



**Second Session — Thirty-Second Legislature**  
of the  
**Legislative Assembly of Manitoba**

**STANDING COMMITTEE**

on

**AGRICULTURE**

**31-32 Elizabeth II**

*Chairman*  
*Mr. A. Anstett*  
*Constituency of Springfield*



MG-8048

**VOL. XXXI No. 16 - 10:00 a.m., TUESDAY, 26 JULY, 1983.**

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Second Legislature**

**Members, Constituencies and Political Affiliation**

Name	Constituency	Party
<b>ADAM, Hon. A.R. (Pete)</b>	Ste. Rose	NDP
<b>ANSTETT, Andy</b>	Springfield	NDP
<b>ASHTON, Steve</b>	Thompson	NDP
<b>BANMAN, Robert (Bob)</b>	La Verendrye	PC
<b>BLAKE, David R. (Dave)</b>	Minnedosa	PC
<b>BROWN, Arnold</b>	Rhineland	PC
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<b>DESJARDINS, Hon. Laurent</b>	St. Boniface	NDP
<b>DODICK, Doreen</b>	Riel	NDP
<b>DOERN, Russell</b>	Elmwood	NDP
<b>DOLIN, Hon. Mary Beth</b>	Kildonan	NDP
<b>DOWNEY, James E.</b>	Arthur	PC
<b>DRIEDGER, Albert</b>	Emerson	PC
<b>ENNS, Harry</b>	Lakeside	PC
<b>EVANS, Hon. Leonard S.</b>	Brandon East	NDP
<b>EYLER, Phil</b>	River East	NDP
<b>FILMON, Gary</b>	Tuxedo	PC
<b>FOX, Peter</b>	Concordia	NDP
<b>GOURLAY, D.M. (Doug)</b>	Swan River	PC
<b>GRAHAM, Harry</b>	Virden	PC
<b>HAMMOND, Gerrie</b>	Kirkfield Park	PC
<b>HARAPIAK, Harry M.</b>	The Pas	NDP
<b>HARPER, Elijah</b>	Rupertsland	NDP
<b>HEMPHILL, Hon. Maureen</b>	Logan	NDP
<b>HYDE, Lloyd</b>	Portage la Prairie	PC
<b>JOHNSTON, J. Frank</b>	Sturgeon Creek	PC
<b>KOSTYRA, Hon. Eugene</b>	Seven Oaks	NDP
<b>KOVNATS, Abe</b>	Niakwa	PC
<b>LECUYER, Gérard</b>	Radisson	NDP
<b>LYON, Q.C., Hon. Sterling</b>	Charleswood	PC
<b>MACKLING, Q.C., Hon. Al</b>	St. James	NDP
<b>MALINOWSKI, Donald M.</b>	St. Johns	NDP
<b>MANNES, Clayton</b>	Morris	PC
<b>McKENZIE, J. Wally</b>	Roblin-Russell	PC
<b>MERCIER, Q.C., G.W.J. (Gerry)</b>	St. Norbert	PC
<b>NORDMAN, Rurik (Ric)</b>	Assiniboia	PC
<b>OLESON, Charlotte</b>	Gladstone	PC
<b>ORCHARD, Donald</b>	Pembina	PC
<b>PAWLEY, Q.C., Hon. Howard R.</b>	Selkirk	NDP
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<b>STEEN, Warren</b>	River Heights	PC
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<b>URUSKI, Hon. Bill</b>	Interlake	NDP
<b>USKIW, Hon. Samuel</b>	Lac du Bonnet	NDP
<b>WALDING, Hon. D. James</b>	St. Vital	NDP

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**THE STANDING COMMITTEE ON AGRICULTURE**

**Tuesday, 26 July, 1983**

**TIME — 10:00 a.m.**

**LOCATION — Winnipeg**

**CHAIRMAN — Mr. Andy Anstett (Springfield)**

**ATTENDANCE — QUORUM - 6**

*Members of the Committee present:*

Hon. Messrs. Adam, Bucklaschuk, Uruski and Uskiw;

Messrs. Anstett, Downey, Gourlay, Harapiak and Manness.

**WITNESSES:** Representations were made to the Committee as follows:

Bill No. 90 - An Act to amend The Cattle Producers Association Act.

Mr. Gordon Hicks - Manitoba Cattle Producers Association

Mr. Larry Clifford - Manitoba Cattle Producers Association

Mr. Max Ross - Manitoba Cattle Producers Association

Mr. Ed Dalke - Manitoba Cattle Producers Association

Mr. Peter Friesen - Manitoba Cattle Producers Association

**MATTERS UNDER DISCUSSION:**

Bill No. 90 - An Act to amend The Cattle Producers Association Act.

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**MR. CHAIRMAN:** Committee come to order please. Gentlemen, we have a quorum. The business before the committee this morning is the following:

Bill No. 6 - An Act to amend The Pesticides and Fertilizer Control Act

Bill No. 7 - An Act to amend The Dairy Act

Bill No. 90 - An Act to amend The Cattle Producers Act

I believe the Clerk has distributed copies of the list of individuals wishing to appear before the committee. Any members who don't have a list? If not, members will see that there are two people wishing to make presentations on Bill No. 7, and I think nineteen on Bill No. 90. — (Interjection) — Twenty? I believe there was one duplication, the name's been taken off; 19 or 20. There may be more in the audience, however.

How do you wish to proceed, gentlemen? Do you wish to hear Bill 7 first, since there's only two people on Bill 7 and it numerically comes before 90, and then start on 90?

If so, if there's no further business, Mr. Uskiw.

**HON. S. USKIW:** Yes, I would assume that Bill 7, that the people presenting briefs might be in a position to wait in the sense that they are urban people, are they not? I'm just thinking in terms of distance for people that are here on the other one.

**MR. CHAIRMAN:** Mr. Uskiw is suggesting that we hear from out-of-town persons first.

Mr. Downey.

**MR. J. DOWNEY:** Mr. Chairman, I think that would be the proper way to proceed. Those individuals who have come the furthest should be heard, and I think most of them are on Bill 90, and I think we should proceed to hear Bill 90.

**BILL NO. 90 - THE CATTLE PRODUCERS ASSOCIATION ACT**

**MR. CHAIRMAN:** I wasn't aware that both Mr. Dooley and Mr. Rampton were from Winnipeg, if that's what's being suggested. I'm also not aware of which are the people who wish to appear on Bill 90 are from Winnipeg and which are from outside of the city, so I'll start by calling Bill 90, and if the individuals are from the city I'll ask them to defer until we've finished all of those who have come from out of town.

I take it Mr. Dooley from Scarth and Company is from Winnipeg, so No. 2, Mr. Larry Clifford.

Mr. Clifford please. Is Mr. Clifford here?

Mr. Gordon Hicks. Mr. Hicks please. Please proceed, Mr. Hicks.

**MR. G. HICKS:** Gentlemen: In our discussion with the Minister we suggested a referendum would be an acceptable method to find out what the producers wanted in this matter. The Minister was not interested in what the majority of cattle producers wanted.

I would suggest there is not a thousand producers that support his action. Acting against the wishes of the majority will certainly have a political price for this government. Our refundable checkoff is the most democratic funding system you can find anywhere in a like organization anywhere in this country. Your government does not refund taxes to those who oppose your policy.

The Cattle Producers Organization's only goal is to improve the lot of the cattle producer. Our constructive criticism of the Beef Stabilization Plan and other cattle related matters is unsuitable to this government. We would suggest you recall our criticism of the stabilization. We said the plan was like a chain with the link missing in the middle. We need feedlots. We just lost our largest feedlot in the province this week, the Stabilization Plan has not reversed the sell-off of cows. There has been cow dispersal sales all summer

this year. We are going to lose one or two packing plants in this province shortly, unless the missing link is looked after. This Association is inoperable without proper financing as everyone well knows.

Government must work for people, not people work for government. It seems some minds around here are like cement, all mixed up and permanently set. The most lovable quality anyone can possess is tolerance. It is the generosity that concedes to others the right of their own opinions and their own peculiarities. It is the bigness that enables us to let others be happy in their own way, not our way. Men's minds are like parachutes. They only work when they're open.

Thank you.

**MR. CHAIRMAN:** Thank you, Mr. Hicks. Could you return to the microphone, please, in case members of the committee have questions? Are there any questions for Mr. Gordon Hicks from members of the committee? Mr. Downey.

**MR. J. DOWNEY:** I am quite interested and Mr. Hicks doesn't have to indicate if he doesn't feel free to. What feedlot in Manitoba just closed its operation this week?

**MR. G. HICKS:** Miami.

**MR. J. DOWNEY:** How many head of cattle would that feedlot have been feeding annually?

**MR. G. HICKS:** I couldn't tell you. It has the capacity of over 5,000, so they could easily be turned over three times, but that's a technical question I'm not sure of. It had capacity beyond what was being used in these

**MR. J. DOWNEY:** In numbers, Mr. Hicks, you indicated that an estimate of some 1,000 farmers or producers may not be in support of the original Cattle Producers Association. Is that a pretty accurate assessment, or would you say that out of the cattle producers who have been part of the cattle association, how many actually feel that they did not want to be a part of the organization?

**MR. G. HICKS:** There was less than 1 percent opted out a year ago and a lot less than 2 percent this year.

**MR. J. DOWNEY:** So in actual numbers what would that be?

**MR. G. HICKS:** I can't really answer that. There will be some people here later from the association that can answer that question properly.

**MR. J. DOWNEY:** Thank you.

**HON. S. USKIW:** Mr. Hicks, would you recall the period in the '70s when we had this proposition before us by way of referendum - do you recall the results of that referendum at that time?

**MR. G. HICKS:** Are you talking about the Marketing Board?

**HON. S. USKIW:** No, it was a beef checkoff.

**MR. G. HICKS:** No, I can't tell you.

**HON. S. USKIW:** You're not aware that there was a referendum on this very question and the producers turned it down?

**MR. G. HICKS:** Yes, I'm aware of that, but that was about 10 years ago. A lot of things have changed since then.

**HON. S. USKIW:** That was in 1976, I believe it was, or 1977.

**MR. G. HICKS:** Well that's a long time in the way things are happening nowadays.

**HON. S. USKIW:** My next question to you, would you agree that the Government of Manitoba passed a law that says you must belong to the National Farmers Union unless you opt out?

**MR. G. HICKS:** No, I'm not aware of it.

**HON. S. USKIW:** You wouldn't agree with that?

**MR. G. HICKS:** I don't know. Let me think about the question here a minute.

**A MEMBER:** Hypothetical.

**HON. S. USKIW:** No, not at all hypothetical.

**MR. G. HICKS:** I would say if a majority of producers asked you to do that, I would not object to it.

**HON. S. USKIW:** Well, Mr. Hicks, let's take us back then, because this issue has been before this Legislature for some period of years. There was a referendum which was turned down. Subsequently, and only within a couple of years of the referendum, precisely what I proposed to you, the hypothesis that the Farm Union be the national organization that you would be compelled to belong to, unless you chose to opt out. That was done in order to create this association by the Conservative Government.

Really I'm getting to the point of trying to pin down whether it is your feeling that it is only with respect to associations you agree with that you would want to be brought in by compulsory legislation with an opting-out provision, or would you feel comfortable, if the government did that, with respect to any association?

**MR. G. HICKS:** I would feel comfortable if they'd do it with unions for one example.

**HON. S. USKIW:** Okay, so let me take you back then to the first question. If we were to do the very same thing with respect to the Farmers Union, would you agree that that would be fair as long as you had the right to opt out?

**MR. G. HICKS:** Yes, I don't think that would do any harm. I don't think anybody that disagrees with the

Farmers Union would have any qualm about opting out. That's a personal opinion.

**HON. B. URUSKI:** Mr. Chairman, Mr. Hicks you've indicated that there's not 1,000 producers that support the measure that we're putting in. That being the case, why do you foresee the difficulty of having funds collected voluntarily if there will only be a small numbers of the producers who would opt out?

**MR. G. HICKS:** We have seen the experience that Saskatchewan has had under that kind of an arrangement and it just doesn't work.

**HON. B. URUSKI:** If producers, given their right to support an organization of their choice, wish to continue, then you'd have no difficulty of continuing where you are. Would you? I'll put it another way, if only 1,000 producers opted out would that place your organization in a difficult financial position?

**MR. G. HICKS:** I believe there's less than 100 who opted out of our present system. I just can't see what's wrong with our present system.

**HON. B. URUSKI:** Well, Mr. Chairman, in terms of your refund procedures, you know that there've been many comments with respect to the way refund procedures have been put into place. If only 100 producers have opted out, what is your concern about this legislation?

**MR. G. HICKS:** Well, it just eliminates our financing is what it does and you know it very well. We have no method of financing. If our association is going to go out to the country and go from farm to farm to try and collect money to operate our operation, we're not going to accomplish much in what we're collecting the money to accomplish. I think you know that very well.

**HON. B. URUSKI:** Well, is there any other association that has powers similar to yours in society?

**MR. G. HICKS:** Every union you and I know of has.

**HON. B. URUSKI:** Do you classify yourself as a union?

**MR. G. HICKS:** Not in name, but if you look at our objectives we represent a special interest group and we work to better their lot in society. Can you tell me what different that is than what a union tries to do for its members?

