

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

Clerk: — According to order, the following petitions have been reviewed and pursuant to rule 11(7), they are hereby read and received:

Of citizens of the province humbly praying that your Hon. Assembly may be pleased to defeat any legislation introduced to redefine the NewGrade Energy Inc. corporate governance and financing arrangements.

And:

Of citizens of the province humbly praying that your Hon. Assembly may be pleased to cause the government to order SaskPower to facilitate the production of non-utility generated power in areas of increased demand.

NOTICES OF MOTIONS AND QUESTIONS

Mr. Lyons: — Thank you, Mr. Speaker. I do today give notice of a motion that I shall on Friday next introduce an Act to amend The Trade Union Act.

INTRODUCTION OF GUESTS

Mr. Draper: — I'd like to introduce to you and through you to the members of this House, Allen Engel who's sitting behind the bar here on this side of the House.

Allen Engel was the previous member for Notukeu-Willow Bunch, and he was my predecessor as member for the constituency of Assiniboia-Gravelbourg. And he and his family have been long-time friends and patients of myself, my wife and family. Our children went to school together, played together, and God knows what else together, sir. I'd like to welcome him and ask you to join with me in welcoming him to this House today. Thank you.

Hon. Members: Hear, hear!

Mr. McPherson: — Thank you, Mr. Speaker. I'd like to introduce to you and through you to members of the legislature, some 18 grade 7 and 8 students from the Admiral School. They're seated in your east gallery, Mr. Speaker, with teacher, Don Friesen, and bus driver, Jocelynn Hammond. And please welcome them.

And also welcome to a good friend of mine and a constituent, Allen Engel. Thank you.

Hon. Members: Hear, hear!

Mr. Knezacek: — Thank you very much, Mr. Speaker. It gives me great pleasure, Mr. Speaker, to introduce to

you and through you to all members of the Assembly, a former MLA (Member of the Legislative Assembly) from the constituency of Saltcoats and a former cabinet minister in the Blakeney administration, Mr. Edgar Kaeding, seated in the east gallery.

Mr. Kaeding served the province as minister of Agriculture and also minister of Rural Affairs. And he served the constituents of Saltcoats in a very fine fashion for some 11 years. And I would like the Assembly here to welcome Mr. Kaeding to the question period this afternoon.

Hon. Members: Hear, hear!

Mr. Muirhead: — Thank you, Mr. Speaker. It's a pleasure today to introduce to you and this Assembly, members of the Assembly, Mr. Speaker, 17 grade 3 and 4 students from the Craik Elementary School. Mr. Speaker, they're sitting in the east gallery. I'll be meeting with them for pictures and drinks and questions — questions are the most important — and we'll be doing that about 3 o'clock.

And I want to just specifically say that it's a pleasure to have my home town of Craik represented here. This is the school I attended for 12 years, and it's always a pleasure to see Craik represented in this Assembly. So I ask all members to join in with me in welcoming the Craik grade 3 and 4 class. Thank you, Mr. Speaker.

Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you to other members in the Assembly, my former MLA from Saskatoon Westmount, also a former cabinet minister and a Speaker of the Assembly. Up in the Speaker's gallery is John Brockelbank.

And I'm asking him where his wife is? I don't know. I don't see her up there either, but Ina was with him at lunch.

Hon. Members: Hear, hear!

Ms. Simard: — Thank you, Mr. Speaker. I would like to introduce 48 grade 7, 8, and 9 students, 24 of whom are from Ecole Monseigneur de Laval in Regina. The other 24 are exchange students from St. Augustine in Quebec which is a place about 30 minutes outside of Quebec City, and I believe they are seated in your gallery, Mr. Speaker.

Aux etudiants du Québec je vous dire bienvenue au Saskatchewan.

(Translation: To the Quebec students I say, welcome to Saskatchewan.)

And, Mr. Speaker, I will be meeting with the students after question period for any questions and photos and drinks. So I'd like to ask you and the other members of the Legislative Assembly to join me in welcoming

them.

Some Hon. Members: Hear, hear!

Hon. Mr. Anguish: — Thank you, Mr. Speaker. It gives me pleasure today to introduce a group of some 16 grade 7 students from St. Joseph School in North Battleford. And I might ask the member who just spoke if she could maybe address them in French later since I'm incapable of performing that task.

They have with them today their teacher, Denis Carignan, and chaperons Mrs Harrison, Mrs. Pirot, and Ian Hamilton. They're seated in your gallery and I'd ask all members to welcome them to the Assembly here this afternoon, Mr. Speaker.

Hon. Members: Hear, hear!

Mr. Roy: — Thank you very much, Mr. Speaker. I'd like to introduce to you and through you to the members of the legislature, a very dear friend of mine and one of my part-time assistants in my office, Ms. Ida Prytulk, who's sitting in the east gallery here, Mr. Speaker. Ida has been involved a long time in politics and in the development of major public policy issues. And even today she's more involved than ever at that level, and certainly her hard work and commitment I appreciate very much. So, Mr. Speaker, I'd ask you to welcome Ida here today.

I'd also like to add my voice to my colleague, the member from Regina Hillsdale, in welcoming the students from Monseigneur de Laval and also from Quebec.

M. le président, je voudrais prendre une opportunité aujourd'hui d'accueillir les étudiants de Monseigneur de Laval ici à Régina, mais aussi plus important les étudiants du Québec qui sont ici pour une visite. Je sais pas comment longtemps qu'ils sont ici mais certainement je vous souhaite une bonne vacances dans la Saskatchewan. Et je souhaite que vous avez une bonne visite aussi aujourd'hui dans la législature.

(Translation: Mr. Speaker, I'd like to take this opportunity today to welcome the students from Monseigneur de Laval here in Regina, but even more significantly, the students from Quebec who are here for a visit. I don't know how long they're here for, but I certainly wish you a good holiday in Saskatchewan. And I hope that you have a good visit here today at the legislature.)

Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Devine: — Mr. Speaker, I would like to take this opportunity to introduce to you and through you to members of the legislature seven grade 10 students from Midale Central School seated in the east gallery. They're attended by the teacher, Garth Holman, and they are here to watch question period and will be meeting and discussing all kinds of topics after question period.

While I'm on my feet, Mr. Speaker, I want to take an opportunity to also welcome the students from Monseigneur de Laval and also from the province of Quebec. One of them, Mr. Speaker, Christophe, is staying with us and my son John. And they tell me they're all Jean Charest supporters, so I'm happy to welcome them to the province of Saskatchewan. Bienvenue.

Hon. Members: Hear, hear!

Ms. Lorje: — Thank you, Mr. Speaker. Judging from the attendance in the galleries today, the legislature is probably the most popular place in town. I have the distinct pleasure to introduce three people to you, Mr. Speaker, and to the rest of the House.

Seated in your galleries, first of all, two women who have been very instrumental and play key roles in the struggle for women's equality and equity, Dianne Barrow and Trish Elliott of the Saskatchewan Action Committee on the Status of Women; and also a constituent of mine from Saskatoon Wildwood, Doug LaVallie, regional director of the Canadian Union of Public Employees. Please join me in welcoming these people.

Hon. Members: Hear, hear!

Mr. Kowalsky: — Mr. Speaker, it's my pleasure on behalf of my colleague from Prince Albert Northcote and myself to welcome to this legislature a former member of the legislature from Prince Albert, Mr. Mike Feschuk, who's seated behind the government benches.

Mike has spent several years here under the Blakeney administration and was certainly somebody that I learned a lot from about how to deal with public issues in the city of Prince Albert. And I want to welcome Mike to the Assembly.

Hon. Members: Hear, hear!

Mr. Lyons: — Thank you very much, Mr. Speaker. Mr. Speaker, I've got actually three different groups of guests here I'd like to introduce today.

The first is my very good friend and former . . . well I shouldn't say former, he's a constituent of mine. He's a former member of the legislature, Mr. Ed Whelan, the former member from Regina North West. I'd ask all members to welcome him here today.

Hon. Members: Hear, hear!

Mr. Lyons: — As well, Mr. Speaker, I'd also like to recognize in attendance in the gallery today the president of the Regina Rosemont NDP (New Democratic Party) Constituency Association, and the treasurer: Malcolm McKinnon and Lee McCaig. And I believe they're in the east gallery today.

And the third group I'd like to introduce are a broad representative of the trade union movement. I'm

going to take, Mr. Speaker, a moment or two just to recognize them here individually.

First of all, there's Mr. Rick Bryne; he's the director of the prairie region of the Canadian Labour Congress, and he's also the labour vice-president of the Saskatchewan New Democratic Party. Mr. Don Anderson, executive assistant to the Saskatchewan Federation of Labour. My colleague, the member from Wildwood, has recognized Mr. La Vallie. Dave Maki, treasurer of the Saskatchewan Federation of Labour and representative of the Office, Professional Employees International Union. Debra Brin, president of the Regina District Labour Council. John MacLeod, the vice-president of the South Saskatchewan Building Trades Council and business agent for the International Brotherhood of Electrical Workers. Calvin Goebel, business manager, United Brotherhood of Carpenters and Joiners of America. Larry Hubich, vice-president of Sask Federation of Labour, representative of Grain Services Union, as well as many other members of the Grain Services Union who are here today. George Britton, vice-president of Saskatchewan Federation of Labour and secretary-treasurer of Local 820, the Canadian Union of Postal Workers; Mr. Gord Murray, president of the Brewery Workers Local 318W, the United Food and Commercial Workers International Union; Mr. Chris Banting, secretary-treasurer of Retail, Wholesale and Department Store Union; Leo Weaver and Helmet Sieh for the Amalgamated Transit Union — Mr. Weaver is the chair of the Regina sublocal; Mr. Sieh is the Saskatchewan Federation of Labour vice-president, president of the SFL 1,000 Club, and on the Saskatchewan executive board; Victoria Wotherspoon, Sask Coalition for Social Justice; Paul Guillet, vice-president of the SFL and staff rep with Retail, Wholesale; Mr. George Rosenau, president of Sask Government Employees' Union; Brian Rands, Local 4728, United Steelworkers; Mr. Myron Gettle, 4728, president of that Steelworkers Local.

And as well, Mr. Speaker, I'd like to recognize some local members from the Communications, Energy and Paperworkers Union of Canada. As you may be aware, Mr. Speaker, this is a new labour organization in this province. I'd like to recognize their attendance today.

And as well I'd like to recognize the participation of various members of the Saskatchewan Young New Democrats; Pam Birkbeck, Plasterers and Cement Masons Local 442; as well as Mr. George Manz, the editor of *Briarpatch* magazine.

I'd ask all caucus members and all members of this Assembly to welcome these people to the proceedings of the legislature today.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Proposed Labour Legislation

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker,

my question is to the Minister of Labour. Mr. Minister, today we see more evidence of how your government meets with people but doesn't listen to them.

Mr. Minister, the Saskatchewan Urban Municipalities Association has met with you on three separate occasions to request that you withdraw Bills 55 and 56. They told you that in this absence of any clear, identified need, this significant increase in employer costs cannot be supported.

Mr. Minister, SUMA (Saskatchewan Urban Municipalities Association) says that this amounts to further downloading by the province onto municipalities and it will leave them no choice but to raise taxes, reduce services, or eliminate jobs.

Mr. Minister, will you listen to the SUMA group today and withdraw Bills 55 and 56?

Hon. Mr. Shillington: — I recognize, Mr. Speaker, that members opposite are going to maintain until their dying days, which as a political party I don't think is far off — but they're going to maintain until their dying days there's no need for any changes to The Occupational Health and Safety Act. Suffice it to say, Mr. Speaker, that's not our view.

I have met with SUMA. I'm not sure the date of the document which the member is referring to. I've discussed it with them. It is our view there is a clear need for reform of the Workers' Compensation Board and the occupational health and safety legislation.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Minister, it's not just SUMA that is requesting Bills 55 and 56 be withdrawn; the Saskatchewan business coalition is as well. SUMA is telling you the legislation should be withdrawn, and SUMA is part of the business coalition; SARM (Saskatchewan Association of Rural Municipalities) is part of the business coalition; SSTA (Saskatchewan School Trustees Association) and the Saskatchewan Health-Care Association, all want you to postpone or withdraw this legislation.

These groups represent 40,000 public sector employees. So now we have virtually the entire private sector against the legislation, and now virtually the entire public sector is against the legislation as well.

Mr. Minister, there's nobody supporting this legislation, yet you seem intent on dismissing those who disagree with you and ramming these Bills through anyway.

Mr. Minister, why won't you listen to these groups? Why are you so intent on passing this legislation when virtually no one supports it?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — I'm not entirely sure that this is what brought them to the legislature, but I note

some support for some of these measures in the gallery. So I don't think I'm entirely alone, I say to the opposite member.

Some Hon. Members: Hear, hear!

The Speaker: — I would ask the minister, first of all, not to entice people in the galleries to participate in activities on the floor. I think he knows full well that the members in the galleries are not to participate in either opposing or supporting activities that happen on the floor.

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Minister, SUMA, SARM, SSTA, SHA (Saskatchewan Health-Care Association), have all informed you that they cannot afford these increased costs, especially in light of further provincial offloading that has already been announced for 1994.

Mr. Minister, what you are doing to municipalities, school boards, and hospital boards, amounts to a claw-back of provincial funding. In the past couple of days we have heard the Finance minister being very critical of federal offloading onto the province, yet you have no hesitation whatsoever in downloading more costs onto municipalities and local boards.

Mr. Minister, don't you think that is a bit of a double standard? And why don't you simply listen to those groups who have asked you on three separate occasions and postpone this legislation?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — Mr. Speaker, these two Bills have been the subject of the wildest nonsense perpetrated by members opposite and their cohorts. And I'm not here suggesting SUMA and SARM are cohorts. I am suggesting you people have spread the wildest nonsense. You have suggested the increase will be around 200 per cent in the assessments. That's nonsense. You have suggested there's no need for it. That's nonsense. Forty people in this province died last year. We think that's 40 too many and we're going to do what we can to bring the carnage, the death, the accidents, to an end.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Minister, on the front page of today's paper we see another example of what happens when a government quits listening to the people.

Out of 38 Canadian cities, Regina placed dead last in employment prospects — dead last, Mr. Minister. That's your record in your city, Mr. Minister. Eleven NDP MLAs and four senior NDP cabinet ministers and we're dead last in employment opportunities in this province, in this country.

Maybe, just maybe, it's time you started listening to groups like SUMA, Mr. Minister. Maybe it's time you started listening to the chamber of commerce and the Canadian Federation of Independent Business and

other people who know how to create jobs. And maybe, when these people tell you a piece of legislation is going to cost jobs to this province, maybe you'll recognize that what they say is correct.

Mr. Minister, when are you going to listen to the business groups and other groups around this province that do not agree that this legislation is necessary?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — Mr. Speaker, the member from Kindersley says we're dead last. He's half right, the Conservative Party's certainly dead. And I suspect in any poll they're probably last, so he's probably entirely right.

Mr. Speaker, I want to say, I want to say to members, I want to say to members opposite, Mr. Speaker, that we have a workers' compensation scheme which was not properly compensating workers. An impartial tribunal, established by the members opposite when they were in office, suggested the Workers' Compensation Board scheme in this province was a fraud upon workers. We're determined to see that come to an end, and this legislation will do that.

We invite members opposite to join us in a progressive, compassionate pair of Bills. But whether or not you decide you are with the public of . . . the workers or whether you decide you're against them, it is the government's determination to pass those Bills.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Minister, large groups like SUMA are telling you that your policies are destroying jobs, and so are individual business owners.

I have a letter here from the manager of Prosper Tractor in Estevan. He wants to know when are you going to abandon this politically motivated course that will lead to more devastation on the people of Saskatchewan. When are you going to really listen to the people whom you've been elected to represent. Bills 55 and 56 will have a very negative impact upon this business which could in turn have a negative impact upon employees and families. Admitting that you have made a mistake is not a sign of weakness but is actually a sign that the government has the courage to change direction when the direction is wrong.

Mr. Minister, he's asking you, do you and your government have the courage in light of the overwhelming evidence to change your course of direction on these Bills?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — Let me leave with the member from Kindersley some evidence he might want to consider. The member from Kindersley might want to consider that there were over 30,000 claims filed with the Workers' Compensation Board last year,

12,000 of which were lost-time accidents. That's a city the size of Moose Jaw or Prince Albert, roughly, who have been injured. That is far too many. And an unacceptable percentage of those workers who were injured were not properly compensated. A single one who isn't properly compensated is too many.

