



Standing Committee on Agriculture

Hansard Verbatim Report

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**STANDING COMMITTEE ON AGRICULTURE
2002**

Ron Harper, Chair
Regina Northeast

Donna Harpauer, Vice-Chair
Watrous

Pat Atkinson
Saskatoon Nutana

Bob Bjornerud
Saltcoats

Wayne Elhard
Cypress Hills

David Forbes
Saskatoon Idylwyld

Carolyn Jones
Saskatoon Meewasin

Ron Osika
Melville

Randy Weekes
Redberry Lake

The committee met at 10:32.

The committee met in camera.

The Chair: — I will reconvene the Standing Committee of Agriculture. It's a pleasure for us today to have a presentation from the National Farmers Union, Lloydminster, Saskatchewan.

And we will start out by having the members of the committee introduce themselves, and then Susan, I'll call on you to introduce yourself and anyone you may have with you, and then we'll have your presentation.

So with that I will start with Randy.

Mr. Weekes: — Good morning. My name is Randy Weekes. I'm the MLA (Member of the Legislative Assembly) for Redberry Lake.

Mr. Elhard: — Good morning. My name's Wayne Elhard. I'm the MLA for Cypress Hills.

Mr. Bjornerud: — Good morning, Susan. I'm the MLA for Saltcoats. My name's Bob Bjornerud.

Ms. Harpauer: — Good morning. I'm the MLA from Watrous, Donna Harpauer.

Mr. Kaczkowski: — Good morning. I'm Viktor Kaczkowski. I'm the Clerk of the committee.

The Chair: — Good morning. My name's Ron Harper. I'm the Chair of the committee and the MLA for Regina Northeast.

Mr. Fenson: — And I'm Avrum Fenson, researcher to the committee.

Mr. Forbes: — Good morning, David Forbes from Saskatoon Idylwyld.

Ms. Jones: — I'm Carolyn Jones from Saskatoon Meewasin.

Mr. Prebble: — Good morning, Susan. I'm Peter Prebble. I represent the Saskatoon Greystone constituency. I'm sitting in for Ron Osika who is not able to be here this morning but is a member of the committee. Nice to have you here.

The Chair: — Thank you, committee members. Susan, if you'll introduce yourself and anybody you have with you, and then we'll have your presentation.

Ms. Luthje: — My name is Susan Luthje. I'm the women's advisory for Saskatchewan with the National Farmers Union. I am standing in alone. Boyd Dyck, a director with the National Farmers Union, was supposed to join me but this time of year is a really bad time. Like, May with the farmers seeding and that, and it's just not a perfect time to be calling a meeting and expect a lot of response from the farmers here. And I think this morning Boyd is cleaning grain and that.

But I will be answering questions solely, alone. But I hope that it will be profitable and that you will get something out of this and

that you'll take it to heart.

The Chair: — Well I'm sure we will and I think the committee members will be looking forward both to your presentation and to the answers to the questions they may have. So with that, if you wish to commence your presentation we'd be happy to receive it.

Ms. Luthje: — It is a pleasure to appear before you, the Standing Committee on Agriculture, to discuss the agriculture landholding provisions as set out in The Saskatchewan Farm Security Act. My name is Susan Luthje and I am the women's advisor for Saskatchewan with the National Farmers Union.

The National Farmers Union is a volunteer . . . voluntary, non-partisan, direct membership, national farm organization working to maintain the family farm as the cornerstone of the Canadian food production.

I, along with the National Farmers Union, believe in the preservation of the family farm. This is an important issue. The family farm will be more in jeopardy than it is right now if the farm land ownership laws are changed. Saskatchewan has the biggest land base of farm land than any other province in Canada. And the question is what do we want to do with it?

We want Saskatchewan family farms to maintain most of the farm land. And we do not want people and corporations operating the farms that do not even live in Saskatchewan.

I will be presenting to you the definition of the family farm and the correlation and importance between the family farm and farm land ownership legislation. I will also be discussing economic factors and giving suggestions.

It is important to have a definition of the family farm especially since the preservation of the family farm is one of my main issues. There are a wide variety of definitions. I would like to pinpoint just a few of them that I've found in doing some research.

The definition of a family farm used by the census of agriculture in the United States is:

Any place from which \$1,000 or more of agriculture products were produced and sold or normally would have been sold during the census year.

This is kind of a vague definition.

A section 14(1) of the Property Transfer Tax Act of British Columbia defines family farm as:

Farm land that is either used, owned, and farmed by one person or related (people) . . .
(or) is used, owned, and farmed by a family (formed) . . . corporation.

It was hard to . . . like I was looking up in the Internet the definition of family farms and it's really hard to find a really good definition of the family farm. Like it's just . . . The final report of ACRE (Action Committee on the Rural Economy) does not define a family farm, but it does tell us what they're

talking about when they mention rural Saskatchewan:

Rural Saskatchewan . . . A network of successful farms, communities and business enterprises is the foundation of our strong rural economy.

Their report has to do with recommendations for rural Saskatchewan as a whole. So that is why they use this broad definition. The report is not recommendations for the family farm.

Family farm and farm land ownership. The correlation between the family farm and farm land ownership is that in order for the province to keep the family farm and to keep farmers on the farm, there needs to be land for them to own as well as to farm without the competition of outside money.

If the government changes the ownership laws to allow non-residents to own more farm land, then there will be less Saskatchewan farmers on the land even though there may be more rural activity.

On page 56, under farm ownership in the ACRE report, it states:

In an effort to put our industry on a more level playing field with neighbouring provinces when it comes to attracting outside investment into the industry, the province should consider changes to the Farm Ownership Provisions under The Saskatchewan Farm Security Act.

I believe that allowing non-residents to own large tracts of farm land in Saskatchewan will not contribute to a level playing field. The Saskatchewan young farmers would not have the same access to large amounts of capital as non-residents. I would see this contributing to the loss of young farmers' ability to acquire the necessary money. In fact, this will provide an unlevel playing field for access to capital. This would see family farms dying and there would be bigger farms with fewer farmers living in Saskatchewan.

