

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fourth Session — Seventeenth Legislature
43rd Day

Wednesday, April 3, 1974.

The Assembly met at 2:30 o'clock p.m.
On the Orders of the Day.

INTRODUCTION OF GUESTS

Newcomers Club

Mr. G. B. Grant (Whitmore Park): — Mr. Speaker, in the east gallery we have a group of ladies today whom I should like to welcome to the House through you and introduce to the Members.

These ladies form the alumni of the Newcomers Club in Regina and they have had lunch in the buildings today and I hope their visit will be most educational and informative.

I understand this type of organization exists in most Canadian cities. I know that it has been very active in Regina for a number of years. I think these ladies are to be congratulated for the good work they are doing in acquainting newcomers to our city and getting them settled down in their new locations and making them feel at home.

I know that every Member joins with me in extending a very sincere welcome to them.

Hon. Members: — Hear, hear!

Hon. W. E. Smishek (Minister of Public Health): — Mr. Speaker, may I join with the Hon. Member for Whitmore Park by also extending a warm welcome to the ladies. I know that they have been in the building for some time and I do hope that so far their visit has been a good one. I hope that their stay with us this afternoon in the Legislature will be a useful experience. On behalf of the Government Members I do want to extend to them a warm welcome.

Hon. Members: — Hear, hear!

Mr. K. R. MacLeod (Regina Albert Park): — Mr. Speaker, not only is Albert Park and Regina South one of the outstanding areas in the city, it is an area to which many of the newcomers come when they first arrive in Regina. They first get their taste of the friendly welcome that is extended to all newcomers. They fit in very quickly and rapidly and help to build this area of the city into one of the outstanding areas of the province. We are so pleased that so many of them have continued on. It has been my pleasure to meet with many of them in the past. We hope that they stay for a good long time in Regina and I want to join with the rest of the Members of the House in welcoming them here today and we hope that we will do them proud and hope that they will enjoy the activities of their Members in the Legislature today.

Hon. Members: — Hear, hear!

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Mr. H. H. P. Baker (Regina Wascana): — Mr. Speaker, not only do I welcome the ladies on behalf of those that may live in my constituency, but I think I am in the position to welcome them on behalf of the whole city. I want to echo the words expressed by the other Members and I am pleased that they have chosen Regina, and after last night's announcement, we can say the fastest growing city in Canada.

We hope that you will share and be part of this fine community for many years.

A sincere welcome.

Hon. Members: — Hear, hear!

QUESTIONS

National Energy Board Hearings

Mr. J. G. Richards (Saskatoon University): — Mr. Speaker, I should like to address a question to the Hon. Attorney General in his capacity as Deputy Premier.

Yesterday, I was unable to be in this Assembly because I was making a presentation to the National Energy Board, arguing for the immediate curtailment of oil exports from Saskatchewan and from Canada.

My question, Mr. Speaker, is that the brief written by the Saskatchewan Waffle was the only written presentation from Saskatchewan. Why has the Government of Saskatchewan not chosen to make its position clear before these National Energy Board hearings? The only representative was one observer from the Department of Mineral Resources, who made no comments.

Hon. R. Romanow (Attorney General): — I am sorry I just can't answer the question of the Member. I was under the impression that the Government was represented in National Energy Board hearings by Sask Power and it was felt that there ought not to be an additional brief by the Government of Saskatchewan. Whether or not this is the particular one I am not able to say. All that I can tell you is that I shall endeavor to inform myself and advise either later or tomorrow.

Mr. Richards: — As a supplementary question, Mr. Speaker, the Saskatchewan Power Corporation also made no representations before these hearings.

Federal-Provincial Agreement for Steel and Iron Development

Mr. D. G. Steuart (Leader of the Opposition): — Mr. Speaker, before the Orders of the Day I should like to direct a question to the Attorney General, in the absence of the Premier.

I wonder if he could confirm or deny that it was in fact the Premier of Saskatchewan who, at a sort of secret or private or privileged press conference, leaked the story of the \$120 million steel and iron development that is slated, we hope, for the Province of Saskatchewan.

Could he confirm or deny that it was the Premier, who leaked that story and is he aware that these contracts, these agreements, have in fact been signed between the province and the Federal Government?

Mr. Romanow: — Mr. Speaker, I would advise that I cannot confirm or deny that the Premier was involved in a press conference with respect to this matter. I am afraid I am just not privy to that information.

With respect to the contracts, my information is that they are either signed or about to be signed by all the parties involved.

Mr. Steuart: — A supplementary question, Mr. Speaker. Incidentally I will confirm that it was the Premier who had this press conference.

I would ask the Attorney General that if in his opinion – let me say first that everyone welcomes this great development and this great example of co-operation between the Federal Government and the Provincial Government.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — And we also ask the Attorney General if he is not aware that this negotiation has been going on for some time, previous to any agreement about oil between the Provincial and Federal Governments? I am asking him the question, is it a fact that negotiations have been going on for some time long before the oil situation arose or the conference about oil was held? I also ask him if he doesn't think that it was rather a sleazy way to carry on, it was, I think, a cheap attempt to announce this before the Prime Minister would announce it when he comes out West. As a matter of fact I think that the Prime Minister would have made this a joint announcement.