I'd invite the members opposite to consider some of those statistics. You might consider the workers who were killed; there were 40 last year. There were a number killed at Shand. I'm not going to get into that in detail; I'm sure Mr. Speaker won't allow it. Suffice it to say, that was a real tragedy. That is some of the statistics which members opposite might want to think about.

Some Hon. Members: Hear, hear!

Job Creation

Ms. Haverstock: — Thank you, Mr. Speaker. My question is directed to the Minister of Finance. Madam Minister, you recently attended a meeting of other provincial Finance ministers and your federal counterpart. And at that meeting you were quoted as saying, and I quote:

We think that jobs are just as important as debt.

If we tackle the debt but don't tackle the job issue we are only tackling half the issue.

You're quick to claim, and your government is, the credit for 900 Sears jobs, 200 Royal Bank jobs, 140 AECL (Atomic Energy of Canada Ltd.) positions, and 100 Price Club jobs. But you fail to accept responsibility for the loss of 300 CP (Canadian Pacific) Rail jobs, 60 Labatt jobs, 800-and-counting health care jobs, and 300 public service jobs. Even using NDP math, Madam Minister . . .

The Speaker: — Order, order, order. Order. Does the member have a question? I want the member to put her question.

Ms. Haverstock: — Madam Minister, there is a net job loss. What is your government doing to demonstrate that you are tackling what you call the whole issue?

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker. I welcome that question. I thought it was important that if ministers of Finance were going to meet in Ottawa and talk about the deficit and our debt problem, which is a serious problem, we also had to talk about the other side of the equation which is jobs.

And what I focused on and what the minister from Ontario focused on was the role of interest rates in job creation and in stimulating the economy. If you look at the 1980s and the problems of the '80s, the problems with deficits, and the problems of unemployment, it was high interest rates that helped to create those problems.

What we said was we wanted to speak with the Governor of the Bank of Canada who is the individual

who sets interest rates and impress upon him the importance of long-term, low, stable interest rates which will across Canada help create jobs and stimulate the economy. Our approach is balanced. Deficit problem, yes; job creation as well.

Some Hon. Members: Hear, hear!

Ms. Haverstock: — Mr. Speaker, Madam Minister, your predecessor predicted in his 1992 budget that 2,000 new jobs would be created. But the end result was a net loss of 7,000 jobs. The situation is expected to worsen this year with your predictions already 16,000 below your target.

Furthermore companies in Regina have told Manpower Temporary Services that 10 per cent more of them will be laying off than hiring in the July to September quarter of this year. Is this an indication of a job creation strategy in action?

Hon. Ms. MacKinnon: — Mr. Speaker, I think it's important that we put this whole issue in perspective. There is a problem across the western world with unemployment. Four of the seven G-7 countries have double digit unemployment. Provinces across Canada have problems with jobs. Manitoba last year lost 11,000 jobs. The year before Alberta lost 15,000 jobs.

I don't think there's any suggestion and I don't believe anybody out there believes there is a quick-fix answer. We are concerned and we're willing to cover it all across the piece. We have a strategy within the province. We're urging the federal government nationally to look at a low interest rate policy for the long term as a solution nationally, or part of a solution to job creation. But the member opposite is misleading the electorate if she thinks there's a quick-fix answer to this, because there isn't. But we are on the right track.

Some Hon. Members: Hear, hear!

Ms. Haverstock: — Mr. Speaker, Madam Minister, I mentioned nothing about a quick fix. We're talking about some priorities here.

Forty-five thousand people in this province don't have the dignity of employment. The jobless rate has reached double-digit figures for the first time in Saskatchewan's history. As the Saskatchewan business coalition noted recently, and this is their quote: It is urgent that we begin to work together to rally the spirits of Saskatchewan people around a lucid, common vision for economic renewal.

Do you intend to listen to their ideas? Or do you share the view of your Premier — that the coalition doesn't represent business at all in this province and simply choose to ignore their input?

Hon. Ms. MacKinnon: — Mr. Speaker, several different points here. First of all, in terms of strangling the economy and limiting our ability to provide services and create jobs, the greatest problem we have

now is the debt and the deficits, across the piece. And all ministers from all across Canada agreed on that.

The second point is we do have a plan for job creation and for the economy developed in cooperation with all groups within the community, the *Partnership for Renewal*.

And finally, we do have a formal process — the Provincial Action Committee on the Economy — where business, labour, and other groups regularly meet to tackle the problem.

We are tackling it across the piece in a coordinated, committed way. But there is no quick fix. We're here not for the short term, but for the long term.

Some Hon. Members: Hear, hear!

Ms. Haverstock: — Thank you, Mr. Speaker. Madam Minister, like it or not, business knows how business works. And obviously business does not feel that you are approaching job creation the way that you should.

Why will you not demonstrate some of the cooperation that you and your colleagues preached during the election, that you preach in this legislature, and allow the business community and labour in this province to help you bring in a solid, workable, job creation initiatives.

And I'm not talking politics here, I'm talking about work. I'm talking tax dollars — this is something that perhaps you should all listen to — tax dollars and consumer spending that comes from real pay cheques. If you're worried about debt and deficit, put people to work so they can have some money to put into the economy.

Now I ask you again: what solid job creation plans do you have?

Hon. Ms. MacKinnon: — Mr. Speaker, I would be pleased to answer that question. In our most recent budget, despite our very, very difficult financial circumstances, we had in that budget a package of initiatives designed to stimulate the economy and create employment. And the package was very effectively targeted to our long-term game plan which is that small businesses and small co-ops are the main creators of jobs.

What was provided for in that budget was a 20 per cent reduction in the corporate income tax rate for small businesses and co-ops over a two-year period. There was incentives for investment in manufacturing and processing. We tried to build on our strength in the telecommunications industry in the province by removing the E&H (education and health) tax on 1-800 numbers, and the list goes on.

We provided \$31 million in targeted incentives or other measures to promote economic development and job creation. Our commitment in dollar terms speaks for itself.

Some Hon. Members: Hear, hear!

Ms. Haverstock: — Thank you, Mr. Speaker. Madam Minister, almost 8,000 men and women completed their post-secondary education this year at Saskatchewan's universities, colleges, and technical schools. And that's not to mention the 15,000 young people who are completing their high school this month. These people are looking to your government to create the kind of atmosphere that is going to result in jobs — jobs that will enable them to become productive citizens of this province.

Isn't it time your government reviewed your so-called *Partnership for Renewal* strategy in cooperation with business and labour to ensure that the young people of this province have jobs in Saskatchewan and are not going to have to go somewhere else?

Hon. Ms. MacKinnon: — Mr. Speaker, again what is frustrating is when the member opposite suggests that there is some quick-fix answer to this. We are working across the piece, in our budget, in our *Partnership for Renewal*, in our Provincial Action Committee on the Economy, in our approaches to federal policy with respect to interest rates, and we are working in a coordinated way with other ministers in Canada to promote economic development and job creation. But this is not something that will occur quickly.

I guess the other point that I would raise is there is a gloom and doom to the member's comments. There has been an increase in employment from March to April. We as a country have just received GDP (gross domestic product) figures which are astonishing to the other G-7 countries in terms of growth. So there are very bright signs on the horizon. And I would encourage her to join with us, share with us her ideas about how we can do better.

We are committed and we are working at it and we are seeing some signs of success.

Some Hon. Members: Hear, hear!

Minister's Remarks on Swift Current

Mr. Martens: — Thank you, Mr. Speaker. I'd like to ask the Premier a question today. Yesterday the Associate Minister of Finance attacked the credibility of the Swift Current Chamber of Commerce. Mr. Premier, yesterday he attacked the credibility of the chamber's president. Yesterday he attacked the credibility of the Medicine Hat chamber. Mr. Premier, yesterday he attacked his own city, and — by an observation that I'll make — he attacked the city that I believe is a good city.

Now I'd like to ask you to ask the Associate Minister of Finance to apologize to this Assembly and to the people of Swift Current for the statements he made regarding that city yesterday.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, I'm sure that

even the Swift Current Chamber of Commerce is ready and able to exchange in debate an exchange of ideas and facts and figures. That is what the minister was doing. I don't think that we need the member from Morse . . . I don't think the Swift Current Chamber of Commerce needs the member from Morse to help it out in what I think is an important dialogue and debate that should be engaged.

Some Hon. Members: Hear, hear!

Mr. Martens: — Mr. Premier, I also am a member of the city's chamber in Swift Current, and so I'd like to ask you these questions also. Mr. Premier, yesterday he told a reporter that Swift Current is not a very attractive city. Now I don't happen to agree with that; I think Swift Current is a great city. Three years ago Stats Canada called Swift Current the most prosperous city in Canada, Mr. Premier. Two years ago *Chatelaine* put it the top 10 places to live.

So what could have changed so quickly, Mr. Premier? They still have the same mayor. They still have the same chamber. They still have the same businesses. They still have the same, what I think is a great hockey team. They still have all of the business people doing business in that city.

But one thing is different, Mr. Speaker and Mr. Premier, one thing is . . . there's a big difference. The difference I see, Mr. Premier, the difference I see, Mr. Premier, is this: that they now have an NDP MLA, and that's the problem with him. Will you ask that member to apologize to the people of Swift Current for the things that he said to them?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, the hon. member from Morse ought to know, and I think he does know, that the member from Swift Current, the minister, has been a resident of Swift Current since 1956, almost 40 years. He's a business person there. He's a member of the chamber of commerce there. He's a former councillor there. He is an MLA, and he's a distinguished member of the Executive Council. Now this does not mean that being MLA he cannot dispute the facts and figures of individuals from Swift Current, no matter how well intentioned they might be. And that's exactly what the member from Swift Current was doing.

Where the numbers are wrong, he has an obligation — and I say a right — to say so, bluntly and honestly. And I don't think the chamber of commerce needs your protection from that. It can defend itself very easily. He wasn't attacking the chamber of commerce; he was disputing the figures taken by the president of the chamber of commerce. And I think that that's a fair comment in a fair arena of debate.

Some Hon. Members: Hear, hear!

Mr. Martens: — The paper says, Mr. Speaker, and Mr. Premier, that Mr. Kiesman . . . and he states this, Mr. Premier: and my blood's just boiling over, he said in

an interview. He said: Penner and the government have their heads in the sand. That's what he said, Mr. Premier. And I want to point out to you what was really said in the information that was provided to you and to the members of cabinet.

It was stated in that letter that \$50 million was what the Medicine Hat Chamber of Commerce were providing as figures for their involvement of the part of the south-west part of the province of Saskatchewan that was going to Medicine Hat to buy goods and services. That is a fact, Mr. Premier, and we want you to apologize to the people of the south-west part of the province.

And on top of that, I would like to ask you, Mr. Premier, to do what the letter very basically says. Will you become involved in an economic summit, without delay, to provide the people of Saskatchewan an opportunity to give you the information about a solution to the economic development in this province?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Well, Mr. Speaker, I hope the hon. member doesn't take any personal offence, but I shudder at the thought that he would give us a solution to the economic problems of the province, having sunk this province on the verge of bankruptcy for nine and a half years.

You know the fact of the matter is that the hon. member says he's such a defender of Swift Current. Where was he at the time when he was sitting in the treasury benches, and they got this province involved in all kinds of multibillion-dollar schemes? They got this province involved in a situation of a total debt of \$16 billion, where they attacked the working men and women in the province of Saskatchewan. Where were you then as the supposed defender of the people of Swift Current?

Look, I simply don't think that the people of Saskatchewan are ready to accept that kind of an approach at all. It's simply is not relevant, nor credible. Your response and position is straight politics. You have got to be in a situation where you present some ideas, and unfortunately you don't have them. You haven't had them. That's why you're sitting there as a rump party in the province of Saskatchewan.

Some Hon. Members: Hear, hear!

The Speaker: — Order. Question period has ended for today but I want to caution members that I will take much stricter action in future question periods if this constant interruption carries on in future question periods. So I'll ask members to please abide by the rules of question period and listen to the question and listen to the answers.

Why is the member on his feet?

Mr. Draper: — I beg leave to make a statement on the

40th anniversary of the coronation of Queen Elizabeth II, sir.

The Speaker: — The member could possibly do that before orders of the day.

TABLING OF REPORTS

The Speaker: — Before orders of the day, I would like to table pursuant to subsection (1) of section 30 of The Ombudsman Act, to table the report of the Ombudsman.

Mr. Draper: — I beg leave to make this statement, sir.

Leave granted.

ANNOUNCEMENTS

Fortieth Anniversary of Coronation of Queen Elizabeth II

Mr. Draper: — Mr. Speaker, sir, and members of the Legislative Assembly, today, June 2, marks an important anniversary in the life of our country and our province. Forty years ago on June 2, 1953, Her Majesty Queen Elizabeth II was crowned Queen of the United Kingdom, Canada, and her other realms and territories.

The colourful and moving ceremony of the coronation marked the beginning of a reign which continues today. The portrait above the Speaker's chair in this Chamber was made at that time and is a constant reminder to members and visitors in this Assembly of two things. First, the dignity and devotion to duty and tradition of service of Queen Elizabeth as our sovereign; second, the key role of the constitutional monarchy in our system of government.

For four decades Queen Elizabeth has served us with wisdom, humanity, and generosity as our Canadian head of state. She has always shown profound understanding for and sensitivity to the complexities of Canada — a federal system in a vast territory, our official bilingualism, our multicultural society.

Her visits to Saskatchewan in 1959, 1973, 1978, and 1987 have been highlights of our life as a provincial community. Her warmth and abundant common sense have left an imprint on all whom she has met.

And on a personal note, sir, I remember being given a day's holiday from school on Coronation Day and visiting a neighbour who had a television set, which were few and far between in those days, to watch the ceremony, and the memory of it has remained with me through this day.

The institution over which the Queen presides, our constitutional monarchy, is one of the distinguishing characteristics of our Canadian political culture. It marks our heritage of parliamentary democracy, of our historic rights and freedoms under the rule of law. It is symbolic of the commitment of Canadian people to the notion of community where collective

obligations and priorities balance and complement individual rights.

(1445)

The Crown is an indelible feature of our Canadian identity. It ensures the continuity of the state above and beyond partisan politics. It separates the role of head of state from that of head of government. It provides a focus of loyalty to Canada for all of us.

This is why the office of Lieutenant Governor is so important as the local representative of the Crown and the Queen. This is why Saskatchewan people of all backgrounds and all political persuasions respect the office.

We are fortunate indeed to have in the person of our present Lieutenant Governor, the Honourable Sylvia Fedoruk, someone who fulfils with such warmth and distinction the vice-regal role in our province.

I ask all members to join with me in an expression of loyalty to Her Majesty Queen Elizabeth II, Queen of Canada, on the 40th anniversary of her coronation. Long may she reign. Thank you, sir.

Some Hon. Members: Hear, hear!

Mr. Martens: — Thank you, Mr. Speaker. With leave I'd like to also make some remarks.

The Speaker: — The member may proceed.

Mr. Martens: — Mr. Speaker, and members of the Assembly, I very clearly recall the day that King George passed away because it was my responsibility to go out into the school yard to lower the flag to half-mast. And I believe that was 1951 or in that neighbourhood. And I very clearly remember that day, Mr. Speaker, as a part of the tradition of the involvement of myself in my school.

I clearly also remember the day that Her Majesty Queen Elizabeth became the heir and became responsible for that at her coronation. And I recall that day with some interest because I noted, and I listened on the radio — we didn't have television at the time — and I listened to the radio and I recall that very clearly.

I also recall very clearly on a day that I received recognition for my responsibility to rural communities when I received from the Governor General of Canada a 25th silver jubilee medal on the celebration of the anniversary in 1977 of Her Majesty's 25th year of reign. And I clearly remember that. And so it has been with some interest that I have viewed the responsibilities that she has taken, and that she has represented us in a way that is very dignified.

I had occasion to meet the Queen Mother on occasion when she was here, and I was very impressed with the dignity that she has and the carriage that she has and the bearing that she has. And that dignity I believe has been transferred to Her Majesty as well.

Mr. Speaker, I think it's important for us to recognize that. What she represents to the Assembly and to the people of the province of Saskatchewan is that she represents democracy, not by what she is in relation to the democracy, but what democracy has come from, Mr. Speaker, and to what it is today. She represents that. Just like the mace does here in the Assembly, she represents that authority being transferred to you and to me as individuals.

