

## EVENING SITTING

## ADJOURNED DEBATES

## SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by Hon. Mr. Lane that **Bill No. 20 — An Act respecting the Reorganization of the Potash Corporation of Saskatchewan** be now read a second time.

**Mr. Shillington:** — Thank you very much, Mr. Speaker. Mr. Speaker, when 11 o'clock . . . When 5 o'clock came, rather, I was commenting on the benefits which had accrued to Saskatchewan . . . Ah, the member from Weyburn leaves. Such a shame, such a shame. He's . . .

**An Hon. Member:** — Point of order, Mr. Deputy Speaker.

**The Deputy Speaker:** — Why is the member on his feet?

**Mr. Hopfner:** — Mr. Deputy Speaker, the member knows full well the rules of this Assembly and he's not to draw attention to whether a member is leaving or entering the floor, and I'd like you to bring the member to order and get him on to the motion instead of filibustering as they have been doing for the last 30-some-odd days, Mr. Speaker, on this particular issue.

**Mr. Lingenfelter:** — On the point of order, I notice the minister just came back in again, so I don't think it makes any sense . . .

**The Deputy Speaker:** — Order. Order. I believe all members know that they're not to refer to any member of the House, whether they're coming in or leaving the Assembly, and I'd just ask members to keep that in mind.

**Mr. Shillington:** — Thank you very much. My apologies to the member from Weyburn for having commented on what turned out to be an extremely brief absence.

Mr. Deputy Speaker, I was commenting on the benefits which had accrued to the Saskatchewan public and to Saskatchewan as a result of the Potash Corporation of Saskatchewan . . . (inaudible interjection) . . . The member from Lloydminster is . . . He's rendering advice. I know it will be most useful, Mr. Speaker. It will be most useful; it will no doubt guide you in any difficulty you get into.

The member from Melfort thirsts for knowledge about potash, as he did this afternoon. There's just no slaking his desire for knowledge. I have a hope . . . This situation is not without hope, Mr. Speaker. With members like this who are sincerely interested on the subject and want to know about it, want to know the details and the history and so on, it's . . . if there are more members like the member from Melfort, I'm sure they'll change their mind and withdraw the Bill and get on with the governing of the province — get on with some serious problems.

The member from Assiniboia-Gravelbourg wants to hear about the land bank. I won't . . . I'm not able to indulge

him. He wants to hear about *Romper Room*. I simply say to the member from Melfort, I can teach you nothing about that subject. It's your field of expertise, not mine. But I see the member from Melfort really desperately wanting to hear a little about potash. He nods his head. The member from Melfort knows his hearing is sharper than mine.

Mr. Speaker, I was talking about our goals when we had gone into the potash, the privatization, when we had gone into taking part of the industry into this public sector. I mentioned that we had sought to increase revenue for programs that were becoming expensive and programs we wanted to do. In that respect the nationalization, taking the potash corporation into the public sector . . . (inaudible interjection) . . . Well, I just . . . The member from Lloydminster continues to ask questions. There is a procedure, Mr. Speaker.

**An Hon. Member:** — No I didn't ask a question.

**Mr. Shillington:** — Oh, he didn't ask a question. There is a procedure, Mr. Speaker, I'm sure members opposite are aware. One can rise in one's place and ask, will the member permit a question? I want you to know that, for the benefit of these people opposite, I'm happy to accept such questions if they wish to ask them. So I say to members opposite, if you have questions, rise, and I will be happy . . .

**The Deputy Speaker:** — Order, order. I believe we're debating the potash Bill and I would ask the member from Regina Centre to directly relate his comments to the potash Bill and not get into personal debate with individual members in the House.

**Mr. Shillington:** — Mr. Speaker, the subject would be somewhat easier to stick to if it weren't for the heckling, the comments of members opposite. If members opposite want me to stick to the subject, one way to do it is to maintain a respectful silence. I just simply point that out to members opposite. Mr. Speaker, I was pointing . . . As I was saying, we set . . .

**An Hon. Member:** — And as you said yesterday and the day before.

**Mr. Shillington:** — No. No, I didn't. No, I didn't. I've not proceeded rapidly with this but I have not gone to . . . I'm dealing with the members opposite. If I were to go too rapid I would simply lose them all. I've got to proceed slowly, and I have proceeded . . .

**Some Hon. Members:** Hear, hear!

**Mr. Shillington:** — I've proceeded with great care, and in great detail, but I don't think I've repeated anything.

I think I've been . . . As I was saying, Mr. Deputy Speaker, before we broke for lunch, I was talking about the reasons why we privatized — nationalized rather — part of the potash industry. It wasn't done lightly. It was done with considerable trepidation, I think that's fair to say; a great deal of debate, a great deal of thought, that occurred in our caucus before we did it; that occurred in the

legislature before it actually became law. As I have said to members opposite, we began the process in the summer of 1975. The matter had been talked about in the election. We had talked about bringing an increasing percentage of the potash industry under public control. There was, as well, Mr. Deputy Speaker, a platform . . . a pamphlet, is the word I'm looking for — a pamphlet which came out during the campaign . . .

**An Hon. Member:** — What did it say?

**Mr. Shillington:** — Well the member from Souris-Cannington wants to know what it said. By and large, it repeated the platform that was in the . . . (inaudible interjection) . . . No, it didn't; no, it didn't. By and large, the pamphlet repeated the platform without the initial preamble. By and large, it . . . I read to members opposite the section of the New Deal '75, our handbook. There were hundreds of thousands of these passed out. I don't think that's an exaggeration.

The member from Souris-Cannington has one. He has obviously not read it or he would have had a better grip on these subjects. It's a great shame that the member from Souris-Cannington didn't read the pamphlet. There were several hundred thousand of these distributed. In addition, this was not actually, Mr. Speaker, a platform — a pamphlet, rather. There was a shorter version of this distributed as a pamphlet. It looked very much like this. The face of it said, "New Deal '75, New Democratic Party of Saskatchewan."

It was probably about the same length; however, much of the preamble was omitted but the platform was not. The pamphlet contained the phrase that a New Democratic Party government would . . . This particular document is 26 pages in length, I think. The member from Souris-Cannington asked me how long it is. It's 25 pages in length.

The pamphlet which was distributed omitted much of the comment. I mention to members opposite that this particular pamphlet set out the history of what we had accomplished and done since 1971. In terms of getting revenue for the province, it was very, very considerable. It went on to talk about our resources, the sort of resources we had, what they could mean to the province, what the province might do. Then this platform document went on to state a specific platform after this sometimes lengthy preamble. The pamphlet, by and large, omitted the preamble but contained the platform. No one should have been discouraged and no one should have been confused about our intention. It was made crystal clear.

**An Hon. Member:** — What did it say?

**Mr. Shillington:** — The member from Souris-Cannington wants to know what it says. All right. The member from Souris-Cannington wishes to know specifically what it says about potash. To answer that question properly, one has to go back to 1971. The New Deal '75 . . . (inaudible interjection) . . . Well the member is going to hear in a moment.

One of the central complaints about this government's potash policy is that you said, when confronted in an

election campaign with the possibility that major Crown corporations such as SPC (Saskatchewan Power Corporation) and SaskTel might be privatized, you said no, no way, never happen — that's just the NDP dredging up false comments, lying about us again.

Mr. Speaker, the only defence to that quite obvious criticism has been that we did the same thing, and it is this defence that the member from Souris-Cannington is now trying to deal with. In both 1971 and 1975 we were very candid, as a party ought to be. In 1975 we talked about resources, said:

Saskatchewan's natural resources are the rightful heritage of the people of our province, not the preserve of private interests. The New Democratic Party believes that the Liberal policy of selling out our birthright is both unwise and unnecessary.

Then it went on to say specifically:

Review existing royalty and other arrangements with a view to renegotiating, where necessary, those not in the interests of Saskatchewan people.

And it is the next sentence which sets the matter out with considerable clarity:

Where feasible, we will reclaim ownership and control of foreign-owned resources.

In 1971, Mr. Speaker, we were concerned with a number of resources — oil, potash, and then an industry just in its infancy, the uranium industry. It had just begun to become interested in northern Saskatchewan in the late '60s. So this document talked about resources in a general way.

By 1975, however, arrangements with respect to the oil industry were complete — were the subject of complaints by the oil industry, but they had in fact learned to live with them. In 1973, when we brought in the oil royalties arrangement Act — I think was the name of it — companies said that they could not live within such an environment. They all left for six months, then in six months they all come back. And by 1975 the industry was working reasonably well, complaining about the amount of royalties they paid but paying them; production was going on at a rate which roughly equalled that of the rest of Canada.

Potash, however, had become a very difficult problem. The potash industry said they couldn't pay the taxes; refused to provide any evidence of that, just simply asked us to take it on faith. They were arrogant, naïve, and foolish in their approach. Thus in the middle of the negotiations, we held an election. It was the time for an election anyway, and very specifically with respect to potash, we said, specifically the . . . This is, for the benefit of the member from Lloydminster, this was 1975 in the . . .

**An Hon. Member:** — In 1978 you held the election.

**Mr. Shillington:** — No, the election was in 1975, when this was relevant. By 1978, indeed in 1978 — and I'll get to that in due course — potash and our arrangements

really were a major factor in winning a third term of government.

Members opposite no doubt look wistfully when they think of a third term of office, since you are never going to see it — never going to see it. Some of them are never even going to see the opposition; they're simply going to be given the option to transfer back to the private sector, in the memorable words of the former member from Wilkie — a goodly number of them, goodly number of them.

(1915)

But in 1975, specifically we said, and this is now a direct quote:

Specifically we will . . . Speed up direct government participation in exploration for and development of potash and hard rock minerals to achieve a greater measure of public ownership of these resources and industries.

So that is what we said. We talked specifically about potash, specific . . .

**The Deputy Speaker:** — Order. I believe the discussion between two members is interfering with the member from Regina Centre being able to place his case, and I'd ask the members to co-operate and allow the member from Regina Centre to speak.

**Mr. Shillington:** — So this is the comments we made in 1975. With those comments, we were elected with 44 members, virtually identical to what we had won in 1975. Came back into office with a renewed mandate, and then found the potash industry as intransigent as they ever had been.

So we said a number of things when we . . . At that time, Mr. Deputy Speaker, great debate ensued in Saskatchewan. All of us who were then in Executive Council and most of the private members spent a great deal of time on the road talking to groups who were interested, trade unions . . .

**An Hon. Member:** — How long were you in cabinet?

**Mr. Shillington:** — The member from Weyburn is inviting me to get into an area which is a pleasant memory, but not relevant. What is relevant to this discussion is not how long I was in cabinet before but how long I'll have the opportunity to be in cabinet again as a result of mistakes you're making with respect to the potash business.

**Some Hon. Members:** Hear, hear!

**Mr. Shillington:** — The members opposite may be interested in the past but ought to keep some kind of an eye peeled to the future, because what you're doing runs contrary to the way this province is structured, the way it's developed, the way that people feel and think about their province; and is contrary to everything that the public of Saskatchewan have said about an industry of this sort.

We said, Mr. Speaker, that we would be able to bring

increased revenue into the province. I indicated before supper, before the break for the lunch hour, that we achieved that in spectacular measure — achieved that in very spectacular measure.

The company continued to pay all of the taxes and royalties which the private industry had said that they were not able to pay. The Potash Corporation of Saskatchewan, in addition, after those taxes and royalties, made enough profit, since those taxes and royalties are not income taxes, Mr. Speaker.

It's a point that should be noted in these profit figures, actually. The usual way of accounting for profits is that it is before income taxes. Usually when a company is providing an income and expense statement, it provides a net revenue figure, profit figure. That is usually before income taxes. However, it is customarily a net of all other taxes. It is customary to deduct everything but income taxes.

Sales tax which the company might have paid would be subtracted. So would taxes and royalties which they paid as a result of the potash. These are taxes and royalties, and for the sake of everyday discussion, I think we could call them all royalties.

These royalties, which total \$271 million, paid by the Potash Corporation of Saskatchewan between 1976 and 1981, totalled \$271 million. That's in addition to profit of \$413 million.

That, Mr. Speaker, was a total benefit of \$784 million, \$784 million which was what the province got for investing . . . for borrowing \$413 million. Invested nothing, simply borrowed the money, bought the mines, and the company was then able to make enough money to pay off all of the debt except \$88 million, and was able to achieve these profits as well. So we achieved that goal with remarkable success.

Another goal which was discussed was that we wanted to have a window on the industry. We wanted to be able to do something other than be able to be an observer looking on from the outside. And in this as well, the nationalization of the public ownership portion of the potash industry was quite successful.

We had discovered, Mr. Speaker, that at least some of the goals which we set out in 1971 were being denied to us. We had said specifically, we have faith in Saskatchewan people; we believe them capable of developing their own resources for their own benefit. Development must be . . . "Outside help is sometimes necessary but a sell-out is not." Development must be aimed at maximizing benefits for people, not maximizing profits for big business and its promoters.