As I say, I am concerned and I hope that this premature announcement has not, in any way, prejudiced the negotiations that in fact have not been concluded. This agreement has not been signed. I hope it is signed. My question is, that I would hope that the Attorney General will agree with me that this was rather cheap politics and I hope that it doesn't prejudice or act in a detrimental way to this very important agreement that is being negotiated and is not complete.

Mr. Romanow: — Mr. Speaker, I would answer as follows: To my knowledge I think this has been the objective of governments for a long time to try and make a strong iron and steel industry based here in western Canada, in Saskatchewan. I believe that some discussion has been in progress, certainly before the latest round on energy. In my judgment, however, the position taken by the Provincial Government on implementing Bill 42, and the negotiations particularly by the Premier and the Minister in charge of Energy for Saskatchewan, were probably the single most important factors for the conclusion of this particular important announcement, for the Province of Saskatchewan.

I made no comments about the nature of the announcement.

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I have given my answer to the Hon. Leader of the Opposition in that regard. All that I can say is, that I am sure that any announcement of this nature would not prejudice the all but concluded, if not concluded, arrangements made up-to-date and I think the important thing is that all Saskatchewan people and the Prime Minister, as the Prime Minister of Canada, should welcome the fact that we do have this tremendous \$120 million expansion for our province.

Some Hon. Members: — Hear, hear!

Choiceland Iron Ore Development

Mr. Grant: — Mr. Speaker, before the Orders of the Day I should like to have the opportunity to direct a question to the Premier, but while he was well enough yesterday to make the announcement he is sick today, I believe. I thought that he would be feeling better today as a result of that announcement. I also find that the Minister of Mineral Resources is absent. It is an off coincidence where there is such an important subject before us. So I will have to direct my question to the Minister of Industry and Commerce, because I believe that he is familiar with the situation.

Does this announcement mean that the Government will be going full steam ahead now on the Choiceland iron ore development, because it would seem logical since the announcement included the announcement of a \$28 million reduction plant here in Regina, and a reduction plant isn't much good unless you have the ore. I wonder if the Minister would comment on this.

Hon. K. Thorson (Minister of Industry and Commerce): — Mr. Speaker, the need for additional supplies of iron ore for the IPSCO mill and the expansion of the steel industry in western Canada, of course, has been identified for some time. My information is that both the IPSCO Company and others — and I can say with certainty, the Government of Saskatchewan — have been investigating all possibilities with respect to an increased supply of iron ore.

That investigation, I may say, has been world wide. It includes, of course, an investigation of what is known about the deposit of iron ore that is now under the control of a company, identified as Choiceland Iron Mines Limited. We have also identified other sources of iron ore very near by.

I think the prospect of the immediate expansion of the steel industry in Saskatchewan, brings much closer the day when we will be using iron ore from a Saskatchewan source, in steel mills in Saskatchewan and in western Canada. Whether or not it will come from that deposit now under the control of one company, is not certain.

Mr. Grant: — Mr. Speaker, a supplementary question. Would the Minister indicate to us whether the Government has given consideration to acquiring a major interest in the Choiceland deposits?

Mr. Thorson: — Mr. Speaker, all such matters of that type are being considered with respect to this question. The position

of the Government, the position of other people, ways to work in joint ventures and so on, all of those things are being considered and are the subject of investigation and discussion. But I have no announcement to make about any conclusion to any such discussions or negotiations.

Mr. Grant: — Mr. Speaker, has the Minister any knowledge of such a proposition having been turned down by the Government of a major participation.

Mr. Thorson — There have been various proposals and counter proposals.

Mr. Grant: — That's not my question. I am asking if you are aware . . .

Mr. Speaker: — Order, I don't think we can have any debate on questions.

Mr. Grant: — . . . of the turning down of any proposal whereby the Government would become a major shareholder in Choiceland?

Mr. Speaker: — A debate like that would be better on Estimates when they come up.

ANNOUNCEMENT

Telegram From Jean Marchand Re Grain Movement

Mr. Romanow: — Mr. Speaker, before the Orders of the Day I would just like, very briefly, to read a telegram which was forwarded to the Premier from Jean Marchand, Minister of Transport, and it reads as follows:

On March 14 Members of the Legislative Assembly of Saskatchewan sent a telex to Prime Minister Trudeau urging action to expedite export grain movement. Steps taken include government contribution towards repair of 2,400 damaged boxcars and program for purchase of 4,000 grain hoppers. Also, as outcome of meeting of Emergency Committee consisting of Government agencies, railroads and grain-handling companies, steps have been taken to have unit grain trains assembled and operated.

Some branch lines made inoperable by snow conditions will be temporarily closed to enable full resources to be concentrated on moving maximum possible volumes on main lines. And it is intended farmers affected by this move will be given alternative delivery point privileges.

I am also convening a National Conference on April 10 to discuss car supply problems at which representatives from the Federal Government, railways and shippers, will be present. Over the longer term it is the aim of myself and of my colleagues to work as quickly as possible towards a transportation system that will reduce and ultimately eliminate our

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Current problems.