The income from the farm profits and profits from industries in Saskatchewan that belong to non-residents will be going back to the province or country where they are resident. It would be a lot better to keep the profit in our province of Saskatchewan.

On page 11 of a document called, *The Saskatchewan Farmland Ownership Law: A Time for Change?* it discusses the benefits of resident ownership. It says:

Resident ownership (or operation of leased lands) contributes to local economic and social development by sustaining rural populations and social structure through the maintenance of opportunities for Saskatchewan residents. Absentee ownership inevitably contributes to the deterioration of rural social structure.

Maintaining control of economic development and, on a broader scale, provincial policy direction helps insure that the benefits of agricultural economic activity and more specifically, the profits and tax revenues from farm lands, remain in the province.

On page 25 of the same report, there is a table that shows us the exemption statistics for the year 1999-2000 and 2000-2001. I have enclosed it at the end of my report as an appendix. People that have applied for the exemptions to the farm ownership laws have been mostly accepted, except for a total of 6 out of 159 applicants in the year 2000-2001. It shows us how many acres were granted exemptions in 2000-2001. The total is 123,527 acres, which is enough.

We don't want to be . . . we don't want it to be opened up any further. The government should not want to copy what other provinces are doing, but realize that Saskatchewan is a unique province because of the great number of farm land acres we have here. The government should encourage . . . put in place programs which attract farm families to come and live in Saskatchewan and farm in Saskatchewan.

The case about the British Columbia resident who owns farm land in Saskatchewan is that he thinks his rights are being violated. The article in the April 18 edition of *The Western Producer* says that he controls 65 quarters of land through relatives and friends.

He may not own all that land but the article says he controls that much. It seems that he is one of these people who have found loopholes to get around the law. The revenues from a lot of that land probably go to him in British Columbia.

Factors. What we want to look at are the factors which help the number of family farms in Saskatchewan grow and not decline. If the farmers and family farms are looked after and helped by our government, then the farms will be more viable and the young people will see more benefits to staying and farming in Saskatchewan, which will provide stable communities.

The government should not take a reactive viewpoint when it comes to farm land ownership and concerning themselves with who is left to buy the farm land when the older farmers retire and have no one who will stay and take over the farms, thinking that if the government doesn't change the ownership laws there'll not be as many people to buy the farm land because the young people do not want to farm.

Instead the government should take a proactive viewpoint and find out how can they keep more young people on the farm. Their goal should be to keep as many family farms viable as they can and to be able to witness farms being handed down to the next generation and to the next generation and so forth.

The government needs to put in programs that will keep the young people on the farms. Some of the things may be like interest-free loans to start up farming. And there should also be programs provided by the government for young farmers, starting farmers, and for farmers to diversify going into organic farming or other kinds of diversification.

The government needs to put in place programs to ensure the producers receive their costs of production. They need to stop putting off decisions and help, and help the farm . . . just a minute . . . They need to stop putting off decisions to help the farmer by using excuses like we're waiting for the federal government to act or there isn't enough money or we are busy making other decisions.

In a brief on the farm crisis by the National Farmers Union, it states:

If farmers enjoyed returns on equity comparable to those enjoyed by other players, there should be no farm income crisis. Until trade distortments are settled throughout the world, there needs to be adequate government support.

This should be the proactive viewpoint that governments should take in Saskatchewan.

This graph that I have enclosed here shows you that the farmer is not getting his fair share of the consumer dollar, and it shows you that as the years go on, like up to 1999, that the price of a bushel of wheat sort of remains the same way at the bottom, where the price of bread has continued . . . made from that bushel, one bushel of wheat, has continued to grow and grow and grow.

Summary. Keeping family farms operating on the farm land in Saskatchewan should be the number one priority for the province and Government of Saskatchewan.

To me, a family farm is one where the farmer owns or leases farm land and he also operates that farm.

The government should be looking out for what is best for farmers and for the family farm. Changing the farm land ownership laws would not be the best decision for farmers. The government needs to keep farmers in Saskatchewan and not have them living somewhere else.

It takes many families to maintain a stable rural community. The government is responsible to the people of Saskatchewan, and that includes the farmers of Saskatchewan and not big business. We want to see farm land being passed down from generation to generation. The government has the power to make this a reality.

The government should look after this province by keeping the farmers in Saskatchewan and, that way, the profits that are made by the farmers in Saskatchewan stays in Saskatchewan. If the farmers are doing good, the province benefits and people are happier. This will bring tourism, industry, and business to Saskatchewan without sacrificing the family farm. For this reason, the government needs to keep the farm land ownership laws as they have been. Respectfully submitted.

The Chair: — Susan, thank you very, very much for your presentation. It was very comprehensive.

And I would like to inform the committee members that we have 15 minutes for questions and I'd also like to inform the committee members that I will be abrupt with the expiration of the time allotted. So even if there's people on the questioning list, they will not get recognized. With that, Carolyn.

Ms. Jones: — I'll try to be very pointed. I'm wondering, Susan, one of the difficulties that we hear is that there are farmers from Europe who would very much like to come into our province. And I think that everyone's goal is to increase the number of residents in rural Saskatchewan and also to increase the opportunity for employment in rural Saskatchewan.

And from your organization's point of view, can you think of any, even slight, amendment or do you not see any difficulty in the Act as it stands? Can you see any way to accommodate the wishes of European farmers to come to Saskatchewan, live here, and do whatever business it is, either cropping or intensive livestock? Do you see that as a problem and do you have a possible solution for that?

Ms. Luthje: — Well, like there's no laws against them coming and living in Saskatchewan, and setting up a farm, and buying acres, and coming and farming, and raising a family in the community. Like that wouldn't have anything to do with your changing the laws because they're welcome to come in and buy land and live here, right? And farm. And then that would benefit the community.

But what's the greatest thing is that farm land is being bought up. They stay in Europe and then that wouldn't work because . . . then that means like more and more acres — and they're running the farm from Europe. And they don't really care about the community because they're not there. And they're just running . . . having orders from Europe. And there's these big farms and they're hiring who knows people to run these farms. And it's just not the same.

But if they came and lived here and raised a family or whatever, and settled in the community and bought acres, that's contributing to the profits of Saskatchewan. It's benefiting the community.