We had found, Mr. Speaker, that that goal had proved difficult to attain, the general goal of managing and controlling this resource so that the public were the benefactors, and not the private industry.

We discovered, Mr. Speaker, that a company which was foreign based, companies which kept skeleton staffs here, were in a sense able to defy us, able to defy a

democratically elected government. It mattered not to them that they were breaking the law. That's regrettable, and I wish that had not been the case, but it was. It mattered not that they were breaking the law . . . (inaudible interjection) . . . As one member says, only one law governed their actions; that's the law of raw greed.

We wanted to have a voice with respect to the development of the industry. We didn't . . . (inaudible interjection) . . . Well the member from Kindersley is showing some impatience. All I can say is, I'm still being peppered by questions from your members. I therefore assume that I'm proceeding too quickly. I make the assumption when people are continually asking me questions, Mr. Deputy Speaker, that I'm going too fast and I've got to slow down so they can follow. I think that would be a fair conclusion.

So I will slow down so that the member from Kindersley can follow the conversation. Now that's about the right speed. I see the member from Shaunavon smiling. That seems to be about the right speed for him as well. He is now able to follow it as well.

I think what I have to do, Mr. Speaker, that I've now discovered what I've been doing wrong. I think I really have to go back and start again at the very beginning and go much slower. It seems to me to be the only solution.

**An Hon. Member:** — You don't have to do that.

**Mr. Shillington:** — Well some member said I don't have to do that. I feel a responsibility to members opposite to assist them in coming to understand this issue.

Mr. Speaker, we said that these are Saskatchewan resources. We have a right to have a role; we have a right to have a say in how they're developed. They said, ah, but these are ours. We own the mineral rights. You are interfering with the private market. You are interfering with our inherent right to develop our resources as we see fit.

We said, no, they're not your resources. They belong to the people of Saskatchewan. But the industry would accept no guidance, no advice. Our ministers were barely tolerated — sometimes civil but sometimes not very civil. We were viewed, Mr. Speaker, as a gross interference in the conduct of their affairs. Their affairs was their affair, and their concern was the potash industry. They conceded to us nothing but a minor role in the management of the resource.

Mr. Speaker, that was one of the goals which we set, and it was a goal which we achieved. Mr. Speaker, one of the difficulties which had arisen prior to 1975 with respect to potash was the whole management of the resource and the marketing of it. In 1968-1969 the price of potash fell in a calamitous fashion.

The then premier, Mr. Ross Thatcher, passed a Bill called the potash prorationing Act. It was, in effect, a cartel; a cartel among the Saskatchewan industry — was intended to and did curtail the production, prevented Saskatchewan companies from underpricing the New Mexico mines, prevented them from going out of

business.

It was very, very controversial when it was done, was a major factor in the election. And those words which I read a moment ago about developing our own resources for our own benefit, "Outside help is sometimes necessary but a sell-out is not," those words were in fact largely directed at the prorationing Act.

We discovered, when we were in office, Mr. Deputy Speaker, that the matter was not as simple as we had thought. Without a window on the industry, without something more than a window, without being a part of the industry, the mechanisms which were available to us were very crude. We found out that controlling the industry, playing a part in its development, was not as easy as what we had thought.

The member from Weyburn asks how many windows we wanted. We wanted more than windows. We wanted to be inside the room. We did not want to be looking into the room through a window; we wanted to be in there.

It proved to be wise. It proved to make the best of sense. As I will point out, Mr. Speaker, I think that ability to be a part of the industry may have stood this government in good stead on the one occasion when they chose to use it, when they increased the price of potash.

Mr. Speaker, so that was a secondary goal, was the control of the potash industry and a desire to be a legitimate part of the industry, to be a player, to be on the ice, not sitting up in the stands. We had found that while we might be critical of Ross Thatcher's potash prorationing Act, while we might have said with respect to that Act in the late '60s: this is done for the benefit of the companies and for the industry and not for the benefit of the people of Saskatchewan; you have, in fact, restricted our production; you've cut down the number of jobs which we have — we might say all that, and I still believe that was true; I believe that was the effect of the potash prorationing Act. Nevertheless, we found when we were in office that the tools available to us were not as sophisticated as they needed to be. And so we set up . . . And so that was an additional motivating factor, was that we wouldn't be outside the industry, we would be a part of it.

(1930)

That was successful, Mr. Speaker, and in fact it became a part of the policy with respect to the development of all resources. One of the motivating factors behind Saskoil was that we wanted to be a part of the industry. Otherwise one can never understand it and cannot exercise the same degree of management. And we make no apology, no apology, Mr. Speaker, for wanting to manage these resources. All too soon they are gone. With respect to the potash, it won't disappear, in a sense, as immediately as oil might, or gold, or diamonds — minerals which are found in smaller ore bodies — but they do disappear.

We wanted to ensure that the public in Saskatchewan were the benefactors, that the industry was developed in a sane and logical way. Specifically, we found we wanted to expand the industry in Saskatchewan. We pointed out

that projections showed a shortage in due course, in a decade or so, perhaps, in potash. And we wanted them to expand the industry so that there might be jobs here, there might be income in Saskatchewan, and there might be the benefits of the expansion of the industry, which we felt was certain to occur, might take place in Saskatchewan.

Mr. Speaker, we were in a position to exercise a very great deal of influence over the expansion of the industry. Our resources were not just the largest in the world; they're also the richest. It is therefore possible . . . We felt it was therefore possible for us to limit development of resources elsewhere by opening up additional resources and mines here. Since we could undersell, since we could undercut, given our rich resources, the cost of potash sold elsewhere, we felt we could inhibit that development. And we made no apologies. We were elected by the Saskatchewan public. We wanted new mines, the jobs, the incomes . . . (inaudible interjection) . . . Well you people haven't, to be perfectly honest . . . The member from Kindersley asked me how many new mines were built. Members opposite haven't built a park bench. That's right. The member from Morse says, "Nothing." That's right, the members opposite haven't built a park bench. You haven't built a park bench since you've been in office, never mind a mine.

Mr. Speaker, one of the effects of this government's election — and I will get to that in due course — one of the effects of this government's election was that the Potash Corporation of Saskatchewan was kept on a very short leash. They were prohibited from expanding. Worse yet, and more criminally — and I'm going to get to the financial results — they were prohibited from competing.

As a result, new mines did spring up elsewhere, Mr. Speaker. New mines came in Manitoba and New Brunswick. A better managed industry in Saskatchewan, with our richer resources, could have prevented that. You could have ensured that the expansion in the industry took place in Saskatchewan.

The private industry had little interest in expanding in Saskatchewan *per se*. They were interested in maximizing the profits for their shareholders. That's their responsibility. Except to the extent that shareholders are . . . live in Saskatchewan, which isn't common, the private companies have no interest.

They might be interested in expanding elsewhere because other jurisdictions give them lower royalties. They might be interested in expanding elsewhere for a whole variety of reasons. They might own mineral rights that they want to develop; they might own mineral rights in Manitoba or New Brunswick which they want to develop. They might get very handsome deals from foreign governments to develop them.

We weren't in that business. We were in the business of developing the resources by Saskatchewan people for the benefit of Saskatchewan people.

One of the consequences of this government's assuming office is that this province's industry really has not expanded. Such expansion as has taken place, has taken place elsewhere.

It's a great tragedy, Mr. Speaker, that there are jobs so badly needed in Saskatchewan, might have been in Rocanville, might have been in Esterhazy or Lanigan or Vanscoy, but aren't; happen to be now in Manitoba or New Brunswick. With a degree of direction and overall control, that might have been avoided, but it wasn't.

The next thing we sought to do, Mr. Speaker, with the expansion of the industry, was that we sought to . . . And I may say, Mr. Speaker, with respect to the expansion of the industry, make one other obvious point and that is that it is the habit of private industry to follow the economic cycles, which means that they generally start an expansion during a boom and they bring on production during a bust. That means that they do their building when materials and supplies are expensive and hard to come by, when men and women who would do the work are hard to get, when construction costs, in a word, are very, very expensive. They bring it on, Mr. Speaker, in a period . . . They bring on production in a period of time when the . . . after the boom has taken place, when the potash, in this case, is no longer needed, and often depresses the price.

We said, in a well managed industry, that can be avoided. We can bring on the construction during the bust, during the slow economic periods, the recessions, and bring the production on during the boom when it's needed. And that, had this government not been elected in 1982, that might well have occurred. There were plans for an expansion of the potash industry, which were delayed in part because the economy of this country and this province was just red hot.

Mr. Speaker, we had difficulty during the '70s . . . The construction industry would look back on this with a great deal of nostalgia. We had difficulty getting competitive bids in the '70s. We would put out a bid on a major government building, a multimillion-dollar building — get one bid back. In such an atmosphere, with an economy which was badly overheated, we didn't construct a mine. There are some problems you people cure rather nicely, one of which is an overheated economy, I must say. It's unfair to say that you have solved none of Saskatchewan's problems. You have solved them, and one of them is that we have a construction industry which is now very, very competitive. So there's some things you're capable of doing.

**An Hon. Member:** — You're making me sick.

**Mr. Shillington:** — The member from Wilkie, I believe, said I am making him ill. That's a great shame. I'm not sure what it is about my comments which are affecting the member's health. It may be he has some allergic aversion to the truth; I don't know. That is about as close a guess as I can come to the problems which seem to affect the member from Wilkie. Seems to me there was another member from Wilkie who had a little difficulty with the facts as well, and it seems to be a habit of members from that constituency.

Mr. Speaker, before I was interrupted with that less-than-civil comment by the member from Wilkie. I

was saying that we wanted to manage the economy and were, I think, reasonably successful in so doing. Yet another goal which we had was to establish in Saskatchewan a major corporation with a head office in Saskatchewan.

It was our lot, Mr. Speaker, in Canada and in Saskatchewan, to always be part of a branch plant economy. We are hewers of wood and . . . We tend to be hewers of wood and drawers of water, and the top jobs exist somewhere else.

Mr. Speaker, there's a very real benefit to having not just the branch plant in your province, but to having the head office in your province as well. The spin-off benefits from head offices are very considerable and contribute a great deal to the economy.

We said that we're capable of managing our industry; we're capable of doing those head office functions; and we set up a head office in Saskatchewan. It was again a goal set and a goal achieved. Members opposite criticized some of the salaries of some of the head office officials. They look at similar or higher salaries in the private sector for CEOs (chief executive officers) and vice-presidents and say, oh, well they're doing an important job and such skills are rare and high salaries are needed to attract them.

But the salaries we paid were compared . . . were thought to be exorbitant. They were in fact at about the same level. In constant dollars, the Potash Corporation of Saskatchewan, I think, is paying now about what it was paying in 1981. It's being paid to an American, whereas a Saskatchewan . . . someone born in Saskatchewan, a Mr. Dombowsky — I don't mind using the name — educated here, very much a product of Saskatchewan, had the job after these people took office and, with what I think can only be described as a disdain, a disdain for the talents of Saskatchewan people, fired the Canadians and replaced them with Americans. I'm not saying they are or are not competent; it's just that the approach should be contrasted.

We say Saskatchewan people can do it. We say Saskatchewan people can manage the resources, can manage the industry, can hold down the top jobs just as well as anyone else, and so we did. We built an office building in Saskatoon which added considerable to the architectural and physical beauty of the city. That was an attractive building. That's something that wouldn't have happened if it hadn't been for the potash, if the Potash Corporation of Saskatchewan would not have been set up. Previous to the Potash Corporation of Saskatchewan being set up, we had nothing but plants, branch plants here, with all of the decisions being made in foreign jurisdictions — some in New York, some in Denver, some in Houston, some in Johannesburg, some in Paris, some in Europe, but none in Regina and none in Saskatoon.

(1945)

So we sought to establish a head office here. We achieved that, and these people, I suspect, if they are successful, are about to give all that away. One question which needs to be asked by the public is, what will happen to the Potash

Corporation of Saskatchewan if it goes private? Will it be a purely Saskatchewan company? Will it have all the management offices here? Will it have its head office here? Will its expansions take place in Saskatchewan? Will Saskatchewan people continue to be the benefactors of this company, and will the Saskatchewan people be the object of this company's efforts? I think, Mr. Speaker, there's evidence to suggest that if this government succeeds in privatizing the Potash Corporation of Saskatchewan, that we may not.

One has to look at the history of some other companies that have been privatized. There were a lot of parallels between the Saskatchewan potash corporation and Saskoil.

Without in any sense minimizing the role played by agriculture . . . Land is undoubtedly our greatest resource, but it is of course not a resource in the sense that it is something that's mined, trucked, manufactured, or sold. There are those who say the land, some land is being mined, but not at a profit and not, I guess, intentionally.