**HON. B. URUSKI:** Well, a union, first of all, has to have the simple majority to organize which you didn't. Secondly, the union bargains in terms of economic benefits for its members. Could you outline the economic benefits that your association has put forward to cattle producers in the last number of years?

**MR. G. HICKS:** Let me think about this. Unions really just do exactly the same thing as we do. We try and improve the lot of the cattle producer and that's our only objective. Can you tell me anything else that we've tried to do?

**HON. B. URUSKI:** Well, in the act, one specific measure was excluded initially when the Act was brought in to give you powers to bargain for economic position or economic benefits on behalf of producers. That was specifically excluded, could you tell me why?

**MR. G. HICKS:** No, I can't answer that question.

**HON. S. USKIW:** Could you give me one example of a trade union that was established by an act of this Legislature in the history of Manitoba?

**MR. G. HICKS:** No, I can't.

**HON. S. USKIW:** My logical question to follow then is, how do you then suggest that this association is analogous to trade unions in the way they are established.

**MR. G. HICKS:** Well, like I said earlier, our only objective is to improve the lot of cattle producers and the only objective of a union is to improve the lot of the union members. I don't think anybody argues that a majority of cattle producers supported the legislation that we operate under. I don't think you even disagree with that. Whether it was an actual vote or not is just kind of a judgment on your part or mine.

**HON. S. USKIW:** Well, Mr. Chairman, I would tend to agree, Sir, with you that probably there's a fair amount of acceptance of this organization by the cattle producers. But there's a principle involved here and that's what's at issue, whether government should be used in this way and that is by law to force people to members of an association by an act of the Legislature and then have an opting out provision if certain members don't want to participate.

If we were to pass that kind of law establishing trade unions in Manitoba, do you believe that would be acceptable to society?

**MR. G. HICKS:** I couldn't answer that question.

**MR. J. DOWNEY:** Mr. Chairman, to Mr. Hicks, the question was asked earlier of what benefits you felt that you have done to help the cattle industry; was your organization asked by the present government to help develop guidelines for the current Beef Stabilization Program that's in Manitoba.

**MR. G. HICKS:** Indirectly I think we were. We were in consultation. Some of our ideas were accepted and some of them weren't.

**MR. J. DOWNEY:** A further question to Mr. Hicks. Are you aware of an organization in Manitoba known as the Women's Institute?

**MR. G. HICKS:** Yes, I am.

**MR. J. DOWNEY:** Are you aware of the fact that the Women's Institute was formed under an act of the Manitoba Legislature, not unlike what the Cattle Producers Association is?

**MR. G. HICKS:** No, I was not aware of that.

**MR. J. DOWNEY:** Thank you, Mr. Chairman.

**HON. B. URUSKI:** Mr. Chairman, for the record, it should be known that the association, there is no repeal of legislation in this bill, neither is there a checkoff under The Women's Institute Act.

**MR. CHAIRMAN:** Further questions for Mr. Hicks? Hearing none, Mr. Hicks, on behalf of the committee, thank you very much for appearing here today.

I believe Mr. Larry Clifford has now arrived. Mr. Clifford.

**MR. L. CLIFFORD:** Thank you, Mr. Chairman. I must say, first of all, I apologize for being a bit late this morning. The traffic is pretty heavy and we had a bit of trouble finding a parking spot, so we decided to walk and it took us a bit longer than some of the other fellows that came, so my apologies for the delay.

Mr. Chairman, members of the committee, first of all, I will identify myself. I'm Larry Clifford, the Chairman of the Manitoba Cattle Producers Association. I've been involved in the industry for about as long back as I can remember really. I've had some experience on the national board, both the Canadian Cattlemen's Association and the Canadian Federation of Agriculture; and I also represent our association in this province as far as the Manitoba seat on the National Promotion Board is concerned as well.

To go on with our brief, we welcome the opportunity to appear. The Manitoba Cattle Producers Association, better known as the MCPA, is an organization of Manitoba cattlemen which was established in 1978 by an act of the Manitoba Legislature. Previous to its formation, cattlemen had formed a number of associations, including the Manitoba Cow-Calf Operators and the Manitoba Beef Growers Association. These organizations had difficulties providing satisfactory programs for their members because of the narrow, special interest group score, lack of ability to collect complete information and small financial base.

Cattlemen in the industry felt the need for a broader base organization which was steady and sound, both structurally and financially, thus, the formation of the Manitoba Cattle Producers Association.

The MCPA was designed to initiate support and conduct programs for stimulating, increasing and improving the economic well-being of the cattle and the beef industry in Manitoba. This purpose was to be accomplished by developing marketing methods, grading standards, quality standards, research, educational programs and production management improvements.

In addition, the association has the power to enter into advertising and promotion and can co-operate with any organization with a similar purpose. The association has one restricted power which differentiates it from a producer board, that it is not to engage in the production, sale, marketing or processing of cattle on its own behalf.

The association is directed by a board of 14 elected cattlemen, each elected by the cattlemen from one of the 14 districts in the province. In October, each district

holds a meeting of producers to review the activities of the association during the past year and to seek policy direction from the members for the upcoming year. Elections for district directors are held in November through a mail-in ballot. A term is for two years but a director, if re-elected, can remain on the board for only a maximum of six years.

The MCPA also holds an annual meeting for all cattlemen in Manitoba every December. Here resolutions from the district meetings are voted on by registered producers present. This establishes the direction for the board for the next year, and also is the only time changes or amendments can be made to the by-laws.

The directors of the Association are organized into various active committees. These include feedlot, marketing, cow-calf, preconditioning, land use, all breeds, stabilization, transportation, advisory, and communications. In the past, the Association has sponsored a feedlot school, and this year will be hosting a cattlemen's school for producers.

The Association employs three full-time staff members; a general manager, a home economist, and a secretary.

Funds for the Association are derived from an automatic fee deduction of 50 cents for every head raised and marketed in Manitoba. Producers are also assessed another 50 cents per head which is subsequently paid over to the beef information centre and represents Manitoba's contribution to national promotion and advertising. Thus, producers assessed a total market check-off deduction of \$1 per head.

The Beef Information Centre organizes and is actively involved in the following national programs:

School educational materials pertaining to Social Studies and Home Economics;

Hotel, restaurant and institutional programs providing information on purchasing and preparation of beef as well as menu feature items;

Media program where the staff can often do TV and radio spots; regular items on CKND and news releases to daily and weekly papers;

Nutritional education such as the International Nutrition Symposium in 1981, co-sponsored by the BIC and the Canadian Institute of Food Science Technology plus nutrition newsletters sent to all nutritionists, dieticians and medical people;

Consumer services such as recipe and information booklets;

Retail point of sale material and merchandising tools for retailers;

National advertising which includes a TV, radio and print program.

The goal of all these programs is to provide and improve the beef industry in Canada. These programs have proven to be very successful. Evaluation of consumer attitudes has indicated that the national advertising program which has only been in effect for one year and has already had significant positive impact on consumers. That's been backed up by a study done by an independent consultant firm, Actionable (phonetic) Research, and we found that we have, because we're promoting a non-name product, we can't identify our product with a brand name, we're promoting beef, and it's marketed in many many forms, many many brands. So, all we can really do is influence consumers' attitudes.

We found that by using research before the program had taken place, by exempting certain parts of the country from any advertising, putting double-strength advertising in other parts of the country, and just using the normal strength across the rest of the country, we've been able to assess attitudes. We found that by advertising we've had a significant impact, probably much more than many of the national promotion companies that are promoting a name product has been concerned. That's quite significant, because that's all we can really do with promotions. We can change people's attitudes and their perception of the product, and then they will purchase it, because we don't have a brand to sell. Oil companies sell their brand, they don't sell a product. That's the difference between a name advertising campaign and a no-name campaign.

For those producers not wishing to support the work of the MCPA and the promotion and advertising programs, the check-off fees are refundable upon request. An individual seeking a refund must send in a letter signed by him indicating that he wishes to have his fees refunded. He is then sent a form which must be returned with his livestock statements verifying the fee deduction collected from him when he marketed his cattle. Last year 4 percent of the cattle producers in Manitoba requested a refund. This year, approximate figures show that less than 2 percent of cattle producers requested a refund. That's based on using a total cattle population of 12,000 - producers, pardon me. Thus, the vast majority of producers have supported the Association.

In early June, the Minister of Agriculture introduced Bill 90, An Act to amend The Cattle Producers Association Act. We were very dismayed with this move, and feel that if Bill 90 is enacted, the cattle producers of Manitoba will cease to have an effective representation for the industry. The bill effectively - there's several things, I'll list them here - repeals the authority of the MCPA to establish a check-off system to fund the Association's programs. This means our present funding mechanism which ensures a fair contribution of these programs by all producers would be removed. Thus, all beneficial programs would be jeopardized and the MCPA would no longer would be able to continue in many of its programs. These include a national TV and magazine beef promotion, consumer awareness programs, and market information.

The second was the repeal of the authority of the MCPA to make regulations requiring reporters to maintain books and records and submit this information to the Association. Therefore, our ability to provide reliable accurate price and market information services would be lost.

It limits the Association to revenue received from voluntary annual memberships or voluntary solicitation. Hence, we'd be required to devote much of our time to campaigning for funds instead of developing programs for the improvement of the industry's viability. This scenario is often seen with organizations run on voluntary annual contributions. It's problems that the beef growers and cow-calf association faced and wanted to correct.

In addition, the cattle producers method of contributing to the funding of such organizations, the Veterinary Infectious Diseases Organization, the Manitoba Farm Bureau, and the Canadian Cattlemen's Association would be discontinued.

It appears that the proposed legislation intends to destroy the MCPA by stripping it of much of its power, removing its funding mechanism and authority to collect and disseminate information. The organization will be gutted and nothing will remain but a skeleton. Programs developed to benefit producers during the last five years will be lost, wasting hundreds of thousands of dollars cattlemen have invested during the past five years. Incidentally, that figure is almost 900,000.

The MCPA is adamantly opposed to Bill 90. Producers wish to see the organization elected, controlled, and funded by cattlemen. The MCPA is geared for this purpose and must retain its existing structure and fee system in order that Manitoba producers contribute equitably to the improvement of their industry and have a strong voice both provincially and nationally.

It should be pointed out that all provinces in Canada have a provincial cattlemen's organization. They are funded by some sort of fee deduction system. Some are structured similar to the MCPA, while others have a non-refundable checkoff.

I might just stop right there. I was in direct contact with the producers in New Brunswick, Nova Scotia, and Prince Edward Island, and they have copied our Association almost entirely. They've just set up their organizations in their province within the last year or year-and-a-half. Alberta, to my knowledge, is the only province that is non-refundable, Ontario and Saskatchewan and British Columbia are all much similar. There are some slight variations, but very much similar to ours.

Other agricultural commodity organizations and labour unions have a fee system providing them with efficient funds to provide effective representation. The cattle producers in Manitoba need similar strength and representation.

Attached to this brief for your purusal is a list of organizations supporting the MCPA in opposing Bill 90. In addition, we have included copies of letters of support from various agricultural organizations. Incidentally, there's one letter that should be there that not. It's sitting at home and I forgot it. It's from the Manitoba Hereford Association. They also send a letter of support.

Bill 90 would destroy many programs the cattlemen of Manitoba need, have established by hard effort and have paid out of their own pockets. The cattle producers of Manitoba urge you to withdraw this retrogressive proposed legislation.

#### Organizations Opposed to Bill 90:

Manitoba Beef Cattle Performance Association Inc.  
Manitoba Women's Institute  
Manitoba Pool Elevators  
Manitoba Simmental Association  
Manitoba Limousin Association  
Manitoba Egg Producers Marketing Board  
Canadian Cattlemen's Association  
The Manitoba Milk Producers' Marketing Board  
Manitoba Aberdeen Angus Association  
Alberta Cattle Commission  
Manitoba Hog Producers Marketing Board  
Manitoba Hereford Association

Thank you, Mr. Chairman. It's respectfully submitted by the Association, and I'll do my best to answer any questions that are put to me to the best of my ability at this time.

**MR. CHAIRMAN:** Thank you, Mr. Clifford. Mr. Uskiw.

**HON. S. USKIW:** Mr. Clifford, I would like to ask you whether you believe in the concept of the right of people to engage in the formation of free associations?

**MR. L. CLIFFORD:** Well, that's obviously a loaded question.

**HON. S. USKIW:** Yes, it sure is.

**MR. L. CLIFFORD:** I suppose you've got to approach the question from two sides. First of all it depends on what that association is attempting to do. If it's going to be of mutual benefit to everyone in society, such as many of our taxing systems are, many of our social programs are, then I suppose that it's only fair to say that everybody should pay. If it is going to be an organization or association directed by appointed people for a very narrow purpose, then I think there there's obviously some question to be raised. We function, I suppose, in a democratic society where you elect people and you hope the hell they do what you want till you get the next crack at it and that's exactly what we do. It's got to be funded. If it's going to be for a benefit, somebody's got to pay for it and it should be as fair as ever. We're only half-way there - our association is compulsory but it's refundable, and if you want to oppose or don't wish to contribute, or if you're upset about something, then you can get your funds back. I would like to see what would happen to this country if we put taxes on that same base. I think we'd have a helluva of a time, quite frankly.

