

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**May 20, 1983**

The Assembly met at 10 a.m.

Prayers

**WELCOME TO STUDENTS**

**MR. LANE:** — Thank you, Mr. Speaker. On behalf of the member from Regina Wascana, the Hon. Gordon Currie, Minister of education, it's my pleasure to introduce through you to the Assembly some 23 grade students from the Massey School here in the city of Regina. They are accompanied by Susan Nunn and Mrs. Laberti. I wish all hon. members to join with me in welcoming them to the Assembly. I hope that their morning is informative and interesting, and I will be available for questions and pictures immediately after question period. Would all hon. members join with me in welcoming them to the Assembly.

**HON. MEMBERS:** — Hear, hear!

**QUESTIONS**

**NHL Franchise Application**

**HON. MR. BLAKENEY:** — Mr. Speaker, I would like to direct a question to the Minister of Urban Affairs. The minister was present at a meeting of the NHL board of governors earlier this week. He was there, I take it, in his capacity as a minister of the Crown, and I wish to make clear that I express no objection to that. I use that as a preface for my next question, which is: can you tell us what your role was in the presentation of the application on behalf of the Saskatoon franchise, and what kind of a response was received from the NHL board of governors?

**HON. MR. SCHOENHALS:** — Mr. Speaker, in terms of my role in the presentation, I indicated to the board of governors some facts that I felt were pertinent to the application regarding the recent political history of this province. I explained, along with a number of statistics, the economic situation and why Saskatchewan is in fact an ideal place to make a major private enterprise investment at this time, and I spent a considerable amount of time attempting — I believe with not the greatest success — explaining the unique aspects of the people of this province, and explaining in detail why the application that was being put in front of them was in fact a provincial application and not simply an application on the part of the city of Saskatoon. In broad strokes, that was the basis of my presentation.

**HON. MR. BLAKENEY:** — Supplementary, Mr. Speaker. Would the minister outline what he believes to be the next steps? Is your office — you or your office or any other representative of the government — still involved in pushing the application and, more particularly, are you anticipating involvement by you or your office in any legal action?

**HON. MR. SCHOENHALS:** — I realize that this is rather difficult for the party opposite to understand, but we were there primarily in support of the application. It was in fact a free enterprise, privately financed, privately proposed presentation. We had agreed that we would guarantee the mortgage on the building. We expected to not in fact have to put a penny of taxpayers' money into the proposal. Consequently, our position has

not changed. That guarantee was dependent on a transfer approval, which has not come, obviously, to this date.

If there is to be legal action, and that is only one of a number of options open to the two parties who are involved — the two parties being Ralston Purina of St. Louis and Coliseum Holdings of Saskatoon — if in fact legal action is pursued (I understand the federal government is involved at this time in looking into the matter), but it would seem to me, without a great deal of legal background, that the people who would pursue legal action would in fact be Ralston Purina.

My office is still very supportive, as is this whole government, of this concept. However we will not be directly involved, at least I've not made any indication that we would at this time and I don't imagine we would.

**HON. MR. BLAKENEY:** — New question to the minister, Mr. Speaker. This question concerns what the minister has acknowledged was in effect a provincial application for a franchise for the city of Saskatoon and the National Hockey League, an application which had to obtain the votes of perhaps three-quarters of 18 people, and which in fact had two votes when the delegation went down there and came back with three. My question to the minister is this: in view of the fact that this application was going to reflect, inevitably reflect, on the name of Saskatchewan throughout North America, what steps were taken to ensure that some additional support was lined up before the meetings were held in New York?

In effect, did you go to Calgary, did you go to Winnipeg; did you go to any other of the franchise holders and see whether or not support could be lined up for Saskatchewan before you went to New York?

**HON. MR. SCHOENHALS:** — Mr. Speaker, let me make very clear what I meant when I said 'the provincial aspect of the presentation.' I was indicating that support for this project did in fact come from all over the province of Saskatchewan and not merely from the city of Saskatoon. In fact on that point, Mr. Speaker, to my knowledge, there is only one group in this whole province that has publicly expressed disapproval of the project. I think the comments made in the House of Commons yesterday by the member from Yorkton, who is an unofficial candidate for leadership of that party, indicate that they were not taking . . . (inaudible) . . . seriously, and have never in fact supported the thing. I contend that the rest of this province did in fact support this project, and still do. And the reaction that is flowing into offices in Saskatoon would indicate that.

In answer to your question, we did not make on behalf of this government, direct lobbying, I suppose is the word you're looking for, with the other members of the board. The Coliseum Holdings group did in fact do some lobbying. In my opinion that was the correct route for that type of approach to take. They were the people on an equal footing with the present members, and were attempting to gain the franchise, and they were the ones in fact who should do that type of lobbying. We did some informal discussions with the federal government which resulted in letters from Senator Perrault to the NHL board of governors indicating that the federal government was in support. We had some informal discussions with other provincial governments, but the lobbying of the members was left to the two parties involved. Ralston Purina and Coliseum Holdings, and in fact that was at their request.

**HON. MR. BLAKENEY:** — A supplementary, Mr. Speaker. The minister is acknowledging that this application had widespread support from all across Saskatchewan. In the face

of that, why did you not use your good offices to attempt to line up support from the franchise holders in Vancouver, and Calgary, and Winnipeg, and Minneapolis, and other places where you might have had influence?

**HON. MR. SCHOENHALS:** — Mr. Speaker, I guess that it comes back to a philosophical question. We believe that other people have as many capabilities as members of government, and private enterprise works that way. The two people involved, Ralston Purina and Coliseum Holdings, indicated to us that in their opinion it was best if they were left to handle the discussions with the board of directors, with the owners of the other teams, which again are all privately owned, and that was the way we approached it. We indicated that we had confidence in their ability to do that. You might question whether that was a well-placed confidence or not, on the results, but I contend that the approach we took was in fact in keeping with the wishes of the two companies involved.

**MR. KOSKIE:** — Yes, Mr. Speaker, I would like to ask the Minister of Urban Affairs . . . You indicated that the group, that Coliseum Holdings were in fact doing the lobbying, and what I ask you is: did you determine what lobbying they had done, and were you in fact satisfied with all of the groundwork prior to going to New York for the board meetings?

**HON. MR. SCHOENHALS:** — I suppose it . . . Again, Mr. Speaker — and I understand the reason for the question being asked two or three times, because it is difficult for that party to understand — they would have had to have a 50 per cent equity position before they would have allowed the project to get off the ground.

I don't know whether I was satisfied or not. I think now is the wrong time to ask that because the results are in. When we went down there, we went down expecting a fair hearing. We thought that the groundwork had been done, that we'd be successful. But that was based on the information I'd acquired from the two parties. Obviously now it's easy to stand up and gloat because the thing didn't go through, and that, in my humble opinion, Mr. Speaker, is what is taking place.

