

Second Session - Thirty-Ninth Legislature
of the
Legislative Assembly of Manitoba
Standing Committee
on
Agriculture and Food

Chairperson
Mr. Tom Nevakshonoff
Constituency of Interlake

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON AGRICULTURE AND FOOD

Friday, June 6, 2008

TIME – 10 a.m.

LOCATION – Winnipeg, Manitoba

**CHAIRPERSON – Mr. Tom Nevakshonoff
(Interlake)**

**VICE-CHAIRPERSON – Ms. Sharon Blady
(Kirkfield Park); Ms. Marilyn Brick (St. Norbert)
at 4:13 p.m.**

ATTENDANCE – 11 QUORUM – 6

Members of the Committee present:

Hon. Ms. Melnick, Hon. Messrs. Rondeau,
Struthers, Hon. Ms. Wowchuk

Ms. Blady, Messrs. Briese, Eichler, McFadyen,
Nevakshonoff, Ms. Selby, Mr. Pedersen

Substitutions:

Hon. Ms. Irvin-Ross for Ms. Selby at 12:32 p.m.
Ms. Selby for Hon. Ms. Irvin-Ross at 1:20 p.m.
Ms. Howard for Hon. Mr. Rondeau at 3:19 p.m.
Ms. Korzeniowski for Ms. Selby at 4:13 p.m.
Ms. Brick for Ms. Blady at 4:13 p.m.
Mr. Goertzen for Mr. McFadyen at 5:26 p.m.
Hon. Mr. Swan for Ms. Howard at 6:06 p.m.
Ms. Braun for Ms. Korzeniowski at 8:14 p.m.
Ms. Marcelino for Hon. Ms. Melnick at 8:14
p.m.

APPEARING:

Hon. Jon Gerrard, MLA for River Heights
Mr. Cliff Graydon, MLA for Emerson
Mrs. Myrna Driedger, MLA for Charleswood
Mr. Leonard Derkach, MLA for Russell
Mrs. Mavis Taillieu, MLA for Morris
Mr. Ron Schuler, MLA for Springfield
Mr. Larry Maguire, MLA for Arthur-Virden
Mr. Kelvin Goertzen, MLA for Steinbach
Mr. David Faurschou, MLA for Portage la
Prairie

WITNESSES:

Mr. Karl Kynoch, Manitoba Pork Council
Ms. Ruth Pryzner, Private Citizen
Mr. Robert McLean, Keystone Agricultural
Producers

Mr. Shannon Martin, Canadian Federation of
Independent Business
Mr. David Wiens, Dairy Farmers of Manitoba
Mr. Ab Freig, The Puratone Corporation
Mr. Richard Bergmann, Maple Leaf Agri-Farms
Mr. Beerd Hop, Private Citizen
Mr. Garry Tolton, Private Citizen
Mr. Herm Martens, Rural Municipality of
Morris
Mr. Garry Wasylowski, Private Citizen
Mr. Fred Tait, Hog Watch Manitoba
Mr. Martin Unrau, Manitoba Cattle Producers
Association
Mr. Hank Enns, Manitoba Corn Growers
Association
Mr. Weldon Newton, Private Citizen
Mr. Sheldon Stott, Hytek Ltd.
Mr. Bryan Ferriss, Private Citizen
Mr. Graham Starmer, Manitoba Chambers of
Commerce
Mr. Sam Gross, Private Citizen
Mr. Ben Hofer, Rock Lake Hutterite Colony
Mr. Ray Timmerman, Private Citizen
Mr. Roland Rasmussen, Rural Municipality of
Cartier
Ms. Dawn Harris, Private Citizen
Mr. Aaron Hofer, James Valley Colony
Mr. Mike "Spurs" Waldner, Cool Springs
Colony
Mr. Ron Friesen, East-Man Feeds
Mr. Ken Waddell, Private Citizen
Mr. Nathan Gross, Private Citizen
Mr. Doug Redekop, Kelly Farms Ltd.
Mr. Art Bergmann, R.M. of Ste. Anne
Mr. John Preun, Manitoba Pork Marketing Co-
op
Mr. George Matheson, Private Citizen
Mr. Jeff Friesen, Private Citizen
Mr. John Kroeker, Penner Farm Services
Mr. Kurt Siemens, Manitoba Egg Producers
Mr. Paul Neustaedter, Steinbach Chamber of
Commerce
Mr. Cliff Loewen, Agra-Gold Consulting Ltd.
Mr. Scott Dick, Agra-Gold Consulting Ltd.
Mr. Johannes Waldner, Better Air
Manufacturing
Mr. Brent Byggdin, Private Citizen