**HON. B. USKIW:** Could you give me another example of an association in Manitoba that has been formed in this way?

**MR. L. CLIFFORD:** I don't know of any - if you're talking about professional groups I can't really say, I don't know anything about them. As far as the livestock organization, they maybe weren't formed in quite that same way, but I think the intent was there in the same way. There's a lot of things that are understood that aren't really written.

**HON. S. USKIW:** Do you believe that your association should have the freedom to make decisions on behalf of its membership?

**MR. L. CLIFFORD:** I would think that if you're elected by the membership then you should be - we trust the government, we trust the municipal elections in that way, that's society's option. If you don't like what they're doing, then you change the people. I think we're even a little bit more democratic in that we go back to people every year at an annual meeting, and as long as I've been associated with the board we've never changed directions from what that annual meeting dictated. Sometimes it was maybe tempting to do it, but we never have, I've insisted on that very adamantly.

**HON. S. USKIW:** Just a moment ago, Mr. Clifford, you qualified your support for an association being formed in this way, and you qualified that by stating that if it

was not for a narrow purpose, if it was for a broad general purpose that it's okay, but if it had very narrow guidelines then you wouldn't want to see such legislation. How then do you explain that your board is not free to make decisions with respect to its activities in that it's restricted in the legislation from participating in the sale, marketing, processing or anything of a marketing nature. Why are you satisfied that restriction should be enshrined in statute law, restricting the powers of your board, if you believe in the right of the board to make decisions freely?

**MR. L. CLIFFORD:** If there was ever a time in this province and the majority expressed that wish, and you're obviously talking about a marketing board, I would have no qualms, I'd go after the government for that thing too. As I said before, I've obeyed the wishes of the annual meeting almost to the letter and if that's what the producers ever told me, I certainly would. I've also had access to maybe a bit of privileged information and I know pretty well what the results were of various questionnaires right across the country and that, and I can tell you honestly there's an overwhelming opposition to that sort of a thing, so I'd be foolish, representing the cattlemen, to say anything different.

**HON. S. USKIW:** But, Mr. Chairman, I want to pursue this. If at your district meetings and your annual meeting, the result was that you elected a group of people to the offices of this association that, indeed, campaigned on the principle that they wanted to get involved in the marketing of your product, this legislation restricts that, they are not able to do so by law. My question of you is: how can you justify this kind of legislation, as restrictive as it is, in light of the fact that you believe that associations should have the freedom to choose their own direction and should not be inhibited?

**MR. L. CLIFFORD:** Well, I guess the purpose we're here today is because there's going to be a change in that legislation. If that was the wish of producers on the other hand, then we'd appear again. We'd be much in support of it.

**HON. S. USKIW:** Would you then agree in principle that the Government of Manitoba should pass a law that said that all workers in Manitoba must belong to a union, name the union in law, unless they opt out?

**MR. L. CLIFFORD:** I'd have no qualms about that as long as there was an opt-out clause.

**HON. S. USKIW:** We're talking about trade unions now.

**MR. L. CLIFFORD:** I'd have no qualms as long as you give the individual the right to oppose it, if he wished.

**HON. S. USKIW:** Yes, on Page 3 of your submission you mentioned the fact that there has been fair consumer acceptance of your product based on the promotional activities of your association or as a result of, could you tell me what the per capita consumption of beef is in Manitoba today?

**MR. L. CLIFFORD:** I don't know the figures for Manitoba, I don't know if there's been a breakdown

demographic on province-by-province, but the national consumption this year will be between 89 and 91 pounds per capita.

**HON. S. USKIW:** Is that not over 20 pounds per capita below what it was several years ago?

**MR. L. CLIFFORD:** It's over, it's about 22 pounds.

**HON. S. USKIW:** That's right. So my question then is: how do you conclude that you had an impact on encouraging greater consumption of beef products, if you like?

**MR. L. CLIFFORD:** I didn't imply that we'd encouraged more consumption. What I had implied is we had improved consumer attitude towards the product and that is really, when you take a look at it from an analytical standpoint having economists do studies, all you can do with a no-name product. What I think you're getting at is how come the consumption has gone from 113 down to 91, but if you take a look at that, when it was 113 we had about a 4 percent or 5 percent unemployment rate in this country, now we've got 12, 14 or 15, whatever it is, just count the number of people that don't have a job. Those people are no longer customers of ours and that accounts for almost a total loss in consumption. That also showed in the consumer attitude study, because there was about 3,000 questions on that study that was sent across the country and when you took and put the answers through a computer, you had a very definite picture of why people had even changed the cuts they bought, or changed the number of times a week or a month, whatever it is, they served the product and what they thought of it. Ironically, we found very little change in the Province of Quebec, the rest of Canada changed. Southern Ontario, which is supposed to be the elite part of this country, dropped the most.

**HON. S. USKIW:** On Page 6 of your submission, you draw a comparison or analogy with labour unions. Would you be prepared to consider the laws changed in such a way that you would be able to form a new association under similar rules to that of the trade union movement in the Province of Manitoba?

**MR. L. CLIFFORD:** I guess I might answer that yes and no. First of all, if we had some method of - you see, the trade union have a guaranteed method of collecting payment. They organize a company and they make the deal with the company on behalf of all the workers. They do have access to those funds. If we had some method, and that's really what we have right now, of gaining some access - you see, what'll happen in a voluntary association, many of the animals that are marketed are marketed by the producer, they're marketed by somebody else, or maybe the transporter, and when they're received at wherever they're being marketed, the receiver may ask the transporter, "Do you wish to make a contribution to the association?" He won't even know. He'll say, "Hell no, because I don't want to be responsible for it." So it isn't taken and you just simply lose the contact, the physical contact. That's the problem.

**HON. S. USKIW:** My point was not on the logistics of it, my point was in getting wide membership support before you can launch your association, which is what the trade union people must do, they must be able to have an election or a vote to determine whether or not there is ample support to justify the formation of a trade union in any given plant.

**MR. L. CLIFFORD:** We've already asked to have a referendum on this question.

**HON. S. USKIW:** Then to come back to the referendum that was held, which was turned down by the producers for the very same purpose. Why, in your opinion, can you suggest today that a referendum would carry, whereas three or four years ago it didn't?

**MR. L. CLIFFORD:** All I can say is that we can try and find out. I would think that there is probably more of an awareness now of some benefit. I think there is certainly more awareness of producer groups, as opposed to general organizations today. All I'm saying is let's try it and find out. I'll abide by the results.

**HON. S. USKIW:** My last question is: would you agree with an act of the Legislature that would make you a member of the National Farmers Union?

**MR. L. CLIFFORD:** Me, personally?

**HON. S. USKIW:** Yes.

**MR. L. CLIFFORD:** I'd have no complaints, as long as I had the option to opt out.

**HON. S. USKIW:** You wouldn't mind that?

**MR. L. CLIFFORD:** No, I would have no complaints about it.

**MR. J. DOWNEY:** Mr. Chairman, to Mr. Clifford. I have a few questions which I would like to ask - initially of a general purpose, then possibly more specific. The overall formation of the Livestock Producers Association or the Cattle Producers Association was established - and you can indicate whether I'm correct or incorrect in my opening comment - to better the interest of the cattle producers, to better inform the consumers, to try to encourage the beef producers to continue on in an efficient way. This isn't the specific outline, but basically would give you a united voice. Is that correct?

**MR. L. CLIFFORD:** I would have to agree with that, yes.

**MR. J. DOWNEY:** As was alluded to earlier - the former questioning alluded to the control and sale of your commodity, such as a marketing board. If you were to have that kind of a system, would you sooner have it operated within the control of the cattle producers under the Cattle Producers Association, or would you sooner have that controlled by the government?

**MR. L. CLIFFORD:** The cattle producers, obviously.

**MR. J. DOWNEY:** Currently in the Province of Manitoba we have a new system of marketing introduced by the government. Would you say part of the reason that the government today feel strongly about changing your act is to take away any opposition that you may have from the government continuing on with a marketing system?

**MR. L. CLIFFORD:** I can only assume, as far as knowing the intention, I have no way of really knowing if that's true or if it's not. It's been implied to me. As far as the current system is concerned, if you take a look at what has happened in the past year since it's been in operation, we've lost 50 percent of our feedlot capacity, maybe more than that. We lost Miami here just a few days ago. We've only got two major lots left that I am aware of, and one is at Red River, the other one is out at Carberry.

We've exported probably more calves and yearlings out of Manitoba last year than we ever did before, in spite of the program. My indications are right now - I also merchandise cattle as well - I've got stronger orders now for this fall than I had last year. If everybody else is in the same boat, I would expect an awful lot more will leave, particularly considering that our main competition for the Ontario market, because of distance, is southern Saskatchewan. There's a pretty serious outbreak of anaplasmosis in the Wood Mountain, Fir Mountain area of southwest Saskatchewan, in the Mankota area, the big ranching country of southwest Saskatchewan. I think that many of the feeders in southern Ontario and southwestern Quebec will be looking somewhere else to get their supplies this fall and I think they will come to Manitoba, simply because of our proximity to their area.

**MR. J. DOWNEY:** Mr. Chairman, to Mr. Clifford. The removal of the organization and the taking away of the collection fees - you have in fact indicated you will lose the ability to speak on behalf of the producers, in which the objectives were to try and encourage the consumption of beef and to better the lot of the cattle industry - if that were to happen, could you conceivably see the consumers of beef in Manitoba, if we were to take the other route to see the removal of the Cattle Producers Association and the continued growth of the Marketing Commission approach and the government handling of it, if we were to see that approach take place, which would eventually - and I think we've seen it happen in most other livestock areas - where we would see the concept of government implementation of marketing boards supply management, where you reduce the supply of a commodity to increase the price - if this concept were followed, in opposition to the kind of program that you people have been operating, would you in fact see the continued reduction of cattle fed in Manitoba that you've just indicated, and that continued reduction will remove the need for a packing house industry in the City of Winnipeg, and the Province of Manitoba, or in Brandon and cost several hundreds of jobs? At the same time, would it not be correct to assume that as you reduce the supply, or have feeder cattle transported out of the province to be fed - fed outside the province, slaughtered and then shipped back in - that the consumers of meat in the Province

of Manitoba, all the consumers who go to the marketplace, could quite conceivably see quite a dramatic increase in the cost of their beef if this action is taken to go the direction that this government is proposing?

**MR. L. CLIFFORD:** That's kind of a long question. I almost forgot - I wasn't writing the first part of it down.

In general terms, yes, I think we're seeing that more and more all the time. I think, in all fairness, the current marketing strategy of the beef commission, the nature of their operation is pretty questionable. I think, probably if you looked very closely, you could find a net loss to the producer right now, simply because those cattle are being offered in such numbers. We really only have one packer that can actually handle them in the mix and match and mismatch that they're being marketed in, and he's obviously capitalizing on that fact.

Prior to that, when you had the procurement officer scrambling through the country finding - you know a particular packer will have a particular order on a specific day or week - it may be for 'A' or 'B' heifers or it may be for cows or it maybe for a lot of other things. If you give the access to loads of cattle that are mixed - and the cattle coming from small lots are obviously pretty badly mixed in this method - then he either has to bid them considerably lower than what he would normally pay, or else he can't bid at all, if he can't use them. So I think what you are doing, instead of increasing the competition, you've certainly reduced it and I see that pretty noticeably right now.

I've seen opportunities that I've told feeders about right now for a short period of time, exporting animals to other provinces or into the mid-western United States at a considerable profit above Manitoba, on a short period of time for specific grades. That's not happening right now and I think the net result to the industry is a loss - I don't think it's a gain. I think the fact that we've seen many of the major lots: Circle 3, Ken Riddell, Southern Co-op, Pelican Lake, Mitchells and now Miami Feedlot going under - the competitors in other provinces got assistance. I'm not saying that Manitoba is any worse or any better a place to feed cattle than any other province, but the other provinces did get assistance.

What's putting the feeders in the dire straits right now in the last year or two is not what's happening right now - it's what happened three or four years ago. Anybody expanding in '78, '79 got caught in the high interest squeeze are done. Feeders in other provinces got help. We don't have those feeders left in this province; we don't have that competition for the cow-calf guy in the market and that's depressing the price for everyone.

I see it happening, I buy cattle right along. I look around and I see buyers that were there a year ago and aren't there anymore and now all of a sudden there's one more that was pretty aggressive on the market in the last few years is gone again. So as I say there's less competition here. Our orders coming out of the east are going to be much more competitive each year. We see that because there are more orders coming to Manitoba. We moved a lot more cattle last year than any other year and that's the reason.

**MR. J. DOWNEY:** I'll try and shorten my question up a little and get a little more direct. There's been comments made and it's been alluded to the fact that this is not unlike a union movement - I disagree, quite adamantly, about that. The question would be: would you foresee the cattle industry or your Cattle Producers Association, as it is currently in place, being funded by the Cattle Producers of Manitoba to do their own promotion work, to encourage consumers to eat their beef? Do you see them being allowed to use the same kind of mechanisms and tactics that labour unions use to starve the service that they provide or to keep the services that they provide from, for example, a movement of grain through the West Coast port or providing of essential services to the people of Manitoba? Do you see the Cattle Producers Association withholding beef from the market so as to force a higher price to the consumer and to accomplish their livelihoods through that kind of tactic? Do you foresee the cattle producers of Manitoba wanting to go in that direction or, in fact, envisaging this kind of legislation doing that?

