

**AFTERNOON SITTING**

**ROUTINE PROCEEDINGS**

**INTRODUCTION OF GUESTS**

**Mr. Lyons:** — Thank you very much, Mr. Speaker. I'd like to introduce to you, Mr. Speaker, and through you to the other members of the Assembly, several people seated in the East gallery.

First, I'd like to introduce my sister, Judith Erlyn Lyons, from Pictou, Nova Scotia. She is presently visiting Regina. Besides myself, she's also visiting her two daughters who are now resident in Saskatchewan, one who is a teacher at Pelican Narrows, and the other one who works in the city of Regina.

Seated beside her, I'd like to introduce to you, Mr. Speaker, is my wife, Elaine Nystrom. And I'd ask all members to welcome these two guests to the Assembly here today.

**Hon. Members:** — Hear, hear!

**ORAL QUESTIONS**

**Cost of Barber Commission**

**Mr. Lingenfelter:** — Thank you, Mr. Speaker. My question is directed to the acting minister in charge of SaskPower, and it deals with the cost of the Barber review panel. We know already that the per diems are costing the taxpayers of the province \$1,100 per day. We know that. That's not counting the cost of offices, travel, expenses for those people.

My question, Mr. Minister, deals with one aspect of the Barber review panel's budget in particular. Can the minister tell the taxpayers how much they are paying a company called Strategy West Public Relations Ltd., to work on the Barber review panel hearings? How much money are you paying to your buddy in the company, Cy MacDonald?

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

**Hon. Mr. Lane:** — In light of the opposition's new-found concern about the public purse when they have been wasting some \$35,000 for each and every day they filibuster, Mr. Speaker, I'll take notice. I can assure you it will not be anywhere near the . . .

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

**Mr. Lingenfelter:** — New question to the minister. In light of the fact that the minister has taken notice of the question, I want to let you know that we'll be asking this question each day until we get the response, because I think it's very important to the people of the province.

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

**Mr. Lingenfelter:** — And I say that as well, Mr. Minister, because I have here a copy of a bill, a copy of a bill that

was submitted by Cy MacDonald's company for the tour that was done by SaskEnergy a month or two ago, the 80 public meetings that were held throughout the province. Those meetings too cost the taxpayers a lot of money. I want to say that in fact what Cy MacDonald calls the "Assignment: the SaskEnergy road show display tour" — he's got the words right — the bill is \$92,000 for Cy MacDonald's company.

I want to say to you, Mr. Minister: how do you explain that kind of an expenditure on one of your friends and supporters of the Conservative Party — \$92,000 — which by his own admission, on the invoice it's called, Assignment: SaskEnergy road show display tour. How do you explain that?

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

**Hon. Mr. Lane:** — Mr. Speaker, and I know that the press will now begin to take account of both the number of hours, because we have now approaching 70 hours on the potash filibuster debate, and each day is \$35,000 . . .

**The Speaker:** — Order, order. The hon. member is off the topic, but if he has remarks to make on the question, I'll permit him to do that.

**Hon. Mr. Lane:** — I was simply indicating, Mr. Speaker, that it costs far more to filibuster than it does to have the . . .

**The Speaker:** — Order, order.

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

**Mr. Lingenfelter:** — Well, I want to say to the minister, and I want to ask you another version of the same question because I don't know how you can take notice of giving an explanation for this kind of an expenditure that you must be aware of because you paid the bill. But I want to say as well, while you're taking notice of that question, how much did you pay Cy MacDonald's company, and what were the guide-lines?

Will you also take notice and find out what the total cost of the Barber Commission hearings is, along with the numbers for Cy MacDonald. He's preparing the road show for Barber as he goes around the province to try to sell the Progressive Conservative politics. Can you tell us what you're paying Cy MacDonald, and what is the total cost of this travelling road show of the Barber Commission?

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

**Hon. Mr. Lane:** — Mr. Speaker, the opposition, as we know, are opposed to Barber. They think that the chairman can't run a university, and that's what they've said in here. So it's obviously impossible, Mr. Speaker, to get those costs until the Barber Commission completes its report, and then all costs will be tabled in the Assembly, Mr. Speaker.

But again, the hon. member says that we should take at

face value what he said. We never, Mr. Speaker, take at face value the information brought forward by the opposition in question period, because so many times in this session they have been blatantly wrong, deliberately distorted, deliberately wrong, to the point, Mr. Speaker, that they're very close to a word I can't use, Mr. Speaker. So I don't take the information given as being indicative of anything other than having been presented by the opposition.

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

**Mr. Lingenfelter:** — By way of background, Mr. Speaker, I want to give the minister, so he's able to find the information, a bit of information off the invoice, and I want to read the title of the Bill. It's Strategy West Public Relations Ltd., Suite 200, 1400 Fleury Street, Regina, Saskatchewan, and the invoice number, for your information is 00341, and it's addressed to SaskEnergy, (SaskPower) . . . in brackets (SaskPower). So Cy MacDonald knows that it's still SaskPower.

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

**Mr. Lingenfelter:** — The assignment is: 2-GCLB-001, then quotations "SaskEnergy road show display tour." You will know that. Then it lists out professional fee production miscellaneous. The total, \$88,507.61; the taxes, 4,170.84, for a total of 92,678.45.

I wonder if, with that information, Mr. Minister, you'd be able to look up in your file and confirm whether that was paid to Cy MacDonald.

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

**Hon. Mr. Lane:** — I've undertaken, Mr. Speaker, to take notice of the question and I've indicated to the hon. member that at \$35,000 a day — we spent nearly . . .

**The Speaker:** — Order, order. Now I think that the problem here really is a problem, maybe, of procedure. If the hon. member has any more related questions on that question, I think he can simply ask that the minister to also bring that information to the House and that will be the end of it.

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

### Written Briefs for Barber Commission

**Mr. Lyons:** — Thank you very much, Mr. Speaker. Mr. Speaker, my question is to the Minister of Finance. Mr. Minister of Finance, while you are looking for the answers to the questions put forward by my friend, the member for Regina Elphinstone, I wonder if you can confirm today for the House, Mr. Minister, given your involvement in this affair, that one of the duties of CanWest public relations is to write briefs for those who hold the government's position and presented those briefs to the Barber Commission. I wonder, Mr. Minister, can you confirm that today that you're hiring people to write briefs for the government's position.

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

**Hon. Mr. Lane:** — Well, I can't confirm or deny that, Mr. Speaker. I would indicate that I'm sure that briefs will be written by many. It's like a petition, Mr. Speaker, that's signed by a two-year-old that's been tabled by the NDP. And we've asked the press, we've asked the opposition to stand behind what they've tabled in the Assembly, and they've refused to do it, Mr. Speaker. So I suggest again that we'll take notice.

But, Mr. Speaker, let's put it in the context of the filibuster that's going on that now is 60-some hours — we're approaching 70, we're approaching 100 — at \$35,000.

**The Speaker:** — Order.

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

**Mr. Lyons:** — Thank you very much, Mr. Speaker. New question to the same minister. Mr. Minister, your facts on the cost of the legislature are as believable as your 1986-87 budget where you made \$800 million mistake for the people of the province.

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

**Mr. Lyons:** — Mr. Minister, my question to you is this, sir: we have here an internal document from the Barber Commission, called the participant information sheet. The particular one I refer to now is from a woman from Wolseley who has agreed to present a brief to the Barber review panel. Under comments section of that particular document there's a note that reads:

She will submit a brief, but likely needs it written for her.

Mr. Minister, I wonder if you will provide this legislature with that particular explanation. Why are you paying public relations firms to have briefs written to put forward a government propaganda piece to the Barber Commission? Can you explain that to us?

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

**Hon. Mr. Lane:** — Mr. Speaker, again I don't accept at face value what the NDP say.

**The Speaker:** — Order, order.

**Hon. Mr. Lane:** — Thank you, Mr. Speaker. We should keep in mind it's the same NDP who questioned my figures, when the Leader of the Opposition says that there are 10,000 farm foreclosures going on, and he turned out to be wrong, wrong by about 900 per cent, Mr. Speaker — 900 per cent. Nine hundred per cent, Mr. Speaker.

It's the same NDP that said there's going to be five hospitals shut down, Mr. Speaker, in Assiniboia-Gravelbourg. People of Assiniboia-Gravelbourg told them what they thought. So let's not take it at face value, Mr. Speaker.

Secondly, Mr. Speaker, I will assume, Mr. Speaker, that many of the briefs submitted to any commission have had assistance in writing the briefs, Mr. Speaker. I don't think

that that of itself is out of the ordinary. But again, I'll take notice of the involvement of CanWest . . .

**The Speaker:** — Order, order. The member for Quill Lakes, I am drawing your attention of the Minister of Justice . . . or the Minister of Finance, rather, that the rules of the House do not allow him to make remarks on a particular question and then take notice. I'll remind him of that.

**Mr. Lyons:** — New question to the same minister. Thank you, Mr. Speaker. Another question to the same minister . . . or a new one, Mr. Minister, I've noticed here today that you've done . . .

**The Speaker:** — Order, order. Now we're off to not a very good start, and I'd like now to ask the member for Weyburn to allow the member for Rosemont to put his question.

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

**Mr. Lyons:** — Thank you for your ruling, Mr. Speaker. Mr. Minister, I've noticed that today you've done everything except to try to answer the questions concerning this politically damaging piece of material, as is your wont, Mr. Minister.

Mr. Minister, a new question to you. While you are looking for the verification to what we are saying in regards to having the PR firm of Cy MacDonald write briefs to put to Tory hacks, I wonder, sir, if you will provide us with the information of who precisely is writing the briefs. Is it a member of the Barber Commission or a member of the staff of the Barber Commission writing briefs for those participants, given that it's a Barber Commission or looks like a Barber Commission report? Or in fact is it somebody else, perhaps somebody connected with one of the minister's offices here in the legislature? Will you provide the information on who's doing that kind of whitewash, Mr. Minister?

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

**The Speaker:** — There's no response to that question. He's asked the minister to bring that information back and that's what he's expected to do. The hon. member has asked — order, order — the hon. member has asked that the minister bring information back to the House. The hon. member also, in asking for further information, should do it very simply and to the point and then question period will proceed in a more orderly fashion. We can't have questions . . . further information being asked as further information than a response from the ministers and question period gets out of hand that way, as we can see. If you wish further information, state it simply and clearly and the minister will bring it back.

**Mr. Lyons:** — Thank you, Mr. Speaker. A new question to the same minister. Mr. Minister, a very short question: if what we are saying is true, will you show us the courage of your convictions and resign, have your government resign, and put this to the people of the province and let them decide? Will you do that for us, Mr. Minister?

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

**Hon. Mr. Lane:** — Mr. Speaker, did the member from Regina Centre, I believe it was, resign his seat when he was a cabinet minister and had to pay \$350 for speech writing for openings at ribbon cuttings? I ask you, Mr. Speaker, did the member resign over that? He was booted out of cabinet for other reasons, like the clock, Mr. Speaker, the \$12,000 clock, but not for paying a speech writer, Mr. Speaker.

When he had his own high-priced help, when he had his own high-priced staff, the NDP paid people to write speeches for them, Mr. Speaker. And I put that in perspective, Mr. Speaker. The NDP, Mr. Speaker, used outside people to write speeches, used outside people to write speeches, used outside people to write briefs, used outside people for all sorts of activities, Mr. Speaker. To all of a sudden say that this is a big deal is only something in their minds, Mr. Speaker.

And I just remind them all, Mr. Speaker, that we're over 60 hours of filibuster at \$35,000 a day, Mr. Speaker, and that's something the public will well remember.

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

#### Report of Federal Study on Rafferty Project

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. My question is to the Minister of Environment and Public Safety. Mr. Minister, as you know, the revised study of the Rafferty-Alameda project will be in the hands of the federal Minister of Environment today. In view of the fact that this report may have some very major implications for the province of Saskatchewan, do you have access to that report, Mr. Minister, and will you tell this House and the people of Saskatchewan the findings of that report at this time?

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

**Hon. Mr. Swan:** — Mr. Speaker, I believe the hon. member answered his own question. He said that that report would be in the hands of the federal minister today, and that's exactly what the newspaper report indicated, that it would be in the hands of the federal minister. It's not in my hands. And I believe that the federal minister has a right to get a report from his officials and then to react to that report, and at the appropriate time he'll make it available to me and to the public.

**Mr. Tchorzewski:** — Mr. Minister, I find that rather unusual in that the major implications of this report are going to be to the province of Saskatchewan. This is not the time to say to the people of Saskatchewan, wait and see. The time to do that, Mr. Minister, the time to contemplate and think carefully through a project like this one was before you sent out the construction companies to begin to do the work and therefore wasting millions of dollars of taxpayers' money.

Can you explain, Mr. Minister, your answer, why you would not have access to this report at the present time when the minister in Ottawa has had it, so that you are

able to know what the report is going to do for the people of Saskatchewan, and the kind of bill that they're going to have to foot because of your mistakes, Mr. Minister?

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

**Hon. Mr. Swan:** — Mr. Speaker, I think that in the court challenge to the Rafferty-Alameda, at no time was it pointed out that Saskatchewan had made any mistakes. Saskatchewan had done its work; it was the federal government that was challenged in that particular report. The federal government are the ones who commissioned this study that has just been completed.

The report is going to be in the hands of the federal minister today, and very shortly he'll likely make it available to all of Canada. But it isn't available at this point, and I think that's the way it should be. He paid for the report; he should be the first to have it and the first to read it.

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

**Mr. Tchorzewski:** — Well, Mr. Minister, surely you will have had conversations with the federal minister by now. If you haven't, this explains one of the reasons why you're probably not going to be around very long by the time the next election comes along, in that portfolio.

Mr. Minister, I'm sure that you will agree with me that it's significant that an entirely new chapter has been written into this report and that that chapter is probably dealing with the quality of water that's going to be going into Manitoba and to the North Dakota, Mr. Minister. Are you aware of the fact that there is this new chapter, Minister, and are you aware of what kind of material this new chapter is going to be dealing with? Surely somebody in the federal minister's office would at least have indicated to you what that is going to be, Mr. Minister.

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

**Hon. Mr. Swan:** — Mr. Speaker, I am very pleased to see that the hon. member can read the newspaper. That's the whole source of his great information that he's bringing to the House. He read a very, very small article in a newspaper. That's all the information the member has, and I don't think that we have any more answers that we should give until the report is made available to us.

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

**Mr. Tchorzewski:** — Mr. Minister, at least I took the trouble to read the newspaper, which is more . . .

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

**Mr. Tchorzewski:** — . . . which is more than you did with regard to your responsibilities as the Minister of Environment when you approved this project in the first place.

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

**Mr. Tchorzewski:** — Mr. Minister, is it possible, is it possible that this new chapter is about the thing that I

mentioned in my previous question, the effect that this dam will have on downstream water quality in Manitoba and North Dakota which you chose to ignore when you issued your licence provincially, Mr. Minister?

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

**Hon. Mr. Swan:** — Mr. Speaker, the question that the hon. member raises is purely speculative. It's a hypothetical question, and I don't think it is deserving of an answer in this legislature.

### Buy-out of Carling O'Keefe Brewery

**Mr. Mitchell:** — Thank you, Mr. Speaker. My question is for the Minister of Trade and Investment and concerns the announcement on July 27 that the government would provide \$15,000 in funding for Carling O'Keefe brewery employees to help fund a study on a possible buy-out by them of the brewery. Now this is the least that you can do in light of the fact that it is the Tory free trade agreement that got the breweries into such enormous difficulties in this country.

But your release is rather startling because it makes perfectly clear that regardless of the outcome of the study, your government will not take . . . not consider taking any equity position in any venture the employees may put together at Carling O'Keefe. And that is startling because it's your government that practically bankrolled the Cargill fertilizer plant, putting up a lot of equity and guaranteeing all of the debt.

Now how can these two positions exist at the same time? How can you treat the employees at Carling O'Keefe in one way in advance while spending huge . . . millions of dollars of public money in order to help your friends at Cargill?

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

**Hon. Mr. Andrew:** — Two observations, Mr. Speaker. First observation is the hon. member says that free trade agreement is what destroyed the brewing industry in Canada. If the hon. member had bothered to take time and read the trade agreement, he would have found out that in fact breweries and beer is not part of the trade agreement. In fact, beer has been excluded from the trade agreement, Mr. Speaker, enabling us, enabling provinces, should they wish, to still have a "brew it here, sell it here" policy which still exists in the province of Saskatchewan.

Now the office of the Minister of Public Participation cost-shared a study into whether or not the employees could participate in the developing of that particular brewery that the merger of the two breweries were going to shut down. Now the hon. member says that the government will have nothing to do with it other than that.

I read the paper and I believe the Minister of Public Participation has made it very clear that in fact they would qualify for a labour-sponsored fund. Now I know the hon. members are against that as well, but a labour-sponsored fund, Mr. Speaker, means that the employees can pool

together, put some money forward, Mr. Speaker, and get a substantial tax credit back. And therefore through that, Mr. Speaker, the people of Saskatchewan, the taxpayers of Saskatchewan can contribute, through that vehicle, a substantial amount of money to that type of a proposal.

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

**Mr. Mitchell:** — A new question, Mr. Speaker. Mr. Minister, you didn't even touch my question. My question had to do with the double standard that you imposed in advance in this case. Your press release makes perfectly clear that in no circumstances will you consider participating in an equity way in this project, and yet you open the public purse and fund Cargill to build a fertilizer plant that we don't need and which . . . to give them money — I say we don't need because we already were having plants in Rosetown and Melfort and Melville.

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

**Mr. Mitchell:** — And on top of that you use public funds to help Cargill, who doesn't need any help. Now that's a double standard . . .

**The Speaker:** — Order, order. I don't like to interrupt the member but we're having difficulty hearing him, and I'd ask the members to come to order and allow the member from Saskatoon Fairview to put his question. Order, order.

**Mr. Mitchell:** — I'll try again. It's a double standard, Mr. Minister, and you didn't touch that in your first answer. You've got a situation here where you refuse in advance to participate in an equity way with employees who are Saskatchewan residents, and barely a month ago you opened the public purse to put a large amount of money into the Cargill project — Cargill doesn't need the help — and in addition to that guarantee the loan.

Now how do you make sense of this; how come the double standard?

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

**Hon. Mr. Andrew:** — Mr. Speaker, I observed in the hon. member's question the following statement by the hon. member, and I assume speaking for the NDP, that the province does not need a fertilizer plant. Well, Mr. Speaker, the members of this side of the House and the farmers of Saskatchewan say that this province does need a fertilizer plant.

