

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN  
May 12, 1993

The Assembly met at 2 p.m.

Prayers

**ROUTINE PROCEEDINGS**

**INTRODUCTION OF GUESTS**

**Hon. Mr. Romanow:** — Thank you very much, Mr. Speaker. Mr. Speaker, it's my pleasure to introduce to you, sir, and to all the members of the legislature, some students from my constituency in Saskatoon who I believe are in the Speaker's gallery. They are from St. Dominic School. There are 36 of them in number; they represent grade 7 and 8. They are accompanied by their teachers, Peter MacDonald and Rob Herrick.

Mr. Speaker, as is the custom of the members of the legislature, I would ask all members to join me in welcoming our special guests from St. Dominic School. Welcome.

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

**Hon. Mr. Mitchell:** — Mr. Speaker, once again this afternoon the Assembly is honoured with the presence of a number of civil servants on one of the civil servant tours. I think this is the fourth or fifth such tour that has passed through the legislative buildings.

This particular tour has employees from the Department of Finance, Economic Development, Community Services, Sask Education, Justice, Environment, Community Services. They are here to observe the legislature in action and will be throughout the building today to see the many services and facilities that the legislature has to offer. And I would like you and all members of the Assembly, Mr. Speaker, to welcome our guests here this afternoon.

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

**Hon. Mr. Mitchell:** — I have a further introduction, Mr. Speaker. There is in your gallery a number of people that I would like to introduce to the legislature. They are Indian people. Chief Mary Anne Daywalker is here, Elder Ernest Crowe, Elder George Carrier. And during the course of question period they will be joined by First Vice-Chief Dan Bellegarde and Mr. Lester Henry, all representing the Federation of Saskatchewan Indian Nations.

Today we'll be giving first reading to the legislation of particular interest to them. So I would ask all members to welcome them here today.

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

**Hon. Mr. Rolfe:** — If members will permit the Speaker, I would like to join with the Premier and welcome the group from St. Dominic School. I had the pleasure of teaching at St. Dominic School for a period of time.

But more particularly, I would like to welcome Peter MacDonald who had the privilege of working for the Speaker for some time back in the '70s. And I want to ask all members to join with me in welcoming the students and the teachers of St. Dominic School.

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

**ORAL QUESTIONS**

**Changes to Workers' Compensation**

**Mr. Goohsen:** — Thank you, Mr. Speaker. My question is to the Minister of Labour. Mr. Minister, the Canadian Federation of Independent Business today released two Workers' Compensation Act review committee documents which clearly indicate that the concerns of the business community with regards to the new Workers' Compensation Act were well founded. One of these documents is signed by Judge Muir, and the other is signed by the entire committee.

These documents which the government tried to hide clearly indicate that the recommendations of the review committee were not followed. They also show that the minister has attempted to mislead the House and the people of Saskatchewan in his statement about the costs of these changes and about the review committee support of the government's legislation. Mr. Minister, this is an extremely serious matter.

Mr. Minister, my question: will you apologize to this House? Will you apologize to the people of Saskatchewan who you tried to mislead, particularly the business community who you accused of raising unfounded concerns about this legislation? And will you withdraw the Bill and have it redrafted to incorporate the recommendations of the review committee that you originally ignored?

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

**Hon. Mr. Shillington:** — The member is incorrect in suggesting that the document to which you refer and to which the WCIB referred throws into doubt the whole Bill. Indeed the reports to which you refer, and which I doubt very much that the House has at least one of them, were done as a result of a request from myself.

**An Hon. Member:** — In April?

**Hon. Mr. Shillington:** — In preparing — yes, in April — in preparing the Bills it was apparent that the Muir committee had left a couple of areas unclear. I wrote them and asked them for a clarification. We got the clarification. I am not entirely sure that the responses require an amendment. If there is, it will done in the form of a House amendment.

They do not however bring into disrepute the entire Bill. It's only a couple of minor sections of the Bill. The main thrust of the Bill is what Judge Muir recommended and he'd be the first one to tell you that if you took the time to ask him.

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

**Mr. Goohsen:** — Thank you, Mr. Speaker. Mr. Minister, there's nothing minor about these changes that are required or that are being suggested. Mr. Minister, again this comes down to a matter of trust in your government, and again you have failed the test.

Mr. Minister, time and again the opposition and the business community stated that these changes would cost substantially more than the 20 million you were suggesting.

Time and again you responded by saying that all of the studies you had conducted backed your figures. Mr. Minister, plain and simple, you weren't telling the truth. You had a report in your possession from your own review committee that expressed serious concerns about the cost of implementing these changes retroactively. You had in your possession a report that recommended against such changes. You hid that report, and you even went so far as to suggest that the review committee supported your legislation.

Mr. Minister, you misled this House. Mr. Minister, I call on you today to apologize. And I call on you to table any other reports that you may be hiding with regard to these Bills. Will you do that today, Mr. Minister?

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

**Hon. Mr. Shillington:** — I'm not sure if the member from Maple Creek is at all interested in the facts of the case. The facts of the case are that the Bill reflects with a good deal of precision the report of the Muir committee. The two documents to which you refer were questions which I asked the review committee to review and do so promptly before the Bills in this House got third reading, because I was concerned about those two things.

They did and gave us a report. The Justice department is now considering whether or not the report which we got from the Muir committee require House amendments. If they do, they will be introduced. But it is simply a matter of some House amendments to two relatively minor sections at the end of the day.

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

**Mr. Goohsen:** — Again, Minister, I think that the people of Saskatchewan will judge that your interpretation of minor is very, very wrong. Mr. Minister, you introduced legislation against your own committee's advice, and then you put out a brochure saying that they supported what you were doing — a brochure.

When the business community raised concerns about the costs of these changes, you accused them of spreading hysteria, even though you had a report in your hands that said that they were right. When the opposition asked you to reveal any studies you had that gave the true costs of the legislation, you said no

such report existed. That's three strikes against you, Mr. Minister. And you stand in your place and say that you've done nothing wrong; it's all trivial.

I know that not telling the truth has become a common practice for your government, Minister.

**The Speaker:** — Order, order, order. Order, order. Order. I would ask the member to not use inflammatory terms in asking his question. I've listened very carefully, and on three or four occasions the member has used terms which cause nothing but inflammatory reactions by the members in this House. And I ask him to please . . . Order. I would ask the member please to refrain from doing so and ask his question.

**Mr. Goohsen:** — I respect your ruling, Mr. Speaker, and will try to do better. Mr. Minister, you are caught red-handed. Don't you feel some obligation to own up to what you have done?

Mr. Minister, once more I demand that you apologize to this House. I demand that you table any other hidden reports that you have about this legislation and the occupational health and safety legislation. And I demand that in light of these serious improprieties, that this legislation now be withdrawn. Will you commit to that today, Mr. Minister?

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

**Hon. Mr. Shillington:** — Mr. Speaker, this government has been painstakingly careful with this legislation. While it was being developed we hired the senior managing partner of a Saskatoon office of Price Waterhouse to help us with the costs. As the matter developed and just before it was introduced, there were . . . it appeared to us there were a couple of areas which had not been defined with precision by the Muir report.

At my request, the Muir committee reviewed the two areas and gave us an opinion. We are now asking for an opinion from Justice as to whether or not that in fact . . . whether or not those problems will require any House amendments. That's where it's at. Nobody was hiding anything. We were simply following a tradition of being very careful in the development of this legislation so there would be no surprises, and that's all this was. This was not something that came out of the blue; this was done because we requested the Muir committee to give us an opinion in these two areas.

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

**Mr. Goohsen:** — Thank you, Mr. Speaker. Well, Mr. Minister, I believe that you didn't tell all of the facts to the business community, and I believe that you have misled this legislature in the way that you've presented this whole package. You said you were acting on the recommendations of your review committee and when you had in your hands a document signed by all seven members that says exactly the opposite.

We asked you for further reports on costs, and you said no such report exists. You accuse the business community of spreading falsehoods when you had information that what they were saying was true. You have accused and abused your position of public trust. You've been deceitful and dishonest with us, quite frankly . . .

**The Speaker:** — Order. Order, order! If the member . . . Order! If the member persists in using that language, I will recognize another member for a question. I ask the member to stop using inflammatory language which adds nothing to the debate in this House, and I ask the member to put his question.

**Mr. Goohsen:** — Thank you, Mr. Speaker. I'll choose my words more carefully.

And now, Mr. Minister, you stand in your place and you say that you've done nothing wrong. Well, Mr. Minister, I see no honour that can be . . .

**The Speaker:** — I ask the member . . . Order. I ask the member to please put his question.

**Mr. Goohsen:** — Mr. Minister, will you take responsibility for your actions and tender your resignation as a minister of this government today?

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

**Hon. Mr. Shillington:** — Mr. Speaker, this opposition has in times past attempted to make a mountain out of a molehill but this really sets some sort of a high-water mark for this sort of an activity.

Let me for the benefit of the member opposite read the letter which he finds so inflammatory and so insulting. Let me just read the first paragraph of this letter. It is addressed to the Hon. Ned Shillington, and it says:

The above letter to the Chairperson of the Workers' Compensation (Board) was considered at a meeting of the Committee in Saskatoon today.

They were considering my letter to them asking them to give us some further guidance on two issues. The letter clearly states it. I recommend to the member from Maple Creek, before you ask for someone's resignation, read the material which you claim to be the basis of this great embarrassment.

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

**Mr. Goohsen:** — Thank you, Mr. Speaker. I will continue from the next paragraph, which says:

In the opinion of the Committee, it would be administratively and financially impractical to have these changes operate retroactively.

And on it goes. You read the first paragraph which is polite, that any judge would do in the start of any letter to any person, no matter what he thought, but the

meat is in the letter and you'd better read it all, Mr. Minister, because the reality is that you're wrong, dead wrong, in this one.

Mr. Premier, my question is to you. Since the minister refuses to take the responsibility for his actions, I must ask you to take the appropriate measures. You have a minister who has seriously breached the public trust, Mr. Premier; you were elected Premier on the commitment to provide open and honest government; your minister has neither been open nor honest. He has disgraced himself and your government and this entire legislature. Mr. Premier, I ask you now, will you demand the resignation of your minister and do the right thing?

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

**Hon. Mr. Shillington:** — Since the member wishes to deal with paragraph 3 of the letter, which is what you read from, let me read the first sentence in paragraph 3. The first sentence . . . well, we could read the whole paragraph if you like; I doubt if the Speaker will permit that but let me try the first sentence:

The Committee did not intend that the amendments it recommended to . . . (section 43 would) . . . be retroactive.

Note the use of the verb "intend". It was clear the committee had not recommended it. They simply hadn't made any comment upon it. And they therefore said the committee did not intend this. That is what I wanted them to say, what they intended. We got it.

This was a report done for us to assist us in finalizing the legislation. That's all it was. When the matter is concluded, and before Committee of the Whole, the legislature will be fully informed. We do not yet know whether or not this will result in the necessity for any House amendments.

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

**Mr. Goohsen:** — Thank you, Mr. Speaker. Mr. Minister, it is clear today that you have gone deliberately into the writing of legislation against the wishes and the recommendations of a committee that you yourself employed. And then you told us that no such thing was going on. You haven't told us what the real truth of the matter is here then.

What you've really done is wrote legislation that you wanted — the way you wanted it — and then you say that the important issues in the question are not important at all. That doesn't make any sense to the people of this province. Five thousand businesses belong to the Canadian Federation of Independent Business, and they've tried to consult with you; they've asked for time for consultation. They've told you what this thing is going to do to them, and you won't listen. You won't consult.

Mr. Premier, my question to you: will you demand the resignation of this man today?

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

**Hon. Mr. Shillington:** — We have . . . in answer . . . I'm not sure, Mr. Speaker, how one carries on a dialogue with someone who's deaf, but let me try.

We had extensive consultations with the business community. This was one of the issues they in fact raised. It was apparent to me and apparent to those who were drafting the Bill that the Muir committee had not been as definitive on this issue as they should have been. So we asked them for further clarification. That's all you have, is a clarification of a matter for which we requested.

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

### Co-op Upgrader Review

**Mr. Swenson:** — Thank you, Mr. Speaker. Mr. Speaker, my question will be to the minister responsible for the Crown Investments Corporation.

Mr. Speaker, last fall, in what we in this legislature thought was the height of crass politics, the NDP (New Democratic Party) government leaked a caucus document to the media, full of half-truths and innuendo regarding the Co-op upgrader.

Its sole purpose, I believe, Mr. Speaker, was to malign and denigrate the Co-op upgrader and pressure Federated Co-op into caving into the wishes of the chairman of CIC (Crown Investment Corporation), Don Ching, and his NDP government colleagues.

Mr. Speaker, that was an appalling example of political manipulation. Today we've seen them go better, Mr. Speaker. Today, Mr. Speaker, the NDP government leaked another of its own documents which threatens more unilateral legislation to nationalize the Co-op upgrader if they don't cave into the wishes of Mr. Don Ching.

My question to the minister: Mr. Minister, who in your government leaked this document and why?

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

**Hon. Mr. Romanow:** — Mr. Speaker, I want to thank the Hon. Associate Minister of Finance, the minister in charge of CIC, for permitting me to answer the question.

The answer very, very shortly put to the question is: nobody that we know of leaked the document. We obviously are looking into the aspects of the leak because this is a matter which is of some concern to the government. But we have not that information, and nobody from the front benches or anybody that we've been able to uncover is responsible for this.

But the second aspect of the question, Mr. Speaker, speaks to the very important issues of the substance of what the news report carries. And I remind the hon. member opposite that Judge Estey in his commission of inquiry said, with respect to the upgrader that you

people negotiated, on page 11, the following:

Consequently, the project has, in a financial sense, run aground. (Note those words, Mr. Speaker, has run aground in a financial sense) . . . it cannot sustain the existing debt load.

Now from our point of view as a government we have said, and I repeat in the legislature, that we're prepared to adopt the recommendations of the Estey report if our partners also agree to adopt the recommendations of the Estey report. The federal government has indicated a willingness. The former premier says to me across the floor of the House, good luck in my expectations. Unfortunately thus far, FCL (Federated Co-operatives Ltd.) has not yet agreed. We continue to work but we have to act on our duties.