**MR. L. CLIFFORD:** There would have to be an awful change in attitude than what there is right now for that to happen. No, right at the moment, that would not be the case. I don't see them being sympathetic to that sort of attitude at all right now.

**MR. J. DOWNEY:** In other words, what you are saying, the present system of cattle producers funding their own association under enabling legislation of the Manitoba Legislature has given you, using your own funds to promote the consumption of beef, working with the consumers through persuasion rather than through force, or withholding of that commodity, you feel, as your association, is the best way to continue to go.

**MR. L. CLIFFORD:** Yes, I think so, and from personal experience, I've spoken to consumer groups. I chair a taxation committee and sit on a number of committees, the national organization, and I am quite free with my comments as probably most of you have noticed. I speak to consumer groups clean across the country and I must say that I'm received much better than many of the fellows that go around that represent the commodity groups, the marketing boards; just the attitude, you're perceived as being more reasonable and you get many more invitations and you're received a lot better. So I would think that our relationship with the consumer is probably much more acceptable, particularly the awareness right now of actually what the marketing boards are costing the consumer additional funds. I don't think there's any doubt about that.

Quite frankly, on maybe a hypothetical note, but I would hate to see the marketing boards for poultry ever discontinued because, by God, we couldn't compete if they ever got any efficiency in those industries.

**A MEMBER:** You would have no industry.

**MR. J. DOWNEY:** Mr. Chairman, to bring it to the bottom line, as far as the consumers are concerned

and people who are producing meat for the consumers, the feeling that you have and from what I'm hearing come from you is that if we were to change the law, allow this organization to diminish or to become less effective in doing its work in the marketplace to encourage consumers, and that the alternative approach which is now proven to be a fact in Manitoba because of the moves that have recently taken place, that we can foresee the consumers of beef in Manitoba having to pay more money for their meat that they are consuming, for beef that they are consuming, than they are currently doing under the system that we have.

**MR. L. CLIFFORD:** Yes, if you install a marketing board, there's no doubt the price to the consumer will go up, simply to carry the administration bureaucracy, if nothing else. I don't think there's any doubt about it. The Americans would like nothing better than to see Canada completely regulated because they told me, sort of around the cuff, that they would like nothing better than to be able to import our natural resources and feed us, and he said if we keep the inefficient route we're going, that's what they're going to be doing before very much longer.

**MR. J. DOWNEY:** There are two parts to this. The approach that is being put in place by both Provincial and Federal Governments or talked about recently at certain meetings has been one of stabilization and stabilization only. Would you agree that stabilization and governments, to be involved in stabilization with the producers, is the best way to go rather than to have the combination of stabilization in government marketing?

**MR. L. CLIFFORD:** I don't think there's any doubt about that and I must also say I thank the Manitoba Government for taking that support in the national meetings. Quite frankly, I was the fellow that instituted the market approach stabilization. I spent about a year in the Canadian Cattlemen's Association arguing until we finally got support for that principle and I think it's the most workable. The thing that kind of disturbs me is I noticed at the last meeting of Federal Ministers we had the Ministers of the four provinces in Western Canada, outside of B.C., supporting the system. Those provinces represent over 90-some percent of the total production and yet we're not going to go that route. That kind of flattens me, really. I guess that's maybe the same route we're going with this bill right now where the minority is obviously ruling.

As far as the stabilization is concerned, I don't think there's any doubt that's the best route to go; and when you base it on a market factor, you've got something that's realistic. You base stabilization on some sort of an artificial scheme, such as they have in British Columbia, of cost base. Then, first of all, you're wondering whose cost you're using or why and there's certainly a real incentive for the producers to draw up artificially high costs in certain areas and, quite frankly, where it ends up is what B.C. is faced with right now. They're trying to develop their cost to meet how much money is available and it's got no relationship to reality whatsoever; whereas if they were using the market base, then you would just start to realize the regional, natural

advantage of producing the product and where it should be produced and where it shouldn't be produced, rather than having whichever government can put the most monies in the kitty end up getting the most industry. That's where we're going with these provincial programs, whoever's got the most bucks.

If Alberta ever decides to get into the program right now, with their resource ability, we're not even in the game at all.

**MR. J. DOWNEY:** Mr. Chairman, as indicated by previous speakers, there have been very few people who have opted out of the Cattle Producers Association. Would it be in your best interests if the present government were to continue on with the Cattle Producers Association as it is and allow the cattle producers to provide funding for their own organization and do the promotion and at the same time be a voice for that cattle producers organization to better fine tune a stabilization program for both the Province of Manitoba and the federal system, so that there is a true input from the cattle producers and not from an organization that doesn't truly represent the people who are involved? Would you feel that would be the best way to go is to leave the association as it currently is, funding itself with cattle producers' money, save the taxpayers' money, because the minute that the government takes over the entire thing, then it becomes a total cost to the taxpayer and allow the cattle producers to speak out in a meaningful way on proposals that will be brought forward or to be able to bring proposals forward to bring in a meaningful stabilization that could help both consumers, producers and get on with the business of having a stable industry?

**MR. L. CLIFFORD:** Answered very quickly, yes.

**HON. B. URUSKI:** Mr. Chairman, Mr. Clifford, you indicated that stabilization is without any marketing arm on behalf of producers is the preferred route. Does it matter, whether it's stabilization, where all taxpayers end up paying to subsidize an industry, does that indicate that the industry is inefficient?

**MR. L. CLIFFORD:** That may be; that's another loaded question as well. As far as stabilization, I guess I better tell you how I view stabilization, is if you allow a producer some mechanism to fund poor years out of good years. I've got no real qualms to that. I think that's run on an insurance base and that's how I view stabilization. If you view stabilization as leaving the producer to take his returns in the good years, then have him come bellyaching to the government in the poor years, which is really what's happened in the past, and let the taxpayer take the load, I have real strong qualms with that; and I don't personally think that the taxpayer should be expected to bail out the people when they get in trouble, every time you get in trouble. Life is just not like that; there's the good and the bad. When you get married, you take it good, bad or indifferent and there are no divorces from life; so I think you've got to face reality.

But if you want to set up some mechanism, such as what we've really proposed in this price-based stabilization, it's got to be realistic, it's got to have

some connection to what's really happening in the country. It's got to try to discourage some of the balkanization we've seen right now, because we're going to lose in that factor. That's what I view stabilization is, but as far as forking out large sums of money - now I know there are some other fellows on the board that have different views on that, but I'm giving you my personal view - I don't think that's a good thing because it doesn't really encourage efficiency.

**HON. B. URUSKI:** But that's what you've been advocating all along, when there's been a downturn in the industry . . .

**MR. L. CLIFFORD:** I don't deny that. That's been the case. That's why our organization has tried to get away from that and it takes a long time.

**HON. B. URUSKI:** But does it really matter to you that all taxpayers' funds, stabilization plans, even they may not consume the product, or is it better to fund by a mechanism of price setting based on cost of production and only those who buy the product support it in terms of the supply of the product, in terms of the cost to society, which would you prefer?

**MR. L. CLIFFORD:** I guess you've got to decide then whether or not the consumer wants to pay for his food out of his pocket when he goes to buy it or pay for it out of his taxes every year. It really doesn't make that much difference, because the end result is the same.

What I'm saying is there are different factors. We're in a world market. There's different factors outside of Canada that influence the price, and eventually that's what we end up either receiving or capitalizing on. What I'm saying is I don't personally, I don't think the consumer should be expected to pay a damn cent more for his food than he absolutely has to. That's my view, because I don't like paying for it and I'm a consumer as well. I'll be very honest with you that way. I think that if you allow the natural advantages or disadvantages in this country to take place, you'll produce the product where it can be produced the most efficiently. Quite frankly, I think there's no more efficient place than right here in southern Manitoba to fatten beef. I don't think there's anyplace in Canada can do it as cheap if we're allowed the same chance.

**HON. B. URUSKI:** Mr. Chairman, if the efficiency is as great as we all say it is here, why are we losing the amount, and have we lost the amount of industry that we have over the last number of years?

**MR. L. CLIFFORD:** Mainly because the producers in other provinces got help from government and we didn't; our feeders didn't. That's it in a nutshell. You'd have every one of those lots if you'd have given them some help comparable what Alberta and Ontario did. That would have given them a breathing space.

**HON. B. URUSKI:** There was a plan here in Manitoba which gave producers support.

**MR. L. CLIFFORD:** Not the feeders.

**HON. B. URUSKI:** Not the feeding industry, no, you're right.

**MR. L. CLIFFORD:** That's where you and I have differed for quite some time. As far as the rest of the stabilization, I'm not really arguing with it. In fact, I think I was probably instrumental in drawing up an awful lot of it indirectly.

**HON. B. URUSKI:** With respect to the legislation, is it your contention that if the voluntary aspects of the act are brought into being that you will continue as an association - which we are not doing away with - that will prevent you from continuing the programs that you feel are beneficial to producers?

**MR. L. CLIFFORD:** It'll not just stop us, it will eliminate them.

**HON. B. URUSKI:** Well, how do you reconcile that with statements that there are very few producers who oppose the workings of MCPA?

**MR. L. CLIFFORD:** I'd better categorize that. First of all, if we've got to go out and solicit voluntary contributions, we'll spend most of our time running around the country. You know there's a lot of people come to see me, there's somebody there every day, or sometimes two or three of them, and they come back three times before they finally catch me, because when I'm at home I disappear and that's it. That's what we'll really run into, just how do you get in contact. We just simply don't have the manpower, the cost of running around the country trying to set up some sort of mechanism to collect the funds - physically do it - it becomes impossible.

Just take for instance your beef stabilization. You run the files into the commission by courier, and you trust the mail to send them back out. Doesn't that tell you something?

**HON. B. URUSKI:** What prevents you in this legislation from setting up a system of checkoff similar to what you have now on a voluntary basis? Does this legislation prevent that?

**MR. L. CLIFFORD:** Yes, it does. How do we place it? They have no powers to request the market operators to give us information or anything else. We have no idea who is selling the cattle, how many, where they're going.

**HON. B. URUSKI:** How does any other association of its members collect its fees?

**MR. L. CLIFFORD:** Every other cattlemen's association, in my view in Canada right now, uses an association such as this. The former Barrett Government in British Columbia set up the B.C. Cattlemen's Association, very similar to what we have, then they tied the stabilization plan to the cattlemen's association in B.C. If you don't pay the checkoff in B.C. you're ineligible for stabilization. The B.C. Cattlemen's Association run the stabilization. They don't seem to mind it, but there seems to be some psychological barrier here.

**MR. CHAIRMAN:** Further questions for Mr. Clifford? Mr. Manness.

**MR. C. MANNESS:** Mr. Chairman, has the government made any suggestion to you as to how the funds that obviously are going to be in shorter supply now as of this change, how you might raise them to make your commitment to the national promotion effort?

**MR. L. CLIFFORD:** No, they haven't. I might also add to that prior to - I can't remember the date - about a year-and-a-half, two years ago, we were cost-sharing the cost of market information with the government. In the last year we've been carrying the complete cost ourselves of providing information. I understand it's at a substantially lower cost than the government can do it themselves. They're going to get that back very soon if this legislation goes through and they can do it.

**MR. C. MANNESS:** Well, a question somewhat similar to what was just asked previously. As an association have you made any attempt at all to determine the short fall in revenue, given that Bill 90 passes, and that you have the same number of marketings and at the same rate that will . . .

**MR. L. CLIFFORD:** No, the revenue will drop to the point that we will be hard pressed to do really very much of anything.

**MR. CHAIRMAN:** Mr. Adam.

**HON. A. ADAM:** Mr. Chairman, I'd like to follow up on some of the comments that were explored by Mr. Downey in referring to supply management. In view of the fact that for several years now Canada has been in an import position as far as Canadian needs are concerned, why would there be any concern about supply management? That would only come into play if there was a surplus, if we had a surplus of livestock that we couldn't find a market for either on the export market or for local consumption. That would be the only time that you would even want to consider that. Why should there be any talk of supply management when you have to import cattle to supply your needs? Is that not correct?

**MR. L. CLIFFORD:** I think you have to understand the beef industry. Maybe you do, maybe you don't, maybe you're deliberately loading the question. What I will tell you is that we import a very specific cut of beef into this country, and we export a specific cut. We have a surplus of top-grade beef, and we have a shortage of low-grade beef. We don't graze our cattle all year round like they do in Australia or in South America. South America isn't our problem because they have a coup where they shoot their leader every three months, and they can never get any health regulations in place, so we don't really have to worry about them. God help us if we ever do.

We import manufacturing beef into Canada, simply because at certain times of the year we have a shortage. We market all our cows in the fall of the year. Therefore, we can't supply the hamburger or the manufacturing trade, the sausage, the Sporc, the Spic, the luncheon meats, and that sort of thing. That comes from off-shore.