Signed: Jean Marchand, Minister of Transport.

Mr. Speaker, I make no comment on this at this time, I just simply read the telegram to inform the Members of the House that we have received a reply.

Mr. E. F. Gardner (Moosomin): — Mr. Speaker, if I may just make a brief reply to that statement.

We are very pleased with the contents of the telegram and would like to indicate that we originated the telegram in the first place.

Mr. Speaker: — Order, order! The Leader of the House was not making a statement, he was reading a telegram for information, a statement was not given.

Mr. Steuart: — Mr. Speaker, surely we have the right to comment on the telegram if he has the right to read it. The comment that we wanted to make was that we sent the original telegram. We are happy they are buying 4,000 hopper cars; we are happy that the Federal Government is taking action.

Of course, the Attorney General wouldn't make a statement because he . . .

Mr. Speaker: — Order, order! I am not going to permit a debate when the House Leader brings information for the Members and he said that he was not making any comment, but just to advise Members that he received a telegram. I don't think we can have debates on things like that.

Mr. Romanow: — Mr. Speaker, on a Point of Order, I am prepared to live by your ruling, but quite obviously the Members opposite are quite anxious to make a comment. With your Speaker's indulgence, and with the Members' indulgence on this side, as far as I am concerned, let the Opposition make their comments and perhaps I could make a brief comment in rebuttal and we could move on to some other business.

Mr. Speaker: — Then we are getting into debates on Orders of the Day and I don't think that is a good practice. If we want to have a debate it should be a substantive motion. I think information supplied is the same as when a Minister tables a document, whether it is the annual report of a company and he just tables it, it is not debated then and I don't think we can start debates of this kind.

Mr. McIsaac: — Mr. Speaker, on the Point of Order, I think the case in point here may be a little bit different in that the telegram was in response to a telegram initiated by the Member for Moosomin (Mr. Gardner). And while it was read by the Attorney General, and perhaps he did not comment very much, but had he merely tabled it that would have been one thing, but he did read it. I suggest that it wouldn't be too severe a deviation from

actual practice if the initiator of the telegram had a very short comment on it.

Mr. Speaker: — The chair has no knowledge of who instigated the telegram, who initiated it or anything else. All the information that I have is what I heard when the telegram was read. And as to what Members have done otherwise, I have no knowledge, but I don't think it should be debated at this time.

Mr. Steuart: — Mr. Speaker, I think there is nothing in this Blue Paper that gives the Minister or anyone else the right to read a telegram. If he has something to lay on the table and under the rules of this House, he has the right to lay it on the table. It is traditional that Ministers have the right to make an announcement and we have a right, on this side of the House to comment.

That amounted to an announcement. He didn't table it and that amounted to an announcement and I think you are being very unfair if you don't let our Member make a comment on it. It is not a debate.

Mr. Speaker: — I should like to point out that there is nothing in the Blue Paper about tabling papers whatsoever, that is true. Under the rules of the House Ministers can make ministerial statements. The rules of the House do not permit a reply by the Opposition, but our tradition of courtesy has allowed it. This is not a statement of the Minister, it is reading a copy of a telegram received by a Minister of the Government. So it is not a ministerial statement, it is a statement from a Government Minister, from another Parliament.

Therefore, I say it is not a ministerial statement and it is not debatable.

Mr. McIsaac: — Well, Mr. Speaker, in that sense I suppose it isn't a ministerial statement, perhaps, but that reply came to the Premier of the province in response to a telegram which was read before the Orders of the Day in this Legislature some days ago, by the Member for Moosomin. So in that sense it does involve and does deal with the business of this particular House.

Mr. Speaker: — Well, the Speaker doesn't know who sends telegrams and who doesn't, but there is lots of time to discuss the issue on Estimates or other places if they don't wish to have a motion. I rule it out of order at this time.

Mr. C. P. MacDonald (Milestone): — Mr. Speaker, we are going to abide by your ruling, but I should like to ask you a question.

Under what particular terms of reference of Standing Orders gives any Member of this House the privilege of reading a telegram? Whether it be the Attorney General or a Member from this side.

Is it your ruling that any Member of this Legislature can stand up and read a telegram, or read any statement? If it is

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a privilege of a Minister of the Crown to stand up and read a telegram or read a statement, then certainly it is also the tradition of this House that a Member of the Opposition has the privilege of responding to that particular telegram.

You say there is no rule for that. There certainly is no rule, that I am aware, that gives the Attorney General the privilege of reading a telegram any more so than any other Member of this House.

Mr. Speaker: — I would rule that the Attorney General, Leader of the House, was reading a telegram received from a Minister of the Federal Government for information of the House and he has said that he wasn't prepared to comment on or debate it at this time. It was just information announcing that action would be taken later jointly between the Federal Government and the province or provinces.

That, at this time to me is not debatable because when Government policy is decided it can be debated among the Members at that time.

Mr. Steuart: — Is it conceivable then that we could read a telegram in this House, is it understood that we can read a telegram in this House?

Mr. Speaker: — The Ministers can make statements and the Minister on this occasion read a telegram for information. I think the Hon. Members are well aware of the rules without me having to go into the details on them.