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

**Hon. Mr. Andrew:** — Mr. Speaker, there are no fertilizer plants in the province of Saskatchewan, and we consume a great deal of fertilizer, all imported into the province of Saskatchewan. This province has three breweries that makes beer for sale in Saskatchewan, and those breweries are not working at full capacity because the people of Saskatchewan don't drink enough beer to keep those breweries working at full capacity, Mr. Speaker. I say to the hon. member, and I say to the people of Saskatchewan, we believe that we must move towards

manufacturing, producing fertilizer for the farmers of Saskatchewan right here in the province of Saskatchewan.

We also believe that we should make beer to be consumed here in the province of Saskatchewan, but it makes no sense, Mr. Speaker, to make more beer than the people are going to consume.

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

**The Speaker:** — Order, order. Hon. members come to order; that includes the member for Regina Lakeview.

Why is the member on his feet?

## MOTIONS

### Suspension of Private Members' Day to Continue Debate on Bill 20

**Hon. Mr. Hodgins:** — Mr. Speaker, before orders of the day I would like to ask leave of the Assembly dealing with business that will take place tomorrow on private members' day. And I would say, Mr. Speaker, in light of the fact that we are now fast approaching 70 hours of debate on Bill No. 20, in light of the fact that most reasonable people would think that that should be about sufficient time, I would seek leave of the Assembly to move the following motion:

That notwithstanding rule 8, on Tuesday, August 1, private members' business shall be suspended in order to continue with consideration of Bill No. 20.

Leave not granted.

**Mr. Lingenfelter:** — Mr. Speaker, what we would certainly agree with to do tomorrow evening is deal with other government business. I mean, there's many Bills, many estimates that are left to do, and we would be very interested in dealing with other crucial issues that are facing the taxpayers of the province — \$3 billion in a budget that hasn't been passed yet. We'd be very interested in dealing with some of those estimates.

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

## GOVERNMENT ORDERS

### 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. Hagel:** — Thank you very much, Mr. Speaker. It is my privilege and my pleasure to renew debate on this Bill to privatize the Potash Corporation of Saskatchewan. Contrary to the impression that the government Deputy House Leader may like to leave in his words just a

moment ago . . .

**The Speaker:** — Order, order. I am going to ask the hon. members to refrain from making comments across the floor. The member for Moose Jaw North is in the process of addressing the House, and I believe deserves our attention.

**Mr. Hagel:** — Thank you very much, Mr. Speaker. I appreciate your assistance.

Now, Mr. Speaker, contrary to the impression that some government members may like to leave, including just within the last two minutes or so, we are entering into about the half-way point in terms of debate time — in fact we're not quite there yet — of the total length of debate that took place in this House back in 1975-76 when the Potash Corporation of Saskatchewan was formed.

And we see very interestingly, Mr. Speaker, the reaction of the Minister of Finance, the minister responsible for the privatization of the Potash Corporation of Saskatchewan, the minister who along with Colin Thatcher as one of his bench mates was a Liberal-cum-Tory, who vehemently opposed the introduction of the Potash Corporation of Saskatchewan. We now begin to see the reaction of that minister who never ever did believe in the Potash Corporation of Saskatchewan, who is the minister bringing to this House, Mr. Speaker, this legislation to get rid of the Potash Corporation of Saskatchewan. We begin to see his frustrations showing up in the House today.

And I think, Mr. Speaker, it can be accurately said that he speaks for all of his caucus when he comes to this House frustrated about the fact the New Democratic Party caucus members are representing the will of the people in this debate. New Democratic Party caucus members stand for the future and the security of our people in the province of Saskatchewan and see the potash corporation as an integrate way of doing that for the future of our province and our people, Mr. Speaker.

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

**Mr. Hagel:** — He doesn't understand it; he never did. He has no desire, I think it's been demonstrated, to learn.

Mr. Speaker, it's obvious as well when one looks at the reaction of the members opposite that there is nothing so antsy as a Tory without a per diem — nothing so antsy as a Tory without a per diem. It's kind of interesting how, while the per diems were being received by the members in government, that the length of debate was not an issue.

And they fooled around with it and brought the debate on this Bill forward in bits and pieces — an hour, half hour at a time, sometimes three-quarters of an hour — trying to leave the impression that they were calling it for a long period of time, which they weren't.

Mr. Speaker, once the magic day 70 came by and the Tory members were no longer receiving their per diems, they daily expense payments for being here. All of a sudden they became principled, it seemed. And what was the principle that seemed to be coming forward? The principle was to hurry this up, to begin to ram this

through. And we saw the change of hours, and so on, and on, and on.

Well it seems to me, Mr. Speaker, that that is an empty excuse. It is empty rhetoric. The debate on this Bill must continue. It will continue for a long time, and the members of the New Democrat opposition are standing in this House very strongly representing the will of the majority in the province of Saskatchewan.

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

**Mr. Hagel:** — Mr. Speaker, let me proceed from where I left off in my remarks when we recessed at 11 o'clock this morning. I have been making the argument here and supporting it with data from a number of sources, Mr. Speaker, bringing to light the information, the financial implications of the approach to potash management that we've seen in the province prior to the New Democrat government bringing the Potash Corporation of Saskatchewan into place during that time, and then following with the Potash Corporation being administered under a Tory administration without the political will to make it work.

And then, Mr. Speaker, I find it kind of interesting . . . if I may just briefly reiterate to put it in context, given that we've had this break in the debate. I make simply the case that there are three roles that the Potash Corporation of Saskatchewan plays in assisting Saskatchewan people. And that's plainly and simply to increase the revenues in our Consolidated fund, to provide services and keep taxes down.

What are those three ways? Simply put, one, direct profit paid to the Consolidated fund in the form of dividends. Secondly, taxes and royalties paid directly to the province of Saskatchewan the same as any other private corporation. And thirdly, the degree to which it's . . . by its very existence the Potash Corporation of Saskatchewan forces the private potash companies to start paying their fair share in taxes and royalties.

And that's been the record. That's been the record. It's been clearly indicated that prior to the introduction of PCS (Potash Corporation of Saskatchewan), an average of some \$2 million a year in taxes and royalties come to the province of Saskatchewan from potash.

And then when the private companies — largely American-owned in this province — refused to pay any taxes and royalties, refused to open their books to defend their case, their argument that taxes and royalties are too high and unfair, and refuse to allow the government of the day, which on behalf of the people of Saskatchewan has total constitutional authority to determine what happens with our natural resources, the Potash Corporation of Saskatchewan, was formed.

In the first full operating years of the Potash Corporation of Saskatchewan with a New Democrat government, the political will to make it work, an average of \$197 million a year in taxes and royalties. And then under the PC government of 1982 to 1986, without the political will to work, still substantially better than the pre-PCS days, but substantially reduced with some

40,000, less than 40,000 . . . \$40 million a year, I should say, in taxes and royalties being paid.

Now, Mr. Speaker, let me proceed from there then and continue my remarks. It seems to me that this is a very, very crucial point in this whole debate, and we should understand the facts clearly. When I point to those significant differences in the revenues being realized by the province of Saskatchewan from potash in total, the total industry in the province, the difference is between \$985 million under a New Democrat administration and \$274 million under a PC administration — the same number of years.

Is that because, as a matter of fact, the production was down? Is that the factor that determines why there was less revenue? Well, Mr. Speaker, when I take a look at the records, I find that as a matter of fact from 1977 to 1981 there were 32.7 million tonnes of potash produced in Saskatchewan, during the New Democrat years, and that production brought about \$985 million in taxes and royalties. From 1982 to 1986, the equivalent number of years under the PC government, determining taxes and royalties as well as running the Potash Corporation of Saskatchewan, 31.4 million tonnes of potash were produced.

Now, Mr. Speaker, a difference of 1.3 million tonnes, and in the total scheme of things a difference of about 3 per cent. We can say therefore, Mr. Speaker, that the amount of potash being produced was therefore equal. I grant that 3 per cent is not exactly equal; it's slightly less, and I recognize that.

However, that would suggest then that if revenues had been realized at the same rate, there should be a difference of no more than 3 per cent, and it should be well within that range. Or we could say, Mr. Speaker, perhaps the prices were different. Maybe the prices for potash being sold, maybe that was different. Maybe that spells out why there was such a substantially different realization of revenues to the province of Saskatchewan from potash in the province.

**An Hon. Member:** — No.

**Mr. Hagel:** — Well my colleague from Battleford says correctly, no, n-o, they weren't substantially different. Mr. Speaker, from 1977 to 1981 the average price of potash was \$109.50 per tonne in the New Democrat years. In the PC years, what was the price of potash? Was it a whole lot lower? Was that why we were realizing less revenue in the province of Saskatchewan? No, not at all. In 1982 to 1986 the average price of potash was \$106.69 a tonne. And so we see, Mr. Speaker, a difference of less than \$3 per tonne, again a difference of less than 3 per cent.

Now it would seem to me then, if you've got the same level of production of potash going on, same length of time, same price, that it's reasonable for the people of Saskatchewan to expect that if their governments are continuing to operate in their best interest, that the revenues coming in that helped them to keep down their taxes; that helped them to not have a flat tax imposed; to help them not have their sales tax increased; to help them not have their bingo taxes and their used car taxes and their gasoline taxes, Mr. Speaker; to help them

not have their health care and education services cut, and all those sorts of things, that the revenues should be approximately the same. But they aren't. And how can you explain this?

Mr. Speaker, there's only one way to explain this. We're seeing a difference that is clearly, clearly a policy bias of the PC government in the management of potash by way of policy in the province of Saskatchewan. Not only in PCS. I've made the case already, and I'm not going to repeat that, in terms of management of the Potash Corporation of Saskatchewan. But as I've said before, what this points out very clearly is that in addition to the apparent mismanagement of the Potash Corporation of Saskatchewan there were policy decisions going on at one and the same time that led to substantially reduced revenues to the province of Saskatchewan from potash.

And so, Mr. Speaker, we can only conclude, we can only conclude that that was a conscious decision that was made by the members opposite, the members who are now bringing to this Assembly a Bill to privatize the Potash Corporation of Saskatchewan, Bill No. 20.

(1345)

Mr. Speaker, I think we'll just . . . one final item by way of comparison in terms of management of the Potash Corporation of Saskatchewan under the two jurisdictions. I'd like to just draw to the attention of the Assembly the return on equity, which is one financial measure of the success of the operation of a corporation. From 1979 to 1981, Mr. Speaker, there was a 21.4 per cent average, under New Democrat administration, return on the equity benefits to the province based on investment; 1980 was higher, 28.79 per cent; 1981, 20.65 per cent. Sum total, something in excess of 22 per cent average return on equity under a New Democrat administration.

What was the return on equity from the best business minds of the PC Party in their first five years, the equivalent number of years, of operating the Potash Corporation of Saskatchewan, 1982 to 1986, Mr. Speaker? In spite of the fact that the production was virtually the same, 3 per cent difference; in spite of the fact that the price was virtually the same, less than 3 per cent difference, the return on equity was only 5.1 per cent or less than a quarter of what was being realized by the Potash Corporation of Saskatchewan under a New Democrat administration that had the political will to make it work.

And so when I put all of these things together, I can only draw one clear conclusion, Mr. Speaker. When I look at the drastically reduced revenues realized from the potash corporation under a PC administration compared to a New Democrat, drastically reduced revenues from potash industry in total under a PC administration compared to a New Democrat, I can only draw one conclusion, Mr. Speaker, and that's this: that makes a strong argument for making a change.

The Premier of the province of Saskatchewan says, under the Progressive Conservative leadership, the Potash Corporation of Saskatchewan has assumed debt it didn't

have before under the New Democrats. The Premier says, if he's being honest, under a Progressive Conservative leadership, the Potash Corporation of Saskatchewan is realizing less in profits and taxes and royalties, and the potash industry in total is realizing less, and therefore we have to make a change, says the Premier; therefore we have to get rid of the Potash Corporation of Saskatchewan.

I say, Mr. Speaker, we need to make a change — we need to make a change in the political will of the management of potash and in particular the Potash Corporation of Saskatchewan. We don't need to change the Potash Corporation of Saskatchewan from a public to a private sector corporation. What we need to change is the political management of the Government of Saskatchewan. That's what will really serve the people of Saskatchewan most effectively, Mr. Speaker.

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

**Mr. Hagel:** — And so, Mr. Speaker, given that, let's then take a look at what I would consider a schizophrenic management approach to the Potash Corporation of Saskatchewan under the years of the PC administration. When I look at how the PC administration handled the approach it took towards management, I begin to understand what the term "progressive conservative" means, Mr. Speaker.

It is a bit of a befuddling term when you stop and think about it. But when you try to analyse what the words mean: progressive means going forward; conservative means going backward. You've got Progressive Conservative administration. It's going forward and it's going backward. And, Mr. Speaker, if you go forward and backward often enough and fast enough, at best you look like you're standing still, and that's the best that this government can hope to achieve, Mr. Speaker.

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

**Mr. Hagel:** — So we've got this Progressive Conservative Potash Corporation of Saskatchewan. It's going forward and it's going backward, and in the end the Premier would like us to believe that it's standing still. Well, Mr. Speaker, let's just take a look at this schizophrenic approach to management by the Potash Corporation of Saskatchewan, zipping forward and backward, and all the time doing its best to stand still.

Well, Mr. Speaker, let's take a look at the forward part first. Did the Conservative government come to office and find itself saying right out front, prior to its election in 1982, that if elected it was going to privatize the Potash Corporation of Saskatchewan? Or did it simply come to office and kind of stumble on this entity and pick it up and see what in the world they were going to do with it.

I refer back to an annual report in 1982 where the chairman of the Potash Corporation of Saskatchewan was the current member from Yorkton, Mr. Speaker. And he seemed to believe that some of the expansion plans that were in place because a New Democrat government had believed that there was not only the effective returns to the Consolidated Fund from potash that we were

realizing then, but that as a matter of fact it could be improved over time with a strong corporate plan — did the chairman then, the member from Yorkton, come into his responsibilities, inherit his responsibilities and say, those are not good plans; let's put a halt on this or let's make some change that we're now seeing them propose, Mr. Speaker?

No, that's not what he said. He was exercising his right to be progressive, as part of the Progressive Conservatives. And so while he was being progressive, a progressive Progressive Conservative, Mr. Speaker, what did the member from Yorkton say in his annual report, 1982, chairman of Potash Corporation of Saskatchewan?

He said, and I quote, Mr. Speaker, the member from Yorkton said this:

It (was, and) is our firm belief that (from these changes, and as a result of these difficult times,) a new and stronger PCS can emerge.

With this belief in mind, the Board of Directors supported management's recommendation to continue with one of our major projects in Saskatchewan. I refer to the PCS Mining Lanigan Phase II expansion which is now underway.

This clearly illustrates our commitment to, and our belief in, the future of PCS as a viable, vibrant commercial entity.

Well, Mr. Speaker, I have disagreed with a lot of things that the member from Yorkton has said over the years, but I'll tell you, when he wrote those words in his 1982 report of the Potash Corporation of Saskatchewan, as its chairman, appointed by the Premier of Saskatchewan, that year he had it right, Mr. Speaker.

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

**Mr. Hagel:** — In the annual report of 1982 as well, Mr. Speaker, the president, Mr. Harapiak of the Potash Corporation of Saskatchewan, he was optimistic too, and he was part of this progressive Progressive Conservative entity that we had run in the province.

And what did he say in 1982? He was also optimistic. He said:

In the longer run we are optimistic about the future of PCS, in that PCS Mining owns the largest and most economic potash reserves in the world.

And he's right; he was right.

Then in 1983, the minister responsible for the Crown Corporations Committee, the current Minister of Justice. Back in those days he was getting ready to deliver the most brilliant budget that Saskatchewan had ever seen, when we inherited the flat tax that still makes us unique in the free world. Well, Mr. Speaker, what did the minister responsible for the Crown Corporations Committee have to say in 1982, as he was being part of this progressive Progressive Conservative initiative, and he said:



I think that we're doing better in our management. Certainly the board of potash corporations has confidence in the management of potash corporation. We are satisfied with the management of the potash corporation.

Are you satisfied? He was being a progressive Progressive Conservative. Well, 1983 in the annual report, the chairman, now Cliff Wright, who since that time has inherited the responsibility for putting forth the 85th birthday party for the province of Saskatchewan in the election year to come. How much . . .

**An Hon. Member:** — Nine million.

**Mr. Hagel:** — Oh, the 9 million, that's the \$9 million birthday party that Cliff Wright is responsible for organizing, and getting that running in the election year of 1990. Well, Mr. Speaker, the chairman of the Potash Corporation of Saskatchewan in 1983, he was also optimistic. How do we know that he was optimistic? We know he was optimistic because he said he was. He said, and I quote:

The optimism with which the board of directors and the provincial government view PCS is reflected in the decision announced shortly after year end that the corporation would move into new headquarters in 1985 (he said). While their decision was based primarily on economic reasons, the fact that it involved a 20-year commitment (a 20 year commitment he said in 1985) indicates the confident way in which the future of the corporation is seen.

More evidence, Mr. Speaker, that there were some who sat in the government benches, or were appointed directly by the government benches, who were part of the progressive Progressive Conservative view of the Potash Corporation of Saskatchewan. In 1985 in the Annual Report, chairman Cliff Wright writes again, and I quote:

The corporation believes its mines are among the most efficient and productive in the world.

And again he was right, Mr. Speaker. Very, very efficient, the richest resources in all of the world, potash within our boundaries here in the province of Saskatchewan. And in the 1986 annual report, the new chairman, Paul Schoenhals, he used to be a football coach. After being a football coach, he came into this Assembly, and after serving for four years he was transferred to the private sector by his constituents, Mr. Speaker. He then transferred to a promotion as president of the Potash Corporation of Saskatchewan.

You see, Mr. Speaker, in the Progressive Conservative government, when heads roll, they never roll downhill, they always roll uphill, Mr. Speaker. And so the potash corporation chairman, he got transferred to the private sector by his constituents, and his head rolled uphill too. He became the new chairman of the Potash Corporation of Saskatchewan. And the old adage, down goes a Tory and up pops a job, was proven again, Mr. Speaker.

Well what did Paul Schoenhals have to say, the new

chairman, in 1986? He said, and I quote:

While the corporation has experienced hard times, it continues to be among the industry leaders in mine operations and technology, transportation, customer service, and research and development.