If we could train the Canadian consumer to forget about the hamburger and the other meat and eat

nothing but steak, we'd do much better, because that's what we produce the most of, is top-quality beef. We find a market, there's a growing market for that high-quality beef in the Pacific rim, and we've also through the national association had representatives in Tokyo, and in Korea, in Hong Kong, and in the Philippines. We've been exporting beef out of both Calgary and Toronto, cut boxed beef, high-quality stuff into those markets, and nobody else has ever done that before. We set it up working with world Safeway, that's who we were working with. We even managed to crack the European economic community, and by God, there is not many people ever do that. We've been marketing Canadian beef in Frankfurt - plane loads of special cuts of loins and rumps out of Calgary and Toronto. But as far as the disparity within Canada, as far as trade with our major partner, the United States, is concerned, international trade with the Americans, I think it's been an average of \$73 million in our favour for the last 10 years. So we haven't suffered in any way, shape or form.

What has happened, I think, and what you referred to, I think, is probably 1976, and what happened there was because of political actions in the United States, a price freeze and that sort of thing, a disparity in the market, and because the Americans were threatening some restrictions, retaliatory moves against the Australians to send a lot of meet into the American market, the Australians sent the stuff into Canada, had it relabeled and sent into the States through the back door. That hurt us really badly. We tried everything we could to impress that fact on the Federal Government. By the time we got action, the year was already over, the damage was done, and we couldn't do a damn thing about it.

This particular year I expect there will be some restriction through The Beef Import Act in the United States later on this year. I don't know how much it'll be, it's kind of a hard thing to look at because the dealers that are buying the meat, the suppliers, are dealing three months in advance all the time, so it doesn't show up in statistics until after the fact.

There's also the fact that Stats Canada misses about half of the cattle that go to the United States. We found through personal surveys, through our wing at Canfax (phonetic), we've exported thousands of head to the United States that Agriculture Canada won't even admit ever went, but the guy sold them to the Americans, sold them down there. So we've done much better than even the figures show.

**HON. A. ADAM:** Yes, outside of this year, I believe, right now we have a balance on both exports and imports.

**MR. L. CLIFFORD:** We could have, yes. I can't argue with that because I don't know right now.

**HON. A. ADAM:** I guess it would be because the consumption has dropped. It has been said a while ago in previous questions and answers that there's been a drop of 22 pounds over the last few years in consumer consumption. If that consumption had been maintained at 110 pounds per capita, as it has been in the past, we would be in a severe shortage supply.

**MR. L. CLIFFORD:** No, we wouldn't have the supply, Mr. Adam, I'll have to correct you there. The only way people in this country will eat 110 or 112 pounds is to buy it at half the price. They'll only spend so much money. Right now the problem is too many people without a job, nothing else.

**HON. A. ADAM:** Has there ever been in the past, to your knowledge, where import of offshore beef has come in to coincide with the heavy marketing season, the fall sales of cattle?

**MR. L. CLIFFORD:** Domestic marketings in Canada?

**HON. A. ADAM:** Yes. Are you aware or have you any knowledge that beef has been brought into at that particular time to apply pressure to lower the price of beef in Canada?

**MR. L. CLIFFORD:** That could be. I am not qualified to really answer that, simply because an awful lot of speculation goes on. First of all, there's refrigerator ships and they could be sitting offshore someplace, nobody really knows what they've really got on them until all of a sudden they land. It's obvious, if you're selling the products, you'll wait until the most beneficial time to do it, or if you're buying it, that's just the way things are done. As far as attempting to regulate that thing, I think it would - first of all, we get retaliatory measures from some of our trading partners and we're small, we're going to get tramped on, the Americans are going to jump all over us if we try to start pushing them around very far. I think, we've seen that in many other areas. As far as trying to restrict the supply to meet the demand in this country; first of all, you've got to realize the genetic possibilities of a cow. From the time you decide to keep a heifer calf, breed the thing, raise the steer, fatten the thing and market it, you've lost about three years. God, we can't even predict economic policy more than three or four months in advance, how in hell are we going to predict consumption three years in advance? So when somebody can answer me that question and do it reasonably, then I'll maybe go along with it, but really I can't see it.

**HON. A. ADAM:** Yes, the nature of livestock production is one of long-term. By the time that you have a calf born, and it's marketed, it is perhaps going on to two years. In view of that - it's not as simple to get into livestock as hogs or poultry, that you can get in and out quickly - do you not feel that you should have better planning for future of what your market is going to be, rather than just say, "Well, let the free market control what's going to happen two years down the road." How can you make a rational judgment two years prior to any knowledge of what you're going to receive from your livestock? I don't think anybody in Canada operates that way, any other industry.

**MR. L. CLIFFORD:** I don't think even the supply management boards do either. They're subject to the same economic pressures that we are. If you could tell me what governments are going to do two or three years in advance and what that effect is going to have

on the economy, what taxes are going to do, and what people's attitudes are going to do, I could predict right to the point of what supply of beef we're going to need. You cut the unemployment rate to 5 percent right now and we'll go back to 105 beef consumption as soon as that employment factor starts to relate back to the disposable income. That's it. Every consumer study I've seen today indicates that's their No. 1 problem. There's simply too many people just don't have enough money. Beef has always been the expensive item on the food counter. We've taken a helluva lot of adverse publicity that's not warranted us, simply because we were No. 1. Pork consumption was 55 or 60 pounds, we were 113. I don't know what poultry was, 39 or something. Everytime any other group wanted to take a crack at somebody, they took a crack at the top one. It's the same fact that Americans take it on the nose from all over the world, because they're No. 1. You always take a crack at them because you're setting the standard.

The medical association did us a helluva lot of harm, because they started harping about this cholesterol thing. What they were doing, they were doing beef data that was taken in the 1950s in the United States, and it's not even pertinent to our factor at all, it's not even relevant. Our grading system changed in '72, at the urging of the Canadian Cattlemen's Association, and drastically cut the fat content of Canadian beef and also trimmed it. So as far the unhealthy factor of beef is concerned, it's all garbage; we proved that many times. That's what our role is, to try to at least get justifiable evidence. You can take statistics and you can draw conclusions to support any sort of an argument you want, I don't care what it is, if you want to go about it long enough you'll find some justification for it, but whether it's realistic or relevant is another question.

**HON. A. ADAM:** That seems to me that maybe reinforces my point. How can you operate under that kind of a system where you have all the things that you've just enunciated, plus the fact that there could be a shipload of beef coming into port just to coincide with the heavy marketing in Canada, and all these other factors, wouldn't the industry be in a better position if they could plan what they're going to receive - at least a close proximity of what they may expect two years down the line for a calf that's born today - that's what I'm trying to get at?

**MR. L. CLIFFORD:** The only way you could do that, Mr. Adam, realistically you would have to take every Canadian and give them food stamps. You would say, you'll buy so much bread, buy so much pork, you'll get so much fish, you'll get so much beef and that's what you're going to live on for the year, there's going to be no changes. Then you could accurately predict, but if the consumer takes a notion they'd like an advertising campaign that milk is doing, for instance, they'll start eating cheese, that's a protein substitute. If you can do that, I'll agree with you, because we're still No. 1 as far as total consumption is concerned, but if you're not willing to do that, you can't legislate morality.

**HON. A. ADAM:** I agree that perhaps in consumption you're still No. 1, but the fact is that you have the pork

producers promoting don't eat beef, eat pork; and you have the beef producers saying don't eat pork, eat beef - and you're throwing this at the consumers - or don't eat beef or pork, eat poultry; or crack an egg every day, "Keep Crackin'." You have all this promotion going in and you're almost back to Square One. It still remains a decision of what that person is going to go and buy.

**MR. L. CLIFFORD:** That's why I say our study was based basically and straight at attitudes. We have never said that there's anything wrong with pork or poultry.

**HON. A. ADAM:** That's the same thing.

**MR. L. CLIFFORD:** We have no qualms with the pork producers or the poultry one, but we know we're No. 1 and we just want to tell everybody about it.

**MR. CHAIRMAN:** Further questions? Mr. Adam.

**HON. A. ADAM:** What I was leading up to I guess when I felt there should be more long-term stability in the industry is that the cattle producers are a very rugged individual, independent breed and they want to do their own thing. They don't want to be fettered by any regulations, but they have no qualms about coming in, and I've been part of that since 1971, of having as many as 2,000 or so producers on the steps of the Legislature asking for immediate succour or assistance to keep the industry afloat. In view of that, there's a conflict there in my opinion. When you say I want total freedom, but when I'm in trouble I want the free market to look after me, but when I'm in trouble I want the public to look after me and that's where I guess we have some differences of opinion.

I want to move on to the question of plebiscite and I'm just about finished, Mr. Chairman. You indicated in your reply to Mr. Uskiw, I believe, that you had requested a referendum on this Bill 90. Were you of that opinion back when Bill 25, which was the Cattlemen Association Bill, was introduced as well - your association?

**MR. L. CLIFFORD:** I don't know if we were or not. We weren't around then. We only showed up after the passage of that bill, so that's pretty difficult . . .

**HON. A. ADAM:** That is correct, but the opposition at the time were indicating that there was overwhelming opposition to Bill 25, and as a last resort the opposition was requesting a referendum to get the opinions of the producers because we had just had one a couple of years prior to that. My understanding was that the word came in through the grapevine, if you will, unofficially, that the position of the organizers of the cattle producers at that time were opposed to a referendum because it would be overwhelmingly defeated.

**MR. L. CLIFFORD:** I don't know. You said once there were 2,000 people on the steps of the Legislature. I'd have to beg to differ with that; I think we'll have to divide that by three, because I organized that. I counted about 700, so maybe we'll have to divide what else you said by three.

Quite frankly, as far as going to the people, I've never had a quarrel with that. If you want to go to the people,

that's fine with me. I'll abide with what the results are as long as it's done fairly evenly.

**HON. A. ADAM:** Mr. Chairman, that's what we wanted back in 1978. I believe your association members that were organizing at that time were opposed to a referendum because they know it would have been defeated and the Government of the Day knew that as well, and that's why they didn't go for it. I find it peculiar when it was refused then, that this former Minister would be asking for that now.

**MR. L. CLIFFORD:** I think every government, when they're in the middle of their term, hate to go to the people about anything.

**MR. C. MANNES:** A short question, Mr. Chairman. I would ask whether you could confirm some figures that came my way the other day. Traditionally I'm led to believe that 40 percent of our calf and stock, our animal count, is exported to be finished in other provinces; and that this year, the way we're going, possibly upwards of 75 or 80 percent of our population may be exported. Is there any truth to that?

**MR. L. CLIFFORD:** It's kind of hard to say exactly what the figure will be but I would think it will be very noticeably increased this year. From indications I'm getting from feeders in the East, there is going to be a strong demand. There are two or three things. This anaplasmosis, as I said before, in Saskatchewan, is going to have an effect; there's no doubt about that. The fact that the crop is extremely late in the East - it's later than we are here and they're usually a month ahead - there's going to be a much smaller percentage of grain corn than silage corn. There are also a couple of other things that come into play. There are fellows that have stayed out of the business for a couple of years in Ontario and if they'd have bought good calves in the fall and fed them through, they'd hit the high of the market in spring in both years and made money. Some fellows that I've sent calves to the last couple years tell me they had the best years they've ever had, by buying the top in calves. They got them marketed at the high price, so I think there's going to be a general attitudinal change somewhere down there. Some of the guys are going to give it one more fling. Some of them have got piles of silage they've had around for two years; it's good for nothing else. So I would think that there will be an increase in demand down there, plus I wouldn't be at least a bit surprised to see the Governments of Ontario and Quebec come up with something to sort of enhance it.

**HON. B. URUSKI:** Mr. Chairman, just following up on Mr. Adam's questions. In 1978 you were the president or the acting president of the Cow-Calf Association of Manitoba when this original legislation was brought in?

**MR. L. CLIFFORD:** I'd have to go back and find out. I was president only for a very short time and whether it was then - you may be right, I can't remember for sure.

**HON. B. URUSKI:** Do you recall coming to this similar committee of the Legislature, along with Mr. Eyjolfson

and Mr. Graydon, and making representations on the original bill setting up the Cattle Cow-Calf . . . ?

**MR. L. CLIFFORD:** I did appear as part of a delegation, yes.

**HON. B. URUSKI:** Do you recall also indicating that you supported a well-funded organization for all producers, a single well-funded organization?

**MR. L. CLIFFORD:** I imagine you're reading from the script, so I probably did.

**HON. B. URUSKI:** Would you also recall that your position was not put forward as a vote of the producers of your association, that you were speaking as the executive at that time?

**MR. L. CLIFFORD:** I think that you've put the position forth from the Manitoba Government to the people of Manitoba many times and you didn't go and ask them about it, so I don't think there's anything wrong with doing that.

**HON. B. URUSKI:** We're elected every four years; but do you also . . .

**MR. L. CLIFFORD:** I'm elected every two.

**HON. B. URUSKI:** . . . recall that you supported, or the three of you supported a compulsory checkoff at that time?

**MR. L. CLIFFORD:** A compulsory checkoff?

**HON. B. URUSKI:** Yes. I shouldn't say supported, preferred a compulsory checkoff.

**MR. L. CLIFFORD:** I think that the reason at that time - I have, perhaps from experience, seen some of the problems and I see some of the other problems cropping up with that, because you don't give people the opportunity to dissent, really. But I guess the attitude at that time was if it's going to be beneficial for the industry then everybody should pay. We were looking simply at the Labour Union movement at that particular time and if you're going to be in it, you're in it; and if you're not, you're out. You either have it or you don't, you can't be halfway.