Ms. Jones: — I just . . . I was focusing on those who do want to come here, and do you see a difficulty? There is at least a perception of difficulty that they need to . . . that there's a problem having to come here first and then acquire their land.

Ms. Luthje: — And you're thinking that they should have the opportunity to acquire land and then maybe move in a couple of years.

Ms. Jones: — No, I'm not thinking that at all; I'm just asking what your opinion on that is. All right. Thank you, Mr. Chairman.

Mr. Weekes: — Thank you, Mr. Chair. Well I'd like to thank you for your presentation. Like to just make the point of agreeing with you about the timing and the location of these hearings. As we all know, this is one of the busiest times for farmers and we're right in the middle of seeding and it's unfortunate. And I agree we should be holding these hearings in the winter months, and possibly having regional meetings to allow more people to make a presentation. But this is what we've been handed as far as the location and the date of these hearings.

I'd just like to make a comment. Right now 90 per cent of the applications are being approved. Only 10 per cent are not being approved. And I'm just wondering . . . As we know, there's two points to this. There's many changes can be made but I think the two important ones are the possibility of open up to foreign ownership, and the other one, opening up to Canadian ownership.

And right now my point is to speak to opening up to Canadian

ownership. If we already have 90 per cent of the applications being approved, given that the whole context of agriculture and the need for investment, the ACRE report need to be . . . we need billions of dollars of investment into this province.

And I think it's a perception more than reality. It's a perception that Saskatchewan leaves that we're not open to investment, not open to encouraging revitalizing the province by encouraging investment. I'm just wondering, if we're only looking at the 10 per cent, is that too high of a price to pay to change the perception of this province to own . . . to investment in this province and to get the agriculture community going again?

Ms. Luthje: — No, I don't think so. I don't think . . . I think that what we're doing right now is good but I think that . . . Like, you're worried about investment in Saskatchewan and that you're losing investment. Well, like, just look around you, and . . . there's lots of farm land and there's lots of farms that could be invested in.

But the government seems to have the attitude that they don't care about the family farm. And so then the . . . and in this hard time there's lots of farms leaving. But there is investment there. Like, a family farm is investment. And if they just concentrated on helping the family farm they could increase their investment.

The Chair: — Thank you.

Mr. Forbes: — Thank you, Susan. That's a very interesting report. And I always think of lots more questions, like when you had the definitions. That was interesting and I'd be interested in her definition of farming and farm land.

But the question I really have for you is this: do you know of any jurisdiction in North America, or even in the world, that actually has turned around the trend? Like, we see in this census yesterday about the number of farms that have gone down in all but . . . you know, in the provinces of Canada. Do you know of a jurisdiction where that trend has actually turned around? Where the number of farms have actually increased?

Ms. Luthje: — No, I don't. Do you?

Mr. Forbes: — No. That's why I'm asking you the question.

Ms. Luthje: — Well I just thought maybe you knew something.

Mr. Forbes: — Okay, that was my question. And now my question, go to the researcher. Okay. Thank you.

Ms. Harpauer: — Welcome, Susan. Susan, I have read a number of documents written by the National Farmers Union and I respect the research that's done. I have a quick question and then a main question.

The quick question is: of the 123,527 acres that was exempted in 2000-2001, do you know how many of those exemptions were granted to Ducks Unlimited?

Ms. Luthje: — Is it on that page there, that . . .

Ms. Harpauer: — Or is that information that I could . . . that

perhaps your organization would have?

Ms. Luthje: — Well on that last page, there is . . . says this wildlife conservation.

Ms. Harpauer: — Okay. Okay. Good. The main question I have . . . And again, like I said, I've read a lot of papers done by the National Farmers Union. And my understanding is that they want policies in place to encourage young farmers and preferably even smaller farms, that we could have more in our communities and so on and so forth.

But the fact is, right now we have land that is comparatively cheaper than our neighbouring provinces and yet we're not seeing that happen. We're not seeing young farmers start. SARM (Saskatchewan Association of Rural Municipalities) announced that the average age of the farmer right now is 58 years of age. So you know, what we're doing now, the status quo, isn't working.

The cheap land isn't encouraging the young farmers. And some statistics we were just given this morning shows that the average age in . . . or the average size of a farm in Alberta and Manitoba, both of those provinces, the average size is smaller than Saskatchewan.

So we've got cheaper land, larger farmers, our farmers are older. Like, everything is sort of . . . all the facts are flying in the face of our fears — our fears being that if we open it up, prices will go so high young farmers can't start.

So if the status quo is not working and there's smaller farmers in our neighbouring provinces — on average, they're the same age or perhaps younger; I don't have the recent statistics — could we say that maybe there's bigger issues, far bigger issues that's discouraging our young farmers than the price of the land?

Ms. Luthje: — Grain prices are really discouraging young farmers; like, making a go of it. It's not . . . Like, I think the smaller farms in Alberta are because they're maybe more into cattle and less crop, where in Saskatchewan a lot of the farms are into more crop and so they have to have the bigger acres to make it pay; like, try to make that extra dollar by getting more acres.

And the young people are just discouraged because there isn't a lot of money coming into it and that's why the government has to take a look at what they're doing and change things and help the young farmers.

Ms. Harpauer: — Okay. Just to follow it up — and I'm assuming you're a producer and I'm a producer as well with young teenage children — if the land values goes up, then so does the net value of my existing farm. So if I want to help one of my teenage children to get into farming and the net value of my farm has just gone up, then my borrowing power has also gone up. So then I can choose to take that borrowing power and maybe buy into a agribusiness or some sort of processor.

And I know in one of the National Farmer Union papers, it says that farmers need to buy into the food chain. Like we've been left out of the food chain and it's to our detriment.

So if I had . . . if my farm was of better value or your farm was of more value because your land went up, can you see where your children then could make choices as to where they wanted to invest in agriculture, and perhaps they would have an opportunity to be an investor in the food chain?

Ms. Luthje: — But . . . so you're talking about the . . . your children investing in agribusiness and not farming.