And so, Mr. Speaker, we have on the one hand ministers responsible, ministers of the Crown, chairmen appointed by this government, expressing a great deal of confidence in the future of the Potash Corporation of Saskatchewan, recognizing very clearly its potential as a potash producer. And that was the progressive part of this Progressive Conservative notion, Mr. Speaker.

But what else was going on at the same time? Because, as I say, they were going forward and backward at the same time. Well, Mr. Speaker, while the Progressive Conservative, while the PC government was at least in words expressing optimism and confidence in the future of potash and the Potash Corporation of Saskatchewan, its role in this province, when this government came into existence, the first thing, one of the very first things it did, as a matter of fact, was take a step back — the conservative part of the Progressive Conservative notion.

You see, prior to that time, prior to the change of government it was recognized by the Blakeney administration that the Potash Corporation of Saskatchewan was growing and had a great deal of growth potential. It was recognized as well that in order to maximize the security for Saskatchewan people, what you really wanted to do was to tap into the potential for foreign sales, and for long-term foreign sales to other governments, many of which would be across the ocean, overseas.

It was recognized that production of food would always be a concern in this world and that, as a matter of fact, some of our biggest users of potash for purposes of fertilizer were some countries with some of the largest and fastest-growing populations.

And it was recognized that the Potash Corporation of Saskatchewan had the ability, because of its rich resources, to arrive at long-term agreements for sales of our potash, building in security of sales, but most importantly from that, security of revenues realized for the people of Saskatchewan.

At that time the Potash Corporation of Saskatchewan sales were being done through Canpotex, which is a cluster of private sector, with the exception of the Potash Corporation of Saskatchewan, PCS. All of the rest of the members of Canpotex, a selling conglomerate for potash, Mr. Speaker, were from the private sector. PCS realized that although it was the largest single producer of potash, it, as a matter of fact, was a very minor player in the decision making in Canpotex.

In realizing that, the objective of the Potash Corporation of Saskatchewan, it was more important to build in long-term security than the short term . . . necessarily the short-term profits in any given year had a great deal of

interest developing that potential; recognized it as a minor decision maker in Canpotex, although it was a major producer of potash; that Canpotex was just simply not the entity to provide that long-term security through long-term contract with other nations. The Potash Corporation of Saskatchewan was going through a transition where it had established PCS International to begin to do its own sales, and had given notice — had given notice.

As a matter of fact, I remember back to those days that notice had been given to Canpotex that PCS was going to pull out, was going to manage its own sale arrangements. It made a lot of sense; it still does.

(1400)

One of the first things then that the Tories did because they believed that . . . again here comes the ideology, this rigid doctrinaire ideology that governs the decision making, that the private sector should never, ever be competed with by the public sector, even though the public sector, as a matter of fact, was operating more efficiently; if anything, was a better producer. That the private sector must not have fair competition from the public sector — that was the thinking.

That's an odd notion from these great defenders of competition, Mr. Speaker, but we've seen lots of examples how they believe that the private sector really can't fly it on its own, and particularly if it's a private sector that has a political bias. And I don't have to get into details about the relationship with Peter Pocklington and the \$20-plus million that he received from Saskatchewan to be a private sector competitor with an existing bacon plant in the province of Saskatchewan.

However, setting that aside, Mr. Speaker, while these PCs were expressing their optimism in the Potash Corporation of Saskatchewan, one of the first things they did after coming into power then was to remove the potash corporation out of Canpotex . . . I'm sorry, to remove the potash corporation out of its intent to proceed with PCS International and to entrench it as a member of Canpotex, thereby reducing the potential for PCS to realize the international sales that it was confident it could achieve if left to work on its own.

So you can only see from that, Mr. Speaker, the implication is that the PCs didn't believe that the people of Saskatchewan could do it as well as the foreign-owned potash corporations in Saskatchewan, if the people of Saskatchewan with their own private, with their own public potash corporation were left to their own to develop the markets and increase the long-term security. But that ran against the grain of them therefore making decisions that would jeopardize the profitability from a highly efficient, competitive PCS; would jeopardize the profitability of the private American potash corporations in the province of Saskatchewan.

And so they didn't give it a chance to prove itself. They said Saskatchewan people, never mind the fact that you've got the best resources and the most efficient production of potash, we're not going to give you, as the people of Saskatchewan, the chance to prove yourselves

and to make this thing grow. And so they withdrew the opportunity and said, stick with Canpotex, the sales operation that operates with a definite bias towards the private sector, their friends in the private sector.

Well, Mr. Speaker, one has to wonder then if there wasn't a conspiracy, if there wasn't a conspiracy of some sort going on — and surely the evidence is there, in spades — then why in the world, why in the world would the Potash Corporation of Saskatchewan under a PC administration be reducing its production levels, laying off workers — I've been through that; the reductions in workers — and closing down its mines while at the same time private potash companies in Saskatchewan maintaining their level of production.

We saw subsequently then, Mr. Speaker, the government close the PCS Cory mine. That was the decision made by this government — to close the Cory mine. The irony of all ironies, the sadness of all sadnesses, Mr. Speaker, is that in 1988, in this last year that we've just completed then, in which, in fact, \$106 million profit was realized, in 1988 the Potash Corporation of Saskatchewan was operating at about two-thirds of capacity. Two-thirds of capacity in 1988 and still \$106 million profit, while the private potash producers in Saskatchewan were operating at 88 per cent of capacity.

Now, Mr. Speaker, is there bias or is there bias? Is north up, Mr. Speaker? The case is very clear — the case is very clear. You've got a Potash Corporation of Saskatchewan managed with political will of a New Democrat government maximizing returns to the people of Saskatchewan. You've got a Potash Corporation of Saskatchewan under a PC administration that is gradually being dismantled and pared down in spite of the words of optimism that were being expressed by the representatives of the corporation at government tables.

So you see, Mr. Speaker, the objectives were clear. It was doing too well. You see, Mr. Speaker, if you've got a public corporation that runs contradictory to your blind ideology that says, the best is the private sector no matter what, and that doggone annoying public corporation just keeps making money hand over fist for the people of Saskatchewan, paying dividends, paying taxes and royalties, forcing the private sector corporations to pay their taxes and royalties, but you don't believe that that should be the case, because you're hidebound by a blind ideology. Then you can't allow this thing to grow and to better because the people of Saskatchewan increasingly realize the benefits from that, and then you can't come along in 1989 and say, we are right-wing, wild-eyed Tories; we don't believe in the balanced economy; we don't believe in the mixed economy; we've got to get rid of this Potash Corporation of Saskatchewan.

You've got to make it look bad. This was . . . Mr. Speaker, I put forth the case that the Potash Corporation of Saskatchewan was intentionally mismanaged, in spite of their words to the contrary — intentionally mismanaged by the Devine administration.

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

**Mr. Hagel:** — That's the plain truth of the matter. That's

the simple facts. There is absolutely no other explanation that can explain the circumstances, whereas in 1988 you've got the people's public Potash Corporation of Saskatchewan operating at two-thirds capacity, while the rest of the province is going full bore at 88 per cent — conscious decision made for political reasons because they don't want to accept reality; because they don't want to accept pragmatic solutions to our own problems; because they don't want to accept that the people of Saskatchewan, given the opportunity to work together and to use their governments to form the instruments, to pool our resources and provide securities and services for our people; if you don't want to accept that, sometimes you have to blindly set out to mismanage something that's so good that it even makes a profit in spite of you when it's operating at two-thirds capacity. And that's what happened.

It must have been a terrible disappointment to some of the members opposite when the Potash Corporation of Saskatchewan came up with a profit last year in spite of itself — \$106 million profit in spite of the PC administration, in spite of the fact that it was operating at only two-thirds capacity. But on the other hand they say, well maybe that'll help to make it a little more attractive to sell it off. That would be the only ray of optimism and sunshine that would be in that fact for the members opposite.

How sad it is, Mr. Speaker, how sad it is that we have a government in the province of Saskatchewan today, making decisions not in the best interests of the people of Saskatchewan, but making decisions because they are blinded by their political ideology. How sad that is. And ultimately, as I pointed out and don't need to repeat, it's the people who pay the price. The people pay the price.

Well, Mr. Speaker, there was no difference in approach to the management of the Potash Corporation of Saskatchewan than there was generally to this government's approach in the management of our government as a whole and our budget as a whole. It's identical — it's identical.

One has to wonder, is this pure coincidence that you have a PC government that inherits a \$139 million surplus and then goes through 1, 2, 3, 4, 5, 6, 7, 8 consecutive deficit budgets, with the large bulk of them, Mr. Speaker, the large bulk of them being predicted to be smaller than in fact they were?

You know, Mr. Speaker, one has to kind of wonder how that wild-eyed, red socialist Al Blakeney managed the Government of Saskatchewan as premier of our province for 11 straight years, 11 straight balanced budgets, 11 straight years of improved services to people of Saskatchewan.

And then along come the best business minds of the PC Party — the best business minds, we're told. There's so much more we can be, they said. Along come these best business minds and they start their first few . . . they don't even forecast a balanced . . . they don't even forecast a balanced budget in their first year. As soon as they get a hold of the books, they start giving notice that we're all in trouble, forecast eight straight deficit budgets.

You know, Mr. Speaker, there is a ray of confidence that PC Party members can have in their caucus here in this Legislative Assembly. There is one promise that this bunch has kept to the people of Saskatchewan. This bunch, the best business minds of the PC Party in the Legislative Assembly of Saskatchewan, have promised the people of Saskatchewan eight straight deficit budgets, and on that promise they've delivered, Mr. Speaker. They've delivered.

And who pays the price? The people pay the price. The same kind of management that was overriding . . . the political will that was overriding the management of the Potash Corporation of Saskatchewan. You see, Mr. Speaker, the implications of this go beyond taxes and services. They also . . . and I've referred previously, and I won't repeat it, to unemployment and out-migration. These are all part of the consequences of policy decisions being made. And I find it odd that this government that pretends to be the friends of business, while in fact it's truly the friend of big business, does simply not deliver.

You see, Mr. Speaker, small-business people in the province of Saskatchewan will make business decisions for business reasons. And to some degree, to some degree their willingness to invest, to take a risk in the province of Saskatchewan will be reflected in the confidence it has in our government. The Government of Saskatchewan is destined, surely for your lifetime and mine, and well beyond, to be a very, very significant factor in the economy of our province.

We are a huge province. We are a province larger than most countries in the world with a very, very sparse population — less than a million people and shrinking every day, unfortunately — harsh climate. So, Mr. Speaker, surely for your lifetime and mine, and I think well beyond, the confidence that the government projects in Saskatchewan, the economic confidence that it projects will have a great deal to do with the degree to which small-business people in the province of Saskatchewan will make their own decisions.

If our government isn't expressing confidence in our future, they say, how can we feel confident? How do you take those risks? How do you make those investments to expand or to start up? And, Mr. Speaker, the unfortunate reality — and again I won't go through one by one; I need not do that — is that at the same time as this general approach to management of government was going on that was consistent with the management of the Potash Corporation of Saskatchewan, all of the province of Saskatchewan was beginning to understand and to feel and to appreciate the jeopardy in our economic circumstances.

How do I know that? I know that by looking at the facts. What are the facts? The facts are that bankruptcies in Saskatchewan have risen dramatically over these same years in the province of Saskatchewan. In 1982, Mr. Speaker, there were 787 bankruptcies in the province of Saskatchewan, and in 1983 that increased to 901; 1984, dropped to 838, and then the climb started again after 1985. It dropped to 756, and then the climb began: 913

bankruptcies in '86; 991 in 1987; and now, Mr. Speaker, in 1988, 1,236 business bankruptcies in the province of Saskatchewan.

Nearly doubled, the number of bankruptcies, businesses and individuals going under, declaring bankruptcy — in the terms of the PC administration, Mr. Speaker, a reflection of the confidence that Saskatchewan people and Saskatchewan business have felt in this administration; reflected by its administration of the policies generally and specifically the Potash Corporation of Saskatchewan.

Well, Mr. Speaker, if that's not bad enough news to understand what has happened, we now then come to the question of mandate. And I'd like to move to a new topic, Mr. Speaker, to make some comments related to the political mandate that the PC government does or does not have in the province of Saskatchewan today.

(1415)

Mr. Speaker, it is my view, and I put forth my conclusion. You've brought to my attention earlier, and I know it's your interest to see good debate in this House, and in your role as Speaker, to assist us in formulating debate which is consistent with the expectations of the rules of this Assembly. And, Mr. Speaker, I like to believe that I've learned something from what you've commented to this House, so let me begin with my conclusion first, and then document my case to substantiate that.

So first of all, the conclusion. I have to admit, Mr. Speaker, I find it a bit awkward because sometimes it's nice to build up to a conclusion; however, I understand your rulings. It makes me feel sometimes a bit like a PC decision maker where you start with your conclusion and then you just sort of build things on to justify it. But recognizing that, Mr. Speaker, let me proceed.

First of all then, let me state very clearly, it is my view that the PC government has no mandate, has no mandate to privatize the Potash Corporation of Saskatchewan. That mandate, purely and simply, does not exist — it does not exist. The people of Saskatchewan have in no way said to this PC government, we want you to privatize this Potash Corporation of Saskatchewan that was making so much money for us under the New Democrats, was making a lot less money under PCs, but still a whole lot more than before PCS existed. The people of Saskatchewan have not reared up on their hind feet and said, privatize it because we want to get rid of this cash cow. We've not heard that. We've not heard that.

Nor, Mr. Speaker, nor have we heard the PC Party, prior to any election or in the course of, asking the people for a mandate to govern in the course of an election; we have not heard a single word from the PC administration asking for the people to give outright or to even imply their support for a mandate to privatize the Potash Corporation of Saskatchewan. We've not heard that.

In fact, Mr. Speaker, we've heard the opposite; we've heard the opposite. And let me refer, Mr. Speaker, to the words quoted from the then minister of Finance, the current Minister of Justice, the member for Kindersley, as

he was reported in the January 29, 1985 edition of the *Moose Jaw Times-Herald*.

At that time, Mr. Speaker, the member for Kindersley had been to Moose Jaw for a visit, some would say a pre-election visit, getting ready for the next election. In fact, the discussions that he had with the reporter, Sarah Peiris of the *Times-Herald*, in fact, were very much about the future and were very oriented in that direction — looking ahead to the future.

Well, Mr. Speaker, what did the member for Kindersley have to say, the Minister of Finance? And I read, and I quote . . . the article opens, and I quote:

Saskatchewan Finance Minister, Bob Andrew, says the Crown Management Board's hiring of Dave Heron, a Saskatoon chartered accountant specializing in taxes, doesn't mean the government is thinking about selling off some CMB assets.

That's what he said in 1985. Well, yes, we got this Saskatoon chartered accountant and he's kind of a tax specialist, but that doesn't mean we're thinking of selling off any assets. This is what he said prior to the election when he was in Moose Jaw.

The article goes on to say, and I quote again, Mr. Speaker:

Heron is currently on tour with Premier Grant Devine in Europe, and speculation is that he is discussing the recent sale of the giant English Crown corporation, British Telecom, with officials there. The British government recently privatized British Telecom in the largest transaction of its type in history.

Well let's see here now, we've got this minister of Finance, Tory minister of Finance, 1985, prior to the election he's saying, yes, we hired this guy. It's got nothing to do with privatization. Well it doesn't matter that he's with the premier over in Europe, in Great Britain, where they've just privatized their telecommunications system. Oh, we must be on some kind of a fact-finding mission, I guess is what he would like us to believe.

So what else does he say? And let me quote again, Mr. Speaker:

"Selling off some Crown corporations," says Andrew, "isn't a variable option for the government."

Let me repeat that, Mr. Speaker, because it leads to some head scratching because this seems a little different from the message — a little different from the message three years into the term of office, three years into the term of office, but prior to the election when the PC Party had every opportunity to present its case and to ask for a mandate from the people of Saskatchewan. Was it talking about privatizing in those days, Mr. Speaker? No. What does the minister of Finance say at that time?

"Selling off some Crown corporations," says Andrew, "isn't a viable option for the government,

although privatization was recommended by Conservative Party delegates at last year's annual convention."

Well this begins to give us a little glimmer here, Mr. Speaker, a glimmer of understanding. The minister of Finance says, oh, no, no, no, no, no, no, no, there's an election coming. We're not thinking of any of that privatization stuff, no, no, not us. It's not a viable option, he said. However, our delegates, our party members have recommended privatization, but none of that for those of us who make the decisions in the cabinet, of the government.

And then he went on, Mr. Speaker, and then he went on. Did he go on to say, well, maybe I've misled you here; we're going to have to clear this point up? The report says, and again I quote:

Some party members see the sale (by party he was referring to PC Party, Mr. Speaker), some party members see the sale of Crowns as a method of raising capital for a cash-starved government . . .

Maybe this is part of the plan.

. . . see it as a method for raising capital for a cash-starved government currently facing a billion dollar cumulative deficit.

Boy, those were the days. We only had a billion dollar deficit four years ago. Can you believe that, Mr. Speaker? We're up to 4 billion now.

You know, it's kind of odd. Before this government came to office, it had a \$139 million surplus. I wonder if you ask people of Saskatchewan what surplus means, Mr. Speaker, whether there would be many that would even know what it means. Surplus means that there's more coming in than going out. Not many people understand that these days, because since 1982 they've just never seen it happen. But surplus means more coming in than going out. That's not Tory-style management of our economy.

So it says some party members see it as a way of bringing in some money because of this deficit that the best business minds of the PC Party have racked up for the province of Saskatchewan. But it says, and I quote:

Andrew doesn't agree.

The minister of Finance doesn't agree, he said. He said, and I quote:

Privatization is yesterday's theory (he said).

Privatization is yesterday's theory, said the minister of Finance in 1985.

**An Hon. Member:** — That's the conservative side going backwards.

**Mr. Hagel:** — Yes. There it is. Now we come to the conservative. This is the backward, jump onto the horse in rear, Mr. Speaker. You leap over the head, you get onto

the saddle facing the wrong direction, you kick that horse and gallop off in all directions at once. Yes.

Privatization is yesterday's theory, and he's right. Because you see, Mr. Speaker, the minister of Finance understood then, as I believe he does now, now as the Minister of Justice, that privatization is the economic model that took us into the Dirty Thirties. He understood that then as it is now. Where there is no mix in the economy of public, private, and co-operative, there's just private sector. That's the be-all and the end-all. The minister of Finance understood that then prior to the election; he understood it very clearly because he said, privatization is yesterday's theory. In fact that was the byline on the article. And I quote:

Andrew: privatization is yesterday's theory.