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

**The Speaker:** — Before I recognize the next question I want to ask members to please not interrupt, either when the question is asked or when the ministers are trying to answer. I'm sure we want to hear the question; we'd also like to hear the answers. So please let's . . . I would like to ask the member from Wilkie to please not constantly talk from his chair. If he has a question he should go to his caucus and ask permission to ask a question.

**Mr. Swenson:** — Thank you, Mr. Speaker. I will . . .

**The Speaker:** — Order. Order. Does the member from Rosthern have a point of order? I will recognize the member on a point of order after question period.

**Mr. Swenson:** — Thank you, Mr. Speaker. I will ask my question to the Premier, the member from Riversdale, in the absence of the minister responsible having the courage to stand up.

Mr. Premier, you went to extraordinary lengths to put the Estey inquiry together. You spent several hundred thousand dollars of taxpayers' money. And at the end of the day you hoped you'd get a stick in order to beat on the Co-op upgrader with. Well that backfired, Mr. Premier. It didn't work.

So I'm suggesting to you, you got your friend Don Ching to draft some legislation, leak it, leak it to the media, in another attempt to browbeat the people at Federated Co-ops.

Mr. Premier, I don't know what it will take to stop your political agenda, what you won't do in order to try and justify the political agenda of your government. You've used this legislature to take away contracts. You've used closure in here innumerable times. And now you use the threat of nationalization against one of the most prominent business groups, community-owned groups in our province.

This has got nothing to do with renegotiating any deal, Mr. Premier. This is heavy-handed political manipulation by you and your friend, Don Ching.

Mr. Premier, stand in this legislature today and deny that your government would use that kind of legislation against Federated Co-ops.

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

**Hon. Mr. Romanow:** — Mr. Speaker, Moody's, in issuing the credit rating for the province yesterday which maintained our standing, said the following in its report:

Success in curtailing government exposure to private sector venture debt and loan guarantees, will be important to maintaining the current credit rating.

Not increasing, Mr. Speaker, but maintaining. It says:

This will determine the extent and pace to which Saskatchewan's overall financial position will benefit from current reductions in the budgetary deficit.

In others words, we're doing the job on the budgetary deficit, but these loan guarantees, of which the upgrader is but one star example engaged by your administrations, according to Moody's has imperilled our fiscal position as a province.

Judge Estey on page 11 said: The project has run aground financially; he said, "it cannot sustain the existing debt load." He also says on page 34:

Provincial leaders . . . are the custodians of the Provincial Treasury. A threat to the fiscal integrity of the Province must be met by the office-holders of the day . . .

Now we have to act on that. I share that responsibility. Judge Estey has painted the way out of this morass that you and your government accepted to the detriment of the taxpayers. We're prepared to adopt Judge Estey. We think the federal government is prepared to deal. We have not heard from FCL.

We want all of the parties, although it's painful to us, to clean up this particularly very difficult and awkwardly and badly negotiated deal that you prepared in order to protect the fiscal integrity of all the taxpayers of Saskatchewan. And you should be onside with us too in doing that.

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

**Mr. Swenson:** — Thank you, Mr. Speaker. My question will be to the Premier. Mr. Premier, I think we need a series of questions here to flush out your true motives.

Simple and short: can you confirm to us today that certain members of the NDP were kept fully apprised of the negotiations with the Co-op upgrader by Federated Co-op prior to the 1986 election, and can you tell us who those members were?

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

**Hon. Mr. Romanow:** — Mr. Speaker, I don't know who was fully apprised or who might not have been apprised. This is irrelevant. What is relevant is Judge Estey's conclusion . . . (inaudible interjection) . . . No, it's irrelevant. Judge Estey says this project has run financially aground. Judge Estey said that it is the duty of the government of the day to take a look at what we can do to solve the situation.

You were at the Treasury Board. You, sir, and the former premier were the people who authorized the signature to this arrangement. Now everybody, including the federal government, is prepared to make repairs — everybody. And you still cling to the notion that the people of this province should be exposed upwards of \$750 million, thereby imperilling the entire integrity of the province of Saskatchewan. I say to you, Estey says we can't do that; we say we can't do that. We've got a responsibility to put your mess in to proper position and join us in doing it.

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

**Mr. Swenson:** — Thank you, Mr. Speaker. Well, Mr. Premier, because you won't confirm it to the legislature, let me do it for you. Harold Empey, the former chairman of the Co-op upgrader and the man who negotiated the deal said, and I quote:

We met periodically with the opposition party (now the government opposite) to keep them informed of the project and the progress we were making regarding negotiations. We told them of our members' concerns.

Mr. Empey goes on to say that everyone knew the basic principles behind the deal: the government, the negotiators, and the NDP opposition. Mr. Empey made these remarks to the 1992 Co-op convention.

Mr. Premier, Mr. Empey says that the NDP knew the details of the Co-op negotiations from the very start. Mr. Premier, can you confirm that two of the NDP members who were very well briefed on the Co-op deal at that time were the current chairman of CIC, Don Ching, and the current member from Saskatoon Riversdale. Would you confirm that?

**Hon. Mr. Romanow:** — Mr. Speaker, I can confirm that when we assumed office on November 1 and when I looked at the documents, which I think perhaps should be tabled in their entirety at some very appropriate moment, including the memoranda to the former premier pleading with him not to sign the deal 10 days before the election in 1986, including the various documents to you as a member of the Treasury Board — all those documents — I can confirm to you that nobody outside of you and the former premier and the PC administration must have known of them.

You took every advice that your officials gave to you and you tore it apart. Everything. That's the first time I knew about that advice and those recommendations and anybody on this side. But that is irrelevant.

What is relevant is that your deal has caught the province of Saskatchewan into a \$750 million operation, potential up to a billion. Can you imagine the consequences of that? How in the world can you stand up in your place and say that a duly elected government sworn to uphold the office takes the position that we should simply ignore that?

I say the solution is there, handed to us by Judge Estey. The federal government says they're prepared to look at it. FCL has not indicated it's prepared to look at it.

I say what we should do as all of us, the people of the province of Saskatchewan, is unite to get the proper settlement to put this thing on a proper based financial footing. You should join us, I repeat again, instead of criticizing as you always do.

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

**Mr. Swenson:** — Mr. Minister, you should use your cheer-leading in caucus and tell your members what you really knew about it.

Now, Mr. Premier, you know full well who those NDP members were in the negotiations and their progress. You knew back in 1986. What was your objection? Was it about the deal? No. It was about politics.

Let me quote Mr. Empey again for you. Let's hear what the chief negotiator for the Co-op upgrader had to say about Don Ching, now head of CIC. And I quote:

The newly appointed head of Crown Investments proceeded to tell us that the Co-op, and mainly Harold Empey, cost them the election in 1986, and that we should have cancelled the deal at that time, which would have embarrassed the previous government.

Mr. Premier, that's what this is all about, your leaked document by Don Ching. It's political revenge and you know it.

Mr. Premier, in the face of this information, in the face of your government's total preoccupation with politics and political vindictiveness, don't you think it might be appropriate during these negotiations to remove Mr. Don Ching totally from the picture? Given that Mr. Ching has some kind of political agenda to solve with the people at Federated Co-op, don't you think that would be appropriate, Mr. Premier?

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

**Hon. Mr. Romanow:** — Mr. Speaker, what amazes me — and I don't believe that the Leader of the Opposition believes that this is a credible position in 1993 to take — what amazes me is how these people over there simply ignore the Estey report, keeping in mind that Judge Estey had access to all the documents and all of the players and people who were involved then and now. And then he tabled his report and nowhere in the report is there even the slightest suggestion of those comments made by the Leader of the Opposition about any of the personalities which

are involved — none at all, none at all.

Sure the Co-op convention may have said that. I'm saying Judge Estey never said that and he had access to Don Ching and to Mr. Empey and he had access to you people as well. And you refused to cooperate with him on this operation.

It is absolutely incredible. The reality is, the Estey report has said that this project negotiated by you, sir, has run financially aground and that the fiscal stability of this province is in danger — thanks to you.

And you take the position that we shouldn't work our way out of it. Shame on you. We're going . . . (inaudible) . . . the responsibility in the interests of the taxpayers of . . .

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

## INTRODUCTION OF BILLS

### **Bill No. 75 — An Act to amend The Freehold Oil and Gas Production Tax Act**

**Hon. Mr. Anguish:** — Mr. Speaker, I move An Act to amend The Freehold Oil and Gas Production Tax Act now be read and introduced the first time.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

### **Bill No. 76 — An Act to amend The Oil and Gas Conservation Act**

**Hon. Mr. Anguish:** — Mr. Speaker, I move An Act to amend The Oil and Gas Conservation Act now be introduced and read for the first time.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

### **Bill No. 77 — An Act respecting the Implementation of Certain Treaty Land Entitlement Settlement Agreements**

**Hon. Mr. Mitchell:** — Mr. Speaker, I move that a Bill respecting the Implementation of Certain Treaty Land Entitlement Settlement Agreements be now introduced and read the first time.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

### **Bill No. 78 — An Act to confirm an Agreement between the Government of Canada and the Government of Saskatchewan varying the Saskatchewan Natural Resources Transfer Agreement**

**Hon. Mr. Mitchell:** — Mr. Speaker, I move that a Bill to amend the natural resources transfer agreement be now introduced and read the first time.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

## POINT OF ORDER

**Mr. Neudorf:** — Thank you very much, Mr. Speaker. I would like to respond to your request for a point of order.

**The Speaker:** — Order. Order, order. The rules simply say when the Speaker is on his feet the member is to be seated. The member does not make a point of order on a request from the Speaker. If he has a point of order, he makes his point of order.

**Mr. Neudorf:** — The point of order that I would like to raise, Mr. Speaker, is that on repeated occasions not once have you made this request of the members opposite on the government side. But on repeated occasions you have, on the opposition, made the remark that the member, if he has a question to ask, should go back to caucus and ask the caucus chairman for permission to ask the question.

Mr. Speaker, I find that that is debate in itself and I think that is most demeaning to the member to have such a suggestion put forward to him by Mr. Speaker. And I would suggest to you, Mr. Speaker, that that demeans the position that you are in by entering into debate.

**The Speaker:** — Order, order. Order. Order. I have listened to the member from Rosthern. He's getting into debate with the Speaker and I will not allow that.

I will simply say to the member from Rosthern that if he were to check with the member from Wilkie, I think the member from Wilkie will confirm that today he was constantly speaking from his chair, constantly speaking from his chair; even after the Speaker had asked for the members not to interrupt, the member from Wilkie continued. And immediately after I made that request not to interrupt, I took note of the interruptions on the Premier's question immediately after and there were 15 interruptions.

I've asked the members to please cooperate. They have not cooperated. And I think the Speaker has no other choice but to try and keep order in this House, and I've asked the members, if they wish to make a statement in the House they know what the appropriate means are.

**An Hon. Member:** — New point of order.

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

**Mr. Neudorf:** — Thank you very much, Mr. Speaker. I certainly won't get into debate with you on that. The point of order, Mr. Speaker . . .

**The Speaker:** — The member need not say that he will not get into a debate with the Speaker. Of course he will not get into a debate with the Speaker. Simply state your order. What's your point of order?

**Mr. Neudorf:** — Mr. Speaker, the point of order is referring to the member from Churchill Downs who, in a most demeaning way, knowing full well that the

member from Maple Creek does have a speech . . . or a hearing impediment, sarcastically used that excuse to say that the member was deaf, Mr. Speaker. And I ask you, having not ruled on it at the moment, to reflect on that for a moment, Mr. Speaker, and call that member to order for that demeaning attitude that he presented.

**The Speaker:** — Order, order. Order, order. Order! Will the member from Humboldt please come to order.

I did note what the minister said, but I did not think at the time that the member . . .

**An Hon. Member:** — Of course not. Course not.

**The Speaker:** — Well the Speaker cannot . . . Order. Will the Government House Leader please come to order. Just come to order . . . (inaudible interjection) . . . Well if you were to let the Speaker make his ruling, maybe we could.

I did not think at the time that the member was personally referring to the member. And therefore it's a judgement call that the Speaker has to make; I made it at the time. But if the member did make it as a personal accusation, I would appreciate it if he did apologize to the member and withdraw it. But at the time I did not think that he had made that in that tone. If he had, I feel sorry for the House and the position that we're getting ourselves into.

Orders of the day . . .

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

**The Speaker:** — I recognize the Minister of Social Services.

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

**The Speaker:** — I have taken two points of order from the member, and that's sufficient.

**An Hon. Member:** — What ruling is that based on?

**The Speaker:** — I'll take the Minister of Social Services.

**Hon. Ms. Atkinson:** — Thank you very much, Mr. Speaker. Mr. Speaker, I want to proclaim Battered Women's Week\*, but it's very difficult with this kind of abusive behaviour going on in the legislature, so . . .

**The Speaker:** — Order. Why is the member on her feet?

**Hon. Ms. Atkinson:** — The member is on her feet because she would like to make a statement. I would like to proclaim . . .

**The Speaker:** — Order. The member has to have leave.

**Hon. Ms. Atkinson:** — I would ask for leave.

**The Speaker:** — Does the member have leave? Order, order. Order. Let's settle down and try it again.

**Hon. Ms. Atkinson:** — I would ask for leave to read a statement.

Leave granted.

## ANNOUNCEMENTS

### Battered Women's Awareness Week

**Hon. Ms. Atkinson:** — Thank you, Mr. Speaker. Mr. Speaker, it's my honour to proclaim the week of May 9 to 15 as Battered Women's Awareness Week. The Provincial Association of Transition Houses in Saskatchewan had asked me to proclaim this week, and I'm pleased to do so.

Battering of women has always existed in our province and in our country and in our world, but it's only during the last 15 years has this issue emerged as a major concern to all members of society. It is a serious problem that severely affects women and children of all ages, of all cultures and all economic circumstances.

Today I'm wearing a purple ribbon from the Saskatchewan Battered Women's Support Network, commemorating the four women in Saskatchewan who since January of this year have died as a result of violent acts by their partners.

This week provides a special opportunity to express our deepest appreciation to the many hundreds of people who work with battered women and their children. I want to recognize the contributions made by committed women across our province who have worked and are working to establish shelters. I also want to recognize the staff who provide services to battered women and their children 24 hours a day, 7 days a week.