**HON. B. URUSKI:** Mr. Chairman, in 1977 there was a vote dealing with a beef checkoff and a marketing plan. Did you participate in that vote?

**MR. L. CLIFFORD:** I voted.

**HON. B. URUSKI:** You voted.? Did you as well sign a petition for an alternative to a beef marketing board?

**MR. L. CLIFFORD:** I can't recall if I did or not, but if it was put to me I sure would have.

**HON. B. URUSKI:** You don't remember whether you signed one of those letters?

**MR. L. CLIFFORD:** No, I don't. Not personally. That's quite awhile ago. That's six years ago, whether I did or I didn't.

**MR. CHAIRMAN:** Further questions? Seeing none, Mr. Clifford, thank you very much.

**MR. L. CLIFFORD:** Thank you very much for allowing me to be here.

**MR. CHAIRMAN:** The next on our list . . . order please. The next on our list is Mr. Max Ross. Mr. Ross, please.

**MR. M. ROSS:** Mr. Chairman, ladies and gentlemen. We've been kind of going back in the past here a fair bit. I have been in this organization since we were first elected. I wasn't in it when it was first formed. I feel that we all want a viable cattle industry in Manitoba but in some cases maybe we're letting our own petty feelings get in the way. By this I mean people seem to keep referring back to what happened in '77 or '78. I wasn't involved with it then so I can't really talk either way, but I think we should be looking at what we can do for the cattle industry today and tomorrow. We can't do anything about the past.

This was kind of driven home to me when I first heard about Bill 90. Down in southwestern Manitoba, we've had real strong support for the cattle producers from everybody including the candidate from this party which is bringing this in and from a lot of the organizers. So as soon as I heard about it, the first thing I did was get on the phone and phone some of these fellows to see what had happened. From what I could gather, there were a few people within the party that bore hard feelings from back in '77, '78 or whenever these things happened. Some of them, including the candidate of this party in the last election, told me he sure hoped they would drop the thing and get out of it because it was going to really hurt this particular party politically down in that corner. He himself had been very active in the Cow-Calf Association of Manitoba. He supported us 100 percent ever since I was elected anyway. In fact, he was my room-mate at our convention in December at the International Inn. We came to no disagreements so I found it very difficult to understand just why this thing was coming forth to start with.

The MCPA hasn't been perfect. Nobody's perfect, but it represents all parts of the industry and is Manitoba's best melting point for new ideas and improvements in the cattle industry. It has to be much better for all concerned when the various cattle groups can get together and hash out their differences and come to a common idea on things and then go to the Minister and he can bring forth policies which mean something.

If he has to sit and listen to 15 different cattle groups, The Angus Association, the Hereford Association, the Performance Association, etc.; he's going to be wasting so much time visiting with these people and drinking coffee and what not that he isn't going to be able to do too much.

I felt we were probably doing the Minister of Agriculture a real service when we formed this association in that we could have the people of

Manitoba all work together and consolidate their ideas and come to him with these ideas.

For the last 30 years, I guess, I've been involved in various cattle organizations. I've been Chairman of the Hereford Association, Vice-President of the Performance Association and at different times I've found these different groups in conflict. With an association like ours, the last few years they've been coming together with their ideas and we've been able to talk these things out and come to an agreement. So I kind of felt too that any sincere Minister of Agriculture would really welcome our group and wouldn't want to do anything to harm it in anyway.

Our 14 directors actually cover all parts of the industry. We have men who make their living entirely from the cow-calf industry. We have feedlot men and there's even two of us in order to make enough dollars to keep our kids fed have been involved as cattle dealers. So I think the ideas that come out at our meetings from our 14 directors pretty well cover all parts of the industry.

To be effective I feel an organization like ours should have a checkoff like we have. If it's refundable, why should anybody complain? Now I think earlier it was brought up about the Farmers Union. Over the last 30 years I've been pretty active in a lot of organizations including the Farmers Union. I was actually the president of our local for quite a few years and the one thing that used to kind of bug me was having to waste so much time going from door-to-door collecting memberships. I used to like to visit with the fellows and have a coffee but this took a lot of time when I could have been doing other work for the association. Often when I got to the farm the guy was in town, I had to come back the next day again.

So I really can't see anything wrong with the type of a checkoff we have even for the Farmers Union because I've been involved in it and I would have welcomed it at the time that I was quite active in it.

I just can't understand how any government can see fit to do what Bill 90 does to the cattle people of Manitoba while at the same time not interfering with groups such as the teachers' unions, labour unions, other commodity groups. I know this was brought up here awhile ago, but I feel that an organization like ours which represents the cattle industry should be for the good of the people in that industry. This present government is quite satisfied to let these various unions and what not, which are for the good of the people in their unions, to go ahead and have their compulsory checkoff and they're non-refundable, and yet ours which is probably a little more democratic because they can get their money back if they disagree with this, you want to cut our heads off and get us out of business it seems.

Now I just can't understand this. I guess I come from out in the country where everybody thinks everything works for the good of the people. It's just beyond me.

Possibly I should just end this here. I've meandered a bit and got away from what I was going to talk with, but these ideas came into my head more less as I sat here and listened to you gentlemen. So probably I'll just make myself available for any questions you have.

**MR. CHAIRMAN:** Thank you, Mr. Ross. Questions from members of the committee?

Mr. Uskiw.

**HON. S. USKIW:** Mr. Ross, I gather from your comments that you're somewhat bewildered as to why the repeal of this legislation and I just want to go back a bit to perhaps inform or enlighten you on the principle at issue.

Historically we as legislators have always objected to propositions on the part of groups that wanted to have this kind of power by way of an act of the Legislature. As I recall it, we turned the Farmers Union down on more than one occasion, who came to us and said we want to be the only farm organization in Manitoba; we want you to pass a checkoff for us; we will have an opting out provision for those that don't want to participate. We said, no, no, no, it's wrong in principle to force people to belong to an association that they don't wish to belong to. That's basically the nub of the issue. I don't think that anyone around this table wants to do any harm to the people involved and participating in this association.

They should have the freedom to function and to hold their meetings, to collect fees and so on, the same as other groups do. But we are indeed inconsistent with this act with respect to how we treat farm organizations. This is the only one that was provided for by this kind of legislation although there were requests from others. That's part of the problem. You know, should we do them all? How many acts should we pass? Name me another farm organization with an opting-out provision. Maybe there should only be one in Manitoba for all commodities. You see you get into that kind of quagmire when you're dealing with principle. There's no reflection on the cattlemen - it's how do you treat everyone fairly? That is the question.

**MR. M. ROSS:** Well, Mr. Chairman, I feel this group has proven itself and we have been operating for a few years. We've had very few people actually asking for their money back, so they must be satisfied with it. I think when the time comes, you see there's one group which you think has a lot of support in the province, maybe you should give them this opportunity. I've got nothing against Farmers Union or anybody else having this opportunity too, providing it's set up similar to what ours is, and if people don't like it, they'll opt out and they just won't have the funds.

**HON. S. USKIW:** Yes, the point I'm making, sir, and I would want you to either agree or disagree, is the freedom of the individual to decide whether he or she wishes to belong to an organization. We have removed that freedom with this act. We have removed that freedom, we have said you belong unless you tell us that you don't. That is not the way democratic societies should function. That's the root of the problem, sir.

**MR. M. ROSS:** Well, Mr. Uskiw, I really disagree. I feel as long as they have the opportunity to opt out and get their money back - that they had that freedom.

**HON. S. USKIW:** That's a problem we've had. Mr. Chairman, that's a problem that legislators have had I guess for a century, at least, in Manitoba's history.

**MR. M. ROSS:** I know some people say we should have a plebiscite and we're quite willing to have one

to settle this thing, but I think just the fact that we've had so few people ask for their money back has proven the situation actually.

**MR. CHAIRMAN:** Further questions? Mr. Uruski.

**HON. B. URUSKI:** Mr. Ross, there was a vote - you recall a massive campaign in '77 dealing with checkoff and marketing plan. There was a petition that was being circulated at the time, purportedly signed by many producers in his province wanting an organization, as an alternative to that, to be funded by voluntary checkoff. Were you one of those producers who signed that kind of a petition?

**MR. M. ROSS:** It's possible. Now to be quite honest about it - it's quite a few years ago - I know I wasn't involved in any of the groups that were taking part in it. I couldn't honestly say one way or the other, but it's quite possible I might have. It would depend on the circumstances of how it was worded, and what not, I'd imagine.

**HON. B. URUSKI:** I'll read you the section dealing with it. "A cattle producer — (Interjection) —

**MR. CHAIRMAN:** Mr. Downey, on a point of order.

**MR. J. DOWNEY:** Mr. Chairman, the Minister of Agriculture is going back to some documentation he has of the people that are coming presenting briefs, and he's putting them through the questions of asking if they can remember if they said this and that. Would he be prepared to table and provide for all the committee and those individuals and ask his questions . . .

**HON. B. URUSKI:** Sure, in fact I'll send it up to him.

**MR. J. DOWNEY:** . . . directly about the current situation about Bill 90, rather than going back into the historical development of all this process. I would hope that the Minister is interested to find out why the people who are currently opposed to it - why they are - not go back and try and embarrass them. That's really what he's trying to do. He tried to embarrass the President of the Cattle Producers Association. He's now trying to embarrass my constituent, who has done a good job in this organization. I'd like to know, and him tell us and the public what he's trying to prove, because he's trying to make them look bad and him look good - if that's what it is, then let him come clean. Let us debate Bill 90 or let us hear the submissions on Bill 90 and not try and protect the Minister of Agriculture from an act that he shouldn't be doing.

**MR. CHAIRMAN:** Further comments on the point of order?

**HON. B. URUSKI:** Mr. Chairman, Mr. Ross has the document. I have shown him the document that was purportedly brought into the Legislature by the former Minister . . .

**MR. J. DOWNEY:** He doesn't have to answer to that kind of interrogation.

**HON. B. URUSKI:** No, he doesn't have to answer the question, but I wanted to know whether . . .

**MR. M. ROSS:** I think it's possible, sir, that I might have. I just can't recall.

**MR. J. DOWNEY:** There you go.

**HON. B. URUSKI:** Okay, that's all I wanted to know. Mr. Chairman, in terms of your comments, if all producers - if you say there are very few that support a move away from the organization and I accept that - do you find it a difficult suggestion that there in fact will be a continuous referendum on the support of the organization, if they are responsive to the needs of the producers on how they act on the continuous basis; that there will be a continuous referendum by the producers saying, yes I will support the organization, if I believe that you are following what I truly believe the interests of the industry, that there will be a continuous referendum on the organization as you decide? We haven't decided - I don't think you've decided - and that's why we've left it open for yourself to decide what is the best mechanism in order for you to collect the funds voluntarily?

**MR. M. ROSS:** Actually, I feel we have had a continuous referendum up till now, because the people had their opportunity each year to ask for their money back and opt out or to continue on. I feel that if this bill goes through, it isn't really going to be a test of anything too much, because the farms are spread out so far apart, it's so difficult to go and visit all these people to get them signed up individually.

I ran into this when I belonged to the Farmers Union. It took an awful lot of time - a lot of the time that we should have spent working for the organization was spent just canvassing people. I think everybody in Manitoba has to have the chance to vote on it, or else we have to continue the way we are, and if we start doing the wrong thing, more and more people start asking for their money back and that'll be the acid test.

**MR. CHAIRMAN:** Further questions for Mr. Ross? Mr. Downey.

**MR. J. DOWNEY:** Mr. Chairman, I don't have very many questions, but I now have mixed feelings. Mr. Ross brings forward the point that the candidate for the NDP Party is very strongly opposed to the action they're taking, and it'll give them a lot of problems in the next election. I now have mixed feelings about the proposal. I maybe should start supporting what the Minister is doing, however, I don't believe that what he's doing is right, so I will speak out.

Mr. Chairman, Mr. Ross indicated that he felt it was very much a philosophical approach - he can answer or not. Does he feel that the Minister of Agriculture is being influenced by a very very few people within the New Democratic Party - the people that have spoken out adamantly against this when it was introduced and have done so since - that it is those people within the NDP Party that he is yielding to and not the overall general majority of farm people, that it is a few specific

people like Jackie Skelton or those individuals who have been adamant opponents of this kind of legislation?

**MR. M. ROSS:** Yes, I guess this was why I was surprised that this bill got as far as it has. I felt it was a case of the squeaky wheel getting the grease, and some people who have claimed that they have an awful lot of people supporting them, other people tell me they don't have hardly any. I know there is one other group in Manitoba that claims to have 200 members and some people up in that area tell me you can put them all in a Volkswagen. So I don't know, I haven't been able to get hold of the voters' list to see. I have a feeling, from what I can see in western Manitoba that there hasn't been much support for Bill 90, but the few people who have been supporting it have been quite noisy.

**MR. CHAIRMAN:** Further questions for Mr. Ross? Seeing now, Mr. Ross, on behalf of the Committee, thank you very much for appearing today.

