

try. We are going to establish a corporation that will in fact buy the oil at a set price designed to provide a profit and a good return to the oil companies, but the difference between that price and the international price will go to the people of the province rather than end up as a windfall gain to the multinational corporations?

● (1620)

When we talk about depletion allowances, I remember a conversation I had with the Hon. Ed Schreyer, Premier of Manitoba. We discussed depletion allowances and I said that we must get rid of them. He said no, we must get rid of them for the multinational corporations because they are not entitled to them. He said the people of the province were entitled to the depletion allowances; their resources were being depleted. If there were to be depletion allowances, that is where they should go.

I wish to refer to what the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) has said on many occasions in speeches in the House when referring to the export tax. He has repeatedly said that the revenue from the export tax should be returned to the province in which the resource originates, so that it could be put back in the form of exploration and development in that province and not be put into the coffers of the multinational corporations so that they can decide, if they wish, to go to Texas to do their exploration work because someone has given them a better deal than we have. That is what the Premier of the Province of Saskatchewan is doing. He is saying that for years the multinational corporations have taken their profits out of Saskatchewan and have not carried on exploration in the province. It is important that this exploration be carried on, not only for the people of the province but for the rest of the country. The premier is now saying that the windfall gains will in fact be used for further development. To do otherwise would be to turn the province over to the mercy of the multinational corporations which have no mercy. They have never forgiven Saskatchewan for being the first area of North America which saw the light and decided to act in the interest of its people rather than in the interest of the establishment.

That province challenged the structure of that society, and it needed a great deal of challenge. The multinational oil companies proceeded to buck that province on every occasion. If the province wanted to get a return to which it was entitled in the form of royalties or taxation, they said they would go to Alberta because Alberta would give them a better deal. They did roughly the same thing in British Columbia, but they ran into a pretty cool cat who raised the royalty 80 per cent and said to them that if they wanted to move out then that province would take the money and do its own exploring. The day of blackmailing provinces is over, as it should be over. It may not be over in all provinces, but it should be.

I want to go further into what the Premier of Saskatchewan said. He said that he understands the need for a two-price system in Canada, and recognizes there is a responsibility to treat the people in his own country somewhat differently than by extracting the world price from them. But he is also sensibly saying to the various jurisdictions and governments that although they are willing to do this, they have some grievances which must be recognized. He points out that the oil in the province will

*Energy Supplies Emergency Act*

not last forever and that they will need to find other jobs for their people.

I think Saskatchewan has been doing quite well in terms of prosperity. The administration of the province has been good. I understand that agriculture has been coming along quite well but that a very severe problem is faced by Saskatchewan which will be faced by other provinces. While the prosperity may be there, this means bigger and bigger farms and more and more mechanization. It means the breaking down of small towns and the lowering of the population.

What sense does it make if Saskatchewan is on its way to becoming a rich province and does not have the population to sustain the basic infrastructure that is necessary? The Premier of Saskatchewan knows this. He is saying to the rest of us in Canada that they need industrial development—they need some but they are not looking to making it in southern Ontario—to sustain their cities and towns. It is more than just prosperity or revenue; it is a way to keep the sons and daughters of Saskatchewan at home and give them some opportunities, instead of their having reluctantly to leave because the prosperity which is being created and the jobs which are being created wind up somewhere outside of Toronto. That is sensible. He is asking for an adjustment in the transportation rates. I think that argument is highly exaggerated. I think when we get down to it we may find that the grievances are greatly exaggerated although in general they are deeply felt whether or not they are greatly exaggerated.

We should be sitting down with Saskatchewan to work out a new freight rate structure that the people there would consider fair. I think this can be done at relatively small cost. I believe it would be a price that the people of this country should pay and would be willing to pay if they are saying to Saskatchewan and to Alberta that they want lower prices for the resources in those provinces and want to be treated somewhat differently than those provinces are willing to treat foreigners. In such a case those provinces have a right to say, "Well, you treat me as though I am one of your own instead of a far-off brother or sister, and let us sit down and get some of these things worked out".

It seems to me that this statement of the Premier of Saskatchewan is very different from the kind of things we have been hearing from other sources. I think this is the kind of approach which we should grasp and the federal government should immediately start to meet with the people of Saskatchewan and begin working out these problems.

Then there is the question of farm price stability. We know that the sort of increases we have had in respect of farm prices have receded slightly. Food costs less now than it did a few months ago, and we have not had the kind of attitude that prevailed at that time. At the height of the food price increases the country would gladly have said to the farmer, "We will give you stability. Now keep the price from going up and up." The minute food prices start to drop, they forget about giving the farmer the stability he needs and the stability which every workingman wants and usually gets if he belongs to a trade union. Now is the time to start talking about farm price stability. This is what the Premier of Saskatchewan is saying. He