I also want to acknowledge the people who volunteer hundreds of hours serving as board members and on committees to operate transition houses in our province. I want to express my deepest gratitude to the women's movement and male supporters of the women's movement who continue to struggle to ensure that some day we will have gender equality in our society. Thank you, Mr. Speaker.

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

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Speaker, often times days or weeks are set aside to celebrate significant people or events. And while there are many occasions and many milestones to celebrate, there are some that deserve attention for other reasons.

And I'm speaking, Mr. Speaker, about the violence in our society, and specifically, violence towards women. And I would like to join with the minister in

proclaiming this week.

(1445)

It's one of those topics people would like to ignore rather than talk about. But violence against women is significant in our society and the numbers are rising. In fact, Mr. Speaker, when people think about violence, most times . . . more often than not they think of violence in the form of physical violence. But violence has many other forms. It can have mental and psychological problems that arise and violence that arises as well.

It's not right, Mr. Speaker, that in 1993 many women fear for their safety and the safety of their children on a daily basis. And many of these women, Mr. Speaker, end up losing their lives, and the minister has referred to a few. It is a tragedy.

Mr. Speaker, it's not good enough for us to just talk about how horrible the situation is. Each and every one of us must do whatever we can. Taking abused neighbours or friends into our homes, getting in touch with professionals and shelters can help those in need. Or tightening up the penalties for those who physically abuse women. Whatever it takes, Mr. Speaker, it must be done.

This week is set aside to recognize the problem of battered women. And I would like to challenge everyone here today to do our part to take matters into our own hands, to do something to help these women and their families. And I'd like to say thank you to each and every one of the organizations and individuals who has taken the time to reach out to women in such circumstances.

We cannot bury our heads in the sand and hope that violence eventually subsides. Instead, we must do whatever we can do, Mr. Speaker. We must all work together to end this problem. Thank you.

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

**The Speaker:** — Does the member from Saskatoon Greystone — I assume you want to speak — does she have leave?

Leave granted.

**Ms. Haverstock:** — Thank you, Mr. Speaker. I cannot say that it gives me pleasure to rise in the House and join my colleagues in acknowledging Battered Women's Awareness Week. What would give me pleasure would be for the need for such a week to be unnecessary and for the problem of battered women to not exist.

But it does exist and it exists in statistics that are astounding by their enormity. I'm told that Saskatoon's Interval House provided safety and shelter to 231 women and 366 children in the year between April of 1992 and March of this year. In addition, that shelter had to turn away an additional 226 families because of lack of space.

Interval House has held a number of events during this week to educate the public. And yesterday's information session at the Saskatoon library was well attended and covered a wide variety of topics of great value — the cycle of violence and myths and the reality of family violence and so forth.

They're also sending counsellors into high schools and elementary schools, conducting sessions for teens on dating violence and family violence. Because of the intergenerational cycle of abuse, too often boys from homes experiencing abuse grow up to become abusers and girls grow up to become victims.

Interval House is making extra efforts to try to reach the youngest victims of battered women's abuse. And they have children's counsellors on staff who have enormous jobs compounded by long waiting-lists and shortages of resources.

So as we acknowledge the issue of battered women, I too want to pay tribute to the many dedicated professionals and volunteers who work to improve the lives of hundreds of families who are affected by this dreadful societal problem. We can only hope their efforts are not in vain and that someday soon we will see a reversal in the growing trend of family violence.

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

**The Speaker:** — Why is the member on his feet?

**Hon. Mr. Penner:** — Mr. Speaker, with leave of the Assembly, I'd like to make a brief statement about an important event that happened in Swift Current last night.

Leave granted.

### Western Hockey League Championship

**Hon. Mr. Penner:** — Thank you, Mr. Speaker. Mr. Speaker, last evening in Swift Current the seventh and final game of the Western Hockey League was played between the Swift Current Broncos and the Portland Winter Hawks. The final score in the game was six to nothing for the Broncos.

This is significant, but equally significant is the fact that the Broncos will be representing Saskatchewan and the Western Hockey League at the Memorial Cup in Sault Ste. Marie for the second time in four short years.

The Broncos won the Memorial Cup in 1989, an amazing comeback from a tragic loss of four players in 1987 in a bus accident. The management and coaches rebuilt the team and today Swift Current and Saskatchewan have the finest junior hockey team in Canada.

The Broncos play in the major junior league in western Canada. There are 42 teams in Canada and the United States ranging all the way from Seattle to Detroit. Swift Current is the smallest city in North

America with a major junior hockey team.

Mr. Speaker, I ask the Assembly to join me in congratulating John Ritter, the president and governor; Graham James, the general manager and coach; Rob Daum, the assistant general manager and coach; Trent McCleary, the team captain; and all the players and the fans on their success.

I also ask the members of the Assembly to join me in wishing the Swift Current Broncos success in the Memorial Cup action starting on Sunday.

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

**Mr. Martens:** — Thank you, Mr. Speaker. I want to today pay tribute to the efforts of the Swift Current Broncos in their win in the Western Hockey League.

For me, Mr. Speaker, it has always been a special attraction. And not only in the fact that I've been an attendant and a person who has supported the team but also as an individual who has played a considerable amount of hockey.

I know that the Swift Current Broncos came back in 1986. They were formerly the Swift Current Broncos and then they moved to Lethbridge. In that period of time some great hockey players came out of that organization in Bryan Trottier, "Tiger" Williams, and Terry Ruskowski, three highly credible individuals.

And now, Mr. Speaker, those same Broncos have the captain of the Quebec Nordiques as their captain. And I believe that that is significant in relation to the kind of calibre of hockey, the intensity with which they play, and the intensity with which they view the game.

I also want to point out to this Assembly that the intensity is focused mainly, as the member from Swift Current mentioned, mainly because of a single tragic accident that occurred there on December 30, 1986, when four of them died in that accident.

And it was particularly important for my family because one of those fellows, Mr. Propst, sat across the aisle from him in grade 12, and my son is 23 earlier this week. And I think that it's significant that a young man gave his life for what he . . . incidentally, by accident, in an occasion when he could not control what was going on. And so for the people of Swift Current it has become a very, very significant involvement to focus their attention on the Memorial Cup both in 1989 and in 1993.

I want to congratulate Mr. Ritter, Graham James. I want to also say to the coach of the Portland Winter Hawks, Ken Hodge, who I cheered for in Boston many, many years ago, that he also did well in preparing his team.

I want to say to the Assembly, I'm not sure whether they're going to win the Memorial Cup this year, but this team is better than the one they had in 1989 by a long ways. In fact, Mr. Speaker, it took 17 games for

them to win the title. They only lost one in 1989. And for me that was significant, because they had a very, very capable hockey team. They set many records in short-handed goals; they set records in power plays. But this team is better, Mr. Speaker, and I wish them — and this Assembly I hope would wish them — the best in Sault Ste. Marie as they try to win the Memorial Cup in 1993.

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

**Ms. Haverstock:** — Thank you very much, Mr. Speaker. Having been born and raised in Swift Current, I am absolutely compelled to congratulate the Swift Current Broncos as well on winning the Western Hockey League championship last evening. And they'll soon be off to Sault Ste. Marie in taking on Ontario and Quebec junior leagues.

To the Western Hockey League's representative in the Memorial Cup, I too wish to congratulate John Rittinger and Graham James and their team — all the best. I also join all hockey fans in this province in hoping that they'll go to the Sault and show those Easterners what real hockey is all about, and bring the Memorial Cup back to Saskatchewan.

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

**Mr. Neudorf:** — Mr. Speaker, on a point of order.

#### POINT OF ORDER

**Mr. Neudorf:** — Mr. Speaker, my function in this House is as the House Leader of the opposition, and I have a function to perform. One of the primary functions is to make sure that the opposition has the means and the wherewithal to fulfil its function as her Loyal Majesty's opposition.

Mr. Speaker, I was trying to raise points of order before, and I was not permitted to do so, and I would like to quote to you from Beauchesne's, 6th Edition, under points of order, no. 317. And no. 317, in part, subtitle 1, or sub-point 1, says:

317. (1) Points of order are questions raised with the view of calling attention to any departure from the Standing Orders or the customary modes of proceeding in debate or in the conduct of legislative business and may be raised at virtually any time by any Member . . .

And further to that, Mr. Speaker, on page 97, no. 319, it states and I quote:

319. Any Member is entitled, even bound, to bring to the Speaker's immediate notice any instance of a breach of order. The Member may interrupt and lay the point in question concisely before the Speaker.

Mr. Speaker, I had a point of order that I wanted to raise and I still do, subsequent to this point of order. But I was not given the opportunity to do so in spite of the fact that 317 says, ". . . raised at virtually any time

by any Member . . ."

Now, sir, I ask you for an interpretation of what is meant by "virtually any time," and if there are times when it is not acceptable to raise a point of order, I wish you to be definitive on that aspect.

**The Speaker:** — I appreciate the member's point of order and his explanation. The member knows full well that in question period no points of order can be raised other than that . . . or when a division vote is taken and the points of order are raised after.

I did take two points of order from the member, one which I felt was not a valid point of order. And I have listened to the member in the past raising points of order which, on a number of times, were not valid points of order. And I felt that the member had raised his point of order, and if he has another point of order I will take the point of order now.

I felt that at the time the House was simply not receptive to listen to any more points of order and I wished the House to calm down. I will now accept a point of order from the member if he has a valid point of order. It's a judgement call the Speaker has to make and I made it.

**Mr. Neudorf:** — Thank you, Mr. Speaker. This is the point of order that I was going to make before and was not allowed to. Mr. Speaker . . .

**The Speaker:** — Order. That's exactly the point that I want to make in this House. The member from Humboldt interrupted again when the member from Rosthern was on his feet. The House simply cannot function if members do not have any respect at all for the rules they themselves set down. The Speaker cannot function and the House can't function unless we respect those rules.

Now the member was on his feet and I ask the member again from Rosthern to make his point of order.

**Mr. Neudorf:** — Thank you, Mr. Speaker. Perhaps we could do this later, but I still have to have clarification whether this limits it now to two points of order before you will cut us off, because in your deliberation and in your decision that is what you said. Now I want that understood and I'll let you do that at a different time, Mr. Speaker.

The point of order that I want to bring up now relates to how the Speaker's ruling was recorded in the *Votes and Proceedings* and will therefore be recorded in the *Journals* of this Assembly.

(1500)

Mr. Speaker, I refer you to yesterday's *Hansard*, page 1618, and it is important to quote the entire statement that you made at that time, Mr. Speaker, so that you may see how a serious error was made in translating your ruling into the *Journals*. And I quote, I quote you, Mr. Speaker:

Members, give me a moment to have a look at the amendment, please.

Order. I want to remind members . . . that amendments should be first of all . . . contain really no preambles. This one doesn't contain a preamble before but contains a preamble in the amendment.

And therefore I would . . . the Speaker does have the authority to delete, and I will do that and make the amendment in order and ask the members whether or not they will accept the amendment up to the words "rather than substance" and delete the rest of the amendment which should be part of the debate if the members wish to make it such. Otherwise I will rule the whole amendment out of order.

And that, sir, was the entirety of your ruling which was and is accepted, I might add, by the members on this side. However, sir, if you look to today's *Votes and Proceedings*, you will see the following, which I also quote:

The Speaker deleted all the words after the words "rather than substance" on the grounds that the deleted words were in the nature of a preamble and contained argument that would (be) more properly form part of the debate.

The point of order, Mr. Speaker, is simply this. In your actual ruling nowhere did you say that the words contained argument or were argumentative. You did not, sir, make that ruling; you restricted yourself exclusively to stating that the words were in the nature of a preamble which members could introduce into the debate if they so choose.

And I suggest to you, sir, that the *Journals* are not at this moment accurate and I ask you to direct that they be corrected.

**The Speaker:** — I think the member does make a good point of order. I would just . . . only for the defence of the journal and the Speaker, I think everybody knows that preambles — that's why they are not allowed — preambles are argumentative in nature and that's why they are not allowed as part of your amendment. Preambles are argumentative in nature and therefore . . .

**An Hon. Member:** — You didn't say that.

**The Speaker:** — Well, all right, the Speaker didn't say that. I think the member's point of order is well taken. I will have a look at it and bring back my ruling to the member.

**Mr. Neudorf:** — On another point of order, Mr. Speaker. It relates to another motion that is now on the order paper, which is resolution no. 7. Pursuant to your ruling regarding preambulatory clauses within motions made yesterday, resolution 7 itself contains just such a clause. The amendment which was ruled on yesterday contained a clause following the words,

and I quote, "which has involved", unquote, and that indicates the preambulatory nature of the clause.

Resolution 7 also has such a clause by which Mr. Speaker's ruling yesterday must be deleted. I therefore ask you to rule that in resolution 7 all the words after the words "relations process" be deleted or the motion be dropped from the order paper. Thank you, Mr. Speaker. That's resolution no. 7, sir.

**The Speaker:** — The member will have to give me a moment. I'm not sure which resolution we are referring to. Are you referring to private members?

I thank the member for his point of order, and I will again have a look at it and bring back a ruling to the House.

## ORDERS OF THE DAY

### GOVERNMENT ORDERS

### SECOND READINGS

## Bill No. 74 — An Act to amend The Saskatchewan Farm Security Act

**Hon. Mr. Mitchell:** — Mr. Speaker, I'm pleased to rise today to move second reading of The Saskatchewan Farm Security Amendment Act, 1993. This legislation makes provision for four sets of amendments to The Saskatchewan Farm Security Act. The first set of amendments address concerns raised by recent events regarding the farm ownership provisions of the Act and the need to ensure that these important provisions regarding foreign ownership of Saskatchewan farm land fulfil their intent.

Mr. Speaker, the existing farm ownership provisions contained in the Act have not undergone significant amendments since the 1970s. Recent events involving a rumoured sale of a large block of Saskatchewan farm land near Eston to what was thought to be foreign investors have highlighted the need to update these provisions to ensure that this province's greatest asset, its productive farm land, is properly and fairly protected.