Ms. Harpauer: — I'm suggesting they could invest in . . . and I live next to the first province's new generation co-op. And in this case in . . . The one in my area is hog barns. So I'm saying going into sort of a new generation co-op type concept where an ethanol plant or a pasta plant or a pancake flour-making, some other area in the food chain, so that they would have . . . they would have ownership of where their grain was going and it could be sold at an added value.

Ms. Luthje: — I know where you're coming from; I know what you're thinking. The more . . . like hog barns and more big business like that then that come into the province, you're thinking it's going to raise the land and so that's good. But it's using farm land; it's maybe raising the farm land. It's bringing investment. But it's going to hurt the young farmers. Like the investment might go up but it's going to be more expensive for them to get in.

If I was . . . if my parents were farming and they gave the land to me so I could start farming as a young person, that would be good. But if a young person had to purchase land and borrow the land and the land was higher priced, then that's harder for them and then the interest rates are going to be very hard to pay off, especially with the grain prices.

Now if they were just taking their money and investing into these businesses and thinking that they can make money, then anybody can do that. And it's . . . like it's sort of taking away from the farming. There's going to be less farms, less acres to farm.

Ms. Harpauer: — So you believe that we should continue to just ship raw product, that we shouldn't take our product and the ownership of adding value to it right here on the Prairies and be producer-owned, value-added facilities. You believe we should just keep on shipping it raw?

Ms. Luthje: — There's a place for that. Like there's a fine line there.

The Chair: — Pat, last question, before time expires.

Ms. Atkinson: — Yes, two things. The legislative committee on agriculture has been struck with reviewing The Farm Land Security Act. And what would you like to see the process being in terms of what we do with our report?

The idea is to present it to the legislature. Depending on what we present, there could be amendments to The Farm Land Security Act in this session of the legislature. Given the timing that you referred to, would you like to see this committee present a report that could then be discussed in the province and give people an opportunity to have feedback, in order that these legislative amendments not come right away but give people an

opportunity to respond to what this committee is saying?

Ms. Luthje: — I think it'd be good if they could give other people a chance to respond and discuss what is being said.

Ms. Atkinson: — Okay. Thank you. My last question has to do with the North American Free Trade Agreement. Has your group taken a look at what amendments to The Farm Land Security Act could mean, i.e. extending unrestricted ownership to Canadians — what impact that might have on the North American Free Trade Agreement with the United States, and whether or not that might open it up unintentionally to US (United States) citizens? Has your organization taken a look at that issue?

Ms. Luthje: — They might have. I don't . . . I can't answer that, I don't know.

Ms. Atkinson: — Thank you.

The Chair: — Susan, thank you very, very much for your presentation. On behalf of the committee I want to thank you. It was very informative and we appreciate you taking your time out to make yourself available to us. Thank you very much.

Ms. Luthje: — Okay, well thank you too.

The Chair: — Okay. We'll just take a moment or two for our next presenters to set themselves up. I believe they have a flip chart they want to use for part of their presentation.

The next group to make presentation, and I apologize for being late. We got a late start this morning and of course that backs everybody up. But I will ask the committee members to introduce themselves and then Paul, we'll ask you to introduce yourself and anybody who is with you, and then we'll be ready for your presentation. Randy.

Mr. Weekes: — Good morning, my name is Randy Weeks. I'm the MLA for Redberry Lake.

Mr. Bjornerud: — Morning, I'm Bob Bjornerud, MLA for Saltcoats.

Mr. Kaczkowski: — Viktor Kaczkowski, I'm the Clerk to the committee.

Mr. Harper: — Ron Harper, the Chair of the committee and the MLA for Regina Northeast.

Mr. Fenson: — Avrum Fenson, I'm researcher to the committee.

Ms. Atkinson: — Pat Atkinson, MLA, Saskatoon Nutana.

Mr. Forbes: — David Forbes, Saskatoon Idylwyld.

Ms. Jones: — Carolyn Jones, Saskatoon Meewasin.

Mr. Prebble: — Peter Prebble, Saskatoon Greystone.

The Chair: — Thank you committee members. Paul would you introduce yourself and anybody who is with you, and then we'll

receive your presentation.

Mr. Gaucher: — Paul Gaucher and my audio-technical personnel, Lisa Gaucher, my wife. And we also have some moral supporters and Adrian Arguin is giving a hand as well.

Good morning, or almost afternoon. I'd like to thank the members of the committee and the Chair today for this opportunity to voice our opinions and viewpoints. I'm a farmer from Coderre, so we have a family farm. So my perspective comes very much from a grassroots type of perspective.

As for this, I'm here because the issue is very personal to me and because I want to maintain rural family farms. To me that's a vision for me is to keep as many sustainable rural family farms out there as possible.

I'll do a quick introduction so that you know what we're lined up for the day. Here we've got the introduction. We'll quickly go through the goals and talk about the pioneers. We'll also go over a letter that was written, possible scenarios of what we're looking for, for changes, a conclusion, and also a question and answer period, and then just a final note.

There are probably a lot of different personal viewpoints here. You've heard a lot. You have a lot of your own. But I do please ask that you listen with an open mind and an open heart.

Although there is much diversity in the members I still think there's a lot of things that are in common to all of us. And I think it's important to get an idea of what kind of goals it is that we're trying to achieve in this whole process.

When I was thinking it through I figured that one of the goals — that I think all presenters and people here probably have in common — is that we're looking to improve the rural. We're looking for a thriving rural and, at the same time, we don't want to compromise what we already do have because we have a lot of good things that we already take for granted — the water we have, the fresh air, the forest, the land. All these things are critical and we want to make sure we don't jeopardize them.

Is there anybody who would disagree with that? Okay, so we've basically got a common goal here. And Lisa, if you're available, I'll get you to bring that first common goal down.

Another one that I was trying to think of is that any changes . . . We're actually looking at trying to improve the overall, like the overall quality of life in rural communities. I mean, to me that's an important goal of this — is the quality of life — and we don't want to sacrifice that.

Is there anybody here that would disagree with that? All right.

The third one, I think, is Saskatchewan residents, being here, we're committed to being here; we're the people that are going to build this province. We would like to give opportunity to these people to the best of our abilities. As a Sask resident that wants to be here and wants to live in a community and own land, I think them having that choice is very important.

