

EVENING SITTING

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the 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. Trew: — Thank you, Mr. Speaker, and good evening. I welcome the opportunity to wrap up my debate. I will be entering my summary remarks at this time and by the very nature of the fact they're summary, that will mean there will be some repetition, but I will try not to elaborate too lengthily on the points that I have been able to make earlier on the day.

I was talking at one stage about the Progressive Conservative government's lack of having campaigned on the issue of privatization of, for example, the Potash Corporation of Saskatchewan, or Sask Power Corporation, but specifically the Potash Corporation of Saskatchewan.

And I pointed out, sir, that in 1971, in the New Deal for People, the New Democratic Party had talked in very pointed terms, in a 21-page booklet, outlining what it is that we stood for. We outlined that one of the things we believed was that the resources of Saskatchewan, the natural resources, should be for the benefit of the people of Saskatchewan, and indeed should be owned and controlled by the people of Saskatchewan.

I then pointed out that in the New Democratic election or pre-election booklet, New Deal '75, which was a 24-page booklet, resources were highlighted on page 4 and, in even stronger terms than in the 1971 election, we pointed out that Crown corporations would be required to look after our natural resources and to protect the interests of the people of Saskatchewan.

I spoke of our vision of Saskatchewan's ability to develop its potash reserves, its 4,000- to 5,000-year reserves at current rates of use. And I spoke of Saskatchewan people being absolutely second to none. I mentioned when the Deputy Speaker was in the Chair that the potash industry has got a tremendous resource in the people of Saskatchewan because, being a rural province, very many of us grew up and come from a farming background and, being a farmer yourself, sir, I know that you will appreciate there are very few challenges that I could throw to you regarding your farm that you would not overcome one way or another. There's, I think, virtually nothing I could do to stump a Saskatchewan farmer. I'm of course not referring to something that's going to force a bankruptcy. I'm referring to an equipment breakdown or something like that.

Saskatchewan working people are well educated, very resourceful, and want to get the job done. So all of the potash industry, including the Potash Corporation of Saskatchewan, have got a very highly skilled group of

employees. I realize that potash mining is somewhat different than farming, but I also realize that people with a hands-on, working background have a little more mechanical expertise, a little more ability to get jobs done as opposed to . . . oh, say somebody from a large urban centre such as New York — New York, New York. In all too many cases, they only learn through technical institutes or that sort of thing.

I was talking, Mr. Speaker, about the beneficiaries of the sale of Potash Corporation of Saskatchewan and who they would be if PCS (Potash Corporation of Saskatchewan) is privatized. Would the beneficiaries be the people of Saskatchewan, who currently own that natural resource and own the corporation, the Potash Corporation of Saskatchewan, or would the beneficiaries be the large, multinational corporations and wealthy investors? And, of course, we all know that the only reason anyone buys shares is to make a profit, so those profits would go to the new shareholders, the new shareholders being wealthy people and big corporations, not being people who are struggling on minimum wage — a minimum wage, I might add, that has been frozen at 4.50 for over four years now, and was frozen at 4.25 for three years prior to that.

The point . . . How that ties in is minimum wage earners are desperately struggling to keep clothes on their back, food in their stomachs, and some semblance of shelter. So they certainly don't have money to purchase any shares in the Potash Corporation of Saskatchewan.

Indeed, many people who earn a lot more than minimum wage do not have that stash of cash that would allow them to make such a purchase, but at least if you're making, you know, double or more the minimum wage, you have a chance of saving up some money, or you have a chance of going to the credit union or a bank and asking for a loan so you can purchase shares. Minimum wage earners don't have that luxury. Single parents, in virtually every instance, do not have that luxury.

So who benefits? Certainly not the majority of Saskatchewan people. I pointed out that only 14 per cent of the adult population of Saskatchewan own shares of any kind — only 14 per cent.

I've pointed out earlier in the month that on two successive days as I went canvassing door-to-door in the best part of my . . . the wealthiest part of my constituency, I could not find a single person who would even consider purchasing shares in the Potash Corporation of Saskatchewan, a corporation that they know they now own.

I also couldn't find a single person who thought it was a good idea. I did, in the two days . . . I found one person each day who said, well I'm really not sure. One person each day said, I just don't know all of the facts. And even given the benefit of the doubt, even saying that those people were not with the New Democratic Party, that still leaves an overwhelming majority of the people I spoke to saying that they would not purchase shares in the Potash Corporation of Saskatchewan.

The present government has been driven to its position of trying to sell off the Potash Corporation of Saskatchewan and other Crown corporations because of their gross mismanagement, their gross financial mismanagement. It's a case of trying to sell off a quarter of the farm to pay this year's debt, and then next year they try and sell off another quarter to pay that year's debt. Pretty soon all they've got is the homestead, that's all. And all too often that goes as well and they're off the farm.

And that's what's going to happen to our ability to control our destiny, to control our future. That's what's going to happen with this sell-off of pieces of the Saskatchewan heritage — and that's the heritage not just of government and opposition MLAs that have been duly elected; it's not just the heritage and the preserve of our families and our friends, or our individual constituents; it's a preserve of all Saskatchewan people, present and future, and future generations. And I think that the present government has lost sight of that very future, Mr. Speaker, and it's really sad.

If indeed the government had its vision to the future for the genuine good of the province of Saskatchewan, it would be very easy to do as I suggested earlier and the Premier could simply say, we're going to pull this Bill; we're going to fight the next election on it, whenever that may be. It can be, as you know, as late as the fall of 1991.

But in the grand scheme of things, the fall of 1991 is a little bit over two years away. It is, of course, as you know . . . Historically elections are every four years so in all likelihood the election will be about a year from now, give or take six or eight months. But if the Premier were not looking at a quick fix for this very moment, then it would be so easy to pull the Bill and say, I will go to the people; that will be one of the election issues.

In the meantime, we could get on with much needed legislation. We could get on with increasing the minimum wage. We could get on with Bills to deal with day care, to provide much needed day care throughout the province. We could get on with environmental Bills. We wouldn't be stuck on potash, potash, potash, day after day. We could do pension reform, as was promised in the Speech from the Throne. We could cover all kinds of legislation because the government controls the legislation every single day. Every day you call what we deal with — every single day. And of course you know that we are going to speak out on potash every single day until you give up — every single day as long as we can. And I can assure you we can for a good long, long time. A long, long time.

How Long? It's a matter of . . . Well the members opposite, Mr. Speaker, are very concerned with how long. They're obviously upset because the per diems have ended, so they're now forced . . . reduced to sitting here at their own expense . . . (inaudible interjection) . . . Well you were elected to look after the people.

You were elected to do business on behalf of the people of Saskatchewan, and nowhere did any of us in this room, any of us elected, never went to the people and said, elect me because I want to collect my per diem when the session is on. Not once did any of us — I can guarantee it

— never said, elect me because I want to collect a per diem. I wanted to get elected to do the very best job I can for my constituents, and I'm positive there are better MLAs. I'm positive there are better people who can do this job even better than I in my constituency, but I'm also positive there's not one of them willing to work as hard as I am to do what I can for my constituents and the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Trew: — Mr. Speaker . . .

The Speaker: — Order, order, order.

Mr. Trew: — Thank you, Mr. Speaker. Following the goings-on in this legislature, following the SaskPower betrayal when the government had promised before and after the last election that SaskPower and SaskTel were sacred and then they tried to privatize the natural gas portion of SaskPower, following that, the people of Saskatchewan have completely lost faith in the Conservative administration regarding any and all privatization. The most common thing I am hearing when I talk to people across the province is, they have gone too far. And what they're really saying is the government broke faith. The government broke the trust of the people by going too far. And it is almost irreparable. I say almost because, as you know, in politics a week is a long time, but I think it is irreparable.

I think that the people of Saskatchewan in the main have made up their mind how they're going to vote in the next election regardless of how this particular debate goes, this potash debate or any other debate goes. There is a critical stage that the government went beyond with the SaskPower privatization and they can't, they just can't seem to recover from it.

(1915)

I have been talking, Mr. Speaker, about our resolve to do everything within our power to maintain the Potash Corporation of Saskatchewan as an economic lever for the next government, whoever that is. And indeed earlier in the day when I said that, I said whether it be New Democrats or whether it be Liberals or some other party, but I also said earlier in the day it will not be the Progressive Conservative Party because that faith has been broken, Mr. Speaker — broken.

Some Hon. Members: Hear, hear!

Mr. Trew: — And fool me once, shame on you; fool me twice, shame on me. The people will not be fooled twice.

I did not go into a detailed description of the Potash Corporation of Saskatchewan earlier in my speech, but I do want to just reiterate the numbers, and I will be as brief as I can with it, Mr. Speaker. In 1976, the first year of the Potash Corporation of Saskatchewan, it made a half a million dollars profit; the second year, 1977, it went to 1.12 million; the third year, \$24 million; in 1979 it went to \$78 million; in 1980 it went to 167 million; followed in '81 with \$142 million profit.

The Speaker: — The hon. member is going over figures that have been used many times. I know he said that he's going to summarize now his remarks; however, that doesn't mean he should begin repeating everything he said, or somebody else said, word for word virtually. You'll have to be very careful. I'm putting the responsibility on you. Like, you've chosen to speak a long time on the issue and that's your right; but then having made use of that right, then you also have a responsibility that goes with it.

Mr. Trew: — Yes, thank you, Mr. Speaker. The six years of profit totalled \$414 million. That figure I could have used. The next I did not summarize, and I'll be really quick. Eighty-two had less than a million dollars profit — this is after the change of government; '83 an \$18 million loss; followed by a \$25 million profit; \$69 million loss; \$100 million loss; \$21 million loss; followed by \$106 million profit this year.

And as we know, the potash industry is cyclical; it goes up and down. I argue it's gone through some of the down side and we're now heading up that slope of firmer prices, firmer sales, and that's based on the fact that international grains reserves, this minute, are the lowest they have been since the Second World War, the lowest in the world, lower than they've been since the Second World War.

There is an urgent need, Mr. Speaker, for every grains-growing country in the world to grow as much wheat, as much rice, as much barley, as much of whatever they grow, to feed an increasing population in the world and a population that seems to be increasingly hungry. So there's much demand for more production from our farmers. That demand for more production, quite naturally, will lead to the use of more fertilizer, and there's only so much fertilizer to be had in this world.

The Potash Corporation of Saskatchewan is in a unique position. It is one of the lowest cost producers in the world, the most efficient mines in the world, the highest ore grade in the world, largest reserves in the world. So really we're in a fantastic position of controlling over 25 per cent of the world potash market, and we have a government that wants to give up that control. The one areas that Saskatchewan people have total control, the one area that we can indeed lead the world, we can continue to lead the world, and they want to give it up.

Some Hon. Members: Hear, hear!

Mr. Trew: — I talked about Power bonds that the member for Weyburn had talked about and he called it privatization. I only want to summarize that by saying it's tantamount to saying that if I purchase a Canada savings bond, I am somehow privatizing Canada. And nothing could be farther from the truth.

An Hon. Member: — You already said that.

Mr. Trew: — I'm not . . . The member for Regina Wascana says, I already said it, and of course I already said it; I'm in my summation remarks which is . . . Okay. Now that we have that little thing out of the way, Mr. Speaker.

I'm not going to go over the production of potash under

New Democrats and under Tories other than to say it was very, very close to the same. The average price was very close to the same; marginal drop under the Tories. But the revenue dropped from \$985 million in a five-year period from '76 to '81, and under the Tories it dropped \$274 million from '82 to '88, and that is a \$711 million loss that the people of Saskatchewan, the province of Saskatchewan, can ill afford.

When the government foregoes that kind of revenue from a resource industry that they only get one chance to tax, when a government decides consciously to forego that tax, that means somebody else has got to pick up the tab. And we all know who that is: every one of us who pay the 2 per cent flat tax; every one that pays a 7 per cent E&H tax instead of a 5 per cent E&H tax; every one of us who have seen alcohol taxes, cigarette taxes, insurance taxes sky-rocketing under the Conservative administration; every one of us who understand that the give-away of our Potash Corporation of Saskatchewan is an action doomed to failure.

Everyone understands that you can do no better than what the New Democrats did from '71 to '82 — 11 balanced surplus budgets, plus the purchase of the Potash Corporation of Saskatchewan. All that, all balanced budgets, all taxes significantly lower than today.

I'm in error when I say all taxes, Mr. Speaker, and you will understand that I am in error when I say that. We see the potash taxes having dropped over a five-year period by \$711 million. We see the oil and natural gas taxes having fallen more than a billion and a half dollars in total under this administration. Together that's two and a half billion dollars, and we have a \$4 billion deficit. All you'd had to do was a little bit of financial jiggery-pokery to come up with the other billion and a half, or we could be faced with a billion and a half dollar deficit right now, instead of a \$4 billion deficit.

But we cannot collect a penny of that money that the Conservative government decided to forego to the potash industry and to the oil industry, the resource industries, because you only get one chance; when you pump a barrel of oil out of the ground, you get one chance to tax it. When you dig — or pump, in the case of Kalium — potash out of the ground, you get one chance to tax it, one chance only. That's gone; that \$711 million lost taxes and royalties in potash is a cancelled cheque. It is gone; it is gone, just like the government members opposite will be after the next election — gone.

Mr. Speaker, if you will indulge, I have three paragraphs to read out of the *Regina Free Press*, dated July 4, and then I have one very, very brief summary step.

I know this sounds a bit funny in this debate, but the title of this issue is "That's Life" — that's the title of this article. And it says:

. . . there are very few mysteries left in this world any more. Birth used to be one until some genius invented a camera that could transmit in graphic detail what used to be exclusively under cover of the uterine wall.

Death used to be one, until people discovered you could get free press and lots of big bucks when you went public with your out-of-body experiences.

As far as I'm concerned, (the writer says) the three remaining mysteries yet to be solved are: (1) socks that go AWOL in your dryer; (2) why Grant Schmidt remains a cabinet minister; and (3) the pot luck supper.

You could extend the number two to any of the cabinet. You could extend number two to any of the cabinet and you could certainly extend it to the Premier. Why do they remain members of the cabinet, or why do they remain the Premier?

An Hon. Member: — Why are they still in government?

Mr. Trew: — Why are they still in government, as the member from Regina Lakeview says. And, Mr. Speaker, that's the puzzle.

I wish to sincerely, sincerely ask the Premier and ask the back-benchers, just hear this one plea and tell me, in your next speaker that speaks, or tell me privately, where I'm wrong on this. Tell me where I'm wrong on this one very, I think, reasonable simple point.

There's no urgency to sell the Potash Corporation of Saskatchewan this month as opposed to next month. There's no urgency to sell the Potash Corporation of Saskatchewan next month as opposed to next year, okay?

So tell me where I'm wrong. Why would you not simply pull the Bill to sell off the Potash Corporation of Saskatchewan, simply pull it as an act of reasonableness and say to the people of Saskatchewan: it is our firm intention, should we be re-elected, to privatize the Potash Corporation of Saskatchewan, to privatize SaskPower, natural gas, include electrical if you want, but campaign on it. And if you win an election campaigning on what you want to privatize . . .

The Speaker: — Order, order.

Mr. Trew: — I thank you, Mr. Speaker. If you would simply take us up on that, put it off until after the next election, I think that's a reasonable thing to do because Saskatchewan's been around as a province since 1905 — 84 years. It's going to be 85 years next year. So one more year is hardly going to be significant in the grand scheme of things. Just put it off until after the next election; fight the election on it.

If you win, and I am fortunate enough to first get the nomination in my constituency, and second, be successful in being re-elected, I will stand in this legislature, if you win the election, and I will say you have the blessings of the people; you've fought an election campaign and you won it. I'm not telling you I'll lay down and play dead, but I am telling you that we would not be as vociferous in our defence of the potash corporation as we are now, as we are now.

So I think it's a reasonable request that I'm putting forward on behalf of certainly my constituents. I think it's a

reasonable request for the people of Saskatchewan. If the Premier has the courage he's going to be the Premier after the next election, as he tells us he has, it should not be much to ask. Just put it off for a year, year and a half at the most. Fight an election on it, and if you win the election, privatize to your heart's content, if you win the election.

But you know you're not going to, so instead you're following this scorched earth policy, scorched earth policy; burn and destroy everything that can help the next government put people to work — scorched earth policy of the Tories.

(1930)

You know, Mr. Speaker, Mr. Magoo makes the government members opposite look like he has 20/20 vision. Mr. Magoo makes the government look like they have no sight at all. Mr. Magoo looks like a man of great world knowledge and great world vision as he bumbles around, bumping from one thing to the next. Compared to this government, Mr. Magoo is a genius, and Mr. Magoo wouldn't let the people of Saskatchewan or anywhere else down.

I am sincerely asking the government to put off passage. Stop pushing this Bill; deal with something else; deal with the many Bills that have some substance and some need for the people of Saskatchewan. Let's get on to that. Let's not be stuck on this potash privatization.

Mr. Speaker, I'm asking the Premier to say, whoa in a mud hole, in essence, and indeed, as my colleagues tell me, he is already there and he is stuck in the mud hole. So I am going to be ending my speech now. I am obviously going to be doing everything from here on to prevent the passage of this Bill 20.

One final word, and it's something I intended to do much earlier in my speech, and it has to do with a buyer beware — with buyer beware, when it comes to buying potash. Anyone who buys shares in the potash, any corporation who buys shares in the Potash Corporation of Saskatchewan . . . We don't know yet, because we're not the government, what we can do, but we have no obligation to protect corporations at all — big business, out-of-province corporations. No protection is guaranteed, that's for sure. So buyer beware, if you purchase into the Potash Corporation of Saskatchewan.