The farm ownership provisions of the Act are amended in the Bill to provide the board with clear authority to investigate the potential contraventions of the Act before they occur and to provide the board with the ability to make an order enforceable by the courts preventing a sale from occurring in violation of the Act.

The Act is also amended, Mr. Speaker, to expand the existing provision regarding purchase by Saskatchewan residents on behalf of non-agricultural corporations or non-residents to provide clear authority to the board to order divestment by Saskatchewan residents holding farm land in contravention of the Act.

Finally, the farm ownership provisions are amended to provide cabinet with the ability to direct the board

to investigate and to report on any issue regarding farm ownership which may be appropriate.

Mr. Speaker, the second set of amendments in this Bill are intended to clarify and focus certain aspects of the initiatives introduced in the amendments to this Act by this government in the last session of the Legislative Assembly.

These amendments include the six-year leaseback protection program and certain other modifications to the previous process. The legislation will extend the application of the six-year leaseback program to those eligible individuals who, pursuant to a settlement agreement, are currently leasing the land and would have been eligible for an assignment of the leaseback right had this settlement occurred after the Act had been passed.

With respect to the operations of the Farm Tenure Arbitration Board, the Act makes the following provisions. It amends the quorum provisions — that is the Bill makes the following provisions, Mr. Speaker — it amends the quorum provisions for the Farm Tenure Arbitration Board to allow for a larger board which could split and hold separate hearings in panels of three. And the Bill further amends the Act to ensure that the Farm Tenure Arbitration Board will not lose jurisdiction of a matter where it fails due to a heavy case-load to initiate a hearing within the statutory time limit.

The Act will also be amended to clarify that where a security agreement is entered into with a lender for a specific debt and a waiver of statutory exemptions is provided by a farmer that specific debt may include a revolving line of credit. This amendment will also provide that such a security agreement may not apply to debt previously incurred by that farmer with that lender. This provision is clarified to ensure that the operating credit so important to Saskatchewan farmers can continue to be provided in a timely fashion.

The third set of amendments clarify that apportionment of debt on a homestead will occur in a foreclosure action, regardless of whether or not the homestead was included in the original foreclosure action by the lender. This clarification is necessary as a result of a recent court decision.

Finally, Mr. Speaker, the fourth set of amendments in this Bill arise from amalgamation of the Farm Land Security Board and the Saskatchewan Farm Ownership Board into one board to be known as the Farm Land Security Board. The new Farm Land Security Board will continue to perform all of the existing duties and responsibilities of the previous two boards. This amalgamation will streamline the operation of the board under the Act while continuing to ensure the important protection functions of the board remain fulfilled.

Mr. Speaker, I move second reading of An Act to amend The Saskatchewan Farm Security Act.

**Mr. Goohsen:** — Thank you, Mr. Speaker. I want to discuss, in the form of debate, the changes that are going to result from this legislation. My direction here I think in fairness, Mr. Speaker, will be more in the form of questions and observations rather than to try to solve the world's farm economic problems.

Every time though that we find ourselves tampering with the issue of land tenure, we find people becoming very nervous and very excited in our society. As well they might, Mr. Speaker, because the reality is that it is very near and dear to the hearts of Saskatchewan people who should be able to, who can have the right to own and operate property.

Most of the people that live in the province of Saskatchewan are here as a result of pioneers that came to this province because there was an opportunity to be able to own property. That's why most of the settlers originally came to the province of Saskatchewan, because they had the right to homestead. And the allure of being able to personally own something tangible where you could make your living and raise your family in peace and harmony with God, that was the lure that brought people, mainly in the early 1900s, from the European countries.

To have, at any time, a government suggest changes to law that might in fact change those directions gets people very nervous and very excited because it is a very basic and fundamental thing to the people of Saskatchewan. There are very few people that live in our cities in Saskatchewan that don't have forefathers that were rooted to that very fundamental principle of ownership of property.

Before we had cities, we had pioneers. Before we had cities, we had people staking out claims for one thing or another on the land. And so it is very fundamentally rooted in our culture, the right to be able to own property and to be able to make your living from that property and to be able to use it as security to raise your family.

We have found, Mr. Speaker, our land tenure system under serious, serious attack over the past few years because of the depression that we are presently in. And I use the word "depression" openly and without apology because that's what it is. We've long since gone past the term "recession" in Saskatchewan. All of the older people that I know that lived through the so-called Dirty Thirties have told me that the similarities are exactly there. We are in a situation with agriculture that can only be compared to the Dirty Thirties. And of course agriculture is the main user of this particular type of legislation.

I think that we have to be very careful that we preserve the right of the use of food production land to be used for exactly that purpose. I hope the minister will take note of that.

It is fundamentally important to the people of Saskatchewan who produce food, that they should have the right to own and control the property on

which they produce that food. It is fundamentally important to the consumers of food that the people who produce that food be happy, that they be challenged to want to produce so that they feel secure in what they are doing. It is the only thing that makes Saskatchewan farmers heads and shoulders above the rest of the world's producers. We produce more food per farmer, per capita in our society, of any other country in the world. We're only able to achieve that goal because our farmers are content and happy with the land tenure system that they have.

In other words, they will produce more food because they take pride in the ownership of the farm that they work. Ownership of their buildings, pride in the beauty of their farm yards, pride in the equipment that they operate, and pride in the ownership of the ground that they work on.

You will find, Mr. Speaker, very few farmers that will take credit for mother nature's contribution, but they will take credit for having used mother nature in their program to build the land so that they can leave it for future generations in better condition than they brought it . . . or started to use it themselves.

(1515)

Most farmers take that pride — pride of being able to build the ground and leave it in better condition when they're finished with it for the next generation than what they have had it to use for themselves. If it weren't for that pride of ownership, we would not see that happen.

I dare say that in Saskatchewan, where the wind is ever there and the only sure prediction about our weather is the fact that it will probably change in the next 10 minutes, those kinds of realities bring us to know that if we don't have farmers that work with our weather conditions very carefully, we could soon turn this entire province into a desert.

Scientists of every kind, agricultural of course mostly, have made those kinds of statements for as long as I can remember. And there's no question about the fact that they are right. If we didn't use conservation methods in the way that we till our soils, they would soon either wash away or blow away or be depleted. The reality is that in many situations we have been losing the depth of our top soil at any rate and it has been lost at an alarming rate in some areas.

And so we are working on new techniques and new technologies — all things that cost money but more importantly they require dedication, dedication to the soil, dedication to the farm. The kind of dedication that will leave that property in better shape for the next generation than it is now.

If you don't have pride in being able to own that property to be able to pass it on to your family or the ability to be able to sell it for your retirement fund, then you're not going to take as good care of it. And so we have to be extremely careful, Mr. Speaker, when we deal with the whole question of land tenure,

because while we may make what appears to be a very subtle move in the direction of government policy in land tenure, it will have huge rippling effects on the productive ability of our producers. Because as I've said, we out-produce all of the world's farmers now and we want to continue to do that.

But if we don't have that security that farmers need, they'll simply throw up their hands in frustration and say it's not worth the effort. If we ever get that idea planted into the heads of producers, the only alternative we will have is to live with less food production because that will surely be the result.

The four amendments that are being made, Mr. Speaker, challenge me to ask some questions because, as has happened in some of the other recent legislation, we find that after people study it we discover that there are things written in there that will be interpreted by the courts or that will in fact become the reality of the Bill that we never anticipated when we first read through it and took first glance of it.

The four amendments I truly hope do not make the kinds of changes to land tenure that we are hearing in the whole labour debate that has been going on in this Assembly.

If we're not very careful about the way that we handle property ownership, we could in fact make history come true. After the Second World War, a Japanese fellow by the name of Tito declared that he couldn't win the world through warfare because he had been defeated. So what he was going to do was promote that his country would become an industrial nation where they would turn loose their manufacturing capabilities and they would become the very best in the world, and that they in fact would build a world economy strong enough so that they could buy their enemies out and take them over by buying their countries.

I don't think that that's good for Canada, and I don't think that that's good for Saskatchewan to allow that to happen. But truly history is unfolding, Mr. Speaker, in that direction. History is unfolding in such a way that some countries are becoming extremely rich on our world.

On this planet Earth we have nations that have dollar values in numbers on books that are phenomenally large. And they don't really know what to do with those numbers. So the thing to do, for them, for security reasons is to go out and buy real property in other countries of the world. In other words, why fight a war over what you can buy? Why win it by force when you can go out and buy it with numbers on paper that in fact come from that other nation as a result of imbalances in trade and commerce?

And I'll use the oil industry as an example. Oil has become so important to our world, especially in the past to the war machinery of the nations. Oil is so important that those countries that had it in abundance were able to sell it at exorbitant prices in comparison to the trade and commerce of the rest of

the world. Some of the oldest adages in the world that needed to consistently be followed in order for the world economies to work properly, some of those things fell by the wayside. I'll give you an example.

One of the old rules of thumb is that an ounce of gold should buy a brand-new suit, a good quality suit. If that balance is no longer there, then the world economy starts to go wrong.

A barrel of oil used to be the price of a bushel of wheat. That was considered to be a balance in world economy.

What happened to our world economy there is quite simple for all farmers to understand. A barrel of oil is now worth \$22 and a bushel of wheat is worth \$2. That's \$20 difference that distorts the world economy and the balance of our world economy. What it means is that countries like the Arab countries, the Arab nations suddenly have more wealth coming in than they ever put out for food that they buy from the rest of the world, and it has upset the balance of our world economy to the point that their bank accounts are now so large that they have no place to get rid of those numbers.

If we allow those people to come in and invest in our Saskatchewan property openly, without restraint, they could quite easily with these imbalances buy our entire province and have us all working as slaves of their state, not even slaves of our own state. And so we have to be very careful from that point of view.

But on the other hand of the argument, Mr. Speaker, we also have to be very cautious that we allow land tenure policies to exist that do not restrict the free movement of the buying and selling of property in a free market system which would be geared to the supply and demand within the market-place.

In other words, the relationship of the price of land should be directly connected to the saleable value of the products that can be produced on that land. If it becomes attached to speculation or foreign dollar investments, which are speculation of course, then the farmers that produce the food on the land can no longer compete to buy that land. They would never be able to compete.

And if you want a pure, simple comparison of that, I'll show you back just to the 1980s in Saskatchewan. We had an awful lot of people believing that inflation was here for ever, that our economy was headed in the same direction that Mexico was going. In 1981, 150 pesos were given to you for each Canadian dollar; and nine years later in 1989 or '90, you could get 1,500 pesos for one dollar.

People in Saskatchewan and Canada, I guess rightfully thought that our economy was going to follow that trend and that we in fact had an inflationary roll that would never stop. And as a result we had this speculation in property because in an inflationary environment, property is the hard-core product that will ride out the effects of an inflationary

spiral.

And so we had everybody in society saying, how do we protect our dollars? And of course the old rule is buy land or iron. And so there was a tremendous activity in the speculative purchase of farm land to protect inflationary dollars.

That has backfired, Mr. Speaker, because of course our country went into a recessionary mode along with the rest of the world and we no longer have inflation as our number one problem. In fact we almost have deflation in some areas. There still is some inflation of course, and I could name examples, but that's got nothing to do with our point today.

The reality is though that a lot of people who overpaid for that farm land, because of those speculative ideas, suddenly found themselves with some very high priced land that they could no longer pay for by the product that was being grown on it. Quite simply, they had to either have the cash from some other source or they would lose their property; they couldn't pay for it. We can blame interest rates and we can blame a whole lot of things, but those are the simple realities.

And so that's why it's so important when we see how many farmers have lost their farm because they themselves got into the position where, if they wanted to expand their property, they had to compete with these inflationary prices. We have all kinds of situations, Mr. Speaker, where farm operations got into those kinds of financial binds because of no fault of their own.

An estate situation might crop up and a farmer would find himself having to settle with his brothers and sisters, and the settlement would be based upon today's market value of the property. The day's market value, because it was driven up by these inflationary forces and these speculative forces, was way too high compared to what that farmer would ever be able to pay off with the price of a bushel of wheat that he could produce on it or a pound of beef or a pound of pork or whatever other production he could get from the land. And as a result, in time they started to lose their land, and it was no fault of their own.

And so when we talk about land tenure, Mr. Speaker, we have to be very careful if we want to have producers that are genuinely committed to the production of food, genuinely committed to the land for its preservation, especially in this fragile environment that we have. Then we've got to be very careful that we don't put producers into a position where they have to compete to buy property at prices that are driven by forces other than the returns to that land from the productivity that it is able to generate.

So, Mr. Speaker, we are naturally very, very cautious when we see this kind of legislation coming in. I think you can understand the fear we might have in our opposition, having looked back at the history of this particular government and its predecessor government of the 1970s where they in fact brought in the now famous land bank proposition.

The land bank system, which appeared to be genuinely struck for good reasons — had lots of good arguments to support it — in fact became one of those inflationary-driven items that forced land prices to become unrealistic as compared to the cost of production and the returns on products. It had no relationship to that at all; it became a competitive tool. And as a result, it failed dismally and it was one of the prime contributors to the dismal failure of our whole land tenure system through the 1980s.

We naturally, though, fear that because we have this government in power that they may have forgotten that bitter lesson; that their philosophical needs as written in the deep-seated parts of their philosophical papers might be surfacing here and that the need to nationalize and become the controllers of society might be driving them more than the reality of how we get the best value out of our farm producers and how we have the best security for our agricultural community.

Noting that, we are obviously in this opposition somewhat reluctant to allow this piece of legislation to go ahead without a very thorough scrutinization of each of these individual amendments. Four which were mentioned by the minister seemed not so bad on the surface when you brush over them quickly, but as I've said, we've just witnessed how the labour Bills are totally upside down now as compared to what we thought their intent was at the beginning.

We also have come to the point where we have legal interpretations saying that in fact they're going to do exactly the opposite to what we thought, in fact, many, many things more than what anybody ever thought.

(1530)

So when we talk about amalgamation of two parts or two boards — the Farm Ownership Board was one of them — and the ability of those boards to split into panels, we start to worry about whether or not this legislation that will be placing these two, the Farm Ownership Board and the Farm Land Security Board . . . here they are, we're now going to amalgamate those two boards into one.

Now on the surface people will say yes, that sounds pretty good; we're probably going to save some money; we'll only have one board instead of two.

