

Mr. Benjamin: I mean that. There are some idiots in Montreal. There are even some in Regina, but they all sit on the opposition side of the legislature.

In spite of all the fun, we can do things by ourselves. We have proven that many times over. Ontario Hydro has between \$1 billion and \$2 billion in investment and projected investment. Don't anybody try to perpetuate this mythology that because it is a vast amount and, because these big oil corporations are sitting outside our border, we have to lay back and let them rape us.

Some hon. Members: Oh, oh!

Some hon. Members: Explain.

Mr. Benjamin: Madam Speaker, I have enjoyed this. I have enjoyed the fun my colleagues are having this evening. I am sorry my remarks were misconstrued because they were missaid.

Some hon. Members: Hear, hear!

Mr. Benjamin: If I were an orator or read my speeches word for word, I would probably not get into this kind of difficulty. I would probably not have nearly as much fun. I want to close—

An hon. Member: I don't blame you.

Mr. Benjamin: I had better not hear any more remarks like that because hon. members have granted me extra time. That means I can stand here until ten or eleven o'clock.

Some hon. Members: Hear, hear!

Mr. Benjamin: I promised not to abuse that privilege, but I could be provoked into doing so. In fact I have several more pages I have not dealt with yet.

There is another area I want to mention because the Minister of Finance made specific reference to it in his speech, as a result of some things that were said, both in and out of Saskatchewan concerning what is in the budget. That is the case of the Saskatchewan Power Corporation, natural gas development, production and retailing to customers of a corporation like that.

The provisions in the budget are almost unbelievable. Our corporation buys natural gas produced in Saskatchewan from a number of oil and gas companies, as well as fields which it owns, at an average of about 16 cents per thousand cubic feet. The SPC then distributes this gas, and other gas we get from Alberta, to our customers at low rates.

The federal budget allows the federal government to tax these companies as if they sold the gas to Saskatchewan Power Corporation at going market prices as set by the federal government, very possibly more than 60 cents per thousand cubic feet. This means that in some cases these companies will have to pay in taxes very nearly the total price they get from Saskatchewan Power Corporation.

These provisions affect primarily those provinces that have taken steps to keep natural gas rates down. The federal budget is designed to force customers in those provinces, especially Saskatchewan, to pay rates similar to those paid by customers in other parts of Canada.

Income Tax

The excuse offered for this is that the federal move is necessary to prevent provinces from getting around the new federal ruling respecting the taxing of provincial royalties. They do not want a provincial corporation to buy oil from a company cheaply, then sell it at a high price and, in effect, convert what would have been a royalty into a profit.

However, that has got nothing to do with the Saskatchewan Power Corporation. Saskatchewan Power Corporation does not buy gas cheaply to sell it at high prices. It buys gas cheaply to sell it to Saskatchewan people at low prices. Saskatchewan Power Company applies to natural gas the same principle that it and power corporations in other provinces apply to electric power, the utility principle.

This budget is an attack on the whole concept of using Saskatchewan resources for the benefit of the people of Saskatchewan. It hurts one province above all the others, Saskatchewan. Canada's history contains no similar example of the federal government attempting to stop a provincial government from developing energy resources and providing them to the citizens of that province at the lowest possible cost—in fact, at cost.

For more than 50 years Ontario Hydro has been following that very policy without federal interference, providing electric power to the people of Ontario at low cost. For many, many of those years it was providing power at a fraction of the cost we paid in Saskatchewan.

Federal interference in Saskatchewan Power Corporation's attempts to provide low-cost gas to the people of Saskatchewan is particularly reprehensible, and cannot be explained on any other basis than federal opposition to western Canada enjoying the benefit of its resources. I have not heard any criticism of that particular provision from members of the federal Liberal party. I am not sure I have heard it from members of the provincial Liberal party. I am not sure I have heard it from any members of the Conservative party.

We will not willingly stand by and let the Saskatchewan Power Corporation gas division, which has operated to serve Saskatchewan customers for almost 20 years, be plundered, and plundered with no possible justification. Last Tuesday evening, as recorded at page 2695 of *Hansard*, the Minister of Finance made some remarks about this, and I quote:

As I indicated to the House previously, I have been giving consideration to the question raised about the possible impact of the new resource taxation system proposed in the budget on the Saskatchewan Power Corporation. It is my understanding that gas acquired by the corporation both from Alberta and from within the province is supplied to Saskatchewan consumers essentially at cost after provision for its own administrative, operational and debt expenses. Assuming that to be the case, no element of royalty or similar levy by the province is involved, with the result that the Saskatchewan Power Corporation should not be affected by the fair market value rule contained in the bill now before the House. Since there has been some doubt regarding the meaning of "fair market value" in specific circumstances, I should like to advise the House that I intend to introduce a clarifying amendment.

● (2110)

That looks promising. But the amendment had better do more than clarify. It had better exempt the Saskatchewan Power Corporation from the provisions of this budget. In fact, if the Minister of Finance and the Prime Minister are