Mr. Speaker, I am vehemently opposed to this Bill 20, this give-away of the greatest resource that the people of Saskatchewan currently own, this heritage, this Potash Corporation of Saskatchewan. I will be voting against this give-away; I'll be voting against the foreign control; and I will be standing up proudly with every New Democrat in this legislature and the many, many tens of thousands of people who are proud to call themselves New Democrats all around this province. We will be standing up together, arm in arm, in opposition to a Tory government that has gone mad with privatization madness.

Thank you, Mr. Speaker. I've enjoyed my opportunity to participate in this historic debate.

Some Hon. Members: Hear, hear!

Mr. Martin: — Mr. Speaker, I want to open my remarks by congratulating the NDP mayor of Regina, Doug Archer, who recently voiced his support for the SaskEnergy initiative because it's helping Regina, and he was finally woke up to the fact that it's doing that. And so I would think then that he would probably be delighted with the potential for the public participation of Potash Corporation of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Martin: — I remind Mr. Archer, in case he's forgotten it, that — and I'm sure he's watching tonight — that the 5 per cent tax will not go up because of SaskEnergy.

Mr. Speaker, none of us in this Chamber can underestimate the importance of this debate, the debate on public participation in the Potash Corporation of Saskatchewan. It is a debate about the future of our province and about this province's great potential.

My comments on Bill 20 will not be complete without reference to the speech made in this legislature by the leader of the NDP. The Leader of the Opposition opened his speech with a quote from the supporters of free trade, which I find rather astonishing, frankly.

In the free trade debate, the supporters — notably trade minister, John Crosbie — said the critics and the NDP were walking backward into the future. You could imagine my surprise when the NDP leader, humbled by his failure to stop free trade, elected to use the same quotation in this debate, "walking backward into the future."

This is a very telling quotation. For this particular NDP leader, it's a classic example of self-description — yesterday's man advocating yesterday's solution, yesterday's rigid NDP ideology as he answers today's economic issues.

It's no wonder he uses this phrase, "walking backward into the future". It has direct application and meaning for the opposition leader and his party, particularly as it relates to the potash debate — intellectually, philosophically, and practically. They are tired and they are empty, and they are walking backward into the future.

Bill 20 will give Saskatchewan people the opportunity to participate directly in the Potash Corporation of Saskatchewan through share ownership. This Bill provides a way for us to attract new money, new investment, and new growth into the potash industry, into the potash corporation. The government will be free to regulate, free to tax, and free to benefit from the profits of the corporation without having to own the mines and equipment that extract the ore.

Does a government need to own a potash company in order to manage it? Obviously there are ways that an enlightened, modern, and sensible government — and I'm describing the Progressive Conservative government — there are ways that government can ensure that all of us benefit without risking the future of our children,

without using taxpayers' money, without borrowing against our heritage and staking everything on the management of bureaucrats, government administrators, and politicians.

Bill 20, Mr. Speaker, provides safeguards to ensure that the new, modernized public potash company remains in Saskatchewan and that it will be a major player in our economy.

Let's look for a moment at the history of the potash company of Saskatchewan or PCS. In 1976, when the NDP government nationalized the potash industry, they said that the American-owned potash companies had to go. They had to hit the road. They had to be kicked out of Saskatchewan. This is particularly noteworthy given the comments of the NDP leader who now boasts about how he personally led the attack in 1976.

Just what did he do? What was his answer? The NDP took Saskatchewan's heritage money, money that should have been used to improve health care services, education, and to build roads, and to help farmers and municipalities. They took Saskatchewan's heritage money — money that should have been used for all Saskatchewan people, for our children and their children, and generations to come — and they squandered it by investing in the resource sector. They squandered it, Mr. Speaker.

The 1982 report on the Crown investments review commission estimated that over \$1 billion was invested in a resource Crown by the NDP. And that's only the up-front investment. We must also factor in lost revenue and taxes and the cost of elaborate furniture. We must factor in the cost of travel for NDP fat cats, flying all over the world on taxpayers' money, staying in the fanciest hotels, eating the best food, entertaining their friends, and playing the fat-cat role they do so well. And don't they love it.

In the case of the potash corporation, there were three NDP cabinet ministers on the board of directors and the Leader of the Opposition was one of them. The NDP squandered our heritage. They sold out the people of Saskatchewan to their ideological dreams.

In 1975, there's a moratorium placed on the construction of special care homes for the elderly in this province. A full 12 per cent of our population is age 65 or over. By the year 2000 that percentage will top 30 per cent, and yet the NDP neither built or expanded or improved health care facilities for our seniors for seven years — seven long years for the seniors of this province. Mr. Speaker, they couldn't afford to; they were spending Saskatchewan's heritage money on money-losing resource Crowns like \$1 billion for potash companies — holes in the ground, as the member from Melville often calls them.

And our seniors weren't the only ones who suffered at the hand of the NDP. There was no emphasis on alcohol and drug abuse programs for our young people, there were no improvements to rehabilitation centres, there was little help for the farmer or the small-business sector or the Saskatchewan public. And through it all we had 21 per

cent interest rates, Mr. Speaker.

And there was no money, because they squandered so much of our wealth on such items as potash mines just because philosophically they had to own them. No, the NDP couldn't afford to help Saskatchewan people build a better quality of life. They couldn't afford to build a safety net or diversify the economy or create jobs or strengthen our social structures. They were too busy using Saskatchewan's heritage money to nationalize everything in sight.

They nationalized the potash industry and the oil industry and the uranium industry. They nationalized sodium sulphate and coal and pulp and paper and farm land, and the list goes on and on. When our heritage money was all gone, Mr. Speaker, when the cupboard was bare, the NDP borrowed money from American and European bankers to expand, not to diversify, the potash corporation.

They committed Saskatchewan taxpayers to a \$550 million expansion of the Lanigan mine — by all accounts, an unnecessary expansion for a market that was glutted with potash. A brilliant move, Mr. Speaker.

Today Saskatchewan people are still paying back that debt to the American and European banks, and they say we own the mines. The same money invested in the acquisition and expansion of potash invested in our economy into a, say, a savings account at a credit union would be worth nearly \$2.5 billion today. That would fund our health care system for nearly two years.

Did the NDP look at the investment capability of our own people? Did the NDP look at Saskatchewan business to participate? Of course not. They took Saskatchewan's heritage money to buy a potash patch from Americans and Europeans, and when the cupboard was bare, Mr. Speaker, they borrowed money from American and European bankers to finance an unnecessary expansion. And this was done by the NDP in full knowledge that the potash industry is a cyclical business, its fortunes rising and falling with world international fertilizer needs.

Yes, the potash business was good in the mid-1970s. It's good again now. But how do the NDP think that government ownership would carry this resource business through the market slumps and through declines?

The old, tired NDP answer is that the taxpayer can always be tapped for more money. Let's go to the pockets of the folks out there. That's what the NDP say — let's get some of their money. Well that's not good economics; it's not even good sense. When the losses and expenses of a government company are borne on the backs of taxpayers and our children and our elderly and those in need, it is simply not good business. I say, shame on you, NDP, shame on you for having the audacity to exercise the power of government to trick the people of Saskatchewan. How dare you.

A duly elected government has the obligation to conduct the business of the province with foresight and with vision. As we examine the history of PCS, remember that

the NDP leader had as his vision government money, government control, and narrow government ownership as the answer in both good times and in bad.

I ask you to look at the facts. This NDP leader, the man who boasts about his role in the past, borrowed money at 11 per cent in our name as taxpayers. Over time it has yielded a return of about 3.7 per cent. I ask the taxpayers of this province: would anybody you know borrow money at 11 per cent and put it in the bank for an interest rate of 3 per cent? Not likely. But the NDP did.

At this point I want to examine some statements made by the NDP leader related to the potash and public participation, which is what this potash Bill is about. He says that public participation has not helped drought victims, difficult farm times, and escalating health care costs. This is rather confusing, coming from the NDP.

Public participation is just one year old in Saskatchewan, and there have been plenty of success stories to tell on both large and small scale. Government employees have started their own companies, become entrepreneurs. I look at DirectWEST, Printco Graphics, Media House Production, and the Meadow Lake saw mill, and I have to say the NDP must get their head out of the sand, get up to the real life. Weyerhaeuser, WESTBRIDGE, and Saskoil have brought new jobs, growth, and investment into our province. Just what are they talking about, this NDP leader?

It's curious, Mr. Speaker, that just maybe a week ago, the former leader of the NDP, Mr. Blakeney, was in town pontificating about the dastardly effects the privatization of potash would have on this province, and yet this is a man who bought shares in Saskoil, one of the first privatization companies put forth by this government. And that's a smart move by the former premier of this province, to buy shares in Saskoil. That was a smart move.

(1945)

It's curious, isn't it? I mean there's some kind of hypocrisy here that I find rather interesting — the man who opposes privatization, while really he doesn't oppose privatization because there's all kind of facts to show that. We have the minutes from the Crown investment corporation of Saskatchewan, January 14, 1982, of which he was a member of the board, in which they talk about privatizing for the people of Saskatchewan and selling shares to the people of Saskatchewan. Of what? Well one of the items, one of the visions that they had at that time was to sell shares in the Potash Corporation of Saskatchewan. And yet this is the same man who, just a week ago, came back to this province and went on at great length about the dastardly benefits . . . or the dastardly effects, rather, of privatizing the Potash Corporation of Saskatchewan. I mean the hypocrisy is mind-boggling. And this is the same man who owns shares in Saskoil. And he's opposed to it? Mind-boggling.

What about the bond issues we've promoted during the past year? Power bonds. TeleBonds, sensible and secure investments for Saskatchewan people.

You know, Mr. Speaker, my wife and I have four daughters and each one of them bought a bond. They didn't have very much money. They were students and they worked during the summer, but they thought it was a good idea, and they each bought a bond. My wife bought a couple more than one, but they each bought a bond. Well a few weeks ago they got a return on their investment, and it's probably the first time that any one of them has ever got a return, a direct return from anybody on their investment, on the SaskPower bonds. They understand the value of that sort of thing. They feel they have an ownership in SaskPower. That's an investment. Not a lot of money, but they're happy with it, Mr. Speaker.

And why shouldn't the guy or the woman who works in a potash plant have an opportunity to be part of the potash plant, to be part of ownership of the potash plant? I can't think of one reason why somebody, a mine worker or somebody who works in the office for the potash . . . any one of the Potash Corporation of Saskatchewan mines, shouldn't have an opportunity to participate in that. And I think we have an obligation, as a government, to find a way to make it easy for them to get involved in this when the time comes. I don't know the details of it yet, how it's going to be done, but I certainly like to think that would be part of it.

And I, quite frankly, think that the potash workers of this province, the people who work for the Potash Corporation of Saskatchewan, are probably listening with a great deal of interest as to how this might affect them. And it's curious to me also that I haven't heard negative comments coming from the workers of the potash mines. I mean, I would have thought . . . I mean, they weren't out there when they had that rally out here a few weeks ago. No, they weren't there.

So it's going to be interesting to see . . . I'd like one of them to come forward, give me a phone call some time, and say: Beattie, that's not a bad idea. I sure hope you guys do that because my friends and myself and my wife who works in the office would love to be part of the Potash Corporation of Saskatchewan, be part of the investment and to have investment opportunity. Perhaps that will happen.

The bond issues that we promoted during this past year, the Power bonds and TeleBonds, sensible and secure investments for Saskatchewan people, raised \$824 million through bond sales and kept at least 80 million worth of interest in this province. That's money that doesn't go to line the pockets of American bankers, no benefits. The easiest thing to sell in Sask bonds, the idea of the selling of SaskPower bonds, was that we do not have to go to New York or Zurich or some place else to borrow the money.

Take the money from the people of Saskatchewan and pay them back the interest. The money stays here, Saskatchewan money goes to work, and that 40 million or \$80 million doesn't go some place in New York or to Zurich or Toronto or some other place.

Some of the other programs that have developed from public participation are the White Track ski resort, which is a tremendous success story for some young people in

Moose Jaw and some not so young people in Moose Jaw who saw the opportunity and seized it with some help from a variety of areas. And they've done a terrific job at White Track. I was out there this year, ski'd on the hill. I was so glad to see the initiative of these young people say, we can do it; we can make White Track ski resort something that works.

The SARCAN return depot, direct involvement by Saskatchewan people putting underused government assets to work. For the first time in the lives of many of the handicapped in this province, they now have a steady job, and boy are they proud — wonderful to see them. Creating jobs through public participation, through diversification, creating jobs and benefitting the economy.

Mr. Speaker, public participation of potash and in energy and in SGI (Saskatchewan Government Insurance) are major undertakings. They are major undertakings. Not one share has been offered for sale. The specific investment opportunities are not yet public knowledge, and yet the NDP has jumped to the conclusion that no one has benefitted from it. As I said earlier, I would certainly hope that the potash workers would be given an opportunity to participate. The kind of Bill that they would be comfortable with certainly makes sense to me.

So I say to the NDP, just wait, be patient, Mr. NDP Leader. We have started by creating over 400 new jobs and many new opportunities already in public participation. And so if you'll be patient, just wait and see the new investment, the diversification, and many opportunities that'll come to all Saskatchewan people through public participation in potash.

Now at the risk of hurting the rather sensitive and delicate feelings of the NDP leader, I must say how disappointed I was with his speech on potash. His speech was truly a sad example of self-serving platitudes. Yesterday's hero spouting disjointed memories of the past. Yesterday's hero, Mr. Speaker, spouting disjointed memories of the past. Nowhere did I hear the constructive men and women in the non-government sector. All we heard were negative, worthless reminiscences of the past. Yesterday's man, a man for the '60s, invoking the spirits of the past. There is no boss like a government boss, says the NDP leader. How wrong he is. We all remember potash commercial business. In fact, the Cornwall Centre right here in Regina, land banks, auto body shops, even SGI proposing to sell life insurance — they were all on the NDP's agenda. Government as the master and not as a servant. A noble philosophy indeed.

The people of our province remember — and they have good memories, Mr. Speaker. The NDP's blind, ideological mind-set doesn't work any more. The quick fix of state ownership is unrealistic, and, Mr. Speaker, it is simplistic. There is no approach . . . The NDP approach is not rational. It is not a common sense alternative. Like their leader, the NDP is locked into yesterday — the answers of the past, trying to work in a challenging, complex future. The NDP are good at scaremongering. They scare the sick and the elderly and the needy with vagaries and half-truths about public participation.

As I deal with Bill 20, it is ironic, almost humorous, to hear the Leader of the NDP and other members who have spoken blame the losses of the potash corporation in recent years on the change in Saskatchewan's government.

Nowhere does the NDP leader or other members who have spoken mention declining world potash prices and declining demand for product. Nowhere when he criticizes the management of PCS in 1982 does he seem to recall that these same managers were the same people that ran PCS under the NDP government. And the Leader of the NDP has a credibility problem. No wonder, no wonder, Mr. Speaker.

Certainly there's no doubt that the past few years have not been easy ones for the potash corporation. Difficult times, however, have given us two very good reasons to look favourably at public participation in the corporation.

First, the investor base of PCS should be wider. Taxpayers should not be the only base of support for PCS, but many more investors, from private citizens to businesses to others who want to actively participate. Investors from countries outside our borders must not be discouraged. In Bill 20 there are safeguards to keep foreign investment to 45 per cent and voting control to 25 per cent. The operations and the headquarters of PCS will stay here. And I'll repeat that the operations and the headquarters of PCS will stay here. Let me make that point one more time, because I know that one of the scare tactics the NDP are using is the ownership issue.

There are safeguards to keep foreign investment to 45 per cent and voting control to 25 per cent. The operations and the headquarters, the control of PCS, will stay here. Industry control will always be in Saskatchewan with government laws, government regulations, royalties, taxes, and special agreements.

A broader base of shareholders will lessen the impact on taxpayers. Market losses and expansion costs in potash are presently costing our taxpayers about \$220,000 a day. Market losses and expansion costs in potash are presently costing our taxpayers about \$220,000 a day — \$220,000 every single day — money that could be used for essential government priorities, Mr. Speaker, like health care, education, helping the needy, and the various social programs that we have, drug and alcohol abuse. Maybe we'd help some of our young athletes, our young artists.

The second reason for public participation in PCS is to provide an opportunity for the potash corporation to expand and diversify. If PCS can diversify, then the company will no longer be as dependent on the market ups and downs of potash sale. By maintaining the status quo, the only way for the company to expand is to borrow more money with the taxpayer again responsible. However, by broadening the shareholder base of the corporation, access to the funds necessary for expansion and diversification should be more readily available.

Expand into what, you might ask. Well at the present time, PCS provides the U.S. corn industry with one of

three key fertilizer components — potash. PCS does this through an established distribution network. In Saskatchewan, our farmers use very little potash, if any. Our largest fertilizer demand is for nitrogen-based products which the potash corporation does not carry or produce. It has been suggested that the corporation could diversify into other fertilizers like nitrogen and use its distribution network to make PCS a dominant player in the entire fertilizer industry.

It's obvious, Mr. Speaker, that diversification with new investment will strengthen PCS. A broader shareholder base will make this possible and public participation can make it happen.

The Leader of the NDP, in his rambling discourse in this House, talked about many other aspects of potash, aspects that will be addressed by other members of our government, though I'd like to say how much I agree with the NDP leader on one statement. He said that this potash debate is, and I quote from *Hansard*:

... about the kind of future for our great province — the future for ourselves, our families, and our children, and our children's children ... (this) will determine how our province will manage, develop, and sell (our most) an important non-renewable resource, potash.

