through.

MR. MERCHANT: — Mr. Chairman, I suggest to members of the committee that the reason that the hon. Attorney General took over after Pelly and continues to be in absolute control in this area is because it is known now to be such a highly political area and that this is one of the instruments by which the government hopes to be re-elected and secondly, it is something where they don't want to get the little lily-white fingers of the Premier into the mud in any way and they now know how potentially muddy this kind of legislation is. I ask the minister, as a second question, if you are prepared to give us now—and I doubt that we will get off this bill by 5:00 o'clock—or give us by tomorrow an estimate of the amount of money that has been spent in the past 12-month period by the family of Crown corporation advertisements?

MR. ROMANOW: — I am not sure that I can provide that to the member.

MR. MERCHANT: — Is the minister prepared to indicate by tomorrow whether an estimate is available or are you saying that you are refusing to seek that information?

MR. ROMANOW: — Mr. Chairman, I am sure that an estimate is available; there has been a return ordered by the House. It will be answered in due course by return order of the House. I am not sure whether it is the first or the second point in terms of whether they will be able to get the estimate ready by tomorrow or whether it is the second point and that is that the return has been ordered and it should be dealt with in that way.

MR. MERCHANT: — Is the minister prepared to see if an estimate can be obtained by tomorrow?

MR. ROMANOW: — I am not prepared to undertake that.

MR. MERCHANT: — The third area — this is called progress — the third area, Mr. Chairman, is I asked the minister whether he does not feel if this is in theory such great democratic legislation, does he not also feel that this province should have tax credit legislation? Some other provinces have tax credit legislation. I suggest to the minister that a government that claims so very much to want to stop political parties from depending on corporate financing but at the same time goes itself to the liquor companies and so on and no doubt gets contributions from them because they list their products in the Saskatchewan liquor stores, or that that threat would exist. There would be the impression left that if there weren't a contribution made by a liquor company that they might be delisted.

I ask the minister whether in light of what you at least used to espouse about being a party of little people and used to espouse about being a party that didn't want to depend on big business contributions, whether you do not think that it would be useful for Saskatchewan to have tax credit legislation? I suggest, Mr. Chairman, to the minister and to members of this committee that the reason that this government has not passed tax credit legislation, although other provinces have ordinarily passed tax credit legislation when they passed election expenses legislation, is because the provincial government very much dominates the NDP. We are told, rightly or wrongly, that the provincial NDP very flagrantly abused the national tax credit legislation and take

upwards of 85 per cent of the money that is raised by the NDP and claim that that money is raised to go for national purposes of the NDP and that when money is raised by the provincial government, the provincial arm of the NDP, they obtain tax credits from the national arm and then the vast majority of that money comes back to the province.

Indeed, Mr. Chairman, I suggest to you that the reason that this government has never passed tax credit legislation is because they don't want to have a provincial tax credit legislation which would then free up the federal arm of the NDP to raise money under their tax credit legislation and at the same time, put the provincial arm of the NDP under the constraint, if you like, of having to raise money independent of the federal arm and not be able to bully the federal arm as this government does, into giving most of the money that is raised back to the provincial arm.

They know in a positive sense that it gives them an advantage within their internal negotiations in their party and they know in a negative sense that it puts the provincial arms of the two opposition parties, to some extent, in the unpleasant circumstance of having to be, to a limited degree, tied to the federal aims of their party. So that the NDP, Mr. Chairman, does not pass tax credit legislation to make it difficult for provincial parties to go independent of their national arm as the Liberal Party in Ontario has gone independent of the national arm, as the Liberal Party in Quebec has gone independent of the national arm, a thing possible for them because in those two provinces, when election expenses legislation was passed, tax credit fund raising legislation was passed as well.

I ask the minister, whether you are not using the government as a means, both in the positive sense that I mentioned and also in the negative sense of hurting the two opposition parties, as a means of furthering your control, if you like, and your maintenance power.

MR. ROMANOW: — Mr. Chairman, this I think, has to be the all time high in convoluted arguments that I have ever heard. He says that we are hurting the two opposition parties by not setting up a tax credit in order to make the two opposition parties independent. Independent of what? By his convoluted argument, independent of presumably that embarrassment, the national Liberal Party and the national PC Party is what they claim.

This is a flagrant abuse, he outlines, that the NDP gets involved in and then proceeds to elaborate the argument as to why his party is part of that abuse as well, as dependent and they wouldn't want to be dependent. Well, Mr. Chairman, it is a silly argument and I just think it deserves the amount of answer as the length of it is.