Mr. Marty Seymour, Private Citizen
 Mr. Andrew Dickson, Private Citizen
 Mr. Garry Wollmann, Private Citizen
 Mr. Darryl Herman, Private Citizen
 Mr. Tom Hofer, Private Citizen
 Mr. Bill Harrison, Private Citizen
 Mr. Bill Matheson, Private Citizen
 Mr. Harry Siemens, Private Citizen
 Mr. J. Neil Dobson, Feed and Livestock
 Industry
 Mr. Colin Craig, Canadian Taxpayers Federation
 Mr. John McDonald, Private Citizen
 Mr. Herb Schultz, Animal Nutrition Association
 of Canada, Manitoba Division

WRITTEN SUBMISSIONS:

Bill 17—The Environment Amendment Act
 (Permanent Ban on Building or Expanding Hog
 Facilities)

Mr. Harold Froese
 Ms. Denise Trafford
 Mr. Joe Leschyshyn
 Mr. Joshua Waldner
 Mr. Syed Abu Rehan
 Ms. Ashley Trinkies
 Ms. Lorena Ewert
 Mr. Auke Bergsma
 Mr. Kelly Fargher
 Mr. Karl Kynoch
 Mr. Graham Starmer

MATTERS UNDER CONSIDERATION:

Bill 17—The Environment Amendment Act
 (Permanent Ban on Building or Expanding Hog
 Facilities)

* * *

Clerk Assistant (Mr. Rick Yarish): Good morning. Will the Standing Committee on Agriculture and Food please come to order. The committee's first item of business is the election of a Chairperson. Are there any nominations for this position?

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): I nominate Tom Nevakshonoff.

Mr. Yarish: Mr. Nevakshonoff has been nominated. Are there any other nominations? Hearing no other nominations, Mr. Nevakshonoff, will you please take the Chair.

Mr. Chairperson: Thank you. Good morning, ladies and gentlemen, members of the committee. Our next

item of business is the election of a Vice-Chairperson. Are there any nominations?

Ms. Wowchuk: I nominate Ms. Blady.

Mr. Chairperson: Ms. Blady has been nominated. Are there any other nominations? Seeing none, Ms. Blady, you are elected as Vice-Chair.

Bill 17—The Environment Amendment Act (Permanent Ban on Building or Expanding Hog Facilities)

Mr. Chairperson: This meeting has been called to consider Bill 17, The Environment Amendment Act (Permanent Ban on Building or Expanding Hog Facilities).

You will find the list of presenters registered to speak to this bill on the table before you and, for members of the public, posted at the entrance of the room.

As was announced in the House on June 4, the committee will sit today until midnight, and it will sit again on the following occasions: Saturday, June 7, from 10 a.m. until midnight; Monday, June 9, from 10 a.m. until noon and then again at 6 p.m.; Tuesday, June 10, at 6 p.m.

We have a few requests from presenters that I want to put to the committee.

First of all, Ruth Pryzner, who is listed as No. 1, because of the weather and the poor road conditions, her arrival has been delayed so that she has asked if the committee would allow that she could speak when she arrives. What is the will of the committee? *[Agreed]*

Also, presenter No. 15, Herm Martens of the R.M. of Morris, is also delayed. He will not be able to arrive until 11:45 this morning, and he asks that, if his name has been called already, he be allowed to present upon his arrival. What is the will of the committee? *[Agreed]*

Also, Karl Kynoch, of the Manitoba Pork Council. There's a correction. He is listed on our sheet as being from within the city here, but he is an out-of-town presenter, so that is a correction.

Also, on page 2, No. 19, Theresa Bergsma for the Manitoba Corn Growers Association, has been replaced by Mr. Hank Enns of the same. Is that agreeable to the committee? *[Agreed]*

On the topic of determining the order of public presentations, I will note that we do have a number

of out-of-town presenters in attendance, marked with an asterisk on the list. With this in mind, in what order does the committee wish to hear the presentations?

Mr. Ralph Eichler (Lakeside): We would ask leave of the committee to call the presenters by number order and start with the out-of-town presenters first, and for those presenters that are not here, their name not be recognized as a miss for today only. Then we would hear the in-town presenters later this evening if there are no further out-of-town presenters at that time. So we'd hear them tonight. Then, tomorrow, we would pick up back on the first presenter that would be on the list.