**MR. KOSKIE:** — Well, I want to ask a further question, Mr. Speaker. I want to ask you in your capacity in supporting it on behalf of the government: did you in fact receive and review a detailed copy of the major submission put forward by Coliseum Holdings, and were you satisfied, prior to going to the meeting, that everything had been done that had to be done?

**HON. MR. SCHOENHALS:** — Mr. Speaker, if I understand what is being suggested by 'major submission made by Coliseum Holdings,' we were privy to all the documentation that was sent to the NHL. The documentation was very, very complete. The NHL people individually came up and indicated that the presentation that was made was in fact one of the most excellent presentations they had ever had. Ziegler said that publicly at the press conference. The documentation that was requested was more detailed than any that had ever been requested in a similar situation before. That was admitted to us, and they were amazed in fact that Coliseum Holdings and Ralston Purina were able to provide as much in as much detail as they did. So I suppose the answer to your question: I was very satisfied with the steps that had been taken to provide information to the NHL board of governors. I'm less than satisfied with the effect it had.

**MR. KOSKIE:** — One further supplemental. You indicated that you made your presentation in respect to the political nature of the situation in Saskatchewan, that it

was essentially a private enterprise going for the team. And I ask you, since you represented the people of Saskatchewan, will you be prepared to file a copy of your submission in order that we could review in some detail whether you in fact made the effort that we really feel, since you were representing the people of Saskatchewan, in a competent and professional way?

**HON. MR. SCHOENHALS:** — Mr. Speaker, my presentation was verbal. It would be very difficult to file it or to table it. It indicated the changes that had taken place. The people there were, in fact, very receptive. It was indicated to me privately, by one of the members of the board and also by one of the press, that one of the concerns that faced the NHL board of governors, and in fact we have found faces an awful lot of investors, was that it was remote but possible that we could some day have a return to socialism in this province and that scared them.

**SOME HON. MEMBERS:** — Hear, hear!

### **Lake Diefenbaker Pipeline**

**MR. SHILLINGTON:** — Thank you, Mr. Speaker. I would like to draw the attention of the Minister of Urban Affairs to yet another program for which you would like to disclaim responsibility — the Lake Diefenbaker pipeline. Mr. Minister, you've put a lot of time and effort into an unsuccessful NHL bid. My question is whether over the next few days you're going to put as much time and effort into the construction of the Lake Diefenbaker pipeline, and it is to be hoped with more successful results. Are you, in fact, Mr. Minister, meeting with the mayors of the cities today? And will this, hopefully, be the final meeting to complete the financial proposal which the three of you will take to Ottawa early next week?

**HON. MR. SCHOENHALS:** — Mr. Speaker, I will attempt to answer this question with a straight face, although it will be difficult.

I would suggest, first of all, that the unsuccessful application . . . It's a delay, I'm not sure that I accept that it's unsuccessful at this time. And we will continue, if we're asked and approached, to lend moral support to the presentation and whatever happens from here on. In terms of the pipeline, I believe the mayor of Moose Jaw, on an open-line show in Regina this week, indicated what his feelings were about the efforts that are being put forward by this government, and in fact is very appreciative. And I believe that that's important. We are meeting with the two mayors today. We will try to reach some further agreement in a natural negotiation process. Mr. Speaker, I would add that I'm glad that we have television in this House, so that the people of this province can realize how negative and doom-and-gloom oriented that party opposite is, in fact gloating over a rejection of this province by a group of entrepreneurs. I find that very interesting.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. SHILLINGTON:** — New question, Mr. Speaker. Mr. Minister, you may have heard the mayor of Moose Jaw. I wonder if you heard the mayor of Regina who expressed concern about the glacial pace that this thing is taking, with every good reason. Does the minister not share the concern of the mayor of Regina that this proposal must go forth very early next week, or the money in the special project fund will be gone?

**HON. MR. SCHOENHALS:** — As a matter of fact, I met with the mayor of Regina at 3:30 this morning on another matter. We discussed that briefly. I would point out that I didn't

bring it up, but in fact since our last meeting — the mayor of Regina has been out of the city for two weeks — it was a little difficult to contact him; consequently maybe Mr. Lewry's interpretation is more accurate.

**MR. SHILLINGTON:** — Well, will the minister not admit that you need to get your act together fast and get to Ottawa at a very early date, or the money is going to be gone? Do you not understand that urgency?

**HON. MR. SCHOENHALS:** — Mr. Speaker, I would contend that we have our act together. We are in a negotiation process that is obviously difficult, and we are making progress. I would suggest as well that not only are we considering at this time the Regina-Moose Jaw-Lake Diefenbaker pipeline proposal, we are attempting to make steps that should have been made ages ago to try to develop some type of provincial water policy. I think that the whole thing is in fact moving along rather well; and in fact our act is together; and on that specific project I would argue that it is together there, too, and we will make advances and we are attempting to make our presentation in Ottawa as quickly as possible.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. SHILLINGTON:** — New question, Mr. Minister, to put it mildly, there are some doubters about your effort. Let me quote a representative of Ipsco, Mr. Bill Baker, who says:

Moose Jaw and Regina municipal governments and the provincial government will have very little credibility if support from the provinces and the two cities is as wishy-washy a sit has been to date.

Mr. Minister, will you redouble your efforts to put forth a proposal which will not be described as wishy-washy?

**HON. MR. SCHOENHALS:** — Mr. Speaker, I will make one very simple, concise comment. Any effort this government makes, no matter how wishy-washy by your definition, will certainly be more than you made in 11 years in power.

**SOME HON. MEMBERS:** — Hear, hear!

### **Salary Increases for Out-of-Scope Staff**

**MR. KOSKIE:** — Yes, Mr. Speaker, I'd like to address a question to the Minister of Finance. On Monday last you took notice of a serious series of questions concerning government salary increases for its highest paid civil servants and political staff. And what I asked on that occasion is: in respect to the increases, how many people received the 6 per cent salary increases retroactive to April the 1st, which your cabinet approved on May the 5th? How many of those people were making salaries which were already at the 50,000 and qualified them for the 3,000 maximum? And what was the total cost of these increases to the taxpayers? To date I have not received any reply to this information, and I'm wondering whether you did it in the darkness without any information.

**HON. MR. ANDREW:** — Mr. Speaker, in response to that question, I can advise, the number of people in the out-of-scope range that received a 6 per cent increase was

1,983 people. The number affected by the \$3,000-a-year cap was 533 people. Now, this compares — if I could, Mr. Speaker — to a year earlier, a year earlier . . . (inaudible interjection) . . . I'm coming to that. A year earlier there was not 1,983 people, Mr. Speaker, receiving the out-of-scope increase, but 2,351. And the increase at that time, when the NDP were in power, was not 6 per cent, Mr. Speaker, it was 12 per cent. Not only that, Mr. Speaker, but they increased not only 12 per cent, but 550 further civil servants got increases beyond that.