Yes, Mr. Opposition Leader, that is what this Bill 20 and this debate is all about. A potential world-class, diversified, international company based right here in Saskatchewan, developing and expanding, with the world on its threshold — jobs, expertise, and more building in our province. This is a good idea and it's an initiative of this government.

I warn that these things will not happen by embracing the tired approaches of the past, governments running businesses like potash companies and limiting their growth. Our future and that of our children will be guided by men and women who are generally committed to those who want to unlock our true potential, those who have vision, determination, and drive. We have the potash, the expertise, and the ability to take on the world.

Our government and all of us as citizens will reap benefits through a larger, diversified, and more profitable potash company that pays its fair share of returns back to the government through royalties and taxes. Public participation, Mr. Speaker, in potash will free Saskatchewan to broaden its economic base and build a stronger economy, one that will support our social foundations now and in the century ahead. This will happen with Bill 20. Saskatchewan will grow and face the future with confidence and with pride.

The Act provides for public participation in the potash industry of Saskatchewan. It represents an important opportunity for this province, for the people of this province, one that we can all be part of. Public participation in the potash corporation opens new opportunities for us to build together and grow together and create a dynamic, world-class corporation, as I said, headquartered here right in Regina. PCS will become an international fertilizer development and trading

company rather than just a potash company. This will bring new investment, new jobs and markets to Saskatchewan, Mr. Speaker — jobs for Saskatchewan youth and for families who rely on agricultural labour jobs, labour jobs in agriculture, moving to province after province looking for work during bad, bad crop years. Imagine having to rely on the weather for your livelihood — not much security.

(2000)

So why would the NDP oppose the diversification philosophy that dozens of other countries in the world are now embracing? Many of the socialist countries like Sweden, France, Australia, and yes, Mr. Speaker, Cuba.

I think, Mr. Speaker, that my colleague, the member from Weyburn, made the point well earlier today and he made a strong argument, a well documented argument, that the NDP simply refuse to bring their minds forward from the '60s, and that the NDP are paying blind homage to the labour leaders, not the rank and file, Mr. Speaker. They don't really care about the rank and file, but to the selfish interests of the labour leaders, both here in Saskatchewan and in Ontario, and subsequently to the labour leaders in the United States — a party philosophy of the past and controlled by a handful of labour leaders.

Mr. Speaker, how could they deny the potash workers an opportunity to own a piece of the action? Why shouldn't those who work in potash mines or any resource industry not have some ownership potential? The NDP say, no. Well I say, yes. Make it easy and attractive for the workers to be part of ownership.

By securing offshore markets throughout minority equity participation, allowing Saskatchewan mines to have secure markets, even during downturns, Saskatchewan will become the first choice of our customers rather than the last choice and our miners will keep working. And hopefully they will be working on behalf of themselves.

Mr. Speaker, I feel very strongly about that particular issue, about people who work in mines and people who drive buses or people who work in shops or in the industry that . . . any of the industry that the government's involved in, that they should be part of the action. I cannot imagine how anybody could deny people who work for the government in the resource industry not having an opportunity to participate in the activity. And we've seen it work so well.

The Meadow Lake pulp mill is probably the best example, and I've already mentioned that so I won't go into it again. But boy, they're happy up there. People want to be part of ownership, Mr. Speaker. People want to have something in their hands.

People want to have something they can pass on to their grandchildren. They want to have something they've passed on to their children; say, I own a piece of this potash mine; I work in this potash mine and I own a piece of this potash mine, and I can pass that down to my family and they can pass it to their grandchildren, as it gets better and it grows and it brings more rewards to them.

Mr. Speaker, on that note I close and I say without reservation, Mr. Speaker, that I will be supporting Bill 20 with all I can reserve.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Hagel: — Thank you very much, Mr. Speaker. I, first of all, Mr. Speaker, just before rising became aware that there has been an extreme . . . That's incorrect information? Well I'm pleased to hear that then, that the information about jeopardy to one of the communities in your constituency is not true.

Mr. Speaker, I rise to enter into this historic debate because of love for my province of Saskatchewan. And it is truly an historic debate that is taking place in this Legislative Assembly at these times, not just simply because we happen to be debating on a Friday evening in the Legislative Assembly of Saskatchewan for the first time in I don't know how many years. It's been a long, long time since that's happened, Mr. Speaker.

But really the historic tone of this debate was forecast, as a matter of fact, by the government in the Speech from the Throne of Wednesday, March 8, 1989. And at that time, on page 11 of the Speech from the Throne, read by Her Honour and written, of course, by the government, Mr. Speaker, she said, and I quote:

Public participation will continue to chart a new course for economic growth, diversification, and job creation in Saskatchewan. Designed to meet the specific needs of our province, it expands upon our history of co-operative ownership in business, community involvement, and the delivery of public services.

Mr. Speaker, while I don't agree with the positive intonation that's included in those comments read by Her Honour in this Assembly, I do agree with the fact that it was forecasting that there was to be, during this session, an historic debate that would involve the privatization of the Potash Corporation of Saskatchewan as part of the ongoing agenda of the PC Government of Saskatchewan today.

And so we find ourselves today in this Assembly confronted with an issue that has far-reaching implications in Saskatchewan and most importantly in Saskatchewan people, and I think surely all of us in this Assembly can agree on that point.

Obviously the debate has gone on for many, many hours and will continue to go on for many, many hours, while members of this Assembly seize on the opportunity to state to their constituents and the people of Saskatchewan why we stand and where we stand.

Mr. Speaker, I want to make it very clear at the outset that I will, upon conclusion of my speech, be advising the Legislative Assembly that I will be voting in opposition to Bill 20, An Act respecting the Reorganization of the Potash Corporation of Saskatchewan, more frequently referred to, Mr. Speaker, as the privatization of the potash

corporation.

But most importantly, Mr. Speaker, I guess one could simply say that's my position and I could sit down and we could go on to the next elected member. But that's not what this democratic institution is all about. That is not the right that we, every one of us on both sides of this House, contested elections asking people for the right to represent them, Mr. Speaker. It was not simply . . . (inaudible interjection) . . . Mr. Speaker, I will welcome the remarks of the member from Rosthern when he enters into . . .

The Speaker: — Order, order. Let us allow the hon. member from Moose Jaw North to continue unabated without interruption.

Mr. Hagel: — Thank you, Mr. Speaker. It may be, it may be that some members of this Assembly . . . And I allow that privilege to all members of this Assembly, to explain their rationale in choosing to want to represent their constituents and perform in the best interests of their constituents in this Assembly — and that may be the case for members opposite.

However, it seems to me, Mr. Speaker, that we have an obligation in coming here to not only say where it is we stand but also, and in the long run perhaps even more importantly, why it is that we stand there. Surely that is an obligation that all of us have in providing community leadership in the political sense to those constituents that we represent in the broader constituency of Saskatchewan. In fact, Mr. Speaker, I think all of us recognize the significance of the comments made by the retiring former leader of the opposition, Allan Blakeney, in this Assembly — and former premier, of course — as he was retiring from active public elected life.

And all of us will recall the comment that he made that was made in the best interests of the parliamentary tradition that calls all of us here, that motivates us all on both sides of the House, when he referred to the role that is played in this Assembly. And we will all remember very clearly — and I saw nodding on both sides of agreement, as Mr. Blakeney said: at times this process we call democracy is a plodding one. At times it seems slower than sometimes our frustrations would like us to see happen, but that compared to any other system that exists anywhere else in this world, it is still the best that there is available.

And he referred, Mr. Speaker, to the role of parliament, or coming together. This Assembly is a talking place; it's a place that we have the responsibilities as members elected by our constituents to come to vote; yes, to make decisions, but to stand and to say in standing not only where we stand but why we stand there.

And so, Mr. Speaker, it is with love for my province, caring for most importantly the people of Saskatchewan, and a strong faith in the future of this province and the potential that lies ahead for the generations that we have here now and, more importantly, the generations to follow, for those of us who have responsibility providing political leadership in this province, that I rise to speak in this debate and also to say why it is that I stand where I

stand in opposition to Bill 20.

Some Hon. Members: Hear, hear!

Mr. Hagel: — Mr. Speaker, I have listened carefully to the debate that has gone on in the Assembly so far. My assessment would be that approximately 45 hours, I think, is not an inaccurate calculation of the numbers of hours of debate that have gone on in Bill 20 so far.

I have been, I would say without hesitation, Mr. Speaker, extremely proud of the representations made by my colleagues in the New Democratic Party, as 12 before me have stood to say where it is they stand and why it is they stand there.

They've spoken — I suppose it would be debatable, Mr. Speaker — at times with more eloquence than others, but always, Mr. Speaker, with sincerity and with caring for the people of Saskatchewan and the future of this province.

I have noticed as well, Mr. Speaker, that government members — and I'm pleased to see this — that government members opposite have chosen to begin to enter into this debate. And we've seen already in response to the 12, and my being the 13th speaker on the opposition side, we've already seen six government members stand on their feet and say where it is they stand and to some degree why they stand there.

I want to particularly, Mr. Speaker, make comment regarding the presentation made by the member from Regina Wascana. The member from Regina Wascana chose to take a different approach from the five who spoke before him, including the minister. And I would say to the member from Regina Wascana that I particularly appreciate that. I don't agree with many things that he said, Mr. Speaker, and I will outline that later on in my remarks, but the thing that I've appreciated from the member from Regina Wascana is that, of the six from the government side who have spoken, he's been the first to have spoken with a sense of comprehension of the larger picture about which this debate is placed within. And it seems to me that that is very important in an historic debate, because I believe this is, Mr. Speaker.

We've heard members from the government side oftentimes sounding more like the opposition than the opposition. We've heard frequently, in fact I would say predominantly, from the government side, members standing in this debate in attack of the Leader of the Opposition and some of the track record of the New Democratic Party which lost its mandate to provide government in 1982, and for some reason in this historic debate, seems to, in the minds of many of the government members, be worthy of being under attack. And as I say, many government members in their speeches sounding more like opposition than opposition members. I don't know . . . Perhaps it forecasts what they are seeing for a role for themselves in the time to come, Mr. Speaker, and they're practising.

But I've appreciated from the member from Wascana, and I appreciated as well, Mr. Speaker, that you allowed him to speak beyond the confines of only potash and

potash management. Certainly that's a key part of this debate, but it also has to fit into a broader picture in its impact on the society of Saskatchewan. I've appreciated that from the member from Wascana. I would encourage other members of the government to take that same kind of approach in this debate because that's the way the debate should go — where all of us as elected members can come and take our places and say where it is we stand and why we stand there, and speak with a sense of vision and caring from our hearts. And I welcome that, Mr. Speaker.

(2015)

So let me refer as well, Mr. Speaker, to the process of democracy. We are in the midst right now of a democratic exercise that I think is part of the strategy of the government opposite, Mr. Speaker, is to infringe on the democratic part of this exercise that we're undertaking right now. And I'd like to take some time to refer to that because I think it also reflects a part of the political vision of both sides of this House and is not incongruent with the respect for democratic traditions and principles, procedures, that has been typical or characteristic of this government, certainly in the time since I've had the honour of being in this Legislative Assembly.

And if I may just make my case, Mr. Speaker, that it is my view that the risk to allowing for democracy to find its natural course through the potential risk of closure in this debate, which clearly the government has forecast, is being seriously considered. Also, Mr. Speaker, through their attempts to manipulate, the freedom with which opposition members will be able to speak with a sense of vision and caring in our speeches is also in jeopardy, Mr. Speaker. And I'll come to those later.

But first of all, let me outline why I say that this is not incongruent with this government that sometimes purports itself to be the great defenders of democracy. I recall, Mr. Speaker, coming into this Legislative Assembly in December of 1986 and one of the very first pieces of business that this Legislative Assembly dealt with was Bill 5 of that first session, Mr. Speaker, which was The Government Organization Act, which very, very significantly — very, very significantly, Mr. Speaker — was a major initiative of the PC government to remove authority from the Legislative Assembly, to translate the decisions related to the formation or the restructuring or the dissolution of government departments and Crown corporations out of these chambers, out of these chambers inhabited by the representatives of the people to decisions made behind closed cabinet doors.

And so you see, Mr. Speaker, there was forecast there a first initiative to move away from constructive decision making in the democratic traditions and the democratic chambers of the people of Saskatchewan. We saw, prior to that even, Mr. Speaker, in my view, blatant abuse of the notwithstanding clause of the Canadian constitution. We saw, in my view, the use of that clause for blatant political purposes by the Premier of Saskatchewan. I'm referring of course to the ordering back of government employees to work, who were doing some rotating strikes as a result of a collective agreement dispute.

Although the reasons for that dispute were misrepresented, I think, at that time, the Premier was dealing what is sometimes known as the wimp factor, and was feeling the need to toughen up his image, and so ordered back government workers who really weren't out; misrepresented why the decision was made and in fact became a precedent setting decision in this nation of ours as an abuse of the notwithstanding clause of the constitution, the Canadian constitution.

We've seen last session, Mr. Speaker, this government undertake by legislation, require a committee to do a review of electoral boundaries which totally ignored previous precedents for fair distribution of the principle of one person, one vote; requiring a report to come forward which subsequently has, although it's not come to this Assembly by way of legislation, that will allow for major, major differences in the size of . . . number of electors in different sized constituencies, an exercise referred to by many people around Saskatchewan, Mr. Speaker, as a gerrymander.

Mr. Speaker, I think that may have been a message from on high that there are others besides those in this Assembly who have taken issue with this gerrymander attempt and that was . . . (inaudible interjection) . . . I see, Mr. Speaker, that the government members opposite are a bit sensitive about the fact that a loud bang in the spheres beyond this room may have been indicative of the fact that there are higher powers which disapprove of these actions that they're taking as well, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Hagel: — However, they will take some assurance, Mr. Speaker, in the fact that the initiator of that communication outside this Assembly will not have a vote on this Bill.

Well, Mr. Speaker, I've moved off topic and let me get back. I've seen as well, Mr. Speaker, during the fall of 1988, failure to call the session to bring back into the Legislative Assembly the members to do the business of government — a violation of tradition.

I've seen the auditor this year bring a report which says the government was breaking its own laws. And in response to that, the Minister of Justice attacked the auditor, which is quite contradictory to democratic traditions of this House. We've seen the same thing happen from the same member, as a matter of fact, the Minister of Justice, in an attack on the Law Clerk earlier in the session.

We've seen, Mr. Speaker, it would be about a month and a half ago or so, I guess it would be, or a couple of months ago, the introduction of a rule 33 amendment as a response by this government to the fact that opposition members chose to use one of the rules of the Assembly to express their opinion about privatization, about privatization, another initiative of which is this potash Bill before us here.

And as the opposition chose to use that democratically entitled expression of opposition to what this government

has proposed to do — by the way, accurately reflecting, very, very accurately reflecting the sentiment of Saskatchewan people — the response of this government was not to say, there was a legitimate use of the rules of this Assembly; what is the message that there is for us as government? The response of this government, Mr. Speaker, was to say that, doggone it, the opposition rang the bells, the people rallied with the opposition; that makes us feel a little unpopular, more unpopular than we felt before, and we'd better change those rules. That was the response of the government.

Well we saw as well, Mr. Speaker, then, in coming into this debate earlier in this week, a motion without consultation and contrary to both a written agreement made between the two House leaders of the government and the opposition, and contrary again to the traditions of the Legislative Assembly, a motion introduced to change the sitting hours. It would be argued by some — I don't know that I would necessarily hold this opinion myself, Mr. Speaker, although it is a plausible explanation — it would be argued by some that this was a subtle or perhaps not quite so subtle attempt to bring closure to debate on Bill 20, the Bill to privatize the Potash Corporation of Saskatchewan. In fact, Mr. Speaker, that's an option that was referred to by the member for Thunder Creek in the *Moose Jaw Times-Herald* yesterday, Mr. Speaker, who referred to his frustrations, and his inclination, he said in yesterday's *Times-Herald*, to urge the government to consider using closure to end this debate.

Well I find it kind of interesting. The Minister of Justice calls across from the floor, Mr. Speaker, that there's not a whole lot of point in speaking because he advises me that the television production of this debate has ceased because of the weather; it may or may not have.

It's kind of similar, Mr. Speaker, to the comment made in this Assembly by the Minister of Finance earlier today, who laughed in response to the reference by one of the members of the opposition to this being an historic debate and said it can't be an historic debate because there's no members of the media, or few members of the media in the gallery. And I wonder, Mr. Speaker, why it is that the Minister of Finance and the Minister of Justice . . .

The Speaker: — Order, order.

Mr. Lyons: — Mr. Speaker, I wonder . . . It's the third time now that the member for Rosthern has walked up close to your chair, has yelled out at the member from Moose Jaw North making the speech, asking questions. I wonder if you'd call him to order. I think everybody here appreciates the speech and we'd like to hear all the comments by all the members from both sides and I think that we want to establish a kind of a decorum in this House that you've been trying to establish, sir. Maybe you can just remind the member.

The Speaker: — Point well made.

Mr. Hagel: — Thank you very much, Mr. Speaker. So, Mr. Speaker, I find it — as I was saying — I find it a bit odd that the Minister of Finance and the Minister of Justice would consider the debate to be significant only if the gallery is filled with media personnel, or only if it is being carried

over the television airways, Mr. Speaker.

You see, Mr. Speaker, it is not an historic debate because the media are there. It's not an historic debate because it's on TV. It's an historic debate because of the significance that this Bill has on the future of Saskatchewan, and the abilities of governments of all stripes to respond to the needs of their citizens. That's what makes this an historic debate.