And so the opportunity for people here, for our own residents to own land, I think is also important. Having it available and

having it accessible. Is that also a goal that everyone is looking for here? Nobody disagrees. Okay.

So our third goal is ensure that ownership of Saskatchewan's farm land remain accessible to the people of Saskatchewan, the resident people. And after I went through these, then I started looking at a Web page from the Farm Land Security Board Farm Ownership, and I looked at where they had the 1974 legislation that was enacted. And that was actually their statement as well, is that — and almost word for word — ensure that ownership of Saskatchewan's farm land remain accessible to the people of Saskatchewan.

So the goal that was relevant back then is still a goal that's relevant now. That's what they were looking for then; I think they served that purpose for a large part.

So again, here we're looking at legislation for different changes, and yet we're still trying to attain the same goal. Maybe we're looking at different ways of attaining those goals. But we're certainly still trying to attain that goal which is to ensure the ownership of Saskatchewan's farm land.

The basic fabric of the rural Saskatchewan is family farms. I mean that started back in the pioneers when they moved over here. And what actually brought those people over here? It was the lure of the land. I mean they were tired of the different serf systems, the landlord and serf systems; they knew that wasn't working. The landlords were taking total control; they were taking the money while the workers they had on there was working barely enough to get a sustenance in life.

So that the idea of being able to come over and own your own land — it was more than owning a piece of dirt. Really what it was, was the opportunity for personal opportunity and freedom. And that's what they came over here for and that's what attracted them here.

I mean farming, I mean farming — you're not just a tiller of the soil — I mean farming is a way of life and the land is more than a commodity. I mean, you develop different ties to your land and it provides for everyone. It provides for the farmer, but it provides for the whole province and that's why it's important that the province look at that because it's all connected.

And of course you're not only connected to the land but you also connect yourself to the community. It's the family farms that built the communities and it's the many family farms that you need there. Therefore the whole social fabric that we're looking at here — family farms — cannot be achieved if you have a system of absentee landlords. Because it's as simple as that — that you cannot have a community if people are not there.

I mean, I don't think I could describe it any more simply. If the people aren't there, through absentee landlords, you're not going to have a community. And large corporate farms and absentee landlords are definitely the opposite of personal opportunity and freedom. The very things that our pioneers came here for we're looking at maybe getting rid of those main points that lured us out here.

So I guess I don't feel like going back in a century of time and

have to learn the lesson all over again about the serf system and the landlords. It is important that we keep the family farms, and we can only do that by allowing them to have access to Saskatchewan people all through the time.

Now, I have written a letter to Hon. Clay Serby, and largely what we had covered in this was the Canadian ownership aspect. There's the foreign, which is the Europeans, but this one was more specifically dealing with the Canadian version. And that's probably the one that I've got the major emphasis on.

So the following points that I had made in the letter was, number one was, there's no real limits. In my mind, there's no real limits. If you want to own Saskatchewan land, move here. I mean it's a great place to live. It's not a death sentence to come to Saskatchewan and be a resident. I mean, is that asking too much? And they only have to live here for 183 days; if they only want to live here half the time that's all they have to do. And even without living here, they can own up to 320 acres.

Now, and in addition to all this, we have the board that grants exemptions. So if there's a case where — and I think a lot of these exemptions are based on the very goals that we're trying to achieve — if somebody wants to buy land that's over the 320 acres they'll look at it. Is it going to be a benefit to the rural? Are we endangering accessibilities to Saskatchewan people? Is it going to improve the overall quality of life? If it meets those criteria, I can't really see the farm land ownership board not accepting it.

And there might be, I think, an earlier example came up — well, if there's only 10 per cent of land or whatever that's not accepted. But probably because we have a screening process, it might deter a lot of those that want to just come here and take over however much land they want. This way we have a screening process through the . . . through our own security board. So if there's a necessity, if we're meeting the goals, I'm sure that's something that they're going to very much look at. So I don't really see — when you talk about restrictions — I guess I don't really understand fully where they're coming from.

And the beauty of this whole system right now is we got . . . is that the same thing that attracted many people over here way back in time is attracting now people again. Because of 1974 legislation we had preserved, actually, our own land base. So now for one of the first times that I can ever remember, we got Albertans coming to Saskatchewan.

I mean, I think that's great. They're coming here, they're living in the community. They're not sitting in a Calgary office and having their land here and everything go to Alberta way. No, they're coming here, they're being a part of our community, and that's exactly what we're looking for. And that's . . . Right there you're increasing your rural population. You're increasing the whole quality of life system.

As far as when we get further, we talked about tax dollars, and earned dollars stay in Saskatchewan. Well if we got landowners in Calgary, where's the tax dollars going? Those tax dollars are going to Alberta government — we're not getting them.

I mean, that's one thing. And also, the earnings that they have

— they're going to take their earnings, they're going to spend their earnings on the cost of living in Alberta. They're not going to do it here. So all those tax dollars, all those spinoff effects from that, we've lost them.

And then there always comes a whole other issue, whether it's grain farming, whether it's livestock, if Albertans are paying income . . . Alberta income taxes over there, well, what's going to happen with us? We're demanding higher . . . They pay a lower . . . they have a lower tax base there . . . or lower taxes. So, I mean, the government, in order for us to be competitive with foreigners, they're going to have to end up giving us some kind of compensation or we get to pay the Alberta tax rates, because otherwise it would be on a total unfair playing field.

But the main thing is we got an exodus of money out of Saskatchewan. We're thinking, oh, we want an economic investment, we want people to come here, we want people to invest. Well if people aren't coming here and just buying land, all that money is going to where they came from. We're not getting a dollar. We're even further off because we're not even keeping that Saskatchewan money in Saskatchewan and spending it here.

So the fragile rural area . . . I guess what I'm saying is: we can't take the economic drain and depopulation that land ownership — foreign land ownership or absentee land ownership — would provide.

This would also be a greater difficulty for young farmers, as far as I see it, because they have to compete with some pockets. Some people are just buying solely speculative; other people, I mean, they got the money. They don't have to live off the land.