Mr. Chairperson: Okay, is that understood by members of the committee? Agreeable? *[Agreed]*

Just for clarification then, first of all, out-of-towners to present first. That's understood and agreed to, it's my understanding. For those who are called and are not present, for today only they will not drop off to the bottom of the list. If they're late and they show up, they'll bring it to our attention and they will be called as the next presentation. Is that agreed? *[Agreed]* All right then. Thank you.

We will continue. Written submissions on Bill 17 have been received from the following and have been distributed to committee members: Harold Froese, Denise Trafford, Joe Leschyshyn, Joshua Waldner, Syed Abu Rehan, Ashley Trinkies, Lorena Ewert, Auke Bergsma, Kelly Fargher. Does the committee agree to have these documents appear in the *Hansard* transcript of this meeting? *[Agreed]*

Before we proceed with presentations, we do have a number of other items and points of information to consider. First of all, if there is someone else in the audience who would like to make a presentation this morning, please register with staff at the entrance of the room.

Also, for the information of all presenters, while written versions of presentations are not required, if you are going to accompany your presentation with written materials, we ask that you provide 20 copies. If you need help with photocopying, please speak to our staff.

As well, I would like to inform presenters that, in accordance with our rules, a time limit of 10 minutes has been allotted for presentations with another five minutes allowed for questions from committee members. Also, in accordance with our rules, if a presenter is not in attendance when their

name is called, they will be dropped to the bottom of the list. If the presenter is not in attendance when their name is called a second time, they will be removed from the presenters' list.

Finally, I would like to advise members of the public regarding the process for speaking in committee. The proceedings of our meetings are recorded in order to provide a verbatim transcript. Each time someone wishes to speak, whether it be an MLA or a presenter, I have to say the person's name. This is the signal for *Hansard* recorders to turn the microphones on and off. Thank you for your patience.

We will now proceed with public presentations.

* (10:20)

Okay, I have read through the text here about being dropped to the list, and I think we'd agreed there were some clarifications for that so I just bring that to your attention.

Ms. Pryzner is not here yet.

Okay, first presenter is Glen Koroluk, Beyond—sorry, I'm sorry. He's from in town. First presenter would be Karl Kynoch of the Manitoba Pork Council. Mr. Kynoch.

Mr. Karl Kynoch (Manitoba Pork Council): Kynoch.

Mr. Chairperson: Kynoch. Sorry for mispronouncing your name, Mr. Kynoch. Do you have a written presentation?

Mr. Kynoch: Yes, handing out a written presentation that is a long version of my presentation, but I will be reading a shorter version verbally so I can stay within the allotted time.

Mr. Chairperson: Okay, proceed then, sir.

Mr. Kynoch: Good morning, my name is Karl Kynoch. I am chair of the Manitoba Pork Council. I appreciate having this opportunity to make a brief presentation on this bill on behalf of the Manitoba Pork Council.

Some economic background: This sector employs about 15,000 people in Manitoba and generates over one billion in annual revenues, including over \$500 million a year in foreign cash revenue, and the foreign cash income isn't going to corporate headquarters in Toronto or New York; it mostly stays here and is spent on goods and services right here in Manitoba. So, when the hog sector is

hurting, it hurts many other people, and the hog sector is hurting. But we did not expect to have our own government kick us when we were down. Ironically, there is light at the end of the tunnel. Markets appear to be turning around. Farmers were looking to a brighter future, but not now.

The proposed legislation will effectively kill any hope of reviving this billion-dollar industry. This new legislation that would permanently ban new hog facility construction in all parts of 35 municipalities covers about 6.7 million acres of land in southern Manitoba. We are being singled out. The legislation deals only with hog farms. This ban is unfair and discriminatory against a small sector of society.

The government says it isn't singling out the hog sector and that it is dealing with other things that are adopting phosphorus in waterways. But the reality is the government is dealing with them by regulating them with no limitations on growth or any other economic activity in Manitoba. It is not banning new developments in Winnipeg. It is not banning new dishwashers, golf courses, septic fields or cottages. It is not banning other livestock expansions, but it is banning the growth in the hog industry. No other jurisdiction in Canada is proposing to ban hog farms. They are all using nutrient management regulations and municipal planning tools to guide and develop their hog farm sector.