Mr. Speaker, and for that reason, as I've said, for that reason it is important for all of us to stand, to say where it is we stand, and why we stand there. That's what this exercise is about.

Well there has been some suggestion by the government opposite that in dealing with this historic debate on the Potash Corporation of Saskatchewan, Bill No. 20, that closure is being considered. The word obstructionist has been used in response to the fact that opposition members have stood in their place for a number of hours, stated our points of view, and have not allowed the vote to yet be taken in second reading on Bill 20.

In fact, the Premier is inclined to state very frequently, virtually at every given opportunity, to imply when speaking in this Assembly — and primarily I'm referring to his comments in question period, Mr. Speaker — to imply that the business of the House is only being done when Bills are being carried, and to imply, as the member from Rosthern seems to apparently believe, based on his reaction to the comments I've made earlier, that the only important thing that members of this Assembly do in this Assembly is vote.

I suggest, Mr. Speaker, that that is a mistaken notion. It is a notion which does not respect the traditions of democracy that are the bases of all of us coming to this place with similar desires, but different ideas as to how the aspirations of our constituents can be realized.

And the implications, Mr. Speaker, that I find offensive as a member of the Assembly, is that in debating this Bill on the Potash Corporation of Saskatchewan, the privatization of it, that the opposition is being obstructionist, is being obstructionist when putting on the record in great detail — I apologize not for great detail — why it is where we stand and with what vision for the people of Saskatchewan. And I'd like to put that into context because I found that implication particularly offensive, Mr. Speaker, on the debate of this Bill.

(2030)

I would like to put on the record three quotes from people who would be recognized authorities on parliamentary process and the role of the opposition.

It is not the role of the opposition to say, we're going to come to our seats, and when it's voting time we'll vote. The role of the opposition is much, much stronger than that, Mr. Speaker. And perhaps it's not pure coincidence that the opposition is formally referred to as Her Royal Majesty's Loyal Opposition. Perhaps that is not pure coincidence in the wisdom of those who first initiated the British traditions of democracy . . .

Hon. Mr. Hepworth: — Mr. Speaker, we're getting a very eloquent dissertation tonight about her royal . . . Her Majesty's Loyal Opposition, and I don't know as it has anything to do with the Bill before us, the potash debate, Bill 20, and, Mr. Speaker, according to rule 25(2) in this House, debate must be relevant, I believe that member is irrelevant.

The Speaker: — The point of order is well taken. The hon. member will have to prove to the House that his remarks are relevant.

Mr. Hagel: — Mr. Speaker, I'd be very happy to do that. I thought I had, but for the member for Weyburn, for his interest, I'd be happy to repeat that. And if it's not been clear to the member or others in the Assembly, Mr. Speaker, I do appreciate the fact that he brought that to my attention, to your attention, and I would hope that he would understand clearly.

It is encouraging, Mr. Speaker, to see that members opposite are interested enough in what is being said to ask for clarification. So let me simply state again, Mr. Speaker, what I think is the relevant point here.

In approaching the debate on Bill 20, a Bill to privatize, to pirate the Potash Corporation of Saskatchewan, the government has undertaken in its strategies in this House and in its comments, implications for closure; has taken the position that for the opposition to enter into extended debate, putting on the record why it is where we stand, that that is somehow a violation of the democratic privileges of members of this Assembly.

I object very strongly to that, Mr. Speaker. It is my view, and I've outlined that that is an approach taken to the debate on this historic Bill which is consistent with previous actions of this government and I insist . . . (power outage) . . .

An Hon. Member: — We're back on the air.

The Deputy Speaker: — The power's back on. It takes a few minutes to light up the dome, but the microphones are working.

Mr. Hagel: — Thank you, Mr. Speaker. I find myself here feeling a great deal like a Tory. I find myself speaking in the dark, and so I find myself feeling somewhat empathetic with the members opposite in their addresses in this historic debate.

But let me reiterate then what I was saying in response to the question brought forward, Mr. Speaker. It is my view that it is consistent with the previous actions of this government, in their disrespect for democratic traditions that has been part of their strategy, quite frankly, in leading up to and participating in this debate on Bill 20, the Bill to pirate the potash corporation.

The opposition has a very important role to play in this and it is extremely important that the opposition be entitled to play that role in this debate. And in defence of that, Mr. Speaker, I will refer to you to quotes from three different parliamentary authorities regarding the role of the opposition and how they relate to this historic debate.

An Hon. Member: — They only had the television picture on. The sound is off, and now they can't get a picture.

Mr. Hagel: — Again the Minister of Justice implies, Mr. Speaker, that this debate only has significance if it's being televised. Again, Mr. Deputy Speaker, I would state that it has significance because it is being put on the record. And so the most significant part of the facilities of the House at this point in time is the fact that *Hansard* is still functioning and that the remarks of the hon. members of this Assembly can be recorded.

Well, Mr. Deputy Speaker, let me refer you first of all to a quote from Herbert Morrison, who was an English author and statesman who stated the following. And I quote:

If the opposition is genuinely convinced that the government has no mandate for controversial measures and that they are not urgent, it has a moral justification for sustained opposition.

Mr. Speaker, I think that precisely . . .

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

Hon. Mr. Hepworth: — Mr. Deputy Speaker, point of order. Prior to you taking the Chair, I raised a point with the hon. member wherein his debate, albeit eloquent, was really just a discussion of the role of Her Majesty's Loyal or royal Opposition.

The Speaker then ruled that the point would be well taken if, in fact, the hon. member didn't prove relevancy. He has not proven relevancy. He's just continued debate on a monologue tone here, and the debate would be more applicable to a debate about rules and proceedings in this legislature, not about debate on Bill 20, the potash Bill.

Therefore, according to rule 25(2), he is clearly irrelevant and out of order and should discontinue.

Mr. Lingenfelter: — Mr. Deputy Speaker, thank you. I just want to say that I've been listening to the member referring the democratic process directly to Bill 20, talking about the role of the opposition in the debate on Bill 20, and I disagree totally with the minister who says that it's irrelevant. I find it to be totally relevant to the Bill 20 that we're dealing with; much more so than the discussion that he had earlier this day relating to the NDP's leadership convention . . .

The Deputy Speaker: — I've been listening very closely to the debate since I've taken the Chair, and I will continue to listen closely to see if the member is relevant.

Mr. Hagel: — Thank you, Mr. Speaker, I appreciate that ruling. It's a little difficult to make jointed debate and arguments, Mr. Speaker, when being interrupted, and so I'm afraid I'm going to . . . Let me just simply repeat this statement, and then make direct comment related to this Bill and the role of the opposition.

The statement again, it's just one sentence, Mr. Speaker.

If the opposition is genuinely convinced that the government has no mandate for controversial measures and that they are not urgent, it has a moral justification for sustained opposition.

Well, Mr. Deputy Speaker, this opposition is genuinely convinced that this government has no mandate — and I will be making that argument more specifically later in my remarks — for a controversial measure. This is a proven controversial measure based on publicly published polling, requesting the people of Saskatchewan to express their opinion about an initiative of the government, which as I will describe later, as well, Mr. Speaker, has more opposition to it than support.

I don't know how members of government could be more specific in considering that to be controversial. And that they are not urgent — I don't know that the matter before us really meets that criteria in any way, Mr. Speaker, that it has a sense of urgency about it, risk the safety of the people of Saskatchewan. Certainly there is a risk to the secure future of the people of Saskatchewan. That's to a large degree what this debate is, and should be about. But I don't believe that it's urgent. And in those cases, then, that the opposition has a moral justification, perhaps that could be, Mr. Deputy Speaker, described as responsibility, as a matter of fact, for sustained opposition.

Well, Mr. Speaker, I'm simply saying that this opposition, Her Majesty's Loyal Opposition in the province of Saskatchewan, takes great issue with Bill 20 before us, and intends to provide and continue sustained opposition to the privatization of the Potash Corporation of Saskatchewan. I take issue as well then, of course, with the efforts of the government to jeopardize the opposition's right, if not obligation, in fact to do that within our democratic system.

Mr. Speaker, I also bring to the attention of the Assembly the words of Speaker Jeanne Sauvé who made a formal statement to the House of Commons back in 1982. And this came, Mr. Speaker, after the Conservative opposition in Ottawa at that time — the opposition was Conservative — had used obstruction to stop the Liberal Pierre Trudeau government's omnibus energy Bill, and those of us in this Assembly will all remember that.

Following that ordeal, Mr. Deputy Speaker, Madam Sauvé made the statement, and again I quote:

I may point out that obstructive tactics are allowed by the rules; however their use must be regulated so as to safeguard the government's right to have the House consider its order of business, (and that's a reasonable expectation, and I underline the remainder of this sentence, Mr. Deputy Speaker) and the equally important right of the opposition to criticize, to oppose, and even obstruct a government measure.

An equally important right of the opposition. Mr. Speaker, it is my view that in acting in what I suppose some government members would consider a non-facilitating manner in responding to this Bill, it is my view that the opposition is, as a matter of fact, serving the people of

Saskatchewan, and, many would argue, serving them well. Again I repeat, it's my view that this government has in fact no mandate to undertake the privatization of the Potash Corporation of Saskatchewan.

And finally, Mr. Speaker, a quote from the Canadian constitutional authority, Eugene Forsey, who wrote in 1956, or following the pipeline debate of 1956, these words, and again I quote, Mr. Speaker:

A government makes its appeal by dissolution.

In other words, a government has at any time the authority to . . .

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

Hon. Mr. Hepworth: — Point of order, Mr. Speaker. Section 25, rule 25(2) of our members' handbook clearly states that debate must be relevant to the issue at hand.

The member's remarks, for the last 15 minutes at least, have constantly referred to anything but the potash debate. The arguments he is framing are entirely into process, rules, the operation of the House, Mr. Deputy Speaker, not at all relevant to the potash debate. He is clearly out of order, Mr. Speaker.

(2045)

Mr. Lingenfelter: — I just want to make the comment that I've been sitting in the Assembly for the last, I guess it's been about a half hour since my colleague from Regina North started speaking. And I want to say that the member from Weyburn has . . . I don't know how many points of order he has raised tonight, but a large number of them, basically all on the same issue as if we didn't have a Speaker in the chair.

What I'm saying is that the last time he raised a point of order he immediately left the Assembly. He returned to stand in his place and raise another point of order. I wonder how it would be possible for him to know, when he hasn't been involved in the Assembly, to know whether he's been following the debate or not. He hasn't even been in the House since he raised the last point of order.

I know that the Speaker will know that to be the truth, and that he hasn't been in the Assembly since he raised the last point of order. I would like the Speaker to rule whether or not his intent is real or whether it's a harassment of our member from Moose Jaw North. I believe it to be harassment, and I would ask you to ask him to cease calling points of needless order on the member who's giving a very excellent speech on potash debate and how democracy relates to it.

The Deputy Speaker: — Order, order. There have been many points of order called today. Many of them have certainly been in order, some of them have not. And in this case I have been listening very closely to the debate. The member did, a few moments ago, relate it to the potash Bill. And I am listening very closely to make sure that he is relevant.

Hon. Mr. Hepworth: — Mr. Deputy Speaker, a point of order. When the member from Elphinstone raised his point of order, he clearly referred to my absence or presence in this House. That too, Mr. Speaker, is a breach of the rules. I can cite you *Beauchesne*, 316(c). I can cite you rule 26 in our handbook, and I can cite you standing order 18 in the House of Commons which all would deal with that point, Mr. Speaker.

I'm of the view that member of the House owes me an apology. Mr. Speaker, because he has clearly and deliberately breached the rules of this legislature, Mr. Speaker.

The Deputy Speaker: — Order, order. It is certainly against the rules to mention the absence or presence of any member.

Mr. Hagel: — I thank you for your ruling, Mr. Speaker. I appreciate that and again . . . In fact, Mr. Speaker, in a moment I will draw specific reference to the technique that the member from Weyburn is using because it is my view that what he is doing is, as a matter of fact, consistent with government actions, and I will make that point as well related . . .

The Deputy Speaker: — Order, order. Procedure of the House is not under debate. The debate here is on Bill No. 20, An Act respecting the Reorganization of the Potash Corporation of Saskatchewan be now read a second time. And I'd ask the member to stay on the Bill that is before the Assembly.

Some Hon. Members: Hear, hear!

Mr. Hagel: — I thank you very much, Mr. Deputy Speaker. I appreciate and respect that ruling. Mr. Speaker, as I was saying, Eugene Forsey, following the pipeline debate of 1956, said, and again I quote:

A government makes its appeal by dissolution.

In other words, government which wishes to exercise its acceptance, its desired authority by the electorate, has an easy vehicle for doing it; it's called dissolution. In our Canadian parliamentary system, Mr. Speaker, the government, the Premier, has the authority on any day to go to the Lieutenant Governor to ask that the legislature be dissolved, and then, Mr. Speaker, to go to the people for a mandate.

As I've said previously, I don't believe, I don't believe for a minute as I enter into this debate on the privatization of the Potash Corporation of Saskatchewan that this government has a mandate. And I will refer specifically to why I mean that later in my speech. I do not believe they have a mandate to be bringing this Bill into this Legislative Assembly.

The government has, as Mr. Forsey points out, Mr. Speaker, the ability to achieve a mandate, and that ability to achieve a mandate, Mr. Speaker, the government has, on any given day, the ability to go to the people of Saskatchewan for a mandate to privatize, to privatize the Potash Corporation of Saskatchewan.

It only takes the Premier to go to the Lieutenant Governor and ask to have the Legislative Assembly dissolved, a dissolution, and an election is called. That's the tool, that's the vehicle, according to Eugene Forsey, that the government has. I don't think we can take issue with that.

An opposition, on the other hand, Mr. Speaker, makes its appeal by trying to force dissolution. An opposition which believes that it represents the wishes of the people, in this case the wishes of the people regarding the privatization of the Potash Corporation of Saskatchewan, has its own vehicle, its own vehicle to try to force dissolution, to force that an election be called, to force that the will of the people will be honoured by those who sit on government side and their Legislative Assembly, by obstruction. And I quote again:

Used as it should be, and almost always has been in Canada, only for the gravest reasons, it is a legitimate and indeed essential part of the parliamentary system.

And so you see, Mr. Speaker, what I'm simply saying is that the very act of lengthy debate being jeopardized by the threats of closure, the subtle attempts at closure by extending the hours of debate to a period of time of 15 hours per day, without consultation with the opposition, says to me that this is a government that refuses to use its tool to get a mandate.

How does it get its mandate? By dissolving the Legislative Assembly and going to the people with an election for a mandate, at the same time attempting to deny the opposition a very legitimate democratic tool of preventing decisions when it believes that the issue is important and in the best interests of the people, and also believes that the government does not have a mandate.

Well, Mr. Speaker, it is my view that the members opposite . . . I've accused the members opposite of a number of things. I've accused them of not acting in the best interests of Saskatchewan people. I've accused them of making incorrect decisions. I've accused them of not honouring their promises or their commitments made in election, but I have never, Mr. Speaker, accused them in election, but I have never, Mr. Speaker, accused them of being stupid. It is my view that the members opposite are not stupid, unless there is anyone over there that wishes to take issue.

The member from Weyburn indicates that he finds that comment objectionable. Well the member from Weyburn has already entered into debate, Mr. Speaker, and we will leave it to those who read *Hansard* to draw their own conclusions, Mr. Speaker. But it is my view that the members opposite are not stupid.

And so what have we got happening here today, in fact exemplified by the member from Weyburn? Most recently, just a few minutes ago is a conscious strategy to deny, to attempt on Bill 20, the Bill to privatize the Potash Corporation of Saskatchewan, to deny Her royal Majesty's Loyal Opposition their legitimate means for bringing this debate to an issue that requires the seeking of a mandate.

How is that being done? How is that being done? Because these members are not stupid and I don't for a second . . . I will take issue with the member from Weyburn because, contrary, we may have a difference of opinion on this, but I do not believe he's stupid.

The member from Weyburn has consistently intervened in this debate by calling rules of order. Purportedly 25(2) of the rules is what he refers to, and I suggest, Mr. Speaker, there is a strategy here that is different from seeking good, honest, solid, committed debate on the issue before us, the Bill to privatize the Potash Corporation of Saskatchewan.

You see, in attempting to call those issues . . . that rule consistently and clearly . . . In fact, I would say the record would show it's been at least four times within the last 50 minutes, at least four times in the last 50 minutes, the member from Weyburn is trying to narrow the focus of this debate, this debate, Bill 20, An Act respecting the Reorganization of the Potash Corporation of Saskatchewan.

The government — and I'm not referring just to the member from Weyburn — the government is attempting to focus this debate to being one that is limited specifically to potash, the management and the extraction of potash, and only that. Now on the surface that may seem to make some sense in its appeal that does carry some weight with those who may not be as bright as the member from Weyburn. You see, Mr. Speaker, it is my view that there is a central issue here, a central issue to this whole debate on Bill 20, an Act to privatize the Potash Corporation of Saskatchewan.

The debate is not simply about the most cost-effective means to extract a natural resource from our soils; that's not what it's about. That's not at all what this Bill is about, Mr. Speaker. That becomes some of the content of the debate, but more than anything else what this Bill is all about, Mr. Speaker, is the role of government, the role of government in the management of the economy, in providing employment opportunity. That's what this Bill is about: number one, the role of government in management of the economy, in provision of employment opportunity; and number two, the second central issue of this debate, Mr. Speaker, has to do with the role of government in taxation, in the management of natural resources to provide services to Saskatchewan people.