But oil and potash were the two big resources. We set up in oil something similar to what we set up in potash. We set up a company, Saskoil, as was the case with the Potash Corporation of Saskatchewan, where we're able to buy the leases, the oil leases, at a relatively good price.

During the debate in 1975, when The Potash Corporation of Saskatchewan Act was being passed, members of the opposition, Liberals and Conservatives saying the same thing, said: ah, ruin will come to the province; any number of ills will come our way and we will lose our investment, we will lose jobs; you can't manage it. They pointed to some examples of poorly managed Crown corporations. There are always some. What they said, and I think this was what . . . Of the various arguments they made, I think the one that they believed most was: Canada and Saskatchewan needs foreign investment. You will frighten away foreign investment by your actions. That, I think, is the argument which Conservatives and Liberals believed the most. I think in many ways that's what really frightened them.

The Liberal and Conservative parties in this country have long been behaved like dogs on leashes when they are . . . in their relationship to the international business community. That has long been their relationship.

With respect to Saskoil, it so happened that Saskoil came before Sask potash. In 1973 — a little earlier than that, I guess — in the early '70s a rather unpleasant war broke out in the Middle East between the Arabs and the Israelis, the Yom Kippur War. As a result of that war around 1970 or so, I forget the precise date, as a result of that war and the Arab defeat in that war — and the Arabs suffered a crushing defeat against the nation that they thought they would have little difficulty with — as a result of those events, those events set in motion a chain of events which eventually led to an effective oil cartel among the oil producing nations in the Middle East. Defeated and humiliated in war, the Arabs turned and began to manage their resources much better, began to fight back, in a sense. Oil shot up dramatically.

And in 1973 we brought in a new royalty structure. We also set up at about that time a company called Saskoil. Its functions were very similar and its role was very similar to the Potash Corporation of Saskatchewan. The oil industry said, listen, we're not doing business with a government which is going to participate in the market. They all left. On the way out, the then minister of Energy, a rather shrewd chap by the name of Elwood Cowley, and his associates bought leases from companies which were going at fire sale prices because they were abandoning this den of iniquity. And so we got those resources, got them at a very reasonable price.

Mr. Speaker, that company always made money. I won't get into that in great detail, but Saskoil returned a very handsome return on our investment. As measured in terms of return on investment, which is the only way to measure the profitability of a company, it was the most profitable of all the Crown corporations. For a relatively small investment, relatively large returns were brought to us.

We got into that because we said, we want a window on the industry. We said, we want a significant share of those profits. We said, we want to have a major head office in Saskatchewan, and so we did. Saskoil was very much like Sask potash — they were twins. Our two most important resources both had a Crown corporation as a major player. Just as Saskoil was the first of the two to come into existence, so it was the first of the two to be privatized. Because there are so many similarities between Sask potash and Saskoil, it's worth our while to ask what happened to Saskoil.

It was privatized in the fall of 1985 and the winter of 1986, if I remember correctly, and I think that's accurate. What has happened now? The company still exists. Shares are traded in the stock-market. No doubt people have made money off the company and no doubt people have lost money off the company. But the public of Saskatchewan haven't benefitted from the activities of Saskoil since it was privatized.

The vast majority of its exploration has been elsewhere. They have used their money to buy leases and indeed oil companies in Alberta. They have tried to be like any other oil company, tried to have a major stake in Alberta with a more minor stake in Saskatchewan. I am not, frankly, enough of an expert on the oil industry to know whether that is in the best interests of the shareholders or not . . . (inaudible interjection) . . . The member from Wilkie would have conceded to me an expertise on the oil industry. I thank the member from Wilkie for that. But yes, that's right, he's saying that he's surprised that I would utter a comment that I'm not an expert on the oil industry.

**An Hon. Member:** — But he is.

**Mr. Shillington:** — Well I say to the member, I'm not an expert on the oil industry. Well I say to the member, I'm not. I'm not able to say with great certainty whether or not those decisions have been in the best interests of the shareholders. Suffice it to say they're not in the best interests . . .

**An Hon. Member:** — He's doing crossword puzzles over

there.

**Mr. Shillington:** — And the member's doing crossword puzzles, I see. At a salary of \$40,000, he's doing crossword puzzles.

**An Hon. Member:** — What are you doing?

**Mr. Shillington:** — What am I doing? I am discussing . . . The member from Regina South wants to know what I'm doing. I am discussing an issue which is fundamental to this province, a fundamental . . . the public ownership of our richest and largest resource. That is what is fundamental to the continuation of this province . . .

**An Hon. Member:** — They say you're making a jerk of yourself.

**Mr. Shillington:** — Is that right? Well the member from Regina South believes that people say I am making a jerk out of myself. I say to the member from Regina South, I haven't had to change constituencies to get re-elected, as some members in this Assembly have.

**The Speaker:** — Order, order. Each hon. member has had their remark, and let's leave it at that.

**Mr. Shillington:** — Mr. Speaker, I was talking about what is likely to happen to the head office component of this industry, of what is likely to happen to their . . . Where is their focus likely to be? What are their objectives likely to be? It seems, Mr. Speaker, that once you privatize these companies, they're not satisfied with making a good dollar in Saskatchewan. They want to become players on the world stage.

It seems there's something exotic about spanning different provinces, climbing on expensive Citation aircraft, accompanied by attractive staff. It seems there's something attractive about that particular life-style when you go from the public to the private sector. Members opposite will know a little bit about what I speak, I think. Limousines, large limousines, that's the private sector.

What happened to Saskoil? Its head office, I guess, is nominally still in Saskatchewan but that's all that's left. They have expanded in Alberta. More people working in Alberta, more Albertans working for Saskoil, I'm told, than there are Saskatchewan people. The majority of shareholders are now outside of Saskatchewan. Those decisions to transfer to Alberta may or may not be in the best interests of the Saskatchewan taxpayer and of the shareholder . . . (inaudible interjection) . . . The member from Souris-Cannington wants some assurance that I will wake him up. I say that . . . I don't know whether it's appropriate to say that one should not kick a sleeping dog or not, Mr. Speaker. I don't know whether that's an appropriate analogy at this time.

**The Speaker:** — Maybe it would be appropriate if we just didn't carry on separate debates with each member and just carry on with your remarks, which all the members are listening to, of course.

**Mr. Shillington:** — I thank you, Mr. Speaker. I knew if it wasn't appropriate, I knew I could depend upon you to

correct me. So I will not wake — however one might describe the member from Souris-Cannington — I will not wake him.

Mr. Speaker, Saskoil, we have lost much of the benefit of Saskoil as a result of this privatization. It is now nominally a Saskatchewan . . .

**An Hon. Member:** — What about land bank?

**Mr. Shillington:** — What about land bank. Well the member from Assiniboia-Gravelbourg, about every half hour or so, shouts from his seat, what about land bank. I'm not sure what relevance the member from Assiniboia-Gravelbourg sees between land bank and the Potash Corporation of Saskatchewan. I'm not quite sure what the relevance is. If the member cares to explain that to me, I'll be happy to respond . . . (inaudible interjection) . . . The member from Assiniboia-Gravelbourg feels, as he shouts from his seat, feels that he can make the connection. I wait with bated breath for that bit of enlightenment, to be sure.

Mr. Speaker, I think it's a fair assumption that if we get into . . . that if this company is privatized, the same thing is going to happen to potash as happened to Saskoil.

**An Hon. Member:** — I certainly hope so.

**Mr. Shillington:** — It's truly remarkable; a truly remarkable comment by the Deputy Premier.

(2000)

I pointed out that after Saskoil was privatized we lost . . . Well I would expect we lost the majority of the shareholders; we lost the exploration; we lost the benefits of Saskoil. The member says he hopes the same thing happens with potash. Apparently he hopes that most of the head office jobs will go elsewhere. He hopes, apparently, that most of the expansion will go elsewhere, that most of the shareholders will move elsewhere. That's apparently what he's suggesting.

The member from Souris-Cannington might at some day stir sufficiently to make some comments in this debate on his own. That might or might not happen. It might or might not happen. I rather think it won't happen.

I wonder if I might have a commitment, the member from Souris-Cannington, that you will stand up if I sit down. If you do, I'll yield my place.

**An Hon. Member:** — Yes.

**Mr. Shillington:** — I have the commitment. All right.

I will, Mr. Speaker . . . With those comments, I will conclude my comments. Let the record show that the member for Souris-Cannington has the floor in the potash debate.

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Berntson:** — Thank you, Mr. Speaker. And I'm very happy to enter the debate. I think we're talking about

Bill 20. He had, I'm sure, all of Saskatchewan asleep tonight, including myself, so I was caught at a bit of a surprise when he decided that he was going to sit down.

But I am very happy to make some small contribution to this debate, Mr. Speaker. And it will be small because there's not much to say that . . . Well there's some to say that hasn't already been said, Mr. Speaker, not the least of which is the NDP don't want to hear the truth about either potash or SaskEnergy. They choose to sit here and filibuster and filibuster and filibuster. That particular member, Mr. Speaker, has spoken on this Bill, I think, on five consecutive days for about . . . I don't recall — six or nine hours; six or nine hours. He has made no real, significant contribution to the debate in any way, shape, or form, Mr. Speaker — no contribution to the debate. The only thing that he's made a contribution to, Mr. Speaker, is the obstructionist behaviour of members opposite in trying to get the work of this legislature done — pure and simple, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Berntson:** — He doesn't want to hear about the diversification and growth opportunities that will exist with an investor-owned potash company in this province, Mr. Speaker. He doesn't want to hear about the opportunity that will exist by this company getting, perhaps, into the complex fertilizer business as opposed to simply the potash business, Mr. Speaker. He doesn't want to hear about any of those things, Mr. Speaker, because they are anti-diversification, anti-growth, anti-everything in the province.

And proof of that, Mr. Speaker, is, they rub their hands with glee and take great delight every time we hit a bumpy road in trying to bring new jobs and diversification to this province. They did it when Rafferty was shut down, Mr. Speaker. They stood there, rubbed their hands, took great delight in shutting down Rafferty. Mr. Speaker, they should be ashamed of themselves for their behaviour, ashamed of themselves for behaviour relative to economic diversification and growth in this province, Mr. Speaker.

They stand in their place on a daily basis, and they pull a number from here, and they pull a number from there, and they pull a number from there, and they try to let on, Mr. Speaker, that they are asking legitimate questions. Well, Mr. Speaker, 90 per cent of the questions that members opposite have been raising in the last several weeks are pure fabrications, not based on fact at all in any way, shape, or form — no different than the contribution that they make to the potash debate. Mr. Speaker, none. They are afraid of development. They are afraid of development, Mr. Speaker.

He spent some time today talking about Saskoil. I would never want to see the potash company look like Saskoil or follow the path of Saskoil, he said.

Let me tell you what's happened to Saskoil. Saskoil, Mr. Speaker, has gone from about a \$300 million company to a company worth over a billion dollars, Mr. Speaker, headquartered here in the province of Saskatchewan, Mr.



Speaker, with the benefit going to the people of Saskatchewan, Mr. Speaker. I think Saskoil, as an energy company in Canada, today ranks about number eight. Not insignificant, Mr. Speaker, and he said, I don't want to see potash follow the lead of Saskoil.

Well you know, Mr. Speaker, when those members were driving SMDC (Saskatchewan Mining Development Corporation) — this is the hypocrisy of it all — when those members were driving SMDC, Mr. Speaker, they held hard rock properties in British Columbia, in Manitoba, in Northwest Territories. Yes, Mr. Speaker, they did that.

SMDC, the company that they would like to close down today, this uranium company that they would like to close down today, and all of those jobs and economic benefits to Northerners, that nasty little company, Mr. Speaker, had economic activity going on beyond the borders of Saskatchewan. What a shame. What a shame. What a hypocritical bunch of cowboys, Mr. Speaker.

I mean, it's unbelievable, unbelievable, the contribution that these members . . . And I think the member from Saskatoon is going to get up and speak as soon as I sit down, and I know that, as I know that member, he is going to make a real contribution to the debate. And I think he may be talking a little bit about the truth of potash and SaskEnergy, Mr. Speaker, something that has been completely missed by all previous speakers from that side of the House, Mr. Speaker. And I see that he's quite anxious to get into the debate, so with those few brief remarks, Mr. Speaker, with those few brief remarks . . .

**An Hon. Member:** — You big hypocrites.

**Hon. Mr. Berntson:** — And in a major way, Mr. Speaker, I mean I can take that coming from a guy who has in a real way defined the word, Mr. Speaker. I can take it because he understands it clearly.

Mr. Speaker, there is no way that members opposite are interested in the truth about potash, the truth about SaskEnergy. And there is no way, Mr. Speaker, that I am going to contribute to their filibuster beyond what I already have.