But, Mr. Speaker, perhaps what we're doing here that may not have come to light — and I will throw the challenge to the minister — perhaps what we're doing is taking away one of the tools that farmers who have a land tenure problem, one of the tools that they need and use in order to resolve their problems with financial institutions and with government itself in some circumstances — if they're connected with the agricultural credit service or one of those farm credit agencies, even perhaps the Farm Credit Corporation — any one of those government agencies — even municipalities if they're behind in their taxes and

those kinds of things . . . become liabilities against the land in a settlement arrangement or in some kind of an arrangement to resolve a debtor problem between a farmer and his lenders.

Write-downs are common only because these . . .

**The Speaker:** — Why is the member on his feet?

**Mr. Sonntag:** — Mr. Speaker, I ask leave of the Assembly to introduce guests.

Leave granted.

## INTRODUCTION OF GUESTS

**Mr. Sonntag:** — Thank you very much, Mr. Speaker, and also thank you to the opposition.

Mr. Speaker, it gives me a great deal of pleasure on behalf of the hon. member from Rosetown-Elrose to introduce to you and through you to the rest of the members of the Assembly, 13 grade 12 students from Beechy High School. With them also, Mr. Speaker, is their teacher Larry Warwaruk, and they're here . . . excuse me for the pronunciation, Larry.

And this afternoon they're here on a tour of the legislature just to see the proceedings. And I'll be meeting with them shortly, Mr. Speaker, for drinks and to answer a number of questions that I'm sure they'll have. I understand they'll be watching for about 10 or 15 minutes, and I'll meet them outside then.

So if I could ask all the members to join with me in welcoming them here this afternoon.

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

## SECOND READINGS

**Bill No. 74**  
**(continued)**

**Mr. Goohsen:** — Thank you, Mr. Speaker. I certainly want to join with the member opposite in welcoming the guests to the legislature. I hope that your afternoon is productive and educational.

We are today debating Bill 74 and The Saskatchewan Farm Land Security Act, and we're going to try to caution the government not to take this Bill so far as to destroy the ability of farm producers to be able to own and control the property that they work on. We worry about this legislation. As I've mentioned before you came in, as an opposition we worry about all pieces of legislation that comes before the Assembly, and we hope that you will find that our debate in this process is important to bring balance to our democratic system.

And that's what it's really all about, Mr. Speaker, is trying to bring some balance to our government so that they don't go off into a tangent on pieces of legislation like this where they might in fact upset the old apple cart and find ourselves with farmers no

longer having the ability to own and control the property that they farm and destroying their incentive to produce at the best possible capability which they have displayed in Saskatchewan over all of the years that this province has been developed.

As I pointed out, we have the best agricultural producers in the world producing more product per individual farmer than any other farm group in the world. That has only happened for certain reasons. And one of the biggest reasons of course is that security of land tenure, the ability of the farmer to be able to own and control the property that he works and to have that pride of ownership for himself and for his family. And that has been one of the primary motivating forces for why farmers in fact do such a good job in our society.

It has a lot to do of course with background as well, the background of having most of these people come out of countries that were oppressed, where in fact never would there have ever been a possibility for these individuals to own anything in terms of farm land or farm property.

Also the reality that many of them probably would have been shot in wars or killed by bombs if they had stayed in the countries of their origin. They were discriminated against in several ways. They were plunged into all kinds of chaos, and so they came to Canada and especially to Saskatchewan for that kind of peace and security that we have known and is recorded in history.

We want to preserve that. In our opposition, we want to make sure that foreign countries are not given the ability to buy our country and take it over and make us slaves of their nation. We want to continue to maintain a system of land tenure that provides ownership in the hands of the Saskatchewan farmers and the Saskatchewan people.

But at the same time we recognize that there are needs for land tenure to be able to fall into other hands during transitional periods. For example, on my own farming operation I have children that I hope some day will take some pride in owning the family farm. It's been in our farm for three generations and they'll be the fourth generation.

We hope that they will have the opportunity. Even though one of my daughters now lives in Edmonton, I would hope that she would have the opportunity to be able to participate in the carrying on of that family farm if she chose to do that. We're not saying that every person who has a son or a daughter outside of the province would necessarily want to be included, but we want the right preserved for them to be able to participate in that kind of transferral situation.

We were discussing some of the key points in the legislation that the minister brought up in his preamble describing the legislation and its intent. And we were just discussing with the minister the question of the amalgamation of two of the very important boards that have been set up in our province. We were

looking at the Saskatchewan Farm Ownership Board and the Farm Land Security Board being amalgamated. The amalgamations, Mr. Speaker, might, as I said, take away some of the options of farmers to settle disputes that they have with their creditors. And that would be negative.

And so I want the minister to be aware of the fact that we have a concern in this area and that we would like him to explain in absolute detail just exactly how the rights of the farmer are preserved in this legislation or if in fact there is any threat to the farmers losing some of their ability to negotiate with their lenders and creditors in final settlements of land dispute and debt disputes. It is not clear to me. And not being a lawyer I dare say I probably will never be able to get this exactly for sure until I hear a legal opinion.

So I'm suggesting to the minister that he get a legal opinion that he would share with us from the Law Society or from some credible law firms or lawyers that we in fact can peruse and consider to see that the farm rights haven't been lost in this process. Because so often when we rewrite a small bit of legislation, we find ourselves in a situation where it affects many other parts of the legislation and there can be that rippling effect through the whole process.

We're also concerned, Mr. Speaker, about one of the other issues which is the formation of the arbitration board. And what troubles me here is that if you have a larger board and that board is split into small groups that go around different parts of the province, what concerns me is consistency. I'm wondering if you have the ability in such complex areas as write-downs of debt and farm settlements and all of these kinds of issues that come up in land tenure, I wonder if you have the ability for a large board split into segments to maintain any kind of consistency throughout their decision-making process within the province. Unless they all sit together occasionally on the same case and share their ideas, how does one branch of the board know that they are ruling anywhere close to the same kind of ruling that another branch of the board is ruling on.

And that concerns us very, very deeply, because I think that in all fairness most people expect that in Canada if you have a law that all people will be treated equally under that law. But if you have a board that's making rulings on that law that isn't the same people at different hearings, you may not have that consistency of having people treated equally under the law.

And so that has us concerned and I want the minister to take note of our concern. And perhaps he will explain to us how he can maintain consistency when those groups make their decisions. Now it might be that he can draw up a set of rules for them, perhaps give them a written mandate of how they're to conduct themselves. I don't know for sure but there may be some explanations and I certainly want to hear them because that does have us concerned.

The lines of credit in operating were mentioned as

changed to provide for quicker operating loans. On the surface this seems like a very positive thing. Obviously farmers have trouble getting enough cash to operate in these difficult times. One of the most serious problems we have this spring in Saskatchewan is for farmers to have enough money to be able to buy the fuel, the seed, and the fertilizer to be able to put their crops in. There's no question about it.

I've had no less than four individual conversations in my home town with four individuals who are having problems trying to find enough money to be able to put their crops in. Their machinery is getting old; it's breaking down. They don't have good seed because of the frost last fall in harvest time. They are reluctant to buy better quality seed of course because dollars are very scarce; they don't have them. They don't want to go into further debt and further jeopardize their farming operations.

And so they're faced with having to seed a crop this year with some very, very poor seed. Now if in fact the ability of farmers to go to the bank and get a line of credit were made easier, that may in itself be a very positive thing to do. However if the repercussion is that there is no way to service that debt, and no guarantee from the government for that debt to be able to be serviced, then it absolutely writes the end of that farming operation because someone will sooner or later foreclose on that debt.

If any time that we allow people with assets to borrow more than what those assets are worth, we are putting them in a position of self-destruct. And while I defend every move made to try to help farmers, giving them access to credit that will automatically force them to go broke would certainly not be in the best interests of the farming community.

So we must be very cautious. And I want the minister to be very cautious not to put out a carrot at the end of a stick for farmers to reach for that in fact will cause them to fall over a cliff. And that's exactly the kind of danger, metaphorically, we have here. If we allow people to borrow more money than what the price of wheat will service, we will certainly cause them to go broke and we will have made the situation worse instead of better. I compliment the minister on his attempt here, but I caution him that he may not be doing it in the best interests of all farm people.

So we have to be careful how we rewrite these pieces of legislation. The lines of credit are very, very important and they're very necessary. I suggest though that the minister should have looked at some simple solutions for the immediate problem. For example, there are areas in the province where seed is very poor from last year's frost. A government program in 1930 . . . whatever provided that farmers were able, through the municipality, to access good-quality seed in those areas that didn't have seed. It was done through the RMs (rural municipality) — a very good plan.

We could revisit history and try to alleviate some of the problems that we have today. And I'm suggesting to the minister that he should have had his Minister of

Agriculture take a look at providing seed to some of those areas in Saskatchewan for this spring seeding. I don't think it's too late yet. All of the crop isn't seeded yet, and there are people that are planting seeds that are down to 35 per cent germination on their tests. That's not healthy for good crops and it's not healthy for the farm economy. And we should be looking at those kinds of things to go along with lines of credit and all those kinds of assistance programs.

The six-year lease that the minister mentioned has got us extremely worried because of many letters and many calls that we've had from the banking communities, especially our credit unions. I take no problem here at all in saying to you that I do most of my personal banking with a credit union and I would shudder to think that we would pass a law in this province that might cause my credit union to go broke. But the six-year lease program has put extreme stress on our credit unions and it has happened because, quite simply, the credit unions are based upon the philosophy of money in the community helping people in the community.

It's a good philosophy. It's worked really well in our community and it's worked well for credit unions. Unfortunately most of the people that borrow money in rural communities in Saskatchewan are farm and agricultural based, the very, very industry that is under the most extreme stress financially in our country today. Most of the credit union money that is lent out then is lent out into a very volatile financial industry — an industry that is hard pressed to make its payments. And as a result of having legislation changed that forces the financial institutions into extending credit where there is no backing for that credit, they have very seriously undermined the stability of the credit union system.

A bank like the Royal Bank, for example, is big enough internationally, outside of our province, that they are able to absorb those investments that they have within the province of Saskatchewan in the agricultural industry.

(1545)

But credit unions don't function that big outside of the province. They function mostly in their own communities. And therefore this legislation has been more devastating to the credit union system than to any of the other banking institutions. And so I caution the minister again: while your intent here to help farmers is good, you may in fact not be helping the total system if in fact you cause their financial system not to be able to function and to exist. So you've got to be very careful how we make these changes in extending leasebacks to people that are not able to pay enough back to the financial institution to protect its very existence. There has to be balance in all things that we do.

The Homesteads Act is the other issue that was discussed in this legislation by the minister. The Homesteads Act has been a sacred cow in Saskatchewan. And I believe on a day when we stood

in this Assembly and talked about saving battered women from the effects of our society, we must seriously look at The Homesteads Act, because that's why it's there.

Fundamentally The Homesteads Act was in place to protect farm wives, to make sure that no matter what happened through the droughts of the Dirty Thirties, the Depression of the Dirty Thirties, the causes of war, and the effects of the 1980s — all through those periods of stress and trouble that could happen, a farm wife was guaranteed that she and her children were protected, to have their home with a roof over their heads on the home quarter of land.

That was a fundamental right that was written into the law, and I believe that it has been supported by New Democrats all through the years. It is a fundamental right that is necessary unless you provide some other guarantee to farm wives and their children that they will not be forced out of their home and left destitute. It is the kind of thing that farm wives are entitled to; they deserve to have this protection.

And, Mr. Speaker, I caution the minister not to rip the rug out from underneath the wives of the farm community. They need some security even if it's just so that they can sleep good at night; that's important too. Those people deserve the right to think that the next day and the week after, they will have a home. They deserve that. They work hard, and they deserve the right to have that security to be able to rest in the comfort that they will always have, that roof over their head, even though in many cases it might be very humble. It's better than being turfed out on your ear and not knowing where your next meal is coming from or being placed in a position that many of our battered women in our society must find themselves in as well. And while I know it's a long bow to draw that comparison, there is some similarity to the realities here. All people deserve to have some protection from the effects of what society can do to them.

Well, Mr. Speaker, those are the four issues that the minister discussed. He discussed the foreign investment in the Eston area and the deal that he felt ought to have been able to be investigated by the board. And I commend him for looking at that.

However, I don't again understand what the magnitude or the total parameters of this legislation will truly be. I don't know just how far it's going. I haven't been able to interpret that in my study of the explanatory notes or the legislation itself. And I think we need to have a legal opinion to let us know whether or not we are serving the need that he explained in his simple approach, or if in fact this legislation may be going far, far further than any of us know.

We have to know what this legislation is going to do to our people and to our province in order for us to be able to properly even debate it, let alone support it, or to suggest amendments to it if there is something that needs to be changed or something that should be

right.

So we have to ask the minister if he will consider giving us some detailed explanation by people in the legal profession who understand legislation and how it's written. We need to have that assurance and that explanation so that we can judge what truly will happen to the land tenure system in our province, because it is near and dear to the hearts, not only of the people of Saskatchewan, farmers, but to the existence of the very fundamental principles that we work under in this province — all of them based on the right of the farmer who produces the food to be able to own and control the land that he produces his living on.

I think with that, Mr. Speaker, I will conclude and I'll thank you for your attention.

**Mr. Martens:** — Thank you, Mr. Speaker. I'm rising today to talk about the piece of legislation that was tabled in the Assembly yesterday. And I want to point out to this Assembly and to the people of the province some of the things that I've had the opportunity to observe, and I will deal with them, Mr. Speaker, in a detailed way as I go through the whole Bill.

But I want to point out that I will not be directing it at clauses, but I will read . . . or discuss it from the context of what I think is in the Bill.

The beginning of the Bill, Mr. Speaker . . . Well first of all I want to say that the Minister of Justice gave us an explanation on four points as has been outlined by the member for Maple Creek. Some of the things that he suggested was that they could order divestments of land of individuals. Then he also said that cabinet would be able to order the board to investigate contravention of the Act. The Farm Tenure Board, there would be changes to the quorum.