Now it is my contention, Mr. Speaker, that this debate is much broader . . . Privatization of the Potash Corporation of Saskatchewan is much broader than simply cost-effective extraction of natural resources from the soils of Saskatchewan. Because it seems to me, Mr. Speaker, that reflecting the wishes and the political will of those in the wisdom — and I compliment them for that — who established the Potash Corporation of Saskatchewan after another historic debate back in 1975 and '76, the Potash Corporation of Saskatchewan is simply a means to an end. It's not an end in itself.

It seems to me, Mr. Speaker, that we're not there for debating merely the cost-effective extraction of potash from our soils. What we are debating is a vehicle which is

a means to an end. And we have to look at the means clearly. We have to look at the vehicle, Potash Corporation of Saskatchewan. We have to look at the implications of specific parts of the Bill. But we also have to look at the end, at the end objective and how therefore effectively the means to the end serves that role.

And so therefore, Mr. Speaker, I've appreciated that, as I said before, the member from Wascana in his debate on this Bill to privatize the Potash Corporation of Saskatchewan, that he did something different, something differently from previous government speakers in that he took a broader view of the political issue before us. And it's on that basis that I would hope the people of Saskatchewan will conclude, whenever they have a chance to express that opinion in a democratically meaningful way, that they will base that opinion based upon the visions — and they may very well be conflicting visions — of the members of this Assembly, represented as a party of different political parties, and the role that each of us sees for the Potash Corporation of Saskatchewan to serve as a means to an end in service to the people of Saskatchewan.

(2100)

It's for that reason then, Mr. Speaker, that I say clearly that the Potash Corporation of Saskatchewan should be retained, because I believe, I believe that the Potash Corporation of Saskatchewan has served the people of Saskatchewan well. It has served the people of Saskatchewan well in a number of ways, and I will deal with those in more detail.

But I see it at this particular point in time in our history as a very critical factor because of the climate within which we exist these days, high deficit, growing deficit, high unemployment, out-migration, reductions of securities for people in many ways, including services from their governments and their Crown corporations. And I think, Mr. Speaker, that the Potash Corporation of Saskatchewan has a role to play to be of service, and the ability of governments of all stripes, and not just in the '80s, not just in the '90s, but beyond — not just for decades — to serve the people of Saskatchewan.

Because we have been blessed, by virtue of the Canadian constitution in Saskatchewan, with the constitutional right to have the extraction taxes and the royalties related to natural resources be determined by the Government of Saskatchewan, presumably and hopefully, the government acting in the best interests of the people of Saskatchewan. And so we're talking here about a vehicle to make that happen, at a time in which our government tells us repeatedly that the funds are low and that the demands are high.

And so therefore, Mr. Speaker, we have to look at a number of issues that in my view justify that the Potash Corporation of Saskatchewan should be retained as a wholly owned Crown corporation belonging to the people of Saskatchewan, and that Bill 20, an Act respecting the privatization of the Potash Corporation of Saskatchewan, should be defeated.

I would like to make that case in some detail, Mr. Speaker.

Mr. Speaker, what is going on as we debate on both sides of this House with our conflicting visions related to the role of government and the future of the people of Saskatchewan, we have a conflict before us.

Represented on the opposition side, Mr. Speaker, is a vision of Saskatchewan as a place where the citizens of our province can be significant determiners of our own future, a place, Mr. Speaker, where the citizens of our province are not merely victims of economic circumstances that are dictated beyond our borders — are not merely victims of political circumstances determined beyond our borders — but as a matter of fact, through political action can take control, or maybe control is too strong a word, but can exercise a great deal of influence over our fates and our fortunes and our futures in a collective sense.

Philosophically, Mr. Speaker, to a large extent that's what this debate is about. And so we have, on the one hand, a vision of a mixed economy, a balance within our province and an economy that functions with a combination of private sector interests, co-operatives, and public sector interests as well, on the one hand — that being the vision and the economic model that led to the formation of the Potash Corporation of Saskatchewan after the historic debate of 1975 and '76.

On the other hand would be what I believe is fairly represented a description of the PC vision, which is one of unfettered free enterprise, reinforcing all those grand notions of dog-eat-dog and survival of the fittest, where the rich get rich and the poor get poorer, where market-place demand is the only criterion that is used to make decisions about provision of services or existence of institutions or entities.

In fact, Mr. Speaker, I found it kind of interesting to note that members of the government, when speaking to this debate, have somehow concluded that they're being futuristic, that what they're proposing by removing the publicly owned instrument for the production of potash in the province of Saskatchewan — which by the way, is only 40 per cent of the production of potash in Saskatchewan . . . as a matter of fact, potash production in Saskatchewan, Mr. Speaker, is predominated by the private sector. About 60 per cent of the production is being done by private sector corporations in the province of Saskatchewan. What we have here in this province then, is the public sector corporation, owned by the people of Saskatchewan, which produces about 40 per cent of the potash.

And what the government is proposing in this Bill then is to eliminate, eliminate completely that one actor in the production of potash, the public sector corporation, the Potash Corporation of Saskatchewan, through their ill-fated and ill-famed exercise of privatization.

Is that visionary, Mr. Speaker? Is that futuristic? Is that the kind of direction that will serve the people of Saskatchewan well into the '90s and into the 21st century and beyond, that will provide opportunity and security in the balance that's needed in the context the government brings both of those to the people that it's elected to serve?

I suggest, Mr. Speaker, that if we want to understand that economic model that is being proposed by the government in privatizing the Potash Corporation of Saskatchewan, we would have to go back about 60 years in time, because the model previously existed — the model of unfettered free enterprise where competition reigned supreme and is the only determining factor. The market-place demand is the only determining factor. Social justice is not a factor in making decisions by governments or otherwise where dog eats dog, and it's survival of the fittest, and the rich get richer and the poor get poorer. That's the model we had that took us into the Dirty Thirties. It took us into the Depression era that simply devastated so many families, so many people here in the province of Saskatchewan.

As a matter of fact, Mr. Speaker, as a result, it was directly as a result of the experience of privatization which was the economic guide-line that took us into the Dirty Thirties, that the people of Saskatchewan responded by saying, there's got to be a better way; there can be a better way; and subsequently, Mr. Speaker, they determined that there is a better way. The models of co-operation can serve people well. Instead of dog-eat-dog competition being the determining factor, decide what institutions exist, what fail, how that impacts on people's lives.

The people of Saskatchewan came out of the Dirty Thirties saying that if we band together, if we combine our efforts and our belief in ourselves and in the future of our province, and work hard, and work in co-operation with each other, that we can build a better way, a better future for ourselves and for our children.

And out of that era, Mr. Speaker, as we all know, were born initiatives, politically expressed by the Co-operative Commonwealth Federation, the CCF, the forerunner of the New Democratic Party. Out of those, as well, Mr. Speaker, were born credit unions, Saskatchewan Wheat Pool, and co-ops as a way of getting things done for yourself in the province of Saskatchewan.

And so it seems that here we come after having passed through the Dirty Thirties into, I suppose, what could be referred to as in some ways the dirty '80s, that had some difficulties, in fact some of the same conditions that existed in the '30s. There have been the weather factors that were similar . . . (inaudible interjection) . . . The member from Swift Current says it's been dry and I agree. It's been dry and that's been a factor . . . (inaudible interjection) . . . Well the member from Swift Current also offers other comments that I'll allow her to put on record if she chooses at her own time.

And so, Mr. Speaker, we've seen similar factors. We've seen a Conservative government that took us kicking and screaming into the Dirty Thirties in the province of Saskatchewan, and we've seen in the 1980s, Conservative governments that have dragged the people of Saskatchewan kicking and screaming into the '80s. Still a repeat, history is repeating itself.

And what we're seeing though this initiative of the privatization of the Potash Corporation of Saskatchewan is an attempt to, in the world of potash and the role of the only publicly owned potash corporation in this province

producing about 40 per cent of the potash — not 100 per cent, we're not talking about all. In fact, if we want, the members opposite have frequently referred, Mr. Speaker, to the extremism. They somehow imply that the members of the New Democratic Party would like to see all potash production be done by the Potash Corporation of Saskatchewan, the publicly owned corporation. I don't know, Mr. Speaker, that any member on this side has ever said that. If they did, I would not agree. To the best of my knowledge, Mr. Speaker, no member has ever said that.

But in fact, the extremism is in the Bill. The extremism is being expressed by the political biases, the ideologically hidebound biases of the Government of Saskatchewan, the PC Government of Saskatchewan, who want to, as a matter of fact, Mr. Speaker, eliminate the only public involvement in the production of potash in Saskatchewan and bring us back to where we once were in this province, with all of the production of potash being done by the private sector.

That's the extreme position, and therein lies the conflicting view, Mr. Speaker, the conflicting view where on the one hand the New Democrats are saying what we need is a mixed economy — serves us well. Private sector initiative and risk that should ought to be rewarded, dealt with fairly by its governments and its people; co-operatives to allow people to invest their sweat and their energy as well as oftentimes their financial resources, to address some of their needs; and at times the public sector to meet social objectives in addition to the pure profit objectives, which are typical of private corporations and quite understandable. For the mix — private, co-operative, and public — as expounded by the New Democrats, is the vision for the economic model that provides opportunities and security for Saskatchewan people, reflected for the potash world by the Potash Corporation of Saskatchewan's involvement, on the one hand.

(2115)

On the other hand then, Mr. Speaker, the view put forth by the government members implicit in this Bill that would eliminate the public sector involvement and would eventually — I don't imply for a second that the government intends to do it in one fell swoop; they've said they won't and I believe them — but would eventually lead to 100 per cent private sector extraction of potash, or production of potash in the province of Saskatchewan, and all of its implicit problems that we can understand by the history in the province of Saskatchewan.

And so that's the conflicting views that we find ourselves being faced with in this debate on Bill 20 — an Act to privatize the Potash Corporation of Saskatchewan.

Mr. Speaker, then I ask myself how does, specifically then, how does the potash corporation serve as a means? How does this entity, this corporate entity serve to be meaningful to the lives of Saskatchewan people? As a social democrat, why in the world do I care about the existence of a corporate entity? Well, Mr. Speaker, it's because of its impact on people.

Clearly, private sector corporations exist for one purpose. Some of the most honest entities we have in our society, Mr. Speaker, are corporations. They tell you exactly where they're coming from. They're there to make a profit. That's why they exist — no bones about it, no apologies; fight like the dickens when you change the rules that jeopardize profit, but you know where they're coming from — no problem with that.

What about then the public sector, the public sector potash corporation? How does this corporation serve the needs of Saskatchewan people? And I suggest it's in three ways. It is in three ways that this public corporation serves the needs and impacts on the lives of the people of Saskatchewan, Mr. Speaker; three ways and with one criterion.

First of all, Mr. Speaker, it impacts on their lives if direct profits — same objective as the private sector corporation — if the direct profits of the Potash Corporation of Saskatchewan are transferred to the Consolidated Fund or to the operating revenues of the government, in turn being used to do two things: one, reduce taxes; and two, provide services, the relationship between cost and service to the people that every government has to deal with.

So one way that the corporation directly impacts on the lives of Saskatchewan people is the degree to which it manages to achieve a profit in its operations and transfer those funds to the Consolidated Fund to keep down taxes and provide services for Saskatchewan people.

Secondly, Mr. Speaker, through the payment of taxes and royalties the same as any other potash corporation. As I said before, clearly by the Canadian constitution, natural resources in this province belong to the province, to the people, as administered in that authority and that right, administered by the government, which has the right to levy taxes and royalties on the production and extraction of potash.

And so along with the private sector corporations, taxes and royalties, private sector and the Potash Corporation of Saskatchewan are also transferred to the consolidated fund to keep down taxes and provide services. So in that sense, the second reason, Mr. Speaker, the Potash Corporation of Saskatchewan is no different from a private potash corporation — in that second sense no difference.

Firstly though, in terms of profits there is a difference; the profits that can be directed there to the consolidated fund.

And thirdly then, Mr. Speaker, and this is very significant in the history of potash and the payment of taxes and royalties in the province of Saskatchewan. Thirdly, Mr. Speaker, the potash corporation serves as a means to an end in the degree to which it causes private potash companies to pay their fair share of royalties and taxes.

That's not always been the case, Mr. Speaker; it's not always been the case. In fact, prior to the formation of the Potash Corporation of Saskatchewan it was not the case that the private potash corporations paid their fair share of royalties and taxes — that was not the case. The very

bringing into existence and then subsequently the functioning of the Potash Corporation of Saskatchewan along with the legislative authorities entitling . . . given to the Government of Saskatchewan through that legislation passed in '75 and '76, I suggest, Mr. Speaker, directly related to the fact that taxes and royalties paid by private companies increased dramatically, and I'll describe that shortly, Mr. Speaker.

So you see, the Potash Corporation of Saskatchewan, if I may just summarize then, lays three very, very important roles in bringing to the financial revenues of the Government of Saskatchewan the means to provide services. And it's in that context — although not only in that context, and I will get to that as well later, Mr. Speaker, as the Potash Corporation of Saskatchewan in addition can provide a social justice, in a sense, but it can meet social ends as well. I'll get to that later.

But initially, Mr. Speaker, we can, I think, just on these means alone, we can justify the existence — in fact, I think arguably make the case for the necessity — not just justify the existence, but the necessity of a publicly owned Potash Corporation of Saskatchewan which pays profits directly to the revenues to provide services, pays taxes and royalties the same as the private companies to the Consolidated Fund to provide revenues . . . or services, I should say; and then thirdly, by its existence forces private potash companies to pay their fair share of taxes and royalties to the Consolidated Fund.

But I said, Mr. Speaker, there are three reasons, three ways that the potash corporation serves as a means to an end for the Saskatchewan people. I must add, as I said before, Mr. Speaker, a criterion. And the criteria is this: the Potash Corporation of Saskatchewan does those things if, if it is properly managed.

And as we proceed through this debate, Mr. Speaker, on the privatization of the Potash Corporation of Saskatchewan, I will be making some reference as well to the proper management of the potash corporation. Clearly the records will show that the management of the Potash Corporation of Saskatchewan under the political direction of the New Democratic Party governments committed . . . That's surprising — I mean, this is not surprising, but it's fact, the New Democratic Party government which created the entity, obviously committed to making it work, and it did.

A Progressive Conservative government which inherited the corporation in 1982, in fact opposed its creation and philosophically objected to its existence, have continued to do that while being responsible for managing it, and, not surprisingly, mismanaged it, in my view, so that it no longer continues today to serve the needs of Saskatchewan people as effectively as it could or should, can, and I also believe, Mr. Speaker, again will.

Well let us take a look then at the history of these things in the province of Saskatchewan. Potash, as has been referred to a number of times here by a number of speakers on both sides of the House — it doesn't need further explanation from — is used for fertilizer. The mining of potash has been going on in Saskatchewan for

some . . . oh, I guess we're looking at something less than three decades, but not a whole lot — since the '60s — as a substance to be used in the creation of fertilizer, production of food.

We will know, Mr. Speaker, that a large part of North America, as a matter of fact, has soil which is potash deficient and therefore requires potash as one of the ingredients in fertilizer in the growing of food in the agricultural industry. We use very little, of course — potash and fertilizer that's used in Saskatchewan — because our soils here are not potash deficient.

The needs are largely in the United States, in North America, particularly in the Midwest and the Atlantic and the Gulf of Mexico coast. There are also needs overseas, Mr. Speaker — China and Japan, offshore. There are a large number of countries who, in undertaking their agricultural industries, will require potash as a very necessary ingredient in their potassium-starved soils as a part of fertilizer in their production of goods. That's been going on then since the mid-'60s here in Saskatchewan, that potash is being extracted to meet that need within our own continent and internationally as well.

Up to the mid-'60s, Mr. Speaker, in Saskatchewan, there would have been, as we went through the '60s into the '70s, about nine or 10 potash companies that were located and working in Saskatchewan, I believe all but one American owned. By the way, if you have a list I'd be happy to read it into the record — it's not terribly important to me but . . . All but one, I believe, Mr. Speaker, American owned; all of them, I believe, Mr. Speaker, offering shares on the market; all of them allowing the kind of investment in a potash corporation that the Government of Saskatchewan is in Bill 20 suggesting will become the future of the total existence eventually of the Potash Corporation of Saskatchewan.

Somehow this participation in investment is believed by the members opposite to be in the public good. But after all is said and done, when we call a spade a spade and separate the wheat from the chaff, Mr. Speaker, what we find is the Potash Corporation of Saskatchewan envisaged by the PC government today would give us one more potash corporation which has shares on the market available to anybody who wants them. Now I'll come to that again later in more detail because that will be contested by some members opposite, and I'm not saying . . . note, Mr. Speaker, I did not say initially available entirely to anybody who wants them, but eventually that would become the reality.

And so the Potash Corporation of Saskatchewan that is part of this so-called visionary direction of the Progressive Conservative government would give us one more company in which shares could be owned in the same way that they're owned in the private sector companies that previously existed before the potash corporation, and still do today.

It's an odd notion that we see being put forth, Mr. Speaker, by the government, that somehow by owning these shares in this entity called Potash Corporation of Saskatchewan privatized, PC-style, that people of Saskatchewan, they say, would be participating in the

company.

(2130)

I'm just a little at a loss, Mr. Speaker, to understand quite how this happens; how the gas station attendant who has \$100 worth of shares, or the grocery store check-out clerk who has \$50 worth of shares; the parking lot attendant who has \$25 worth of shares; the low income working family that's having a tougher time qualifying for family income plan wishes it had some shares; senior citizens who are finding it increasingly difficult just to make ends meet may have their 5 or \$10 worth of shares; how some of those farmers faced with those 10,000-plus foreclosure notices, having a hard time just keeping the farm afloat, and their 5 or \$10 worth of shares if they've got some.