There is a huge difference between how the government is treating hog farmers and how it is treating others. Hog farmers are indeed being singled out by being banned out of existence. There is no science. The Manitoba Pork Council has repeatedly asked for whatever science the government has on which it has based this decision. No set science or evidence has been produced. Meanwhile, real research done by independent third parties such as the University of Manitoba has shown no hard evidence of any significant nutrient loading from the hog industry in Lake Winnipeg.

The hog sector itself has spent millions of dollars in third-party research and updating of technologies to improve its practices. I ask again. Where is the evidence that we are harming Lake Winnipeg? On what scientific grounds are you basing this decision?

The ban is not recommended by the CEC. The CEC does say there are areas of overconcentration of hog operations in certain areas of Manitoba, but the CEC is referring to only two municipalities. Banning new hog operations in 33 other municipalities is

completely unjustified. The CEC states—the CEC report states the hog industry is sustainable and appropriately regulated with appropriate regulatory implementation. The government has consistently tried to connect its ban with the CEC report, yet no such connection exists. In fact, the CEC report actually said that farmers should use more manure, that inorganic synthetic chemicals should be replaced by manure. I wonder where in the world they will get that manure. Import it?

New regulations affecting the hog industry come fast and frequently. The provincial government introduced three new sets of regulations in the last year alone during its pause, so, while it paused the industry, it clearly was busily manufacturing more regulations.

Poor market conditions: There are already signs that the market is turning around, yet this ban is permanent. It will prevent farmers from restructuring their facilities and businesses. What will happen when the industry does recover and farmers want to expand or new farmers want to get into the hog industry? They will be prevented forever from doing this.

Farms will stagnate and disappear. The province will lose an industry well-suited to our natural advantages in crop and animal production. The largest value-added component in agriculture—and thousands of people will have to find other employment elsewhere, perhaps out of the province. Financial institutions will likely not lend money to these operations. Local property taxes will decline, as the real value of barns deteriorates over time.

Make no mistake; this ban will kill the hog industry in Manitoba. It is not just a cap, since farmers will not be able to get back in, new farmers will not be able to enter and farmers will be able to expand. It will lead to the inevitable decline of the industry.

Is that what the government really wants—to kill one of the great success stories of Manitoba agriculture and Manitoba businesses? That's what this ban will do.

Manure and water pollution myths: Manure storage facilities are never drained off into waterways, unlike human sewage lagoons which are routinely drained into waterways. There are currently over 60 boil-water orders in Manitoba communities. This means there are about 60 or more community

water sources which are polluted and the government has stated are unsafe to drink.

None of these have been polluted by livestock operations. The fact is, human sewage is the major cause of groundwater pollution. These boil-water orders are not manure.

The only available credible evidence indicates that the land on which hog manure is applied contributes, at the most, 1.5 percent of the total phosphorus loading to the system. Banning hog operations would have zero effect on any such nutrient loading in the lake anyway. Farmers will simply use inorganic, synthetic, chemical fertilizers which have the same basic ingredients as manure: phosphorus, nitrogen and potassium.

This ban will do nothing to reduce nutrients which can only be dealt with through appropriate nutrient management. So, if the government is trying to stop run-off into waterways, this ban is pointless.

Farms will be forced to move west. One of the worst aspects of this ban may be that some of the hog operations will indeed begin to move, but they won't move to western Manitoba. They will move right out of the province, into Saskatchewan and North Dakota. There, they will still have relatively easy access to the Maple Leaf plant in Brandon, are still in the Lake Winnipeg watershed, are subject to uneven environmental standards and are out of the Province's control.

It's the worst of all worlds. We lose the revenue, the jobs, and lose control as well. Is that really what the government hopes to achieve? This ban will impact the people the government claims that it wants to protect the most—the small, independent, family farmers. It is they who will suffer the most; it is they who cannot afford to move. Even the small, organic pig farmers will be impacted by this ban. Don't think this ban is just about big farms.

Broken promises: The government also bent over backwards, over the last decade, not to distinguish between hog farms and other forms of livestock. In fact, when municipalities attempted to do that in their local by-laws, the government came down hard on them to prevent them from discriminating. Now, who's discriminating?

The government promised it would lift the temporary pause on the hog industry after the CEC report. The government even used the word, "pause," presumably to emphasize its temporary nature. Not only did the government not lift the moratorium as it

promised to do but, without consultation, it is making it permanent.