Mr. Steuart: — Can we read a telegram for information in this House?

Mr. Speaker: — No.

Mr. Steuart: — Why not? What gives him the right and not us the right?

Mr. Speaker: — I think the Hon. Leader of the Opposition knows there is a difference between Executive Council Members, they must assume responsibility for government jointly and collectively. Private Members have only to assume the responsibility for themselves, they are not jointly and collectively responsible for other private Members, which Ministers are. There is a difference in the rules and I am sure the Hon. Member having been a Minister is well aware of the fact.

Mr. Steuart: — Mr. Speaker, I am well aware that the Members of the Government have the right to make announcements in this House and this is a responsibility which they don't always follow to announce in this House something that has to do with decisions of their Government for the information of this House and the information of the public. I think they go beyond that when they read information not to do with this House, that information had to do with the Federal Government.

Mr. Romanow: — It was a telegram sent by

the House, Dave.

Mr. Steuart: — Well, if it was sent by the House, the House is not the government. It was a telegram sent by this Legislative Assembly.

Mr. Romanow: — That's his point.

Mr. Steuart: — No, that is not the point. The point that the Speaker makes as I understand it, is as Members of the Treasury Bench, as Members of the Government, you have certain privileges that are not available to the ordinary Members on either side of the House and with that I agree.

You read a telegram that was the result of something that was done by this Legislative Assembly, by the whole House and I say as Members of this House we are all equal and we have the right to comment on it. That is all I have to say.

Mr. Speaker: — If we strictly follow the rules or adhere to the rules at all times any ministerial statement cannot be replied to because there are no rules for this, it is done by courtesy not by rules. And therefore, I think that I have been quite lenient on many occasions and allowed extra questions and statements and also prefaces to questions and so forth. But I don't think I can allow a debate on this at this time.

SECOND READINGS

Hon. J. Messer (Minister of Agriculture) moved second reading of **Bill No. 79 – An Act to Regulate the Ownership and Control of Agricultural Land in Saskatchewan.**

He said: Mr. Speaker, I am extremely pleased today to place before you and this Legislative Assembly, The Farm Ownership Act, 1974.

Some Hon. Members: — Hear, hear!

Mr. Messer: — This Act . . .

Mr. Guy: — . . . is not . . .

Mr. Messer: — I am sure the Member for Athabasca (Mr. Guy) will have an opportunity to debate this, if he gives me an opportunity to give second reading to it, Mr. Speaker.

This Act will set an example for other provinces and indeed other countries to follow in a sound approach to the control of land ownership.

As you are well aware, Mr. Speaker, this Government first began to take steps to deal with this problem in 1972. The subject was the centre of much controversy. At that time, some, and indeed the Members in Opposition, the Members who sit to your left, questioned the need for control of land ownership. This Government stated at that time that although non-resident ownership of land was not a major problem in 1972, the time was just around the corner when Canadian citizens all across Canada would have to be prepared for major developments which would and

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might change the situation. That time, Mr. Speaker, has come.

With the affluent economy in the farming sector, particularly in relation to grain production we now see interest being shown from non-resident people in the purchase of land in the Province of Saskatchewan.

In fact, persistent reports keep coming to me from interested sources that show there is activity emanating from German, Japanese and Arab concerns in the purchasing of large tracts of land, agricultural land in the neighboring Province of Manitoba.

Closer to home there has been a good deal of concern expressed to me by residents in the northeastern part of this province over the purchase of land by Americans in the Torch River area. This agricultural land is apparently being purchased as a hunting preserve to be utilized exclusively by American sportsmen and residents can see the day when they no longer will be able to hunt there themselves and the land will lie idle because the owner won't bother to farm it nor is he interested in farming that land.

There has been ample evidence, Mr. Speaker, of concern from other areas within the province, mainly in the southern portion and particularly in the southeastern portion.

A delegation of most concerned farmers met with the Member for Weyburn (Mr. Pepper), the Premier and myself, three or four weeks ago expressing to us the activity in their area which apparently was emanating from the United States of America to purchase a large tract and a large block of land, and that some several millions of dollars had been made available in order to negotiate obligations and contracts of sale.

I think, Mr. Speaker, that everyone will agree that the time is now here when immediate action is necessary to develop a sound policy of land and farm ownership, a sound policy of land and farm ownership before the current economic circumstances lead to the destruction of our agricultural industry as we know it today in Saskatchewan.

In the last year and one-half we have seen wheat prices rise from \$1.75 per bushel to \$5.75 per bushel, with further increases a possibility. In the same period flax prices have increased five-fold. Durum wheat prices have increased from \$1.75 per bushel to an excess of \$8 per bushel. The prices of rape seed and other crops have increased in proportion and it is uncertain at this time what the long-term prospects may be.

There is presently extreme optimism in Saskatchewan and in the rest of Canada and indeed in other countries about the prospects for grain markets in the next few years. This enthusiasm has led to sudden interest on the part of citizens around the world to invest in assets tied to primary agricultural production.