I think, Mr. Speaker, as I've read through this, that I would say to the members opposite that I believe that I suggested it last year in the discussion when the Farm Tenure Board came up. And I suggested to the minister of Agriculture at the time, the member from Rosetown-Elrose, that there probably would be a need for that kind of a function to take place. And that's probably the reasonable part about this Bill.

The fourth thing that the Minister of Justice mentioned was that the apportion of homesteads and the fact that the waiver wouldn't be changed as it relates to The Homesteads Act.

I find all of these things rather interesting, Mr. Speaker, from the perspective that the individual who is dealing with this is the Minister of Justice. I find it interesting that the Minister of Agriculture was not or has not been prepared even to discuss it so far. And I would suggest that because it deals a lot with agriculture or land holdings, that it would be significantly proper for the Minister of Agriculture to discuss this and provide some details.

As I've been going through it, Mr. Speaker, I found some things that concern me. And I'm going to be

raising a significant amount of questions regarding this Bill because it deals with a significant amount of areas. It deals with tenure for the Farm Tenure Board. It will establish some new criteria for leaseback programs, as I read what I have here.

I'm not sure exactly what they will do to the people in the leaseback program. I know that there have been some concerns expressed to me in relation to this and I've been looking through it to find out whether in fact they do address some of those concerns. And because of the kinds of things that have been suggested here, I'm not sure whether they achieve that.

The part I suppose, Mr. Speaker, that concerns me the most — and I would have appreciated if the minister would have been very specific on dealing with it — we have some items that call for identifying the words and what they mean in this Act. For example, "Canadian resident" is described here. I think it probably would have been in the interests of this Assembly if the minister would have described exactly what a Canadian resident refers to in terms of this Bill because he makes a note of that.

The other thing that is of interest, I believe, is that the Part IV "Farm Ownership" has also the words as an "aggregate land holding" the individual has the responsibility to provide to the Farm Ownership Board the volume of land that he has as an individual. If he's a non-resident from Saskatchewan that would mean that he was resident in Canada; he would have a different kind of a relationship to that land. Canadian resident means something else as it relates to the original Act. A foreigner, I believe, was someone outside of Saskatchewan.

Mr. Speaker, I believe that some of these things, as they've been worded here — and I've noticed how they've been worded — describe to me a very carefully planned, surgical description of how they differentiate between a Canadian citizen and a Saskatchewan citizen. And, Mr. Speaker, I have a great deal of concern as it relates to that.

A description here tells me that a Canadian resident can own 320 acres. I'm not sure that that's fair for the people of Canada. I'm not even sure that it's fair for the people of Saskatchewan.

And I was going through this and I said to myself, who are the people, who are the people that will want to farm in the province of Saskatchewan? Who are they?

And if I go down to my part of the province, Mr. Speaker, where's there's sometimes 10, sometimes 8 miles between farms, and I take a look at that and I say to the members opposite, somebody is going to have to own that land and farm that land in the future because these people are getting older and older and older. And, Mr. Speaker, their children are not on the farm. And because of that, Mr. Speaker, we probably have to have more people being willing to participate in agriculture than we do today.

And what I'm seeing as a part of the overall tone of the

Bill, I see more and more restrictions coming into place to prevent people from making an investment in land in the province of Saskatchewan. And I find that rather difficult to understand why they would do this at a time, Mr. Speaker, I believe at a time when we should be a little bit more open and a little bit more willing to have and allow people to own land in the province of Saskatchewan.

Recently I did an assessment of the municipality that I live in, Mr. Speaker, and 42 per cent of the land in the municipality was owned by those people who did not reside in the municipality. Now that doesn't mean that they didn't reside in the province of Saskatchewan or that they weren't Canadian residents, but I know that there are some people who own land in my municipality who live in the United States, for example. I also know that just recently a couple that I know from Herbert moved to Medicine Hat, and he has significant land holdings in the Herbert area.

And those are the kinds of things, Mr. Speaker, that tell me something. They tell me, number one, that people are finding it more and more difficult to live under the circumstances in agriculture that there are today. They are finding it difficult, and under those circumstances they're prepared to move anywhere to reduce the cost.

And so as you go about the various kinds of restrictive functions that this Bill goes through, we have to take a serious look at, really what does it do to help agriculture? The Minister of Justice used the land deal in Eston as the overall focus of dealing with an issue that was put into place by an individual from Regina here. And I noticed in the paper that the *Leader-Post* yesterday — or today's *Leader-Post*, I'm sorry — that the new legislation when passed, the new law will allow the Farm Land Security Board to investigate potential contravention of the Act before it even occurs.

So if the incident at Eston had taken place after the passage of this Bill, the individuals who were involved would have had to disclose all of the investors' names. They would have had to disclose all of the actions in relation to the land purchase. And I think that in some ways, Mr. Speaker, it probably wouldn't be a bad idea for that disclosure to take place. However, the individuals who are dealing with this are looking at it, I believe, from the position, if it isn't going to be a quarter section at a time, then we have to take a look at how people are going to dispose of the land.

(1600)

And if you take a look at what happened at Eston as an example, people in that area willingly — willingly — took and said I am prepared to sell my land to whoever the highest bidder is. And I read a letter in the paper that was written to the *Saskatoon Star-Phoenix*, I believe, a letter that was sent to me, carbon copy to me. And this individual was a lady that was writing and was saying, you know, my husband and I have been farming here for 40 years plus, and we are both over 65 years of age, and we would like to have

someone buy our land. But we . . . we don't have anyone to do that. And she said, who is going to buy it?

I have a neighbour that's two miles to the south of me, and she gave ages of 65, 68. And then she said I have neighbours to . . . the other direction, they are two miles away, they are 75 and 78. And then I have neighbours on the other side of me that are 68 and 72. And, Mr. Speaker, she said also that there were . . . none of those children were there to keep the land, to farm the land. So I'm here all by myself, as a 65-year old pensioner, trying to farm the land, and no one for me to sell it to.

Mr. Speaker, they had an opportunity, or could have had an opportunity, to move that land, and the people in that area said well it's a good deal. Who said it wasn't a good deal? Did the people in the community say it was bad? No, they didn't say it was bad. Who said it was bad? It was somebody else living a distance away where there was not an opportunity to have that land holding transfer to someone else.

And, Mr. Speaker, we have an interesting scenario that develops. We have one set of rules for business, and we have another set of rules for agricultural land. We have a rule that says that anybody that comes in and invests in Regina, for example, can come in here with \$10 million and buy as many apartment buildings as he wants for that \$10 million. He can do that any time he wants. Real estate will sell that to him. But as it relates to farm land, we've got a different set of rules.

Now we've talked earlier about discrimination, but I'm soon beginning to think that people in agriculture are getting discriminated against in many different ways. And as I see the restrictions in this Bill . . . and there are a lot of different kinds of restrictions. We have different dates, for example. We have dates that deal with March 31, 1974, restrictions not applicable to land acquired prior to that. Then we've got some more restrictions, land holdings by non-residents after September 15, 1977. Then we've got land holding by non-residents after May 6, 1980. Then we have special exemptions. We have a definition of Canadian residents, Mr. Speaker, and Canadian residents can only own 320 acres.

Now we are dealing and the Minister of Agriculture has been dealing on a constant basis about establishing a level playing field in relation to commodities moving back and forth in agriculture in this province and in Canada. Why not allow some of this in agricultural land to take place? Why should there be restrictions on this, for example? Why should there be restrictions on members who are part of my family who live in British Columbia and want to buy some land back in Saskatchewan, who I could sell that land to, being restricted? And I believe, as I've looked through this, that there are significant areas here that will restrict that opportunity for these individuals.

As a matter of fact, Mr. Speaker, my uncles who live in British Columbia cannot come back and buy their grandfather's farm, and why shouldn't they be able to

do that? Today, Mr. Speaker, people are suffering from a lack of an opportunity for equity investment in farm land. And, Mr. Speaker, over and over and over again this opportunity for equity is being eroded. Every time you turn the screws tighter on restrictions and make the whole area of financing agriculture more restrictive, each time you do that, you reduce the value of the land. Each time you do that, you reduce the value of the land.

I'm going to suggest to the members opposite, if you forced all of the non-Canadian . . . I'll start again. If you force all of the non-Saskatchewan residents in the province . . . or those people who live outside of Saskatchewan from not investing in real estate in the city of Regina, my guesses are that you would have a reduction in the value of property in this city by 50 per cent.

Mr. Speaker, that is exactly what restrictions placed on agriculture land do to agriculture in the province of Saskatchewan. They are taking a very limited source of supply for equity to finance land, and saying, I'm going to exclude Canadian citizens from investing in land in Saskatchewan. And that's what this legislation does. It says that you cannot own land in Saskatchewan. You have to be a resident here for 183 days; you have to be a resident in Canada for 183 days to own land . . . 320 acres.

Now, Mr. Speaker, I am of the belief that people in Canada would like to access an opportunity to buy land in Saskatchewan. Why not? Why not? Why shouldn't they be?

I'll point out to the members of the Assembly, if you took the housing market and said in the city of Regina, I am going to exclude all non-residents of Saskatchewan from owning property in the city of Regina, half of it would be gone. If you said, I will restrict non-resident corporations from owning land in Regina, you wouldn't have a single service station available, except the Co-op service station, available in the city of Regina.

Well that, Mr. Speaker, is exactly what you're doing with this restrictive control of farm land in the province of Saskatchewan. That is exactly what you're doing.

Now let's go one step further. Let's go for all the farm implement dealerships in the province of Saskatchewan that are owned by non-resident agriculture corporations. If they were, Mr. Speaker, held by non-resident corporations, if they had to deal with this kind of restricted rules, you wouldn't have a single agriculture implement dealer except those implement dealers who are residents here. And you would only have Degelman, you'd only have Morris Rod-Weeder Company, you'd only have the ones that make and manufacture implements here being able to own that land.

Now let's go one step further. If you apply the same rules in agriculture to all of the land holdings held by motor dealer companies — Ford, Chrysler, Chev — if

they were all owned by non-resident people, you would not be able to have . . . you would have a significant amount of them leaving the province of Saskatchewan.

What would that do in terms of investment in the province? That would cripple the economy of the province of Saskatchewan — cripple it, Mr. Speaker. And that's the kind of stuff we're talking about in this legislation.

Why do you want to restrict agricultural land to only equity that is available in Saskatchewan? That's the question you have to ask and that's the question I'm going to be asking the minister.

The second question that I'm going to be asking: why restrict the equity only to debt equity which is the hardest and the most difficult to pay back of any of the equity functions that can exist for an opportunity for an individual to buy land in the province of Saskatchewan?

You can only use debt financing for individuals in the province of Saskatchewan. You cannot use equity that comes from outside of the province of Saskatchewan to finance land in Saskatchewan. And that's what this is talking about; you've got to understand that that's what that's talking about.

Then you go one step further. Would individuals be able to own any kind of . . . Use Cameco as an example. Would anybody but a significant Saskatchewan-based individual be able to own shares in Cameco or in the diamond drilling functions that are going on through the province of Saskatchewan? Would any investments be able to be made by individuals outside of Saskatchewan?

The answer is no. What would that do for financing an opportunity in mining and development? It would curtail that seriously.

Well, Mr. Speaker, and Mr. Minister, that's what you're doing in agriculture. That's what you're doing in agriculture. You're restricting the use and the capability of equity financing in agricultural land that you don't do to anyone else. You don't do this to anyone else. And that, Mr. Speaker, is a problem. It's a problem that has to be begun to be addressed.

If you want to have agricultural land continue to be debt financed, you're going to have to deal with that issue. And, Mr. Speaker, until that's done, nobody is going to get rich in agriculture — until that's done. And you need to have a cheaper way of financing agricultural land.

You need to do it by equity financing. Somebody has to put the equity in that says, I will base my investment on the basis of an opportunity for investment, and if there's profit there, I will pay for it what it profitably will provide me. And, Mr. Speaker, the people in the province of Saskatchewan need that opportunity.

Why? They need that opportunity just like you need

outside investment coming in for any one of the oil companies coming into Saskatchewan to drill wells; you need that investment in people like Producers Pipelines. You need that investment. People have an opportunity to make investment in the province of Saskatchewan in every other commodity except agriculture land. And why? Why restrict that?

We're going to be asking the minister questions as it relates to . . . (inaudible interjection) . . . Mr. Speaker, I want to point this out to the member from Rosemont who needs to understand some very fundamental things as it relates to the issues that I've raised. And he believes that I am wrong in what I'm saying. But, Mr. Speaker, what I want to point to this member is that the equity in land cannot be financed by individuals only in the province of Saskatchewan. It cannot, because it's debt financing which it totally . . . it's acceptable, but it isn't the only way that we should be doing it.

And that, Mr. Speaker, is a problem. It raised its head all through the '70s as the prices of land was going up and in 1984-85 when it sustained itself, and then when it started to show the real impact in agriculture, it crippled agriculture, Mr. Speaker, it crippled it. And what should have had is an opportunity for investment from outside Saskatchewan coming in to Saskatchewan to own that land.

Mr. Speaker, all through the time that we're going to be in Committee of the Whole, I'm going to be seriously asking the minister why he does these kinds of things, why he's doing it. What's the purpose? And I'm going to suggest to him that in order to deal with the items that were raised in the Eston land deal, there should be a better way of providing a control mechanism for some of those kinds of opportunities.

The people in those areas, the people in Eston, did not want to have interference. Mr. Speaker, the people in Eston were willing and personally prepared to put their land for sale. Mr. Speaker, they were . . . secondly, they were interested in putting it up for sale and staying farming there to realize on the volume of dollars that they could take out for retirement for themselves.

And today, as I talk to various people in my constituency and in others, there are only . . . significantly there are only one group of people who buy land. There is only one group of people who buy land, and that's the Hutterites. And you know what they do? They do it based on equity coming in from other parts of Canada to provide the basis for the equity development on their farms. That's what they do. And it comes from all over Canada. It comes right into that Hutterite colony. They'll buy land for 15 to 20 times the assessment when land is normally going for 8 to 10 times the assessment.

And how are you going to prevent that from happening? Now that is gaining a general acceptance as the only individuals who can afford to buy land. Now do you want that to continue or would you like to have individuals who have private interests in land come forward and say, I am prepared to make an

investment in that community because my grandfather lived there, or my great-grandfather lived, or my uncle lived there. And as an investor I want to come in and put some money in there.