MR. MERCHANT: — I have now asked the three questions and received the three answers that I anticipated. Very briefly, I congratulate the minister. Let me now, Mr. Chairman, just make a few remarks about the.. I appreciate the restraint from the minister. Let me make a few remarks. Mr. Chairman, about election expenses legislation and the real intent of the election expenses legislation, whether that legislation be passed as it was by the Ontario and Quebec governments, the Federal Liberal government or the Saskatchewan government.

It is always passed with some talk about how it will control spending; it will control abuses and in theory, it will be more democratic. Now, Mr. Chairman, ordinarily the legislation is passed with tax credit legislation at the same time because that is clearly more democratic. It avoids the problem of "he who pays the piper" or the alleged

problem.

What does election expenses legislation really do? Was the federal act for instance, intended to make the process more democratic? No. The federal act was intended to help to re-elect the federal Liberal government. And it does help to re-elect the federal Liberal government. Was this legislation passed, as some means of making Saskatchewan politics more democratic? No. It was passed as a means of perpetuating the NDP in power. It does it in a couple of ways.

First, the government has a series of Cabinet ministers. They are news in themselves. In an election, what they say has to be covered. The Conservatives always complain and bitch as they are wont to do after they lose a federal election, about the fact that (and for federal elections we keep numbers), they are always whining about the fact that they loose coverage is far better for the government party, the Liberals, than it is for the provincial party — than it is for the opposition party. The reason for that is simple. When you are in government, if a Cabinet minister makes an announcement, that's news, and if an Eric Williams or a Lindigrun or some of the basket cases that the Conservatives have and would put into a Cabinet, if those kinds of people if those kinds of people make an announcement, the stupidity of an announcement may be worthy of news but the fact that nobody knows who they are, means that it doesn't exactly crowd the front pages of a newspaper. So that after an election, where numbers are kept, to compare the actual coverage in an election, we always find that the government party does substantially better than the opposition party.

We don't keep numbers, Mr. Chairman, in provincial elections. But all of us know from the 1975 election and I suspect the hon. Attorney General remembers and was unhappy in the 1971 election that the government party and government announcements because they are made by government people, people with the power demand public attention and receive press, good press. So when an election comes, the government does not rely as much upon paid political advertising to get across its message as the opposition relies on paid political advertising to get across its message. That is made worse. Mr. Chairman, in this province by the fact that the government now spends about \$3 million or \$4 million a year on political advertising under the guise of informational advertising of the government, advertising that blows up their programs, makes their programs look better than they are; advertising that takes such delicate things as resource investment (that will be a crucial issue in the next election) and aggrandizes that resource legislation and the resource intentions of the government under the guise of Crown corporation legislation.

The last thing that happens is that if you can hold the level of spending down, if you can keep the message from being communicated, if you can keep any election from being an exciting election, the tendency is to re-elect the people who are here now. The hon. Attorney General would be quite happy to have, say the member for Rosthern come back if the member for Rosthern survives, because of that static inertia of being the elected member in a dull election, because he knows that the member for Rosemont will come back as well; the member for Kinistino will come back. For every opposition member that comes back, there will be two government members that come back if there is a dull election, if the ability to communicate is denied the whole election process. It's a trade-off, Mr. Chairman. That's the reason you keep cutting back the length of the writ. That's the reason the government party keeps making the election a shorter and shorter period of time. They make it a short period of time because they don't want a long election. They don't want the issues to be communicated. They don't want people to get angry about the kind of government they've got. They don't want

people to find out what kind of government they've got. They don't want people to think about the political issues, because if they don't think about the political issues, they'll trundle down to the polling stations and they will vote for whoever is there now. They'll have that big power of static inertia. Oh good old Ed, or good old John, or good old Wes, or good old Art. They have been there for a few years so we will re-elect them if, in the process, the Attorney General would say, good old Cy comes back. He has been there before or good old Eric gets back because he has got a four-year term. Then the hon. Attorney General would say, well that is fine. We will trade off the advantage of static inertia for the opposition members to pick up the advantage of static inertia for our members because we are in the majority.

The opposition has to move them, in this case, off the pot, but ordinarily one would say, out of government. So the opposition has the job of moving the majority. Mr. Chairman, The Election Act is designed to make it hard for the opposition parties to communicate their message. It limits the length of time, to make it hard, during a shorter period of time, for the opposition to communicate their message. That is what election expenses legislation is about. That is what legislation that gives us money for constituency offices is about.