And I believe and I've always believed that the democracy of Canada and the parliaments across the world have a very, very distinct tribute to pay to that family, because they gave up of their rule so that the common man could be a part of it. Now it came with a great deal of struggles and dealings, and I respect that. But the dignity that we place upon these people is a part of what the whole democracy represents in the parliamentary system, and that she represents the transfer of rule from a monarchy to the democracy that we live in today, and that the ordinary individual can be a part of the rule of law in Canada and in Saskatchewan.

And I believe that I want to join with the member from Assiniboia-Gravelbourg. And I know that he probably has very strong ties to that country because that is the country of his birth. And I want to join with him in his acknowledgements here today.

Some Hon. Members: Hear, hear!

Mr. Harper: — No, I'd like leave . . . ask leave for introduction of a guest.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Harper: — Thank you, Mr. Speaker. Mr. Speaker, it gives me a great deal of pride to introduce to you and to all the members of the House, the former member from Pelly, Norman Lusney, who has joined us in the House behind the bar there.

Norman, who is a good friend and a long-time acquaintance of mine and has served as the member from Pelly from 1977 to 1986 and has served his constituency with great distinction. And, Mr. Speaker, it gives me a great deal of pleasure to ask all the members to offer him a warm welcome.

Hon. Members: Hear, hear!

ORDERS OF THE DAY

GOVERNMENT ORDERS

Hon. Mr. Mitchell: — Mr. Speaker, before beginning my remarks, may I, with the indulgence of the Assembly, introduce yet another guest?

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Mitchell: — Mr. Wes Robbins of Saskatoon, former cabinet minister in the Blakeney government, is also here this afternoon. And I'd like the Assembly to welcome Mr. Robbins.

Hon. Members: Hear, hear!

SECOND READINGS

Bill No. 90 — An Act to protect the financial viability of NewGrade Energy Inc.

Hon. Mr. Mitchell: — Mr. Speaker, I introduce for consideration of this Assembly, The NewGrade Energy Inc. Protection Act. This legislation is designed to protect the interests of Saskatchewan taxpayers and to ensure the financial viability of the NewGrade upgrader project.

Mr. Speaker, our government does not take this step lightly. A negotiated solution has always been and remains our preferred route. Legislation has been introduced only as a last resort. Nearly 18 months of discussion, negotiation, and mediation with our partner in the NewGrade upgrader, Federated Co-operatives Ltd., have failed to produce a financial restructuring of the project.

You will recall that during the provincial election campaign in 1991, my party promised Saskatchewan taxpayers that a New Democratic government would undertake a complete review of all the megaproject deals signed by the previous administration. Our commitment was to review each deal from the point of view of ensuring the public interest and reducing the financial exposure of provincial taxpayers.

In a number of instances, we have already succeeded. Without legislation, without rancour, the provincial government has negotiated improvements to megaproject arrangements to companies like Weyerhaeuser and Crown Life. Discussions with FCL (Federated Co-operatives Ltd.) have been much different and more difficult.

Shortly after our election we began a complete financial review of the upgrader project. We became very concerned with a number of aspects of the deal including the economic viability of the upgrader and the governance structure of the project. We attempted to open negotiations with FCL to improve these arrangements. This was in the spring of 1992. FCL's position was that they were under no legal obligation to change the deal and they indicated that they had no intention of doing so.

Mr. Speaker, I want to say a few things about the history of how the NewGrade project came to be. In 1986 the previous administration entered into an agreement with Consumers' Co-operative Refineries Ltd., which I will refer to as CCRL, to build and operate a heavy oil upgrader integrated with CCRL's refinery in Regina. CCRL is a wholly owned subsidiary of Federated Co-operatives Ltd., FCL, which is the umbrella group for retail cooperatives in the four western provinces.

The original conception of the project was very good. And I believe that the motivations of the partners as they approached the project were no doubt laudable. The government of the day wanted to create jobs and build the capacity to process the natural resource of heavy oil. Saskatchewan is blessed with enormous resources of heavy oil, and it made sense that we would be able to process this resource in the province of Saskatchewan.

FCL wanted to ensure that its refinery would have a secure supply of crude oil into the next century. This secured supply was in doubt because of declining reserves of conventional crude oil. FCL also needed to undertake a modernization and refurbishment of its refinery. The upgrader seemed to be the opportunity to accomplish this objective.

Despite these praiseworthy objectives, Mr. Speaker, something went horribly wrong. The conditions that we find in the upgrader agreements are unprecedented in any sort of normal commercial partnership arrangement.

Mr. Speaker, let me ask the question in very blunt terms. Who would enter into a partnership deal like this? Who would enter into a business arrangement where their partner contributes no capital, assumes no risk, and has complete operational control? And who would agree to arrangements where their partner is entitled to receive half of any profits and then flatly refuses to share in any part of the losses that occur? These are terms that very few people would accept on their own behalf. Unfortunately they were accepted on behalf of the taxpayers of the province of Saskatchewan.

For CCRL it was a deal too good to be true.

However the deal did not fall into their laps, Mr. Speaker, out of the blue. The original memorandum of understanding on this agreement was signed between FCL, Saskatchewan, and Canada in 1983. NewGrade Energy was to be incorporated and a maximum of \$10 million was to be spent on project assessment and feasibility work. This cost was to be shared between all three parties.

While this preliminary work was being carried out, negotiations were conducted on the project agreement and the operating agreement. These negotiations, Mr. Speaker, were protracted and difficult. In June of 1985, FCL threatened to withdraw from the upgrader project on the ground that a projected 16.1 per cent rate of return was not acceptable.

The then premier instructed the provincial officials to not lose the deal. The result was a revision to the 1983 memorandum of understanding. This revision contained a number of major concessions to FCL, the most important of which was an agreement that CCRL staff alone would manage the operations of the upgrader.

In addition to this granting of control, a number of financial sweeteners were given to FCL in order to keep it involved in the project. These included, first, Saskatchewan taxpayers would fund the equity dollars previously committed by FCL; none the less FCL would continue to receive half of any profits.

Second, CCRL was to receive an annual operating fee of \$14.75 million indexed to inflation. Now since CCRL can charge all direct costs of operating the upgrader to NewGrade, much of this operations fee of \$14.75 million represents profit to FCL each year.

Thirdly, royalties on natural gas supplied to NewGrade would be rebated.

There were other aspect to the memorandum, Mr. Speaker, but those are the main ones that I want to draw to the attention of the Assembly today.

Mr. Speaker, this 1985 revision to the memorandum of understanding was signed by the government against the advice of the government's expert officials. Further, the federal government refused to sign these revisions to the original memorandum of understanding.

This collapse of the provincial government's bargaining position, under a threat by FCL to withdraw was bad enough, Mr. Speaker; however it merely set the stage for yet further collapses.

(1500)

Mr. Speaker, at this time, 1985, there was still no project or operating agreements in place. Despite this, a contract was awarded to Kilborn/Fluor to construct the upgrader project. Development work was undertaken and major components were ordered. All this was done without any agreements to govern the construction and operations of the project.

By late 1986, close to \$100 million had been spent without the project or operating agreement having been completed. Almost all of this money, Mr. Speaker, came from the taxpayers. A hundred million dollars without the final contracts in place. Mr. Speaker, that can only be described as a stunning dereliction in the duty of the then government to protect the interests of the taxpayers of this province.

FCL knew that it had the government in a very bad position. After all, the government had already caved in once to a threat to withdraw from the project, and that was before the hundred million dollars had been spent.

In September of 1986, FCL again began threatening to withdraw from the project. They said that they wanted a final agreement before the government's term expired. This was just days before the then premier was planning to call the 1986 election.

Mr. Speaker, the then premier agreed to a five-day lock-up session in Regina during the first week in October 1986. Two senior government officials were

instructed to hammer out a deal with Mr. Thompson and Mr. Empey of FCL. By the time the lock-up began, the provincial election had already been called and the campaign was under way. Mr. Thompson and Mr. Empey, after negotiating for only a couple of days in this lock-up session, abruptly left the negotiations.

And on October 9, 1986, just 11 days before the voters of Saskatchewan went to the polls, they presented to the government negotiators a complete draft agreement. They said the government had 24 hours to sign that agreement. If the government refused, they said that FCL would hold a press conference to withdraw from the project and accuse the government of having bargained in bad faith. In addition, they said a letter attacking the government would be mailed to every co-op member in the province.

Mr. Speaker, you don't have to take my word for what I have just told the Assembly. In a speech some four years later, Harold Empey said that:

We agreed to wait at the hotel until 8 p.m. and when they came to see us with no acceptable answers, we said it was all over. I remember well promising to tell every co-op member in Saskatchewan what had happened.

Mr. Speaker, the government then had a choice. Having gotten itself into a real pickle, it could choose to protect the taxpayers or it could choose to surrender. It decided to surrender.

The then premier sent for Mr. Eric Berntson, who was then the deputy premier and who was then the campaign manager for the Conservative Party in the 1986 election, to sign the agreement that FCL had presented. Mr. Berntson met with Mr. Thompson and Mr. Empey on October 10, 1986, 10 days before the election, and signed the project agreement and the operating agreement.

When they learned of this deal, Mr. Speaker, the federal government initially refused to sign it. In effect the deal was too bad for Brian Mulroney to accept. However after a few more months of negotiations, the federal government was brought on board and the final agreements were signed. These were almost identical to the terms that FCL had extracted from the government in the midst of the election campaign.

In shaping this deal, Mr. Speaker, neither party is blameless. The government of the day had foolishly and irresponsibly spent close to \$100 million before any project or operating agreements were in place. It was going into the 1986 election campaign . . . it was in the 1986 election campaign when it was presented with FCL's final offer.

Rather than suffer the political consequences of the project collapsing, the then premier ordered his officials to sign the deal. It was not that the government didn't know any better. Throughout the negotiations, its officials and advisers were all strongly warning against giving in to FCL's demands.

In a letter to the then premier Mr. Phillip Gordon, an oil industry consultant who was serving on the government's team, stated that the terms were:

. . . unreasonable and inconsistent with any standard of normal business arrangements, and incompatible with sound commercial terms.

When he heard that the project agreements had been signed, Mr. Gordon told the premier, and again I quote:

I felt that you should know, for the record, that I advised against signing the Operating Agreement in the form in which I last saw it on October 9th.

Despite this advice, Mr. Speaker, the deal was signed.

During the course of negotiations, the government's own legal advisers from the firm of MacPherson Leslie & Tyerman stated that, and I quote:

Our general view is that the Operating Agreement as presently proposed falls far short of the standards which would normally thought to be essential for the adequate protection of NewGrade's rights.

Despite this, Mr. Speaker, the deal was signed without the major problems identified by the lawyers being rectified.

In 1985 the deputy minister of Energy and Mines at that time, Mr. Bob Reid, stated that FCL's demands to gain complete operating control should be rejected as "non-negotiable" since NewGrade required the ability to monitor operating decisions — and again I quote from Mr. Reid's letter — "to ensure the economic viability of NewGrade and the loan guarantees."

Despite this, Mr. Speaker, the deal was signed with a capitulation to FCL's demand for operating control.

So how did such a thing happen? Clearly there was fault on both sides. FCL put its private interests ahead of the public good. It concentrated on writing into the agreement absolute protection of its own interests and a guaranteed profit regardless of the viability of the project or its consequences to the province. For its part, the then government weakly capitulated to the demands of FCL for their own purposes late in the election campaign of 1986.

Mr. Speaker, this was a shocking and disgraceful failure by a government in its duty to the taxpayers of Saskatchewan. This is the fundamental reason why we find ourselves in the situation that we do today.

So what has been the result of this deal signed by the previous administration? NewGrade, the corporation that owns the upgrader, is owned equally by the Saskatchewan taxpayers and CCRL. The taxpayers have invested a total of \$234.5 million in cash into the

project. CCRL has put up no cash. The Saskatchewan taxpayers are liable for \$360 million in loan guarantees. The taxpayers of Canada are exposed to the tune of \$275 million. CCRL has no exposure. Indeed NewGrade must compensate CCRL if problems at NewGrade impact on refinery earnings.

The board of directors of NewGrade consist of eight directors. Four are nominees from CCRL, three are nominees from the Saskatchewan government, and one is a nominee from the federal government. However CCRL has complete operational control over NewGrade's assets and cash flow. It has sole NewGrade cheque-signing authority.

If CCRL management makes a decision with which the NewGrade's board, acting in the best interest of NewGrade, disagree, there is a dispute settlement mechanism in the agreement that was designed to resolve the difference in a fair and impartial manner. It is an arbitration process, and on its face it should work.

Since 1989, Mr. Speaker, it has not been allowed to work. The problem is that it takes a three-quarters vote of the NewGrade board to refer these issues to arbitration. As I have said, CCRL names half of the board members. For a period of years spanning both the tenure of this administration and the previous one, the CCRL board members refused to allow the issues to go into the arbitration process. The issues in dispute include whether salaries and equipment costs should properly be assigned to CCRL or to NewGrade. They include what the price of the upgraded crude oil sold by NewGrade to CCRL should be.

Until last week only one issue was ever allowed to go to arbitration. In 1989 an arbitrator ruled in NewGrade's favour in a dispute over the pricing formula for the upgraded crude that CCRL was purchasing. The issue should have meant an additional 2 to \$3 million per year for NewGrade. Instead CCRL used a different section of the operating agreement to change the formula again. Some estimates of the cost to NewGrade are as much as \$12 million per year. CCRL then refused to allow this new pricing decision to be arbitrated.

We believe that arbitration of these issues will mean some tens of millions of dollars for NewGrade. If the arbitrator agrees with NewGrade's position, it will mean that this money has been owing to NewGrade by CCRL for up to four years in some cases.

Last week for the first time since 1989 the CCRL board members agreed to allow some outstanding issues to proceed to arbitration. We welcome this move, Mr. Speaker. It does not change the fact, however, that a mechanism is needed to ensure that this type of impasse does not occur again.

Mr. Speaker, these are some of the key features of the NewGrade deal that was signed by the then government against the strenuous advice of their expert advisers.

So how has the project fared? According to the corporation's audited financial statement, in its first full four years of operation, NewGrade has lost \$299.9 million. It lost \$59.6 million in 1989. It lost \$102.3 million in 1990. It lost \$79.4 million in 1991. And it lost \$58.6 million in 1992. By CCRL's own projections, it is anticipated that NewGrade will lose a further \$59 million this year. The projections for future years, Mr. Speaker, are no more encouraging.

NewGrade has survived this long for two reasons. First, the taxpayers of Saskatchewan have covered cash deficiencies to the tune of \$80 million. Second, NewGrade has been rolling over its debt. In four and a half years of operation, not a penny of principal has been retired. In the meantime, the physical plant is depreciating and wearing out. This is not a state of affairs that can go on for ever.

If the differential between light and heavy crude oil drops, if interest rates rise, or if there is any unscheduled production interruptions, the project will immediately have major cash deficiencies and could default. A default would mean that the taxpayers of Saskatchewan would have to honour the loan guarantees and pay the lenders \$360 million.

To put this figure in context, it is approximately equal to the sum total of tax increases and expenditure cuts in this year's budget. The interest costs on this money would be well in excess of \$30 million per year.

Even if all were to go well, Mr. Speaker, NewGrade has no realistic prospect of retiring its debts. This means that when the plant wears out, all of the debt will remain outstanding and must be paid by the taxpayers.

This analysis of the project is not just ours, not just the government's. The members of the Financial Management Review Commission noted that, and I quote:

The province has an investment that is not performing up to its original expectations and which could hold future financial risk.

(1515)

The members of the Gass Commission went on to note that, and again I quote:

The Province's ability to monitor the performance of this project and to work with its joint venture partner (CCRL) to reduce its financial exposure is severely restricted under the agreement.

Mr. Justice Estey, after looking at this issue in detail for some five months, had an even more chilling conclusion. He stated that:

... the project has, in a financial sense, run aground. Operating at capacity, it cannot sustain the existing debt load.

By this, Mr. Estey said that NewGrade, and again I quote:

... cannot generate, at present levels of operation, a cash flow which will pay out the outside debt as to both principal and interest. Furthermore, at no stage in the foreseeable future will cash flow of the Upgrader, by itself, service the interest and principal charges falling due on the guaranteed debt, even when operating at full capacity, which is now the case.