Those were the words of the minister of Finance, the PC minister of Finance, prior to the election. Well, Mr. Speaker, the article goes on, and I'm leaving out the extraneous parts here. And I quote again:

But to debate whether or not Crown corporations should exist at all is an archaic question, Andrew said. It doesn't make sense for one government to build these things and for the next one to come and sell it all off.

Well you know, Mr. Speaker, I have found a common bond with our current Minister of Justice and the former Minister of Finance. There will be a lot of things about which we will disagree. But when the Minister of Finance, the member from Kindersley, was in Moose Jaw talking about the PC government and privatization, we're talking the same language, Mr. Speaker, when he said it's yesterday's theory and it doesn't make any sense for one government to build these things and for the next one to come along and sell it off. He had it precisely right before the election, Mr. Speaker.

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

**Mr. Hagel:** — Precisely right before the election. That's the way they talked before the election — before the election.

And then after the election what have we seen? We've seen Progressive Conservative, where your words are going ahead and your actions are going back, and you're going ahead and back so fast, and the best you can hope for is you look like you're standing still. That's what we see.

But oh, the words were clear, the words were clear. There was no request for a mandate to privatize the Potash Corporation of Saskatchewan or anything else. Mr. Speaker, we will remember, we will remember, those of us in this House, the debate that went on in the course of the election. This very issue was raised in the election.

The former premier of Saskatchewan and the Leader of the Opposition at that time, Allan Blakeney, raised in that election the question that was on the minds of the people. Odd notion that you'd raise things in the minds of the people during an election, but he did, Mr. Speaker. And

he said, you've got your folks trotting off to Great Britain looking at their telecommunications system. You guys are thinking of . . . you're not saying it, but you're thinking of privatizing Crown corporations when you get into office.

And oh, our Premier he stood up on his hind haunches, Mr. Speaker. He said, oh no, no, no, oh no, none of this privatization stuff. No, no, that wouldn't make sense. He was right in here, right in here with the Minister of Finance, saying that's yesterday's theory. None of that odd stuff; we're not going to privatize SaskTel. In fact he said, we're not going to privatize any utility, he said. That's what he said in the course of the election.

Well now here we got it. How is he for his word? We've got the Speech from the Throne, the Speech from the Throne read in this House on Wednesday, March 8, 1989, by Her Honour the Lieutenant Governor, written for her by the government, saying, and I quote:

My ministers will prepare for public share offerings in several of our Crown corporations, including the Potash Corporation of Saskatchewan, SaskEnergy (which we all know was SaskPower, the gas side of SaskPower), and the general insurance business of Saskatchewan Government Insurance. Legislation relating to these initiatives will be placed before you for your consideration (said the Lieutenant Governor).

Never mind what the Premier said prior to and during the election of 1986. Never mind his answers when the people of Saskatchewan said, we're concerned; we understand what this world was like, what this province was like before we had Crown corporations operating in the best interests of the people of Saskatchewan, built to serve the people of Saskatchewan — some to provide service and others to provide profits that can go into the Consolidated Fund to provide us good services from our government at the lowest possible cost or taxes.

The people of Saskatchewan understood; they had a history. The people of Saskatchewan have been through the Dirty Thirties, we've been through privatization, we've been through all of that, Mr. Speaker, and said, that's yesterday's theory. The people of Saskatchewan and the Minister of Finance in 1985, and I and the members of the New Democratic Party caucus, and yet today the majority of Saskatchewan people, are all standing together when they say, privatization is yesterday's theory, Mr. Speaker.

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

**Mr. Hagel:** — So what do we have? What have we got? We got a government that says, well I know we didn't tell you this before the election; I know when we were asked during the election whether we were going to privatize these corporations, we said no. But here we are three years into our term that we won with less votes than the official opposition — less votes than the official opposition — three years into the term of office, having said the exact opposite of what they were going to do prior to the election, and denied it during the election.

We now have the Premier of Saskatchewan waltzing into

this Legislative Assembly and saying, we've got a mandate to do it. Mr. Speaker, I don't know what school of political economics or political science the PCs have attended, but if they haven't skipped classes, they've flunked, Mr. Speaker.

(1430)

There is no tradition anywhere in the free world where democracy flourishes, that says, this is the way you ought to do it. You ought to say the opposite of what you're going to do before the election, deny it during the election, get a mandate to govern with a smaller percentage of votes than the official opposition, wait three years into your term, and then come to the Legislative Assembly and say we got a mandate.

And then the Minister of Finance stands in his place and says, in spite of the fact that the New Democrats had a mandate prior to 1975-76 and allowed for 120 hours of debate on second reading, the Deputy House Leader stands in his place and says he's getting a little antsy because we've been here for almost 60 hours debating this, and the PC back-benchers aren't getting their per diems, and so we're going to have to push this along. We're going to have to extend the hours of debate because our back-benchers are getting a little antsy; they're not getting their per diems.

And we've got this mandate, we've got this mandate to privatize the Potash Corporation of Saskatchewan. We're going to have to ram it through. Never mind democratic principles and traditions. Never mind all of those things.

Mr. Speaker, if this is befuddling to you, we're in this together. There are a whole lot of people in Saskatchewan, and I shall show that in a moment, who just simply do not believe this government has a mandate to do what it's doing in introducing the Bill No. 20 to privatize the Potash Corporation of Saskatchewan.

Mr. Speaker, when we entered into, when this Legislative Assembly — by we, I don't mean you and I; we weren't here — but when this Legislative Assembly, the people's Chamber, entered into debate in 1975 and carried over into 1976, of the bringing into place of a publicly owned potash corporation, members stood in this Assembly knowing government members, led by premier Allan Blakeney, knowing they had a mandate. Opposition members knowing that they did not have a mandate, that there had been an election held just two months before, during which the commitment to establish the potash corporation was made; knowing that they did . . . opposition members knowing that the government had a mandate, still continued to debate — and I do not criticize them for this — continued to debate for 120 hours in second reading, knowing full well that just two months before an election had been fought and had been won by Allan Blakeney who had made specific statements on the management of our resources, and specifically potash.

And I will quote that, I will read that into the record. That's the New Democrat way of winning elections, Mr. Speaker, is you tell the people what you're going to do, and when you come to office, you do it. It's an odd

notion; it's an odd notion for these folks across the way here, Mr. Speaker. They don't understand that way of doing things, but it had been done that way.

When the first debate on public sector participation in potash in Saskatchewan took place, it was with a government that had a mandate. And so let me make that case, Mr. Speaker. I've simply made the case here that this government has neither asked for nor received a mandate. And I invite the members opposite, if you had an innocuous little pamphlet that you'd distributed in some small corner of the province of Saskatchewan, anywhere, maybe you have a recorded phone call some place where you indicated to a single voter some place that you were going to privatize the Potash Corporation of Saskatchewan, bring it into the debate.

So far the members opposite have not attempted once to defend that they have a mandate to do what they're doing. Clearly in my mind and in the minds of Saskatchewan people, they do not.

But I digress. Let me go back to 1971, Mr. Speaker, the election prior to the election that preceded the introduction of the Potash Corporation of Saskatchewan by two months. Even back in 1971, the New Democratic Party, Mr. Speaker, was telling people in its document entitled *New Deal for People*, an election document saying what our game plan was going to be, how we were going to serve the needs of the people as the Government of Saskatchewan again.

I just want to take in some excerpts — if the members opposite want the whole thing I can read it all into the record, but I don't think they do . . . (inaudible interjection) . . . Does the member from Regina Wascana want the whole thing read into the record? Is that what you'd . . . Well, Mr. Speaker, I'll fight the urge to read it all into the record, but if the member from Regina Wascana continues to protest, I'd be happy to respond and to read it all into the record.

But just let me read the pertinent parts of the commitment, in 1971 given to every household in the province of Saskatchewan, because New Democrats aren't afraid to say what we're going to do. People know that what we say and what we do are the same.

Well, Mr. Speaker, in the part of the document entitled "Resource and Economic Development", let me quote:

Saskatchewan's natural resources are the rightful heritage of the people of our province (and that remains to be true) — not the preserve of private interests. The New Democratic party believes that Liberal policy of selling out our birthright is both unwise and unnecessary.

Well you know, Mr. Speaker, this makes reference to the Liberals. Some would refer to them I suppose . . . to them as the . . . perhaps those are the white cats, perhaps they're the black cats — I'm not sure. But a cat is a cat as Tommy used to say. I won't digress into that little story, but, Mr. Speaker, the reference of course was to the Liberal management of potash which was essentially no different from the approach being put forth in this Bill by the . . .

implied by the PC government today.

The document goes on to say, and I again I quote:

We have faith in Saskatchewan people. We believe them capable of developing their own resources for their own benefit.

These may be words that you've heard already in the debate and will hear many times again from this side of the House, ideas and words that are powerful for people.

Again I go on to quote:

Outside help is sometimes necessary, but a sellout is not. Development must be aimed at maximizing benefits for people — not maximizing profits for big business and its promoters.

New Democrats recognize the need for research and planning, and the folly of "growth for the sake of growth". We must take into account all aspects of the well-being of citizens, including their right to a healthy environment.

Let me then . . .

Toward these ends, a New Democrat government will:

And I simply refer to item number 3, Mr. Speaker, and I quote:

. . . a New Democratic government will:

Oppose any further sellout of our resources. With respect to new development, the NDP will give first priority to public ownership through crown corporations.

A pre-forecasting, Mr. Speaker, of the potash corporation.

Co-operative ownership will be encouraged. Partnership arrangements between government and co-operatives or private developers will be undertaken when appropriate.

Which is exactly, by the way, what the Potash Corporation of Saskatchewan eventually did.

Limits will be established with respect to foreign equity capital, and every effort will be made to limit foreign investment in resources development to non-equity capital.

Well, Mr. Speaker, that's what New Democrats said prior to the election in 1971. They went to the people, they distributed those documents, people of Saskatchewan said, we like the New Deal for People, and they elected Allan Blakeney as premier of Saskatchewan to start turning Saskatchewan right side up again. That was the mandate, Mr. Speaker. New Democrats went to the people, asked for a mandate, and got one.

Then prior to the election in 1975 . . . The election of 1975 would have been held in June of that year, so I guess I'm in

error when I said it was just a couple of months before the debate. It would have been some five months before the debate.

What the New Democrats have to say when going to the people in 1975, prior to an election, participating in this odd notion that before you ask people to give you a mandate to govern, you tell them what you're going to do; committed, as a matter of fact, to doing it once you've gotten their confidence if they give it to you. That's the way New Democrats believe government ought to be run, Mr. Speaker.

Well, Mr. Speaker, in 1975 in a document entitled New Deal '75, put out by the Saskatchewan New Democratic Party, and again available to all households in the province of Saskatchewan, I come again to the section entitled "Resources." Let me quote in part what it says about resources, and I quote:

Specifically, we will:

We being the New Democratic Party.

1. Defend and protect the right of Saskatchewan people to the full benefits from their rightful heritage — the natural resources of this province.
2. Speed up direct government participation in exploration for and development of potash and hard rock minerals to achieve a greater measure of public ownership of these resources and industries.

Let me just repeat that, Mr. Speaker, because this notion of telling people what you're going to do is a foreign one to the member from Regina South and others on the other side. Let me repeat that, Mr. Speaker, then, in the context just of the potash portion of it:

Speed up direct government participation in exploration for and development of potash . . . to achieve a greater measure of public ownership of these resources and industries.

Mr. Speaker, is that clear, or is that clear?

Mr. Speaker, it goes on then in item no. 4 as well, to expand. It says, and again I quote, we will:

Continue to develop a comprehensive energy policy for Saskatchewan, keeping in mind present and future needs, and our goal of equality of economic and social opportunities for Saskatchewan people. Immediate steps to be taken include:

- a) step up direct public participation . . .

Here's a word that we're hearing a fair amount these days, Mr. Speaker, as part of New Democrat document prior to the election in 1975.

- a) step up direct public participation in exploration for and development of oil, gas, coal and uranium;

Well you see, Mr. Speaker, back in those days when the New Democratic Party government sought a mandate, public participation meant participation by the public. It wasn't like today where public participation means private investment.

You see, back in 1975 people spoke the language the way it was intended to be spoken. They used words that meant the way that they were meant to be used. You see, back in 1975, Mr. Speaker, public participation meant the public would participate. Back in 1975 when you wanted to say private investment, you didn't say public participation, you said private investment.

I guess they did that so that people would understand what you meant. That's probably why it was done, which is probably exactly why public participation is now being used by this government to mean private investment. Because it's a little hard to understand what they're meaning, and if you understand clearly what this government is meaning, Mr. Speaker, then you don't buy the goods.

Well, Mr. Speaker, I've established that very clearly prior to the debate in 1975 there was a mandate. A mandate had been sought and a mandate had been earned by the New Democratic Party government of Allan Blakeney. Came into this Assembly then in December 1975, the legislation to establish the Potash Corporation of Saskatchewan with its ability to earn profits directly, to, if necessary, wield the stick of ownership on the private corporations if they refused to play ball and to pay their fair share. That was done. It was done with a mandate.

Second reading debate went on for 120 hours, in spite of the fact that a mandate had been earned and the election had been held just a few months before. And I note the members opposite find that notion a little troubling, but there was a time, Mr. Speaker, when this Assembly believed in good, honest democratic debate of the issues, allowing all of its members to speak on behalf of their constituents and to put forth their cases, reasoned and supported as they felt them and believed them to be the case.

Predictably, Mr. Speaker, at that time, because the mandate had been earned and been granted to the New Democrat government of Allan Blakeney by the people of Saskatchewan, eventually then, of course, the Potash Corporation of Saskatchewan came into place. What different circumstances from this supposed mandate, from this supposed mandate that the PCs pretend to have today. What different circumstances those were.

And so it's with that in mind, Mr. Speaker, that I'm inclined to say that it is my view that the PC government of Saskatchewan today, 1989, has no mandate, has earned no mandate to pirate the Potash Corporation of Saskatchewan.

(1445)

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

**Mr. Hagel:** — Well, Mr. Speaker, I would now like to turn



to the Bill, to the Bill itself and some of the implications. I've concluded my introductory remarks and would now like to turn to the Bill itself, Mr. Speaker.

The Bill has to be considered obviously in the context of the history that I've outlined and the implications that are implicit in that history. When we look at the Bill being put forth by the member from Qu'Appelle-Lumsden, who had originally opposed very vehemently the introduction of PCS, we find that there are basically six extremely objectionable arguments against the Bill. There are six grounds that I would like to respond to statements made by the minister responsible and others on government side so far in this debate, Mr. Speaker, that I find objectionable; that I believe that not only, as I said, do they not have a mandate to do, but they in fact contradict the best interests or the needs of Saskatchewan people.

Let me begin first of all then, Mr. Speaker, with the fact that this Bill makes legal, initially, although I believe as well it'll get worse with time, but in this Bill, initially, 45 per cent of the Potash Corporation of Saskatchewan can be owned by interests, individual or corporate interests outside the soils of Canada, foreign interests. Now let's just put that into context, Mr. Speaker.

A potash industry largely dominated by out-of-province, out-of-country interests through the '60s and '70s, interests that refused to pay their taxes and royalties, leading to the creation of PCS, still get a minority player in the potash industry as a whole with about 40 per cent of the production, with the rest still being predominantly foreign-controlled potash companies, Mr. Speaker.

Now what in the world would motivate the Government of Saskatchewan? This is not the Government of China that's brought this Bill. If they did I could understand it. Not the Government of Japan, it's not the Government of Korea, it's not the Government of the United States, it's not even the Government of Canada. This is the Government of Saskatchewan that willingly, all on its own, without anybody holding a gun to their head — may have been holding other things towards them, I don't know — all on its own woke up one morning and said, by golly, by gosh, we got ourselves a mandate. We got this future-looking, we've got this futuristic notion, Mr. Speaker, they said. We are part of the new tomorrow, they said. Yes, the grand plan is unfolding; there is so much more we can be.

These are the best business minds of the PC Party. They sat down together in a dark room some night, Mr. Speaker, I'm convinced, and they said, so Saskatchewan has had this potash industry dominated throughout its entire history by out-of-Canada ownership, and so we had a little old social democratic government in 1975-76 that said, maybe we can do things for ourselves and prove that they could.

And so we've even done better since then, in spite of the fact that we're the black cats, we're the foxes in charge of the chicken coop. But let's put forth this new, bold, brand-new economic strategy. We're going to take this publicly-owned Potash Corporation of Saskatchewan owned by the people 40 per cent, 60 per cent predominately owned by out-of-country interests, and

we're going to take this 40 per cent and we're going to make 45 per cent of that owned outside the country. Is that a bold, new economic initiative or is that bold, new economic initiative? It's mystifying; it's mystifying, how a Government of Saskatchewan, of all places, could come up with this as the grand plan for the new economics for Saskatchewan people.

Mr. Speaker, over and over again in this Assembly, I have said before and I will say again, the people of Saskatchewan don't need more of the problem, they need some solution. The PCs are saying, we'll give you more of the problem in this Bill.

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

**Mr. Hagel:** — So there it is, the bold, new plan by the black cats, by the foxes in charge of the chicken coop. Never mind the fact that foreign interests have dominated potash in Saskatchewan since the history of this industry in this province, we're going to give you more. Never mind that that's what we had to do to take charge of the industry in the province of Saskatchewan is to establish the corporation to bring returns to the people, that it was against the foreign interest that those decisions and those actions had to be taken. We're going to give you a Bill, we're going to give you a Bill that promises that nine out of 20 shares can be owned by out-of-country interests — more of the same.

Mr. Speaker, do you see what I said? Before, when I referred to the member from Qu'Appelle, the Liberal and his bench mate, the former member from Thunder Creek, Colin Thatcher, who reiterated the words of premier Ross Thatcher, the Liberal who was in charge of the province before the New Democrats came to power in 1971 . . . Ross Thatcher who said the only thing wrong with foreign investment is that we haven't got enough of it; reiterated by Colin Thatcher and exemplified by the members here.

The only thing wrong with foreign investment . . . Mr. Speaker, does this say anything to you other than that? The only thing wrong with foreign investment is that we haven't got enough of it. This is the bold new world. This is what is going to take us into the future. This is what we're told is going to pay for these bold new educational plans, to develop and diversify our economy. It's by turning to foreign-controlled interest that we're going to turn the corner and charge into the 1990s going backwards through the door into the Dirty Thirties all over again. That's where we're heading, Mr. Speaker.