With regards to the cost to the treasury, Mr. Speaker, by the government of the day, compared to the NDP when they were in power one year ago in April, the cost is 100 per cent less now this year than it was last year.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. KOSKIE:** — The minister likes to compare apples and oranges. I would like to ask him: what was the general percentage increase to the public service during the period of time of the previous administration when you were saying, 'A number of them have qualified for increases'? And I would like to ask you also: when we gave our increases, did we freeze or did we increase minimum wage?

**HON. MR. ANDREW:** — Mr. Speaker, I think the . . . Not only, not only was the increases to the out-of-scope people half of what it was under the NDP administration, but further, there are 1,300 fewer people working for the government now than was working for the government in 1982. Those management people are working with 1,300 fewer employees, and I suggest we're doing a better job than they were in 1982.

**SOME HON. MEMBERS:** — Hear, hear!

### **Renovations of Ministers' Offices**

**HON. MRS. DUNCAN:** — Thank you, Mr. Speaker. On May the 13th, I took notice of a question in the House by the member from Shaunavon.

**AN HON. MEMBER:** — In what year?

**HON. MRS. DUNCAN:** — May the 13th, 1983. And I might say, Mr. Speaker, I've had the information since Monday and I've been waiting for the member to appear in the House, and I'm glad to see he's here today.

Mr. Speaker, the member from Shaunavon, in his question said:

My question is to the minister of government services. It has to do with orders for return nos. 15 and 47, which indicate for the last six months your government has spent more than \$30,000 in renovating ministers' offices in the Legislative Building. I wonder if, in general terms, you can explain to me what kind of renovations that might be, to run up a bill of \$30,000 in renovating ministers' offices in the first six months.

At that time I told him I could supply him with those details. I might say, Mr. Speaker, that it's not only the renovations and whatever to ministerial suites. We had approximately, or 30 small projects, and when you calculate that, that's about an average of \$1,000 per project.

What we did was sound-proof panels, repair unitrane covers to allow easier drainage, alterations to bookcase, sound-proofing of a door and concealment of weather-stripping, mail-sorting counter and shelving, installing a door, statute shelving, sound-proofing shelving, refurbish of chairs, new carpet, new drapes, a mirror, refurbish of chairs, construct four pamphlet racks, and another sound-proofing of a door.

I think, Mr. Speaker, this should be put in the proper perspective. It's in answer to a very detailed question asked. I think it should be put into proper perspective, Mr. Speaker. In the year 1980-81, under the former administration, the renovations strictly to ministerial suites at that time — I think there was one, two, three, four, five — was \$85,510.

I also might add for the information of the Assembly that the former minister of social services, the member who asked the question, also had furniture installed in his office at a cost to government services of \$5,500. And also the member from Regina Centre, when he was a minister, had some work done February 1st, 1979, for a total cost of 8,809 and further work done on February 28th for 5,870 for a total of \$14,679.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. LINGENFELTER:** — Mr. Speaker . . (inaudible interjections) . .

**MR. SPEAKER:** — Order please. There's so much noise in the Chamber that nobody can be heard . . (inaudible interjections) . . Order please.

**MR. LINGENFELTER:** — Mr. Speaker, a supplementary to the minister after that tirade of going through building expansion and renovations of suites over the last three years, in answer to a very simple question — which I would still like further detail — I wonder why, if there was so much money spent in those suites over the past five years or whatever year you went back to in your answer, why it was necessary to spend \$30,000 more in the first six months of your administration, if in fact all of that money was spent? And in replying, there was an accusation made that there was \$5,500 worth of furniture spent in my office. I would like her to table that, because I simply don't recall any new furniture being put in my office from the time that I was a minister. I never requested any furniture; I never had any new furniture put in. In fact, when I was moved into my office, I had an opportunity to get new furniture, and I refused it and kept old furniture. I would like her to table that, because this is similar to accusations that have been made about other things in this House that have gone unchallenged. And I would like her to table that information for me.

**SOME HON. MEMBERS:** — Hear, hear!

## MINISTERIAL STATEMENTS

### NHL Franchise Application

**HON. MR. SCHOENHALS:** — Mr. Speaker, during question period there were a number of questions asked about recent events in New York regarding the NHL rejection. I think they strayed from the heart of the matter, and I'd like to take a few moments to provide the House with some information relative to the NHL decision not to approve the transfer of the St. Louis Blues to Saskatoon, Saskatchewan.

I'd like to point out that some of what I am about to say is my own personal opinion; it is

not necessarily the opinion of Coliseum Holdings or Ralston Purina or any of the other groups involved. At the outset I would like to indicate that the group which travelled to New York was obviously disappointed with the decision of the NHL board of governors. We were even more disappointed with the way in which the decision was arrived at. We certainly don't suggest that the NHL does not have the right to determine who plays in their league. However, the way the decision was arrived at, in my opinion, was less than open and fair.

We went to New York expecting our presentation to be given serious consideration and a decision made on the basis of the evidence presented. It is my opinion that this did not take place, and we were in fact making our presentation to a group of men who had already reached a decision. Our presentation was a formality intended to lend a degree of credibility to the public announcement.

There are a large number of reasons for this opinion, but I would like to confine my remarks to dealing with the expressed reasons for the rejection. During the press conference that Mr. Ziegler held following the meeting he indicated a number of reasons why the board had turned down the bid for transfer, and I don't believe that any of the stated reasons stand up when closely examined.

The location of Saskatoon with respect to travel was suggested as a negative. In this regard I would point out that Saskatchewan interests had prepared Air Canada schedules for each team, demonstrating that Saskatoon was within a half-day's air travel of any city in the NHL. At least one team, we found out later, was never provided with this information by the NHL office. I would indicate, as well, that the information provided was that all documentation was to flow through the NHL office to be disseminated from there. To further destroy the argument, I would simply point out that I had breakfast yesterday in New York City and I was in Saskatoon by 11:20 a.m.

Secondly, Mr. Ziegler suggested the city was too small, that it was not major league. I would make only two points here. Hartford is hardly a major league city by anyone's definition. Secondly, the board of governors simply would not or could not accept and understand the provincial nature of our proposal. The unique nature of the people of the province was never accepted by the board of governors.

Thirdly, the absence of building was suggested as a reason for refusal. We indicated that was obviously true, but we would have a building in place. We also indicated that we had acquired a back-up facility, the Regina Agridome, in case the facility in Saskatoon was not ready for the start of the '83-84 season. I would suggest that Calgary has been a fairly successful franchise for the last two years and still does not have a building in place, and will probably not have a building for the start of the '83-84 season.