**MR. M. ROSS:** Thank you for listening to me.

**MR. CHAIRMAN:** Mr. Ed Dalke. Mr. Dalke please.

**MR. E. DALKE:** Good morning, Honourable Ministers and gentlemen of the committee. My name is Edwin Dalke and I'm a director for the Manitoba Cattle Producers for the past two years. I guess you'd call me one of the endangered species because I operate a feedlot together with my brother Harry in southern Manitoba. We have built up this feedlot from a small mixed farm of about 50 head of cattle to its present size in about 12 years, marketing 1,800 steers annually.

My direct involvement with MCPA began about three years ago when they sponsored a meeting in Portage to which they had invited all the feedlot operators in Manitoba to discuss the association's action with concern that the other provinces were going to make deficiency payments to producers because of the poor economic times for cattle producers. During the course of the last two-and-a-half years, some forms of support have been given to provinces, cattle producers. If in fact I had been a feedlot operator in Ontario, the pay out to my operation would have been \$40 a head in the market year 1980 or approximately \$65,000 to our farm.

Alberta retaliated when they heard Ontario came out with this payment of 4 cents a cwt., which would have given an operation like ours \$80,000 of direct cash from the government. To calculate what our benefits would have been, had we farmed in Saskatchewan or Quebec, are a little more difficult but I'm sure with a bit of shrewd shuffling of ownership and using all the available opportunities the payments to our farm operation could have exceeded \$100,000.00.

Just this past spring I met with a cattleman from Carlisle, Saskatchewan, who told me that his recent quarterly pay out had been \$250 a market steer. That's more than we try to gross on some of our cattle. To date, we in Manitoba have not received any support of our government showing genuine concern with our cattle industry. This lack of support to our feeding industry has certainly taken its toll with several large feedlots closing - Miami closing just this week.

The cattle feeding business is a good business requiring a high degree of expertise and ability to handle high financial risk. It has become somewhat of a nightmare, however, with government support in other provinces and the support of our government to a segment of our industry. Not only are we fighting the marketplace, but we are also fighting the coffers of government. This is why I have been against stabilization personally when it comes out and basically all it does is distort it. There's not enough money available to really make a significant impact to the industry and within two years the government changed, so what have you got? You really cannot, with a stabilization program, significantly affect and improve our industry.

My involvement with MCPA has been frustrating. Financially, my support is quite substantial, amounting to \$1,800 per year, as well as the time I've given to the board and different promotional things we've done across the province. I came to the board with a lot of enthusiasm and I enjoyed working with the people on the board. We've been instrumental in launching a national advertising campaign which has been and will be very beneficial to the industry as a whole. We've initiated Manitoba cattlemen's production programs like the past one. Now we're getting involved in a preconditioning program and we've launched a feedlot school. We've been involved in land use up North with the Crown lands and a lot of the cattlemen up North; this has been an important part for them. We've also had a lot of input in the Crow debate trying to improve our position as cattlemen in Manitoba.

Our annual meetings have been exciting and a good time to meet with cattlemen, discuss and exchange ideas and learn more about our industry. The promotional work we've done around the province is quite valuable. Last summer we had, in our local community, the promotional booth at the Corn and Apple Festival which attracts and continues to attract large crowds from all over the province.

In conclusion, I am quite disappointed in our present government. As a commodity group we have worked hard at our affairs and promoted our industry and we have received no support for our association; instead, we have been in constant struggle to survive. As a director of Manitoba Cattle Producers Association, I feel that if Bill 90 passes it takes away our financial strength and we will have to suspend operation.

**MR. CHAIRMAN:** Thank you, Mr. Dalke, are there any questions?

Mr. Downey.

**MR. J. DOWNEY:** Mr. Chairman, to Mr. Dalke, it's fairly obvious that you are one of the larger contributors to the organization and have joined the board since it has started, since the initial program was put in place. Did you feel prior to the introduction of this program, of this legislation, were you in a neutral area? Were you strongly opposed or in support of it at that time?

**MR. E. DALKE:** Well, I remember when the discussion came up about this. I guess it's a bill that was passed so that all commodities could have some control. I don't really know the right terms here, I was a bit concerned then. There was this floating around that

we might get a marketing board and talking to the fellows involved I was reassured that was not going to happen and I did support it. I was in support of it.

**MR. J. DOWNEY:** To remove the funding and the strength of this organization, do you feel that the next step of the current government with the Beef Commission, as it is in place, is to in fact implement a marketing board for all beef cattle of the Province of Manitoba, that we're really just starting on that approach?

**MR. E. DALKE:** Well, I think they've had a concern for the industry and they've tried to take the power from one area to the other, and I think that shift of power is probably the reason for this. The reason why we are losing our power here is because they feel some other committee or, like the Commission, could do a better job, I imagine, I don't know?

**MR. J. DOWNEY:** This is, as the Member for The Pas off the record has just indicated, a good idea, that probably a marketing board would be the best way to go, in his comments to me. Have you at any time felt that the \$1,800 that you've spent in the last year has not been used properly to benefit both the producers, the consumers and everyone in the beef industry, that that money has been used very wisely to encourage the consumption of beef and to maintain your industry? Are you quite satisfied with that?

**MR. E. DALKE:** I'm very happy with the advertising campaign that's been launched. I feel that 50 cents a head checkoff for advertising has been very beneficial. I've talked to quite a number of people in the cities, various youngsters that come up, and they say "beef sounds good." They've heard that slogan. I think our 50 cents spent there is very beneficial. As an association, the money we've spent - there are improvements to be made to our association. I wouldn't say there aren't, but we're all cattlemen, we all come from the country, we all try our best to operate something that is beneficial to everyone and I wouldn't say that we're without mistakes, that's for sure, but I feel it's money well spent.

**HON. B. URUSKI:** Mr. Dalke, you indicated that your membership in the association has been very frustrating. Can you tell me what you found frustrating about your membership in the association?

**MR. E. DALKE:** Well, No. 1, the lack of support from our local government. You can probably recall the first time we came in as a feedlot committee, and discussed the concerns that we had as a feedlot committee, that's a year-and-a-half ago. I don't know if you realized what was going to happen out there in the country. You really were not concerned about the feeding industry. You thought the cow-calf was the basis of our industry. It isn't the basis. We go up North, we buy feeder cattle in Ashern, we buy feeder cattle in Ste. Rose. We in turn, because of our efficiencies in southern Manitoba with corn, we can give them a good price, and we compete with other provinces at the same time. For us that was the frustrating part, that we did not get that support.

**HON. B. URUSKI:** Are you unable to finish cattle for other farmers under the beef plan, or are you unwilling?

**MR. E. DALKE:** Can you explain that a little better?

**HON. B. URUSKI:** As you know, the plan doesn't prevent feedlots from getting involved in the finishing of cattle. Have you made a conscious decision not to participate in the plan by offering your services and the efficiencies that you have in southern Manitoba?

**MR. E. DALKE:** Well, if you could understand our feeding operation; we feed 1,000 head of cattle at one time. We have in the past bought all our own feeder cattle with financial help from the bank, and we do not particularly care to get involved in custom feeding cattle. That's a decision we've made; there's a lot of headaches connected with it. We think we're much more efficient this way. We do not have that PR that we do with the others, and feel that we can do a better job this way.

**HON. B. URUSKI:** Mr. Chairman, did you make a proposition to the former government about assistance for feedlots?

**MR. E. DALKE:** Yes.

**HON. B. URUSKI:** In July of, I believe, '81?

**MR. E. DALKE:** Yes, I remember distinctly we came to the government and we asked them for money. At that time Ontario were in the process of committing funds, it wasn't finalized. Alberta had not done anything; then shortly after the election results in Manitoba, when the NDP came in, Alberta made their announcement. So, really they were waiting on Alberta to make a move on that.

**MR. CHAIRMAN:** Mr. Uruski.

**HON. B. URUSKI:** No, that's fine.

**MR. CHAIRMAN:** Further questions. Mr. Downey.

**MR. J. DOWNEY:** I was interested in the comments about the feeding of cattle. In other words, what actually is being pointed out to us at this committee, Mr. Dalke, is the fact that we're meeting today to discuss a bill that is not needed to remove the cattle producers' power to speak on behalf of themselves, when, in fact, the government should be dealing with a feedlot stabilization program, which would stabilize the feedlot industry, rather than dealing with Bill 90. Is that correct?

**MR. E. DALKE:** Well, they are put on the spot with this. Personally, I don't buy stabilization. I would just as soon have nobody have it, but they're put on the spot. It looks like we should push for national stabilization, but in the meantime we've lost a lot already. Really, I feel as an association, the amount of time and investment we've got, it's in the upwards of \$500,000, just the background work, and to remove this association now and all the expertise in it, I think it's a futile exercise really.

**MR. J. DOWNEY:** It's not related directly to the bill, but it is on stabilization. Do you feel, Mr. Chairman, that you can compete as a cattle producer against the provincial treasuries of Quebec, and against the provincial treasuries of Ontario and Saskatchewan and Alberta, as you've been forced to do? Can you continue to do that? Or do you see the closing of your feedlot if you don't get support in Manitoba, could you compete against those other treasuries?

**MR. E. DALKE:** It's very difficult. I'm hoping that they water down these programs. Quebec is running into financial trouble. The cattlemen there are not getting the support that they have in the past. Ontario, every once in awhile they get a cash payout, so they really haven't got a program. Alberta hasn't really got a program. Basically, it's Saskatchewan we're dealing with, and it looks to me like they're watering that down as well.

So, if that keeps up, I think we can hold out for some time, because we've been in the business for 12 years and we've built this facility up and we do not really have to pay yardage and that at this time if we don't feel like it.

**MR. CHAIRMAN:** Further questions? Hearing none, Mr. Dalke, on behalf of the committee thank you very much for appearing today.

**MR. E. DALKE:** Thank you.

**MR. CHAIRMAN:** Mr. Peter Friesen. Mr. Friesen, please.

**MR. P. FRIESEN:** Good morning, Mr. Chairman, and members of the committee, ladies and gentlemen.

Maybe the first thing I should do is excuse myself. I did make some notes last night, and unfortunately left them at home. I also left at home my copy of Bill 90, but since I have read it over for myself, gone over it with many producers that have to come to see me within the last couple of weeks, I am quite familiar with it.

First of all, I would like to say I'm making a presentation on behalf of the producers in southeastern Manitoba, not on behalf of the MCPA. I'm sure there's a number of you here are aware of the fact that a lot of the producers have been unhappy with the direction that our - maybe not the direction - but the way the organization has been run in the past. We still haven't given up on the organization, but instead are trying to improve it so that more producers will be happy with it.

Getting back to Bill 90, first of all, I wrote down a couple of questions now that I would like to elaborate on. One of them is: why do the producers want this organization? When I look at the producers in southeastern Manitoba, some have been unhappy with some of the ways that the organization is being run, but they still want the organization. Why do they want it? I am one of the few people that have been involved ever since that vote that keeps popping up here that was conducted back in the - I think they said '76, but if I recall correctly I believe it was in '72.

**HON. B. URUSKI:** The original vote was '74.

**MR. P. FRIESEN:** Well, it is a long time ago, but I do know that after that vote was out, and everybody thought they were voting on a marketing board, and because of the fact that they thought they were voting on a marketing board, the producers turned it down even though — (Interjection) — no I'm talking about the one, I believe was in '72. Now let's forget about the year . . .

**HON. B. URUSKI:** You better remember there were two votes.

**MR. P. FRIESEN:** There were two votes. I am talking about the first one. Now there were a lot of producers and the reason they didn't support it was because they thought it was conducted by the marketing branch, they thought it was a vote for a marketing board, and they turned it down. When that vote was turned down, I am sure you will recall now, we can forget about dates, that that was the time the producers in Manitoba established the Manitoba Cow-Calf Organization.

I was one of the original - well, maybe I shouldn't say original members, but one of the founders of the Manitoba Cow-Calf Organization. It was done provincially. We had meetings all over the province and our main objective at that time was to get another vote and to make sure that the producers knew what they were voting for. We were convinced that if the producers knew what they were voting for, it would go through with an overwhelming majority. We worked for a number of years and at that time, I believe, Mr. Uskiw was our Minister of Agriculture and numerous times at meetings we have asked you for a vote. We wanted that properly worded. It took us to 1977 until we finally got a vote. We didn't get the vote we were asking for. We had the support of the Manitoba Beef Growers, who had been in existence long before we were. Maybe I should point out one thing. A lot of the cow-calf producers especially were unhappy with the Manitoba Beef Growers. because there was a lack of input in their opinion. They had only one meeting a year, usually at a time when they couldn't get to the meeting or it was just too far away, but they did manage to get on a fairly good working relationship with the Manitoba Beef Growers. We had two organizations at that time.

In 1977, when we finally got our vote, it wasn't a vote on a check off, on an organization that would represent the cattle producers that would be funded by the cattle producers and wouldn't cost the government or the taxpayers a dime, it wasn't a vote like that, but instead it was a vote on the marketing board. Unfortunately, the producers turned it down. But if Mr. Uskiw will remember, before that vote was conducted, before the ballot was written up, we made numerous presentations asking that at the same cost we could have the second question on the same ballot and give the producers a choice, and then we would know what producers wanted. Unfortunately, it wasn't done and it was again turned down.