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

**Mr. Hagel:** — Out of the '80s and into the '30s. Out of the '80s and into the '30s, that's where it takes us. What a shame, what a shame, Mr. Speaker, that we the people of Saskatchewan would have a government that brings to this Legislative Assembly a plan without a mandate, that will take us out of the '80s and into the Dirty Thirties all over again; the bold new initiative of the best business minds of the PC Party taking us forward into the next decade and the turn of the century.

Mr. Speaker, if you're a parent or a grandparent watching that going on, that's good cause for shuddering. We've

got a Government of Saskatchewan that no longer believes in its people. It's turned its back on its people, and it's said that we have to charge blindly ahead, committing our traditional faith and trust in foreign investment, because we're Tories. Never mind the facts, never mind Saskatchewan people. We're Tories. We think this way; we act this way. This is our ideology, after all. Nobody ever accused us of having a whole pile of common sense, and so let's not confuse the facts.

Bill 20 promises more foreign investment and control in the potash industry in the province of Saskatchewan.

**An Hon. Member:** — And why would foreigners want to buy it?

**Mr. Hagel:** — Well, Mr. Speaker, one of the members in the Assembly asks why foreigners would want to buy it. Maybe there are foreigners, Mr. Speaker, who know the facts. Maybe there are some foreigners, there are people in corporations who live beyond the borders of our nation, who understand the facts as well as Saskatchewan people.

Maybe there are, Mr. Speaker, investors who don't give a hoot about meeting social need, who understand only one thing, and that's profit, and who understand that the Potash Corporation of Saskatchewan, when given the opportunity to run as it was intended to run, has turned a dandy little profit, Mr. Speaker.

Maybe there are foreign investors who use or have involvement in industries creating fertilizer, who use the potash from the soils of Saskatchewan, who would like to have the security of supply at a low cost. Maybe that's part of the motivation. Maybe it's not . . . we have a hard time trying to figure this out. Maybe they want to make profits because it's got the potential to be such a profitable doggone organized operation, if you run it well, which it was when it had the will under the New Democrats.

Or maybe they just want a sure, a certain supply of low-cost potash. Never mind whether they're making profits back in Saskatchewan, all that kind of stuff; we're using potash in our country to make fertilizer to grow food because we've got growing populations that need food that can be produced more effectively. And that demands more productive fertilizers, and in many countries that demands potash. So maybe there are foreign interests that just simply want to have some influence to bring down the prices of PCS potash because it serves their needs.

You know, Mr. Speaker, this Bill doesn't say that those can't be governments — it doesn't say that they can't be governments. The Premier talked — and I'll get to this in just a moment — he was wild-eyed and enthusiastic back in February 8, 1989 about selling off the Potash Corporation of Saskatchewan to other countries. Oh, he thought that was a grand plan, until somebody added them all up and found out that he'd promised about 125 per cent of the corporation to foreign countries.

**An Hon. Member:** — And we're going to keep control.

**Mr. Hagel:** — Somehow managing to keep control here in Saskatchewan. I mean, Houdini has a lot to learn by

watching the Government of Saskatchewan, Mr. Speaker. You see, this Bill doesn't say that those foreign interests, those 45 per cent can't be other governments — other governments.

Because you see, Mr. Speaker, there are some governments in this world who every now and then make decisions in the best interests of their people. It's an odd notion, odd notion to the Government of Saskatchewan today. But there will be governments in other countries who will be of the view that having a reliable source of inexpensive potash to produce fertilizer to make food grow for their people is not a bad idea and a bad move to make. That could be a reason.

They know as well, Mr. Speaker, they know as well that part of the whole privatization agenda as given to . . . the advice given to Maggie Thatcher by Madsen Pirie when privatizing successful corporations, by the way, you don't . . . the guide-lines are never sell something that's losing.

**An Hon. Member:** — Or never sell something for what it's worth.

**Mr. Hagel:** — Never see it for what it's worth. You take a profitable enterprise that's publicly owned, and you practically give it away. That's the advice given to Maggie Thatcher in Great Britain by Madsen Pirie and other great privatization advisers that have been the inspiration of the Government of Saskatchewan today. Why should this be any different?

Mr. Speaker, there may be . . . it is entirely possible that there are people, there are corporations, there are governments beyond our borders that have seen this government coming. They've seen them coming and they're determined to give them a ride. And unfortunately, Mr. Speaker, it is the people of Saskatchewan who will pay the fare for the ride.

(1500)

Well what did the Premier have to say? He was pretty enthusiastic about foreign ownership. Back in February 8, 1989, in a telephone news conference from New Delhi with Jim McDonald, the Premier . . . And the article is entitled . . . the verbatim of that transcript, Mr. Speaker, is entitled "Devine quotes on PCS sale."

I want to bring to this debate, Mr. Speaker, some direct quotes as to what our Premier had to say in February of this year when he was on the oriental express selling off Potash Corporation of Saskatchewan with a great deal of enthusiasm around the world. He was a great defender of foreign investment at that time; went on to reinforce that in other ways as well.

He said, and let me quote from that interview conducted with Mr. McDonald on February 8, a telephone news conference involving the Premier of Saskatchewan. He said, the Premier said, and I quote:

The second thing that's important to remember is in potash we make most of our revenue from production. (We make most of our revenue from production.) That is, in production tax, he said.

Now, Mr. Speaker, let me divert for just a moment. The Premier is correct; however, the only reason that he's correct is because the system changed after the Potash Corporation of Saskatchewan was created. Until that time, there was very, very little revenue received.

The Premier goes on to say:

So whether the private sector owns it or whether the government owns it, we charge the tax and we make that revenue.

A blatant, a blatant denial of history and the facts. Let me put the kindest interpretation on this I can possibly make. Let me assume that the Premier was not being intentionally misleading. Let's assume, Mr. Speaker, let's give it the kindest interpretation; let's just simply assume the Premier didn't know what he was talking about.

This Premier of Saskatchewan trotting around the Orient, selling off the Potash Corporation of Saskatchewan, blatantly, blatantly denying the history and the facts regarding revenues from potash in the province of Saskatchewan. It's a little tough to give this any kind of a kind interpretation, but the kindest we can assume is that he didn't know what he was talking about.

And the Premier goes on to say:

So if we can remove the debt (the debt by the way, Mr. Speaker, which had been accumulated 90 per cent by the Tories) and we can make our money in production, because we tax them no matter who owns it, then end up in a situation, we can have anywhere from 15 to 20 or 30 or more million dollars a year net benefit to the Saskatchewan taxpayer.

Mr. Speaker, this is a former professor of economics in the province of Saskatchewan, University of Saskatchewan, getting pretty excited about the possibility, he says, of 15 or 20 or 30 more million dollars a year net benefit to the province of Saskatchewan. In taxes and royalties, he said. Mr. Speaker, you know when we go back . . . 15 to 20 or 30 more million dollars a year, he says. Under a New Democrat government, including the year in which PCS was first formed, there was an average of nearly \$50 million a year from PCS alone — from PCS alone.

As I said before, because of the existence of PCS, in those years taxes and royalties paid to the province of Saskatchewan were an average of \$197 million a year. So here's our former economics professor, the Premier of Saskatchewan, trotting around the Orient getting all fired up about giving control and interest in our potash to foreign interests saying that he thinks this is just a dandy idea because it could bring anywhere from 15 to 20 or 30 more million dollars a year net benefit to the Saskatchewan taxpayer.

This is one of the best business minds of the PC Party. This is top banana. Is it any wonder that the people of Saskatchewan didn't believe what they were hearing. And the only reason that the people across the ocean believed what they were hearing is they hadn't met him

before. Either that or they know what the facts were and they thought, we've got a mark, there's an easy one coming here folks; let's get behind this little legislation and give the little fellow a shove. Pat him on the back and say, go to it, you're on the right track with this free enterprise, unfettered free enterprise and foreign investment stuff; we're with you, we're with you; go back home and get it through in a hurry. Mr. Speaker, I can't give it any interpretation other than that, none other than that.

Well the Premier went on to say, and let's listen here as well, and again I quote from this radio interview of February of this year, February 8:

I'm quite prepared to look at joint ventures with China, and India, and/or other customers that we have that would improve our financial position.

Ha! Improve our financial position, Mr. Speaker, I think, methinks they saw him coming. But no, not a moment of hesitation because, as Ross Thatcher said, as reiterated by his son, Colin Thatcher, the only thing wrong with foreign investment is that we don't have enough of it. Oh, that's the brave new world all right.

Well the Premier went on . . . he had a whole lot of things to say in this radio interview. And if members opposite would like to know what their Premier said, because this probably wasn't part of his caucus report, we can go through it all, but otherwise we'll just deal with excerpts here, Mr. Speaker. What else did the Premier have to say about potash when he was on the Orient express drumming up enthusiasm for foreign ownership of the Potash Corporation of Saskatchewan?

We own the debt, and we don't own the equity of that corporation, he said.

Who put the debt there? The Tories. Who put the equity? The New Democrats. He goes on, and I quote:

So the more we can remove that by private sector, which can be outsiders, can be Canadians, can be people in Europe and people in Asia, then the better we're off.

Isn't this the bold, new world of Saskatchewan people taking charge of our economics and our collective fates and fortunes and futures? Is this the bold, new world or is this the bold, new World? The Premier of Saskatchewan, in whom is he expressing his confidence, Mr. Speaker? Questionable at best, he's questionable at best.

And then the Premier goes on in this interview as well to say:

If that debt means 15 or 20 or 25 per cent to India, and 15 or 25 per cent to China (here we go, these are loose economics, Mr. Speaker), and somebody else in Europe and Canadians in a joint share offering that is traded on the Toronto stock market like Saskoil is . . .

Like Saskoil, he says, that raving success that's owned 75 per cent out of the province of Saskatchewan, that's lost

employees, lost Saskatchewan employees. I mean, Mr. Speaker, where is our Premier coming from? Saskoil, he says, this is the model, "traded on the Toronto stock market." Then he says, "I would look at removing all of that debt."

This is the brave, new world. My goodness gracious, this is adventuresome. This is throwing the future of the people of Saskatchewan to the wolves, and is that an adventure? That's the best we can hope for, Mr. Speaker.

This has got nothing to do, nothing to do with Saskatchewan people assuming control, assuming a great deal of influence over their own collective fates and fortunes and futures — nothing to do with that at all. These are not words of confidence in Saskatchewan people. These are not words of confidence in the future of the province of Saskatchewan. These are not words of confidence from a government that is bound, that has been given the responsibility of defending the interests of its people and their natural resources.

And so, Mr. Speaker, those are the words of our Premier in his great enthusiasm about foreign ownership. And as we have in this Bill, we have in this Bill the proposal that at least initially 45 per cent of the Potash Corporation of Saskatchewan can be owned by foreign interests — individuals, corporate, or government.

No problem, say the PC government. No problem. That's the kind of chicken coop that ought to be attended to by the foxes. That's the way them chickens like it. It keeps them on their feet. There's so much more they can be if they live, Mr. Speaker.

Well 45 per cent initially. Does this mean, Mr. Speaker, that for ever and ever after this Bill goes through, that a single Saskatchewan people has to own a single share of the Potash Corporation of Saskatchewan? No, no, no, no, no, nothing that wild-eyed. That's a radical notion. That's one of them social democratic ideas that the people of Saskatchewan should have to have some involvement and control. Oh, my goodness, we can't have any of that. Oh, no, that takes us back to the profitable days of the '70s. That takes us back to those old days where they had balanced budgets. That takes us back to the old days where services grew and taxes were reduced. Oh, we can't have any of that, we've got to march boldly into the future.

PC economics: marching to the drum of the foreign investor. We can't have any of that. Not a single share, not a single share in this legislation. This legislation says not a single share must be owned by Saskatchewan people. Now is that a bold, brave, new initiative? Yes, that's really marvellous stuff.

Now will the PCs . . . am I saying, Mr. Speaker, in this debate, am I saying the PCs will not issue any shares to Saskatchewan people? No, I'm not saying that. I said before, earlier in this debate, I've accused the members opposite of a number of things, but I've never accused them of being stupid, although the member from Weyburn took issue with me when I made that statement.

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

**Mr. Hagel:** — Stupid they are not, at least in the minds of the rest of the caucus, except for the Education minister.

Well, Mr. Speaker, I'm not suggesting that they won't sell a single share to a Saskatchewan resident. They'll do it, sure they will. They might even give one or two away, because Madsen Pirie says, never mind whether you make money when you get rid of these money-making corporations, just get rid of them! Why? So you don't have them anymore. Oh, that's a good reason. But never mind, that's Tory ideology. We can't have these public corporations. No, no. They serve the people too well.

So, Mr. Speaker, we'll probably see some shares distributed to Saskatchewan people, probably see some shares given to Saskatchewan people if this legislation goes through. Chances are we'll see some shares given to the employees of the Potash Corporation of Saskatchewan, because Madsen Pirie, he's a foxy little devil. If he was in this government, Mr. Speaker, he'd sit in the front benches. Madsen Pirie, Mr. Speaker, I suspect is even foxier than the member from Qu'Appelle-Lumsden — yes, even foxier than the member from Qu'Appelle-Lumsden, the minister who brought this Bill to this legislature. Oh yes.

When they piratized Saskoil, they gave shares to the management of Saskoil. And so I think we can predict that shares will be given away because the end objective is not to realize moneys to be used for Saskatchewan people, the end objective is to get rid of this bur in the saddle of the PC government, this pragmatic little profitable Crown corporation that served the people of Saskatchewan well, contrary to their blind ideology. No, no, we must not let pragmatic history and solutions to problems get in the way of blind ideology, they say. Mustn't let that happen. We're Tories.

Well we'll probably see some kind of distribution of shares to Saskatchewan people, but oh those shares to the foreign investors, it won't take long to get rid of them. Won't take long to get rid of them. And first you start by getting rid of 45 per cent of them.

(1515)

Some have wondered, Mr. Speaker, some have wondered. Maybe I am being unfair, maybe I have been unfair in saying that the agenda that's going on right now that causes the Minister of Finance to say in question period what he said and the Deputy House Leader say what he said. Maybe I'm being unkind. Maybe this new-found drive to hurry up the process to bring closure, extend the hours, maybe it's not totally because we're seeing antsy Tories without per diems. Maybe I've been unkind, maybe I've been unkind.

Maybe there's another agenda. Maybe — I don't know which is better, Mr. Speaker — but maybe our Premier, while he was over on the Orient express, talking to foreign countries and foreign interests, promising 25 per cent to each of five countries, maybe he made some commitments. Maybe he made some commitments. Maybe some behind-the-scenes, back-room deals have been struck already. Maybe that's why this has got to be

hurried.

Maybe the Chinese are interested. They certainly were, the Premier said when he was on the Orient express. Maybe when Wan Li came from China, Mr. Speaker, there was something that was cast onto paper. Who knows. I mean, what would drive, other than blind ideology or responsibility to keep some commitments to big-interest friends — inked deals — what would drive a government to bring forth legislation to give back 45 per cent foreign ownership to foreign interests when you only got 40 per cent owned here now and the rest is foreign?

What would cause you to do that? When you told the people before the election, we're not going to do that; it's a bad idea; when during the election you said, we're not going to do it even though you're asking. And then you form a government with a smaller percentage of representation, smaller percentage of votes than the official opposition, move three years into your term of office, and then bring forth this legislation with a grand privatization agenda, saying, in this session we're going to privatize the gas portion of SaskEnergy; we're going to privatize Saskatchewan Government Insurance; we're going to privatize the Potash Corporation of Saskatchewan.

The people of Saskatchewan speak up. They pull out the privatization of the gas side of SaskPower, they pull out their plans for the privatization of SGI, but they said, we're going to ram ahead, we're going to ram ahead on the privatization of the Potash Corporation of Saskatchewan.

Mr. Speaker, there's something a little fishy going on here — something a little fishy going on here that is not explained by the normal ways that governments operate.

Well, Mr. Speaker, 45 per cent initial foreign ownership of the Potash Corporation of Saskatchewan, initially, 45 per cent initial ownership of the Potash Corporation of Saskatchewan. And as we all know, as the Premier refers to here . . . I mean, he's pretty excited here, Mr. Speaker. He says that he's referring to a share offering that's traded on the Toronto stock-market. That's where this Potash Corporation of Saskatchewan ought to be traded. The Premier finds all this pretty exciting.

You and I both know that you may be able to limit the initial sale of these shares of the Potash Corporation of Saskatchewan to 45 per cent, to 9 out of 20. You may be able to do that initially, Mr. Speaker, but once those shares start being traded on the stock-market and available to anyone who's willing to buy them, you and I both know that there is no way of limiting the foreign ownership of the Potash Corporation of Saskatchewan to 45 per cent. It can't be done. It cannot be done.

All that you can control in this Bill . . . is the only thing this Bill pretends to do is to limit the initial sale of shares in the Potash Corporation of Saskatchewan to 45 per cent right off the bat. After that they'll go where they'll go. Well you and I both know, Mr. Speaker, you and I both know that foreign interests are well aware, well aware of the benefits of the potash industry in the province of Saskatchewan, and it will not take long, it will not take long for interests beyond our borders of our nation to assume controlling

interest in the Potash Corporation of Saskatchewan, and we'll be right back where we started, and we'll start all over again.

There's another disturbing point, Mr. Speaker, brought to us compliments of the PC federal government which, in its grand wisdom, decided to sign the free trade agreement between Brian Mulroney and Ronald Reagan. We know as well, that according to the free trade agreement, that once 45 per cent foreign ownership has been allowed, particularly as it pertains to American ownership of shares in the Potash Corporation of Saskatchewan, we'll never be able to reduce that again — never be able to reduce that again.

By law, according to the free trade agreement, we will be locked in if this legislation goes through. Because of the wisdom of Brian Mulroney and the free trade agreement, we will be locked in, and so 45 per cent ownership, Mr. Speaker — please read, to understand it correctly, as minimum 45 per cent foreign ownership forever — regardless of whatever governments come along in decades to come for the people of Saskatchewan.

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

**Mr. Hagel:** — Well, Mr. Speaker, what happens when foreigners own shares in the Potash Corporation of Saskatchewan? Well I'll tell you first of all what doesn't happen.