Mr. Speaker, I mean, I don't want to drag this on eternally, but I find it a little odd that members opposite and the member from Regina Wascana, I think, exudes great enthusiasm. I admire enthusiasm; he has the ability to get worked up over virtually nothing. In fact, he did. And, Mr. Speaker, I like to see enthusiasm, but it would be nice if the enthusiasm seemed to be directed at something more than just an unbridled expression of emotion.

I find it hard to understand how these people who can't afford these shares or who have only a small number of shares, how they're somehow participating. I mean, this is some kind of a pretty exciting exercise, according to the members opposite, that the people of Saskatchewan are having a great deal of difficulty grasping just how it happens.

In the same way, Mr. Speaker, that shareholders with IMC (International Minerals and Chemical Corporation) go to their annual meeting which would be held once a year in the United States, in New York, well the annual meeting of the Potash Corporation of Saskatchewan could be held in the post office box if it's held in Saskatchewan; that's what this Bill says. I doubt that they would hold it in a box; I don't suggest that for a moment. It would be held somewhere and, initially, I'm sure it would be held somewhere in Saskatchewan — initially.

What happens at an annual meeting? Well you go and you hear reports which most, a large majority of the shareholders find a little difficult to understand. You get to ask some questions without a lot of specific knowledge and get some general answers, and oftentimes they even get to provide a proxy vote for somebody else to vote on their behalf, Mr. Speaker.

Somehow you just don't, in the private sector — people who own shares in a private sector potash corporation — you just don't get in the image because it's not the reality. You don't get the image that somehow they go to these annual meetings and they are just tickled pink because they're participating in the corporation. This is . . .

An Hon. Member: — After the meeting's over they give you a glass of wine and a hot dog . . .

Mr. Hagel: — Well I've never been to a potash corporation annual meeting, but my colleague from Regina tells me that after the meeting that you get a glass

of wine and a hot dog and go home. The member from Regina South says that he would have a hot coffee and a cookie. Well, I mean we're not here to debate what you're going to eat when you leave the annual meeting, Mr. Speaker. I'm being facetious, obviously, and I don't want to drag this out for ever.

But it seems, Mr. Speaker, that that is an odd notion that somehow this is participating in your public potash corporation any more than it's participating in being an influential decision maker in a private corporation. Yes, it's a nice sounding phrase but the reality is, Mr. Speaker, that it has very little meaning, particularly to people in Saskatchewan, particularly to people in Saskatchewan, particularly recognizing that first of all only about 14 per cent of all adults in the province of Saskatchewan do invest in the ownership of shares, and particularly recognizing that under the leadership of the PC government of the province of Saskatchewan, times are tougher than they've been since the Dirty Thirties, and that there are fewer and fewer people who have opportunity to even buy these shares, let alone get some kind of an exotic experience out of their public participation in the corporation.

Well let's be honest; let's call a spade a spade. What we're talking about here is forming a corporation, selling shares in which people would participate, no more and no less, to the extent that they would if they bought their shares in IMC, Cominco, or any other potash companies in the province of Saskatchewan, all of whom offer public shares to them, Mr. Speaker.

Well we went through the '60s and into the '70s with potash corporations in Saskatchewan all being private, all but one being American headquartered, American owned, and, Mr. Speaker, interestingly enough, making very, very little contribution, very little contribution to the Consolidated Fund of the province of Saskatchewan in order to reduce taxes and provide services to the people of Saskatchewan.

Well, Mr. Speaker, in fact just in order to provide a comparison with later figures, I note that during those years and prior to the Potash Corporation of Saskatchewan coming into existence in 1975-76, the royalties and taxes being paid by the private corporations came to the grand total of an average of about \$2 million a year and a rate of about two and a half per cent. Now that's a grand return on the natural resource owned by the people of Saskatchewan, belonging to the people of Saskatchewan according to the Canadian constitution, as paid and required by the Liberal government of the day and in the early years of the New Democratic Party government coming to office in 1971.

Mr. Speaker, then an interesting thing took place. Not only was there really essentially an unregulated production of potash going on in the province of Saskatchewan, as allowed by the government of the day, that was later to change, and what we were seeing in the province of Saskatchewan was boom and bust. We were seeing heavy stockpiling, expansions when prices were up driving prices down, and by and large a very inefficient potash industry going on in the province of Saskatchewan by anybody's definitions — by the definitions of profitability of a private corporation, by the

definitions of public resources coming through taxes and royalties to the province of Saskatchewan.

In fact it came to the point that the premier, Ross Thatcher, began to attempt to regulate the extraction. His comments, and I'm paraphrasing, were to the effect that the potash corporations were extremely inefficient and that they needed some government direction in order to shape up their act, so to speak.

Well we came to the mid-'70s, Mr. Speaker, and the months just prior to the first historic debate related to the Potash Corporation of Saskatchewan, its creation. In those days, Mr. Speaker, the government of the day, led by Premier Allan Blakeney at that time, were having a great deal of difficulty collecting any royalties or taxes from the private potash corporations. They said that the royalties being requested by the government were unfair. The Blakeney government said, well if it's unfair, show us why it's unfair; show us your books; prove to us that you can't afford the kinds of royalties and taxes that we're asking for you. We believe that the level of royalty and taxes being charged is much too low; it should be substantially higher. You're saying to us that you can't afford to pay a higher rate; show us that. We're reasonable people. We're willing to negotiate a change, and we have no interest in putting anybody out of business.

Obviously those resources belong to the people of Saskatchewan, and if you're out of business then we have no income to provide services through the Consolidated Fund, funded by the Consolidated Fund. And so show us that we're being unfair in our request, because we also have an obligation. The NDP government of the day said, we have an obligation to take the advantage of the natural resource, potash, and to transfer that to benefit the people of Saskatchewan. That's our obligation as the government of the day. You say we're being unreasonable — show us that we're being unreasonable.

Well, the potash company said, you're unreasonable and you've got to take our word for it because we're not going to show you. We're not going to show you our books, and on top of that we're not going to allow you, we're not going to follow any direction regarding the regulation as to the rate of extraction.

And so as a result of that, Mr. Speaker, in response to that, the Allan Blakeney New Democrat government of the day responded then through legislative action, which followed a debate in these Chambers in 1975 and 1976 related to the formation of the Potash Corporation of Saskatchewan, a corporation which would, number one, provide opportunity to pay profits directly to the Consolidated Fund; number two, would pay its fair share of taxes and royalties; and number three, it was hoped, would cause the private potash corporations to begin to pay their fair share. Because the legislation, as I understand it, that was carried at that time provided legally for the Government of Saskatchewan to purchase — and it was done, purchases were done at fair market value to purchase a controlling interest in each potash corporation of the province of Saskatchewan.

In other words, Mr. Speaker, if the potash companies

weren't going to play fair ball with the Government of Saskatchewan acting in the best interests of the people of Saskatchewan, then the Government of Saskatchewan would deal with them on their own terms and in terms they understood very clearly, by purchasing controlling interest, and therefore ultimately being able to make majority decisions in the boardrooms of those corporations and ensure that a fair return will come back to the people of Saskatchewan.

As it turns out, Mr. Speaker, it wasn't necessary to purchase a majority of the potash industry in Saskatchewan. That didn't become necessary. All that was necessary was to have the legislation to provide for that possibility, and the private potash corporations in Saskatchewan all of a sudden began to realize that they did have the ability to pay royalties and taxes that just a short time ago they just couldn't afford, they said.

And so we found that, whereas in the years of the Liberal government there were royalties and taxes of about \$2 million per year coming to the province in 1977 to 1981, the first five years after the bringing into existence of the Potash Corporation of Saskatchewan, the taxes and royalties jumped, not from \$10 million over a five-year period, but taxes and royalties over that five-year period, Mr. Speaker, jumped to \$985 million — \$985 million.

Some Hon. Members: Hear, hear!

Mr. Hagel: — And so all of a sudden for the people of Saskatchewan, Mr. Speaker, the potash production industry in this province was no longer a \$2 million a year industry, it was no nearly a \$200 million a year industry. What a difference, what a dramatic difference overnight as a result of the creation of the Potash Corporation of Saskatchewan.

Was that because the Potash Corporation of Saskatchewan, Mr. Speaker, made some benevolent decisions and decided that we came into being in order to express a political will to serve for the benefits of Saskatchewan people, and so we're going to volunteer to pay humungous taxes and royalties, as that would jack the numbers up.

(2145)

Well, Mr. Speaker, as a matter of fact that's not the case. Of the \$985 million that were paid over that five-year period in taxes and royalties, only \$271 million came from Potash Corporation of Saskatchewan, which as we all recognize is still a minor actor in the potash industry in Saskatchewan — it's a minority actor. And as a matter of fact, \$715 million were paid in that five-year period from the private potash corporations to the province of Saskatchewan. What a dramatic change and what an increase in the revenues available to the government to provide services to its people.

Mr. Speaker, in that period of time as well, the Potash Corporation of Saskatchewan averaged ... What was PCS paying? Well, was it the niggardly two and a half per cent as the percentage of sales that was the reality prior to the coming in of the Potash Corporation of Saskatchewan? In its first five years, Mr. Speaker, the PCS, the Potash

Corporation of Saskatchewan averaged over 23 per cent in its taxes and royalties paid to the province. Again, what a dramatic difference, a fair return to the people of Saskatchewan, and along with that, the private potash corporation playing fair ball as well.

And so we could see, Mr. Speaker, that the plan was working. The plan was working and the Potash Corporation of Saskatchewan was serving the people of Saskatchewan well, serving as a means to an end, a means to increase the revenues through direct profits, fair taxes and royalties from the corporation itself, and fair taxes and royalties from the private potash corporations. It served the people well right from the very beginning.

I'd like to now deal with the performance of the Potash Corporation of Saskatchewan under the era of political leadership provided by the New Democratic Party and by the Progressive Conservative Party. And I'd like to do that in a fair amount of detail, Mr. Speaker. As I said before, it's not surprising, it'll be surprising to absolutely no one that the performance was substantially better under the direction of the political leadership of the New Democratic Party than under the uncommitted leadership of the Progressive Conservatives or the PCs.

Why does this all matter? Well, as he said before, in order to reach the objective of keeping down personal taxes and to respond to the needs of Saskatchewan citizens through the initiatives of government — and these are particularly important, Mr. Speaker, in these troubled times that we're facing right now.

Unfortunately, and in my view, largely as a result of the general privatization initiatives of the PC government, we are experiencing a crisis in the province of Saskatchewan today. I'm referring of course to the crisis of out-migration or loss of population from our province. It was interesting, Mr. Speaker, it was interesting that one of the phrases used by the member for Estevan, the Premier, in his election campaign prior to 1982, was the battle cry, "Bring home the children," because he claimed at that time that Saskatchewan was losing population and that was a sign of some problems.

As a New Democrat, I look back at those times and I wish that that would not have been the case, and I would prefer not to admit that it was reflective of the government of the day. But obviously in 1982, Mr. Speaker, the people decided it was a factor, and the mandate to govern changed. Well what's good for the goose is good for the gander, Mr. Speaker. And we now have ourselves being at a time faced with a crisis, a similar crisis that the Government of Saskatchewan has a responsibility to respond to, and unfortunately, it's my view as well, Mr. Speaker, that to some large degree the Government of Saskatchewan has, as a matter of fact, caused through its policy decisions.

Let me just refer to this harsh reality of this crisis that faces the people of Saskatchewan now. There's no one of us here in this Assembly who hasn't had countless conversations with constituents and friends and neighbours who have all had friends and neighbours who have given up hope and who have left Saskatchewan.

I recall back in the days of Liberal Premier Ross Thatcher. The joke in Saskatchewan at that time was the phrase, "Will the last person out of Saskatchewan please turn out the lights." Unfortunately . . . the good news is, Mr. Speaker, I've not heard anybody make reference to that sick joke lately, and I hope that I won't. But the unfortunate reality, Mr. Speaker, is that that same phenomenon is occurring again under a right-wing government, and I think . . . I make the case, Mr. Speaker, to some degree caused by the privatization initiatives of the Government of Saskatchewan — the PC Government of Saskatchewan.

So what is the reality that we have, Mr. Speaker — and I'd just like to outline it because the trend is alarming. And I note that the Minister for Human Resources, Labour and Employment is here and I'm sure, Mr. Speaker, that he's well aware of this trend as would, I hope, most of the government members opposite. But for those who may not be, as well as for the people of Saskatchewan, I'd like to just briefly outline what that is.

We have an alarming trend, Mr. Speaker, that in fact began in 1985. It may be coincidence — I think not — that as a matter of fact the privatization initiatives of this government largely began in 1984 and '85. That was the beginning of the same kind of privatization initiatives that lead us to Bill 20, an Act to privatize the Potash Corporation of Saskatchewan.

So in 1985, Mr. Speaker, unfortunately Saskatchewan lost 4,151 more people than came in. I'm not talking about 4,151 who left; the number who actually left Saskatchewan was larger. As we all know there's a natural flow as people move back and forth between the provincial boundaries . . . (inaudible interjection) . . . The Premier has a theory that he puts forth and I will respond to that shortly and provide for him — too, I hope the Premier will enter into the debate and let us know his vision of privatization and help those who are grasping with the notion to just understand how in the world privatization has been good for us.

There are a whole lot of folks who tell me, since we had privatization, that taxes have gone up. Since we have privatization, our services have gone down. Since we've had privatization, my friends have left the province . . . (inaudible interjection) . . . I don't think we can blame the dog running away on privatization, Mr. Speaker, I think that would be drawing a long bow.

Mr. Speaker, there are a whole host of folks who are just having a hard time grasping this notion as to how privatization has been serving us well and how more of it will continue to somehow, instead of make things continue to get worse, to get better. Unfortunately reality — and I won't make . . . I do not make light of this — is that things are getting worse, Mr. Speaker. It is pride for no province to point to the number of people that are leaving and to see that the number leaving our province is greater than the ones who are arriving. We always welcome people coming to our province to bring their talents and their energies, their spirit, building and participating in their communities, as they're always welcome. Unfortunately in Saskatchewan they're moving the other way. We see the tail-end of more moving vans than we

see the front ends, I'm afraid, Mr. Speaker.

So in 1985, Mr. Speaker, Saskatchewan had a net loss of 4,151 people more moved out of Saskatchewan than came in. In 1986 this would have been the election year, and, Mr. Speaker, at that time here were, as a matter of fact, in addition to those who were voting at the ballot-box, there were 7,276 who voted with their feet — 7,276 more people in 1986 left Saskatchewan than came in across this way, across the provincial boundaries.

I suppose it would give for those of us in this Assembly just a moment of reflection as the significance of those people who left Saskatchewan, far too frequently with their hopes being dashed and the confidence in their futures here in Saskatchewan for themselves and their families being dashed. And had those 7,276 folks stayed home in Saskatchewan and distributed themselves properly, it could very well have turned out, Mr. Speaker, could very well have turned out that the party that not only won the majority of the votes would have won the majority of the seats and that the roles in this Assembly would be reversed.

However, Mr. Speaker, that makes for perhaps interesting speculation and nothing more than that. The reality is that it's lost people, it's people who are lost, as the Premier says, and the people who had given up on their hope for a promising future under the government of the current Premier of Saskatchewan.

In 1987, Mr. Speaker, the response to privatization initiatives of the Government of Saskatchewan, as reflected in this Bill to privatize the Potash Corporation of Saskatchewan . . . In 1987, Mr. Speaker, the trend continued and got worse again; 9,983 more people left Saskatchewan in 1987 than who came into our province.

Mr. Speaker, it's there we've seen them: in 1985 over 4,000; 1986 over 7,000; 1987 within 17 of 10,000 more people left the province of Saskatchewan than came in. In 1988, Mr. Speaker, it got worse again, I'm afraid . . . I'm sorry to report. In 1988, as a result to some degree, at least partially, of the privatization initiatives of the PC government of Saskatchewan, 13,346 more people left our province than came across our border into Saskatchewan to build their hopes and their futures and their dreams.

I just will go through them very quickly, Mr. Speaker, because I simply want to point out that in 1988 there was not a single month in which we had a net gain in population — not a single month. In every month of 1988 we lost more people than came into the province of Saskatchewan.

So I simply point out that the response, the impact on people of this privatization agenda was not something that came in fits and flurries. Mr. Speaker, or as a result of increases in the summer months, which may be considered a month frequently used for people to make changes and therefore moves, but they were as a matter of fact consistent. Every month in 1988 we lost more people than we gained: January, 908; February, 2,171; March, 937; April, 883; May, 722; June, 1,278; July, 550; August, 1,219; September, 1,724; October, 458;

November, 2,310; December, 186 — every month, month after month, people leaving the province of Saskatchewan with shattered dreams and having given up hope — over the course of the year, 13,346.

(2200)

Well, Mr. Speaker, according to the Government of Saskatchewan, we're now into our fifth year of privatization. We have before us Bill 20, an Act to privatize the potash corporation, as an expression of this overall privatization agenda — year five.

And as a result of this privatization agenda, Mr. Speaker, are things getting better? Have we been victims of some kind of circumstances over which we have no control and is the trend reversing? Kind of interesting to note, Mr. Speaker, that out of those 13,346 net loss in 1988, where did we fall compared to the rest of the nation? Sad to report, Mr. Speaker, in 1988 Saskatchewan had by more than double the largest population loss through out-migration, net loss through out-migration in all of Canada — in all of Canada in 1988.