The federal government is worse at that than the provincial but we get money now, Mr. Chairman, as you know, to run a constituency office. The government would say, well we do not mind if Merchant uses the money to help himself get re-elected, because that is what I use it for, because we know that the hon. member for Saskatoon Centre (Mr. Mostoway) will use his to help get re-elected and the member for Saskatoon-Sutherland (Mr. Lane) will have the opportunity, perhaps, of getting re-elected, but for we two in the opposition, there will be four in government.

So we say constituency offices are a good thing. Election expense money, money for members, money for telephone calls, money for communications (we get something like \$ 1,800 a year), money for constituency offices — All of those things a government party says, gee that is a good idea because it helps the party that has the most members and we happen to be the party.

I say the federal government is worse. Of course it is because the federal government gives about \$40,000 or \$50,000 to each member of parliament to help each of those members of parliament get re-elected. It gives them an office, secretaries, executive assistants and all kinds of money to get re-elected.

In the United States some state Legislatures. Texas for instance, pays \$6,000 in salary and give \$50,000 in expenses, because the democratic party that is in power there knows that giving as much money as they can in expenses for the use of re-electing members will perpetuate them in office.

Mr. Chairman, the minister said earlier, well the fight about whether we have election expenses legislation, whether we have an Election Act of this nature, we fought that fight in 1972. No. you didn't fight that fight in 1972 because the opposition that you faced then were so cowed and so shocked by the fact that the pack of rabble that got elected had taken over from them, that they thought that whenever you got up and said that we are doing something democratic they thought that you knew what democratic was and they had to believe you. The fact is that this kind of legislation is far from democratic. It can be painted in democratic terms but what it really does is it perpetuates government parties. I believe that that is what it's really intended to do. You can put any kind of rhetoric you like around it; it is intended to aid you to be re-elected.

You know, Mr. Chairman, we see the minister presenting the legislation and making a big fellow of himself because he raises the amount to \$75,000 from \$50,000. We'll take it; we're happy to have it. Any crumbs from your table that you are prepared to give we'll take. But we know that we'll go into an election and you'll have spent about \$6 million or \$7 million over a two-year period advertising the reason you should be elected and we'll have \$250,000 in the writ and \$75,000 before. We'll have \$325,000 to communicate our message and you'll have had about \$7 million plus the \$325,000. We take the expense money that you give to each of us because each of us want to get re-elected but we know that that expense money that you give to your own members will be used by each of those members to help them get re-elected.

No, Mr. Chairman, if in 1972 we didn't fight this legislation it's because we didn't realize the way it would operate. If we didn't fight it in 1972 it was because we hadn't thought then about what was happening under the guise of democracy. This legislation, just like the federal legislation and the legislation in every province, is passed by government parties to perpetuate government parties. It does a pretty fair job of helping government parties to be perpetuated but it traps the government into the same trap that Ross Thatcher made in 1971 when he gerrymandered the province. He did things that people could clearly see were undemocratic, when he abused the election process, when he abused, as you are abusing now, the use of government money for public communication. That kind of thing cracks back on a party. The people are brighter than you give them credit for. I think the people of most democracies are pretty bright and pretty capable and pretty easily see through the kinds of things of the Crown Corporation Act, pretty easily sees through taking Cabinet meetings around this province and saying that that is for some informational purpose. I say, Mr. Chairman, that this kind of legislation and these kinds of restrictions which are designed to perpetuate a bad government in office, will be seen by the electorate for what they are, designed to perpetuate the government in office.

MR. ROMANOW: — Mr. Chairman, I challenge the Liberal Party to oppose this legislation throughout the piece. I challenge them because I want to expose to the people of Saskatchewan once and for all that the free enterprise Liberal and PC Parties oppose election expenses because they have an unlimited war chest funded by the oil companies and potash companies to fight this election.

Mr. Chairman, you are doggone right the people are going to see through this bill. They are going to see through this precisely for what the Liberals are standing for this. They are going to see through it because they want to expose this so-called honest mistake of three times the allowable limit that the Liberal Party operates and went through.