Let's assume for a moment that there are some Saskatchewan people who end up with shares in the potash corporations, and there will be some. Those shares, quite predictably, Mr. Speaker, quite predictably, will bring a pretty decent return on investment. No doubt about that. Those Saskatchewan people who will own shares obviously will make some income and will pay income tax. Some return on the investment, Mr. Speaker, some return on the investment . . .

**The Deputy Speaker:** — Order. Would the member from Saskatoon Nutana, member from Arm River, allow the member from Moose Jaw North to continue his speech without interference. Thank you.

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

**Mr. Hagel:** — Well Thank you, Mr. Speaker. I appreciate that ruling.

So you see, Mr. Speaker, if you're a Saskatchewan resident with a share in the Potash Corporation of Saskatchewan and you make some profit, you pay some income tax. Some of that income tax will come back to the province of Saskatchewan.

But you know, Mr. Speaker, if you own a share in the Potash Corporation of Saskatchewan and you're not a Saskatchewan resident and you make a profit, you'll pay income tax.

**The Deputy Speaker:** — Order, order. I believe the interference from the left side of the House makes it difficult for the member from Moose Jaw North to make his presentation, and I would ask members to pay

attention and allow the member from Moose Jaw North to continue his debate.

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

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

**Ms. Atkinson:** — My point of order is why you would refer to this side of the House as the left side and not the opposition benches. Never in the history of Saskatchewan have we had the opposition benches referred to as the left side of the House.

**The Deputy Speaker:** — Order, order. I referred to the left side as being the left side of . . . the members to my left, the members on the opposition . . . order, order. The members know very well that the members on the opposite side, opposition side of the House happen to be on my left and are referred to on the basis of my left hand. But the members of the opposition, I would bring them to order and allow the member from Moose Jaw North to continue his debate.

Order. I've just called for the member for Moose Jaw North. I've mentioned that the members from the opposition side of House, I would ask the members from the opposition side of the House to allow the member from Moose Jaw North to continue his debate.

**Mr. Hagel:** — Thank you, Mr. Speaker. Mr. Speaker, as I was saying, Saskatchewan residents who own a share in the Potash Corporation of Saskatchewan, should this Bill be carried, would make a profit. Obviously that's quite predictable. It would be a portion of their income and, we could argue, will pay some income tax on that income. Two-thirds of their income tax, roughly, would go to the Canadian government, and approximately a third of their income tax would be paid back to the province of Saskatchewan.

And so I guess it could be argued, the case could be made, that by putting the Potash Corporation of Saskatchewan up for sale that at least to the degree that it's owned by Saskatchewan residents, some of that would come back to our coffers through the payment of Saskatchewan income tax.

But the thing I point out, Mr. Speaker, is that as I've said, 45 per cent of this Potash Corporation of Saskatchewan, according to this Bill, 45 per cent of it can be owned by people outside the country. And of the remaining 55 per cent, not a single share need be required to be owned by a Saskatchewan resident.

What that means is that this Bill allows, Mr. Speaker, this Bill allows for the possibility that the corporation is sold off with every share being owned outside the province of Saskatchewan without a single penny in the future, without a single penny even coming back to the province of Saskatchewan in the form of income tax. Not even that, Mr. Speaker.

Never mind, never mind the lost revenues, the average nearly \$200 million a year in taxes and royalties coming directly into the province when this Potash Corporation

of Saskatchewan was being administered by a New Democrat government. Never mind all that. This can be all gone.

And in its place, in replacement for one single sell-out of a profitable, a very successful corporation that's operated in the best interests of Saskatchewan people for a long time, in its place, along with the single sell-out — and may very well be, may very well be combined with give-away shares, Mr. Speaker — this Bill does not even require that in the future a single penny would have to come back by way of income tax even, returning this back with a private sector corporation, because again this Bill does not require that there be any government retention of the Potash Corporation of Saskatchewan. This Bill permits the entire corporation to be sold without any being retained by the government.

You see, Mr. Speaker, with that in mind, what we are looking at potentially, and I'm not saying it will happen in 1989, I'm not saying it will happen in 1990, but I'm saying, Mr. Speaker, that this Bill provides the framework, the framework to make happen, circumstances where we go back to the 1960s collecting \$2 million a year in taxes and royalties from private corporations, from private potash corporations, and worst of all, not even necessarily obliging that we even receive anything by way of income tax paid by Saskatchewan residents who make a profit for their shares in the Potash Corporation of Saskatchewan. Mr. Speaker, that is a brave, bold, new initiative that is indicative of the PC Government of Saskatchewan.

(1530)

Well, Mr. Speaker, there are other problems. There are other problems with this legislation that we have before us. I refer to the problems related to the foreign ownership of the Potash Corporation of Saskatchewan, either by shares directly and the reasons that those can happen, the fact that initially nearly half of the corporation can be owned outside the country, and that there is nothing in the Bill to protect the interests of Saskatchewan people by way of required ownership or even payment of Saskatchewan income tax.

Mr. Speaker, some of the members opposite will stand in their places and they'll say, but yea, hey hey, hey, there's a protection here. Maybe these foreign interests can have 45 per cent ownership of the Potash Corporation of Saskatchewan, maybe they can. But they will say nobody, no single interest can have more than 5 per cent control, or 5 per cent ownership of shares, they say. And this is the great protection, this is the great protection for Saskatchewan people. Nobody, they say, nobody can have more than 5 per cent of the shares. That's the great limitation.

Mr. Speaker, you don't have to be an economic wizard to understand that if even, even nine foreign governments operating in their own best interests with 5 per cent each initially — never mind what they buy after the share offerings go on sale on the open stock exchange — even if they all get together with their 5 per cent each, even if only half of them get together, you don't have to have, in the world of modern corporate economics, you don't

have to have controlling voting interest of a corporation to make it happen. Some say as little as 8 per cent control can do it if you play your cards well enough.

Well, Mr. Speaker, I suggest to you that not only does this Bill provide for eventual, more than 50 per cent actual ownership of shares, of foreign interests, but the ability to control and to dictate the future activities of this corporation in the best interests of their people, in the best interests of their governments as they see them is not entirely impossible at all. You don't have to be looking for bogymen in this legislation to discover that, Mr. Speaker.

So the 5 per cent limitation is no limitation at all. Now let me just put that into its practical reality. It has been estimated by experts in the potash field that the Potash Corporation of Saskatchewan has a value in the neighbourhood of some \$2 billion. Let's just take that figure for a moment. There may be some debate about the . . . and I'm sure there will be some debate about the accuracy of that specific figure.

But just dealing with that figure alone, Mr. Speaker, let's just take the \$2 billion figure. If you choose a different figure, put your own numbers, but the mathematics is the same. If you've got a \$2 billion entity with shares being sold, presumably at some point in time the value of those shares being approximately equivalent to the value of the corporation, and you're limiting people to 5 per cent ownership of those shares, Mr. Speaker, what this Bill says is that no single individual or corporation can own more than \$100 million worth of PCS shares. Well holy mackerel, have they tightened that one up! They've got that one right tied up in the interests of the individual farmer and small-business person and home owner and educator in the province of Saskatchewan.

And, Mr. Speaker, if we have . . . what this means is that we can all be assured, we can all of us be assured here in the province of Saskatchewan that no Saskatchewan people are going to get majority control ownership. Mr. Speaker, are there, in your opinion or in the opinion of anyone in Saskatchewan, are there 11 Saskatchewan people running around the country with a spare 100 million bucks in their pocket? So we don't have to worry about people of Saskatchewan gaining control of this corporation. That's the least of our worries. There will not be majority control by people of Saskatchewan.

But, Mr. Speaker, is it possible that there could be 11 people in Canada who are trotting around the country, or 11 corporations in Canada, trotting around the country with a spare hundred million bucks in their pocket? That's not entirely possible, Mr. Speaker, that's not entirely impossible at all.

And so you see we're not . . . the least of our worries here is that Saskatchewan people will retain control of the Potash Corporation of Saskatchewan even through ownership of shares, let alone ordinary Saskatchewan people who don't have a hope of having controlling interest in any . . . by any definition, the Potash Corporation of Saskatchewan.

Well, Mr. Speaker, who were some of the families in all of Canada that would be quite capable of scraping together

a spare hundred million bucks to buy up 5 per cent ownership of the Potash Corporation of Saskatchewan? Mr. Speaker, these are people they outlined in the book *Controlling Interest* by Diane Francis — *Controlling Interest: Who Owns Canada*.

Mr. Speaker, there are a whole host of families that exercise a fair amount of corporate controlling interest in Canada. Just to name a few, there are the Irvings and the McCains and the Molsons and the Bronfmans, the Websters and the Steinbergs and the Eatons and the Romans and the Jackmans and the Westons and the Blacks and the Bronfmans and the Reichmans and the Thompsons and the Campeaus and the Wolfes, the Richardsons and the Singers, the Southams, the Pattisons, and the Bentleys.

Mr. Speaker, just at quick glance I give you the names, I can give you the names of 11 people in Canada who may be trotting around with a spare hundred million dollars in their pocket, capable of purchasing up five per cent of the shares of the Potash Corporation of Saskatchewan. But we ain't going to find them in Saskatchewan; we ain't going to find them here. That's the least of our worries is that Saskatchewan people will somehow remain in control, operating control of the Potash Corporation of Saskatchewan.

There will be some arguments that have been put forward by members opposite as well, Mr. Speaker, that PCS is reported to have . . . Oh, excuse me, I'm getting ahead of myself here. I don't want to race through these arguments too quickly, Mr. Speaker.

The argument has been put forth by some members opposite that somehow the great protection about Saskatchewan involvement in decision making for the potash corporation is the fact that we shall have, it says in the Bill, three of the directors shall be Saskatchewan residents. Three — out of how many? We don't know. You see, Mr. Speaker, it doesn't say how many directors there shall be. All it says is that three of them have to be from Saskatchewan.

Are we talking about three out of 10, three out of 15, three out of 20? We don't know. It's entirely . . . It would not be unreasonable at all, with a corporation the size of the Potash Corporation of Saskatchewan, that you would easily have 12 to 15 possibly 20 directors — entirely reasonable.

And so when this Bill which guarantees — it says — that Saskatchewan interests will be protected . . . How? By having three Saskatchewan residents as directors of the corporation, I say, Mr. Speaker, that's no guarantee at all, no guarantee at all because it doesn't specify the limit or the total number of directors for the Potash Corporation of Saskatchewan.

Well, Mr. Speaker, I'd like to move along then to say it's not enough, it's not enough . . .

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

**Mr. Hagel:** — It's not just enough to come to this Assembly. It's not enough to just come to this

Assembly, Mr. Speaker. And certainly we would not want to come cap in hand, because the cap in hand argument, as we saw on Friday, just causes the Minister of Justice to turn circles. We're not sure if he's turning to the left or right.

Mr. Speaker, I don't want to belabour the cap in hand argument. It's not enough, it's not enough just simply to come to this debate, thinking only in terms of what's wrong with the PC proposal.

I put forth a number of arguments here about the errors of the PC proposal in this Bill — the problems that it would revive, that we once had, and some of the problems that were solved in the interests of Saskatchewan people by the creation of the Potash Corporation of Saskatchewan.

I've also outlined a number of ways in which the Potash Corporation of Saskatchewan, managed by the political will of a New Democrat government, contributed to and improved the financial picture for the people of Saskatchewan. And all of that in criticism, in criticism of the initiative, this brave, bold, new initiative of foreign ownership, foreign control, more foreign control, complete private sector domination of the Potash Corporation of Saskatchewan put forth by the Premier, the member from Estevan.

But it's not enough just to criticize, Mr. Speaker. I would like to say is that there can be a better way.

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

**Mr. Hagel:** — There can be. Mr. Speaker, in history in Saskatchewan it was proven that there is, and there has been, a better way for Saskatchewan people by using the Potash Corporation of Saskatchewan as a means to an end by the Government of Saskatchewan for the people of Saskatchewan. That's been proven. I've made that case and I've put forth the numbers. And I invite the members opposite to counter them if they believe they can.

It's also my view, Mr. Speaker, that as the numbers and the facts have been presented in this Legislative Assembly, that it's entirely plausible that some of the members opposite are hearing them for the very first time. However, Mr. Speaker, in light of all this and looking forward from 1989 and beyond, it's not just good enough to say: don't do what you're planning to do; it doesn't make sense; it's not a good idea. That's the Tory level of debate that we've had so far.

In the debate so far in this Legislative Assembly, the Tory members, PC members, have come forward saying that we want to undo this plan because the NDP did it when they were in government, and that basically somehow giving over 45 per cent control to foreign interests is part of the brave, new world, and we're dashing madly into the future out of the 1980s and into the 1930s.

So, Mr. Speaker, what I say is that there can be a better way. What would a New Democrat government consider a better way for the Potash Corporation of Saskatchewan, which we still believe has a role to play in the grand scheme of things, and the best interests of the people of this province?

First of all, we must recognize and understand that we have a potash supply in the province of Saskatchewan, a potash supply that will meet the needs of the world for a predictably some . . . at least 3 if not 4,000 years. We have a resource, Mr. Speaker.

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

**Mr. Hagel:** — We have a natural resource in this province that will extend beyond the existence of time of any of our family trees, Mr. Speaker. There is a great future for potash in Saskatchewan.

Well, Mr. Speaker, when we look at this then, here we are in 1989 and looking ahead to the next decade into the next century, and I would suggest we're at a time where we can realistically be looking at centuries beyond even that, Mr. Speaker.

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

(1545)

**Mr. Hagel:** — A 4,000-year supply of potash that has no known substitute in the production of fertilizer to be used for growing food for an increasing population that will be roughly doubled, Mr. Speaker, roughly doubled by the year 2020, and roughly increased by the same amount again by the turn of the next century after that.

Well, Mr. Speaker, it is my view that as we look forward there is a role for the Saskatchewan Potash Corporation to play. And it comes back to that basic understanding of the economic model that best serves the people of Saskatchewan, I believe best serves people around the world — the model of the mixed economy.

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

**Mr. Hagel:** — There is room, Mr. Speaker, there is lots of room in the potash industry without interfering in the smallest way with the ability of the private potash corporation to survive by simply requiring that private potash corporations in the province of Saskatchewan will pay their fair share for the extraction of the people's natural resources back to the coffers of the people of Saskatchewan.

So, Mr. Speaker, I put forth the case that there is ample room, there is ample room for public sector potash corporation, for the private sector potash corporations that we have now. And who knows, who knows? Maybe even with a little bit of ingenuity, a little bit of commitment to a co-operative model of economics taking into consideration the aspirations and the desires of many Saskatchewan people, perhaps even including some employees in the potash industry or people who live in communities that have a potash mine located near them — who knows?

We've not yet seen a so-operative model for the extraction of potash, Mr. Speaker, but I don't rule out that that could lie ahead. Joint venture between Saskatchewan Potash Corporation and the wheat pool, not out of the question. The Potash Corporation of



Saskatchewan owned by all the people of Saskatchewan in co-operation with communities, building a new security and a new economic base for rural communities that are even coming under attack for their very survival.

Who knows, Mr. Speaker, who knows that that's not an option that's available to us in the future, but an option that is made impossible with Bill 20, the Bill to privatize the Potash Corporation of Saskatchewan. Mr. Speaker, that would be diversification in the most honest sense of the word, that's what that would be.

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

**Mr. Hagel:** — Diversification by people, for people, with the province of Saskatchewan acting as an instrument for the people of Saskatchewan.

And so, Mr. Speaker, when I look at the future of potash and the role of the Potash Corporation of Saskatchewan, I don't rule out any of those models. We've been there, they've served us well, and there's no reason to believe that we couldn't become even bolder as Saskatchewan people, committing an act of faith in the work and the long-term commitment in investment of Saskatchewan people through their resources and their energies and a belief in their future for their children and for their children's children.

Mr. Speaker, as we look ahead, it seems to me that the potash corporation should be dedicating itself to improve its market share, not to the reduced market share that it's seen under the PC administration, having turned its back on a bold initiative to do our own marketing — to do it ourselves, to do it better, to do it better than Canpotex had served the Potash Corporation of Saskatchewan prior to the PC government coming to office and locking us into that limited view of marketing through the potash corporation's potash.

Thank you, Mr. Speaker, the . . .

**Mr. Calvert:** — Mr. Speaker, I wonder if I could have leave of the Assembly to introduce some guests in your gallery.

Leave granted.

#### INTRODUCTION OF GUESTS

**Mr. Calvert:** — Mr. Speaker, it's my pleasure to introduce to you, and through you to all members of the House, two visitors to the legislature this afternoon who are seated in the gallery. Rick Martell and Shelly Cowie are visiting today, visiting, Mr. Speaker, from the city of Regina. They're interested in what their legislators are doing, interested in this debate, and they wanted to spend some time here in the House this afternoon. And so I would ask all members here to welcome these guests.

**Hon. Members:** — Hear, hear!

#### ADJOURNED DEBATES

#### SECOND READINGS

#### Bill No. 20 (continued)

**Mr. Hagel:** — Well, Mr. Speaker, I join with the member from Moose Jaw South in welcoming these people to the Legislative Assembly gallery. It's always nice, Mr. Speaker, to see the people of the province, whichever part of the province they're from, whether it's right here in Regina, stop by to sit in on their Assembly, or whether they're from other parts of the province or other parts of our nation or beyond — always nice to have people sitting in and listening to the workings of their government in the people's Assembly.

Well, Mr. Speaker, I'd like to continue then in looking ahead as to what the Potash Corporation of Saskatchewan could be doing. It was eliminated as a possibility when the PCs withdrew the Potash Corporation of Saskatchewan out of Canpotex, or withdrew . . . Let me start that over, Mr. Speaker, I misspoke myself.

It began when the PC government cancelled the plans to continue with PCS marketing international and left PCS's, the potash corporation's future in the hands of Canpotex. One of the things that began to be greatly reduced was our ability to negotiate long-term international contracts for the security of sale, and therefore security of financial resources for the Saskatchewan people. And so it seemed to me that what the Potash Corporation of Saskatchewan should be doing now is undertaking direct negotiations, not through Canpotex, but the Potash Corporation of Saskatchewan itself should undertake direct negotiations with major world producers who are limited in number and most of whom are government owned. It can be doing that.