Conclusion: Why won't the government simply work with the industry to continually improve environmental performance, instead of imposing this permanent ban on one of the most successful economic stories in Manitoba?

This ban is not based on real science; it is based on political science. It is unreasonable, irrational, discriminatory and unprecedented. Over and over again, we have offered to sit down with the government to work out reasonable regulations on the hog sector. If the government is willing to meet and discuss this, we would end this right here, right now.

There are almost 450 people registered to speak on this bill, mostly opposed to it and mostly driving in from out of town. By the way, this is a historically high number of people. We could save a lot of wasted time, effort and money by simply sitting down and reaching some reasonable solution, which should have already happened, to deal with the issue and based upon the recommendations of the CEC.

I am not talking about politics here. I am talking about people's lives and families' lives. Reasonable people can reach reasonable decisions.

So I will say it one more time. I am prepared to sit down and discuss this with the government any time to make this work. As it stands, this bill is remarkably poor public policy and must be withdrawn or radically altered.

* (10:30)

Thank you for your time and attention. I am prepared to answer any questions.

Mr. Chairperson: Thank you for your presentation, Mr. Kynoch.

Questions?

Hon. Stan Struthers (Minister of Conservation): Yes, thank you very much, Karl. I want to say, whether it was before the pause, during the pause, before the moratorium, or today, my opinion of you and your group is that you're professional and that your door has always been open to us and we appreciate that.

Many of the issues that you bring forward we can debate, we have debated. We can have differences of opinion on those points. The one point I do want to bring to your attention, in your literature

and in some of the statements in the House by our friends in the opposition, different statements in the media by different organizations, they refer to the position of the University of Manitoba. I phoned the University of Manitoba. They don't have a position on this bill. They informed me that some scientists within their university have done research and have formed their opinions and their research for or against the Bill 17. But they were concerned, as I was, that the university was being misrepresented.

So I want to give you a chance, this morning, to clarify and, I think, fix what is an inadvertent mistake in the proposal. I suggested to the University of Manitoba that maybe that was a position of the Faculty of Agriculture, and that Dentistry and Education and the rest either didn't have a position or didn't share that position. But they were quite clear that it's not the University of Manitoba's position that has been stated in the press and by members of the opposition.

Could you clarify that? Because I don't want that to be left as a misrepresentation. Because I think, you and I, and others, have been dealing with facts. We've been dealing with things that are up front. I don't want this misrepresentation to be left on the record.

Floor Comment: Well, the dean of the—

Mr. Chairperson: Mr. Kynoch, I have to recognize you for your response.

Mr. Kynoch: The dean of the University of Manitoba has come out and stated that there is no scientific research to justify putting on the moratorium and he's come out and publicly stated that. If the university did have science that would back a moratorium, I'm sure you would have provided that to us already. So the dean is on record to us and publicly stating that there is no justification for this moratorium.

Mr. Struthers: I understand that and I recognize that. The dean of Agriculture doesn't speak for the University of Manitoba. When I spoke with the University of Manitoba, they made it clear that I could bring this to committee. That they did not want to be either for Bill 17 or against Bill 17. They made it very clear they're an institution of higher learning, an objective institution that does research on all sides of the issues and they did not want a misrepresentation by anyone, you, me, opposition, anyone, to say that it was a University of Manitoba position.

It might seem like a small thing, but to the University of Manitoba, it's not. I made it clear that I would bring this up if the opportunity afforded me. So I think you need to be clear whether you believe it's a University of Manitoba position or some scientist within the University of Manitoba. Because the university does not want to be misrepresented on this.

Mr. Chairperson: Thank you, Mr. Struthers.

I have a minute and half left and two questions that I want to get to, so a brief response, if you would like.

Mr. Kynoch: The University of Manitoba is going to be speaking here later, so you'll get their official position.

Mr. Chairperson: Thank you, sir.

Mr. Eichler: Thank you for your presentation, and a good presentation at that.

I do want to ask you, nowhere in the CEC report was there a mention about a permanent moratorium ban being put on the hog industry. You made it very clear that you're prepared to work with the government in regard to implementing those recommendations of the CEC report.

Were there any consultations with the Pork Council before the permanent moratorium ban was put on in regard to Bill 17?

Mr. Kynoch: No, there was no consultation over the moratorium. The moratorium was delivered to us completely by surprise. But still, here today I'll say, if we could do the right thing right now and move forward and let all these people go home and move forward and work together in a positive way.