Mr. Chairman, under the Elections Act that we are amending, the Liberal Party of Saskatchewan three times over broke the law and they tried to say to the province of Saskatchewan people that that was an honest mistake. Mr. Chairman, that was not an honest mistake. That was a mistake which was calculated by the Liberal Party because it has an unlimited war chest to try to win the election campaign in 1979. Mr. Chairman, when the member for Wascana talks about the Liberal Party, his own very liberal party federal, which is trying to put a ceiling on it and condemns it in the terms that it does, why he should be drummed out of the Liberal Party for that kind of a display of disloyalty and lack of principle. He can criticize Ross Thatcher all he wants but when he criticizes the only Liberal premier that his party has had in years, as he has done, he should be ashamed of himself for that kind of an operation that goes before him.

Mr. Chairman, there is a reason why he is doing this. He is doing it because he is opposed to the election control expenses because as I say, there is absolutely no limit to it. He says he is opposed to it in principle but yet he is going to take the \$75,000 increase in limit. That is how he stands by his principles, Mr. Chairman. Well I invite him or his leader to get up anytime today or anytime tomorrow and tell me he doesn't want that \$75,000 because his principle doesn't accept it. I want the Leader of the Liberal party and the Liberals to get up, (you'll have your chance tomorrow and in the days after that), to tell this House exactly why it is they are opposed to some of the provisions related to assets and some of the other provisions related to real estate that they want excluded from the bill.

I want the Liberal Party Leader to tell us about where his contributions come from. The member for Wascana (Mr. Merchant) tells us that we have contributions from the liquor corporations. I challenge the member for Wascana to table one evidence anywhere of any contribution from any liquor company. I challenge the Leader of the Liberal Party to tell us where he gets his contributions from. I want him to tell us how many dollars they get from the liquor corporations. I want them to tell me how many they get from the oil companies, how many they get from the potash corporations of this province. I want them to lay that every cent on the paper before the bill is over. Mr. Chairman, they won't because they have this little honest mistake. This great law and order party has an honest mistake of three times breaking the law over.

Mr. Chairman, this kind of arrogant neglect and arrogant disregard for the election law of the province of Saskatchewan by the member for Wascana . . . you listen but you don't hear. That is your difficulty. If you heard something maybe you wouldn't be in the trouble you are in. It shows why the Liberals are in third position. Mr. Chairman, the Liberals are in so much electoral trouble, the Liberals are in so much electoral trouble, Mr. Chairman, that right now if a provincial election were held, there would not be more than two or three Liberal MLAs elected. Mr. Chairman, if there were a provincial election called today, if there were an election called today, the Leader of the Liberal Party himself would not be back in this House with the position he has taken. And they know it; they know it, Mr. Chairman. You know why they are spoiling this House the way they are? Because they are afraid the Premier might call a provincial election next week. They are afraid that if the Premier should call an election next week . . . (Inaudible interjections) . . . Mr. Chairman, Mr. Chairman, kind of whistling past the graveyard, that clapping that goes on.

Mr. Chairman, they are so afraid of their political shadows; they are so afraid of the position they are in that the only hope they have is to spend their unlimited money, their unlimited war chest on the election campaign. The hon. member for Wascana would have the kind of election law they have in PC Ontario. Just take a look at their kind of a law; this is the one he that he supports. Take a look at this return — PC, \$36,000, Liberal. \$15,000; it goes down by every riding and you will see an unlimited war chest used by the big corporations financing their parties, the PCs, the Liberals, for their election.

Now, Mr. Chairman, I know exactly what that position of the Liberal Party opposite is. I welcome a fight on this bill. We are going to have a fight — we are going to get the Leader of the Liberal Party to get up and tell us exactly where he gets his corporation money from. I am going to ask him on those sections, where his assets are; how much he has in bonds squirreled away; how much he has in land squirreled away. He has to tell the people of Saskatchewan where he gets the money from and where it's at — in the interest of democracy. Fight this bill all you want. Fight this bill all you want because

by fighting this bill, Mr. Chairman, you are going to prove once and for all to the people of Saskatchewan, that you represent no one but a privileged elite; you represent no one but corporations; you are only down to eleven guys; you have no prospects in the province of Saskatchewan because of the position taken by the member for Wascana, the Liberal Party operations. Mr. Chairman, this I welcome in the next weeks ahead about this bill and 1 . . . The member for Wascana says he gives the leader of the NDP notice of some questions. I give you notice of some questions that I am going to ask you in these Estimates. I give you notice about your returns. Mr. Chairman, and we are going to see how honest that mistake in Pelly was.

The Committee reported progress.

The Assembly adjourned at 5:02 o'clock, p.m.