We need to be making an aggressive pursuit of the market share in competition with all the others. You see, by staying as part of . . . as members of Canpotex, what PCS has accepted, by political will of this government, is that it cannot be an aggressive competitor in the potash market. What we need to be able to do, Mr. Speaker, is to become more aggressive in our competition in the belief that the people's potash corporation is more efficient than the private sector — and that would be borne out by the performance of the corporation, Mr. Speaker — and that PCS must be allowed to make more aggressive with the other potash companies, those in this province, but those in New Brunswick and New Mexico and beyond, Mr. Speaker.

Mr. Speaker, what we need to develop are long-term contracts with major world consumers such as India and China to ensure consistent long-term markets. And those are nations with large populations, growing populations, increasing demands for food, therefore increasing demands for high-quality fertilizer, and therefore, Mr. Speaker, increasing demands for potash.

And we need to develop long-term contracts then with India and China and others to ensure that there's that long-term security of supply and price for them and long-term security of sale and revenues for the people of Saskatchewan. It's been predicted by the economists who look at trends and understand some of these things better than I, Mr. Speaker, that the demands for potash will be

increasing dramatically over the decade to come, and certainly well into the next century, largely, I think, related to the predicted growth in population. That's not a particularly difficult concept to understand, but it is significant for us.

So we are in a position right here in the late 1980s as we're getting ready to turn the corner into a new decade and into a new century, we're in a position to decide whether we want to stand still, go back, or take a bold step forward. I say what we've been doing in essence for the last seven years has been standing still. We're seeing a Bill brought before us, Bill 20, to privatize the Potash Corporation of Saskatchewan, that is a distinct step back. And it makes much, much more sense for us to take, not just in rhetorical terms, not just in rhetoric, but in fact bold steps forward in the potash world, Mr. Speaker.

So what are some of the things that we could be doing? Well, we can be looking at undertakings, expansions, Mr. Speaker, and it's not unreasonable, it's not unreasonable given the forecast, it's not unreasonable to be considering the possibility of expansions of the Potash Corporation of Saskatchewan, not unreasonable at all. It has always been the approach to the payment of the investment of the Potash Corporation of Saskatchewan, Mr. Speaker, under the New Democrats, that the debt would be self-liquidating, that the debt, the investment, the equity in the Potash Corporation of Saskatchewan should be paid for out of the profits.

And as I said earlier, Mr. Speaker, even in its infant years, in its first six years after it was just born, Mr. Speaker, the Potash Corporation of Saskatchewan had profits in excess of \$413 million with an entire investment of some \$418 million, on top of that paying some \$270 million in taxes and royalties back to the public coffers and \$100 million in dividends.

And so when I put this idea forth, let me be clear, I don't think I'm going on the record here as saying something that's a wild and wonderful new idea. I simply reiterate that the approach that has worked in the past for the Potash Corporation of Saskatchewan when given leadership and the political will of government of the day, that was determined to make it work in the best interests of Saskatchewan people — when that was done, the investment was paid for in fairly short order and in fact had only \$88 million of long-term debt at the end of six years of operation.

Now I grant that that picture changed substantially when the PCs came to power and no longer had the political will. And so I simply put forward, Mr. Speaker, the suggestion that the demands predictably for potash will be growing over the decade and centuries to come. Our supply, certainly in human terms, is interminable when we're talking a 4,000-year supply. We can be looking ahead with some confidence and optimism about the possibilities of expansion, an expansion that could be paid for through profits, profits realized from the sale of the potash.

Now I point out, Mr. Speaker, I point out that in this last year in 1988, with some approximately \$300 million of sales, the Potash Corporation of Saskatchewan realized a

net profit of over \$100 million — \$106 million on \$300 million of sales in 1988 alone.

Now why in the world you would want to take a very profitable corporation like the Potash Corporation of Saskatchewan that has that kind of record, and then turn that over, Mr. Speaker, to foreign interests, is beyond me.

Well it's not unreasonable at all to assume that in the decade to come, the annual profits of the Potash Corporation of Saskatchewan, even as we know it now — let's keep in mind as well, Mr. Speaker, that it was only running at two-thirds capacity in 1988 when it turned that \$100 million profit — that it's reasonable to assume that as we go into the '90s that annual profits by the Potash Corporation of Saskatchewan will on a regular basis be up in the \$300 and \$400 million-a-year range. There is nothing, nothing that is unrealistic or wild-eyed about that kind of prediction, Mr. Speaker.

And so I simply put forth the case that the ability of the Potash Corporation of Saskatchewan to pay for expansion plans, to take in reality a real brave, bold, new step into the potash world are manageable by way of profits. They're manageable if the Potash Corporation of Saskatchewan is given the mandate by the provincial government to make those steps, and part of that, it would seem to me, would involve removal of negotiation of all of our foreign sales of potash through Canpotex.

(1600)

Well, Mr. Speaker, it will oftentimes be a bias of both federal and provincial governments that approaches to economics change. So when we're looking at this, we should not assume that best decisions are made assuming that any party of any political stripe will always be there. That's obviously not reality. We have a PC Government of Saskatchewan today. Many would predict that they won't be there much longer.

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

**Mr. Hagel:** — That's not a bias of just my own, Mr. Speaker. It's not a bias of my own. Obviously I do have a bias; my bias is I would prefer to see a New Democrat government. But in the long run, the bias that is most important, Mr. Speaker, is that the Government of Saskatchewan must be the government that the people choose. And all the signs are there that come two years from now, by that time, the people will have chosen a new government to lead direction into the future into the province of Saskatchewan.

But whether that happens or not, that should not be a consideration of ours in this debate. It is no more accurate for New Democrats to come into debate assuming that New Democrats will always be the government than it is for PCs to come into this debate assuming that PCs will always be the government. There may be times, Mr. Speaker, as we look in the years and decades down the road that the people of Saskatchewan will have neither a New Democrat or a PC government. Who knows? We don't know.

But as we develop structures in our society, intended to

facilitate meeting the needs of people, they must be structures that in some ways are stronger, more sturdy than any single term of office of any government of any political stripe.

And so therefore it seems to me, Mr. Speaker, to be in the best interest of Saskatchewan people who are not able to know today what their government will be in its political biases five, 10 years from now or, by the way, what their federal government and its political biases will be five or 10 years from now. It seems to me to make sense that when providing economic planning for the security of your people, you build in a degree of diversification that will withstand political and economic storms.

What's the diversification of the potash industry, Mr. Speaker? To diversify the potash industry, what it means is a mix — public sector, private sector, and co-operative. Currently in Saskatchewan the public sector of the potash industry has about 40 per cent, the private sector has about 60 per cent, the co-operative sector has none.

It would seem to me, Mr. Speaker, to be in the best interest of Saskatchewan people then to not go to any extreme. It would be as equally wrong to have potash in the province of Saskatchewan entirely produced 100 per cent by government owned corporations — it's not a view I support — as it is to have it entirely produced by private corporations, which I also do not support.

You see, when making plans and looking down the road, what we need and what we have for all of us is the responsibility of trying to build a balance that will withstand the economic and political storms of the province in the future.

But part of that balance is economic. It is economic in the sense that as we go back before and we compare to how the private corporations paid their taxes and royalties prior to the existence of PCS, part of it is that, but part of it as well, Mr. Speaker, is that there is a social objective that is reached and that can be achieved and enhanced through a publicly owned corporation in the natural resources area.

It seems to me to make some sense, when governments have a responsibility to provide confidence in our economic environment, to provide leadership in the creation of employment which is one of the most significant responsibilities of any provincial government, that we would use our publicly owned corporations as tools to meet some of those objectives as well.

And as I said before, Mr. Speaker, I think, economically, the Potash Corporation of Saskatchewan has served the people of Saskatchewan well, but in terms of stability of employment, Mr. Speaker, there is room there, there is a role for the public sector corporation as well. We're all aware, as will be members, some of whom are here representing constituencies that have potash mines within their boundaries, we are all aware of the direct economic impact on communities and families because of the employment of the Potash Corporation of Saskatchewan.

We're all aware of that, Mr. Speaker, and there is a role of

security of employment to families and communities across the province of Saskatchewan that the Potash Corporation of Saskatchewan has, can, and should play for the people of this province.

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

**Mr. Hagel:** — And I add to that as well, Mr. Speaker, that if the people of Saskatchewan have their way, that is a role that the Potash Corporation of Saskatchewan will play in the future of our province.

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

**Mr. Hagel:** — Mr. Speaker, it makes some sense in the operation of the Potash Corporation of Saskatchewan which, although it's been a doggone good money-maker, has not seen its purpose as only that. There has been stability of employment. The willingness, more than a private sector corporation, which answers to its shareholders every year on a profit and loss basis, with every shareholder looking for the biggest profit every year.

Private corporations, Mr. Speaker, better than is in their long-term good, often make the best short-term decision but the poorest long-term decision. Private corporations will therefore, Mr. Speaker . . . and I say best and worse, Mr. Speaker, in the context of the social effect of those decisions. You see it makes crystal clear sense to me that if you're a private corporation who says we've got one objective, that's to make the biggest profits we possibly can — private corporations say that — I don't knock them for that, they're being very honest.

What they do when the price is high, Mr. Speaker, is exactly what happened in the potash industry here in the '60s. They start building mines and producing potash like it's going out of style and bringing on employees in large numbers. When the price falls, what happens is they'll lay them off in large numbers and they start shutting down mines. Now that kind of approach, Mr. Speaker, to the economics of potash production makes sense for a private sector corporation which has got only one bottom line, that's the fiscal bottom line, and it's to profits this year.

But when you're a Government of Saskatchewan responsible for the management of your natural resources in the best interests of the people of your province, and you have an instrument available to you to provide some security, not only of income for the future, but also security of employment to families and communities around the province, you have an obligation to use that in my view, Mr. Speaker.

What does that mean? Well that means that when the prices are down a bit, the market's in a bit of a decline, because to some degree that potash industry has cyclical demands. When the demands are down a bit, you continue to work as full as you can, keeping as many full-time employees working as fully as possible, and you stockpile the product, because in making that decision you lend some stability to the lives of some of the citizens and the communities within our province.

And when the price is up, Mr. Speaker, you've got some stockpile available to draw from. You don't have to increase the production capacity full bore. You may add a few employees, but you've got a good stockpile of product to draw from to use for sales.

So you see what happens, Mr. Speaker, when taking that kind of a management approach, which is a commitment to the longer picture, to the broader picture, to the longer term, where it's not just profit and loss on this year alone, although Heaven only knows, that the profit picture of the Potash Corporation of Saskatchewan under the New Democrat government was a remarkable statement indeed.

What you have is an opportunity to provide stability so that you don't expand and get a whole lot of folks rushing into the province from out of province, taking up these jobs because there's new demand for people, and you train them, and then the market drops a bit and so you lay them all off and they all go rushing out of the province, off to somewhere else looking for the new opportunity, Mr. Speaker.

**An Hon. Member:** — It's happening now.

**Mr. Hagel:** — That's exactly what's happening now. It's exactly what's happening in Saskatchewan, as I've said before, with a net loss of over 45,000 people, a net loss of over 45,000 people in the last four and a half years alone.

So what you do is you manage that resource, you manage that industry in such a way that it maximizes the employment opportunity for Saskatchewan people, for our own people, for people who were born and raised in the province of Saskatchewan. So instead of creating those employment opportunities that come in a rush — get folks dashing in from other provinces, taking up jobs because you can't meet them all with your own people, and then when the price goes down you fire them all out, and away they go scrambling around looking for other employment — you provide stability by way of income to individual families, stability to communities in the province of Saskatchewan, and stability by way of peace of mind, security of employment opportunity to families as well, Mr. Speaker, in the province of Saskatchewan.

So you've got human stability, community stability, and fiscal stability as a part of having the publicly owned corporation as just one actor in that whole mix of producers of potash in the province of Saskatchewan.

Mr. Speaker, the corporation as well is quite capable of pursuing reasonable diversification programs. This should be really quite inspiring to the members opposite. They like to use the word diversification, don't recognize that the province has seen more diversification in the 11 years of a New Democrat government with Premier Allan Blakeney, than it's come close to in the last eight years of a PC government under the leadership of the Premier from Estevan.

I'm not opposed to diversification, I think it's a fine idea, Mr. Speaker. The Potash Corporation of Saskatchewan has and should continue to diversify in its operations. To emphasize research and development, which has been

drastically cut back since the PCs have come to office, you begin to look at the use of high technology, its roles to play in safety in the environment.

(1615)

Just by way of example, Mr. Speaker, I look at some efforts in diversification that were in fact under way by 1982. Again, and when I bring this to the debate, I don't lay claim to this as being a new idea that's never been said before, I'm simply putting forth a notion, Mr. Speaker, that has been tried and proven by the Potash Corporation of Saskatchewan before.

For example, a pilot potassium sulphate plant was started adjacent to the Cory plant; that occurred prior to 1982. Investigations were under way concerning tie-ins with magnesium sulphate deposits at Quill Lake, another diversification initiative undertaken by PCS during the years of a New Democrat government.

There was a look taken, Mr. Speaker, at participating with the Saskatchewan Mining Development Corporation in a phosphate exploration program south of Lake Athabasca; that was done as well.

There was a feasibility study for a nitrogen fertilizer plant. We've seen some discussion in these chambers about those kinds of possibilities today even, even now in 1989. Nothing new about this; this was being looked at and being considered as to whether the Potash Corporation of Saskatchewan had a role to play in that kind of an initiative as far back as eight years ago, Mr. Speaker. A feasibility study for a nitrogen phosphate complex, participation in a provincial railway study — so lots of diversification kinds of ideas that in fact the Potash Corporation of Saskatchewan was looking at. But interestingly enough, in spite of the build and diversify rhetoric of the PC Government of Saskatchewan, very little, in fact arguably none, has come to be.

But there is a role for the Potash Corporation of Saskatchewan to play, providing opportunities in employment and fiscal security for the province of Saskatchewan.

And I would add as well, Mr. Speaker, an eighth point in terms of what the operation, what the Potash Corporation of Saskatchewan could be doing to meet the needs of Saskatchewan people. One of the visionary kinds of ideas that's frequently mentioned by Allan Blakeney when he talks about potash and what was seen to be possible when the corporation was brought into being some 13 years ago is that it provided, consistent with our history, Mr. Speaker, an opportunity to do some experimentation in what some would refer to as the social laboratory here within the boundaries of the province of Saskatchewan.

By having a publicly owned corporation, a corporate entity, as with many of the same operational limitations structures as a private sector corporation would've provided for the province of Saskatchewan, as the opportunity to do some experimentation in workable models of democratization of the work place.

Mr. Speaker, there are some visionary people around the

province of Saskatchewan and other parts of the world who strongly believe that working men and women can realize greater rewards, greater returns from their efforts when providing the labour for industry in the province of Saskatchewan. Rewards from the work place are not always financial, surely that's a factor, surely that's a factor.

But more and more, we're realizing as social psychologists begin to look at the reality of the world of work, that people strive to achieve more from the world of work than simply a cheque at the end of the week or the end of the month. They look for something more than that. The people in this modern day and age, as careers are changed frequently, very rare now any more is the individual who went to work at the same career as his or her mother or father and retire at that same career — virtually unheard of. In my father's time, Mr. Speaker, it was commonplace, in fact, it was the rule rather than the exception.

But the world has changed. Careers are no longer started and finished; the same person doing the same thing. It's been said a number of times, and I think accurately, that all of us, all of us and any young person going into the work-force today . . .

**The Speaker:** — Order. I've been listening to the hon. member and I believe what he's saying now doesn't certainly seem, on the surface to be of relevance to the topic, and he will have to prove that it is.

**Mr. Hagel:** — Thank you, Mr. Speaker. I appreciate that, and I will certainly make the point as clearly as I can.

The conclusion I draw, Mr. Speaker, is that a publicly owned corporation provides the opportunity for its government to do some experimentation in terms of the social justice of the work place. That in turn provides insight, Mr. Speaker, for any government when considering its legislation and its regulations regarding employment conditions. The rules and regulations regarding the relationship between employers and employees provides an opportunity for government to make sensible decisions that are not based merely on hypothesis or theory, but are based on tried and true experience because of something that they've done. What I'm simply saying, Mr. Speaker, is that we are in a rapidly changing world in which corporations come and go, pointed out by the fact that we're into merger mania these days.

Every government has the responsibility to try and determine, in the context of the modern day employment climate, what are the rules of the work place that make sense? It's becoming increasingly common that corporations exist shorter periods of time. What's fair for governments to demand of private sector corporations in terms of obligations to those employees by way of retraining or pension or otherwise? Well it kind of helps, Mr. Speaker, if you are on the inside looking in, instead of on the outside looking in. And surely it helps government make sympathetic, empathetic kinds of decisions when you have some of your own experience to go by.

Decisions that allow you to look at these kind of industrial

issues, both from the point of view of employer having to bear the costs that are required by government rules and regulations, laws, legislation and regulations, but also from the other point of view, being responsible for the long-term benefit of the working people, the labourers of the province of Saskatchewan . . . And so I simply say that that is another benefit of the Potash Corporation of Saskatchewan that in my mind would be lost. It would be lost if this Bill is carried.

If I have a criticism of the New Democratic administration of the Potash Corporation of Saskatchewan. Mr. Speaker, it would be that, in my view, we didn't do enough of that sort of experimentation in those years. But to some degree I understand that. The first priority of the Potash Corporation of Saskatchewan in its first years was to get up and running and become operational and to prove itself. And I don't deny any of those things. Those are certainly very valid concerns. But it would be my view that we have now gone beyond the point where the Potash Corporation of Saskatchewan needs to prove itself. It has proved itself very clearly.

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

**Mr. Hagel:** — And so, Mr. Speaker, I think now is the time in which a corporation, a publicly owned corporation like the Potash Corporation of Saskatchewan, can provide opportunity to experiment in democratization of the work place.

What does that mean? That means looking at models that allow management and labour to develop common interests, significant worker input; some would suggest control some operations; opportunity for workers to input into the effectiveness of the operation as they deal with it; opportunity for workers to input in scheduling their times at work and the kinds of remuneration systems that they want, that allow workers in the province of Saskatchewan to do something more than just go to work and do your job and get a pay cheque, but allow workers in the province of Saskatchewan to achieve some of the other objectives that we, as human beings have, to realize some of their own potential at the work place, not just sweating and doing a job as laid out in detail for the purpose of taking home a cheque, but going to work and being able to see that you are an integral part, an important cog in a whole system — someone who's respected for your knowledge, for your investment of your time and your sweat, for your understanding, and recognized for the intelligence that you can bring to it — and to begin to recognize that what we do at work can contribute to the quality of life for all working people, not just those who are business owners, but for those who are working for a living as well.