**AN HON. MEMBER:** — How did they vote?

**HON. MR. SCHOENHALS:** — They voted with us.

Public involvement was suggested as another negative. I would suggest that the CFL experience in western Canada would suggest that public ownership is a very viable approach to pro sport in our area. The president of the NHL suggested that if the public were involved it might be impossible for one person to maintain control and be held answerable. It's interesting to note that at least three of the teams in the NHL are owned by companies who are publicly owned, not the least of which is the St. Louis Blues



owned by Ralston Purina.

Government involvement was also presented as a reason for rejection. Suffice to say that every facility in which the NHL plays in western Canada was built with government money in one form or another. Our involvement was only as a mortgage guarantor to assure that the building was built.

I must point out that none of the reasons listed so far were questioned in detail in the two question-and-answer periods we had with members of the board. They were answered in our presentations, but direct questions were never presented. The final stated reason was that the financial arrangements were complicated and that the money was borrowed. I contend that the financial arrangements were rather simple and that all major undertakings are carried out with borrowed money. An investor establishes a line of credit and borrows money to carry out his projects. This was in fact the fact in this project, and the investors had excellent financial situations, were totally capable of carrying out the province, and presented that information when questioned in some detail.

When carefully considered, I believe it is obvious that the reasons stated were not the real reasons for the rejection, and that the decision to reject the transfer was made long before our arrival in New York, and the stated reasons are merely to cloud the issue.

In my opinion, the action of the NHL boards give considerable credibility to a statement made by a New York sportswriter some years ago when he said that hockey must be a great game to survive the men that run it.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. SHILLINGTON:** — Thank you, Mr. Speaker. We are going to be interested in hearing the minister on this subject in days to come, because, to put it mildly, Mr. Minister, what happened in New York raises serious questions about the adequacy of the work that was done before you went to New York.

Mr. Minister, the view is widespread, in the media at least, that the financial package which was taken was not of top quality, and I'm quoting only one of many:

The financial package presented by the Saskatoon operation was imply not top quality. It was a mixture of huge loans which came due this fall, of all things, public subscriptions and assorted promises and government guarantees.

Mr. Minister, in addition, it appears that your entire effort rested on a few hours of presentation to the board of governors, with very little pre-lobbying with the other teams, and I say that that is a bizarre way to approach such a matter of fundamental importance. I say as well, Mr. Minister, that your comments that you didn't get a fair hearing were rather late in coming. They all came after you got the decision. Before you got the decision, everyone was expressing delight with the way that the hearings were going. It's only after you learned of the failure that we began to hear that it was dirty pool.

I say to you, Mr. Minister, that the way this matter has been handled raises very serious questions about the adequacy of the work that you did before you went to New York.

## WELCOME TO STUDENTS

**MR. PARKER:** — Thank you, Mr. Speaker. Before orders of the day I beg leave to introduce a group of visitors.

Mr. Speaker, it's with a great deal of pleasure that I introduce to you, and through you to the rest of the Assembly today, a group of visitors seated in the west gallery. They arrived during question period, and I trust they found question period to be quite interesting.

The group is comprised of 87 in total, made up of 40 students from Moose Jaw, Peacock High School, and 40 guest students that are being hosted by the Peacock group, from Prince Edward Island, that are out here as part of an exchange. They are accompanied today by their teachers and/or chaperones, Donna Fleury, Mrs. Marni MacDonald, Mrs. Sharon Neuman, Mr. Larry Tolleffson, from Moose Jaw; and also from Prince Edward Island, they are accompanied by Mrs. Wanda Stewart, Mrs. Doreen Hickey and Mr. John Bonus.

I would like to ask the teachers to stand up and be recognized and I'd like to ask all members on both sides of the House to join with me in welcoming the guests today. I will be meeting with you at 10:45 for pictures and refreshments to follow.

**HON. MEMBERS:** — Hear, hear!

## GOVERNMENT ORDERS

### COMMITTEE OF FINANCE

#### INTERIM SUPPLY

**HON. MR. ANDREW:** — Mr. Chairman, this is the interim supply no. 3:

Resolved, that a sum not exceeding \$243,885,210 be granted to Her Majesty on account of 12 months ending March 31, 1984.

**HON. MR. BLAKENEY:** — \$243 million: that is one-twelfth?

**HON. MR. ANDREW:** — I can explain, I think, to correct the whole thing. If the first interim supply was one-twelfth, the second interim supply involved two-twelfths, to make three-twelfths altogether. This is one-twelfth, to make four-twelfths altogether.

Motion agreed to.

**HON. MR. ANDREW:** — Second motion:

Resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1984, the sum of \$243,885,210 be granted out of the Consolidated Fund.

Motion agreed to.

**HON. MR. ANDREW:** — Motion no. 3, Mr. Chairman.

Resolved, that a sum not exceeding \$59,509,250 be granted to Her Majesty on account of 12 months ending March 31, 1984.

This is from the Saskatchewan Heritage Fund, and this is like the other one, a one-twelfth, to make four-twelfths altogether.

Motion agreed to.

**HON. MR. ANDREW:** — A final motion, Mr. Chairman:

Resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1984, the sum of \$59,509,250 be granted out of the Saskatchewan Heritage Fund.

Motion agreed to.

The said resolutions were reported, and by leave of the Assembly read twice and agreed to.

**HON. MR. ANDREW:** — Mr. Speaker, I move:

That Bill 61, An Act to grant to Her Majesty certain sums of Money for the Public Service for the Fiscal Year ending the 31st of March, 1984, be now introduced and read a first time.

Motion agreed to and bill read a first time.

**HON. MR. ANDREW:** — Mr. Speaker, by leave of the Assembly I move that the bill now be read a second and third time.

Motion agreed to and bill read a second and third time.

### **ROYAL ASSENT TO BILLS**

At 10:47 a.m. His Honour the Administrator entered the Chamber, took his seat upon the throne and gave Royal Assent to the following bills:

Bill No. 22 — An Act to amend The Highways Act

Bill No. 27 — An Act to amend The Wakamow Valley Authority Act

Bill No. 28 — An Act to amend The Wascana Centre Act

Bill No. 29 — An Act to amend The Meewasin Valley Authority Act

Bill No. 61 — an Act for granting to Her Majesty certain sums of Money for the Public Service for the Fiscal Year ending on March 31, 1984.

His Honour retired from the Chamber at 10:49 a.m.

## SECOND READINGS

### **Bill No. 58 — An Act respecting Local Government in Northern Saskatchewan**

**HON. MR. McLEOD:** — Thank you very much, Mr. Speaker. And probably for the purposes of this act, the recognition of the Minister of Northern Saskatchewan would be most appropriate.