And so, Mr. Speaker, I'd be very happy, very happy to let the member for Saskatoon, or the member from Athabasca . . . I'd be less happy . . . Well I certainly, I would be absolutely reluctant, Mr. Speaker, to let the member for The Battlefords into this debate, because I think he would be even more boring than the member that just sat down, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Mr. Mitchell:** — Thank you, Mr. Speaker. I think it more than just passing strange that the deputy minister of the province, in a full defence to Bill 20, an Act to privatize the potash corporation, is only able to think of enough things to say to occupy six or seven minutes of the time of this legislature. Six or seven minutes, and very little of that devoted to the potash corporation.

I hope that I am able to find the words, as I speak to the

Assembly tonight, to convey in a persuasive way the deep feelings that I and my colleagues and indeed a very significant number of people in this province have about the Bill that is before the legislature tonight.

In a very real way, this Bill to privatize the potash corporation strikes right through to the core of many aspects of the way of life that we in Saskatchewan have known since our birth, and in which we have grown up and raised our families in this province.

When I speak of the Saskatchewan way, Mr. Speaker, I am speaking about a way of doing things in this province that has evolved from the time that Saskatchewan was first settled. I'm speaking of the way in which our grandfathers and grandmothers and their parents and our parents and ourselves have dealt with the problems that we have faced in this province, the techniques that we've used, the organizational structures that we've used, the approaches that we've used. And I hope to be able to persuade my friends opposite that what they're trying to do with this Bill strikes in principle right at the core of the Saskatchewan way — strikes right at the core of the way in which we have learned to do things in this province.

Now obviously, Mr. Speaker, I'm going to have to spend some time on that, because they're not being acceptive, they're not accepting my analysis on my simply stating it in general terms. But I would remind members of a number of facts which they know very well. And that is that this province presents real problems to people who live in it. And that is especially true of the pioneers who came here when this province was first settled. And it's true today as we struggle to make a living from the soil, and in the towns and cities of this province.

The harsh climate of Saskatchewan is something that I don't have to tell members about. The long distances between people, between communities; between our communities and other communities; between our manufacturing centres and other manufacturing centres; and between our people who live on farms; and the transportation problems that have always gone along with that — the difficulty of getting from one place to another; the amount of road that we've had to construct over the years so that our people could travel — these things are well-known, and I know that my friend from Souris-Cannington accepts that this is part of the backdrop of living life in Saskatchewan.

Other problems existed from the very beginning and continue to exist. We've had a scant population from the beginning, considering the area that we occupy, the portion of the earth's surface that we've been able to stake out as our own. It's a scant, far-flung population.

Throughout all of our history we have suffered from a shortage of capital. It's been hard for us to get together the money to do any of the things that we've wanted to do. And that was something that our pioneers . . . a problem they faced in spades. And it's a problem that we in Saskatchewan continue to face, even today, as we look around for capital with which to carry forward many of the schemes and dreams that we and our friends and neighbours have.

Also we continue to suffer from the handicap of having a small, a relatively small industrial base, quite a small indigenous group of industrialists, group of businesses. And this has been true throughout our history. It becomes less severe, Mr. Speaker, as time goes on, although we fluctuate up and down depending upon the state of economy in the province.

But the small industrial base and the small manufacturing base in our province has been another problem that our province has faced right from the very beginning.

And a final point that I think is an important part of the backdrop, Mr. Speaker, is that everybody living in Saskatchewan, other than the aboriginal people, are people who moved here. We are immigrants. We came from somewhere else. And we came here with no money or with very little money.

And it's always been a problem. It was a problem for our ancestors and it remains a problem for most of us to get together enough capital to invest and do some of the things that we think should be done or to take advantage of some of the opportunities that we come across.

(2015)

And so that backdrop and that group of problems has resulted in our forefathers and foremothers . . . required that they adopt a different method of approaching their lives, a different method of solving their problems than we found, say, in Ontario or California or the United Kingdom or Germany — a different set of problems that required a different kind of solution.

And we all know what those solutions were. We think back of the history of this province. As we read about the history of this province we see first of all the role of the co-operatives. The use which our forefathers and foremothers made of the co-operative way of organizing themselves is a very important element in our history and remains today a very important element in the Saskatchewan way of life.

The story of the great grain co-operatives that grew up in this province is a fascinating story, a fascinating story that will be studied for years by people around the world as a model for how a population faced with enormous problems attacked those problems and how they used a particular way of organizing their affairs in order to find solutions to those problems.

And those problems were . . . Many of them I've mentioned, but there were other ones. There were predatory grain companies and predatory transportation companies who were making it very difficult for farmers to market their grain at all, to have their grain accepted at what passed for elevators at the time, to get their grain on to a railway car, to get the railway car actually moving and headed off in a direction where the grain could be sold — enormous problems.

And the ingenious solution that the people of this province came up with was to organize the great grain co-operatives, starting, I believe, with the Territorial Grain Growers' Association and moving on to the United

Grain Growers association and then the really astonishing Saskatchewan Wheat Pool and the way in which that organization transformed rural life in Saskatchewan and transformed the way in which farmers conducted their own affairs and carried on their own affairs.

Now I'm proud to say, Mr. Speaker, that my family were fully involved, fully involved in that whole story. My great grandfather on my grandmother's side, that would be on my father's side . . .

**An Hon. Member:** — Would you explain that a little bit more?

**Mr. Mitchell:** — Yes, I better say that. If you can imagine, my father's maternal grandfather shipped, Mr. Speaker, shipped the first carload of grain out of that part of Saskatchewan now represented by my friend, the member from Canora; lived at what is now Good Spirit Lake, farmed in that area, got together enough grain to fill a carload and actually shipped the first carload of grain out of that part of Saskatchewan.

**An Hon. Member:** — What about potash?

**Mr. Mitchell:** — The hon. member from Weyburn, Mr. Speaker, asks, what about potash. And I thought I had made that quite clear what I was trying to do. I was trying to show that Bill 20 strikes very close to the root of the way of life that we enjoy in Saskatchewan and we've always enjoyed. And I'm simply trying to establish what I consider to be a very important point.

I mean, surely it's of interest to the Assembly and to the whole province that Bill 20 is not just some way in which we reorganize some corporation, but in principle, in principle, has to do with the very way of life in this province — the way in which we've organized ourselves to attack our problems and the vehicles that we've chosen in order to solve some of these problems and further our interests. That's the point that I'm trying to make to the member and indeed to all members to try and persuade them as to the folly of this Bill.

The other co-operatives that I could mention, but in less detail, are the credit unions, the various kinds of wholesale and retail co-operatives that we've had in this province, including Federated Co-operatives. And all of these, all of these organizations played a very important role, not just to make money for the people who were involved in it — no, no, far from it — but in order to solve some of the real-life, difficult problems that they were faced with and that they had to resolve in order to live a better life, and so that their family could enjoy a better quality of life in this province. And that story is known to all of us, including to members opposite.

And then we found another vehicle, Mr. Speaker. We found another vehicle besides co-operatives in which working together, pooling our talents and our resources and using our collective organizations, we happened across the idea of Crown corporations. And we used this idea of Crown corporations, which had been fairly well-known across Canada, we used them to particular advantage in Saskatchewan.

And I want to mention some of those early Crown corporations and just trace briefly the way in which they developed, the problems that they were intended to solve, and the impact that they've had on our way of life in Saskatchewan — a very, very important element, a very important factor in the organization of our society and in the development of our province.

I think that it can be fairly said that Crown corporations have played at least as large a role in the development of our province and in the resolution of our problems as have the great co-operatives in this province.

Now among the early Crown corporations was the Saskatchewan Power Corporation. There are some members around on the opposite side of the House who are old enough to remember the chaotic way in which electricity was produced and distributed in this province prior to Saskatchewan Power entering the field.

I recall in my home town of Sturgis that the local power utility was privately owned by a small-business man who had a little turbine driven by, I suppose, some kind of petroleum product, probably gas. I don't think there was diesel around at that time, but probably gas. And that fired up this turbine and that produced enough power to satisfy the needs of the village. Now it didn't produce enough power to satisfy the needs of anybody living outside the village and our farm was outside the village by some three miles at the time, and it was an impossible dream for my parents to ever be able to get power run in to our farm.

We later moved up much closer to town and it was still an impossible dream to move it even though we only had to move the power half a mile from town . . . (inaudible interjection) . . . The member from Weyburn is still not persuaded, Mr. Speaker. I hope that by the time I sit down I will have accomplished that.

I think that my little personal anecdote is an important one because what we saw happen was the Saskatchewan Power Corporation being formed and entering the power generation and distribution business in this province in a very, very dramatic way.

**An Hon. Member:** — On a point of order, Mr. Speaker.

**The Speaker:** — What is the hon. member's point of order?

**Mr. Lingenfelter:** — The member from Weyburn, who is not sitting in his own seat, continues to yell and holler and disrupt the Assembly, and most people can't hear the speech. And I wondered if you could call him to order, Mr. Speaker.

**The Speaker:** — I've listened to the hon. member's point of order, and I must say that in this instance his point of order is well taken.

However, having said that, I believe the same point of order could be raised to various other members at times. And while we may single one individual out, I think that all members, all members who have practised the same error, should consider themselves as guilty and

remember that when they get into the . . .

**Some Hon. Members:** Hear, hear!

**Mr. Mitchell:** — Thank you, Mr. Speaker. I certainly don't mean to be taxing the patience of members of the House, but this is my one chance in this debate, my one opportunity to try and convey to you the depths of my feelings about this Bill and why I feel like I do, why I feel so deeply about it.

Where I come from, the Saskatchewan Power Corporation is one of the most important organizations in our lives. When the government talked about privatizing part of what had been the Saskatchewan Power Corporation, then in the Sturgis area of Saskatchewan it struck home, it struck home. And that's why I'm just trying to explain to the hon. member why I feel as deeply as I have, and it's simply because I have the particular background that I have. I'm a product of my early experiences.

Anyway, with the Saskatchewan Power Corporation, Mr. Speaker, we had the dramatic entry into the economic and social life of the province of a Crown corporation whose objective it was to put electrical power into the homes of every house in this province, urban and rural. And our Crown corporation, under various governments, ran power lines into the most unlikely places in this province that you can imagine, going miles, miles in order to service one or two home places.

So there was a particular problem, Mr. Member from Meadow Lake. There was a particular problem that Saskatchewan people faced, how to get power into their own homes. And in order to resolve the problem, they turned to their government, and through the agency of a Crown corporation, succeeded in solving that problem. And that was a very significant thing, and accordingly, Saskatchewan Power Corporation, that Crown corporation plays a very, very important role in the lives of our province and continues to do so.

So it is with SaskTel, Mr. Speaker. Perhaps a less dramatic example than the Saskatchewan Power Corporation, but none the less a Crown corporation which introduced into the homes of this province a high quality of telephone service which is maintained to this day.

And we believe, we believe and I think it fairly clear, that without that kind of an agency, many homes in our province may never have received telephone service, or at least if they did, would have received it years later.

**The Speaker:** — Order, order. The hon. member is speaking and we should give him that opportunity.

**Mr. Mitchell:** — I'm going to have to just scale down my talk a little bit so I don't excite the hon. member to the extent to which I have, and I'll try and do that.

I was talking about SaskTel, Saskatchewan Government Telephones, we used to call it, and it was successful, Mr. Speaker, as I say, in getting telephone service into the homes of the people of this province, people who may never have got telephone service, or at the very least

wouldn't have got it for years if it had not been for the agency of a Crown corporation. Again I mention that, Mr. Speaker, to try and show, to try and show the role that Crown corporations have played in the fabric, in the economic and social fabric of this province.

SGI (Saskatchewan Government Insurance) is the other Crown corporation that I want to mention in detail. SGI was invented, Mr. Speaker, or formed and organized, in response to a particular problem that Saskatchewan residents were having just after the Second World War.

The problem was, Mr. Speaker, that you couldn't buy fire insurance in most parts of this province. And in the centres where you could buy fire insurance, the cost was out of all proportion to the risk or to the experience — to the experience that our residents had had from fire loss. So if you could buy it, it just cost too much. And everybody has to have fire insurance because we can't, of course, afford to . . . Most of us can't afford to replace our homes just out of our savings, or out of our own private resources.

And so the Government of Saskatchewan, duly elected by the people, came up with the idea of forming our very own insurance company. And we did it, Mr. Speaker, we did it. And in a very, very short time we were able to offer fire insurance coverage to every home in this province and to every business in this province — and not only do that, but offer it at a rate which was far lower than the rate which prevailed before the Saskatchewan Government Insurance office was formed.

Now there's another dramatic example of Saskatchewan people working together through the agency of their government in order to solve a particular economic and, indeed, social problem with which they were all faced.