Second, second largest loss, and to some degree, not surprising. It offers, it in fact reinforces and gives some merit, a degree of merit to the argument that the Premier sometimes uses to say we're having tough times because of the drought. Our neighbour to the east . . .

The Speaker: — Order, order. I'm going to have to ask the hon. members to more closely relate his remarks to the Bill under discussion. He's discussing public participation, by and large, with some peripheral references to the potash Bill, Bill No. 20. I would like to ask him to more directly relate his remarks to Bill 20.

Mr. Hagel: — Well, Mr. Speaker, I respect that ruling, and as I said earlier, the potash corporation plays a very necessary role in the provision of services to the people of Saskatchewan.

An Hon. Member: — Tell us how.

Mr. Hagel: — Well the member says how, Mr. Speaker. Do you want me . . . should I go through it all again? I really don't wish to repeat the argument. Let me just summarize the main point: through direct payment and profits to the Consolidated Fund, payment of taxes and royalties, same as any other private potash corporation, and also therefore through its existence the causing of private potash corporations to pay their fair share as well. As the potash corporation then has caused the revenues of the Government of Saskatchewan to expand and therefore be able to provide services and meet the needs of Saskatchewan people, Mr. Speaker, it serves them.

As I said before, the process, the whole process of privatization, one of which, the latest of which, the one before us right now of which is the privatization of the Potash Corporation of Saskatchewan, is a process that I believe has not served, has not served the people of Saskatchewan well. Nor do I believe that the privatization of the Potash Corporation of Saskatchewan will serve the people of Saskatchewan well if, as a matter of fact, it's carried in this Legislative Assembly, and I still do harbour

some hope that that may not be the case.

The track record of people having deserted our province in this period of time which the government refers to as having increased its piratization activity since 1985 has been an increasingly sad picture, Mr. Speaker. And I simply am making the case that as they've increased the piratization activity, the impact on our people has gotten worse.

And so therefore it would be reasonable to predict that if another piratization initiative, piratization of the Potash Corporation of Saskatchewan takes place, based on the current trend, that things would get worse, even worse than they are now. And so it's for that reason, Mr. Speaker, and I appreciate your raising the question if I've not made that clear, that I bring these items into this debate.

And I want to, as well, respond to the question raised by the Premier across the floor just a few minutes ago in responding to this, because he asked where they're going. People of Saskatchewan unfortunately, Mr. Speaker, are going out, that's where they're going.

But when we compare the 1988 results of loss of population to other provinces, we don't fare well. As I said, we're worse. Manitoba, our neighbour to the east, is second worst, with a loss of some 6,200 people in 1988; and Alberta, our neighbour to the west, has, as a matter of fact, had a population gain of some 5,600. I believe it is, in 1988.

Now, Mr. Speaker, what is the difference between Manitoba and Alberta from Saskatchewan? Manitoba, 1988, Conservative government; Saskatchewan, 1988, Conservative government; Alberta, 1988, Conservative government. Is the difference the governments? Is the difference the governments? That's who they are now; I wouldn't bet a whole lot on that being the case for a long time, but that's the way they are now. Is the difference the governments? Then no, it's not the governments —same political stripe.

Is the difference the impact then of the drought? That's frequently the argument brought forth to this Assembly to explain this loss of people from our province. It's the drought; these are hard times. It's affected agriculture in the province of Saskatchewan, Mr. Speaker, I agree; it has. I do not deny we've had drought; we've certainly had drought, as have Manitoba and Alberta . . . (inaudible interjection) . . . Is the Premier suggesting that somehow . . . The Premier appears to be suggesting, Mr. Speaker, that somehow the rain clouds came off the west coast . . .

The Speaker: — Order, order. The hon. member from what I can gather is off the topic. And number two, because an hon. member makes a comment from his seat doesn't give the individual speaking licence to then decide to speak on that topic for a while. I'd like to bring that to the attention to the hon. member from Moose Jaw North.

Mr. Hagel: — Well, Mr. Speaker, I respect that. I think that's a good ruling. It could divert us from debate in this Assembly if every time one of the members opposite went

off on to some wild tangent that we started to focus on that and try and make sense out of it. So, Mr. Speaker, I fully appreciate that it's not wise that I should get into debate by responding to what the Premier is saying from across the floor, and I respect that and will cease to do that.

Let me simply conclude my point, Mr. Speaker, by saying that this loss of people, in my view, is clearly related to the difference between the activities or the priorities of the governments in the three provinces affected by the drought — the three prairie provinces. Of the three, it's the one in the middle, it's Saskatchewan that has made it a number one priority to engage in piratization of its services in these later years. And I think we're seeing clearly the impact of that in 1988, an absolutely devastating year in which Saskatchewan had a net loss of over 13,000 of our people. And as I said, by more than double, we're worse than our neighbour to the east which also experienced the drought. Unfortunately it's gotten worse again this year, Mr. Speaker, and I respect your ruling. I won't go though them month by month, but I will simply . . .

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

Hon. Mr. Klein: — Mr. Speaker, I've been listening very carefully to this member for the last 15 minutes now, and other than referring to the potash Bill one time — you've sat him down twice — and again for the last four minutes since your last ruling, he has simply talked about the three prairie provinces and the movement of the people therein. And you know, the people moving around in our provinces have no relationship at all to the potash industry. You know, we've listened to the Alamo history and now we're listening to movement of people within the prairie provinces, and I think that all of his remarks are totally irrelevant and he's not on the Bill at all, Mr. Speaker.

An Hon. Member: — Mr. Speaker, I would like to just take a short moment to speak to the point of order.

Mr. Lingenfelter: — Yes, I listened to the point of order by the member from Regina South, and I've also listened to the speech by the member for Moose Jaw North, and I find it a very fascinating and intriguing argument that he's making, talking about the privatization in this province and the extent that it has gone to and tying it to the population loss. I'm sure his next point is going to be that if we privatize potash our loss of population will be even more dramatic in the next year; I'm sure that's the point he was just going to get to.

So I think that he's weaving his way around to the exact point that privatization to this point has lost 16,000 people this year, and if we privatize potash we'll probably lose 20 or 30,000 people because of the spin-off as a result of it. I'm sure that's the point the member was just going to make in relating it to privatization.

The Speaker: — I've listened to the hon. members point of order from Regina South, and the response. I must say that the hon. member's point of order from Regina South is well taken, and I have indicated on two occasions just in the last few minutes to the hon. member that he is a little off the topic. And the argument that: I'm going to

eventually get on the topic, is not a solid argument. Relevancy should always be part of the debate, not at some future time, and therefore I ask the hon. member to keep his remarks relevant. He's a skilled debater, and I know he's able to do that, so would he be on the debate.

Mr. Hagel: — Thank you, Mr. Speaker, I appreciate that ruling. Actually I wish the member from Regina South would not have raised it, because I'd be through the point by now and on to another topic. Because it's a bit disappointing in this debate actually, Mr. Speaker, that the member from Regina Elphinstone got my argument out just before I was and now he's on record as having said it ahead of me. I hope, Mr. Speaker, that by putting it on record as my opinion it won't be ruled as repetitive; however, I will leave that to your good judgement, Mr. Speaker.

As I said, last year we had a population loss of over 13,000, and this year in the first six months alone we've had a net population loss of over 13,000. And my concern, Mr. Speaker, is this, is that with the . . . and I will be referring shortly to some of the employment records specifically of the Potash Corporation of Saskatchewan because, as a matter of fact, they do parallel. They parallel our employment record and our population loss record. I think they are reflective of the lack of committed management to make them effective by the Progressive Conservative government, Mr. Speaker. And in addition to that, I think it's reflective of their overall management and their overall privatization agenda. So I simply make that point, and I'd like to move on, Mr. Speaker, and as I said, I did not want to belabour that.

Unemployment is a very significant factor in the government addressing its responsibilities, Mr. Speaker, and that factor cannot be ignored by any of us here.

And so it seems to me that as the Government of Saskatchewan undertakes its privatization agenda through the potash corporation privatization Bill No. 20, what it's providing for the Saskatchewan people is not a solution but a promise of more of the problem.

I don't know, Mr. Speaker, what causes the members opposite to conclude that that is consistent with their right to govern, but it certainly is not consistent with the will of Saskatchewan people as I understand it, as related to me both individually as well as through other cumulative sources, Mr. Speaker.

(2215)

Well, Mr. Speaker, if resources are not providing adequate government income, what happens? What's the consequence when you reduce the income that the government counts on through potash or any other natural resource, but specifically in potash? If we significantly reduce our income through potash, some things have already happened and, as a matter of fact, Mr. Speaker, some things will continue to happen or increase.

The first thing that happens, as I said before, the potash corporation is a means to an end. Just to remind the members, prior to the existence of the potash corporation, an average of \$2 million in royalties and

taxes; the first five years after the creation of the Potash Corporation of Saskatchewan, an average of some \$200 million a year in royalties and taxes from all sources.

What happens if you do something then to jeopardize the income from those royalties and taxes from all sources, the potash corporation itself as well as the private sector corporations? Predictably, Mr. Speaker, some things happen that have happened, and I will be going through later the specific numbers as to the royalties and taxes paid by the potash corporation, Mr. Speaker, in comparing the two administrations, the New Democrat and PC.

But some things have happened, as a matter of fact, under PC administration; the income from potash has dropped, dropped substantially. And some predictable things have happened as a result of that, I believe. Taxes have gone up. How have they gone up? A flat tax has been introduced, currently 2 per cent on gross income . . . or net income, I'm sorry, 2 per cent on net income, a brand-new tax. It didn't exist before the PC government came into office, and has come into being since the whole privatization agenda has been undertaken, and the Potash Corporation of Saskatchewan has been, in my view, mismanaged by the PC government. A flat tax has been introduced, 2 per cent; now up to 2 per cent on net income.

The sales tax has been increased, again contrary to a commitment made, from 5 per cent to 7 per cent, an increase of 40 per cent of what it previously was. People are now paying 40 per cent more sales tax than they were prior to these things happening under the PC government. The gas tax is now at 10 cents per litre, contrary to a 1982 activity of the government to completely eliminate a gas tax, Mr. Speaker.

Since these changes have taken place, there's been felt need for more revenues in order to provide services. If you're not getting them from potash . . .

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

Hon. Mr. Klein: — Mr. Speaker, you know I'm prepared to speak next on information that is relevant to Bill 20. Now the member opposite is going on and trying to prove a point, but he's gone way beyond his point. Even with potash revenues down, if that is what his point is, and that's how it started off, he has mentioned taxes that totalled probably five or six times those revenues. And I think that he's not at all on the Bill, and I'd like you to rule accordingly.

Mr. Lingenfelter: — I was listening to the member speaking about taxes and tax increases. I think the point that he was clearly making dealt with, if you're going to lose revenue from potash, you're going to have to raise taxes. And it seems very clear to me how tax increases are very relevant to Bill 20.

And I don't know how you can expect to lose money on potash, as opposed to make money on it; if you're going to lose money every year, then you're going to have to raise . . .

The Speaker: — Order, order. I've listened to the hon. members . . . Order. The member from Regina Elphinstone.

I've listened to the hon. member's point of order and the member from Regina Elphinstone, and sometimes it's difficult to perceive the relevancy of an argument, and that seems to be the case now. Therefore the onus is on the hon. member from Moose Jaw North to clearly indicate in his remarks how his remarks are relevant to Bill 20.

Mr. Hagel: — Yes, Mr. Speaker, I totally agree and I accept your ruling. The minister becomes frustrated, I think, Mr. Speaker, for reasons that I referred to early in my speech when I referred to the very exercise of the opposition obstructing legislation for very legitimate means, following the rules of the Assembly. I understand the minister's frustration. The minister would like to see this thing proceed, would like to see this debate proceed very quickly to a vote, without debate and without the opposition using its legitimate right to debate as a vehicle in the political process.

As I previously pointed out, Mr. Speaker, I have seen members opposite attempt, in my view . . . I recall very clearly saying that I didn't think they were stupid. I don't, and I recall very clearly saying that in my view, as I watched debate go on so far, what I was seeing repeatedly were government members attempting to focus the debate on this issue to the narrowest possible form in order to make it more difficult for the opposition to carry out its legitimate role in a legitimate way with the use of the rules, and to get a narrower interpretation of the rules.

In no way, Mr. Speaker, am I implying anything about your decision on the rules; I'm making a comment simply on what I am seeing as a strategy being used by the government, and I think the minister has just attempted to do it again.

I'm not offended by that; I understand his frustrations, and it is his right to do that, just as it is my right — it is his right to stand on that point of order, to use that as a technique in debate; I totally accept it, just as it is my right in the context of the general principle Bill . . . I believe in second reading, debate on the general principle of a Bill which has major historical significance and social impact on the people of Saskatchewan, that it is too narrow to, as I said before, to debate only on the narrow topic of specifically cost-effective extraction of potash.

That would obviously make the debate a lot quicker because you'd be outside of that realm much more frequently, and that's why I said when I said before that I appreciated the debate of the member from Wascana, who took a much broader view of the issues before us, made occasional reference to the Potash Corporation of Saskatchewan and potash — not frequent. I'm not offended by that because I think he understood this issue in its broader context and reflected that in his speech, just as I am doing now I hope.

I hope that I am effectively doing that and putting on the record why it is that I stand where I stand, why it is I'm opposed to this. I don't apologize for taking a long time to

do that, Mr. Speaker. Number one, I believe that there is a great deal that is relevant to the topic that is part for me of drawing my conclusion that this privatization initiative in Bill 20 is ill-founded or wrong-headed. But at the same time I ask for, and if I was a member of government, would permit for the opposition to perform its role, and I quite freely admit that some of it is obstructionist. I simply say that that is a part of a role that serves the democratic process. And I believe that I made that case earlier.

I apologize to the Minister if he didn't understand that clearly. I hope by re-explaining it for him — I didn't do that to be repetitive. I've attempted very hard, Mr. Speaker, to avoid being repetitive. If the Minister wants that explanation, then I hope that clarifies it for him.

As I said then, Mr. Speaker, if you're jeopardizing your revenues or your potential revenues — and I will come again later again in my speech, Mr. Speaker, to deal with potential revenues because of the potential in the industry, the sale of potash — then what's the consequence? How do people pay the price? Somebody's got to pay the price for loss of revenues. If somebody's got to pay more, or somebody's got to receive less services, what happens? My view, Mr. Speaker, is that what we get is both and, in fact, we've gotten both.

I mean, I thought I was proceeding fairly rapidly here and in outlining the tax increases that have been put in place by the PC government. I totally understand why the members opposite are sensitive about this issue. The people of Saskatchewan are very sensitive about this issue, and it would be my hope that you would understand that and make some appropriate changes.

We've seen the introduction of the flat tax, as I said, 2 per cent on net income. We've seen the increase of sales tax from 5 to 7 per cent, both of them contrary to promise, by the way. We've seen the gas tax, which was removed as a result of an election promise in 1982, reintroduced; now higher than it's ever been before at 10 cents a litre.

In fact the revenues to the Consolidated Fund, which is short on potash revenues, are now higher than they ever were prior to the PC government coming into power.

We saw some tax experimentation, other tax experimentation take place. We saw the temporary introduction of a used car sales tax that was subsequently dropped. Mr. Speaker, these are all new things that happened, I believe, as the result of, in part at least, the management of potash by the PC government.

We saw again in this budget this year the introduction of yet another new tax — the bingo lottery tax of 10 per cent. That again reflects the failing of the PC government, through its privatization initiative as well as management of the potash, to need more revenues, and therefore to require that the people shall pay those revenues when potash is not, at least in part.

And I believe the issue is larger than that because of other privatization activities taken by this government. I don't for a second, Mr. Speaker, say that these are totally dependent upon the impact of the management of potash

by the PC government, but in part they are. In part they are, and therefore relevant to this debate. I guess it's a . . . Well I would be out of order in saying that, Mr. Speaker, and I won't.

Mr. Speaker, in addition to, as I said before, when you look at the way the potash corporation serves as a means to an end, to bring revenues to the Consolidated Fund, to keep taxes down and provide services, we've seen increases in taxes. But we've also seen the other one too. We've seen reductions in services.

And so over the same period of time, since privatization generally, the management of the potash corporation of the PC administration has taken place, we've seen our government here in Saskatchewan tell us that there just isn't the money there that we wish there was for health care. So there would have to be cut-backs and restrictions there. We've seen the significant cut-backs in the school-based children's dental care program, which has been particularly difficult in rural Saskatchewan.

We've seen as well, first of all, the withdrawal and the alteration of the prescription medicine plan here in Saskatchewan; we've seen growing waiting lists in hospitals, Mr. Speaker, and the list goes on.

We've seen it in highways. People in Saskatchewan prior to this government coming to office once felt very proud of their highways. But since the privatization agenda and the PC management of the PCS, we've seen highways deteriorate, and partially as a result of the privatization of highways, the transferring to the private sector of highways work, contracting for highways work being done by out-of-province firms, and so on, instead of government employees, and the subsequent deterioration of highways.

(2230)

We've seen it as well, Mr. Speaker, in social assistance. And I would like to just take an extra moment to reflect on this, because so frequently what happens is that when governments face themselves in cash-strapped times, often, all too often what happens is that those who can least afford to have their security provided by government reduced are in fact all too often the first to feel the brunt of it, Mr. Speaker. And unfortunately that has been the case under this administration with the poorest of the poor, those who live on social assistance.