Mr. Justice Estey also drew attention to one other fact. I will quote him at length, Mr. Speaker:

The last remaining bedrock circumstance is the practical and prudent limitation felt by Saskatchewan in continuing to expose itself to the infusion of public funds into a venture in which Saskatchewan will ultimately be required to turn over one half of the profits to a non-governmental agency (FCL) which has made no capital contribution to the venture, and which has made no contribution to the very serious losses suffered by the taxpayers of Saskatchewan. Such an imbalance of investment and return was in all probability far from the minds of the contracting parties in 1986 when the project took its final form in the Agreements executed in December of that year.

Given the amounts of money at stake, Mr. Speaker, and the importance of the refinery-upgrader complex to our province's well-being, and the imbalance between the rights and benefits between the parties, the government has no alternative but to act.

Mr. Speaker, we've tried in every way possible to solve these problems. Shortly after this administration took power and after the initial warning sounded by the Financial Management Review Commission, government officials and ministers approached CCRL and FCL officials to attempt to negotiate changes to the NewGrade agreements that could save the project and protect the interests of the taxpayers. Our desire, Mr. Speaker, was to work together with CCRL to place NewGrade on a financially sound footing so that jobs could be protected, so that the exposure of taxpayers could be limited, and so that the refinery-upgrader complex could continue to provide crucial products and income flow to the retail co-op network.

Our efforts to renegotiate the terms of the agreement were rebuffed. As a consequence, we appointed former Supreme Court Justice Willard Estey as a commission of inquiry to examine the project, to mediate between the parties, and to propose solutions. At the time, FCL and CCRL officials welcomed this choice and lauded Mr. Justice Estey's well-grounded reputation for fairness and impartiality. Mr. Justice Estey worked tirelessly for five months to mediate a settlement. He did not succeed. As a result, he issued a report in which he outlined his recommendations that could save this vital project.

Before discussing Mr. Justice Estey's recommendations, I want to touch on the fundamental principle that those recommendations are based upon. Mr. Justice Estey stated that, and I quote from his report:

The Commission has explored all possible avenues which will ensure the continuance in Western Canada of what is now clearly a viable and valuable petroleum refining facility. While FCL may benefit from a rescue of the operation, Saskatchewan will benefit equally if the reorganization of NewGrade brings to an end the very serious drain on the resources of Saskatchewan. At the same time, these two results must be brought about without exposure to FCL to a systemic risk which would place a financial stress on the far-flung valuable Co-operative development headed by FCL and its many Co-operative units and affiliates upon whose welfare the community of Saskatchewan is very much dependent, as indeed is the welfare of the member Co-operators in the other Prairie provinces and British Columbia.

Mr. Justice Estey framed his recommendations to accomplish three fundamental objectives: (1) to ensure the survival of the refinery-upgrader complex; (2) to ensure that the taxpayers of Saskatchewan and Canada are treated fairly; (3) to ensure that the cooperative system is not put at risk. Mr. Speaker, this government endorses these objectives completely.

Mr. Justice Estey stated that there were a number of issues that needed to be addressed in order to accomplish these objectives. These were that the project needs a cash injection from CCRL and the federal and provincial taxpayers; secondly, provision for any future cash deficiencies to be met on an equal basis between CCRL and the Saskatchewan taxpayers; third, a resolution to the issues awaiting arbitration and a workable arbitration process for the future; and fourth, a resolution to the problems inherent in the governance in the NewGrade project.

Mr. Speaker, even though Mr. Justice Estey's recommendations would mean additional expense to the Saskatchewan taxpayers, the provincial government is willing to implement these recommendations.

We believe that the NewGrade upgrader is too important for the government to allow it to fail and that the proposals are fair to all three partners. We further believe that the proposals will ensure that the co-op movement will not be threatened. Indeed it will continue to benefit from that project.

The Hon. Bill McKnight, on behalf of the federal government, has expressed some misgivings about the amount of the federal contribution recommended by Mr. Justice Estey. However Mr. McKnight has indicated that the federal government will be willing to make a substantial contribution if the province and

CCRL do likewise and resolve the other problems facing the project. We have no problems with this federal position, Mr. Speaker, and we applaud the commitment of Mr. McKnight and the federal government to this vital project.

However despite strenuous efforts, we have not been successful — we have not been successful in convincing CCRL and FCL to accept Mr. Justice Estey's recommendations. All our efforts to reach an acceptable negotiated settlement have been rebuffed.

FCL has presented a proposal that partially addresses the issue of a cash injection. This proposal would result in \$50 million into NewGrade, instead of the \$80 million proposed by Mr. Justice Estey. However the injection of the money is conditional upon the taxpayers paying another \$15 million per year until all of NewGrade's debt is paid off.

FCL's proposal would mean that Saskatchewan taxpayers would contribute \$180 million more than Mr. Justice Estey proposed. This is more than the taxpayers of this province can afford.

The FCL proposal was also conditional upon the outstanding issues being withdrawn from arbitration. If this were to occur, the cost to NewGrade could be substantially more than the \$50 million cash injection which FCL proposes to make.

Last week, as I have already said, Mr. Speaker, FCL allowed the outstanding issues in dispute to proceed to arbitration. This is a welcome step, since both this administration and the previous administration had been trying to get some of these issues arbitrated since 1989. However CCRL and FCL have not provided us with the assurance that future disputed issues will be arbitrated in a prompt and expeditious manner.

Just as seriously, there has been no movement on the question of provision for future cash deficiencies. Satisfactory resolution of the arbitration process and cash deficiencies is fundamental to ensuring the future of the NewGrade project. The provincial government must address these two questions if it is to honour our responsibilities to the taxpayers of this province. That leaves us with no choice but to proceed with a legislative solution.

I want now to turn to the content of the Bill that is before us today. The legislation is designed to protect the taxpayers' interests respecting NewGrade and to ensure the project's survival. It does this by setting out a solution to the two problems I've just discussed — a workable arbitration process for the resolution of disputes, and the sharing of liability for losses. It also gives the government the capacity to act if necessary to protect the financial viability of the project or to ensure that it can function.

Before I go on to describe the details of the legislation, Mr. Speaker, I must say that it, that is the legislation, will not solve all of the problems at the upgrader. For example, it does not deal with the matter of the injection of additional money into the project. As I've

already noted, that was one of the central recommendations of the Estey report.

It is clear that without a significant injection, this project will not succeed. It is, however, beyond the capability of this legislature to create a comprehensive solution. This can only be achieved through negotiations between FCL and the federal government and the provincial government.

Mr. Speaker, members will note that there are three major provisions in this legislation. The first, outlined in sections 3 and 4, deals with dispute resolution. These provisions are designed to ensure that NewGrade is able to have disputes with CCRL arbitrated in a prompt fashion. It was drafted because of the difficulties in reaching arbitration over the past four years to which I've already referred. As I've also mentioned this is necessary because the existing provision has not been allowed to work.

Section 3 states that the Crown Investments Corporation can submit disputes to arbitration. In addition, because of the conflict inherent in CCRL's position as both the operator of the upgrader and one of the parties to the arbitration, this section specifies that CIC will conduct NewGrade's side of the arbitration while leaving CCRL's officials free to represent the interests of their corporation.

Section 4 states that if the arbitration process outlined in the current operating agreements is unreasonably frustrated or delayed, the Lieutenant Governor in Council can modify the rules and procedures to ensure that arbitration proceed promptly.

It is important to note that these sections will only have effect if the arbitration process outlined in the operating agreement is frustrated. If CCRL continues its very recent practice of allowing arbitrations to proceed, these sections will simply not be needed and will not be utilized.

The second major provision, which is outlined in section 5, provides for an equal sharing of any cash deficiencies suffered by NewGrade. This matter was omitted from the original agreements, perhaps in a fit of optimism that losses would never occur. Clearly, Mr. Speaker, this omission cannot be allowed to stand.

I draw your attention to the remarks made on this issue by Mr. Justice Estey who stated that, and I quote:

The Agreements are silent as to any source of funds to meet cash flow deficiencies on either a short-term or a long-term basis.

And Mr. Justice Estey goes on to observe that, and again I quote:

Saskatchewan has not covenanted in any of the Agreements, to make such deficiency payments to NewGrade in Perpetuity.

Mr. Speaker, we believe that the survival of

NewGrade is so important that we are willing to make a commitment to our share in perpetuity, but we will not commit for more than is fair to the taxpayers of Saskatchewan.

CCRL and the taxpayers of Saskatchewan will have equal liability for losses which reflect their equal ownership positions. We believe it is only fair that partners share potential losses in the same way that they share potential profits.

(1530)

It is ludicrous, Mr. Speaker, for anyone to suggest that in all of these circumstances that I've outlined to the Assembly, all of the losses should fall only on the taxpayers of this province. This is especially so when you recall that this entire operation is under the sole and exclusive control of CCRL. The kind of efficiencies and cost controls that would be necessary to eliminate losses at NewGrade are therefore beyond the control of the government. There is no direct financial incentive for CCRL to eliminate losses. There should be, Mr. Speaker, and by this provision there will be.

Section 6 of the Bill provides the mechanism through which NewGrade can collect from CCRL its share of any cash deficiencies. Section 7 provides that, in the event that CCRL fails to meet its obligations, the Government of Saskatchewan can make the payments in order to prevent a default by NewGrade and then in turn collect from CCRL.

The final substantive provision in this legislation is found in section 9. This provides that the Lieutenant Governor in Council has the power to amend NewGrade's project or operating agreements. This provision is extremely serious, and the section specifies that these powers can only be utilized if they are necessary to protect the financial viability of NewGrade or to ensure that the corporation can be properly governed.

Why do we feel that this is necessary? Mr. Speaker, as we have seen, FCL and CCRL have almost total operational control over this project. They could even attempt to force NewGrade into default. I stress again that in the event of default, under the current agreements, FCL is protected from all risk while the taxpayers would pay all costs.

I am not suggesting, Mr. Speaker, I am not suggesting that FCL intends to consciously attempt to force this project into default; however, the potential is there. It could be argued that FCL could, in the end, financially gain from a NewGrade default.

Mr. Speaker, we do have some fears in this respect. As recently as May 14, 1993, senior officials for FCL wrote to the Crown Investments Corporation on NewGrade letterhead and suggested that NewGrade:

may require funding for costs which would become payable if it is determined to temporarily discontinue the operations of

NewGrade.

The letter states that the Crown Investments Corporation, which is in fact the taxpayers of Saskatchewan, should be ready to pay to pay for such things as the "costs to mothball the NewGrade operating assets."

Further, in a discussion with my colleague, the Associate Minister of Finance on May 13, 1993, Mr. Vern Leland, the president of FCL, raised the possibility that FCL might walk away from NewGrade — walk away from NewGrade.

Mr. Speaker, does FCL have the right to shut down NewGrade and stick the taxpayers with the bill? Our legal advisers tell us that they probably do not have this right. However, based on the actions and comments which I have just outlined, they tell us that — and this is the lawyers tell us — that there is clearly some reason for us to apprehend that CCRL intends to try to make out an argument under the agreements that it has these rights.

Our lawyers went on to advise us that such an action could lead to a call on the guarantees which have been provided in respect of the NewGrade project by the governments of Saskatchewan and the governments of Canada. They say that one way to protect against such a risk would be for the legislation to include a section which would enable the cabinet, by order in council, to specify modifications to the NewGrade agreements. Such a provision could be called in aid if CCRL were to pursue the agenda suggested in its recent initiatives.

Mr. Speaker, this is why section 9 is in the legislation. It's there for the defence of the taxpayers should FCL once again place its private interests above the public good and take this position to the extreme. Mr. Speaker, I fervently hope that this Government of Saskatchewan will never be forced to make use of section 9. However, in the event that it is necessary, we need to be ready.

In addition to the powers given to CIC (Crown Investments Corporation of Saskatchewan) and the government in this legislation, there are two other provisions that I would like to draw to the attention of the Assembly.

Section 10 specifies that in the event that any cash deficiency payments are required, the legislature is to be informed of the payments and the reasons for and circumstances surrounding the payment.

In addition, should section 9 be utilized to change the project or operating agreements, a full report must be made to the legislature.

Section 17(2) states that in the event that a satisfactory negotiated settlement is reached between Saskatchewan and CCRL, the Lieutenant Governor in Council can repeal all or any portion of this Act.

Mr. Speaker, this section reflects the strong desire of

this government for a mutually agreeable, negotiated settlement. It codifies in law our standing offer to CCRL to work together to achieve a settlement that can achieve the three principles that Mr. Justice Estey based his recommendations upon, namely: one, that the survival of the refinery-upgrader complex is ensured; two, that the taxpayers of Saskatchewan and Canada are treated fairly; and three, that the cooperative system is not put at risk.

Mr. Speaker, these are the objectives of the government, both in our negotiations and with this legislation.

Mr. Speaker, the NewGrade deal is a bad one for the taxpayers of Saskatchewan. In fact it is perhaps the worst of the deals entered into by the former government. NewGrade has lost close to \$300 million in four years of operation. It is incapable of generating enough money to pay off its debts. The governance structure gives us no assurance that the interests of the taxpayers can be protected.

Mr. Speaker, the most comprehensive and fairest solution was outlined by Mr. Justice Estey. This is the solution that this government would like to arrive at through negotiations. If this is not possible, Mr. Speaker, we must act to protect the project and protect the public interest.

We are not breaking the contracts. We are ensuring that contractual mechanisms can be effective and that provision is made for such things as cash deficiencies where the original agreements are silent.

It is with regret, Mr. Speaker, that it is necessary for the government to make this move and with regret that I move second reading of this Act.

Some Hon. Members: Hear, hear!

Mr. Toth: — Mr. Speaker, before I address that I'll give way to the member from Shaunavon to introduce guests.

The Speaker: — The member must ask for himself. Someone else can't speak for him.

Mr. McPherson: — I ask leave for introduction.

Leave granted.

INTRODUCTION OF GUESTS

Mr. McPherson: — Thank you, Mr. Speaker. I would like to introduce to you and through you to members of the Legislative Assembly today some 21 grade 4 students from the Shaunavon Public School. They have teachers, Jim Coulter and Greg Balas, and chaperons, Carol Stork, Annette Taylor, and bus driver, Barry Sonen.

And I'll be meeting with this group after a while for photos and drinks. And special recognition to my son, Cameron, seated there. I'm sure that he would have words if I didn't say . . .

Hon. Members: Hear, hear!

SECOND READINGS

Bill No. 90 (continued)

Mr. Toth: — Well, Mr. Speaker, I would have to begin by saying this is a very sad day in the province of Saskatchewan. One has to wonder about democracy in this province.

Yesterday the member from Regina Rosemont stood in this Assembly and introduced a number of guests and then ridiculed and criticized Federated Co-op for the undemocratic actions in laying off 180 employees in this province. And yet, then today we see the Government of Saskatchewan coming in with legislation that again gives it the ability to hold a sledgehammer over someone's head while they negotiate or attempt to negotiate.

The unfortunate part, Mr. Speaker, is what kind of negotiation is taking place? I believe what we've seen over the last number of days and last number of weeks, Mr. Speaker, is a period of negotiation where the negotiation has been my way or no way. It hasn't really been an open negotiation.

The Premier of the province has stood in this Assembly and has said to the people of Saskatchewan and said to the opposition members, well I've waited for a phone call all weekend or I've waited for a phone call all week. Well maybe as the leader and the Premier of this province he should have initiated some of the phone calls. He should have taken the time to sit down and maybe negotiated or tried to work out an agreement or an arrangement if indeed the minister responsible, the member from Swift Current who he placed in the responsible position of negotiating, wasn't able to come to an agreement with Federated Co-op.

Mr. Speaker, as well we were sitting in the House here last night addressing the Gaming Commission, and the member from Prince Albert Carlton stood up in this Assembly and made a comment about the openness and about the new era, the new age that dawned in Saskatchewan in October of 1991, in the way in which the government dealt with the people of Saskatchewan, worked with the people to build a better province.

We've come to this Assembly today and we ask ourselves, well exactly what kind of new era dawned on the people of Saskatchewan? In fact I would think if you talked to people across this province today, if you did a poll across this province in light of what has taken place over the past 19 months or so, or 18 months, you would find the people of Saskatchewan would really be asking themselves, really what did we do?