(2030)

Now there are many other Crown corporations, and I won't go into detail with respect to these. But I could mention the Saskatchewan Transportation Company, which provides bus service to far-flung communities in this province, even though those routes may be uneconomic, but in order to provide a bus, a transportation service to the residents of far-flung communities in our province. Now that's an important thing to do, and if you left all that sort of thing up to Greyhound, it just wouldn't happen. It just simply wouldn't happen and we would be faced in this province with the considerable economic and social problem of an absence of transportation services for many people in far-flung communities.

So again, you and I and all the rest of us, working together through the agency of a Crown corporation, can actually solve some of the economic and social problems with which we are faced. All of this, Mr. Speaker, in support of my point that we have established in this province, as a result of our history and our way of doing things, which continues right down to the present time, a particular way of life, a particular way of doing things, a particular approach to certain kinds of problems. And when we are in this Assembly debating the potash privatization Bill, Bill 20, we are striking in principle right at the core, right

at the core of that way of life, of that way of doing things.

**An Hon. Member:** — That's socialism; we're not socialists.

**Mr. Mitchell:** — Now my friend from Weyburn says, that's socialism, Mr. Speaker, and I don't know what he means by that. I mean, I don't think that he would suggest for a moment that the great co-operatives that have been established by Saskatchewan people in order to solve their economic and social problems deserve any kind of a negative kind of description, if indeed that's what he meant when he used that term, and I think he did. And I don't understand it to be the philosophical position of members opposite that the great co-operatives in Saskatchewan are a bad thing or are suspect or should be abandoned or anything like that. I mean, they better not think such a thing or they'll be wiped from the political map of Saskatchewan in no time at all.

And when we come to the idea of Crown corporations, let me remind the member, through you, Mr. Speaker, that the organization of Crown corporations is a widespread and widely accepted and common way of doing things in this country. It wasn't invented in Saskatchewan. There were Crown corporations in existence long before the CCF came to power in Saskatchewan in 1944. Tommy Douglas and his government did not invent Crown corporations. They merely, as the elected government of the people, as the elected representative of the people and with the full support of the people, took advantage of an existing idea: a corporation, the owners of which was everybody in the province. Think of that, a dramatic notion . . . the owners of which was the public of Saskatchewan — and used that form of organization, transplanted it into Saskatchewan as a technique for attacking many of these enormous social and economic problems with which our people were faced.

Now that's important, Mr. Speaker. I mean, that's a dramatic idea and it had dramatic results. And accordingly, when you talk about Crown corporations to most of the people of Saskatchewan, you're talking about something that they've had some experience with. You're talking about something that they feel pretty good about. You're talking about something that they feel proud of and you're talking about something that they identify with. The Crown corporations are important to them.

And our criticism of the privatization philosophy of government opposite, from the very beginning, has been founded on just that, Mr. Speaker, just that. An ideology that has as its objective the selling off of Crown corporations in Saskatchewan is an ideology that simply will not take root in the soil of this province. No way. And I've said that in this House a number of times, and so I think has every member on this side of the House in one way or another. And it continues to be the case today.

And if members needed any proof of it, I just refer them to their ideas about SaskEnergy and the fire-storm of protest that arose right across this province — the fire-storm that the government would dare, would dare to consider selling off any part of their power corporation. They're not fooled by the semantics of it, like this SaskEnergy idea, because they know that, little more than a year ago, what

is now SaskEnergy was a fully functioning division of SaskPower. So they're not fooled by the words. They knew what was at stake here and they knew that what was at stake was the selling off of part of their Crown corporation.

And so it is with Bill 20.

**An Hon. Member:** — Which part of it?

**Mr. Mitchell:** — The member from Assiniboia-Gravelbourg asks which part of it. I say the whole part of it. You're talking here about a Bill which would sell off a very significant part of a very important Crown corporation, a very important Crown corporation.

And the point that I'm trying to get across to my friends opposite, the simple point that I'm trying to get across is that in Saskatchewan that just won't go. And it won't go because we in Saskatchewan have this particular way bedded in our history, Mr. Speaker, bedded in our history — this particular way of attacking problems, of organizing ourselves to take on the forces of nature and the forces, the outside forces and the forces, any force that causes problems to people — and use these techniques, working together, in order to resolve them.

And I have tried to bring to you and to this House what I consider to be rather dramatic examples, within the lifetime of many of us in this Chamber, dramatic examples of how these problems were approached and resolved. And I think that that's really the essence of this debate, because what we have here — and the government freely admits this — is the thin edge of the privatization thrust that the government has announced in its throne speech at the beginning of this session of the legislature.

You'll recall, Mr. Speaker, that there was a three-pronged privatization approach, and the potash corporation privatization was one of them, but Saskatchewan Power was the second and SGI was a third. Well in light of the fire-storm of protest about SaskPower that I referred to earlier, we've seen that particular Bill hived off and moth-balled, awaiting better days, I suppose, or what the government hopes will be better days.

And I think it's clear to everyone now that the SGI plans have been put in the deep freeze. And the government is trying to save its face, I believe. It's trying to save its face by trying to squeeze this Bill through the legislature. It doesn't matter whether the people want it or not. It doesn't matter whether the people are opposed to it. It doesn't matter how deficient it is and how illogical it all is and how strong a logical and rational case you can mount against it. They're determined to push it through.

And we understand why you're doing it. We understand why you're doing it. I mean, it bothers you that you'd have to abandon all three of your approaches. You think that you'd lose face or something like that.

Now the member from Assiniboia-Gravelbourg asks: what if they're in favour of it or not? And we have a very simple solution to that. We've invited it before. We've suggested it. We suggest it again. Let's have a little contest

on it. Let's call an election on the basis of this Bill itself . . . (inaudible interjection) . . . No, let's go to the people now. Let's let the people decide this.

**The Speaker:** — Order, order. The member from Saskatoon Fairview has the floor and subdebates perhaps could take place outside the Chambers, really, because we can't have several debates at the same time. So let us allow the member for Saskatoon Fairview to continue.

**Mr. Mitchell:** — Thank you, Mr. Speaker. This government has no specific mandate to pass this piece of legislation. It makes no sense to pass this Bill and then go to the people. Let's go to the people now. Let's go to the people in advance of the passage of this Bill, and if the people say they want this particular party to be the government again, then we'll stand by and allow the Bill to pass.

But if they're defeated, Mr. Speaker, if they're defeated then this Bill will just be part of Saskatchewan's history, and will never see the light of day in this legislature again.

Now the Deputy Premier, in his brief intervention prior to my taking my place, Mr. Speaker, talked about Saskoil in very glowing terms as though that was the model for privatization, and that's what the government wants to achieve, and if they could do the same thing with the Potash Corporation as they've done with Saskoil, then that would make them very happy.

Mr. Speaker, the reality is, as I stand here, that something like 75 per cent of the outstanding common shares of Saskoil are now owned by people from outside Saskatchewan — imagine that, imagine that. A thriving, developing, little oil company that was going nowhere but up, that had nothing but good things that would happen to it in its future, was sold off, was sold off pursuant to directions from this government and, Mr. Speaker, 70 per cent of those shares are now owned by people outside Saskatchewan. Now what . . . By what yardstick can that make any sense? By that very development, Mr. Speaker, we know that 70 per cent of the profits from Saskoil are gone. They go to Toronto or Montreal or Vancouver or New York or wherever they go to. They're gone; they're right out of Saskatchewan.

In return for that, what do we get? We get a few jobs — is that what we get? We get some kind of corporation which as a Crown corporation had a value of more than 300,000 and now has a valuation of a billion, but 70 per cent owned by non-Saskatchewan people. Are you and I any better off as a result of that?

I mean, life with respect to these questions is more than just a question of macho pride about the size of a particular company. They key is: what does it do for our people? What benefits does it bring to the people of this province? What does it add? What does it add to the real wealth and the real welfare of people in this province? And if Saskoil is your model, then I'm not buying it, Mr. Speaker. My colleagues on this side of the House don't buy it. And I tell members opposite that the people in this province don't buy it either — don't buy it either.

**An Hon. Member:** — Wait and see.

**Mr. Mitchell:** — My friend opposite says, wait and see. Well I want to wait and see not too long. Take this question to the country; take it to the people. Take this question to the country; take it to the people. Put your thoughts and your philosophies with respect to this corporation and SaskPower and SGI and SaskTel and all the rest of it, put that out in your election material and your manifesto, and let's have a contest for the hearts and minds of the people of Saskatchewan on that point. Let's do it.

**Some Hon. Members:** Hear, hear!

**Mr. Mitchell:** — Now I want to talk specifically about potash for a few minutes, Mr. Speaker, so that at least I can quell the objections that I hear opposite that I'm not sticking to the point — because I intend to do that, Mr. Speaker, for every minute that I'm on my feet.

(2045)

I want to talk about the . . . just to review the characteristics — that's the word I want — the characteristics of this resource in the province and its relationship to the world. Some of this you've heard before but I think some is new information.

We have about 40 per cent of the world's reserves of potash. Only the U.S.S.R. has reserves that even approach these numbers, that have similar proportions. And the U.S.S.R., for the most part, are not selling into the same markets that we sell into, so for the most part they are not a factor in our marketing strategy or our pricing strategy.

We have another advantage, Mr. Speaker, and that is that the grade of ore in Saskatchewan is very, very high. When those seas were drying up in Saskatchewan and when they were laying down their beds of salt, they laid down a lot of potassium, a lot of potash relative to other kinds of salts. Now other parts of the world who have potash reserves weren't that fortunate.

The numbers, Mr. Speaker, I'll just briefly touch on. The concentration in Saskatchewan varies between 21 per cent and 27 per cent, whereas in other parts of the world it is usually less than 15 per cent. And that's a terrific advantage when you come to refine the potash, separate it from the other salts, put it into a marketable form, because you can do it more economically and recover more per tonne of raw material, and in short, simple terms, make more money. It's a more efficient operation. We're very fortunate that way.

And as I and others have said in this House in other debates, we have a supply, a recoverable supply in this province that may be good for as many as 4,000 years. Now that's a number that I can't even comprehend. I mean, you talk about a few hundred years and that boggles the mind, but when you talk in terms of thousands of years of supply, you're really talking about something. When you consider that, for example, in oil reserves, we in western Canada are sitting on oil fields that have a life of, at the most, 20 years — 20 years supply — and in the case of many fields, much less than that, then the contrast of potash is really startling. We spent a lot of time in this province worrying about our oil

resources and the development of our oil resources. We worry about appropriate royalty structure so we can extract a reasonable economic rent from those resources or a reasonable royalty. I don't want to belabour this, but I just want to make the point that all of that concern and worry and calculation is in respect of a resource that has this short life of maybe 20 years, in the case of conventional pools, whereas in potash you're talking about these thousands of years supply.

It's really a startling, dazzling idea, and it has this result, Mr. Speaker, that when we're debating the future of our involvement in that industry, we're not talking about an industry that's only going to be here for 10 years or 20 years. We're not talking about an industry that's going to die because it runs out of the raw resource. We're talking about a resource that's going to be there in the ground, and it's going to be exploited by somebody for thousands of years — for thousands of years, unless, in the meantime, we find a different way of producing food other than through plants, because it takes potash in most parts of this world to grow plants.

So we're talking about an extremely important resource which is qualitatively much, much different than oil or than uranium or most of the other resources that we have. Just in passing, the uranium reserves, at the time that I was involved in the industry, on the Key Lake inquiry, were estimated as a sort of outside of 50 years in the world, Mr. Speaker, in the world.

The Key Lake ore deposit itself was going to have a life of 20 years. Those numbers just . . . I mean, they're minuscule by comparison with the potash reserves. I'm sorry to be dwelling on that point so long, but I think it's just so crucial because we have to approach this kind of a Bill in a much different frame of mind as a result.

This is not a 20-year resource or a 50-year resource, this is a 1,000-year resource. And we're making decisions here, Mr. Speaker, that will impact, not just on us and our immediate families but on our ancestors for generations to come — for generations to come, and accordingly we have to be very serious about this. It's not just enough that we put up a few hands around a cabinet table or a caucus table and say, okay, the majority rules, we'll all go with this. We've got to think about this. We've got to go back to it and reflect on it and think about it again and again and again, because the decisions that we're making here will reverberate down through the ages for these thousands of years while this resource is being mined and exported from this province.

Now what does that mean? That means that we are simply not, as Her Majesty's Loyal Opposition, going to go through a few formalities and facilitate a decision to go ahead with this piece of legislation. We feel profoundly about it, and one of the reasons that we do is that it is just so immensely important to the future of this province. This is not just some ideological game. This is not just something that we can adopt and accept because a particular government at a particular moment decides that it might be politically attractive in order to adopt a particular right wing, political notion of selling off a public asset in this fashion.