Now, Mr. Speaker, I don't want . . . I'm not going to get into that debate, because I realize as to what those models are, and if it's not relevant to this debate on the Bill to privatize the Potash Corporation of Saskatchewan. But I simply say that this is a new era. We are, in industrial terms, we are at an exciting time, this tail-end of the 20th century. We are going through a transition in our world that's equivalent to the invention of the printing press, quite frankly, and all that it brought about.

This is the information age, and circumstances are changing, information is changing, jobs are changing so rapidly sometimes it becomes mind-boggling. And it seems to me, as I look at the role of governments, provincial and federal, we must recognize that the definition of work is changing, the definition of meaningful work is changing.

**The Speaker:** — Order, order. I believe the hon. member has made a reference to the world of work, and I believe that he's carrying on his remarks much too long to deem it as being relevant to the topic under discussion, and I would like him to consider that.

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

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

**Mr. Lingenfelter:** — I don't want to question your ruling, but I want to, for clarification, what is it when a member . . .

**The Speaker:** — Order, order. There is no debate on the Speaker's ruling. Order, order.

**Mr. Hagel:** — Well thank you, Mr. Speaker. I appreciate the clarification of your ruling, and I will do my best to participate in this debate consistent with your rulings.

**Mr. Shillington:** — Under rule 18 which says:

The Speaker shall preserve order and decorum and shall decide questions of order. In explaining a point of order . . . he shall state the Rule or authority applicable to the case.

This is important, Mr. Speaker. It is our view that there is no rule . . .

**The Speaker:** — Order, order. The hon. member is debating. The hon. member is debating. We are discussing the rule of relevancy. The hon. member is becoming irrelevant and going into great detail on the example he is trying to use, and that is irrelevant, and that is rule.

(1630)

**Mr. Hagel:** — Mr. Speaker, it would be my view as I . . . in this debate that opportunity to provide for increased quality of life by experiment through Potash Corporation of Saskatchewan . . . (inaudible) . . . is not irrelevant to the people of Saskatchewan. And I simply conclude by saying that I see this as a very valid opportunity that exists through the Potash Corporation of Saskatchewan . . .

**The Speaker:** — Order. I just want to bring to the attention of the hon. member that I have permitted him to use the example he has used. I have ruled that extensive debate on that topic is not relevant to topic whether you, sir agree or not. I will now wish that you continue your debate.

**Mr. Hagel:** — Thank you, Mr. Speaker, for that ruling. That's exactly what I was intending to do, and will.

Well, Mr. Speaker, we've uncovered a number of things in this debate, and it seems to me, Mr. Speaker, that when we look at the mandate that the government claims to have in bringing forth its legislation to privatize the Potash Corporation of Saskatchewan, that it is a proposal that is not supported by the people of Saskatchewan.

In fact, Mr. Speaker, as I talk to my constituents in Moose Jaw, and in fact, as I listen to other members bringing forth information to this debate from their constituents, it seems to me that there is a common message. People in Moose Jaw, and I will simply . . . I will not be so bold as to suggest in this Legislative Assembly that I know better than the member for Weyburn what the people of Weyburn are saying. I leave that to him to determine and to determine in his own mind whether their message is being represented in the Legislative Assembly.

If they're not in support of the message that the member is bringing, then they'll tell him that in the next election. The same would be true for the members for Regina South, and on and on. We don't need to list them all.

You see, Mr. Speaker, when people in Moose Jaw — and let me just speak for those people in Moose Jaw — tell me what they want in the Potash Corporation of Saskatchewan, there is not a whole lot of variance in the opinion that they bring forward.

I remember very clearly, Mr. Speaker, sitting down with a local business person in Moose Jaw, oh, this would have been about two months ago. It was at the time as a matter of fact, that the privatization of SaskPower was very much the priority in the news. I remember talking to this business person who said to me, well you know, I support the New Democratic Party and the positions that you've taken in opposition to a good number of the PC privatization initiatives; I support that. He said, I must admit I have a difference of opinion with you regarding the opposition to the privatization of the Potash Corporation of Saskatchewan. He said that kind of strikes me as being not a bad idea, one that they should go ahead and do.

I asked him, Mr. Speaker, if he remembers the original debate taking place back in 1975-76. He said he did. And I asked him if he remembered, Mr. Speaker, why it was back then that the Potash Corporation of Saskatchewan was brought into existence; if he remembered the time when the private sector potash corporations refused to pay their taxes and royalties, refused to open their books to even defend their position in claiming that tax and royalty rates were too high as imposed by the NDP government of Allan Blakeney, and refused to allow the government of the day to have any influence in regulating the extraction of potash from Saskatchewan soils, that natural resource which belongs by the Canadian constitution to the people of Saskatchewan. I didn't ask him all that in that many words, Mr. Speaker. I simply asked if he remembered, if he remembered that the private corporation weren't paying their royalties and taxes. And he stopped and said, you know, you're right. You're right, privatizing the Potash Corporation of Saskatchewan is no better than any of those other PC privatization initiatives.

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

**Mr. Hagel:** — So you see, Mr. Speaker, just one person, an isolated conversation. Totally irrelevant, I suggest not — typical. One of the things that was different about it, from most of the conversations that I've had with constituents who have expressed their points of view about Potash Corporation of Saskatchewan, is that it was a conversation with a business person who started out by being supportive of the privatization agenda of the PC government related to potash, but who, in very short order, and by simply being asked only one question: do you remember the private corporate potash corporations; do you remember them refusing to pay their taxes prior to PCS? And that's all he needed, an about face of 100 per cent in his opinion of the Potash Corporation of Saskatchewan.

You see, an individual in my constituency, Mr. Speaker — not motivated, he's told me he's voted for all political parties — has never had nor does he hold a membership in any political party today, and I believe him. Certainly he doesn't hold a membership in my political party, Mr. Speaker, bound not by any ideology, bound by no political commitments or loyalties, but a small-business person trying to make a go of it in tough economic times. Tory times are tough times; he recognizes that, and simply, Mr. Speaker, an individual who feels that pragmatic decisions should be made for pragmatic reasons, and that government decisions should be made in the best interests of Saskatchewan people. And who thought this brave new world proposed by the PC government, marching boldly into the 1990s, handing over more influence and control of our potash industry to the foreign interests, who thought that was on its surface maybe that wasn't a bad notion. After all, he was a business person, and maybe all business should be in the hands of investors and business people.

But he remembered — he was a man of conscience — he remembered what happens when you leave the fox in charge of the chicken coops. The fox eats all the chickens, and the people of Saskatchewan get a few bones left over in the end. And that's all it took, Mr. Speaker, to change his mind.

When the people of my constituency stop by the office or pick up the phone or write a letter, I have yet to have a phone call, I have yet to have a letter, somebody who's picked up their pen or their phone and called to say, when you are in there what we really need is for the Potash Corporation of Saskatchewan to have more foreign ownership. Nobody said that to me. Not a single person has said to me personally that they think more foreign control and investment in the Potash Corporation of Saskatchewan is somehow in the best interest of them all. Nobody said that, nobody.

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

**Mr. Hagel:** — Well, Mr. Speaker, interestingly enough I find several of my colleagues have not been urged by a single one of their constituents either. I'll leave them to tell their stories, and they will, I'm sure.

I wonder how many members of the government

opposite in their constituency offices have had a single letter or a single telephone call? How many members over there have had a letter or a telephone call saying, what we need is more foreign ownership of potash in the province of Saskatchewan? How many have had that one?

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

**Mr. Hagel:** — Three. Well, Mr. Speaker, we've got three. Three government members have said that they have had one conversation with a constituent urging them to have more foreign ownership and investment in potash in the province of Saskatchewan — three members, one conversation. The rest say naught.

There has not been a hue and cry from the people of my constituency, Mr. Speaker. There has been no hue and cry from the people of Moose Jaw North saying we want more foreign investment, more foreign control over the potash industry in the province of Saskatchewan. I've had not a single telephone call or a letter, Mr. Speaker, from . . .

**The Speaker:** — Order, order. The topic the hon. member's discussing, the issue of foreign control and investment within the corporation, has been argued by . . .

**An Hon. Member:** — That's in the Bill.

**An Hon. Member:** — But he's talking about his constituents . . .

**The Speaker:** — I'm going to simply warn the hon. member from Quill Lakes and the hon. member from Regina Centre, just this one time, that if they continue to interfere with the Chair when they're enunciating a ruling, I will name you without any hesitation. You have done it too many times, gentlemen, and I will not tolerate it.

Now, the member from Moose Jaw North, the topic you are now discussing is an argument that had been repeated many times by members. We have discussed the issue of repetition and tedious repetition on a number of occasions. Hon. Members in their debates must realize that as more and more members speak on the debate and as the hon. member from Moose Jaw North himself has spoken at considerable length, it is understandable it becomes more difficult not to repeat oneself.

However, having said that, it is the responsibility of the member speaking to make certain that he does not engage in tedious repetition.

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

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

**Mr. Brockelbank:** — My point of order is this, Mr. Speaker, that it is the practice of this Assembly, in all the time I've been in it, under many Speakers, that any member is not named . . .

**The Speaker:** — Order, order.

**The Speaker** is in ultimate control of the Assembly. I have just told the members from Regina Centre and the member from Quill Lakes what I will do.

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

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

**Mr. Brockelbank:** — My point of order is this, Mr. Speaker, you must cite a precedent to support your ruling. I want to know your precedent.

**The Speaker:** — You're questioning the Speaker's ruling. Your point of order is not in order.

You, sir, are questioning . . . Order, order. You, sir, are questioning the Speaker's ruling. I have just made a ruling and you, sir, are questioning the Speaker's ruling. I will recognize the member from Moose Jaw North.

**Mr. Brockelbank:** — Mr. Speaker, on a point of order. I want you to cite the precedent that supports your ruling that you made.

(1645)

**The Speaker:** — Okay. To satisfy the hon. member, I will refer him to rule 18(1) which simply states:

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

Having said that, sir, the member from Quill Lakes has been repeatedly warned, over and over, and so in fact at different times, has the member for Regina Centre.

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

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

**Mr. Lyons:** — My point of order is in regards to . . .

**The Speaker:** — Order, order. You do not have a point of order, sir. I have ruled. It's a final decision. You will not be recognized.

**An Hon. Member:** — I am raising a point of order under rule 18(1), sir. Under rule 18(1) it says, in explaining the point of order . . .

**The Speaker:** — Order, order. Would the hon. member be seated. I just want to remind the hon. members I have cited rule 18(1). No further points of order will be accepted on this issue until there is further proceeding in the House, from any member.

**Mr. Hagel:** — Thank you, Mr. Speaker. I apologize if it's been understood by some in the House as a repeating of arguments. That's certainly not my intention.

I've been bringing to the Assembly in these last small number of minutes, some of the comments made by my constituents. It's not surprising to me that comments of my constituents will be similar to my own. In forming my conclusions and the representation that I want to make in

this debate, I've listened to a number of people. Included in that, Mr. Speaker, have been some of my own constituents, obviously.

Other sources of interest of course would be members of my own caucus, *Hansard* from previous years, listening to other members in this Assembly.

Mr. Speaker, I have received correspondence from a number of sources. It was not my intention to get into reading them into the record here today, and I don't intend to do that unless it would be something that would be preferred. But I have received correspondence, and I have received input by way of telephone, lots of personal conversations with constituents who see the Potash Corporation of Saskatchewan, some of them more knowledgeably than others because of their awareness of specific facts and details, but who see the Potash Corporation of Saskatchewan as a wrong-headed move.

I've been told a number of times, Mr. Speaker, by my constituents that they want me to fight against the privatization or that's my word; the word that they most frequently use, privatization — to fight against the privatization of the Potash Corporation of Saskatchewan just as they have told me that they want me to fight against the privatization of SaskPower and SGI (Saskatchewan Government Insurance).

Some constituents see the Potash Corporation of Saskatchewan as a different entity because it is. Some of my constituents, Mr. Speaker, plainly and simply are opposed to the whole thrust of privatization that to them has felt like it's come at them like a hoard of bees since the beginning of this session this spring. So, Mr. Speaker, I simply bring that report to this debate because it represents the messages that I get back home that people ask me to bring into this Legislative Assembly.

Mr. Speaker, that will be no surprise, I don't think, to any member of this Assembly that my constituents would be saying that to me, because, Mr. Speaker, I don't know that my constituents are saying anything terribly different to me than people of Saskatchewan are saying across this province. Now I may be getting a bit of a biased slant from my own constituents who are asking that I take this position in the Legislative Assembly. I admit that. There may be those who don't express their point of view because they believe that I would listen to it or would care. That may very well be.

But the message I get, Mr. Speaker, regarding the desire of Saskatchewan people to retain the Potash Corporation of Saskatchewan is not inconsistent at all with the results of a poll that was conducted without political bias back in the latter part of April, the first part of May, that was, as a matter of fact, Mr. Speaker, a main political feature in the May 3 edition of the *Regina Leader-Post*. And, Mr. Speaker, the opinions expressed by Saskatchewan people as documented by the Angus Reid poll reported in the May 3 *Leader-Post* are entirely consistent.

And I guess I just . . . it's with that in mind that I continue to find it frustrating and difficult to understand just how the government assumes it has a mandate to do something it said it wouldn't do before the election, made no reference



to during the election, got a smaller percentage of the votes than the opposition, and then three years into its term it says it has a mandate to do, in spite of the fact that it backs off on the privatization of SaskEnergy and SGI, which were included with Potash Corporation of Saskatchewan in the Speech from the Throne earlier this year. I don't understand that.

Mr. Speaker, that sounds to me like an arrogant government. It sounds to me like a government that has lost touch with the people. And let me bring to this argument simply that view that this is a government that has lost touch with the people. It has clearly lost touch with my own constituents who very . . . not a large percentage of whom, I will agree, some of whom share the ideology and the sentiments of the PC government of Saskatchewan today, but nowhere near the majority, and I believe, Mr. Speaker, nowhere near the number that voted PC in the last provincial election.

Mr. Speaker, to make my case then, I simply bring to the attention of the Assembly the results of this poll conducted by Angus Reid that was not commissioned by any political party. It wasn't one of the polls paid for by the people of Saskatchewan, requested by the PC government of people such as Ken Waschuk and others who work for this government, Mr. Speaker, but it was done at the request, I believe of some of the media outlets in the province of Saskatchewan, conducted by Angus Reid, and carried out at the time that the SaskEnergy debate was in the forefront.

Well, Mr. Speaker, when I look at this poll, what does it tell me? First of all there was a question about people's support in Saskatchewan for privatization generally. People in Saskatchewan were very aware at that time of the government's plans to privatize, including in that, PCS.

I just want to make the case here that the opposition to privatization of potash corporation is consistent with the opposition of Saskatchewan people to privatization generally, which is also consistent to the opposition that people have to electorally supporting the PCs, or conversely, supporting other political parties.

And so, Mr. Speaker, let me report then that in this poll, the question being asked, and I quote:

The Grant Devine Conservative government has made other initiatives in the area of privatization, that is the selling of Saskatchewan Crown corporations. Generally speaking, have you yourself supported or opposed . . .

**The Speaker:** — Order. I wish to bring to the attention of the hon. member that the poll he is quoting from has also been used by other members in developing their arguments. And I wish to repeat the tedious repetition cannot be part of a debate. Otherwise there are no limitations on debate.

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

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

**Mr. Lingenfelter:** — I want to get a point of clarification on using information that has been used in previous speeches. During the throne speech debate Conservative members often refer to the same point . . .

**The Speaker:** — Order, order. These are not valid points of order. And I wish to quote from a former Speaker who had similar problems with points of order. And I refer you to the quote from former Speaker Brockelbank on April 24, 1978, which is as follows:

. . . I have noticed that some hon. members appear to be abusing their right to raise a point of order by using it as a means of debating a ruling with the Chair. I refer you again to *Beauchesne's Parliamentary Rules and Forms*, page 60, which reads:

"Points of order are justified when there is some flagrant misuse of the rules, but they are unfortunate necessities which should not be regarded as usual phases of procedure, and ought not to develop into long arguments with the Speaker who, being in a quasi-judicial position, should not be drawn into controversial discussions."

A point of order should only be raised when a rule or established practice of the Assembly has been breached and in so raising a point of order, a member must identify the rule in question.

Now that's a ruling of a former Speaker of the House.

We have discussed this issue of tedious repetition before on many occasions, and I once more reiterate that as more and more members speak, and as an individual member speaks for a considerable length of time, it is understandable that there will be difficulty in not being repetitious in some cases.

The hon. member in this case is being repetitious. I am drawing that to his attention. Rule 25(2) clearly states that tedious repetition is not permitted. And I'm simply drawing the rule to the debate to the hon. member's attention, and I expect that he will abide by them.

**Mr. Hagel:** — Thank you, Mr. Speaker. I appreciate your ruling on that. And I will simply say then in debate, Mr. Speaker, that the opinions of my constituents, in my view, are consistent with the opinions of people across the province of Saskatchewan.

I don't come to this . . . I am not so brash as to assume that because my constituents have an opinion, therefore that is the opinion of the people of the province, be it potash or be it any other topic.

It is my opinion, Mr. Speaker, that I have the responsibility to represent my constituents as best I can in the Legislative Assembly here, and to speak on their behalf and to represent their points of view two places, one, within my own caucus, and secondly, within these Legislative Assembly chambers.

I have drawn the conclusion quite some time ago — and I've made the case here and I appreciate that you've allowed me to do that, Mr. Speaker — I've drawn the conclusion quite some time ago that by no definition, by no definition whatsoever does this government have a mandate to proceed.

I've outlined in detail how they've got no electoral mandate. I won't repeat that. But they have no mandate on the basis of public opinion either, no mandate at all. They do not have a mandate in my constituency, of that I am crystal clear. It is my responsibility as member of the Legislative Assembly for Moose Jaw North to try and understand the opinions of my constituents, although they'll be varied, and to represent those in my caucus and in the Legislative Assembly.

Mr. Speaker, it's my view that those interests and those opinions of the constituents of Moose Jaw North are entirely consistent with those of people across the province of Saskatchewan.

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

**Mr. Hagel:** — Mr. Speaker, given the time of day and the fact that I want to move to a new argument, I move adjournment of debate.

**The Speaker:** — Being near 5 o'clock, the House stands recessed until 7 p.m.

The Assembly recessed until 7 p.m.