Mr. Chairperson: I'm going to go to Mr. Gerrard and, if time, I'll come back to you, Mr. Eichler.

Hon. Jon Gerrard (River Heights): One of the points that you made was an important one, and that is that manure versus nitrogen fertilizer, that farmers, if they were not using manure, will replace that with nitrogen fertilizer which, in fact, is true.

Can you tell us whether there've been any studies which would suggest that there's more or less phosphorus or nitrogen going into the waterways as a result of applying manure versus nitrogen fertilizer?

Mr. Kynoch: I can't say if there're any studies at the moment, but, with all the new nutrient management plans that are coming out on that, we actually have to

fill out manure or nutrient management plans based on phosphorus going here forward, so there is no way that you can over-apply phosphorus.

In fact, there are stricter guidelines and regulations for somebody applying manure than there is for applying chemical fertilizers, so we feel there would be more control on the manure.

Mr. Eichler: Mr. Kynoch, why do you think the government targeted the hog industry?

Mr. Kynoch: I believe that the thing is hogs smell, and if we could take the smell away we wouldn't have a problem.

But the other thing, I guess, we just feel that we are a small industry and not understood very well. We need to get our message out to the public a lot better than we've done in the past to let them know what we're all about. I think right now we basically ended up being the scapegoat for Lake Winnipeg.

Mr. Chairperson: I see time has expired for this presentation.

Mr. Eichler: I would ask leave of the committee. This presenter is one of the key people in the hog industry. I ask leave that any other members who have questions of this presenter be allowed to make those at this point.

Normally, we don't allow that, but this is a very significant issue and a very significant presenter, so I would ask leave of the committee to hear the rest of the questions from the committee.

Mr. Chairperson: Mr. Eichler has asked for leave.

Hon. Rosann Wowchuk (Agriculture, Food and Rural Initiatives): Mr. Chairperson, we just went through the way we were going to run this committee. I have a lot of respect for Mr. Kynoch, but I also have a lot of respect for all the other people that are on the list. All of them have very important things to say to us, and if we don't stay within the time limits that we designated from the beginning, then we are going to not be able to get through very many presenters.

So I think that we should follow the rules that we set out before we started hearings.

Mr. Chairperson: Leave has been denied, Mr. Eichler.

Thank you for your presentation, Mr. Kynoch.

It's my understanding that Ms. Pryzner has now arrived, so I will call her to the microphone. Ms. Pryzner.

Ms. Pryzner, you have a written presentation for the committee?

Ms. Ruth Pryzner (Private Citizen): Yeah, I do.

Mr. Chairperson: Okay. Thank you.

Ms. Pryzner: Before I start, I understand—

Mr. Chairperson: Order. One moment, please. I'll recognize Ms. Wowchuk.

Ms. Wowchuk: I just want to just go back to Mr. Kynoch's presentation, and I want to clarify for the record that Mr. Kynoch gave a longer presentation and then said he was speaking shorter. Can we ensure that it is his written presentation that goes into the record?

Mr. Chairperson: If it's the will of the committee, his written presentation is what will go into the record. Is that agreeable?

Mr. Eichler: As well as his verbal presentation. This is in addition to, not instead of.

Mr. Chairperson: Okay, so it's agreed, I see that his written presentation plus his oral presentation in total will be included. Agreed? *[Agreed]*

Ms. Pryzner, are you prepared, ready to present?

* (10:40)

Ms. Pryzner: Yes, before I do, I was told by the Clerk—I have a graph here in bristle board form, and I was told that I needed to ask permission to hold this up when I'm doing my presentation. So I'm asking for permission to do that.

Mr. Chairperson: Our rules are that exhibits are not allowed during presentations unless, of course, it's the will of the committee to accept this.

An Honourable Member: Yes.

Mr. Chairperson: It's the will of the committee, I see, to allow your exhibit. I recognize you to present.

Ms. Pryzner: Thank you. I'm here today to speak to you as a farmer and to defend real farmers against the effects of Bill 17. I am a farmer; I am not part of the agricultural industry, because I farm. I don't do industrial livestock production or the like.

To quote Minister Struthers on June 3, this bill will actually separate those apart, those who want to protect water and those don't want to protect water.

As a true farmer, you will see that I see that I come out on the side of those who want to and those who do protect water.