And we talk about, well, land prices should be higher, should be higher. Land prices should be wherever you can sustain the farm. I mean, if . . . We know back in the time at the early '80s that we lost so many farmers because land prices went through the roof. Well the value of land was way overpriced for what you could produce on it. It was just inevitable that was going to happen. You got . . . in order . . . it's got to be sustainable. To be sustainable the land has to pay for itself.

And again farm land is one of our greatest resources and is very important to be owned by Saskatchewan. And it's owned by all Saskatchewan people in one form or another because if I'm farming, you get . . . the rest of Saskatchewan people are getting spinoff effects from it because I am here and I'm being . . . (inaudible) . . . here.

I guess when we look at different things, when we're trying to make decisions . . . Actually on the drive down here I was thinking, okay, let's put the two perspectives in complete extremes, where we have on the one extreme a total buyout of the province where, let's say, Alberta groups have totally bought out the province and we have no more . . . well we'd have no more rural family farms here. Everything's done by their . . .

So they come in, they . . . and I guess in the springtime they bring all their equipment in or they get custom operators, pull in here, do their seeding. The custom operators do their spraying, custom operators to do their harvesting, and everything goes

that way. I mean, they're sitting in Alberta. When it comes to the income, of course everything's paid in Alberta. The only thing we got out of it was they got to use our roads. And that's about as . . . that's about as all that we attain out of that.

Whereas the opposite version is I guess back more in the pioneer days where everything's family farms and there's a farm every half section. I mean, that's not actually sustainable itself with the way the economics have because you need a bigger land base than that. But again I'm just comparing the two extremes.

And in that case, well, you're going to have a family farm every half section but then on top of that, well then you're going to have to, you know, you're going to have to have a grocery store nearby; you might have to have a school; you might have to have a . . . garages, whatever come up to support that type of system. And, I mean, to me that's great. I mean, that's the way I'd like to see it. That's the way it used to be.

So I just give you the example of the two extremes because when you're making decisions towards absentee landlordship, if you took it to the extreme, basically we'd be in a situation where maybe when you . . . like you drive down Montana or something like that where you got to drive 60 miles to find the near next town.

And, I mean, that might be a vision of some of us here. But it isn't for me. And I don't think, really, it is for you just because of the common goals that we have gone over.

The next part I'll go over is some possible scenarios of changes, possible reasons for changes because I think that's important to explore as well. Again, these other ones are issues as well but the one with Canadian ownership was definitely a big issue because I don't see the need to sell Saskatchewan for any perceived short-term benefit, because the land is our future. And if you have no land, you have no hope especially if everything is going out of the province.

We looked at different possible scenarios, and it's really difficult making a presentation because it's like, okay, what kind of changes are you looking at. So you're trying to think, okay, what kind of changes, why are they doing them. So you know I've got quite an extensive thing developed out of it, but there's probably a lot of other ideas have come up too that we might explore in question and answer.

But there was one of the big things that I always keep on hearing is hog barns and intensive livestock operations. Now I guess depends what side of the fence you're sitting as whether they're good or bad. I mean, there's certainly . . . if you're going to have them, you have to handle them right because I don't think anybody here wants one in their backyard.

I mean, just from the different things that are there — the odour, the manure management — it's all got to work right, otherwise what happens is we sacrifice one of the common goals which is our quality of life. I mean, the basic . . . one of the basic resources that we have that I enjoy is fresh air and I know of people that don't have that luxury any more just because they are beside an intensive livestock operation.

And your notes also talked about the small acres not a real issue. As far as I think, I was perceiving this more to be, let's say, Europeans, or whoever comes in, that they're allowed that 10 acres. And some might find that restrictive because they might not be able to put a certain operation up. Whether they allowed a few more acres there on small scale, I can't say that I'm opposed to it just because it won't affect our third goal which is to ensure ownership of Saskatchewan for Saskatchewan people because the numbers of acres that we're dealing with aren't that large to begin with.

But I think the real issue here, when it comes to these type of things, is you don't want somebody coming in, plunking something in obtrusively. I mean, you're used to your own type of setting. You want a situation where you're welcoming a new enterprise or a new industry coming in. In order to do that though, the people have to be involved.

I mean, they got . . . if you're . . . Especially if they could be involved in the planning and the operation of the facility, I mean so much the better because this way they've got involvement from the rural. They got participation from the rural. It's a win-win situation for everybody, rather than the two fighting to each other: no, I don't want that here; no, you can't put that in my back yard.

So I think the real issue is some type of joint ownership or joint operation. And I guess . . . I mean I pick on hog barns and I'm not trying to be too hard on them because I mean there are some, you know, there are some concerns there's no doubt.

But I would hate to think that the greatest vision this province has is to allow non-residents to come in and build large, smelly hog barns. I hope that we've got a much bigger vision than that here in play.

And non-residents, you know, we keep on talking about well we need them to invest. I mean they can invest in all kinds of things, but I don't know why we have to keep on tying it to . . . keep dwelling on this land ownership thing. I mean anybody . . . if they want to set up some kind of machinery manufacturing here, great. I mean we can work it.

Plus also with this . . . if it's something that's going to be really good for a community, the community wants it, we've got a board that handles some exemptions. And if they're fulfilling these goals, it's a good chance that that'll be there.

I already talked about . . . a little bit about the land prices and I think I'll skip that over because I'll run out of time here.

I guess the next item I'll go on . . . if you have the sheets it'll be number five, which is increasing allowable acreage which is often a government's vision for more feedlots.

Right now non-residents, not . . . non-residents, but yet Canadian residents they're allowed to own 320 acres. This is more than enough to run a feedlot operation. I mean you're not going to have that many animals fenced off, and if you do, well then you're going to have some environmental problems with the manure management.

So as far as wanting to set up more feedlots, well they, under

current ownership rules they can have . . . they have enough land. For as far as . . . I guess the other thing you've got to look at is that we've got quite a few feedlots coming up as it is, just Saskatchewan owned.

We've got the Red Coat Trail; we've got another one around Hazenmore. We've got another one that's looking at expanding up by . . . north of Hodgeville. And if you're trying to bring in all these other investors from other places, well you could be somewhat shooting yourself in the foot from the fact that they're . . . now you're bringing in competition for your very own Saskatchewan owned feedlots.