I'm very pleased to rise in this House today to move second reading of a bill that has major significance for communities and elected officials and many communities throughout northern Saskatchewan. As I've said many times before in this House, Mr. Speaker, and elsewhere, and throughout the North, our government's two major objectives in northern Saskatchewan are to support and foster economic self-sufficiency, and to promote and encourage self-reliant northern municipal government. This Northern Municipalities Act constitutes a major step towards effective and self-reliant municipal government in the North, and makes Saskatchewan a pioneer in the development of northern local government by providing the most progressive and advanced structure to be found anywhere in northern Canada. The act provides our northern municipalities with expanded powers and responsibilities and it represents a positive move towards placing northern local governments on an equal footing with their southern counterparts.

This piece of legislation begins the process of eliminating over time the NAD boundary, that imaginary line that cuts our province in half. The act has been drafted so as to parallel the existing Urban Municipality Act under which southern communities operate. This will provide a high degree of uniformity in the operation of local governments throughout our province, and encourage a valuable interchange of ideas between representatives of northern and southern municipalities. At the same time, the act has been designed to meet the special needs and conditions of the North, and to reflect the various stages of evolution and development of northern communities.

The intention of this government is to transfer to the local municipal level the kind of responsibility and autonomy the local government want. To this end we have made a detailed study of the various proposals considered during the extensive consultation leading to this act, and have assembled what we believe will best promote and encourage local autonomy.

Under the act, three northern municipalities — La Ronge, Creighton, and Uranium City — will be designated towns and will continue to operate under the provisions of The Urban Municipality Act. The status of Uranium City, as we all know, will be reviewed when its population stabilizes; and it may be at that time revert to northern village or northern hamlet status.

The act makes provision for the existing nine northern community areas, or LCAs as they're more commonly known, to be automatically designated as northern villages. Northern villages will have a taxable assessment of at least \$200,000; or a population of over 200; or a population of over 100 together with a taxable assessment of at least \$100,000. Other northern communities may apply for northern village status as they meet these requirements now or in the future. The powers and duties of a council of a northern village will generally be the same as those for a southern council. The northern villages will be granted both long- and short-term borrowing powers which will be a significant step forward in the development of autonomy in northern local governments.

The act also establishes northern hamlets, Mr. Speaker. Any northern settlement may apply for northern hamlet status which has a taxable assessment of at least \$100,000, or a population of over 100; or it has a population of over 50 and a taxable assessment of at least \$50,000. This part of the act represents a significant change from the present legislation, and provides the northern hamlets with powers, duties, and responsibilities very similar to those of northern villages. Northern hamlets receive corporate status and almost total autonomy, whereas hamlets in the South, in the remainder of our province, are the responsibility of the rural municipality in which they are located.

Northern hamlets will receive both short- and long-term borrowing powers, although they may be somewhat more restrictive than those of northern villages, and northern hamlets may pass by-laws which must be approved by the minister before becoming effective. Provisions respecting assessment and taxation will continue to rest with the minister.

Most of the 24 communities which presently have local advisory councils, commonly known as LACs, will have the opportunity to become northern hamlets. Those that are not granted northern hamlet status will become northern settlements and will continue to elect a local advisory committee.

During the course of the extensive consultation process, many of the communities demonstrated a desire for an increase in local autonomy in order to more fully manage their own municipal affairs. And this government believes that investing the maximum degree of responsibility and accountability at the local level will best serve the needs of northern communities, as that very principle best serves the needs of communities everywhere in our province.

The creation of a two-tier or three-tier municipal structure through the introduction of regional municipal governments, or a northern development board as was suggested by the former administration, Mr. Speaker, would, we believe, inhibit the transfer of responsibility to the local level and deny the local municipalities the desired autonomy and the opportunity to gain experience and maturity. Through this legislation, our government seeks to actively promote the exercise of governing powers by the northern local councils in order to increase and strengthen their role in the development and implementation of policies in their areas.

An important objective of the process of study and consultation which led to the act was to develop a straightforward legislative framework for the local governments to work within. To this end, care has been taken to eliminate obsolete, overlapping, and ambiguous provisions which would create complications in the application of laws.

The act clarifies the roles and responsibilities of elected and appointed officials, and seeks to promote public knowledge of municipal law and of the local electorate's role in the growth and development of its community.

The act creates a northern revenue-sharing trust account which will provide operational and capital grants to the councils to assist them in assuming their new responsibilities. As the tax base of most northern communities is considerably less than that of their southern counterparts, the revenue-sharing program provides substantially larger grants to enable the councils to deliver adequate services to their communities. During the present fiscal year of 1983-84, this revenue-sharing

program will provide northern communities with a total of over \$4.9 million in operating grants and 1.5 million in conditional grants.

In addition to this funding associated with The Northern Municipalities Act, our government is also providing financial assistance in a variety of other ways to help the municipalities carryout their responsibilities. We will be providing over \$2 million worth of planning support, advice, and technical assistance to the northern local governments this year, to assist them as they assume greater control of their own affairs.

In addition to funding provided by the conditional capital grants program, communities will now be able to acquire municipal fire halls and equipment through assistance provided by direct grants. In 1983-84, these will have totalled \$163,000. Direct grants worth \$845,000 will also be paid to communities for the upgrading of sewer and water facilities.

During this fiscal year, Mr. Speaker, northern communities will benefit from nearly \$4 million worth of capital construction activity, including \$116,000 electrification project, and construction of sewer and water facilities worth \$3.8 million. The Department of Highways and Transportation will spend over 5.6 million on highway construction and improvement in the North during 1983-84.

As they take on these new responsibilities, northern municipalities will continue to be supported by the full range of government programs and services which they have received and which they are now receiving in a more reasonable role, we believe, Mr. Speaker. Total provincial government spending in the North for 1983-84 amounts to \$102.09 million compared with 103.2 million in 1982-83. And this year's figure, although on first glance would appear to apparently be a slight reduction, it in fact represents an increase of financial support for northern people as a result of the significant expenditure savings realized through the elimination of duplication that we achieved during the realignment process.

The Northern Municipalities Act, together with other financial and technical support and encouragement of this government, exemplifies our concern for the development and well-being of not only northern Saskatchewan, but the entire province. By ensuring that local municipalities acquire greatly increased independence, our provincial government fosters the growth of self-reliance in the North, and aids northern municipalities in becoming a part of the mainstream of local government activity throughout our province.

Mr. Speaker, it gives me great pleasure to move second reading of Bill No. 58 —An Act respecting Local Government in Northern Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. LINGENFELTER:** — Mr. Speaker, I would like at this time to adjourn the debate. The members for Cumberland and Athabasca are not here at the present time and would like some time to look at and to consult with a number of people on the bill. Therefore I beg leave to adjourn the debate.

Debate adjourned.

**Bill No. 55 — An Act to amend The Penalties and Forfeitures Act**

**HON. MR. LANE:** — Thank you, Mr. Speaker. I apologize to the House. I was meeting students and it took a little longer than planned.