What kind of day dawned upon us on October 22, 1991, when we elected a New Democratic

government, only to have them at every whim and every turn take away the basic rights and privileges and freedoms that the people of Saskatchewan deserve and rightly deserve?

And we see it in all kinds of pieces of legislation before us. Mr. Speaker, there's no doubt in my mind and no doubt in the media's mind that the only reason for the Bill before the Assembly and the only reason for all the actions that have been taken by the government is strictly politics. And we've seen that on numerous occasions. The motivation was purely and explicitly self-serving, electoral politics.

Another media personnel mentioned, if you believe politics is at the front of the problem that has been created with the FCL agreement, then move to the head of the class. It would seem to me, Mr. Speaker — and we can go time and again from one point to the next — we can see where the government has chosen to specifically pick on areas and agreements that were entered into by the former government, the Conservative government of the '80s.

And on one hand they criticize the agreements, Mr. Speaker. They criticize the agreement with Cargill and the Saskferco fertilizer plant out west of Regina here; a plant which is employing some 190 more people that didn't have a job in the province of Saskatchewan some two years ago, and who employed I believe it was in the neighbourhood of 2,000 people while it was being constructed; a plant that is working full tilt; a plant that will be paying its fair share of taxes and royalties to this province.

We see this government went and dealt with Weyerhaeuser; they opened the Weyerhaeuser agreement. We see this government sitting down with Crown Life, and in fact the minister referred to that. And the minister referred to the fact that some of these corporations were willing to sit down and renegotiate.

Now it would seem to me one has to wonder if these companies, after all the money they had put into building and establishing sound and reputable corporations and entities in this province, were not sitting down with the government and were being fair and reasonable.

But is this government being fair and reasonable with Federated Co-op, their own organization, which over the years has possibly supported the NDP Party a lot more than it has supported the Conservative Party? Although I would suggest in my area there are many members of the Federated Co-op movement who happen to be strong Conservatives as well.

(1545)

Co-op members cross all party lines, and it would seem to me, Mr. Speaker, that it would be only fair that the government sit down and come to a workable agreement without bringing in legislation that gives them the ability through CIC (Crown Investments Corporation of Saskatchewan) to determine whether or not the agreement is appropriate.

And that's why, Mr. Speaker, when we raised the questions regarding Bill 42 the other day, we had some major concerns because that Bill just instituted a major Crown corporation giving a few people in the province of Saskatchewan the ability to make some major decisions, going to Executive Council and saying this is how we should . . . maybe we should establish a new Crown corporation in this area, or we can decide whether or not we like the agreements, whether or not the agreements we are entering into are fair.

And, Mr. Speaker, I think at the end of the day we are going to find that not only have people become very disgusted and very demoralized, but as well one has to begin to wonder when we are going to see a light at the end of the tunnel, when the people who are on the unemployment rolls are going to be able to reach out and apply for jobs that are beginning to . . . and appearing in the province of Saskatchewan. Because I just don't understand and don't know whether any business person or corporation would like to re-establish . . . or establish in the province of Saskatchewan in light of the regressive legislative that has been introduced over the past while.

In light of . . . view of the fact that it seems like every time you turn around . . . and we've even got Bill 55 and Bill 56. And, Mr. Speaker, my colleague raised questions on those two Bills and we've had some discussion back and forth. The business community have raised concerns. Certainly the labour unions have, and the labour out there has concerns.

And no one is criticizing the fact that we need legislation that is fair, that is effective, and that protects employees. But we need fairness for employers as well. After all, they're the ones creating the jobs. So you begin to ask yourself, where are the jobs going to come from? Who's going to move into this province?

On one hand, the Minister of Economic Development and Trade gloats in the fact that there are 150 people more working in Regina because of the NewGrade upgrader. Then on the other hand the minister talks about it not being a good deal. One has to wonder where the justice really is.

And the minister has taken a long time today to lay out his side of the argument. Maybe we should have invited Mr. Leland to come to the steps of this Assembly and lay out his side of the argument so the people of Saskatchewan can see both sides, Mr. Speaker.

The member from Swift Current who criticizes his own city council and his own chamber because he finds it easier to shop in Medicine Hat than in Swift Current, now is asking me whether or not we should allow that, or the fact that they haven't been given that opportunity.

Well I think, Mr. Speaker, Federated has shown and they're willing . . . they've shown that they are willing

to go to the people to present their side of the picture as well. And yes, the minister gave us quite an overview. But the minister forgot to go back to 1980 and prior to when a number of negotiations were taking place at that time with Federated Co-op, because the government of the day had looked at or was looking at possibly building a heavy oil upgrader. But they were looking at not only building an upgrader, but the fact that they would have to also add on a refinery.

And their own studies indicated that to build an upgrader by itself and then to add on a refinery would cost a lot more than by tying the upgrader to the refinery here, the Federated Co-op refinery.

Mr. Speaker, it seems to me that it is only fair that we take the time to review the Bill. And if indeed, as the minister indicated, he is willing to sit down . . . his cabinet colleagues and the Premier are willing to sit down with Federated Co-ops and seriously negotiate, then why not pull the Bill? Why not take a moment to pull the Bill?

An Hon. Member: — Why pull it?

Mr. Toth: — The member from Swift Current says, why pull it? Well, Mr. Speaker, just look at section 16. Section 16 of the printed Bill, which the minister conveniently forgot to bring into the picture about what the Bill was doing, says:

Every decision of the minister pursuant to this Act and every certificate filed by the minister pursuant to this Act is final and conclusive and is not open to question or review in any court, and no decision made and no certificate filed by the minister shall be restrained by (any) injunction, prohibition, mandamus, quo warranto, certiorari or other process or proceeding in any court or be removable by application for judicial review or otherwise into any court on any grounds whatsoever.

And section 2 says:

No appeal lies against a judgment arising from a certificate filed pursuant to Part III.

What does that do? It takes away Federated Co-op's ability to really even . . . What it basically says is, either negotiate and accept our deal or the legislation is in place to implement a deal, and if you dare to challenge it in court, we'll just take it away.

Sounds a lot like the GRIP (gross revenue insurance program) debate we had about a year ago — the debate where 60,000 farmers had their contracts all of a sudden revoked. And the government decided that it was in their best interest and the best interest of the agricultural community to deem that they actually had a contract in place and that the changes in the legislation were deemed to have been in place by the appropriate time, and since they weren't . . . At the same time, Mr. Speaker, remember the debate that took place and the fact that that piece of legislation

also took away the farmers' ability to go to court. It just kicked the feet right out from underneath them.

And I see what's taking place in this Assembly today, Mr. Speaker — much the same thing. We see GRIP '93 actually arising. And it will be interesting to see where it all shakes out.

Now certainly, Mr. Speaker, I would hope that the government and Federated would be able to work out an amiable and agreeable solution to the problem. And I think it's fair. There isn't anyone in this province who isn't saying that it wouldn't be right and appropriate to come to a fair and equitable agreement.

Now on this side we can . . . And the minister has nodded his approval, and I can appreciate that. But, Mr. Speaker, when you look at the agreement, what we as an opposition must do is look at what the government is bringing forward to this Assembly, look at the legislation they're putting before this Assembly and ask ourselves, is this the appropriate way to deal with an action where a government finds itself in a position where it isn't agreeable with, say, a group that it is working with? Or should we work a little harder to come to an agreement?

One has to ask themselves, why the hurry? Why do we need the legislation today? Would it have been possible, Mr. Speaker, to allow Mr. Estey to work even a little while longer? — to take 10 more days, or two weeks, or a month? Is it possible, Mr. Speaker, that Mr. Estey could have come to an agreement?

We've been informed that Federated was in the process in dealing with Mr. Estey and had opened their books to Mr. Estey, that they felt they were in the process of coming to a workable agreement. And yet the member from Swift Current laughs, the Associate Minister of Finance laughs. Is that how he shows his contempt for the people of Saskatchewan, for Federated, for their board of directors, for the 240,000 members across this province? And those 240,000 members, Mr. Speaker, may represent some 500,000 people in the province or even more. How many families? Not every member of a family is a member, but how many people are represented by Federated Co-ops?

It would seem to me, Mr. Speaker, that there is a fair bit of debate that we are going to enter into. There are a number of questions that we must enter into, we must take the time and raise.

Mr. Speaker, in order to allow for a greater perusal of the legislation that is before us, and hopefully to allow for the process of negotiation to take place so that at the end of the day the minister . . . and I would ask the minister if they can successfully sit down and realistically work out an agreement with Federated Co-ops if they pull the Bill. I would trust that before this House adjourns, Mr. Speaker, this Bill is pulled from this Assembly.

I don't believe it's necessary. I believe it's possible.

And I believe there's time for the Minister and the Associate Minister of Finance to sit down and if need be, even bring in a mediator to sit down with them to find a common working agreement. And I would ask the minister to give some serious thought to that. And as I've indicated earlier, before this House adjourns, Mr. Speaker, I trust that we do not have to really pass this piece of legislation before the Assembly. I think it would be appropriate that that would take place.

However, Mr. Speaker, the piece of legislation is here. We're going to have to take a little more time to peruse the legislation. Therefore I move adjournment of debate.

Debate adjourned.

COMMITTEE OF THE WHOLE

Bill No. 39 — An Act to amend The Education Act

Hon. Mr. Shillington: — Seated behind me is Arleen Hynd, deputy minister, I think known to many members of this Assembly; to my left is Rene Archambault, executive director of the official minority language office, I am told, and indeed correctly; Michael Littlewood, director of board and teacher services; and Tom Irvine, Crown solicitor, constitutional law branch, is seated behind me.

Clause 1

Mr. D'Autremont: — Thank you, Mr. Chairman, Mr. Minister. What we have here today is a move to establish a third school board. This third school board would be additional to the public system that we already have in place and additional to the separate system that is already in place. And it would be a school board designed mainly, or totally, for those parents who wish to have their children educated totally in French based on their own views of what that educational system should be.

We already have within Saskatchewan, French being taught within the schools. Not just the French that . . . or the French in a manner that was taught many years ago in high school, but a totally immersion French, or a French of a total nature within the school system where the entire school day is taken up with French other than those classes which might be English language.

So when this new school board as being outlined by the minister comes forward, there will not be a great deal of change in the minds of many people in this province from what is already available in the province; that the French education will still be comparable to what is currently being offered, but it will be done through a different mechanism.

(1600)

And one of the concerns we have with this, Mr. Minister, and one of the concerns that a good majority of the people in Saskatchewan have is the financial burden that is going to place on the people of

Saskatchewan, on the taxpayers not just of Saskatchewan, but the taxpayers of all of Canada. Because in this legislation part of the funding will come from federal monies which we all pay into as taxpayers — not just taxpayers of Saskatchewan but taxpayers of Canada.

And that's one of the concerns that we have with the proposal, is how is that funding going to be accomplished and where will those monies come from.

One of the other funding concerns that has been expressed to us is what happens when those facilities and those students are withdrawn from either the public or the separate system, moved into the third school board.

What happens in the public and the separate system when they lose students and when they lose facilities? If they don't lose facilities, where are the facilities going to come from for the new school system?

Where this move originates from is from the charter of rights for this country. And I'd like to read to you section 23 of the charter. It deals with minority language educational rights:

Section 23. (1) Citizens of Canada

(a) whose first language learned and still understood is that of the English or French linguistic minority population of the province in which they reside, or

(b) who have received their primary school instruction in Canada in English or French and reside in a province where the language in which they received that instruction is the language of the English or French linguistic minority population of the province,

have the right to have their children receive primary and secondary school instruction in that language in that province.

(2) Citizens of Canada of whom any child has received or is receiving primary or secondary school instruction in English or French in Canada, have the right to have all their children receive primary and secondary school instruction in the same language.

(3) The right of citizens of Canada under subsections (1) and (2) to have their children receive primary and secondary school instruction in the language of the English or French linguistic minority population of a province

(a) applies wherever in the province the number of children of citizens who have such a right is sufficient to warrant the provision to them out of public funds of minority language instruction; and

(b) includes, where the number of those children so warrants, the right to have them receive that instruction in minority language educational facilities provided out of public funds.

This is the piece of the charter in which the court decision was based which said in Saskatchewan minority language instruction should be provided for citizens who met section 23 qualifications under the charter. It did not say that these people had to be parents who would put their schools . . . excuse me, their children into such a school system, but parents who qualified under this charter right. No place in there does it say they have to put their children into the system to be able to participate in the development or organization of such a school system.

And that is part of what this Bill is trying to do. It is going beyond what the court case suggested and what the charter of rights suggests. And that is another one of those concerns that a good number of parents, a good number of francophones in this province have, that the way the legislation is drawn up, they will be excluded from having a say in the system. They will be excluded because they may not necessarily agree with the establishment of a third school board. Therefore if they do not promise . . . or if they do not place their children within that school board, or promise to place their children within that school board, they have no right to express an opinion one way or the other, on the establishment of such a school board.

The way this Bill is drafted, the only ones that have the right to have a say on the establishment of a third school board are those parents who qualify under this charter and who will put their children into that system.

Now if you disagree with the establishment of that system, why would you want to place your children in that system? But if you disagree and if you do not place your children there, you have no right under this legislation to comment or be part of the process. And that is wrong.

Also part of this Bill as it's drafted, people who have their children in French education, in primary or secondary school instruction, but whose first, primary language was not French have no rights to participate in this piece of legislation or in the third school board as it would be structured. And again that does not meet the criteria as outlined in the Canadian charter of rights.

So while you may be basing your argument and need for this piece of legislation on the court decision based on the Canadian charter of rights, section 23, you are not even following the outlines and the guidelines as set out by section 23 of the charter of rights.

You are being exclusionary. You are excluding people from participating in this third school system because a small group of people have a fear that if the larger francophone community in this province is allowed to

have a say in the establishment of this third school board that indeed it might not come about.

In Gravelbourg, which is acknowledged as the centre of francophone culture within this province, a large number of people, a very large number of people within that community do not support the establishment of a third school board. I have a large number of letters. I have petitions from people in that community, in that area, who do not support this legislation, and I will be tabling those later.

In a survey conducted by the local Gravelbourg school board which represents the community of Gravelbourg which represents an area of approximately five miles around the community of Gravelbourg, in a survey in that community the overwhelming majority of people did not support the establishment of a third school board. I can't remember exactly what the numbers were but they were higher than 80 per cent of the people surveyed. And those surveys went out to the general population, the parent population of that community.

So even in that community which is, I would suggest, the centre of French culture within this province, the support is not there for this particular piece of legislation.

There are a group of parents in Gravelbourg who do support it. And when you look into who those parents are, the vast majority of those parents are teachers from College Mathieu and the Gravelbourg School Division who emigrated here from outside of Saskatchewan.

Across the province there are other communities who are also going to be affected by this. In my own community . . . not my own particular community but in my constituency the community of Bellegarde, which is not that far from where I live — I have a good number of friends there — they are unsure whether or not they will join this third school board. They are interested in it, but they're still unsure whether or not they will participate. And they have a school that goes from K to 12 in French, approximately 130-some students at the present time. They are part of the Arcola School Division. It works; there are problems, but there are problems with all small schools within a larger school division. You can't point at a particular school and say they are having a problem within their division because they are a French school. You can point at certain schools and say they are having a problem within their division because they are a smaller school, but not because they are French.

In the case of the Bellegarde School, there are certain things that they do want to have, and they do have some legitimate beefs that they have not received some considerations over the last 30 and 40 years because they were a smaller school or because 30 and 40 years ago there was prejudice and biases against French Catholic schools.

That happened not only there; that happened in other locations. And that happened not just because you

were French; that happened for other reasons, because of the small “p” political games that were being played within various school divisions. And those still go on.

But there are a good number of people in this province, Mr. Minister, who do not feel that at this time this is the appropriate legislation. We are seeing cut-backs in the public system; we are seeing cut-backs in the separate school system. We see cut-backs to funding to the universities, to SIAST (Saskatchewan Institute of Applied Science and Technology) — across the board in the educational system.

And yet you’re proposing to spend a significant amount of money to develop a new third school system while all those children are already being educated. And a good number of those children are being educated in the language of their choice and that being in French.

Those children will not be denied the access to French education under the current system. They do have access. So the people of Saskatchewan question the need to have this particular school board put in place at the present time.

So, Mr. Minister, I’d like to ask you: why do you feel it is of paramount importance at this time of financial constraints to develop a third school board when the majority of people in this province feel that this is not the time to do so?