Earlier we talked about the . . . And I guess the other caution that I throw out, I know that the experts have been really pushing us to feedlots, but do you know that 90 per cent of our exports of cattle go to the States. And the States have really affected our grain industry. They just did the soft lumber number out there.

We know that with a blink of an eye they could kill your livestock industry. And they've already made some moves towards that because they're in, I think, three years, they're requiring Canadian beef to be labelled in the stores, which I think will have a negative effect on the whole system.

So I guess I wouldn't want to put all my eggs in one basket and say: okay, yes this is the way to go; it's worked for Alberta. Yes maybe it has in the past. But I mean first of all we're looking for a Saskatchewan-made solution. We don't have to . . . We've got enough innovation here that we can come up with something.

So what I'm saying is, a little caution there as well. And we talked a little about income tax revenues and earnings — well, a major drain on Sask. economy. And I'm going to give you an example of something that I had this summer and the way it worked.

There was an Alberta farmer that was dropping something off for me and he was on his way to Manitoba. And actually he was going to pick up a load of hay for his cattle. He owned land in Manitoba. He harvested the hay and now he's going to bring it to Alberta.

And he tells me that he makes sure his tanks are completely full on his semi before he ever leaves Alberta. This way he can make the whole trip without even having to buy fuel anywhere else. So here we've got a guy in Alberta coming across, picking up his hay in Manitoba, and taking that Manitoba hay, bringing it back to Alberta. There's absolutely nothing . . . I mean this is a total drain from Manitoba because everything is taken away from Manitoba and it ends up in Alberta.

All the tax dollars end up in Alberta, all the processing of the meat, the slaughtering — everything. The whole industry is sitting in Alberta. Manitoba is getting drained and I don't want to see that same thing . . . type of scenario happen to our own Saskatchewan farm land because that's something that could easily happen.

Can I have a couple of minutes?

The Chair: — You have 10 minutes left in your time allotted.

Mr. Gaucher: — Oh, really? The next one on absentee landlords I'll deal with. That one is, you the committee have choices to make in this decision process. I mean, absentee landlords . . . It's either absentee landlords or family farms. I mean, you choose. You can't have both in the sense that if there's three sections of land that's taken up by an absentee landlord, that's three sections of land that's not going to be there for one or two family farms.

So I mean, if you're picking absentee landlords, you are saying no to the family farms on that particular tract of land. And I'd use the other extremes where all the land was bought. Well then we'd have no family farms and everything — head offices would be all in Alberta — and everything would go that way. I guess we'd be left with Regina and Saskatoon at a scaled-down version.

So I don't know. I guess some choices have to be made but I know what I'd rather have and that's the family farms than an absent landlord. And I've got somebody in the community — heck, then I've got somebody I can talk to out there.

Law issues. You know, I've had a few things batted around. There was something in *The Western Producer* and stuff. And I guess what I have to say is we have every right to protect our land. I mean, it's land that's here for the benefit of all Saskatchewan people and using a definition — that it should be held with high regard — for sacred, I would then place our land as sacred. It's very precious.

Another thing, that we go through all this and we want investment. But I think if we can get more incentives to people in the rural to start their businesses . . . They've talked about value added; I think that's a good way to go because this way you're less given into the fluctuations. We know that we're getting battered to death on the main markets because we can't, we just can't compete with American subsidies.

So if we can value add, it certainly will help us bring us in the food chain. Unfortunately in the past we've done it horizontally instead of vertically. What we've done is we buy more land. I guess we kind of do what we even . . . what we've been doing and then we know more of it, so we've been expanding that way. But certainly vertically up the food chain where we get closer to end product was certainly good.

But I think what needs to be done there is more help, because a lot of farmers . . . We know exactly what we're doing when we're out ploughing the field or whatever it is, but when we want to bring our food up to the next part of the chain, we need information on . . . need information, more information to be able to do that. Because we say yes, you know, I've got ideas too; yes I'd like to do that. But it's like — how? And a lot of times then it doesn't get done.

So I'd really like us to foster Saskatchewan-made solutions for businesses. I mean we're . . . I went to a farm seminar one time and he says you know, you're going to have guys that kind of come into your land, they're going to tell you, oh, yeah, you should do this and this and this. And he says, you know who's the real expert of your land? He says you are.

And that's the way I feel about Saskatchewan. You know who's the real expert of Saskatchewan? It's the residents of Saskatchewan because we're the ones that have been here.

And it's only through . . . And I guess the whole thing too with, if you have businesses that come up through here, Saskatchewan people, for the best results, they have to be involved. And that's the best way to increase the quality of your life as well. Saskatchewan people have to be involved.

Now I guess I'm not really alone in my plea here for keeping . . . for not increasing the Saskatchewan land ownership acreages. I mean there's three major Saskatchewan farm groups out there — there's the NFU (National Farmers Union), the NFU, SARM, and APAS, A-P-A-S, (Agricultural Producers Association of Saskatchewan) — and they represent, you know, the grassroots masses. And they've all said no to this idea of Saskatchewan land ownership changes. So like I say, I'm hoping the government is listening to those organizations.

In conclusion, if we do want to attain the goal of improved quality of life, it has to be a grassroots solution and it has to be with grassroots inputs. That's the way it's going to work. So even if somebody comes in — and so much the better, community involvement, that's what's going to make it work — and somebody come and plunk it in and figure they're an island, it doesn't work that way. Everybody gets effected.

Now Saskatchewan residents are very innovative and capable. So whatever we come up with . . . Yes?

The Chair: — Five minutes.

Mr. Gaucher: — Yes, I'm wrapping her up.

So whatever we come up with . . . and we're capable. So I guess we don't want to undermine our own abilities and efforts. We don't want to be looking across the borders as if, oh, that's our saviour over there. No, we can save ourselves; we can do it — definitely some other expertise and some investment as a joint thing — yes, we could probably make it work.