Mr. Speaker, I rise to move second reading of The Penalties and Forfeitures Amendment Act, 1983. The major amendment proposed in this bill is new subsection 2(1) contained in subsection 2(3) of the bill. This will allow the Attorney-General to remit a penalty or forfeiture of \$300 or less when he considers it appropriate. At present all such matters must be dealt with by the Lieutenant-Governor in Council.

Most of the remissions granted are for small amounts and the requirement for an order in council does not seem necessary. Of all remissions made in the past four years all but two were for amounts of less than \$300.

I point out that still leaves the Lieutenant-Governor in Council with the responsibility of approving any proposed remission or forfeiture that is over \$300, and for granting any commutation of sentence.

The act now requires that a detailed statement of all remissions and commutations made under the act be submitted to the Legislative Assembly. This requirement will not be changed. And the report will include remissions under \$300 made by the Attorney-General.

Subsection 2 of the act prohibits remission or commutation of any penalties, forfeitures or sentences imposed pursuant to The Legislative Assembly Act, or any act respecting elections of members. The amendment proposed in clause 2(4)(a) of this bill clarifies that this prohibition applies to remissions proposed to be made by the Attorney-General.

Clause 2(4)(b) proposes a housekeeping amendment to correct a reference to The Legislative Assembly Act which has been repealed and replaced with The Legislative Assembly and Executive Council Act.

Mr. Speaker, the estimates of cost of preparing the penalties and forfeiture remission orders in council approximates \$500 or better, each one, in terms of clerical time, agenda time, etc., and processing and distribution. In the last four years, there was only a total of 25. Only two were over \$300. I might advise the hon. members opposite that The Department of Revenue and Financial Services Act of 1983 provides for ministerial discretion in refunds of tax of up to \$1,000. We simply intend to save the time of preparing the formal orders in council. We still believe that the report to the Assembly must be made. There will be ample opportunity for the Assembly to debate any penalties and forfeitures, and we see no change in the policy for remitting penalties as carried on in the past history of this province. Mr. Speaker, I move second reading of the bill.

**MR. KOSKIE:** — I want to make a few comments, Mr. Speaker. As the Minister of Justice has indicated, the existing provision indicated that the Lieutenant-Governor in Council may remit in whole or a part any pecuniary penalty or forfeiture imposed pursuant to an act of Saskatchewan. I want to say that there is a departure here. There's a departure from the standpoint that if it's by the Lieutenant-Governor in Council that it is under the normal procedure that has been followed in the past that the order in council would indeed be a public document at the time of the remission or forfeiture.

As the minister indicated, there has only been — I understood him, I think — 25 in the last number of years, or four years if I'm not mistaken, and only two that were over the 300, two or three are over the 300 limit. What I'm saying, if you put that in the proper perspective, that there's only about 25 over four years. That's only four occasions a year that it goes to the . . . or six, to the . . . six OCs per year that has to be dealt with by the Lieutenant-Governor, cabinet through OC. And so any argument to say that it was a burden on the cabinet going OC seems to be without merit on the statistics that have been provided.

The thing that we do have by going in order in council is, as I said, the public has particular knowledge in respect to what OCs in respect to remission of penalty immediately. I really think that if the Attorney-General is proposing to go this way, that there should at least be — and we will be proposing, I just want to indicate, an amendment — and that is that if you go this route . . . And I just want to give you advance warning and I'll provide you a copy of what we're proposing, by adding after part in the last line of subsection 2(1) of the act and being enacted by section 2 of the bill the following: 'And shall cause to be published in part one of the *Gazette*, a notice with respect to each penalty or forfeiture remitted by him to this subsection showing: (a) the name of the person to who the remission relates; (b) the charge with respect to which the penalty or forfeiture was imposed; and (c) the amount or the effect of the remission.'

What I am really indicating is that if you're opting for ministerial particular power, I think we're giving up considerably here, because it was by OC before in that of course we had immediate opportunity to look at all the OCs. If under \$300 it's in the discretion of the Minister of Justice . . . That is foregone, under my understanding, and so what we're saying is just simply put in an amendment with a safeguard to that provision, I just want to indicate to the Attorney-General that we will be proposing that.

**HON. MR. LANE:** — I will consider the amendment proposed by the opposition. I do believe on the face of it, however, that there's adequate public protection in the requirement that it be tabled before the legislature that the debate take place. It's done as a cost saving, and as I say, when it takes \$500 to \$1,000 cost to process a \$25, or in some cases a \$10, remission, it strikes us as a considerable cost. To publish it will be an additional cost. I will consider it. I won't rule it out, out of hand. I do believe that there is ample opportunity to debate the matter in the House when the report is filed each year, but again I will undertake to consider the proposal made by the member from the opposition.

Motion agreed to, bill read a second time and referred to a committee of the whole at the next sitting.

### **Bill No. 56 — An Act to amend The Police Act**

**HON. MR. LANE:** — Mr. Speaker, this bill provides for amendments to The Police Act and is presented for a number of purposes. Firstly, section 3 of the bill will make section 5 of The Policy Act consistent with section 20 of the Royal Canadian Mounted police Act. Section 5 of the present Police Act currently requires the approval of the Minister of Justice of the province, before a municipality having a population in excess of 1,500 persons may enter into an agreement with the Government of Saskatchewan to employ RCM Police for municipal policing services.



Section 20 of the Royal Canadian Mounted Police Act requires the approval of the Lieutenant-Governor in Council, prior to entering into that agreement. The proposed amendment simply corrects this inconsistency.

Section 4 of the bill we enable the chief of police of a municipal police force to request an inquiry by the Saskatchewan Police Commission into matters identified in section 11 of the act. The need for this provision became evident during the conflict between the chief of police and the board of the city of Estevan in 1980 when the chief was desirous of the Saskatchewan Police Commission conducting an inquiry into the operation of that force, but under the act a request of this nature had to come from the board of police commissioners or the Attorney-General. It is considered in the interest of policing services within the province that a chief of police should have the opportunity to request an inquiry into the police services where a board or council may believe such is not required.

Thirdly, section 5 of the bill will provide members of the Saskatchewan Police Commission with powers of a commissioner under The Public Inquiries Act in all matters subject to inquiry by them. The current provision restricts their powers to inquiries under sections 11 and 12 of the act. The restriction in the current provision was identified during the hearing of an appeal into the termination of the services of the chief of police for Pilot Butte when counsel for the municipality requested the commission to summons persons to testify at the hearing of the appeal. There will be appeals where the Saskatchewan Police Commission may wish to summons and examine witnesses and this authority should be provided to them in cases of this nature.

Fourthly, section 6 of the bill clarifies the composition of a board of police commissioners which must include that mayor and a minimum number of other councillors. It also identifies the fact that council may appoint more than one or two members of the council to the board.