If we look anywhere in western Canada we see dramatic increases in land values. Many areas of the province are now reporting land sales as high as 10, 12 and even, yes, as high as 15 times the assessed value of land. The tremendous capital gains in farm property in the last 18 months will continue to attract the interest of those with large amounts of capital to

invest. We are also in a period when many people and corporations outside of this province have large amounts of capital at their disposal, particularly the large corporation. 1973 had been a year of record breaking profits for most of the major corporations on the North American continent. These corporations are looking for other areas to invest their wealth, to further increase their profits as they have in the past.

Mr. Speaker, you may ask why the Government wants to stop land speculation and the takeover of the agricultural industry by non-residents and by non-agricultural corporations. There are several answers to this question.

First, this Government believes that in the terms of real benefit to society, efficient one-two and three-man farms can produce food as cheaply and as efficiently as any other form of farm business organization. History has shown time and again, and in particular in the United States that costs of production are not significantly lower in the long run when large corporations involve themselves in agricultural production and in many instances it is the contrary, and prices in fact rise because of the monopoly situation that is able to develop in favor of those large corporations.

The main benefits to these corporations come from bargaining power within the market place. Their ability to influence market prices for inputs and for products and from the huge capital reserves which these corporations have available to them from other industries. These corporations are involved in agriculture for tax benefits, for the profits to be made in land speculation and for the power and influence that they can gain in other sectors of the food industry. They are not in agriculture so that consumers may have the benefit of lower food costs.

Second, this Government is concerned about the consequences of any industry and particularly such a crucial area as food production becoming controlled by large corporate interests. We are all too familiar with the price manipulation and collusion and the much talked about corporate rip-off that occurs in any sector of our economy where a few large corporations are able to gain effective control of one commodity.

Never has this been so evident as in the last year. We have witnessed inflation rates which were greater than the real increase in our gross national product, in other words, the real income for the working people in Canada in 1973 decreased. Yet, at the same time, corporate profits showed the largest increase ever. The result has been a major distribution of income away from the working people, the sick, the aged and the needy. The increased profits to corporations have benefited the rich who own the shares of these corporations and also has satisfied the obsession for growth in the minds of the management of these corporations.

We can be sure, Mr. Speaker, that if control of agricultural industry ever fell into the hands of a few powerful corporations the industry would not be operated and developed in a manner that would benefit the people who live and work in this province producing our primary products.

Third, I should like to ask you, Mr. Speaker, who should control the agricultural resources? Should it be local people, the people involved on a day to day basis in agricultural

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production and who depend upon agriculture for their livelihood or should it be the people from other countries and other parts of Canada, non-resident aliens to the Province of Saskatchewan and Canada? Are the farmers of Saskatchewan here to work for a minimal salary to benefit a few people in other parts of the world or are they here to participate in and maintain the industry they have worked so hard to establish for themselves? And to the benefit of Canada and to other future generations and other countries of the world?

Fourth, Mr. Speaker, this Government believes that agriculture with its 75,000 family farms has been and will continue to be the backbone of this province. Farmers have been willing to commit their entire working lifetime to the production of food. There have been many years of low income and major problems. The governments of Canada, the general public and the consumers have often been unwilling to support farmers in their time of need. This Government believes that farmers of Saskatchewan, and other residents of Saskatchewan are entitled to protection from competition and capital resources accumulated in other industries and in other countries.

Fifth, Mr. Speaker, this Government believes that to develop a sound rural economy in this province, it is essential that agricultural assets be owned and controlled by people who will spend a major part of their time in the area where agricultural production takes place. And by people who will be spending a major portion of the income generated from that agricultural production in the towns and in the cities of this province.

In summary, Mr. Speaker, I ask you to consider the question, who should own and control Saskatchewan agricultural resources, the residents of Saskatchewan or corporations such as the Canadian Pacific Railway Company or Marathon Realty? No doubt, Mr. Speaker, the Leader of the Opposition and the other Hon. Members in the Opposition will argue that the Canadian Pacific Railway and the other corporations have every right to own agricultural resources. This does not surprise me.

The Liberal Party of Saskatchewan has always supported large corporations. They saw nothing wrong with giving our forest resources to a large corporation from New York. They support oil companies in North America even in the year of the greatest energy crisis of our time, the crisis which by coincidence, Mr. Speaker, happened during the period when one company for example, Exxon, made the largest profit in history, \$2.4 billion after taxes. Fortunately, Mr. Speaker, unlike the Members opposite, the Members who sit to your left, this Government believes that the interest of Saskatchewan residents and indeed the ordinary people everywhere should come ahead of those large corporate interests.

Some Hon. Members: — Hear, hear!

Mr. Messer: — This Government does not intend to stand by and see food prices driven upward and the farmers' incomes forced downward and farmers forced off the land by the intrusion of the industrial sector into agricultural production.

In 1972, this Government foresaw the problems that might occur if steps were not taken to protect ownership of farm land in Saskatchewan. We introduced a White Paper, in the form of a Bill to be used as a basis for discussion on this question.