What we don't want to do is undermine the people and end up taking their power away by having their land controlled by outside interests, because that's a sure formula for rural destruction. And it's the worst kind because in this case, if we're setting up legislation so that other people can take control of our land, in this case we're self-destructing. And that is the most potent and dangerous of all types of destructions.

Now Saskatchewan is coming of age. And again, that coming has to be from Saskatchewan people. And we have to concentrate our efforts on Saskatchewan people.

Empower us; we're here to stay and build a province. We're not just fly-by-nights coming in and taking off. We are committed and we're here for the betterment of the whole province and the quality of life for every individual of Saskatchewan. And I don't think you could necessarily say that for the alternative.

So I don't think I can necessarily adequately express how strongly I oppose increasing non-resident ownership. I had an opportunity here and I do appreciate that. But certainly, you

know, it's our grassroots that have made the people of Saskatchewan Saskatchewan's number one resource. I think that's one of the best ways to put it. It's our grassroots that made Saskatchewan people.

The land is the foundation or the heart or the soul of the province. And Sask people . . . Saskatchewan people are who they are because of the land. I mean, you can't totally keep them separated. Therefore in order . . . therefore for us to turn around and sell the land to non-residents in my mind is a little bit like selling one's soul. And when all is said and done, we'll look back and realize that we always had the most important thing. We had our soul; we had our true sense of who we really are.

So I guess what I'm saying, in speaking up here, is that who we are — it's not for sale.

I got a flip chart here as well. Farming as a way of life. Our own land represents our hope, our future, our personal opportunity, and our own freedom. But we need you to help keep that that way.

If there's any questions here we can open up for a few questions; there might be a quick one.

The Chair: — I'd like to inform the committee members that we have three minutes for questions.

Mr. Weekes: — Thank you, Paul, for your presentation. I'd like to start off by just asking what your definition of a family farm is.

Mr. Gaucher: — That's a little bit like the Social Services where we're trying to come up with a definition of a family. But I . . . in my mind a family farm is a fact of . . . a person of Saskatchewan in this case that lives on the farm and has his living off the land, and not necessarily totally just off the land, but it also involves, I mean, ideally, . . . I mean I've been very fortunate. We have my father and my four brothers that are all involved in the farm and if I go back in time, I mean, my great-grandfather was on the farm.

So I mean, if we're looking at that sense . . . but it's definitely not just in that sense. It's the fact that it's people, resident people, that move to Saskatchewan, live here, and farm the land. So I mean if it's somebody from Alberta that wants to live here and farm the land and be part of the rural community — and I think that's the other key part of it too, the family farm as being part of that community — that's . . . that would be the family farm.

Mr. Weekes: — If I could have a follow-up. An argument can be made, and I'd just like to get your comments on it. Many believe that the status quo is not working now. The argument is made that changing the land ownership law is just one small piece in the puzzle in the process of revitalizing Saskatchewan, rural Saskatchewan.

The ACRE report which was submitted to this committee said that we needed billions of dollars of investment over the next 20 years to accomplish the goals which . . . I think we all agree on the common goals.

And I would just like to get your comments on if — right now we're asking for a \$1.3 billion trade injury compensation package from the federal government — if Saskatchewan and Western Canada was on a level playing field with other provinces and other countries as far as subsidies, and other things were put in place really to catch us up to the other countries and trading partners around, would you still have a concern about changing the land ownership laws given that 90 per cent of the exemptions are granted in any case?

Mr. Gaucher: — Well you got about six things going there. First of all, revitalizing. I discussed there where if Alberta farmers or whatever, or the case where the Alberta farmer owns land in Manitoba, they're not revitalizing. They're draining the system even worse. So there's no revitalizing in that kind of thing where . . . absentee landlordship.

As far as this whole scenario with the rural . . . this idea of selling land, well it's . . . we're treating a symptom is what we're doing. We got to go back to what the causes are and try and deal with those causes because ad hoc here — okay, we'll sell land to try and keep things going. I mean that's not a long-term, that's not a long-term investment; that's not a long-term answer to what we're dealing here. And from what I was hoping to present in my report, it'll actually be more detrimental to us than it ever will be positive.

What else did I get down here? Like, I use a couple of other notes, but what I guess I'll get you to maybe reiterate just exactly what . . .

Mr. Weekes: — Well do you think the status quo is working as it is now?

Mr. Gaucher: — No, but it would be worse if it wasn't there. That's what I'm saying. I don't like . . . I believe in a lot of family farms and there's no doubt about it and I can see that it's drifting away from that and that's the way it's going.

Governments are pushing that way. We got somebody in Ottawa saying, oh, there should be half the farmers that there are here. Well that kind of thing is not constructive at all. I mean we're looking at, you know, we're looking at wanting some growth here in the whole thing.

But what I'm saying is as bad as we think it is now, it'll be worse if we change the status quo and open things up more to others; it's got to. I mean, we're talking about unpopulated rural. If we got absentee landlords pull in, well that's not populating the rural. They're sitting in another province and they're taking away from the opportunity for somebody from Saskatchewan and rural to be here.

The Chair: — Thank you.

Mr. Forbes: — Well, I was going to say I appreciated how you talked about how this is a challenge for all people in Saskatchewan, when you talk about the residents of Saskatchewan. And I just really appreciated that because it is a problem that we all face in this province. So I just wanted to say thank you for that.

Mr. Gaucher: — Thank you.

The Chair: — Thank you, and with that I will thank you, Paul, very, very much for your very informative presentation. On behalf of the committee, I thank you for making yourself available, and your time has now expired.

Mr. Gaucher: — Well thank you very much for the opportunity, I greatly appreciate it. We had one more flip chart but . . . Oh I have . . . I actually had to scale down my presentation quite a bit. And I had a much longer thing so I would like to hand out these as well to the different members so they have something to mull over for the next meeting.

The Chair: — Committee members, we'll soon be entertaining a motion of adjournment, but first I want to remind everybody that the committee will be reconvening next Wednesday morning at 8:30, here in room 10. The first half-hour will be in camera for further discussions of process and whatever else happens to turn into discussion.

But with that, I will now entertain a motion of adjournment. Thank you. Carried.

And I want to wish all the members of the committee a pleasant long weekend.

The committee adjourned at 12:25.