Fifthly, section 7, subsection (1) of the bill provides for a time limit of one month for a member who wishes to make representation to a board or council following notification of a decision to terminate his services. At the present time there is no time limit within which a member may make representation. It is felt that a one-month time period will provide a member with reasonable opportunity to make representation and will also permit the board to resolve the matter within a reasonable period of time.

Six: proposals, section 7, subsections (2), (3), (4), and (5) place the deputy chief of police in the same position as a chief of police who is advised his services are to be terminated. The deputy chief will now have the option of appealing the decision to terminate his services to the commission, or a judge of the Court of Queen's Bench, as a chief of police may at the present time.

Section 8 of the bill recognizes that while a municipality may appoint a police officer, his obligation as a peace officer is to Her Majesty the Queen and the laws that are in effect in the province of Saskatchewan.

Mr. Speaker, I move second reading of An Act to amend The Police Act.

**MR. KOSKIE:** — I want to make only a couple of brief comments, Mr. Speaker. I think we are essentially with the amendments here. The one area that I will ask

when we get to committee of the whole, and that is, the amendment authorize the chief of police to request the Saskatchewan Police Commission to inquire into matters coming within subsection (1). Currently only the board of commissioners . . . And I know you illustrated the case in respect to that, and I will be asking in respect to the consultation that you have supporting the desirability of that view. And the only other area that I will be asking is in respect to section 7(1), and that is the amendment providing a one-month time period, whether indeed that is sufficient or whether it should be two months. And those are the only two areas that I will ask for explanation in respect to committee of the whole, Mr. Minister.

Motion agreed to, bill read a second time and referred to a committee of the whole at the next sitting.

### **Bill No. 57 — An Act to amend The Jury Act, 1981**

**HON. MR. LANE:** — I'm assuming that the comments of withdrawing the legislation are made in jest by the opposition, as certain changes have been requested by the Law Society of Saskatchewan.

Mr. Speaker, during the 1980-81 session of this legislature, The Jury Act, 1981 was enacted. This act has never been proclaimed in force. At the annual meeting of the Law Society of Saskatchewan, held just after passing of The Jury Act, 1981, concerns were expressed with regard to two provisions of the act. These concerns were: that section 20 of the act allows a judge to dispense with a jury upon application by any party or of his own volition, which is considered to be in conflict with the other provisions of the act that give the person a right to demand a jury trial; and section 26, which reduced the number of challenges by half, from the present four challenges to two challenges, on the recommendation of the law reform commission.

This was recommended by the law reform commission because the number of jurors in a civil trial is reduced from 12 to six by the act, and therefore the idea was to reduce the number of pre-emptory challenges accordingly. The Law Society of Saskatchewan took objection to that and requested that the number of challenges remain at four.

I realize, Mr. Speaker, that during the consideration of debate of this bill, discussions were held by myself, as opposition critic, and the then attorney-general as to the options with regard to whether or not the jury should be mandatory upon request, or it should be in the judge's volition. We have decided to accept the recommendations of the Law Society of Saskatchewan in that regard and are proceeding accordingly.

Section 7 of this bill repeals section 20 of the unproclaimed act, and section 9 restores the number of pre-emptory challenges to four. These two sections, as I have advised, carry out the recommendations made by the law society.

Certain other housekeeping amendments are considered desirable. The most obvious ones are those made as a result of the change of name to the Department of Justice. Amendments made for the purpose of effecting this change are found in clauses 3©; clause 4(a); and section 6 of the bill.

The other changes of a housekeeping nature are clauses 3(a) and (b) of the bill which are for the purpose of clarification of section 4. Section 4 sets out those persons who are excluded from jury service. Among those excluded are reeves, councillors, mayors, and members of boards of education and boards of trustees. It was felt that there could be

some uncertainty about what was meant by 'boards of trustees' and the changes by these amendments makes it quite clear that it refers to boards provided for in The Education Act.

Clause 4(b) of the bill increases by two weeks the time allowed under section 6 of the act for the inspector of legal offices to provide a sheriff with a list of prospective jurors. In arranging for administrative changes that will be necessary when the act is proclaimed in force, the officials of my department concluded eight weeks would be required, rather than the six weeks.

Section 5 of the bill strikes out the word 'master' from the references to a master jury list as the word is redundant, and it then makes the terminology correspond with that of the Criminal Code.

Section 8 of the bill is another amendment to make the wording correspond to that of the Criminal Code. The Criminal Code requires that cards used by a sheriff for empanelling a jury show the panel number of the jurors. This amendment to section 26 of The Jury Act will add this requirement to the empanelling provision in the act.

Section 10 of the bill amends section 35 of the act. That section sets out the manner in which documents are to be served. This amendment permits service by certified mail in addition to the provision for personal service, and service by registered mail presently allowed.

Section 11 of the bill, the coming into force, will result in these amendments coming into force concurrently with the proclamation into force of The Jury Act, 1981.

Mr. Speaker, I move second reading of An Act to amend The Jury Act, 1981.

**MR. KOSKIE:** — Yes, Mr. Speaker. I have had an opportunity to review the act, and the Attorney-General, the Minister of Justice, has indicated the two substantive issues, and that is the number of challenges in respect to the selection of a jury. And it is the request of the law society that that not be decreased from four to two as it was proposed, and that has reverted back to four. The other major one, as I concur with the Minister of Justice, is in respect to very substantial opposition by the bar of Saskatchewan in respect to section 20, whereby it would, in fact, allow the judge a discretion as to whether or not it would proceed — the trial would proceed without jury. The repeal of that section, I think, meets with the interested parties. Certainly this was being considered previously, and I concur with the amendments.

Motion agreed to, bill read a second time and referred to a committee of the whole at the next sitting.

## **COMMITTEE OF THE WHOLE**

### **Bill NO. 49 — An Act respecting Co-operatives**

#### **Clause 1**

**MR. CHAIRMAN:** — Would the minister introduce his officials?

**HON. MR. SANDBERG:** — Yes, I'd be pleased to, Mr. Chairman. To my right, Mr. Dale Folstad, deputy minister; to his right, Mr. Lloyd Warkentin, who is consulting and

financial services section director; and behind me, Mr. Al Mulholland, who is the director of examination services.

**MR. SHILLINGTON:** — As I said to the minister in response to your second reading speech, I don't know that there are any items in contention between us on this bill. I would applaud, Mr. Minister, the department for the fashion in which this bill was drawn up. I gather it was done with complete consultation with all interested co-operatives, and I approve of that approach.

I tremble at the work-load ahead of us. I wonder, Mr. Minister, if you could lighten that somewhat by outlining for my benefit the sections in which there are major changes from the old legislation. If you had it in writing, that would be ideal, but if you don't perhaps you could give it to me orally.