We continued to try and establish an organization. In the meantime, the government changed, and I think Mr. Downey was the Minister of Agriculture at that time. I believe that you will recall that we then asked Mr. Downey for exactly that same kind of a vote. The reasons we got from the Minister at that time was that

the government was on a restraint program and an election would be too costly, and the results were inevitable. They felt it wasn't necessary to have an election and fortunately we did finally get an organization.

I would briefly like to refer to a presentation that's been brought up a number of times here today by our present Minister, Mr. Uruski, about producers that signed a petition for a voluntary checkoff. Now I am one of the people that signed that piece of paper and as a producer I am not a lawyer, not a school teacher, not a professional in English, and what that paper asked for, in my opinion and in the opinion of most producers, was a checkoff exactly as we have now, a voluntary checkoff. We have been asking right from the very beginning, and I believe that was brought out already, that the executive of the Cow-Calf Association at the time of the hearing before Bill C-25 was put through, they were asking for a compulsory checkoff.

Now in my opinion and in the opinion of most producers, what we have now is a voluntary checkoff. What we wanted was a compulsory checkoff. Now when I go and take a bus from here to Eaton's, they don't tell me, if you don't want to pay the fare, you go to the bus station you'll get your money back. I have to pay it. So as far as I'm concerned that bus fare from here to Eaton's is compulsory. If I want to ride that bus, I pay. That's exactly the way we felt. If you want benefits, then you pay for it. We're going to work on behalf of all producers and all producers should pay their share. That just simply, not only did it seem fair, but that's the way it's done in no matter walk of life you're in, and that would be a compulsory checkoff. But our Minister of the Day, which happened to Mr. Downey, insisted that there was such a thing as human rights. There was such a thing as people that didn't want to contribute, even though they shared in the benefits, and they shouldn't be forced to contribute, so it had to be voluntary. They should be able to get their money back. Now why can't I get my money back that I paid on the bus fare from here to Eaton's? I took the ride, I got the benefit, I didn't have to walk, but we couldn't convince the Minister at the time, so we had to settle for a voluntary checkoff. That is what we have now.

Why do the producers want this organization? Producers don't want to depend on taxpayers. They want to pay their own way and that's exactly what they're doing now. They're paying their own way. Every dime that our organization spends on behalf of the producers is the producer's money. Why would the government or the people of Manitoba want to do away with it? It just doesn't make sense to producers. They don't understand it.

One more thing I should maybe bring out, when Bill 90 came out I had no intention of appearing at the committee, although I did ask a couple of other people to appear. For the past two years now I have been elected to the organization; actually, I'm on my second term. I was re-elected again last fall, in December, so it's actually my second term, and since I was a director of the organization, I felt it was better if the producers themselves came in and made their own representation.

In the past few weeks, I've had numerous people coming down, stalling my haying, and insisting that I'm their representative and it's my obligation to come and

speak on their behalf. When I asked them, "Why don't you go?" they said, "What's the use? The government is going to do whatever they damn well please anyway, why should I go?" So I used exactly that same phrase. I said, "Why should I go then?" They said, "Well somebody has got to at least try. Somebody has to point this out, because Bill 90 just makes no sense whatsoever." It just doesn't make any sense and I'll go further into that later. That is the reason I'm here - I've sort of been pushed into it.

The next thing I've got in here - what does the MCP do for the producers or for the province or for the people? The MCPA is doing exactly what it's supposed to be doing. It's supposed to represent the producers; it's supposed to try and improve the producer's position in every way possible. There are a number of producers that are unhappy. Why are they unhappy? Well they say that you haven't done anything about the price. Unfortunately, these are people who don't realize that our organization can't do anything about the price. Those are some of the complaints you get from some of the producers.

One thing I should maybe add, why do we want a compulsory checkoff and that was so that nobody would get a free ride. Unfortunately we had to settle for - if there were guys that wanted a free ride, we had to allow that to happen - and at the time our Minister pointed out that if the organization did what the producers wanted it to do, then there would be very few people asking for a refund. Today I have to admit the Minister was right.

There have been very few people that asked for a refund. I'm now talking about the Minister at the time we got the bill, which was Mr. Downey. There have been very few requests for refunds. When I look down the list of the people that asked for a refund, if I look at the type of people who ask for a refund, are they producers, and if they're producers, what kind of producers? So when I look down that list and I see the name of a producer and he gets a \$2 refund, right away at the same time, I don't have to be very smart, but I know exactly what kind of producer it is.

If their checkoff is \$1 per head and his deductions are \$2 for the year, he sold two animals. Then I have to ask myself, what did that producer contribute to the province, to our provincial economy, if he only sold two head? I see our present Minister is really giving me a questionable eye and I could maybe go a little further. One of them, I suppose, is probably somebody he knows quite well; he was appointed to the commission to establish this new beef commission is one of them that got a \$2 refund. I don't know if he already got it, but he applied for it, but the majority of them are dealers.

In southeastern Manitoba one of them - I guess the lowest one was \$2, but all the producers that have asked for refunds, and there were only five of them in all of Southeastern Manitoba, there were only five out of 1,200 - one of them happens to be the Ridgeville Transfer, who doesn't own cattle, but I suppose he bought some and resold them and then had to pay the checkoff, and he felt that he shouldn't have to pay a checkoff - after all he's not a producer. So eliminate him, we've still got four, and out of the four, there was not one of them that got a refund of more than \$15.00. So that tells you they're all pretty small producers. There were two of them, one for \$2, one for \$2.50; the

highest one was, I believe, \$14.50; so that tells you the type of producers who don't want to support our organization.

When I look at the list - and there I can't identify all the producers and the dealers - but when I look at some of the bigger ones, when I see a name like Fontaine there, I know it's a dealer. He may have some of his own cattle too, but the majority of his cattle are from dealers, but they're from other areas and I don't know these people. We have a number of dealers in our area too, and even the dealers are paying it, even the dealers are paying the commission, and they're paying over \$1,000 and are not asking for a refund. The reason they're doing that is because they believe in what the cattle producers are doing for themselves. I believe that our government should allow people to do something for themselves, and that's exactly what the producers are doing under Bill C-25.

What does the MCPA do for producers or for the government? First of all, our stabilization program or new stabilization commission has been mentioned here a number of times. Now this is one of the issues that southeastern producers took objection to, when it was first proposed by our organization - a program very similar to what we have now was proposed by the MCPA. Our past Minister, Mr. Downey is aware of that, since it was already proposed before our government changed hands. The producers in southeastern Manitoba were the ones that took objection to it. I'm sure both the government and the opposition is aware of that, since it happened before the election.

The reason southeastern producers objected to the program is because of the rich programs they had in every other province in Canada except Manitoba. Why would we settle for a drop when every other province got the whole bucket? Then we might as well not have anything; that is why we objected to it. Most of the producers in southeastern Manitoba don't believe in the government controlling their industry. They would like to manage on their own accord, pay their own bills but, unfortunately, because of the country we live in, if they're going to have subsidy payments in every province but Manitoba and we have to operate on the same market, it's the governments of the other provinces that are putting us out of business. That's what has put a lot of our producers out of business. It's not our Provincial Government; it's been the governments of other provinces, and that is what we have, in southeastern Manitoba, objected to. That is one of the reasons why the producers in southeastern Manitoba are so much in favour of a national program that will put us all on the same base, and that national program, we would be happy with it if it was absolutely nothing, but it also guaranteed that no producer in any other province would get a subsidy, and we would be allowed to make it on our own. Unfortunately, it hasn't happened.

We have never blamed the Provincial Government, but since we have to compete against these kind of odds, we have also from southeastern Manitoba from time to time asked for a little bit of assistance, not to the same extent as other provinces but just to help some of the producers hold their own until the unjust situation has been corrected. Unfortunately, our Provincial Government believes in controls and it's either marketing board or nothing. Now we were told

this when we had the cow-calf organization, you support a marketing board and we're with you all the way. Producers said, no, we believe in paying our own bills; we don't want the taxpayer to pay our bills. If we make them, we're also going to pay them ourselves. But it never got anywhere. Now we have an organization that we're proud of, even though it isn't going to our liking at all times, but the producers are the ones that are going to improve it, not the taxpayer or the government or some appointed officials. It's the producers who are going to do it and with time I'm sure it will be done.

One thing I've left out is what does the MCPA do for a province? The MCPA has been, I suppose, indirectly, responsible for our national advertising campaign. Now, the national advertising campaign is very important to me since I am one of the producers that had to vote against it, even though I personally wasn't against it, but I had to vote against it because the majority of the people in southeastern Manitoba opposed the national advertising campaign, the fact that it was money thrown down the drain. I have been told by southeastern Manitoba producers many times the government does that, the government throws money down the drain, not the producers. What kind of an organization have we got that we're going to spend money? Who is going to eat more beef just because you advertise it? They're only going to eat so much. Lots of objections, but we go by the majority. Provincially, the majority wanted to go into a national advertising campaign.

I happen to be one of these people. For a number of years I have attended some fairs. I'm sure Mr. Uskiw will remember that we tried awful hard to get some of our own money out of the government. The Horne (phonetic) Fund at one time, when we had the cow-calf organization, it was finally released; I believe it was around \$3,500 in co-operation with the Department of Agriculture. We made a promotion display; I was one of those people. I particularly remember the Morris Stampede, already back when we had the cow-calf organization, spent the time there and talked to some of the consumers and found out just what kind of attitude consumers had, "Beef, we can't afford to eat beef, we just can't afford it. It's too expensive, we haven't got that kind of money." Then you give them some of the recipes, what you can do. You ask them, "What's your problem?" "Well, if we buy a roast, half is left over. What are you going to do with it? You're going to throw it out in the garbage, it's all waste." So you give them a recipe; give them all types of recipes as to what to do with leftover roast and the consumer is happy.

Two years ago I sat on behalf of the MCPA in a booth, also a display, at the Morris Stampede and a number of producers - I particularly remember one very vocal one from Piney that was very much against promotion. He happened to be there and we got into an argument about promotion. It didn't do any good and I'm already convinced that it did. I tried to explain to him why it was necessary to promote our product. At the same time three ladies came by and they were from Winnipeg and, looking at the display, made a couple of remarks about that's impossible. The Beef Information Centre in Toronto has done a number of studies on beef, and it has been pointed out that beef is not expensive if it's utilized properly. So I took this fellow from Piney

with me. I said you come with me, let's talk to these three ladies. They were giving my wife a little bit of trouble. So we went to talk to these three ladies, and when we left there they thanked us and they took every recipe book we had. They agreed with us then that beef is not expensive, so this fellow from Piney that was so against promotion just turned right around. He said, boy, I was going to ask for my money back on the promotion. I believe in the organization, we need an organization but that money, you're it throwing away. Then I had to think about what Mr. Downey told us at the time, if you don't do what the producers want, they'll ask for their money back. If the organization doesn't go in the proper direction, it's the producers who are going to kill it.

I agree that that's exactly the way it should be, the way with a voluntary checkoff, like we have under Bill C-55. The producers can kill that organization any year they want to. They can either kill it completely or they can turn it around and run it the way the producers want to run it, not only every two years when there's an election, but every year they could do that. So what I want to point out here, it's not like a government at all. It's not something that the producers when they elect the board, if they're not happy with the board, the board doesn't do what they were supposed to do, they're not stuck with them for the next four or five years. They can get rid of them within a year, just like that, get their money back. It's all in the producers' hands. Why shouldn't it be in their hands? They are paying the bills. They're putting every dime into that organization, so why shouldn't it be in their hands as to whether they're going to continue with that organization or not?

Now when we eat more beef in Manitoba, the province benefits. I'm sure you're all aware that the MCPA has been very concerned especially after Swift's closed in Winnipeg about the packing industry in Manitoba. We are well aware of all the jobs it provides. We are well aware of the fact that we as producers need these people that have these jobs to eat the beef we produce. We don't want our population in Manitoba to decline. We don't want our labour industry to decline. We've done everything we possibly can to improve our cattle, but the producers have been trying to pay for this on their own. Why would the government want to kill this? The producers don't want it. They've got the opportunity at any time.

My next point is what does Bill 90 do for the organization? Well, what does it do for the Province of Manitoba, for the consumer? Well, I think we should take a good look at Bill 90. What does it really do? It amends Bill C-25.

Well, then maybe we should look at first Bill C-25. What does it do? It spells out in a clear fashion just how our organization's going to be run. It makes sure that our organization is going to be run democratically in every way. The board is forced to have elections. They are forced to have district meetings. They're forced to have annual meetings. They're forced to run their elections in a certain way by this bill.

**MR. CHAIRMAN:** Order please. Mr. Friesen, we've reached our normal adjournment time, do you expect to be able to complete in a few minutes, or would you

rather come back this evening and finish so members can then also have time to ask questions?

**MR. P. FRIESEN:** I don't have a written presentation but I have two more points. I've only covered two points so far and I believe I have three more left.

**MR. CHAIRMAN:** I suggest then, Mr. Friesen, that it would be the committee's will that you return at 8:00 to continue your presentation, and committee will now adjourn for lunch and the afternoon sitting. Is that agreed? (Agreed)

Committee is adjourned until 8 p.m. this evening.