It's primarily the Manitoba Pork Council and Hutterite colonies who are trying to convince you, the public and real farmers, to pressure you to withdraw Bill 17. They claim there is no scientific basis for the bill and a ban of expansion of the hog industry in parts of Manitoba. After all, the Clean Environment Commission didn't recommend a ban. Therefore, they claim there's no scientific justification for Bill 17. Indeed, the pork industry consistently argued there is no science to justify any restrictions on their activities at all, because they are all good environmental stewards.

They demand science-based decision making but, curiously enough, as seen during the CEC review of the hog industry, only industry- or industry-backed sources and studies were considered to be valid science by the industry. Perhaps, that is why Ms. Brandy Street said at the March 5, 2007, Clean Environment Commission session, quote: And earlier there was a question about, well, what makes good science? Again that comes down to peer-reviewed science. Is this something that your peers in the industry would accept as good practice?

This is what the pork industry means by made-in-Manitoba science. Indeed, they reject all other scientific sources, even from renowned Manitoba scientists, such as Dr. Eva Pip, when it conflicts with their agenda.

What does the science say about the hog industry and what it has done to the Manitoba environment? First of all, a basic and key fact accepted by the Province, environmentalists and scientists, such as Don Flaten and Andrew Sharpley, and many farmers and members of the public, is outlined in the water quality management zone discussion document of July 20, 2005.

It states, when nitrogen and phosphorus are applied to land surfaces in higher amounts than can be used quickly by growing plants, they can leach into ground water or run off into surface water with heavy rainfalls, floods and melting snow.

We know that excess phosphorus pollutes our water, destroying ecosystems, and then is dangerous to animal and human health. We know that, when manure is the source of phosphorus, especially liquid hog manure, it is impossible to properly apply phosphorus in balance with the nitrogen

requirements of crops, when applied to meet the nitrogen requirements of crops, because of the natural biological ratio of nitrogen and phosphorus in the manure and a variety of human management factors.

For example, a human management factor is that it is not cost-effective to haul the liquid hog manure more than a couple of miles from the hog operations. The CEC recognizes that the application of phosphorus at rates greater than the crop-removal rate is environmentally inefficient from the perspective of the principle and stated goal of sustainability.

Don Flaten recognizes that the rate of P buildup in soil might be rapid, but the rate of depletion is low. The ability of soil to bind to phosphorus is finite; therefore, over the long term, manure phosphorus application rates will have to be balanced with crop removal.

Much of the agricultural land is naturally low in phosphorus and benefits from the application of phosphorus in livestock manure. However, if an excessive rate of manure is applied, or if manure is applied improperly, significant amounts of P can move off the land or through the soil and into surface water bodies. That's according to Dr. Flaten.

Another thing that Dr. Flaten tells us that's science is, quote: Although P is generally regarded as relatively insoluble and strongly attracted to soil particles, a very small amount of P movement into water bodies can cause significant environmental harm.

We know that eutrophication occurs with very low concentrations of P in water. To quote Flaten: Such small amounts of P loss are not agronomically significant, but are very significant from an environmental perspective.

The other thing that we know is that much of western Manitoba is unsuitable for hog production because of its soil type and topography. This has been recently acknowledged by the Manitoba Pork Council on its Web site, www.unfriendlymanitoba.ca, in their Top Ten Myths About Hog Farming. Under Myth No. 7, the Manitoba Pork Council explains, quote: Much of the land in western Manitoba is not as suitable for manure spreading because it is hilly and made up of lighter soils.

The AXYS agronomic study from 2002, confirms that the mobilization risk for phosphorus is

high in a significant number of areas in western Manitoba.

We also know the push to solve the phosphorus problem with the use of phytase means the introduction of a product that is manufactured using recombinant DNA technology to keep costs down. The environmental and human health impacts are unknown. Yet, the hog industry's encouraged to use it.

We also know that bound phosphorus can become available, leach into and through the soil profile and, most significantly in the Red River Valley, part of the subject of Bill 17, can dissolve into floodwaters and move down into Lake Winnipeg: what my dad, Jack Pryzner, calls the Red River flush.

We also know that there's no agronomic benefit beyond 60 ppm for any crop.

So what I'm going to do now is, I'm going to draw your attention to this graph and it's in your packages. What this shows is a graphing of some calculations. The calculations came out of a report that was commissioned by the Clean Environment Commission and done by Dr. Flaten et al, and presented to the CEC. What he did was he worked out a range of actual phosphorus loading from the hog industry in Manitoba—the actual average.