Mr. Speaker, let me say again that that's the reason why — and I emphasize this, Mr. Speaker — that's the reason why we on this side of the House are trying so hard to persuade members opposite of the folly of this. And it's the reason why all of our members, for example, all of the members of our party feel so very, very strongly about, and some members of the party of the people opposite feel so strongly about it and so opposed to it.

**An Hon. Member:** — Of course you're right. Nobody else is right but you.

**Mr. Mitchell:** — The member from Wilkie suggests that I think I am right and nobody else is right, and I don't know that. But at least, sir . . . Mr. Speaker, let me say this through you, at least I get to my feet and I say to the people in this House what I think and what I feel about these things.

**Some Hon. Members:** Hear, hear!

**Mr. Mitchell:** — And I don't just sit there and chirp from my seat and interrupt someone who is honestly trying to express a particular point of view. I have a highly . . . what I think to be a well-developed philosophy about questions like this.

Now I think I understand the member's philosophy. We've seen that philosophy in this province, Mr. Speaker, for a long, long time. We have had a portion of the province of Saskatchewan who has never accepted the idea of Crown corporations. They used to be lodged in the Liberal Party in this province. We used to regard the Liberal Party as the party of the right-wingers, as the party of the reactionaries.

And one of the philosophical touchstones of the Liberal Party in those days was opposition to Crown corporations. They didn't used to exempt anybody the way they do now. They didn't used to exempt SaskTel and SaskPower. They were just against them all.

Well now that we've become more sophisticated, I suppose, and the right-wing has learned a few political lessons, they've become a little more discriminating about their opposition to Crown corporations. At least so they say. Sometimes they don't act like they believe that, but so they say — a little more discriminating so that now they oppose only certain kinds of Crown corporations.

But none the less, we're dealing with a philosophy here that's just as old as these questions are. And with respect to Crown corporations, it's a philosophy that's been around since the Second World War, since the CCF took power back in 1944. So it's nothing new.

And what we have in Bill 20 and what we have in the throne speech, which announced the privatization thrust and the privatization initiative, is as old as the hills. It's as old as the idea of Crown corporations in this province, and it's nothing new. And when my friend from Cut Knife-Lloydminster says what he is saying, he indicates that he's opposed. And I understand that. I mean, he's part of the right-wing philosophy in this province and he is merely enunciating a point of view, the roots of which are deep in this province. They've been in a minority.

They've been in a minority practically all of the time since the Second World War, but at least it's a familiar philosophy. And we see its full expression in this Bill.

Mr. Speaker, with all respect to members of this House, it is a right-wing philosophy. And we see its full expression in this Bill.

Mr. Speaker, with all respect to members of this House, it is a right-wing philosophy; it is reactionary; it seeks to move the whole of society, or at least the economic structures in society, back to some time 50, 60, 70 years ago; do away with the Crown corporations; take all of the assets out of the hand of the people; take all of the assets out of the hands of the public. Transfer those assets into private hands, of course to those who can afford them, Mr. Speaker, but to private hands, and by that simple device, Mr. Speaker, of handing these assets over to wealthy private people we're somehow going to all be better off.

Well I'm looking forward to the member from Cut Knife-Lloydminster standing up in this House and telling us how that can possibly work — how it can possibly work that by handing over public assets to a few wealthy private people, then I and my family and my friends and all the people in this province are going to be better off. I mean, that just doesn't make sense.

And so it is that their right-wing philosophy gets down to an argument like this, Mr. Speaker. They say, ah yes, but those Crown corporations are bureaucratic; they're run by civil servants; they don't work very hard. They're not entrepreneurs. They're not sufficiently motivated.

And that's the argument that in the final analysis they're reduced to making. As absurd as it obviously is, and which they know it to be now that they've been in government for a few years and see how hard some of our public servants work, that's the argument that they're driven to make, because there is no other logical . . . well there is no logical argument at all, but that's the best that they can come up with.

Well that's not going to work in the case of the Potash Corporation of Saskatchewan. It's never been true, you know, it's never been true from the time of the formation of that corporation. Its management, and members opposite know this as well as I do, was exemplary right from the beginning. Hired on the basis of their abilities and qualities, proven performers who performed at a high, excellent level all through the life of that corporation, and I'm prepared to say, Mr. Speaker, are probably doing the same thing right up until now.

The difficulties that the potash corporation has got into since 1982 are, I think, not the fault of any of the employees of the potash corporation but rather the people who are formulating the policy of the potash corporation. And so, Mr. Speaker, I say again with a lot of emotion that it is totally wrong, totally unfair to base an argument against Crown corporations on the fact that they are managed by civil servants. That is unfair and it is untrue; it is illogical and it lacks any substance . . . (inaudible interjection) . . . Now my friend from Wilkie again says, who says that? And I will say in response to him that the right wing in this province and elsewhere in this country have been making that argument ever since I can remember, and I remember some years, Mr. Speaker.

That is the argument. That is the argument in favour of placing public assets into private hands. Private people can do it better than public people because somehow they'll work harder or they'll try harder or they're more entrepreneurial or something like that, to which I say, poppycock! That's never been proven anywhere; it can't be proven here; and I think it very significant that the government doesn't even suggest that it's a factor in this case.

Mr. Speaker, I am unable to understand the question that's being asked of me from across the aisle, but I do want to make clear that I am prepared to accept questions at any stage of my remarks.

(2100)

I got a little side-tracked there, Mr. Speaker. I hadn't intended to get into that argument just at this stage because I think I have to try and establish to the satisfaction of you and members of the House a number of other elements of my argument before I can finish up, and finish up on much the same note as I just enunciated now. So I sort of telegraphed one of the major conclusions that I want to argue at the end of my remarks.

But I want to go back to the situation in Saskatchewan when the then government of premier Blakeney was contemplating the setting up of the Crown corporation, the Potash Corporation of Saskatchewan.

I've told you about the amount of reserves in Saskatchewan and the quality of the ore bodies. It was also a factor in all of Saskatchewan's thinking, including the government of the day's, that the ore bodies in the United States would run out in about 10 years. That would have been . . . run out in 1985.

Now they're not finished mining yet, although the mines in the United States are in a very depleted way and just can't last for very long. But it was a major factor in Saskatchewan's thinking and in the thinking of the government of the day that the United States would just be running out of potash because that, Mr. Speaker, is our main market. That's the main market for Saskatchewan potash.

There's also a significant international market, and that was affected by the knowledge that many of those ore bodies are also depleting. The ore bodies in France for example, in the northern part of France there, I think in Alsace or where it is, those mines are depleting as well, and France is a major user of potash.

At that time Canada had about 24 per cent of the non-North American market, and that was seen as an area for growth as indeed it has been, but it was clearly seen that that would be a growth area in the future.

Russia is the only real other producer, and as I explained earlier, Russia doesn't do a lot of exporting. It produces mostly for its own needs and for the needs of the satellite countries, if I can use that term. I don't think that's an appropriate term any more, Mr. Speaker, but I think you know what I mean. The eastern European countries were also purchasers of . . . some of them were purchasers of

Russian potash.

The other important factor is that Saskatchewan exports all of its production. I think that to be the case. I don't believe we have any need for it in our Saskatchewan fertilizers, and I believe it correct to say that we export all or almost all of our potash production. And we at that time were supplying 80 per cent of the American market, and that was a significant factor back in the days when the Potash Corporation was being contemplated.

Now why did we do it? Why did the government of premier Blakeney decide upon a course of public policy which would result in it setting up its own Crown corporation to get into the business of mining and refining potash? Now I realize, Mr. Speaker, that these reasons have been reviewed in this House before, but please bear with me while I briefly go through them again because I need to do that in order to coherently make my argument and my points in connection with my intervention this evening.

The situation prior to the election of the Blakeney government in 1971 had most recently been characterized by rather chaotic conditions: over-supply; low prices; potash companies not able to make a profit; having to cut back production; lay off people. The Americans were at that time charging that we were dumping potash into their market, and they were taking anti-dumping proceedings against Saskatchewan potash producers, just as they did here a year or two ago. We were just repeating history that already occurred in the late 1960s so far as anti-dumping is concerned.

And my colleague from Regina Centre has just this day reminded the House of the actions of premier Thatcher and his government in establishing prorationing rules. One thing he didn't mention, Mr. Speaker, which is an important part of the actions taken by the government at that time, was the establishment of a minimum price, and that was a factor in those rules too, as I recall.

Now with the election of the Blakeney government in 1971, there was of course some concern, considering the value of the resource, in how a new government would relate to the potash industry. And I think it well documented, Mr. Speaker, that initially in 1971 the industry received the new government very well. The relationship was co-operative, the industry co-operated with the government, the government continued the prorationing scheme, which was very important to the industry. Mr. Speaker, it was a scheme that was adopted by the government with the full co-operation of the industry and with the industry's acceptance and approval.

And the new government continued that, and also discussed with the industry at great length the idea of increasing or expanding the productive capacity in Saskatchewan in order to meet a future market which experts were predicting would occur in the mid to late '70s. As I say, those discussions went on in the period from '71 to '74. The prorationing policy was refashioned, again with the consent of the industry, and the prorationing fee was set at 60 cents a tonne. Doesn't seem like much, Mr. Speaker, in light of today's economic



circumstances, but back in 1971, 60 cents a tonne was considered to be a significant fee.

The government proposed that that fee would be raised to \$1.20 a tonne, double the fee, in 1974, and the government of the day — and Mr. Blakeney touched on this last night in his remarks downtown at a public meeting there, that there were two elements to that 1974 policy. One was a new tax system, a reserve tax that would be based upon the profits of potash companies, and the second was to find a way in which government could participate in new developments. So the industry knew of the government's interest to participate in the industry as early as 1974.

Now my friend, my colleague from Regina Centre, has already mentioned the legal actions that had been started against the government — not by the industry though, Mr. Speaker, and I raise that again because I want to make it clear, the industry as a whole did not begin these actions. These actions were brought by one producer, Central Canada Potash.

The first one in July of 1972, and that action, Mr. Speaker, was attacking the prorationing regulations, and then the same company started another action in December of that year, 1972, in which it attacked the entire prorationing scheme as being beyond the powers of the provincial government. And we had the rather extraordinary spectacle in early 1973 of the federal government intervening in that action.

Now I know it's not unusual for governments to intervene in actions where constitutional questions are raised. It happens all the time; it happens all the time. This province has done it countless times in its history and so has the federal government.

But what was unusual, what was unusual about this second Central Canada Potash action, Mr. Speaker, is that the federal government joined that action as a plaintiff against the province of Saskatchewan, attacking a regime for managing a resource, attacking a regime for managing a resource, Mr. Speaker. And there was the federal government attacking the provincial government's right to manage one of its own resources in its own province. That action was the forerunner of the series of clashes between the federal government and the Western provinces over the issue of resources. And members opposite will recall the terrific fights that took place over oil and gas and the right to regulate production and the right to set prices and that sort of thing.

Well it had its genesis in this action by Central Canada Potash which the federal government joined as a plaintiff to attack a provincial government's attempt to manage its own resource, an attempt which the industry itself had initiated in the Thatcher years and had been instrumental in enacting through the government of Premier Ross Thatcher at the time, which had been continued with the consent of the industry, which the active support of the industry, in the years following 1971 — extraordinary state of affairs.

And it's important, Mr. Speaker, because it underlies the decision to incorporate the Potash Corporation of

Saskatchewan, and we're talking here about privatizing the potash corporation. We better clearly understand why we set that corporation up in the first place, and it just didn't come with the territory, or it hasn't been here for all time; it was set up by a duly elected government of this province in order to tackle some of the problems that we as Saskatchewan people were facing in the mining of our potash — an exceptionally important decision and one that must be understood if we are to evaluate the particular scheme set out in Bill 20, and come to a logical, rational decision about whether this is what we should do with our potash resource in this province.

It is my contention, Mr. Speaker, that this is an extraordinarily important Bill, and we just can't be careful enough in our dealing with it. And I wish members opposite didn't sound so cavalier as I'm trying to press what I think are relevant arguments, and I hope sophisticated arguments, or at least relevant . . . Let me just leave it at relevant for now, Mr. Speaker, I don't want to overemphasize their importance or their character. But I just think that it's extraordinary that any member of this House would object to any other member really publicly discussing these issues with care, because as I say, this is so important that it deserves our full and undivided attention and our careful and objective analysis.

It's not a question of being ideologically hidebound, as my friend from Weyburn has just said, not a question at all. If anybody is ideologically hidebound, it is the proponents. It is the proponents of the whole privatization thrust. Keep in mind we're dealing here with a thrust. We're dealing here with a thrust that, according to the government's own throne speech, encompasses not only the potash corporation but the whole energy side of what was the Saskatchewan Power Corporation, as well as the whole commercial side of SGI. That's a considerable thrust, and a thrust like that has to be rooted, has to be rooted in ideology, has to be rooted in a particular philosophy.