A special intersessional committee of the Legislature was appointed to discuss the question of land ownership, to review data and to make recommendations. This Committee Chaired by the Hon. Member for Melville (Mr. Kowalchuk) and comprised of Government as well as Opposition Members, traveled about this province as well as into the United States. They held hearings, received briefs and submissions from concerned individuals and interviewed people affected by or involved in corporate or absentee ownership of agricultural enterprises.

The report of that special committee was tabled in the Legislature during the spring session of 1973. The Bill that is before you now has come forth as a result of a long period of deliberation, study and consultation with farmers, with farm organizations and representations from many other interested groups.

Mr. Speaker, I should like to outline briefly the objectives of this Bill and how they will be achieved.

The Farm Ownership Act, 1974, will enable people living in adjacent areas to Saskatchewan to compete freely for the ownership and capital of farm land while protecting them from unfair competition from corporations and other interests outside agriculture or located outside of the province. To accomplish this objective the Act restricts the ownership of land by non-resident persons and non-agricultural corporations.

Non-resident persons are defined as persons who live outside Saskatchewan for more than one-half of each year. Agricultural corporations are defined as corporations including co-operatives, which are primarily engaged in agricultural production and at least 60 per cent owned and controlled by resident Saskatchewan farmers.

The Bill recognizes many special circumstances in which non-residents should be allowed to own Saskatchewan farm land. The Act does not require persons who now own land to dispose of that land. Residents of Saskatchewan may continue to buy land as they have in the past and should they decide later to retire or leave the province for whatever the reason may be, they may continue to own that farm land. Persons who are closely tied with farm operations or farm land as a result of being born and raised on the farm or having parents or brothers or sisters, or aunts or uncles, who were closely involved with the farming operation are given special consideration.

The Bill allows any person who has lived and farmed in the province for a period of five years or more to transfer the land he farmed to a spouse, son, daughter, grandson, granddaughter, aunt, uncle, brother, sister, niece or nephew, or spouse of any one of those regardless of their place of residence, who may in turn keep it for their lifetime.

Special consideration is also given to those people who farm close to the Saskatchewan border and who have land in Saskatchewan which is an integral and essential part of their farming operation. These people are for the purposes of the Bill, given the same rights and privileges as Saskatchewan residents.

Non-residents who are not close relatives and who inherit land and who are not closely tied to that land will be required to dispose of the land. However, they are granted a period of

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five years in which they may either establish residence in Saskatchewan, in which case they may keep the property or obtain a buyer for the property willing to give them a fair and equitable price.

People who are interested in moving to Saskatchewan and establishing a residence here may apply to the Farm Ownership Board for a special three year exemption. This exemption allows these people a period of time to acquire property and establish operations in a pre-operation for their move to this province.

Mr. Speaker, the Government recognizes that small land owners are not trying to affect the agricultural industry or hurt the province and are not likely to do so. Therefore, any person regardless of the location of his residence and regardless of any other restrictions of the Bill may own property having maximum municipal assessment of \$15,000. To give some examples of the impact of this upper limit, any person regardless of location of residence may own up to three-quarter sections of the best and highest assessed land in the province. Or he may own, for example, five-quarters of land assessed at \$3,000 per quarter or 15 quarters of land assessed at \$1,000 per quarter.

The Farm Ownership Act also restricts land ownership by corporations. Corporations are not allowed to acquire land which would cause their total land holding to exceed one-quarter section or 160 acres. However, the Government recognizes that certain types of corporations are owned and controlled by farmers and Saskatchewan residents and should be given special consideration.

Many farmers in the past have incorporated their farm businesses either as companies under The Saskatchewan Companies Act or as co-operatives under The Co-operative Production Associations Act in order to establish multiple operator units to transfer farms from one generation to the next or for a variety of other reasons. These corporations are considered by the Government to be sound and legitimate farming operations and worthy of special consideration.

Therefore, The Farm Ownership Act defines an agricultural corporation as a corporation which is primarily engaged in the business of farming and which is at least 60 per cent owned and controlled by farmers who are residents of the Province of Saskatchewan. Corporations and co-operatives that can meet these criteria are considered by the Government to be a legitimate farming operation and are therefore not restricted by this Bill.

The Government also recognizes that non-agricultural corporations have a legitimate need for certain amounts of land that are being used for non-agricultural use. For example, corporations may need land for the location of plants, or the location of service stations or for other purposes, potash, peat moss operations and the like. Corporations requiring land in excess of the limit of 160 acres may apply to the Farm Ownership Board for special permission to acquire the necessary property over and above that minimum.

The Special Committee on the Foreign Ownership of Land appointed by the Legislature, recommended that non-agricultural corporations should be required to dispose of land within a reasonable period of time. The Government agrees with that

recommendation and therefore The Farm Ownership Act as it is before you now; requires that all non-agricultural corporations dispose of land owned in excess of the maximum allowed, within a 20 year period of time.

To ensure that credit to agricultural operations is not restricted as a result of this Bill, The Farm Ownership Act allows creditors to acquire title to property by foreclosure or other means for non-payment of debts and to hold that property for a period of up to two years. Where there is good reason for the creditors to hold property longer, such as to enable the former owner to acquire the necessary capital to buy the land back, the creditor may apply to the Farm Ownership Board for an extension of the time period.