**HON. MR. SANDBERG:** — Yes, Mr. Chairman, I could read out all the major changes that have been listed. I believe the hon. member has this information at hand. It has been provided to him, and all hon. members of this Assembly, but if you would like me to go over it here in the House for you, the member for Regina Centre . . . It is on page 3 of the information provided to MLAs in this Assembly, and it is titled . . . It is section 2, titled, 'Major changes from existing legislation.' It begins with item 1, methods of incorporation; item 2, in regards to the number needed to incorporate as a co-operative; item 3, on the by-laws; item 4 refers to the naming of co-operatives; item 5, to pre-incorporation contracts; item 6 refers to capacity and power, Mr. Chairman; item 7 refers to registered office and records; item 8, to finance and shares, which deals particularly with the matter of preferred shares; item 9 deals with finances and distribution of surpluses; item 10 deals with joint memberships, and item 10, trust indentures. Have you got all this stuff? All right.

**MR. SHILLINGTON:** — I had an opportunity to peruse this, Mr. Minister, and I don't have any problems with the major changes you have listed in this document, and I gather what Mr. Minister is telling me is that this is all the major changes surrounding the legislation; this list is complete. Is that what I understood you to be intimating? . . . (inaudible interjection) . . . All right. Perhaps then you could answer another question, and it's an awkward question to ask, and I'm not trying to be silly about it, but what I want to know is: apart from the share structure, which is obviously different, in what ways does this legislation differ, if at all, from The Business Corporations Act? Does it follow the structure of The Business Corporations Act except for the share structure and other things which make a co-operative unique?

**HON. MR. SANDBERG:** — Yes, Mr. Chairman. For the hon. member, I will list the distinguishing features for him. For example, under the co-op act, a one member, one vote, regardless of the shares held. We all understand that. Under The Business Corporations Act, it says 'one vote per share.' Under the co-op act, incorporation is a privilege; under The Business Corporations Act, incorporation is a right. Under the co-op act —must operate on a co-op basis and under The Business Corporations Act, Mr. Chairman, there's no such requirement. Under the co-op act you need six persons to incorporate; underneath The Business Corporations Act, one person to incorporate. Under the co-op act a minimum of five directors; under business corps act, a minimum of one. In the co-op act you must file by-laws; in the business corps act, by-laws are not mandatory.

Under the co-op act there's a par value shares; the Business Corporations Act, no par

value is needed. In the co-op act, on dissolution, reserves go to charity; in The Business Corporations Act all surplus goes to shareholders. In the co-op act there's a limited return on capital; in The Business Corporations Act there's no limit on the dividends. In the co-op act surplus earnings are distributed according to patronage; in the corporations act surplus earnings are distributed according to the shares held. These are things that we all understand well, I'm sure.

Under the co-op act share capital is withdrawable; under The Business Corporations Act share capital is not withdrawable. Under the co-op act directors must approve all new members; under the corporations act director's approval is not needed for new shareholders. Under the co-op act restricted transferability or marketability of shares is restricted; under The Business Corporations Act, no restrictions on sales of shares; the co-op act, the co-op securities board reviews securities sales; under The Business Corporations Act, the Saskatchewan Securities Commission reviews the security of sales. Under the co-op act, it includes non-profit community service groups; under The Business Corporations Act, non-profits are under a separate act, of course. The co-ops act, it's designed for groups providing themselves with goods or services for their own use whereas under The Business Corporations Act, it's more appropriate where the objective is to provide goods and services to those other than the owners. Under the co-ops act, appropriate for groups who want goods and services for themselves at near cost whereas under the other act, it's appropriate for those who want to maximize the return on their invested capital. And under the co-op act, only members can amend by-laws whereas under The Business Corporations Act, the directors can change the by-laws . . . (inaudible interjection) . . . Under the co-op act, only members can amend the by-laws; under The Business Corporations Act, only the directors can change by-laws.

**MR. SHILLINGTON:** — Well, I thank the minister for that concise explanation. Given the nature in which this act was drawn up, Mr. Chairman, it was done after full consultation with interested co-operatives. Indeed, as I understand it, most of them saw a draft before it came to the legislature. Given that, I have no inclination, Mr. Minister, to check all that information and check it for myself.

I think it would be satisfactory, Mr. Chairman, in proceeding through this bill, if you simply went page by page, rather than going section by section. I can tell the minister that I'm satisfied with his explanation. If that is a complete list of all the differences between The Business Corporations Act and The Co-operatives Act, then I'm satisfied with that and we could proceed through this on a page-by-page basis, Mr. Chairman.

**MR. CHAIRMAN:** — Is that agreed? Agreed.

Pages 15 to 141 inclusive agreed to.

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**MR. SHILLINGTON:** — I was going to ask the minister about his intentions with respect to proclamation. When did you intend to proclaim this, Mr. Minister?

**HON. MR. SANDBERG:** — Yes, Mr. Chairman and hon. member, we intend to proclaim this act in the fall.

**MR. SHILLINGTON:** — One question on that. Could you outline for me the transitional provisions for old co-operatives? What formalities are required by the old co-

operatives with respect to the new act, or is there any formalities required by them?

**HON. MR. SANDBERG:** — Mr. Chairman, in this transition provision they do not need to continue as under the provisions of The Business Corporations Act or The Non-profit Corporations Act. But they have a two-year transition period to change their by-laws, and the members of the co-op department team here will be working with them on that, an during that time.

Clause 292 agreed to.

The committee agreed to report the bill.

### **THIRD READINGS**

#### **Bill No. 49 — An Act respecting Co-operatives**

**HON. MR. SANDBERG:** — Mr. Speaker, I move this bill now be read a third time and passed under its title.

Motion agreed to and bill read a third time.

### **PRIVATE BILLS**

#### **COMMITTEE OF THE WHOLE**

#### **Bill No. 01 — An Act to provide for exemption from taxation of certain property of the Crossroads Pentecostal Assembly Corp.**

Clauses 1 to 3 inclusive agreed to.

The committee agreed to report the bill.

#### **Bill No. 04 — An Act to continue the incorporation of Athol Murray College of Notre Dame**

Clauses 1 to 11 inclusive agreed to.

The committee agreed to report the bill.

### **THIRD READINGS**

#### **Bill No. 01 — An Act to provide for exemption from taxation of certain property of the Crossroads Pentecostal Assembly Corp.**

**MR. MEAGHER:** — Mr. Speaker, I move that Bill No. 01, An Act to provide for exemption from taxation of certain property of the Crossroads Pentecostal Assembly Corp., be now read the third time and passed under its title.

Motion agreed to and bill read a third time.

#### **Bill No. 04 — An Act to continue the incorporation of Athol Murray College of Notre Dame**

**MR. EMBURY:** — Mr. Speaker, I would move that Bill No. 04, An Act to continue the incorporation of Athol Murray College of Notre Dame, be now read the third time and

passed under its title.

Motion agreed to and bill read a third time.

The Assembly adjourned at 11:55 a.m.