It's not us that comes here with a particular ideology driving our actions. We're just simply saying, now stop, stop and consider what you're doing; consider the folly of this; consider it in an historical context; try and figure out, not whether it's relevant to the re-election of the government, not whether it's relevant to our political futures on either side of the House, but how this will impact on generations to come, so far as the mining and the export of this particular resource is concerned. That's the question before this House.

(2115)

And I want to say, Mr. Speaker, that I think every member in this House should approach this Bill from that point of view — that point of view. They'll make up their own minds on it in the end, but they must be objective about it and exercise the independent judgement on this question which their constituents elected them to exercise in this House. Their constituents have elected them to come to this House to exercise their judgement on all legislation, including this one, and not simply be led by a particular person or a particular group of people but to be led by their own conscience and their own analysis and their own intellectual ability to grapple with the issues of the

day.

And, Mr. Speaker, that's why I'm approaching this subject in the way I am. What I want to accomplish by the time I've sat down is to persuade members that this question is of such unusual importance that it deserves a long, careful, second look. We're not just talking here about a political philosophy or a political ideology, we're talking about the future of the most important resource that Saskatchewan has, and will have for the next how many hundreds or even thousands of years. That's what's at issue here, and it deserves more serious treatment than just dismissing it as some kind of ideological question. It's much more important than that.

Now I was talking about the rationale, Mr. Speaker, for the formation of PCS. And I had detailed in some considerable detail the situation which the Blakeney government faced in 1971 and his actions up until 1974 when it proposed to the industry a new policy involving government participation in new developments and a new tax system, which as I've said would be a reserve tax based upon the profits of the potash corporation.

Now, Mr. Speaker, if you're going to tax the profits, if you're going to tax the profits you've got to know what the profits are. You have to have some means, some methods, some mechanism for determining what is the profit so you can apply the tax rate to it. If you don't know what the profit is, then you can't apply that kind of tax. The government was proposing that this Assembly would enact such a tax.

Well the industry's reaction to that new policy in early 1975, before the 1975 election, Mr. Speaker, was that they said they would refuse to file financial statements, that they did not want to negotiate with respect to any aspect of the government's proposed new policy, that they would refuse to pay taxes and royalties, and they did refuse to do so.

They refused to tell the government information which all mining companies tell all governments on this continent, and that is how much product they were producing. They refused to do that. And while they consented to the formation of a government-industry potash committee, they attended one meeting of that committee, Mr. Speaker, and then didn't attend any more. And premier Blakeney drew the conclusion from that that it would not be possible to make any progress on these matters until after the next election.

And so he just put everything on hold. My friends opposite should hear this with care. He put everything on hold and he decided to have an election before anything else happened. So he went out and had an election and was re-elected. And then he came back to the industry and said, now can we talk about this new policy.

And the industry refused to negotiate . . .

**An Hon. Member:** — Just like the farmers and land bank; you know how you guys . . .

**Mr. Mitchell:** — . . . and then took a second step which my friend from Weyburn ought to be interested in, Mr.

Speaker. Not only did they refuse to negotiate any aspect of this policy, but they commenced, the rest of the potash companies commenced an action against the government attacking the prorationing scheme. This is the same scheme that had been attacked by Central Canada Potash in December of 1972, Mr. Speaker, and it's the same scheme that this same industry had been instrumental in fashioning with the Thatcher government of the day, and it's the same industry which had requested and fully approved of the prorationing scheme being extended by the Blakeney government after its election in 1971.

And after having wanted that scheme, after having approved of it, after having lived under it for all those years, in 1975 after the election of which would be to declare that scheme void. Imagine that, Mr. Speaker, just imagine that.

Now at the same time the federal government was carrying on with its ideas about natural resources, including potash. And the federal government amended its Income tax Act to disallow the deduction from income of any royalties paid to a provincial government . . . (inaudible interjection) . . . Now my friend calls that a bunch of tripe, and I tell him that it is not tripe; it is a fact. It was actually a provision that was inserted into the Income Tax Act in 1975, and it meant that a resource company would not be able to deduct from its income the amount that it had to pay to a province by way of royalty. And it put all of the resource companies into an impossible situation — an impossible situation, Mr. Speaker. And it escalated the considerable war between the Trudeau government of the time and the western provinces.

**An Hon. Member:** — And the NDP backed up Trudeau.

**Mr. Mitchell:** — My friend says the NDP backed Trudeau, and he knows that not to be the case. He knows that Saskatchewan and Alberta fought the then government of Pierre Trudeau, hammer and tongs, for years and years and years in order that we in the provinces would have ownership and control of our own resources and the right to tax our own resources.

An extremely important fight in the history of this province, and one which ended on a relatively happy note with the constitutional arrangements of 1981, when the constitution was amended in such a way that provinces got the right to manage their own resources and got the right to tax their own resources.

And that provision in the constitution, Mr. Speaker, arose directly as a result of the fact that the government of Allan Blakeney, along with the Government of Alberta, stood toe to toe with the federal government and fought them every inch of the way, and in the end accomplished what we in western Canada needed to accomplish in order to have control over our own natural resources — a control, Mr. Speaker, a control which in a very real sense is being stripped away from us by the proposal to privatize the Potash Corporation of Saskatchewan. In a very real sense it is undoing what premiers Lougheed and Blakeney did in the years leading up to the constitutional amendments of 1981.

Having got that control of 1981, with our duly elected governments having that control over our resources and over our taxing policy, why in the world would we in this House be considering legislation, the effect of which will be to chip away at that control, to chip away at the degree of control which we have over this important resource?

That's a point, Mr. Speaker, that I intend to come back to because it's such an important point. It goes right to the heart of this debate, and it's one that everyone in this House and in this province has to consider very, very carefully in deciding, in making up their mind about where they stand on this Bill.

So what I'm saying, Mr. Speaker, what all of this shows is what we all know, and that is that in 1975 the government of the day, the Blakeney government of the day had no other reasonable course of action than to dramatically enter the potash industry, to enter it themselves. What other alternative did they have? They got no co-operation from the private companies so they weren't able to tax the resource. Members opposite say you don't have to own the resource — through royalties and through taxation policies, you can recover enough money for the province in that way, and you don't have to own the resource.

Well I say to my friends opposite that you can't do that when you're faced with an industry whose policy it is to just simply refuse to co-operate, to simply refuse to co-operate. And that's the situation that premier Blakeney and his government were faced with at that time. And he took what is considered by the majority of analysts who have studied the situation since that time, he took the only practical measure that could be taken, and that was for the government itself to enter the industry.

Now why is that important, Mr. Speaker? And again I remind you I'm not wasting the House's time on this because if we're to properly consider this Bill to sell off part of the potash corporation, to sell off it all, we have to understand why we did this thing in the first place. And this is very recent history, Mr. Speaker, very recent history, very important history, and it's a history that we all have to be knowledgeable about if we are to make a rational decision on this particular Bill.

Now I asked the question, the rather rhetorical question a little earlier, Mr. Speaker, about what alternatives were available to the Blakeney government at the time. This is a question that has been studied by economists and by political scientists in the years since 1976, and as I understand that literature, Mr. Speaker, there isn't any credible alternative that was advanced by an political scientist or economist.

In other words, the Blakeney government either said look, we can't enforce this tax so we're going to abandon — that was one option. We can't collect it because we can't find out what the profits are, so we can't collect it. And that's a real problem, Mr. Speaker, because these were all companies whose books were kept in places outside Saskatchewan, so you couldn't just send an inspector in and seize a bunch of books and say, there, there's your profit. You had to extract this information out of Carlsbad and Pittsburg and Chicago and places like that — I mean,

it just wasn't readily available. So that was one option of the government, that was simply do nothing and forget about taxing this resource and just allow the Saskatchewan potash to be pulled out of the ground and shipped off to the markets of the world for the profit of the potash companies without the Saskatchewan people getting any return at all from this valuable resource. That was one option, but it's an option that was not acceptable that would not be acceptable even to this government. It certainly wouldn't be acceptable to the people of Saskatchewan.

What other option was there? Well as I say, the preponderance of opinion of analysts who have studied the events of the time is that there was none. You could argue about whether the potash corporation ought to have acquired such a large share. You could argue it should have acquired a smaller share, or it could have acquired a larger share, or all, or anything in that spectrum, Mr. Speaker, a question of degree of entrance. But the fact that there had to be an entrance is really beyond argument. There simply was no alternative to the government entering.

It did one other thing, Mr. Speaker. The entrance by the people of Saskatchewan into the industry through a Crown corporation created a very interesting tax situation so far as the federal government is concerned, because it is the law of this country that Crown corporations do not have to pay income tax. And this is the relevance of the information I was laying out earlier about the federal Income Tax Act not allowing any deductions from the income of corporations because of royalties paid.

(2130)

Now, Mr. Speaker, a lot of the potash of Saskatchewan, maybe half of the potash of Saskatchewan would be coming out of the ground and processed and exported to the markets of the world without any income tax being payable at all. And what a dramatic lesson that was for the federal government. What a dramatic demonstration of the power of a Crown corporation was shown to the federal government through the formation of the Potash Corporation of Saskatchewan and its entrance into the mining of potash in Saskatchewan.

**An Hon. Member:** — On behalf of the people of the province.

**Mr. Mitchell:** — On behalf of the people of the province of Saskatchewan, my colleague reminds me. So it got around a lot of the federal tax problem rather dramatically.

Now as I say, Mr. Speaker — and I repeat again because it's very important — you can quarrel with the degree of the entrance of the government into the potash industry, but you really can't quarrel about the decision to enter. That decision was compelled by the fact that something had to be done and there was simply no alternative. And that's the historical reality, and no amount of distortion is going to be able to change that reality. It simply is.

Now, as I will be discussing in a short time, the

accomplishments of this new Crown corporation were considerable, were considerable. It had been the position of the Blakeney government for some years that the developing market situation in the world justified an expansion in the productive capacity of mines in Saskatchewan. And the government had been discussing this option, or this proposal, with the industry off and on for years.

Now with the creation of a Crown corporation, it became an option for the government to actually do some of those things themselves; to build a new mine; to expand existing mines. And both of these options were followed up by the Potash Corporation of Saskatchewan: existing mines were expanded; productive capacity was increased. The Rocanville mine is a very, very good example. And this Crown corporation allowed the people of Saskatchewan to affect public policy in a very direct way through the agency of their own corporation.

It also allowed the industry to — at least that part of the industry that was now publicly owned — to manage some of the cycles, to not just go with the market, where in good times you produced flat out and in bad times you laid everybody off, but allowed the . . . through warehousing and through stockpiling, allowed some smoothing of the cycles so far as the people who work in potash mines are concerned. This is important not only to the people who work there, but is also important to communities in which these people live.

And the new PCS (Potash Corporation of Saskatchewan) with all of its facilities and all of its strength, being a large corporation with considerable resources, was able to smooth these cycles and demonstrate to the world really that an industry like this, which is cyclical, can none the less be run in a way which is humane, which takes into account the fact that it is real, live people who work there — not just little units of production, but real, live people — and organize its affairs in such a way that the lives of these people are disrupted as little as possible. I know sometimes you still have to lay off, and that will happen, but at least it was an objective of the potash corporation that within the realities of the economics of the corporation an attempt would be made to smooth out these cycles and to create a stable employment environment for the people who work there.

And this worked very well, Mr. Speaker, this worked very well. And I say this from the perspective of a Saskatoon resident who's been very close to the potash industry from the very . . . for some years now. Let me put it that way, Mr. Speaker, for some years now very close to the industry and very close to a lot of people who work in the industry. Now . . .

**The Speaker:** — Why is the member on his feet?

**Mr. Van Mulligen:** — On a point of order, Mr. Speaker. Point of order.

**The Speaker:** — What is your point of order?

**Mr. Van Mulligen:** — Mr. Speaker, we're not asking that members on the opposite side pay any attention whatsoever, should they choose not to do so, to the

speaker. But certainly to have members on the other side congregate and shout across like a gang of thugs and interrupting this speaker cannot be tolerated.

**The Speaker:** — Order. I have . . . The Minister of Finance.

**Hon. Mr. Lane:** — The hon. member knows full well it's not a point of order, Mr. Speaker, and there are four New Democrats sitting in this House tonight, and that's all that are listening to that member's debate — four.

**Some Hon. Members:** Hear, hear!

**The Speaker:** — The hon. member . . . Order, order. The hon. member did not have a point of order; however, I also must say that in this — order — in this instance, in reality I have been listening and while there was some discussion going on, there really wasn't the shouting and insulting that the hon. member indicated, and I think we should be fair.

**Mr. Mitchell:** — Thank you, Mr. Speaker. I think that I was talking about the ability of the potash corporation to manage the cyclical nature of the industry, at least to some extent, and thereby ameliorate some of the impacts of the cycles upon the people who work there.