Hon. Mr. Tchorzewski: — Thank you, Mr. Chairman. I would like to respond briefly to the member’s comments opposite.

Let me at the outset say that many of the things which the member has indicated are very much correct, that there are certain obligations that the province has — which has been outlined by the member opposite and which I’m going to refer to from other sources other than the ones that he quoted — which indicate that what is being done here today with these amendments to The Education Act dealing with French governance are being done, quite frankly, far later than they should have been done.

And so in addressing the question that the member talks about, what is the correct time, if I may ask that question. I suppose one could answer that the correct time was 1988. Because since 1988 unfortunately — and I’m not laying blame anywhere; this is not an easy issue to deal with — but since 1988 the province of Saskatchewan has been in contravention of the law. It’s been in contravention of the charter of rights. It’s been in contravention of the court judgements which have been made in Saskatchewan, the Court of Queen’s Bench, which ruled that a form of French governance was required.

And it seems to me even though the arguments are made about the financial situation and the difficulties that we face as a people and as a government and as school boards is there, that surely the legislature of

Saskatchewan should be the last jurisdiction, should be the last place in which we contravene a law, especially a law as important as one which has been ruled on by the Supreme Court of Canada.

In the Manitoba case the Supreme Court of Canada confirmed very clearly that the provinces have a constitutional obligation to create minority language education systems and should do so as quickly as possible. And it’s important for the member to listen to this because he raised this question, and I think it’s a very legitimate question about the minority.

The court said, and I’m going to quote:

The rights provided by section 23, it must be remembered, are granted to minority language parents individually. Their entitlement is not subject to the will of the minority group to which they belong, be it that of a majority of that group, but only to the “numbers warrant condition.”

So the Supreme Court has addressed that question and has provided that ruling and given that direction.

Coming back again to the question of when is the right time, I want to say as others have said — and clearly the Supreme Court has made it very clear — that if the provinces fail to act, the courts may ultimately order the creation of francophone school systems, creating the clear possibility of a struggle between the provincial governments and the courts.

I think the member opposite would agree with me and I think probably in this whole legislature we could agree that we should not, and we should not want the courts to be running our schools. There have been judgements, I believe in Ontario, where the court ordered the building of a school on this very issue. I don’t think that we should be putting ourselves in that kind of a situation.

(1615)

Mr. Speaker, we are doing now something that everybody over time has agreed that it should be done. I have here a letter from the Leader of the Liberal Party who wrote in 1992, who clearly wrote and gave full support to the passing of this legislation. I know that members of the Conservative Party . . . and I’m not being critical when I say this, I’m just offering what I think are constructive comments on why I think that this is an important issue and has in many ways been above the politics. Because in 1989, former minister of Education, Lorne Hepworth, made it very clear that francophones in Saskatchewan should have control and management of some French schools by the start of the 1990 school year. And then he said, and I quote:

These measures will go a long way towards meeting the legitimate aspirations of Saskatchewan francophones with respect to their education needs.

And others who have been in important positions

have said the same. The former premier made it very clear in a letter on July 24, 1990 to Mr. Allan Sincere of Gravelbourg when he said that the province remains pledged to its constitutional obligations and fully respects the Canadian Charter of Rights and Freedoms.

Now I hope the members recognize that in using these quotes I'm not being critical of anyone. And I know the member in his comments has not been critical either. He's asking some very legitimate questions. The fact is that there comes a time when duly elected members of any legislature must carry out the responsibilities for which they were elected to carry out. And that's why we have before this legislature today this legislation which meets the requirements of the charter of rights, meets the requirement of the Wimmer decision of the Court of Queen's Bench in Saskatchewan, and meets the requirements of the Supreme Court of Canada, which has made it very clear what has to be done.

But let's put aside the legalities. There is also the question of a moral obligation because of the nature of Canada and the kind of country that we are. And I do believe, speaking for myself, and I know for my colleagues, that we do also have a moral obligation to provide this opportunity to the second official language people of Canada. And that's why we are here and that's why we have got this Bill to the committee and why I am speaking in favour of it.

Now there's one question the member asked which I want to briefly address, and that is the question of funding, because it is a very important question. There will not be required any additional provincial funding under this system. Keep in mind it's a permissive system. A community of people, as a group or as individuals getting together, can decide to set up in a community a school of French governance. They will get the same amount of funding as the regular school system, and it simply will be the same students but under a different governance. There will be no additional provincial funding.

Now there are some additional costs. Those additional costs are going to be provided under an agreement signed not by us, so I can't take any credit for that, but signed by the former government with the federal government which will provide \$13.4 million over 5 years to carry on those additional costs.

And I'm pleased to report to the legislature that further to that, there now has been an agreement formally indicated by the federal minister, Monique Landry, who has indicated that there will be an additional \$112 million in Canada — and next week I understand the negotiations will begin — for further funding for these purposes.

So I hope that that answers the question that the member opposite has asked from the point of view of what the funding situation is going to be.

Mr. D'Autremont: — Well, Mr. Minister, I find some of your comments to be quite interesting. I find it very

interesting that you would talk about the court action in that the government is bound to follow the court action. And perhaps that explains why, in recent legislation within this legislature, last year in GRIP and this year with the NewGrade legislation, that you're denying people the right of access to the court system. Because you don't want to have to listen to what the courts have to say in those particular pieces of legislation, so you deny them the right to have access.

And then you turn around and you talk about the moral obligations that you as a government have to the citizens of this province; that you have the moral obligation to provide them with their charter rights in the case of French language education, but that you don't have the moral right to allow them their rights under the charter to access to the courts to seek redress.

Mr. Minister, you can't have it both ways. Either you have a moral obligation to support the charter of rights, which includes minority language and which includes the right to have access to the court system, or you do not support it.

If you wish to use the argument that you are forced to do this because you have a moral obligation to do it, then you have a moral obligation to allow people access to the courts to deal with the legislation you are bringing forward in this legislature.

Now the court actions are indeed in place. And because of that court action, the previous government instituted a commission, a report, the Gallant report, to deal with French language education within this province, and at the same time that you and your colleagues were touring the province saying that the government was spending too much money, that the previous government was creating too much debt. And now when you're government you're saying that the previous government spent too much money and bankrupted the province. Now you're also saying that we should be spending more money to meet that court action, the obligations brought forward by the court action.

So, Mr. Minister, prior to the election you're saying that the government was in some areas spending too much money; in other areas you're saying they're not spending enough. And now that you've won government you're saying that the government is bankrupt, that this province is bankrupt, and yet you want to spend more money on what some people in this province would consider not necessary.

So how do you justify that action, Mr. Minister, in the light of the statements made by your Premier, by your Minister of Finance, and by yourself that this province is bankrupt? How do you justify standing up here and spending additional funds on a third school board?

Hon. Mr. Tchorzewski: — Mr. Chairman, I'm glad that the member raised the matter of the Gallant report, because I wanted to in my earlier remarks comment on it and I neglected to do that.

I appreciate that the Gallant report was an excellent piece of work and an excellent report. And I say that not because I was on this side of the House at the time that report was put together; it was another government that initiated that study. It's an excellent piece of work because it is truly, Mr. Chairman, an indication and an example of how we do things in Saskatchewan — do things in a cooperative way through consensus making.

And every part of this Bill, Mr. Chairman, is based on the recommendations of the Gallant report which was a consensus of all of the partners in the education system and the community at large. It was a consensus and an agreement reached by the school trustees association, by the teachers' federation, by the department, by the francophone parents, and everybody who had a role to play. And as a result of that process and that report and its recommendations, we have based the legislation on that.

Now, Mr. Chairman, I repeat again that the province will not spend additional money under this system that's being proposed here. The province will accommodate whatever is required under the existing funding arrangements that are there now and under the existing foundation grant formula and the foundation grant system and the amounts of money that are allocated there. Any additional monies that are required when a school with French governance is established is going to be provided by agreement by the federal government.

Now the member opposite may say, well that's still spending more money. Well the point is, Mr. Chairman, that if it was not for this, none of that federal money would be available to Saskatchewan. As a matter of fact, because of the delay in the implementation of this legislation, I believe the province has already lost eleven and a half million dollars, eleven and a half million dollars which is no longer available.

So I want to make it very clear to the public and clear to the member opposite that there is no additional provincial money that is required to be spent in setting up the system. There is an agreement with the federal government that they will pick up the additional amount of money as is required, because we're required to do this. And that agreement was negotiated in 1988. It's been there since then.

Mr. D'Autremont: — Thank you, Mr. Minister. I'm surprised that you mentioned the loss of . . . what you consider to be a loss of \$11.5 million to this province. Because last year you left \$40 million on the table under GRIP. That didn't seem to bother you at all. Again it's one of those situations of the double standard, it seems, where if it's something you want, then there's an excuse for doing it and if it's something you disapprove of, then it's fine to leave the \$40 million sit there.

One of the things that is brought forward, Mr. Minister, when we talk about the \$13.5 million that will come from the federal government over the next

five years or the potential for another \$112 million across Canada for francophone education, is that it comes from the taxpayer. And it doesn't matter, Mr. Minister, whether you're paying that tax to the provincial government or you're paying it to the federal government, it's still one single taxpayer. And that taxpayer, Mr. Minister, is not happy today to be paying for extras that they are not sure need to be in place at the present time.

We have recognized the fact that under the charter, the francophone school governance system, that they have a right to that. And we have never said that they don't have. And that's why the member from Estevan, the previous premier, instituted the Gallant commission to study French governance. And that's why the previous minister of Education under the previous government supported it, because we do recognize that right.

But at the present time, we do not feel that there is the financial viability within Saskatchewan to support it because there is still only that one taxpayer to pay the bill. And it doesn't matter whether the cheque is signed by yourself or signed by the Minister of Finance for Canada; it all comes out of the pocket of that one taxpayer.

And that is where the dispute lies, Mr. Minister, with those taxpayers. They don't feel at the present time that this is the right time to do this. That down the road some place, when the economy turns around, when you do get those jobs that you keep promising in Saskatchewan that never seem to appear, then perhaps we can afford this, Mr. Minister, but not at the present time.

The people in the public system, the parents whose children will be affected by this Bill, by the implementation of the third school board, have a great deal of concern because when you establish that separate, that third school system within a small community, there may only be one school facility within that community. If that school is transferred over to a third school board, what happens to the anglophone students within that school? Under the Bill as you've proposed it, they would not be allowed to attend the third school board even though they may wish to. They are going to have to be transported some place else.

What happens in the communities where the children are taken from a small school and transported down the road to a French school and the school in the community with the anglophone school loses a significant portion of their population, and programs are cut because of that, teachers are let go, or the school is closed? How do you answer to those parents, Mr. Minister?

(1630)

Hon. Mr. Tchorzewski: — Let me respond to the member's opposite comments first of all, Mr. Chairman. If the conseil scolaire and the school division in which this other unit will be existing agree

that other students who are presently in a French program want to participate in the educational opportunity offered by the school that is under French governance, that's an arrangement that can be made. But they're going to have to work this out between them, and that's how it should be.

I don't disagree with the member opposite whether the money is spent by the province or by a municipality or by a school board or by the federal government, that somehow it's a different taxpayer. It is the same taxpayer; nobody will dispute that.

But I will dispute the question that the member asks that he's not sure whether we need to have the system in place at the present time. Because quite frankly, in my opinion, I believe we do. It's a system that should have been in place in 1988. Because it wasn't in place, Mr. Chairman, we have lost eleven and a half million dollars of federal dollars, money that the Saskatchewan taxpayer contributed to the federal treasury which we didn't get. So we've lost that.

So, Mr. Chairman, every year that we delay, we continue to lose more of that federal funding so that eventually the hundred per cent of the cost will be a cost of the Saskatchewan taxpayer.

An Hon. Member: — Oh, so there will be a cost.

Hon. Mr. Tchorzewski: — Well yes, if you don't have this legislation and if the court imposes a decision which imposes what we have to do, as has happened in other jurisdictions, if we don't proceed with this, the court may very well do what it has done in other jurisdictions and say to Saskatchewan, you have to put it in. Here's exactly the way you have to do it. Forget about the Gallant report which is a consensus recommendation, and you fund 100 per cent.

So in some ways one could argue, I say to you, Mr. Chairman, and to the members opposite, that this in fact is protecting — if you want to view it on that narrow argument of tax dollars from the taxpayer — protecting the Saskatchewan taxpayer by proceeding with what is required by the charter of rights, required by decisions of the Court of Queen's Bench in Saskatchewan ruling, required by the ruling of the Supreme Court of Canada.

There is no good or bad time. It's a question of doing what has to be done and doing what is right. And on both of those counts, this is an appropriate Bill.

I think we're fortunate in this province because the Bill is based on an agreement that has been made by all of the partners and the stakeholders in the education system — school trustees, teachers, francophone parents, and other organizations. I would not want it any other way because that's the way the school system in Saskatchewan has always operated, on the basis of that partnership.

And I'm proud of the fact that this Bill recognizes that partnership and brings forward proposals and legislation and amendments which implement a

decision that was reached among all of those partners who said, this is the way it needs to be done. We wanted it done this way. Let's get on with it so that we don't have to be doing it in some other way like the imposition of something totally contrary to what we want by a court ruling which could come at another time. Maybe sooner, maybe later, but it could happen. And I don't think that would be doing the Saskatchewan taxpayer any favour.

Mr. D'Autremont: — Well, Mr. Chairman, Mr. Minister, I don't believe that a good percentage of the people of Saskatchewan believe you when you're saying that you're doing this to protect the Saskatchewan taxpayer and get the \$11.5 million from the federal government, because last year, as I stated earlier, you left a minimum of \$40 million federal money on the table when it came to GRIP.

You also stated that there's a consensus across the board of all the educational organizations in this province to support this. And indeed that was the circumstances in the past.

But your government has done a very good job in one particular area. You have convinced the public of this province and the organizations that indeed the province is bankrupt. And because of that, last year at the annual meeting of the Saskatchewan trustees association, they voted not to support third French school boards in this province. So you no longer have that consensus, Mr. Minister.

The group that represents both the trustees and the parents of the separate system and the public system have voted not to support this legislation because they recognize that at the present time it's not financially viable.

And in my previous question I asked you, what do you do with the system when a school closes in a community because students have been transferred out of that community to another school and there's no longer the student population left within that community to support the school and then those children are going to be transported some place else? Would you respond to that too please, Mr. Minister?

Hon. Mr. Tchorzewski: — Well, Mr. Chairman, I am informed that there will be not that kind of an impact because all of the children who are likely to become part of this new system, if they so choose, already are in separate school systems. So the impact on existing school divisions will be negligible and in some cases none at all.

For example, there is a case of a school in Regina, Monseigneur DeLaval, which is a separate system altogether, will have no impact on the school divisions in the city of Regina. So the answer to the question is, minimal or no impact at all.

I want to also respond to the earlier comment that the member made at the initial . . . (inaudible) . . . of his remarks about the Saskatchewan School Trustees Association and I want to assure the House the

Saskatchewan School Trustees Association continues to sit as part of the task force which is working on the implementation of the system.

And this is true, that at the last SSTA convention there was some debate about an earlier decision which the SSTA had been made, but the SSTA has made a decision to agree to the recommendations of the Gallant commission report, has supported them, and continues to sit as part of the task force because they know that this is a process that has to take place.

The Chair: — Clause 1? I'm sorry I didn't recognize the member.

Mr. Goohsen: — Thank you, Mr. Chairman. Sorry for standing behind the Clerk's head there and not getting in your view.

I did want to say a few words before we passed out of clause 1, about this Bill. Because while my colleague has done a very excellent job of presenting the positions of most of the people of Saskatchewan, the feeling in my personal constituency is so strong on this matter that I would not be doing my job as an MLA if I didn't echo their sentiments and their feelings to the minister in charge.

It will largely of course be based on the same propositions that my colleague has done, but in my words and in the reflection of the people who have put me in my seat in this Assembly.

I've done a bit of a survey, Mr. Chairman, and Mr. Minister, in our area. And quite frankly, the truth of the matter is that I haven't been able to find one person in my constituency that supports the move of this legislation — not one. I have had many people tell me that they oppose what is happening here; they are against it. They give me a variety of reasons, most of which my colleague has pointed out. But I have not had one person from my constituency say that you, the government, are right in doing this Bill.