The Act, Mr. Speaker, establishes a Farm Ownership Board to see that these provisions are carried out in a fair and most equitable manner. Anyone not satisfied with the decision of the Board or with the administration of the Act may appeal to the courts.

Mr. Speaker, The Farm Ownership Act is dealing with a very complex and a most important matter. And I want to clarify the intent of my Government in some sections of the Act.

In determining how much land a non-resident person owns any land held by the spouse or dependent child will be included. The maximum will be \$15,000 assessed value for the whole family, not that amount for each of them.

Subsection 4 of Section 11 is intended to permit all normal trust company operations to continue unhampered so long as any lands held in trust are held for Saskatchewan residents, or for other reasons, other persons, who are entitled under the Act to hold such amounts.

Section 14 of the Act requires an annual disclosure statement from each corporation holding land in excess of the normal maximums allowed under the Act. This disclosure is necessary to keep the task of enforcing and administration within reasonable bounds.

However, it is intended that after an initial disclosure has been made, corporations having no change in their holdings during a year, will be able to file a simple statement to that effect. The Board may exempt some corporations from annual disclosure or require filing every two, three or five years, as long as the Board is satisfied that the intent of the Act is being carried out by those corporations.

Now, Mr. Speaker, to sum up I believe that The Farm Ownership Act of 1974 is the most forward looking piece of legislation introduced by any government in Canada in the area of ownership and control of Canadian resources. This Bill will become a guideline for other provinces to follow.

Other provinces in Canada have been looking at and have attempted to grapple with the problem of non-resident ownership for some years. Prince Edward Island has legislation to restrict ownership of land by non-residents. British Columbia has recently introduced land use legislation to protect its rapidly dwindling agricultural land. Ontario and other provinces are presently studying the problem and looking for

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solutions.

Mr. Speaker, this concern is not only restricted to Saskatchewan residents or Canadians. I recently had the pleasure of addressing one of the farm organizations in North Dakota and the national convention in Milwaukee. It was obvious to me in my discussions with them that farmers in the United States are most concerned when they see the control of more and more of their agricultural resources in the hands of non-residents and large corporations.

Various attempts have been made to keep the ownership and control of agricultural resources in the hands of farmers but many problems have been encountered. Canada, I think, has been fortunate to have been able to observe the experiences in the United States and to learn from their efforts.

I am confident, Mr. Speaker, that in years to come Canada will look back at the problems of land ownership and how they were solved. And like medicare and hospitalization, government insurance, Land Bank, these programs and those in many other areas, it will again be recognized that Saskatchewan led the way and others followed.

It is therefore, Mr. Speaker, a very great pleasure for me to move second reading of an Act to Regulate the Ownership and Control of Agricultural Land in Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. E. F. Gardner (Moosomin): — Mr. Speaker, we know that in many cases we've been blaming the Arabs for the energy problems and maybe this is justified. But to blame the Arabs for this Bill, I think everybody would have to agree is a bit far-fetched. That's just going a little too far, to say that we have to have this Bill to protect our farm land from the Arabs. Now I think that's a statement that he should have turned over to the Member for Touchwood (Mr. Meakes) and let him read it and let him take credit for that one.

No, Mr. Speaker, this is typical NDP scare tactics, they are using these tactics to try and indicate that there is some desperate plot by someone to grab our farm land and, of course, that just isn't the case.

The Minister mentioned hunting and the fact that Americans would be coming up and buying land for hunting. This Bill doesn't mention any recreation land restrictions and that's perhaps one of the deficiencies, one of the major deficiencies of this Bill. He talks of the danger of corporations owning our land and I think he knows as well as everybody in this House, that the corporations, not agriculture corporations in this province that are in agricultural land, he could count them almost on his fingers. He didn't give any statistics to indicate this. He very carefully avoided statistics, because he knows as well as anybody else that the land owned by corporations is not increasing in this province, it is decreasing. The large corporations, Marathon Realty and CPR are trying to get rid of their farm land, they are selling it as quickly as they can. He has the statistics on this and he knows as well as everybody else.

He also knows, Mr. Speaker, when he talked about the White Paper that he brought in two years ago. Now, Mr. Speaker, a Bill is a Bill, and a White Paper is a White Paper, and they are two different things. There is no doubt that what we had in 1972 was a Bill. It wasn't a White Paper. I'll agree, Mr. Speaker, that it was a bad Bill, it was a vicious Bill, it met unanimous disapproval throughout this province and it was withdrawn, but it was a Bill.

Mr. Speaker, the Bill we are looking at could well be one of the most significant of this Session and this Bill requires very careful scrutiny, not only by the people of Saskatchewan, but indeed by all Canadians. And what we have to look at, of course, is the intent of the Bill. This is of prime importance. A close examination indicates that the intent of this Bill is the same as the original Bill in 1972.

Some Hon. Members: — Hear, hear!

Mr. Gardner: — And we must remember that the 1972 Bill was universally unpopular. Does it matter really, Mr. Speaker, whether a Canadian living in Carberry, Manitoba is called a foreigner or a non-resident? They called him a foreigner in the original Bill, now they are calling him a non-resident, but it's the same thing.