I won't make a long case, Mr. Speaker, but I'd just like to relate three circumstances and the numbers in terms of financial security provided to the poorest of the poor in our society from a government that has said very clearly, we're strapped for cash; these are tough times; we can't afford to do it, and has made some conscious decisions about its management of natural resources and the policies that that has impacted on the revenues that they have got to work with.

So, Mr. Speaker, let us just look by way of comparison at social assistance rates for the poorest of the poor in our province, comparing 1981, the last year of the New Democrat government, with 1989, current administration of the PC government.

Mr. Speaker, in 1981 — some of these are really quite alarming, the impact of a government translating its responsibilities to the poorest of its poor citizens, and using as an excuse its reduced ability to pay because of policy decisions made related to natural resources including potash . . . In 1981, a single person classified as fully employable, Mr. Speaker, would have received \$581 per month on social assistance.

The Speaker: — Order, order. I've been listening to the hon. member's remarks quite closely, as a matter of fact from the time he began them, and it seems to me that the hon. member in reality is getting into a wide-ranging discussion of overall government policy. It's difficult to justify that as being on the topic with Bill No. 20. I'm sure the hon. member must realize that, and I once more ask him that in his remarks he must become more relevant. A wide-ranging and total discussion of government policy is really not a discussion on Bill 20.

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

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

Hon. Mr. Klein: — Mr. Speaker, according to rule 25(2):

The Speaker . . . after having called the attention of the Assembly . . . to the conduct of a Member who persists in irrelevance . . .

Now it's an ambiguous kind of ruling, Mr. Speaker, but you have sat that member down on your own for three occasions now . . .

The Speaker: — Order, order. I have given the ruling, and I don't believe that the hon. member should be questioning it.

Mr. Hagel: — Thank you, Mr. Speaker. I respect that ruling and simply state, Mr. Speaker, that if the revenues available to the Consolidated Fund through the kind of management of the Potash Corporation of Saskatchewan under the PC administration were equivalent to what they were under New Democratic Party administration, we would not have a government either feeling forced or using as an excuse a reduction in financial resources available to it in the way it serves its most vulnerable citizens. I simply make that point.

And that affects real people in real ways, and I understand why the government members do not want this to be understood. They would much prefer that nobody understood this. This government would much prefer that somehow people would conclude that there was this black shroud that just coincidentally fell over Saskatchewan in 1982 and all of a sudden the world became difficult and it had nothing to do with them. They're just hard luck soldiers. It is all pure coincidence and it is just hard luck that just happened to happen the same time as they came to government. The government itself is victims of circumstances, they would suggest. And I say, Mr. Speaker . . .

The Speaker: — Order, order. I'd also like to ask the hon.

members to allow the member from Moose Jaw North to continue his remarks without continuous or close to continuous interruption. It's difficult to speak under those circumstances.

Mr. Hagel: — Thank you, Mr. Speaker. I've already said that I wouldn't be long with this, and if we hadn't had these we'd be well on to something else again, Mr. Speaker, and I'll show you that in the amount of time it takes.

I simply use by way of example again how these specific government decisions have impacted on people. If that is not a criteria that we use as a high priority in making policy decisions that are either determined or carried out as a result of decisions made in this Legislative Assembly, then I don't know what is or what should be.

And so, Mr. Speaker, let me relate the impact. In 1981, the end of a New Democratic government term which had its own policies on revenues from natural resources including potash, a single person classified as fully employable would have received \$581 per month on social assistance. Not a whole lot of money, Mr. Speaker, but \$581. In 1989 this same person today receives — is it \$581? Has it changed? It's changed; it's gone down, down to \$375, Mr. Speaker, for a numerical loss of \$206 per month. That's the impact.

Interestingly enough, Mr. Speaker, that's a numerical loss, and if you take into consideration inflation, which is a reality — it's a reality for all of us and a particularly harsh reality for the poorest in our society — in today's dollars that's been a reduction of not \$206 but a reduction of \$367 a month in 1989 terms, Mr. Speaker. That's part of the consequence.

Mr. Speaker, a single parent with two children in 1981 — I said I would use three examples and I will. Just three examples. In 1981 a single parent with two children would have received \$916. In 1989 today the benefit, Mr. Speaker . . .

Mr. Martens: — Mr. Speaker, I have been . . . I want to raise a point of order, and I want to outline that the member has dealt with the topic of his discussion in a consistent pattern all the way through. He has not changed or adjusted his pattern of discussion from the very first time that he was interrupted by you, sir, Mr. Speaker, and you have sat him down three times for not bringing the attention back to the point of the discussion of Bill No. 20 and that deals with the Potash Corporation of Saskatchewan.

He has not changed his pattern of speech nor in his speech has he ever resumed the thought that Bill No. 20 was a part of the discussion. And I want to bring that to your attention that you've ruled three times on that, and on your own you've done that, and the member from Regina South has asked you to bring this member to order twice. And that's five times in the last half hour, and I'd like you to rule on that, Mr. Speaker.

Mr. Lyons: — Thank you, Mr. Speaker. Mr. Speaker, I want to speak to this point of order because it's the question of relevance which you've ruled, and we think

on this side of the House very fairly throughout this whole debate, is being questioned by that particular member, particularly after the last point of order was raised.

And now it appears to be becoming a habit by members on that side of the House to attempt to disrupt the flow of speech of the member who is making point after point after point in this debate linking the loss of revenue from the sell-off of our natural resources — in this case the potash corporation — to its effect in other areas of government policy, is particularly relevant, Mr. Speaker, particularly after the last time you asked the member to draw that relevance. He has done so. He has done so in a very, very forceful manner, I believe.

And, Mr. Speaker, there is a point upon which that the kind of constant interruption of speeches by raising vexatious points of order must be, I think, sir, commented upon by yourself. And given the conduct of both, by the member from Weyburn and the member from Regina South in consistently trying to interrupt the speech, Mr. Speaker, I think that those members are doing nothing more than harassing that member. And, Mr. Speaker, I think that that is an infringement upon this member's right to speak in this Assembly.

Some Hon. Members: Hear, hear!

The Speaker: — As I have indicated earlier, I've listened to the hon. member's point of order, and I've given the hon. member quite a wide latitude in his remarks, as I'm sure all members in the House appreciate, and I have asked him to attempt to make his remarks more relevant to Bill 20 so not only the Chair but other members in the House can more clearly understand the points he is making. And I know he's trying to do that, but I don't believe he's quite achieving it.

So in that context I have to accept the point of order raised by the member, of course, as being well taken. And I once more urge the member from Moose Jaw North to have his comments much more relevant and clearly defined so that it's more easily discernible than it has been.

Ms. Simard: — Mr. Speaker, on a point of order. While you were up here making your comments and making a ruling, the member from Weyburn was shouting from his seat, and I want to ask for a ruling on that.

The Speaker: — Well the point of order raised by the hon. member, of course, is a point of order that's well taken and applies to all members in the House. When the Speaker is on his feet, of course, no member should be interrupting and talking whether it's directed at him or anybody else in the House. So on that basis, certainly the member's point of order is well taken.

Mr. Hagel: — Mr. Speaker, I appreciate the ruling and I will do my best to directly relate these issues. I guess if the member from . . . if members do not understand the connection, then I've obviously not been as clear as I would like to be and will attempt to do that.

Mr. Speaker, I simply make the point, and ask the members to listen carefully. When you mismanage natural resources — potash, among others — potash,

when you mismanage the Potash Corporation of Saskatchewan you reduce the revenues to the Consolidated Fund of the Government of Saskatchewan.

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

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

Mr. Lingenfelter: — Under rule 18(1), I just want to read it for the benefit of the House, but it says:

The Speaker shall preserve the order and decorum and shall decide questions of order.

Under section 3 it says:

When a Member is speaking, no Member shall interrupt him except to raise a point of order, nor pass between him and the Chair.

The member from Weyburn is interrupting constantly the member for Moose Jaw North while he's trying to give his speech. And I want to say to you that that interruption constantly is affecting the ability of the member to speak and I would ask you to rule on it. He has been hollering from his seat all night, and I would ask you to either remove him from the Assembly or get some order in this place.

(2245)

The Speaker: — I would like to say that this evening, by and large, there has been order. I think that's clear. However, and I believe that the hon. members, when they raise points of order against the conduct of other members, should be careful that they themselves may at one time or another not be included in a similar point of order. However, having said that, the point of order is well taken certainly.

The member from Weyburn has been talking and has not responded, and I ask the member from Weyburn to cease and desist from interrupting the speaker. And if he doesn't, he will be called to order again.

Mr. Hagel: — Mr. Speaker, I guess I'll take another run at this. Every time I get half way through my very short comment it's interrupted. So it's, Mr. Speaker, my sincere desire to avoid repetition in this debate. And so, Mr. Speaker, please forgive me in attempting to clarify for the member from Weyburn, who has shown a great deal of interest in wanting to understand with clarity what the point is that I'm making. I would hope that that also means that in spite of his having made his address earlier today, that he's still open to considering the topic, and if he better understands it, may undergo a change of mind; it would certainly be welcomed by the people of Saskatchewan. And, Mr. Speaker, I won't dwell on that point.

Well, Mr. Speaker, as I said, if you mismanage the potash corporation, natural resources, reduce the income to the Consolidated Fund, taxes go up, services go down, people are affected. That's the argument, Mr. Speaker,

that's the argument I make. The PCs have mismanaged the Potash Corporation of Saskatchewan. Also, because of that, for the same reasons that it was difficult collecting royalties and taxes prior to the very formation of the Potash Corporation of Saskatchewan, so have the non-PCS revenues to the Consolidated Fund been affected. As a result of that, at least in part, Mr. Speaker, people's lives have been directly affected by a government which has used that as an excuse, as an excuse to say that we can no longer do what was once done.

And I find it particularly insulting, Mr. Speaker, when the PC Government of Saskatchewan says that the poorest of the poor in our society, those who are least capable of determining their own fates and fortunes and futures as individuals, when those people are directly affected, I find that particularly insulting.

And I make the point, and I said I bring only three examples, and I've already presented one — I won't repeat it — of families living in poverty. Families who are receiving social assistance have been affected by cut-backs. The irony of this, Mr. Speaker, we've got a government that says, these are tough times. We've got a government that says, there are people in our society who are dependant upon their government as their source of income. We have a program by legislation, social assistance, that exists for them.

And then, Mr. Speaker, and then after having made policy decisions to reduce, the impact of which was to reduce the revenues, the government that says these are tough times for the government . . .

The Speaker: — Order, order. I realize that it's approximately 12 minutes to 11 on a Friday night and hon. members perhaps are a little edgy. However, I think if we co-operate and adhere to the rules, and that includes the member for Regina Elphinstone and the member for Saltcoats, if we just adhere to the rules we will get through the evening. And I think that should be our goal, to get through the evening in a reasonable and responsible manner.

Mr. Hagel: — Thank you, Mr. Speaker. I welcome that intervention. As I was saying, Mr. Speaker, I find it particularly insulting that that line of reasoning results in decisions being made to reduce the income of the poorest of the poor, who are most susceptible to the impact of tough times. When the government says, it's tough times that causes guys to do this, it's a circular argument that gets curiouser and curiouser, Mr. Speaker. And how has it affected the real people of Saskatchewan?

Because you are poor in this province does not make you any less of a citizen. In some ways, Mr. Speaker, I think it would be fair to say that for those of use who come to these Chambers to represent the people of our province, we have a special obligation for those who are least capable of determining their own fates, fortunes, and futures, and rely on other systems and structures, one of which is government, to assist them in meeting their living needs.

And that is how, I mean, we can get caught up in the

rhetoric and the high-floating words, the big words, the notions, Mr. Speaker, that somehow high finances have nothing to do with people. When a government makes a policy decision on natural resources and mismanagement of natural resources, people will ultimately be affected by that to their betterment or to their detriment.

This government has made decisions in the interest of its private sector natural resource friends that have caused the poorest of the poor, at least in part, to pay the price for that policy decision. That is, Mr. Speaker, in my mind, an unacceptable consequence that you will have a government composed of members who get a little antsy when they've got to sit and do the people's business without their per diem, making policy decisions about natural resources that impact on the poorest of the poor.

And how has it done that? It's done that in very significant kinds of ways that cannot be justified. We have to, Mr. Speaker, when we come to this Assembly, look at these decisions, and say, not what's the decision, and then, by gosh, how did that affect people? We have to come here saying, what do we want for the people of Saskatchewan, and how do we achieve that? What are the mechanisms? What are the means to the end?

The Potash Corporation of Saskatchewan is a means to an end. It is a means to provide income so that we can improve the quality of life for our citizens. That's what it's all about. It was born because of that vision and the belief that the natural resources belong for the people, to the people, and should be used for the people.

Some Hon. Members: Hear, hear!

Mr. Hagel: — So we've seen different decisions made . . .

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

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

Mr. Shillington: — Two members opposite, the member from Estevan and the member from Weyburn, have been yelling from their seats and the member is trying to complete his speech. It's 10 to 11; if we'd be quiet we could finish up.

The Speaker: — Order. The hon. member's point of order is not well taken. The member . . . Order, order. The member from Regina Elphinstone, there were no hon. members yelling in this House. There were no hon. members yelling. There were one or two comments, but to term it as yelling is incorrect and therefore the point of order is not well taken; however, hon. members should not interfere with the speaker.

Mr. Hagel: — Thank you, Mr. Speaker. We'll continue reducing the volume. I realize that I was getting louder as the noise was emanating from the other side, some of which came from the close proximity of the Premier's chair.

Mr. Speaker, a single parent with two children in 1981 would have received \$916, in 1981. Today this family

receives \$900, an actual reduction again . . .

An Hon. Member: — A point of order, Mr. Speaker.

Hon. Mr. Hepworth: — Point of order, Mr. Speaker, on rule 25(2). I accept that the hon. member has the right to make the case in this potash debate about revenues that would come from potash to go to various spending programs, Mr. Speaker — health, education, social service, whatever. But the rules clearly state that you cannot get into it, and as you yourself have said from that chair, you cannot get into the details of those areas, for example, listing the dollars available to single parents and families under welfare payments, the same kind of thing he's doing now. Clearly that is out of order, Mr. Speaker. It's one thing to have wide-ranging debate. I accept the thesis, but I do not accept him getting into it into that detail, Mr. Speaker.

Mr. Solomon: — Thank you, Mr. Speaker. The debate that we're having on Bill No. 20, the Act to reorganize the Potash Corporation of Saskatchewan, Mr. Speaker, is a very historic debate. It's a very complex, overriding issue in the entire Legislative Assembly of Saskatchewan.

We've got the government trying to sell off one of the most important resources and important Crown corporations in the entire province, and the member from Moose Jaw . . .

The Speaker: — Order, order. The hon. member, it seems to me, is debating the point of order. If he wishes to speak to it briefly, I certainly give him that opportunity.

Mr. Solomon: — Mr. Speaker, I've been following the member from Moose Jaw North's comments, and I find that they are involved with explaining an overriding issue as they relate to the Bill No. 20 and the Potash Corporation of Saskatchewan. And I would maintain, Mr. Speaker, and put forward that the member's comments are very relevant to the debate, that they are pertinent to the details that are necessary to be exposed to the people of Saskatchewan, and I would ask you to consider his remarks in order.

Mr. Shillington: — I just want to make a brief comment. I've said before, and I say again, that these points of order, particularly the ones coming from the member for Weyburn, are becoming vexatious. They are done with the effect, if not with the intention, of interfering with the member who's speaking and making it difficult to speak. I'll say as well that I think it ill behoves the member from Weyburn to raise the point of order. He spoke for 45 minutes without ever setting foot on the subject under . . .

The Speaker: — Order, order. I don't believe that's a new point of order, but I will recognize the member for Regina South.

Hon. Mr. Klein: — With regard to the member from Weyburn calling the point of order and not calling them properly, if you check the records of *Hansard*, you will see that the Chair agreed with those points of order on 90 per cent of the occasions. I think that they're totally intact.

The Speaker: — I'll give her the opportunity as well.

Ms. Simard: — Mr. Speaker, it's my opinion that these points of order, and the manner in which they are being made, is a harassment and a denial of the democratic rights of the member from Moose Jaw North.

Some Hon. Members: Hear, hear!

Ms. Simard: — And that is the tactic of the PC government and in particular the member from Weyburn, who appears to be the spokesperson tonight for the government. Their intent is to harass the member from Moose Jaw North and to deny his right to speak to his constituents about why he feels he cannot support this piece of legislation.

The Speaker: — I will now recognize the member for Melfort, but he'll be the last individual I'll recognize on this point of order.

Hon. Mr. Hodgins: — Mr. Speaker, as Deputy House Leader I want you to know, and I will give you the following commitment, and I will give the commitment to the opposition as well, that members on this side of the House will no longer raise issues under Rule 25(2), if and providing the opposition will not be irrelevant and repetitive and redundant.

(2300)

The Speaker: — I have listened to the hon. members' points of order, and their various responses. It's been a long night. The hon. member perhaps has been trying to be more relevant. I think the point made that a great detail is out of order, I think that's a point well taken. I'd like to bring that to the attention of the hon. member.

Mr. Hagel: — Thank you, Mr. Speaker, in light of the time, there is much more I'd like to say and I will venture to be within the rules, as you've outlined them and I respect that, and I will therefore move adjournment of debate.

Motion negatived.

Mr. Hagel: — Well, Mr. Speaker, in that case I'll call it 11 o'clock . . .

The Speaker: — Order. It being 11 o'clock, the House stands adjourned until Monday at 8 a.m.

The Assembly adjourned at 11 p.m.