They cite the economic difficulties of our province and of our country. They particularly dwell on that issue. That is the major concern. The fact that it is federal money has not fazed them one bit.

People have become very educated in the realities of the cost of our world and the cost of taxation. And every one of them, to the last person, has said it doesn't matter whose dollars you waste in forms of taxation, whether it's federal dollars or provincial dollars, you're wasting dollars that are going to come out of my hip pocket because I'm the taxpayer. That's what they tell me, and I relate this to you.

Every person says just because you're getting money from the federal government to waste is not advantage to Saskatchewan. They say, if you're going to get federal dollars from Ottawa, even though we've paid them in our taxes, get them back to Saskatchewan to use on something that is good to fight the depression that we are in — even if it's just for fighting fires in the North so that we can alleviate some of the

responsibility of the deficit that this government may incur in that area. More readily, they would like to see farm support programs, obviously because that's the biggest base of the economy of my constituency.

And I do have a question to you, Minister, directly. My colleague mentioned that — and I have observed this as well — that a small group of lobbyists have been very visible in this whole confrontation about this Bill and this process; a small group of lobbyists that have been described to you as a group of people who are affiliated to the teaching profession in Gravelbourg. And the observation, Minister, was made that these folks have immigrated to Saskatchewan from Quebec.

And I would like to know whether or not you would confirm that this is the lobby group that is the most prominent to have presented the views in favour of this proposition to both the opposition members, my colleague, as well as to government members. Would you confirm for us that that in fact is a true statement that my colleague has made.

An Hon. Member: — Could you repeat the question . . .

Mr. Goohsen: — The minister has asked me to repeat the question. Obviously he doesn't think what we have to say is very important on this issue because he can't pay attention long enough to hear what we've got to say.

For your benefit, Minister, my colleague has pointed out to you that a particular group of people affiliated with the teaching profession from the town of Gravelbourg have been the strongest and most predominant and vocal group of people who have lobbied in favour of this particular change in this legislation. I would like to know if you confirm that the people that have met with our opposition members, as well as the government, are in fact that group, and if you would identify them as being that group.

Hon. Mr. Tchorzewski: — Well, Mr. Chairman, I really think that that — I put this in the most positive sense that I can — is an unfortunate statement. Because there is no substance to what the member from Maple Creek is saying, and I think he knows that. And that's why I think it's unfortunate. Because this is not the kind of debate that is necessary on this kind of an issue.

And since the House understands that there are certain court requirements, requirements by the constitution, I think it's an obligation on all of the members of this House, regardless of political affiliation, to explain to their constituents, as I have attempted to do — I think with some success — that there is certain things in Saskatchewan that we must do to meet our obligations.

I don't think it's a waste of money to meet these obligations. I think it's a good expenditure of taxpayers' dollars to provide opportunities to the people of this Canada . . . of this country of Canada, according to what the constitution said is their right.

Now in responding directly to the member's question, because I know it has been raised before, and maybe I should say probably quite honestly by the members, because I think they must . . . may have misunderstood or not known the full numbers of people who've been involved in this process. So I will provide who these people are. There is the president of the APPF (Association provinciale des parents fransaskois), Mr. Gérard Le Blanc, who was born in St. Denis, formerly in my . . . former constituency. There's the executive director of the ACFC (Association culturelle franco-canadienne de la Saskatchewan) who is Florent Bilodeau, is born in Saskatchewan, is president of the association; also, Mr. Denis Magnon, a Saskatchewan citizen, been living here for 25 years. All francophone members on the task force are Saskatchewan born francophones.

(1645)

Now that is not to say that there are some people in Saskatchewan who have moved here from other places and we should welcome them with open arms because that's what Saskatchewan's all about — people from other places. That's what makes this place so special, at least to me it does, and I think it does to most Saskatchewan people.

So to say that somehow there is a small group of people from one . . . some other place other than Saskatchewan that have been spearheading this, I want to say to the member, would not be a correct conclusion to the question that he asks. There's a far broader number of people, almost all Saskatchewan people who either have been born and raised here and have raised their families here or have lived here for a considerable period of time.

Mr. Goohsen: — Well, Mr. Minister, you didn't answer the question directly, but indirectly you told me that in fact my colleague has identified a real fact. I didn't ask you who the task force was that came up with the recommendation that favoured rubber stamping what you initially set out to accomplish and wanted to justify, I asked you who the primary lobby group was and what people were on that primary lobby group.

And what you've basically told me is the fact that those people are a small group of people from Gravelbourg who are affiliated with the teaching profession who for the most part have immigrated to Saskatchewan from Quebec. They have come to this province with their ideals of a Quebec French-based nation, and they are trying to promote that. I don't fault them for wanting to do that because it's in their best interest, in their minds, to do that.

However, of those people — perhaps 5, 10, maybe 15 folks — they express the view that favours their very minority group. And they express an opinion that we should adopt in our province a program that will serve 1 per cent of our population at the very top. That's even stretching it from the figures I've been able to get out of my research. You correct me where I'm wrong.

And I know you'll have figures that are different; you'll say 3 per cent.

The reality is though that most French-speaking people don't want this program because we can't afford it. They accuse your government of trying to buy champagne on a beer budget at a time when we're broke and need to spend the money in other places.

And quite frankly, sir, I agree with them. I'm not saying that it's wrong to have champagne. I'm not saying it's wrong to have a French school board. But you've got to be able to afford it. And you can't afford it and the taxpayers can't afford it and we shouldn't be doing it at this time.

And realistically, sir, constitutions do change. I remember a time in my short lifetime when French school boards were not required by the Constitution of Canada. And obviously governments may recognize that we can't afford these luxuries and they may change the constitution in the future again to reflect that.

I'm going to let this go on. I think my point has been made. And we do for the expediency of time, sir, have to get on with other business in this House. So I will let you off the hook with that. And I want my constituents though to know that I lodge my strongest protest to the way that you're wasting the money of this province.

Mr. D'Autremont: — Thank you, Mr. Chairman. I almost forgot one very important item. And I would like to table these letters from the people across the province. And this is mainly . . . these letters are from the Gravelbourg area, opposing the implementation of the third French school board. I'd like to table them now, please. Thank you.

One comment on the minister's statements earlier, was that the opposition was holding things up and we were wasting . . . losing money in this province that could be federal money.

The previous minister of Education introduced this Bill last year. But for some reason the government chose not to pass it. The government chose to pass the new GRIP legislation which allowed \$40 million to escape from the hands of Saskatchewan farmers, and yet they accused the opposition of holding this legislation up because if we did it might allow \$11 million to escape from the hands of the province. Well, Mr. Minister, I would suggest to you that \$40 million would have gone a lot further than the 11 million you're talking about now.

Clause 1 agreed to.

Clause 2 agreed to.

Clause 3

Mr. D'Autremont: — Thank you, Mr. Chairman. I have an amendment to propose to this clause. I would like to read the amendment.

Amend clause 3(g) of the printed Bill by deleting subclause 2(w.1)(iii) and substituting:

“(iii) who meets the criteria establishing minority language educational rights for citizens of Canada as set out in section 23 of the Canadian Charter of Rights and Freedoms;”.

Mr. Chairman, this amendment will allow all section 23 people to participate in the establishment of the third school boards, to make the determination amongst themselves whether or not they wish to have a third school system developed within their area.

The way that the government has written this piece of legislation, it would only allow those parents who meet section 23 criteria, who will be putting their children into the system, to have a voice in that system. And it's my belief, Mr. Chairman, that to be democratic, to follow our democratic ideals, to follow the charter as written, the Charter of Rights and Freedoms as written in this country, that all francophones who meet this charter, the section 23, requirements, should be allowed to participate in the decision to establish or not to establish, as they choose, a francophone school system within their district.

By making this amendment, this would allow those people to participate in the system which they are being excluded from under the legislation as presented by the minister. I move this amendment.

Hon. Mr. Tchorzewski: — I appreciate what the member is attempting to do here, but I'm going to ask and advise the House that this amendment is not appropriate or required and therefore I'm going to ask the House to vote against it.

I remind the House that the Supreme Court has ruled on the Manitoba case, that under section 23 this is an individual right, not a group right. And the legislation as it is proposed here follows that. The people who have worked on this legislation are lawyers who are familiar with constitutional law. So the amendment that is being proposed here is not necessary because . . .

An Hon. Member: — Too many lawyers.

Hon. Mr. Tchorzewski: — Well sometimes we might agree with that, but they're important anyway.

The legislation as proposed in (w.1) and (iii) already sets out the criteria included in section 23 of the charter, and therefore I would submit, Mr. Chairman, to the Chair and to the House, that the proposed amendment is redundant and we should not be proceeding with it.

Mr. D'Autremont: — Well, Mr. Minister, a good many people of this province would disagree with you. I talked today to the director of education for the Gravelbourg School Division, and she felt it was very

important that all section 23 people be allowed to participate in the establishment of these school boards. It doesn't deny people access; it allows inclusion.

Your legislation denies access to be part of this legislation because throughout this whole Bill, the definition of a minority language adult is paramount that they have children within the system. And it should be, Mr. Minister, that it is a section 23 person who is allowed to participate in the decision-making process within this legislation — not the fact that they may or may not have a child within that school system, but that they meet the requirements as set out under the Charter of Rights and Freedoms.

And those people are individuals that want to have access to that process. You're denying individuals the right. You're saying because you make that individual choice not to participate in the system you will be denied the voice to say yea or nay to what happens to the development of the system. Not because they are anglophones, not because they're German, not because they're some other nationality or ethnic group, but because they have chosen not to participate in the system, they will be denied the voice. And those are the individuals you wish to deny, Mr. Minister.

And I would ask you to seriously reconsider, because these people have the democratic right in this country to participate, and you wish to deny them. The Charter of Rights and Freedoms clearly gives them the right to participate. It's only this legislation that denies that. And I ask you to seriously reconsider that, Mr. Minister.

Hon. Mr. Tchorzewski: — Not to speak at any great length, I just want to assure the House, Mr. Chairman, that this provision provides and sets out the criteria which is included in section 23 of the charter as it exists and has been proposed.

The Chair: — The question before the committee is the amendment moved by the hon. member from Souris-Cannington. I want to thank the member as well for providing in advance the number of amendments and to help determine that they're in order and ask you that with the additional amendment that you wish to move, if you'd put your remarks and then in conclusion move the amendment, to be consistent with our format in the House.

The division bells rang from 4:57 p.m. until 4:58 p.m.

Amendment negated on the following recorded division.

Yeas — 7

Swenson	Toth
Muirhead	D'Autremont
Martens	Goohsen
Boyd	

Nays — 22

Tchorzewski	Whitmore
Shillington	Flavel
Teichrob	Roy
Kowalsky	Scott
Carson	Wormsbecker
Penner	Crofford
Lorje	Stanger
Calvert	Keeping
Murray	Carlson
Hamilton	Langford
Trew	Jess

Mr. D’Autremont: — Thank you, Mr. Chairman. I have another clause to deal with, section 3. And this deals with the definition of a voter as outlined by the Bill. And as the Bill has it, a voter is someone who has a child to be enrolled within the francophone school system.

And I would propose an amendment that it be a parent who has a child that can be enrolled, and this would allow a broader aspect of the community to participate in the system rather than defining it simply as someone who is part of or who wants to be part of the school system. It can be somebody in the community who meets the criteria as outlined, by a minority language adult that has a child who could be enrolled, rather than a child that is enrolled.

So I would move the following amendment, Mr. Chairman:

Amend clause 3(o) of the printed Bill at paragraph 2(tt)(iv)(A) by deleting “to be enrolled” and substituting:

“can be enrolled”.

I so move, Mr. Chairman.

Hon. Mr. Tchorzewski: — Thank you, Mr. Chairman. Pardon me for . . . I needed to consult with some of my advisers.

But once again I’m going to ask the House to defeat this motion for the following reason. And that is that this would extend the voting rights to all minority language adults in an area, not just those who are participating in that particular school, and therefore the control would no longer be in the hands of the parents who wish to enrol their children in a Fransaskois school. You could have a situation where the majority of the people voting were not having any children in that particular school nor having an interest in sending their children to that school. And clearly, Mr. Chairman, that would not be appropriate.

I remind the members again that the Supreme Court has said that the rights are individual rights, not the rights of a group or a majority. And therefore for those reasons, I would ask the House to defeat this amendment.

Amendment negated on division.

Clause 3 agreed to.

Clauses 4 to 7 inclusive agreed to.

Clause 8

Mr. D’Autremont: — Thank you, Mr. Chairman. I have an amendment for this clause dealing with time frame for which to seek damages from an individual who through some wrongdoing has caused some harm to the école scolaire. Under the Bill, the government has proposed one year as being the time frame in which damages must be sought. I would like to extend that to three years. I believe that three would be a more appropriate number.

Why let a person escape from the system if their problems have not been discovered within a one-year period? I believe that a three-year time frame would be much more appropriate, Mr. Chairman, Mr. Minister. So I would move the following amendment:

Amend clause 8 of the printed Bill:

(a) at subsection 14.6(1) by deleting “after the expiration of one year” and substituting:

“after the expiration of three years”;

And

(b) at subsection 14.6(2) by deleting “from the day that is one year” and substituting:

“from the day that is three years”.

I so move, Mr. Chairman.

Hon. Mr. Tchorzewski: — Once again, Mr. Chairman, I respect the member’s interest and proposal in this, but once again I regret that I have to inform the member that I am going to ask the Assembly to vote against this amendment.

What is in the present Bill, Mr. Chairman, is the standard procedure that exists in legislation now. One year is the current limitation for boards of education. This amendment would move away from what is the established practice and what is in the established legislation. And besides that, Mr. Chairman, really three years under these kinds of issues is an exceptionally long time and is far too long for a period for a limitation of actions. And therefore I must once again urge the members of the House to defeat this amendment.

Amendment negated on division.

Mr. D’Autremont: — Thank you, Mr. Chairman. I have another amendment for clause 8, and this deals with petitions in clause 8. The government has included the provision for petitions but they have not defined who is eligible to sign a petition or to make a petition. I would like to have that clarified within the Bill, Mr. Chairman.

And this is what my amendment would do. I would like to:

Amend clause 8 of the printed Bill at clause 14 . . .

The Chair: — Order, order. The hon. member for Souris-Cannington is trying to put an amendment before the committee and I ask members to give him the courtesy of being heard when he's doing that.

Mr. D'Autremont: — Thank you, Mr. Chairman. I would like to:

Amend clause 8 of the printed Bill at clause 14.61(1)(g) by adding immediately after "receive petitions" the following:

"from the voters of a proposed francophone education area".

Voters are already defined in the Act, so that would be clear as to who would be allowed. I would like to move that amendment, Mr. Chairman.

Hon. Mr. Tchorzewski: — Thank you, Mr. Chairman. A brief comment simply is that this would create a group right which would be inconsistent with the court decisions and therefore could be challenged. And I don't think that therefore it would be the appropriate amendment, and I would ask the Assembly to oppose this amendment.

Amendment negated on division.

Clause 8 agreed to.

Clause 9 agreed to.

Clause 10

Mr. D'Autremont: — Thank you, Mr. Chairman. I believe that this particular amendment and some of the ones to follow are very reasonable amendments and will not in any way affect the minister's concern for court jurisdictions.

This amendment would allow the people in the community to know and understand what is happening within their particular communities. Under the government's legislation when it talks of notifications of the establishment of a third school board, when people are petitioning to have that third school board established, the law provides, this Bill provides, that that notification be provided only in French.

My amendment, Mr. Chairman, Mr. Minister, would provide for that notification to be made in both Canadian official languages, that being both in French and in English. I think, Mr. Chairman, Mr. Minister, that is a very reasonable request, and I see no reason why it should not be accepted.

I would like to move the following amendment:

Amend clause 10 of the printed Bill at clause 21.1(a) by deleting "French or English" and substituting:

"French and English".

I so move.

Hon. Mr. Tchorzewski: — Mr. Chairman, I appreciate the member's comments about his view that this is a reasonable amendment, and I'm not going to comment on that except I think it would not be an appropriate amendment because you have to remember that this is enabling legislation. If a French governance school system or board wishes to publish in either English or French or both, they can do that. But we should not require and force that it be done in both languages any more than we would require or force by legislation an English school system to have to publish in both English and French because, if we accept this amendment, we're setting a double standard.

And I think that, Mr. Chairman, that obviously should be clear. I'm sure it's clear to you that that would not be an appropriate amendment, and therefore I'm asking the Assembly to oppose it.