Some Hon. Members: — Hear, hear!

Mr. Gardner: — Does it really matter whether this Canadian can own four-quarters of land or one-quarter or none at all? Does it matter whether he has two years to dispose of his land or five years or ten? Mr. Speaker, these are details of the Bill and the details I will agree are not as stringent as the original Bill and the Minister spent a good deal of time explaining the details of this Bill. But the details, Mr. Speaker, are not important. The intent of this Bill, and make no mistake, the intent of this Bill is to restrict ownership of Saskatchewan land from other Canadians.

Some Hon. Members: — Hear, hear!

Mr. Gardner: — It is an attack, Mr. Speaker, on Canadianism, it's an attack on federalism and it can further balkanize this country.

We would recall, Mr. Speaker, that the first Ministers just finished an oil conference where they compromised in the interests of Canadianism and we must give them credit for it.

Now we have this NDP Bill which is doing exactly the opposite. It shows the inconsistency, Mr. Speaker, of this Government and it shows their true intentions when it comes to agriculture land and their true intention, Mr. Speaker, is the complete domination of the agricultural land of this province by the NDP Government.

Some Hon. Members: — Hear, hear!

Mr. Gardner: — You will recall that the Legislature appointed a Foreign Ownership of Land Committee and the Minister mentioned this casually but he didn't really say much about it. They

did a lot of work, they did a good job, they had meetings all over the province and some in the United States, they consulted with people from all over the province, they studied the problem in depth and as a result of this, Mr. Speaker, it's very significant that no member of this Committee recommended restrictions on Canadian ownership of farm land.

Some Hon. Members: — Hear, hear!

Mr. Gardner: — It doesn't matter whether they are NDP, Liberal or what they are, not one of those members indicated that they wished to see Canadian ownership of Saskatchewan land restricted. No member wanted this, because it discriminates against Canadians and they weren't in favour of it.

The recommendation of the Committee was completely ignored in this regard. And of course, the desires of the people of the province were ignored because the people of the province indicated what they wanted to the Committee. But in spite of all this, the NDP went ahead with this Bill to restrict our farm land from other Canadians. And this, Mr. Speaker, is their true intention. It is more obvious now, than it was in the original Bill. When they brought in the original Bill they could withdraw it and say, well, we really didn't know what the people wanted. Now they have no excuse. They had the Land Ownership Committee. They know what the people want, they know what the Committee recommended and they did exactly opposite, Mr. Speaker.

Some Hon. Members: — Hear, hear!

Mr. Gardner: — And the strange thing, Mr. Speaker, about this whole Bill, is that it doesn't effectively restrict American ownership. This is rather the strange part. According to the Bill that we have before us, an American farmer living at Bowbells, North Dakota, could buy ten sections of farm land around Meadow Lake, 400 miles away, because he lives within 20 miles of the border of Saskatchewan. However, a Canadian farmer living near Virden, Manitoba who may have had three or four generations of Canadian ancestors, would have his holdings restricted at Maryfield, Saskatchewan, 30 miles away. And I ask you, Mr. Speaker, if you consider this inconsistent? Why 20 miles, what's so magic about 20 miles? But this is what the Bill says. An American is not subject to our Canadian laws, not subject to our income tax, not subject to the responsibilities we have here but if he lives in the United States within 20 miles he can go 400 miles up inside Saskatchewan and buy all the land he wants and he is not under restrictions of this Bill where some Canadian living outside of our borders in Manitoba or Alberta these restrictions apply. This, Mr. Speaker, is discrimination of the worst kind.

Some Hon. Members: — Hear, hear!

Mr. Gardner: — This Bill simply does not differentiate between Canadians and people of other countries and this is the real thing that is wrong with this Bill. In this Bill they are lumped together and called non-resident. In the original Bill they were lumped together and called foreigners. Mr. Speaker, a skunk by any other name smells just as bad, in this case and I think you'll agree.

Some Hon. Members: — Hear, hear!

Mr. Gardner: — You'll note also that Clause 19 of this Bill allows the NDP appointed board some very severe and objectionable powers. A person suspected of being a non-resident, staying outside the province more than 183 days may have his books and papers and records examined. Other Canadians, not Americans, other Canadians will be subjected to this snooping and harassment from the NDP Government. It is a vicious type of a means test when a person has to, a Canadian has to, have this kind of a test to see if he was outside the province over 183 days, what his holdings are and have these subjected to scrutiny by the Government.

Mr. Speaker, this Bill strikes at the very fibre of our Canadian heritage. In many countries throughout the world people are not free to move from one area to another, they are not free to own property where they want in their own country. We don't want to be moving in that direction. Once a Bill such as this is passed, once it becomes the law of Saskatchewan, it is a relatively simply matter for the NDP Government to make regulations making this Bill even more onerous. We cannot support this kind of treatment of our Canadian neighbours from the other provinces in Canada.

Mr. Speaker, there are a number of things that I would like to look at further in the Bill and at this time I beg leave to adjourn the debate.

Some Hon. Members: — Hear, hear!

Debate adjourned.

The Assembly adjourned at 5:26 o'clock p.m.