(1615)

Would you allow that to happen? This Bill will say no. This Bill will say no. And yet he could come in and put up 25 Woolco stores in the province of Saskatchewan and never have anyone bat an eye. Never. And why? If we have an opportunity for any kind of a commercial outlet, why would you want to restrict that opportunity from that investment? You wouldn't. And yet you turn around and in land you do that. In farm land you do that.

You say no, I can't have anybody coming in and making an investment in equity in farm land. I can't do that. Why? And the Minister of Justice and the Minister of Agriculture are going to have to answer those questions. I'm going to ask them why the different dates? What's the significance of the different dates as it relates to the time line? Why is March 31 of significance, 1974? Why is September 15, 1977, of significance? Why is May 6, 1980? Why is September 15, 1977? March 31, 1974?

And then, Mr. Speaker, the minister made reference to cabinet to be able to order the board to investigate. Now what would you want to snoop around doing that for? So that there's nobody coming in and saying to the individual investor, you're going to scare them away some more. Mr. Speaker, they're going to scare them away some more. The investor coming in, whether he is a Saskatchewan resident or a Canadian resident, that investor is going to be frightened away some more. Because the government is going to come snooping around everything that goes on.

My question to the Minister of Justice is going to be, how many people in real estate did he confer with as it relates to this Bill? How many people in SARM (Saskatchewan Association of Rural Municipalities) did he talk to as it relates to this Bill? Mr. Speaker, how many lawyers did he talk to in relation to this Bill who were dealing with farm estates and who have to go through the transactions that deal with this? Did anyone else ask him questions as it relates to the reason why in section 85 he talks about five years? You have five years to sell your land. There is also going to be questions raised as to why January 1, that land will have to be disposed of by January 1, 1994.

It seems to me, Mr. Speaker, that there have been too many people who are urban dwellers dealing with land that is agriculture, rural-based and don't have a clear understanding of what's going on. And I believe the Minister of Justice should have asked some of his back-benchers, especially those along the Alberta and American borders, what impact that this is going to have on those people. And that is in my view, Mr. Speaker, very serious.

I'm also going to ask the Minister of Justice what kind of restrictions he's going to place on land holdings as it

relates to partnerships and corporations.

Then there's some other things that are in here too, Mr. Speaker. There will be special exemptions. There'll be special exemptions. Oh there's some dates I didn't mention yet too. May 24, 1983, is a date that is in this Bill also, Mr. Speaker, that is going to have to have some clarity. And people are going to have to dispose of their land by January 1, 1994. Who's going to auction this off, Mr. Speaker? Who's going auction it off? That, Mr. Speaker, is what the problem is going to be. Is the land price going to go like this?

Now let's talk about exemptions. Are you going to have to be a special friend to the Minister of Justice in order to have an exemption? Are you going to have to be a special friend of the member from Regina Rosemont to have an exemption? Are you going to be the Minister of Agriculture and give the exemption? Are you going to be the minister responsible for Economic Development and give the exemption? Who is going to be the person that gives the exemption?

Then, Mr. Speaker, after all of that is done, will the determination be made on whether it is a good deal or a bad deal for the farmer? No. It'll be based on a political — and might even be a small "p" political — view of the world. And that, Mr. Speaker, is the reason why we are going to have lots of questions to raise with the minister about this Bill.

Now I want to point out some things that I'm going to raise that I find difficult to understand. First of all, the Farm Ownership Board will have the authority to investigate where the board has reason to believe that a person has violated the intent of the Bill in obtaining some land. The board or people authorized by the board may conduct an investigation into the matter.

Well, Mr. Speaker, would there be any toleration of this kind of a function in any land held in the city of Regina? Would there be ever any opportunity for this to be put into place in the city of Regina or the city of Saskatoon to do exactly what you're doing in agricultural land?

And the answer, Mr. Speaker, would be never. There would be absolute, total rebellion, revolt if that's what would happen to the business communities in the cities and to the people who own housing in the cities; that are here in Regina or Saskatoon or any city. That, Mr. Speaker, is what this Bill is going to do.

So we're going to have . . . as the Minister of Agriculture said one time earlier, we have bin police — people going from bin to bin to bin to measure. Well now, Mr. Speaker, we're going to have land tenure board police.

People who are going to try and police this are going to be going from deal to deal: Mr. Real Estate Agent, what's your commission on doing a deal today? And after going through all of this investigation, what's your commission going to be on a deal that he does tomorrow? It's going to be significantly higher.

You know why? Because the land prices are going to go down and his commission is going to go up. And I see that happening over and over and over again.

The court is going to be able to enforce this under the board. The court will be able to enforce this. It will be able to declare null and void any instrument or document agreed to by individuals.

Now, Mr. Speaker, we had this government stand up and say that they were going to nullify, make void, make void any action taken by the Crop Insurance Corporation in the province of Saskatchewan. They were going to declare that action taken from 1991, January 1, 1991 and on, as null and void — void in . . . They're going to deem it to be void. Okay, Mr. Speaker, they deem it to be void. Deeming, in legal terms, is legalizing and putting in a legal term a word that isn't the truth.

Mr. Speaker, I'm pointing this out to the people of the province of Saskatchewan because I think it's significant. The court will also be able to order in the nature of an injunction prohibiting any transaction through which a land holding may be acquired as it contravenes this Act. So the court is going to rule that you can't buy land if you're a non-resident.

Well, Mr. Speaker, over and over and over again they're attaching a cost to the process of moving land in Saskatchewan. Every time one of these things happens, Mr. Speaker, it costs more. And who pays the piper, Mr. Speaker, who pays? It will be the person selling the land. Why? Why would this government decide to take and personally view every land deal in the province of Saskatchewan? Why would they want to do that? That's what they say they have to do.

A person having a land holding in contravention of this Part shall immediately reduce his, her or its aggregate land holding to an aggregate land holding permitted pursuant to this Part.

They will have to be forced to go right down to 10 acres or 320 acres, depend upon which part of this Act applies. And, Mr. Speaker, the Minister of Justice should have stated in his place here today that this is what is going to happen. But did he? No, Mr. Speaker. He just had as loose and broad-ranging discussion about this Bill as you could possibly get, didn't define any of this for us, didn't show us any of the things that it would do.

Mr. Speaker, he didn't show us how much the increased costs in legal fees were going to be to make these transfers, when lawyers are going to have to investigate the aspects of application by the board. He didn't say anything about that. He didn't inquire about whether the court action is going to cost the farmer or whether it's going to cost the guy that buys.

All of these things, Mr. Speaker, are going to cost more. And that, Mr. Speaker, is the reason why we're going to be raising these kinds of questions in the Committee of the Whole, for the single purpose of

showing to the people of the province of Saskatchewan that what the Minister of Justice has done here, he's taken a howitzer to kill a fly. And, Mr. Speaker, that's what the problem is. And if he would have used a fly swatter in the first place and borrowed it from Jack Messer, it might have been a good idea.

And that, Mr. Speaker, is the kind of thing that we need to think about when we deal with this part. Who's paying? Who's paying? Across the board as I look at this Bill, I see only one group of people paying, and that's the people who are selling the land — the people who are selling the land. And if it isn't going to be the people who are selling the land, it will be the people who are buying.

And if you're debt financing all of these assets in the province of Saskatchewan one more time, then, Mr. Speaker, that will be a significant debt financing load for the rural people in the province of Saskatchewan. And I don't think that that's fair. You wouldn't do that to any of your voters. You wouldn't do that to any of your voters in your urban centres; you wouldn't do that. As a matter of fact, Mr. Speaker, they would be run out.

Mr. Speaker, I do have some family that live in Vancouver and in Victoria and in the Fraser valley. And the day that they put in that new tax law, the Minister of Finance in B.C. (British Columbia) read the Riot Act on ownership of homes in British Columbia to the tune of . . . if your house has assets of \$400,000, you've got to pay a \$400 tax. And then your land tax and all of the taxes related to that. And their taxes are based on the fact that the asset value of the land is what its saleability would recover, and that value is its market value.

Now when the Minister of Finance brought forward that legislation or that tax increase in British Columbia, who rebelled? Who rebelled at that? It was the women and men who were senior citizens who got very, very seriously angry. Do you know why? Do you know why? Because the government said, oh, don't worry about it; don't worry about it. You can attach that extra tax to your land and you don't have to pay it now. We'll just put it against your land, and you can pay for it when you die. Your estate can pay for it. That's what they said. Then the senior people in British Columbia got really upset. And that's why 50,000 people marched in the legislature in British Columbia; that's the reason why.

And you start attaching those kinds of items to the people in the province of Saskatchewan on land tenure and you're going to have a serious problem.

I don't understand why people in the province decided that they weren't going to support the constitution. Why? One fundamental reason I believe overrides all of the other reasons. And that one reason was that there was too many times and places where discrimination was taking place and that certain individual groups were getting a benefit. Certain individual groups were getting a benefit that others did not get.

And, Mr. Speaker, what you're doing here, is you're doing that in reverse. You're saying to the people in rural Saskatchewan because you are rural, because your assets are land, you will be discriminated against in relation to its marketability.

That, Mr. Speaker, is exactly what the problem is. And I see that as a serious erosion of the rights of individuals in this province because you do not treat everybody the same. You've got to make a special rule for agricultural land.

And I'm saying, I'm saying to you as individuals in the province of Saskatchewan and as members of this Assembly that you should take and make those same rules apply to everybody, if you're going to make them apply to agricultural land. And I'm going to say that as we go through this Bill we will be talking about those kinds of items that are going to seriously impair the opportunity for transfer of land in this province.

(1630)

Mr. Speaker, as I took a look at this yesterday, I said to myself, well you know if they're going to be brave and make an opportunity available, we could have the price of land go up a couple of thousand dollars a quarter, or maybe \$5,000 a quarter. But you know what, Mr. Speaker? This is going to make it go down, down some more.

And I'm going to say to the members of this Assembly that you are going to hurt the very people that built this province, that put it together in the first place, and the people that keep it together. The rural people in this province can't move their business elsewhere. They have nowhere else to move it.

And I'll point that out by saying this to you, Mr. Speaker, and to this Assembly. I was in Kindersley one day about six months ago and I asked the people there whether they approved of this government. And that was even before the new health program came in. And I said, what would you say if we all hooked our tractors onto the Alberta border and pulled it 150 miles to the east. And one guy yelled from the back and he said, 70 would be good enough for me. And the joke going around in the Calgary papers was that Saskatchewan's going to be annexed by the Alberta government.

Well, Mr. Speaker, those people didn't take it as a joke, Mr. Speaker. They're seriously beginning to consider that as an alternative. And I say to the members of this Assembly that that is being perpetrated on them more every day by putting in this kind of legislation. And, Mr. Speaker, the Minister of Justice is going to have to answer the questions as it relates to the kinds of things that I see in this Bill.

I'm going to be asking him also questions, Mr. Speaker, that relate to how he's going to allow exemptions to major corporations in Canada including the Royal Bank, the Bank of Montreal, the credit unions in the province of Saskatchewan who

use outside financing to come in and buy this land, to finance land.

I'm going to ask him: what kind of exemptions are they going to make in order to determine that they're going to get exemptions? Who are they going to ask? Who are they going to ask over on that side? And what is that asking going to cost them? And what is that asking going to cost them?

And, Mr. Speaker, as I take a look at this, I'm going to ask the Minister of Justice whether the Farm Credit Corporation is going to get an exemption. I'm going to ask him specifically why, if Farm Credit is going to get an exemption.

And if Farm Credit is going to get an exemption, then why shouldn't other individuals who are my family get an exemption? Why shouldn't they be able to do that? Why should Farm Credit get an exemption? Why should the Royal Bank get an exemption? Why should the Bank of Montreal get an exemption? Why, Mr. Minister?

And my observations are going to be this: that I don't believe that the minister has thought through the serious economic difficulties that are going to be created by his imposition of this Bill on the people of the province of Saskatchewan. I don't think he's considered it. That's because, Mr. Speaker, he doesn't understand it. I don't believe he's understood it and neither will he be able to answer the questions when it comes time to because I don't think he's seriously considered that.

And I want to point out to the people here that if you don't comply, if you don't comply, Mr. Speaker, there's fines involved. Well how much would a fine be? Well, Mr. Speaker, a fine for a corporation is \$100,000; a person who is in contravention of this Act is fined \$100,000.

Well, Mr. Speaker, there is going to be an involvement by the legal profession in this, and who's going to get the money from all of the transactions that are taking place? It isn't going to be the people of rural Saskatchewan who will get the benefit. It won't be land holders in the province of Saskatchewan who will get the benefit. No, Mr. Speaker, it will be lawyers, it will be accountants, it will be judges, it will be courts, that have to act in response to this.

And I say to you, Mr. Deputy Speaker, that the people in the province of Saskatchewan should surely and seriously take an absolute close look at this in order to say to the Minister of Justice, you've definitely contravened some of their own individual rights in relation to this Act.

Not only that, Mr. Speaker, an individual who contravenes this Act will be guilty of imprisonment for six months, imprisonment and a \$100,000 fine for what, Mr. Speaker: something that is available to the business community and the province of Saskatchewan and is not available to agriculture people.

People in business in the province of Saskatchewan, if its owning all of the service stations in the province of Saskatchewan, can do this. And they can legitimately do it. But if somebody comes in and says I have money from the outside and I want to buy some agricultural land, and he's in contravention, he can be thrown in jail and fined a \$100,000 besides.

Now have we got two classes of citizens, Mr. Speaker? It apparently appears that way. We have two classes of citizens. One is a rural person, and one is an urban person. They both have assets in real estate, and you treat one as if he was good and the other as if he was bad, for making the exact same land transaction. And, Mr. Speaker, I am of the belief that the people in the province of Saskatchewan should take a serious look at what this does to impact on each one of them.

And, Mr. Speaker, I am going to be asking the Minister of Justice questions as it relates to this Bill. And I believe that he better have the answers as to economic impact that this will be in relation to the kinds of things that I see happening.