The Chair: — Before we take the vote, I would remind the minister that it's not appropriate to involve the Chair in the debate in the House.

Amendment negated on division.

Mr. D'Autremont: — Thank you, Mr. Chairman. I have another amendment which I consider to be also very reasonable, and I would find this one very difficult for the minister to turn down. He's going to have to come up with some very convoluted logic to do so.

This section of the Bill calls for the establishment of a . . . the proposal to establish a third school board to be advertised in a local newspaper. It calls for that notification to be placed once in that newspaper.

Well, Mr. Chairman, to place such an ad once could mean that the ad could come out on a particular day and the meeting could be held that evening or the next day and not give people sufficient time, sufficient notification, to be aware of the events that are happening within their community.

My amendment would provide that it would have to be placed in that newspaper three times. This would allow everyone within the community to have adequate notice that something was happening within their community dealing with the third school board. And I believe that people should have a proper amount of time to become aware of such things. Even within other official forums in this province there are more time limits than simply one advertisement.

So I would move the following amendment:

Amend clause 10 of the printed Bill at clause

21.1(a) by deleting “at least one issue of a newspaper” and substituting:

“at least three issues of a newspaper”.

I so move.

Hon. Mr. Tchorzewski: — Once again, Mr. Chairman, this would be contrary to what we’re trying to implement here and that is following the principle that The Education Act applies equally to any school jurisdiction that is in existence in the province of Saskatchewan and not make exceptions.

It presently is in The Education Act that if a separate school is going to be established, there is a requirement for one publication. The proposal in this Bill is exactly the same as what presently exists in the Act. If we were to agree to this amendment, then, Mr. Chairman, I say through you to the members of the Assembly, we would be inconsistent with how it applies in other school jurisdictions as in the case of the establishment of the separate school. And I really think that that would not be appropriate. It would once again make two classes, which is something I’m sure the members opposite would not want to see created, and therefore I am asking the members to oppose the Bill.

And I do apologize, Mr. Chairman, for referring to the Chair earlier.

Amendment negated on division.

Mr. D’Autremont: — Well, Mr. Chairman, I will continue to attempt to convince the government of the error of some of their ways. This amendment would ask that the . . . in the proposal to establish a third and a conseil scolaire within an area, a third school within an area, that when the advertisement is placed to let the public know that an event is happening that it describe the proposal rather than simply saying that a proposal has been made, that it describe the proposal and outline that proposal, the boundaries of the proposal, etc.

(1715)

So I would read this amendment:

Amend clause 10 of the printed Bill at section 21.1 by adding immediately after clause (a) the following:

“(a.1) cause a notice of their intention and, as far as is possible, a description of the proposed francophone education area to be published in the French and English language in at least two consecutive issues of the *Saskatchewan Gazette*, with provision for the public hearing of objections from any voter resident in the proposed francophone education area; and”.

I so move, Mr. Chairman.

Hon. Mr. Tchorzewski: — Once again, Mr.

Chairman, I’m advised that this would turn the process into once again a group rights issue and under section 23 it’s an individual rights issue and therefore the amendment is unacceptable and once again could be challenged and overturned, and therefore I urge that it be defeated.

Amendment negated on division.

Mr. D’Autremont: — Thank you, Mr. Chairman. This amendment deals with the number of people who can make a proposal to establish a francophone school within their area. The minister talks all the time of group rights versus individual rights and under his criteria it would seem that if a single individual comes forward and proposes a francophone education area, that that single individual should be allowed to establish or ask for the establishment and have it established a francophone school system within his district without any regard to the numbers that may wish or may not wish. And clearly within the Charter of Rights and Freedoms it outlines where sufficient numbers warrant.

Well, Mr. Chairman, Mr. Minister, where sufficient numbers warrant means that there should be more than one. Under your proposal you have proposed more than one. You have proposed two. Mr. Chairman, I would submit, Mr. Minister, that two is not sufficient. And I believe that to at least be somewhat reasonable financially that a minimum of 10 should be the criteria.

So I would move the following amendment, Mr. Chairman:

Amend clause 10 of the printed Bill at subsection 21.1(1) by deleted “Where two or more” where it appears in the general words preceding clause (a) and substituting:

“Where ten or more”.

I so move.

Hon. Mr. Tchorzewski: — Mr. Chairman, once again I’m going to have to suggest that this amendment be defeated because it is clear, as I indicated in our first exchange in consideration of this Bill, that there were certain requirements that were clarified and imposed by the Manitoba decision of the Supreme Court. And in that decision it makes it very clear that a number such as 10 could be challenged in the courts as arbitrary. That has been made very clear by the Supreme Court.

In Manitoba they had a requirement for 23. Because they had a specific number, it was struck down. And this is simply . . . And I want to go further and say that under this provision that we’re considering in this section, this is simply an initial notice of interest. It does not mean that two parents can force the establishment of a francophone education area. It’s simply a notice. And because of the legalities and the Supreme Court decision and because it is not an establishment of a school system, I want to suggest

that the House should defeat the amendment.

The Chair: — Question. The amendment moved by the member for Souris-Cannington was not worded precisely the same as the sheet I have before me. So let me read the amendment I have before me for the information of the Committee, and I'll ask the member for Souris-Cannington to follow carefully to see if I have got the accurate record.

Amend clause 10 of the printed Bill at subsection 21.2(1) by deleting "Where two or more" where it appears in the general words preceding clause (a) and substituting:

"Where ten or more".

Is that correct? That is the amendment before the committee. Are you ready for the question?

Amendment negated on division.

Mr. D'Autremont: — Thank you, Mr. Chairman. I had three other amendments dealing with clause 10 that . . . because the minister has already refused to accept them, I see no real point in bringing them forward. So I would move on to amendment 0-39-10(h).

This clause deals with the proposal to have a francophone school set up within a community and how the public becomes involved in this. And I would . . . I'm anxious to hear how the minister is going to define this as a group right or an individual right. Because it asks that a public hearing take place within the community before the establishment of a francophone school board takes place.

I move the following amendment, Mr. Chairman:

Amend clause 10 of the printed Bill at subsection 21.5(1) by deleting "who submitted the proposal" and substituting:

"of the proposed francophone education area in a public hearing".

I so move.

Hon. Mr. Tchorzewski: — The member made my point for me. Once again, Mr. Speaker, the proposed amendment incorporates the idea of a group right. It is not acceptable, because section 23 talks about individual rights and therefore this would be contrary to section 23 of the charter and the ruling of the Supreme Court, and therefore should be defeated.

Amendment negated on division.

Clause 10 agreed to.

Clauses 11 to 15 inclusive agreed to.

Clause 16

Mr. D'Autremont: — Thank you, Mr. Chairman. This deals with the . . . again comparable to another clause

earlier where the Bill states "has a child who is to be enrolled . . ." I believe that should be who "has a child that could be enrolled" in the francophone school system, when it comes to making determinations as to part . . . of being part of the process.

I would move the following amendment, Mr. Chairman:

Amend clause 16 of the printed Bill at clause 33.2(2)(d) by deleting "is to be enrolled" and substituting:

"could be enrolled".

I so move.

Hon. Mr. Tchorzewski: — Once again, Mr. Chairman, I will be brief. The current Bill will allow only parents to be candidates in the first election of a conseil scolaire. For subsequent elections, minority language adults who are not parents with school children will be allowed to stand as candidates. For the first election, it is important that parents who are committed to the francophone component be part of the election. I think that that's a legitimate argument to defeat the amendment and leave the proposed Bill as it is.

Amendment negated on division.

Clause 16 agreed to.

Clause 17

Mr. D'Autremont: — Thank you, Mr. Chairman. This deals with who is eligible to sit as a trustee on the board of the conseil scolaire. The Bill proposes that a member would cease to become eligible to sit as a trustee if he failed to enrol one of his children on the school board. If he is eligible to have his children on the school board, if the voters of that proposed area select him to be on that school board, Mr. Chairman, we don't see any reason why he should not be allowed to continue to stand on that school board, providing he maintains good standing within the community.

My amendment would allow him to do just that. One of the clauses that the government has proposed is that if he ceases to own property within the district, he would no longer be allowed to sit on that school board . . . or not own; I should say, to be resident on a land within that school board. I believe that is reasonable, that you should be residing within the area that you wish to represent.

But the fact that the person no longer has children enrolled in the system should not disqualify that person from being part of that school board when the parents of the area have already chosen that person as their representative. And my amendment would allow that person to remain there until his term has expired.

I would move the following amendment:

Amend clause 17(d) of the printed Bill at clause 34(e) by deleting subclauses (i) and (ii) and substituting:

“ceases to be a resident on the land that is in the francophone education area under the jurisdiction of the conseil scolaire to which the person was elected as a member.”; and”

I so move, Mr. Chairman.

Hon. Mr. Tchorzewski: — Mr. Chairman, I think maybe the member misunderstands what the provision here really is all about. This is a case where a parent has indicated that they or he or she will enrol their child in the francophone school. Then if that parent decides after the establishment that they’re not going to enrol their children in that school, then this provision would apply, for example. And I think that that’s really quite reasonable.

A member of conseil scolaire must vacate office if the member either moves or fails to enrol the child. I don’t think that that is an unreasonable provision. They do not have to violate both requirements before they must resign from the board, the conseil.

And so I think, Mr. Chairman, I want to again suggest to the members of the House that the amendment is inappropriate and should not proceed.

Amendment negated on division.

Mr. D’Autremont: — Mr. Chairman, if I might make a suggestion that we proceed from clause 17 to clause 195 inclusive on the vote.

Leave granted.

Clause 17 agreed to.

Clauses 18 to 195 inclusive agreed to.

Clause 196 agreed to on division.

Hon. Mr. Tchorzewski: — Thank you, Mr. Speaker. I move that the Bill be reported without amendment.

Thank you, Mr. Chairman. I want to thank the member, the critic, and other members who have spoken on this, and the opposition. And I want to thank my staff as well for the assistance that they have provided here. I want to thank the member opposite for his contribution. Although we don’t agree on some of this, I respect the views and the feelings that members opposite have. Obviously with the amendments that we’ve considered there’s been some considerable work done in the preparation of them, and I appreciate that.

So I want to once again thank everybody involved for proceeding with this Bill which, in my opinion, is an extremely important Bill; something that I think is doing in Saskatchewan a very important thing that is long overdue. And we should all be proud of the fact that it is proceeding and correcting a wrong that has

existed for a long time.

Some Hon. Members: Hear, hear!

The Chair: — I will remind visitors in the galleries that you’re not allowed to participate in the proceedings of the Assembly.

Mr. D’Autremont: — Thank you, Mr. Chairman. I would like to thank the minister’s officials for coming in today and aiding him in Committee of the Whole. But I must say that I’m disappointed that he was unprepared to accept some of our amendments which I felt were very reasonable amendments and which could have made this Bill better in the view of a good number of people in this province. It would have made it a more democratic Bill rather than simply being exclusionary and including only very few people in this Bill.

I would like to thank the minister for his cooperation in answering some of the questions, Mr. Chairman.

The committee agreed to report the Bill.

THIRD READINGS

Bill No. 39 — An Act to amend The Education Act

Hon. Mr. Tchorzewski: — Mr. Speaker, I move that this Bill be read a third time.

Mr. Roy: — Thank you very much, Mr. Speaker, and fellow members of the legislature. I want to take my place here today very briefly to speak in support of this particular Bill. I think it’s been a long time coming and certainly I think for francophone parents right across the province it’s something that certainly I’m sure they’re going to cherish, and it’s going to be a very important part of the future of francophone community and the viability and the expansion of the French minority in this province.

The reasons I support this Bill, certainly number one is I believe that Saskatchewan has a constitutional right as outlined in the Charter of Rights and Freedoms, section 23, towards the official minority in Saskatchewan. I think that’s number one.

But secondly, most importantly, Mr. Speaker, I support this particular piece of legislation because as a francophone MLA and also a parent of francophone children in Saskatchewan, I can tell you that the assimilation rates and the pressures being placed on the French minority in this province are incredible as evidenced by the latest report from the Commissioner of Official Languages in Canada. I think it demonstrates quite clearly that we as the francophone minority need some kind of tools to protect us against assimilation and promote . . . preserve and promote our culture and our language.

I want to take this opportunity though to thank the former minister of Education, Carol Teichrob, for the great amount of work she did . . . Oh, sorry.

Some Hon. Members: Hear, hear!

The Speaker: — Order. I believe the member realizes he cannot use the proper names of the individuals but refer to them by their constituencies.

Mr. Roy: — I apologize to you and the House, Mr. Speaker.

As I was saying, I want to thank the former minister of Education for the great amount of work she has done.

M. le président et mes chers homologues dans la législature. Je voudrais vous remercier pour me donner l'opportunité de me mettre debout ici aujourd'hui pour brièvement parler un peu sur le projet de loi qu'on va passer ici aujourd'hui. Certainement c'est très important pour les francophones, la minorité francophone dans la Saskatchewan d'avoir un outil comme on a aujourd'hui ici.

La gestion scolaire va être très important dans le développement de la minorité francophone dans la province de la Saskatchewan. Comme j'ai dit tantôt on voit après le rapport le commissaire de les langues officielles du Canada, M. Goldbloom, que des taux d'assimilation dans le Canada sont la pire dans la Saskatchewan. Alors ça démontre très clairement que on a besoin des outils comme la gestion scolaire. C'est une chance pour nous les francophones d'être capable de gérer nos propres systèmes d'éducation et pour nous ça c'est très important.

Je vais vous dire comme le seul député francophone dans la législature et aussi un parent francophone avec des enfants qui vont à une école franchise, mais malgré tous nos efforts comme parents et certainement comme le système d'éducation comme on a, on a accord, on voit clairement que nos enfants ont de la difficulté à garder leur langue et à garder leur culture.

Alors je supporte ce projet de loi complètement. Je suis très heureux d'annoncer à mes . . . les gens francophones dans la province, je suis très fier de leurs dire que aujourd'hui c'est une journée très importante pour eux dans leurs vies et dans le développement de la communauté francophone.

Alors je veux aussi dire un grand merci à l'ancienne ministre d'éducation pour le dévouement, l'ouvrage qu'elle a fait pour avancer ce projet de loi-là. Je veux la remercier et je veux remercier tous mes homologues pour l'accueil qu'ils ont montré pour la communauté francophone et ce projet de loi.

Alors je vous remercie de m'avoir donné l'opportunité.

(Translation: Mr. Speaker and hon. members of the legislature, I would like to thank you for giving me the opportunity to stand today to briefly speak about the Bill we are going to pass today. Certainly it's very important for francophones, the francophone minority in Saskatchewan to have a tool such as we

have here today.

French governance is going to be very important in the development of the francophone minority in the province of Saskatchewan. As I've just said, the report of the Commissioner of Official Languages of Canada, Mr. Goldbloom, the level of assimilation in Canada is worst in Saskatchewan. That shows very clearly then, that we need tools such as French governance. It's a chance for we francophones to administer our own education system, and for us that is very important.

I speak as the only francophone member in the legislature, and also as a francophone parent with children who go to a French school, that in spite of all our efforts as parents and certainly in an education system such as we have, we agree, we see clearly that our children have trouble keeping both their language and their culture.

So I support this Bill completely. I am very happy to tell the French people in the province; I am very proud to tell them that today is a very important day in their lives and in the development of the French community.

I also would like to extend great thanks to the former minister of Education for the dedication, the work that she has done to advance this Bill. I want to thank her and I want to thank all my colleagues for the reception they have shown to the francophone community and this Bill.

Thank you for having given me this opportunity.)

Mr. Speaker, I thank you and the members of the legislature for giving me this opportunity to rise here today. Thank you.

Some Hon. Members: Hear, hear!

The division bells rang from 5:38 p.m. until 5:39 p.m.

Motion agreed to on the following recorded division.

Yeas — 22

Tchorzewski	Trew
Shillington	Whitmore
Teichrob	Flavel
Kowalsky	Roy
Carson	Scott
Hagel	Wormsbecker
Koenker	Stanger
Lorje	Harper
Lautermilch	Keeping
Murray	Carlson
Hamilton	Langford

Nays — 7

Muirhead	Britton
Martens	D'Autremont
Boyd	Goohsen
Toth	

The Bill read a third time and passed under its title.

The Assembly adjourned at 5:41 p.m.