But I should have reminded you, Mr. Speaker, and members of the House, that there was a great deal of activity after the potash corporation was incorporated and the legislation passed in this House. And that activity consisted of negotiations with private potash producers in which mining properties were purchased by the potash corporation. It's extremely important for everybody to remember that the Potash Corporation of Saskatchewan negotiated for and entered into voluntary agreements in the case of the purchase of every one of these mines, Mr. Speaker. There was no question of any expropriation having taking place or any involuntary purchases. The fact of the matter is that everyone of those purchases were negotiated freely and voluntarily and without any compulsion or threats or anything like that. Now that's important because a historian looking at the public record would not realize that.

The fact is that the legislation incorporating PCS had within it expropriation procedures so that PCS could have required, or could have taken these mines by expropriation. They would still have to pay a fair market value. It wouldn't be a question of depriving the owners of their property without compensating them justly for that transaction. But let me emphasize again, Mr. Speaker, that that never happened, that in every case the purchase was freely and voluntarily negotiated. Some of these negotiations lasted a long time. The price in each case, I think by the common view of everyone involved, is too little but an appropriate price. And in the end we, the people of Saskatchewan, had a potash corporation functioning in this province that had the financial stability and the financial strength to do some of the things that I am going to be telling you about.

Now I have mentioned that expansion was one of their objectives, and they had the ability to carry through those plans. I mentioned, secondly, the managing of the cycles

for the benefit of employees. And I also mentioned to you how this impacts back on the communities like Lanigan, and Allan, and Rocanville, and Esterhazy where potash miners live. And the fact that you can introduce some stability of income there is much appreciated by these communities.

A third advantage, Mr. Speaker, of the Crown corporation, the Potash Corporation of Saskatchewan, was that it decided as a matter of policy that it would try to introduce new ideas in labour-management relations. I had the privilege during those years of acting as counsel for some of the trade unions that were involved in potash mining, acting for the unions in respect of their relations with PCS. And some of these new ideas in labour-management relations were really quite far advanced, quite exciting. And there's no question in my mind, Mr. Speaker, that they led directly to an increased productivity in those mines. Something, something led to an increase in productivity and it is my theory that the labour relations atmosphere, the labour relations climate in these mines was to some extent responsible for that good morale, that good feeling that people had working for PCS, and was reflected in productivity figures that were really quite astonishing.

Those new ideas included not only a better system of collective bargaining than you find in most plants and most mines, but also some innovative ideas about grievance procedures, grievance handling.

And I won't go into detail about that, Mr. Speaker, because I realize that's quite a specialized subject. But it's an important matter, because unless grievances are dealt with and dealt with fairly and appropriately on the shop floor, it starts to build an atmosphere which in due course becomes poisoned, and it will result in poor morale, in poor relations at the level of the plant, and that will certainly affect productivity.

Well as I say, without going into any detail, the grievance procedure of some of these mines was revamped in order that grievances could be handled quickly and fairly, and in fact that was done, and I say it resulted in quite remarkable situations in many of these mines.

The other advantage, or the other by-product of the Potash Corporation of Saskatchewan, Mr. Speaker, is something that has been touched upon in some detail by previous speakers — I want to mention it but not in that same level of detail — and that is the fact that we had here in this province, we have here in this province today a large potash corporation, the largest in the world, one of the largest corporations in this country. And the head office of that corporation is in my city — my city of Saskatoon.

My friend from Mayfair says, what do I mean, my city? I'll share it with him — our city of Saskatoon. And I do that with pride. And one of the things that makes me proud is the fact that the potash corporation has its head office there. Offices not in Pittsburg, not in Carlsbad, not in Chicago, but in little old Saskatoon, where a world-class potash company has been in full operation since the mid-'70s. And I think that's a matter of considerable pride.

Now members opposite know perfectly well, know perfectly well that that was just not your usual garden variety head office, but that was a head office that was really doing something, really doing something in terms of research and development, in terms of market research, in terms of anything that would result in Saskatchewan potash being sold in larger quantities at better prices in more places in the world. It was an exciting place to work, and I think it remains so, although I do notice one thing, and that is that in . . .

**An Hon. Member:** — That's where they had that gold, that gold sunken bath-tub . . .

(2145)

**Mr. Mitchell:** — The member from Meadow Lake mentions a bathroom with a bath-tub with gold fixtures. I want the member to know that a group of us has been looking in Saskatoon for that bathroom ever since the 1982 election campaign and we've never been able to find it, never been able to find it. Even the government literature didn't suggest that that gold bathroom was in the PCS office. I think it was alleged to be in some other Crown central agency office.

But in any event, Mr. Speaker, a group of us in Saskatoon during that campaign and following it tried as hard as we could to find out where in the devil in Saskatoon this bathroom existed. We came to the conclusion, rightly or wrongly, that it just didn't exist, that the reference to that bathroom or those gold bath fixtures in the Conservative propaganda in the 1982 election was simply false — false.

**An Hon. Member:** — No it wasn't.

**Mr. Mitchell:** — The member says it wasn't. Maybe the member will tell us where in the world that bathroom was located.

**An Hon. Member:** — PCS.

**Mr. Mitchell:** — That is not true. The member says PCS, and I know that not to be the case, not to be the case.

Anyway, I was going to say this, Mr. Speaker, that I was talking about employee relations at the Potash Corporation of Saskatchewan, and I want to just dwell for just a few brief moments on that employment situation in terms of the numbers of employees.

In 1981, the last full year of the Blakeney government's administration, the number of persons employed at PCS was 2,267. Now there had been a year-over-year increase from the beginning. In 1976, the first year of PCS's operation, there were 418 employees, and that grew as you picked up mines and as the mines expanded and as the head office became more sophisticated and its functions more complex; that grew as well to the point where in 1981, as I mentioned, there were these 2,267 employees. That number is now 1,273. From 2,267 in 1981 to 1,273 in 1988. Now that's a thousand lost potash jobs, Mr. Speaker, and that's a lot of jobs.

I know where 200 of those jobs went; they were people who worked in the Cory potash mine. And that struck home to me because my riding is a scant three miles away from the Cory potash mine, and a really large number of the people who were employed at Cory lived in my constituency. Some of them lived in the Mayfair constituency represented by the minister opposite, but a lot of them lived in my constituency, and 200 of those people were laid off. Now I don't know where the other 800 came from, Mr. Speaker; don't know where the other 800 employees went. And I must say that I have no objection to a leaner organization or more efficient organizations, but I certainly do want to get to the bottom of that number at some point and find out how it is possible that one of our Crown corporations, engaged in the potash industry, which I've described in some detail, finds itself in a position where it lays off 1,000 people in the course of seven years — almost half its work force, an extraordinary thing.

But I don't want to dwell on that at this point in my speech, Mr. Speaker, although I think it is an element of public policy that our Crown corporations are good employers, that they're considerate of their work forces, that they try and behave as responsible corporate citizens and responsible employers.

Now there's an argument around for years, and I think it to be a valid argument, that there is an obligation on the government and the government corporations and agencies to try and be model employers. I don't mean by that to give away the farm or to be stupid about it, but to act responsibly and to act, as I say, as a good corporate citizen.

Now my friend opposite would like to get into the debate for five minutes and I just can't do that, Mr. Speaker, but I will invite him, at the end of my remarks, to get up and make the points that he wants to make while my arguments are fresh in his mind. I can also tell them, Mr. Speaker, that if there were fewer interruptions, this speech would be over much more quickly than if I continually have to respond to these interruptions.

But one of the things that we're seeing in this debate is that almost all of the speeches are being made by people on this side of the House, and that is an absurd situation. And all the government says in response to it is to accuse us of a filibuster, Mr. Speaker; that's their response to it. Their response is not to get up and to debate, but the response is to accuse us of filibustering.

And I want to say again what I said before when I think the members were engaged in their little session at the back of the room and I think weren't listening carefully to what I said, and that is that this Bill, this Bill is so incredibly important that we simply have to discuss it. We simply have to consider with all the care that we can what this Bill means to the future of our province, because we've got a resource here that is going to be exploited and is going to be exported from this province for hundreds, even thousands of years. And we just can't spend enough time on it in this House to do justice to it. And we certainly can't do justice to it if members on the other side of the House don't get into this debate and start talking about some of the things that we're talking about. We finally . . .

**The Speaker:** — Order, order. Now really the hon. member is, I'm sure, having some difficulty carrying on his remarks, I'm sure, having some difficulty carrying on his remarks. And members from both sides of the House, I see from their actions, want to get into the debate; however, I'd ask them to restrain themselves until that member has finished with his remarks.

**Mr. Mitchell:** — Thank you, Mr. Speaker, I appreciate that. I was saying this can't be a one-sided debate; this has got to be a two-sided debate. And yet my colleague from Regina Centre was able to flush the Deputy Premier up tonight, and I thought that is wonderful.

Here we have the member, here we have the minister who some Canadians think is the person who runs this government, standing up in this House to debate this Bill. And I thought, here it comes, we are going to actually get down to these issues and start talking about them and start telling us where we're wrong, where we're right, why we're wrong, what are the alternatives, why did they select the one that they chose? That's what I thought when the Deputy Premier got up.

But, Mr. Speaker, as I said to him as soon as I began my remarks, his intervention was six or seven minutes long, and in that intervention all he talked about was Saskoil and what a wonderful model that was and he hoped PCS would go the same direction as Saskoil.

That's the defence? I mean, we can't have that kind of a debate in this House over the privatization of part of the Crown corporation which is producing almost half of our potash in this province and which is producing a resource which will be a major factor in the economy of this country for millennia — is that the right term, Mr. Speaker? — millennia, thousands of years, thousands of years. We're not talking about a little oil patch that's going to be dry in 20 years, or a uranium mine that's going to be mined out in 25 years. We're talking about a resource that's going to be here for thousands of years, and we need a debate.

We stand here on this side of the House, day after day, talking about our criticisms of this Bill, about the shortcomings that we see in this Bill, about our ideas, about what we see is wrong, and we're met by this almost deafening wall of silence. How a wall of silence can be deafening I won't go into, Mr. Speaker, but I mean to convey that it's really quite extraordinary that there is no debate. And all we get in response is suggestions that we're just dragging the debate out, that we're filibustering. That's absurd, Mr. Speaker, that's absurd.

**Some Hon. Members:** Hear, hear!

**Mr. Mitchell:** — We're putting up the people on our side of the House who have tried to prepare themselves for this debate, and who have tried to understand the issues, and who are trying to articulate the issues in terms which you can understand, and in terms which the people of this province can understand. And we deserve your respect and we deserve . . .

**The Speaker:** — Order, order. It's almost 10 o'clock.

We've got about four minutes to go, perhaps a little more, and if hon. members would just restrain themselves and co-operate, we'll get to 10 o'clock and carry on tomorrow.

Order, order. The member from Regina South, I'd ask him to co-operate.

**Mr. Mitchell:** — Thank you, Mr. Speaker. I think I've driven that point home with sufficient detail, and I would expect in the ordinary course that the member from Weyburn will follow me and will actually get down to the business of debating issues of this Bill as we see them, or indeed as he sees them, but to try and deal with the substance of the Bill which is, when you get right down to it, the selling off of a public asset. And in order to do that you have to be able to show to us and the people of this province that it's a good idea, that it makes sense, that it's not just the blind pursuit of some philosophical notion or ideological precept, but that it is actually something that will benefit not only them but their children and grandchildren and all the succeeding generations that come after that.

Now the minister, in introducing this Bill on second reading, made no attempt to do that — made no attempt to do that. And I think that members opposite will concede that that was the case. And the other people who have spoken on this, and I don't know how many there have been — two I'm told — have similarly made no attempt to justify this proposed change in public policy. And I repeat, I repeat, Mr. Speaker, that they must do so, that the issues here are far too serious to simply table the Bill and wait until the opposition talks itself out and finally gives up and they you're going to pass it into law.

That's simply not good enough. You have to stand in your place and you have to justify your actions before the people of this province or they will judge you, they will judge you. And I have no doubt the way in which they'll judge you if you persist in this approach.

It is not enough to simply say that opposition speakers, who are trying to deal with this debate in the face of that wall of silence, are somehow filibustering the business of this House. That is not true; that is not correct. We're standing here in this House day after day; we're not being paid for being here; we don't have to be here; we can be somewhere else. But you're introducing a Bill which radically changes the regime of public ownership of a significant portion of the potash industry, and at some point you better get up and justify it.

**Some Hon. Members:** Hear, hear!

**Mr. Mitchell:** — And there will be many such opportunities. And I for one will be terribly disappointed if the member from Weyburn doesn't follow me in this debate and give me the benefit of his views about my views of the . . .

**The Speaker:** — Order. It being 10 o'clock, the House stands adjourned until tomorrow morning at 10 a.m.

The Assembly adjourned at 10 p.m.