Now how is this going to work, Mr. Deputy Speaker, when you can get an exemption for the Bank of Montreal and you can't get an exemption for an individual who lives five miles out of the province of Saskatchewan, who owns land in the province of Saskatchewan? How is this going to apply, Mr. Deputy Speaker? The Bank of Montreal could get an exemption. The Royal Bank can get an exemption. They have 4 or 500,000 acres of land in the province. They can get an exemption. But the individual who lives 5 miles outside of the province of Saskatchewan and has land in Saskatchewan, will he get an exemption? Who knows, Mr. Speaker? And if he's in contravention of this Act, he could go to jail for six months or be fined \$100,000.

And, Mr. Speaker, that's the kind of thing that I'm going to be asking the Minister of Justice to supply to this Assembly and to the people of the province of Saskatchewan. What's the economic cost, in relation to this Bill, to the people of the province?

You know what? I don't think he'll be able to answer. Because I don't think he's assessed it. And if he had, he would have, I believe, not put this Bill in.

There's another thing that strikes me in this Bill that is of interest, and that is dealing with section 16 as it relates to mediation services. Mediation services to this point, Mr. Speaker, have been at cost to the taxpayer. But what's going to be in this Bill, Mr. Speaker? Mediation services in this Bill will now be able to prescribe a fee — a fee, Mr. Deputy Speaker.

This government is full of fees. It is loaded with fees. Everything it does has got a fee attached to it. You can't do anything on that side of the House and it hasn't got a fee attached. And, Mr. Speaker, I'm pointing out to the people of the province that the mediation services will be able to prescribe and require a payment of fees for persons using those

services.

Well, Mr. Speaker, that's really interesting. Agriculture has to pay a fee. When a criminal goes to court, does he pay for the judge? No. The taxpayer pays for the judge, Mr. Speaker. When a farmer goes to court on mediation services and someone is acting on his behalf, will he have to pay? You betcha.

I'm going to ask the Minister of Justice how much those fees are going to be. And my best guesses are, Mr. Speaker, he won't be able to tell us that either.

Mr. Speaker, there are a lot of things about this Bill that I find not only cause me a lot of problem but they are going to cause the people in the province of Saskatchewan serious, serious problems. And I am saying to this Assembly and to the Minister of Justice that not only should he have people who are able to describe the legal concept of the Bill to this Assembly, but he'd better have people in place who can talk to us about the constitutional rights of individuals as it relates to this Bill because I think they're in contravention of the charter of rights in some of these area.

And I am going to be asking those kinds of questions. I'm going to be asking questions as it relates to the volume of dollars it takes to finance this kind of a board, a farm ownership board, because they're going to be very, very busy.

And then, Mr. Speaker, I'm going to ask him what the cost on society is going to be in relation to this. Because I don't think that these people in government have assessed that. And that, Mr. Speaker, those questions I believe that the Minister of Justice has an absolute, total responsibility to answer.

The people of the province of Saskatchewan are having this Bill pushed through the Assembly on the basis that it's going to solve all the problems that happened in Eston. And I'm certain, Mr. Deputy Speaker, that there are a whole lot of things that the minister hasn't taken into consideration as it relates to this Bill, and I'm going to be asking those questions in Committee of the Whole as we get to it.

Thank you, Mr. Speaker.

**Mr. D'Autremont:** — Thank you, Mr. Deputy Chairman . . . Deputy Speaker. The Bill we're discussing today dealing with farm land security, it seems appropriate, Mr. Speaker, that this government would bring forward such a Bill, particularly when it's their Premier, their leader, who states that farm income is rising; when Agriculture Canada turns around in the same week and says that farm income will drop to net of \$5,000 this coming year.

This government, Mr. Deputy Speaker, has very little credibility when it comes to talking about farm issues. In fact is perhaps I used the word "very little" too strongly and I should have said has no credibility when it comes to dealing with farm issues.

My colleague, the member from Morse, talks about some of the people on the west side of the province wanting to move the border — the Alberta border — eastward. Well, Mr. Speaker, Deputy Speaker, as you know, my constituency borders on the U.S. (United States) and there people are saying that in the 1870s and 1880s when the land survey came through and surveyed the border, the 49th parallel, some people are saying they made a mistake — that they set the border too far south, that actually it should be about 50 miles further north than what it actually is. So those people, Mr. Speaker, don't like what this government is doing either, just like the people on the west side of the province don't like what's going on.

One of the issues that this Bill relates to indirectly is some of the changes being made at SAMA (Saskatchewan Assessment Management Agency) and their assessment process. It deals with the figure of \$15,000 of assessment, municipal tax assessment for a piece of property, as being the limit that a non-resident can hold. Well under the previous Bill which was designed better than 10 years ago, a \$15,000 municipal assessment reflected very valuable land, or a large piece of property, Mr. Deputy Chairman. But today, with the reassessment that's been carried out in the last few years where assessments more than doubled in most cases, that has changed the amount of property that fits within that criteria of \$15,000.

(1645)

SAMA is now talking about moving to a system of real value as represented by the historical sales of land within a particular area. If this change is accepted, Mr. Deputy Speaker, then the values of land will jump dramatically and easily exceed the \$15,000 taxable assessment that this Bill talks about. If the SAMA recommendations are accepted to go to true market values for municipal assessments, then \$15,000 will not even reflect the value of a single quarter of land unless, as my colleague was mentioning, this Bill and other Acts that could be presented before this House . . . the effect of them being to drive the price down. If that does indeed happen, then we could see a situation where \$15,000 might reflect the half section of land or the 320 acres that's being talked about.

But, Mr. Speaker, the farmers of this province would certainly hope that land values do not decrease to such an extent as to drop down to \$15,000 a quarter.

By putting people into the situation where they will have to dispose of their property — forced disposal of their property, not because they wish to dispose of it, but because they're forced to by this legislation — that is one of the things that will drive the value of property down.

You look across this province and the Bill talks of non-agricultural corporations. Well land is held by various non-agricultural corporations, some of which are the banks, the credit unions, FCC (Farm Credit Corporation). Now they're exempted in this Bill.

But what would happen, Mr. Speaker, if this legislation was changed, or if the exemptions that are being given to the banks and the credit unions currently, were disallowed? We would have a large amount of land which would be forced on to the market, Mr. Speaker. And this would have a twofold effect. It would drive down the immediate price, the immediate value of land because of all the land that the financial institutions would be dumping into the market-place. It would also have the effect of decreasing the value of collateral on other mortgages, other land mortgages being held by those financial institutions. And that has as dramatic an effect as decreasing the actual value of the land on purchases.

What would happen is that those people who hold mortgages with financial institutions would have their collateral eroded; they would no longer have the collateral to support the mortgage, and this would put the financial institutions in the position of demanding more collateral or calling the loans to . . . at least a portion of the loan, to bring the loan value down to what the current value of the collateral is.

And, Mr. Speaker, farmers in this province cannot afford to pay off loans in such an immediate situation. They don't have the financial resources or the wherewithal to do so. So that would put them in the position of having a large amount of land being foreclosed by the financial institutions. And, Mr. Speaker, I don't believe anybody in this province wants that to happen.

So when the minister is bringing this forward, I hope he will take a very serious look at that \$15,000 figure and reflect on how the changes to SAMA, how the changes to the municipal assessment will affect this type of legislation.

Municipal assessment is also based now on the property, on the buildings and improvements on that land. That's part of that assessment figure now. Mr. Speaker, that needs to be taken into consideration also when you're talking about the \$15,000 figure for municipal tax assessment on a piece of property.

Some buildings that are now being assessed do have a significant amount of value. If you start looking at extensive hog operations, extensive feather operations, cattle operations, you're looking at a significant real value there. And when SAMA starts to reassess this type of property, you're going to find a good number of pieces of property are going to fall outside of that \$15,000 value. And that will put a large amount of property in the position of being forced . . . of having a forced sale on it.

In my area in particular, Mr. Speaker, because I'm bordered by Manitoba on the east and the U.S. on the south, there has been traditionally a significant amount of land owned by people on either side of the border. People in North Dakota own land in Saskatchewan; people in Saskatchewan own land in North Dakota. People in Manitoba own land in Saskatchewan and vice versa. We have quite a large number of farmers who farm on either side of any of

those borders. And what impact is this going to have on them?

I had a fellow who phoned me not that long ago, Mr. Speaker, dealing with one of the changes that the government had made on another piece of farm legislation. This fellow farms with his three sons. They live on the Saskatchewan side of the border. One of his sons bought some property, with buildings, on the Manitoba side of the border. He lives 100 yards from Saskatchewan and yet under this legislation he will not be allowed to own property on the Saskatchewan side of the border unless he purchased it — with all the different dates in here — prior to 1977 or prior to 1980. The dates are somewhat confusing for most people as to when they're allowed to own this property.

In this particular case, because he's a young man who's just entered into farming, he won't . . . his situation will not be covered by the exemptions. So he'll be in a position of having to dispose of his property within five years. And it hardly seems fair, Mr. Speaker, when he stands within a stone's throw of the Saskatchewan border and the rest of his family's operation. They're farming it as a family operation.

If we look along the U.S. border in my area, Mr. Speaker, the people have traditionally married back and forth; have families back and forth on either side of the border. Their grandparents settled in one place and the families have spread out from that point. And some of those settled on the Saskatchewan side of the border and some of them settled on the North Dakota side of the border. They all have the same family names. And they're going to be severely impacted by this, Mr. Speaker.

As my colleague from Morse was saying, uncles and aunts, nieces and nephews will not be able to buy their heritage farms, the farms that their grandparents initially homesteaded, under this type of legislation.

This government when they bring forward legislation, Mr. Speaker, and make a statement that this is how things will be done, the people of this province have a great deal of apprehension with this government because there is no longer a feeling that the people of this province can trust the government opposite. They have seen contracts broken across the board, Mr. Speaker.

We have seen the contracts of civil servants broken. We have seen the contracts of farmers broken. We're now seeing the potential for contracts being broken with the province's co-ops. And what's to say, Mr. Speaker, that once this piece of legislation is brought forward, passed, that a social contract with the people of this province that that in turn will not be broken. Where it says 320 acres is what you're eligible to have, next year it could . . . once you've come forward and purchased it or dropped your holdings down to that number, that the next year they won't say it's 160 and then it's 40 and then it's 10 as in some cases in this Bill already. Mr. Speaker, the people of this province do indeed have a great deal of mistrust for the

operation of this government.

This Bill also talks about combining the Farm Land Security Board and the Farm Ownership Board. Well, Mr. Speaker, those are two separate entities currently. They fill two separate functions. And perhaps there are some savings to be had by amalgamating of these boards. But, Mr. Speaker, we would like to see some evidence that there is indeed some savings to be had here.

The Farm Land Security Board deals with particular issues. It deals with the foreclosures of farm land; it deals with the farmers themselves when the financial institutions have given foreclosure notices; and it deals with the financial institutions. It brings the two groups together for mediation and for negotiations.

And the Farm Land Security Board does have some authorities vested in it through legislation that gives it power to make recommendations to the court that the farmer has indeed tried to meet his obligations or no, he has not tried to meet his obligations.

By combining the two groups together, you're mixing apples and oranges, Mr. Speaker. You're going to have to have people on these boards that are going to have two separate functions but are sitting on the same board and trying to make determinations on the recommendations of those boards the cases that come before those boards.

And what the net result of it will be, as an ownership case comes forward, those people that are dealing with the ownership issues of farm land in this province will make the decisions for that board. When a farm land security case or foreclosure case comes forward, it'll be the people dealing with that particular type of issue that will make the decisions.

So the net result will be is that you'll have actually two boards still sitting there even though they're sitting at the same table. There will be that invisible dividing line between them. The one group will make the decisions dealing with the one particular issue; the other group will make the decisions dealing with the other issue.

And so, Mr. Speaker, I believe that it will cause some confusion and inefficiencies within that board when that happens. And unless the government can demonstrate that there will be actual savings by combining the two boards, it's perhaps better if they reconsider that option and leave them as two separate entities.

Mr. Speaker, back during the 1970s during the NDP Party's previous incarnation as government within this province, they had a committee that toured the province dealing with land use. And this Bill deals with land and land use; it says who can own land and who can't.

What was interesting with that previous committee, as it toured the province in the '70s, was the interpretation as to who should have land and what

was the proper amount of land for any particular individual to hold. You know, and it seemed to be depending on the individual that was making the presentations to those committees on what was the proper numbers, what was the proper use, who should be eligible to have land in Saskatchewan.

One particular gentleman down in my constituency, a well-known member of the government party, stood up at one of these meetings and stated that the proper amount of land for an individual to hold was 20 quarters of land, because at that particular time the gentleman in question only had 19. And that seems to be the case in this legislation, Mr. Speaker; it depends on how much land you already own, how much land somebody else should be allowed to have. If it exceeds what you have, well then they're reaching the limit on what they should have. If you wish to expand a little bit, well then the numbers grow some more. And that seems to be a real problem, Mr. Speaker.

When you look along the borders of this province — Manitoba, the U.S., and Alberta — the families that are farming back and forth, they have the right, Mr. Speaker, to expand. They are Saskatchewan people in the main or they're related to Saskatchewan people. But even under this legislation, Mr. Speaker, an individual could come into this province and buy land, be a resident of Saskatchewan. It doesn't say in here that they have to be a Canadian resident or hold Canadian citizenship, but that they be resident in Saskatchewan. They could come into this province, Mr. Speaker, with money from offshore, purchase attractive land. As long as they lived here, they would be entitled to hold it.

So what is the government trying to accomplish with this type of legislation that's saying people who are Canadian residents or non-Saskatchewan residents can hold a half-section of land or a value of \$15,000.

Well people, as long they're prepared to live in Saskatchewan, can have property here. They can have mortgages on all this property outside of Saskatchewan. If you go down to the Royal Bank or the CIBC (Canadian Imperial Bank of Commerce) or Toronto-Dominion or whoever today, as a Saskatchewan resident and borrow money that debt is being held by a non-Saskatchewan corporation.

So you owe that money some place else. If they foreclose, that money in turn . . . or that land in turn moves to a person or to a corporation resident outside of this province. And there's nothing in here, Mr. Speaker, that . . .

**The Speaker:** — Order. It now being 5 o'clock, this House stands adjourned until 2 p.m. tomorrow.

The Assembly adjourned at 5 p.m.