What these lines represent is the net. I've removed the average crop removal rate that Dr. Flaten also provided in that study, and what we see is the lower range of actual excess P is 65.78 pounds of phosphate, P_2O_5 per acre, and on the higher range, it's 98.65. What I've done is I've put it on the axis of the loading and then the axis over time, and what do we see? We see that—and then put on the phosphorus regulation. So we can see what the hog industry has actually done in relation to the new phosphorus regulation. In less than two years, on the higher range, we're hitting the 60 ppm, or the start of the phosphorus regulation.

In only five-and-a-half years, we're at 120 ppm, where we have to start applying at crop removal rates, and in a mere little over eight years, we're at the limit. On the lower range, we've got a little over four years, a little over eight years, and 12.5 years. That sounds pretty much like what we've seen in what's actually happening out there on the landscape.

So one of the things that I found, a conclusion that I could draw from this is that when the phosphorus regulation was first put out for public

discussion, Al Baron, who's a farmer, who we lovingly refer to as Mr. P because of his knowledge of phosphorus, said that the phosphorus regulation was designed to accommodate what the industry is doing.

Mr. Chairperson: One minute, Ms. Pryzner.

Ms. Pryzner: Pardon me?

Mr. Chairperson: One minute left.

* (10:50)

Ms. Pryzner: So, anyway, the other point that I should get in then is that what we're regulating phosphorus on the basis of is soil test phosphorus, which only shows 10 percent of what's actually found in the soil. So, when we've got 825 of the 120 ppm threshold, we're over 7,000 pounds actually found in the soil.

What I want to say is that I can't support Bill 17. It affects farmers. I think that a more effective response to the problem in the areas described in Bill 17 that we're concerned about would be to lower the P thresholds in the regulation, making 60 parts per million the upper limit until such time as Conservation files are opened and research into mobilization risks are conducted. It's time the hog industry started paying the true environmental costs of its unsustainable practices.

Mr. Chairperson: Thank you, Ms. Pryzner.

Questions?

Mr. Struthers: Thanks, Ruth, for your work and your presentation.

The Clean Environment Commission in its report to me indicated that, as I think you've pointed out, that our phosphorous regulation that we brought in November of '06 was not strong enough to make the hog industry sustainable. It indicated to us that there were regional imbalances that have developed in the province and that we couldn't stick our heads in the sand and ignore that.

What's your advice to me as minister, as to how not to ignore that?

Ms. Pryzner: Well, according to Al Beck, in a newspaper article he said that—hi, Al—with the advent of the ban it's not going to affect anything on the ground, and I think that's true. So I think what we need to do is we have to acknowledge the very nature of intensive livestock operations: that they have a manure disposal problem. They don't have

enough land base and, in those areas of the province, they are landlocked. So, if you really want to do something to protect water, then you start changing the regulation. You lower the threshold, and you say, you can't put on any more and say no to any new or expanding livestock operations because you can try and solve the problem down in southeast Manitoba, but you're going to get the same pollution problems that are inherent with the industry if you allow it to expand in western Manitoba. That's the first most important key step is to lower the phosphorous regulation. And Flaten, in a recent study in 2007 which he submitted to the Clean Environment Commission, was suggesting that 20 percent saturation of soils is an environmental threshold, and that's 64 parts per million. So that's what the recent made-in-Manitoba science is telling us.

Mr. Gerrard: You have made some important points about applying the phosphorus only in rates that the soil and the crops can use. I know that you, in the past, talked to me about problems with enforcing regulations. Do you want to comment? On your area of western Manitoba, you mentioned is not as good for applying manure to start with, that there are problems with the regulations. Can you comment on the enforcement as well?

Ms. Pryzner: My experience with the enforcement—I've got an example with a Hutterite colony that's in my area where, even under the pig pause, the department, they propose to do this new technology manure treatment facility and they piggybacked an earth manure storage application onto it. The department was the one—I've got the internal documents—that split it out and permitted it separately, and they're allowed to continue. They violated a number of parts of the regulation and so did the director. I believe the director exceeded his authority in all kinds of places.

You can have the ban in place—the ban is effectively the same as the regulation, the same language as the regulation—but if you don't have staff enforcing it, it's not going to make any difference.

Again, we have to look at the inherent nature, polluting nature of the industry. They just simply can't get liquid manure out far enough and make use of spread acres. We have difficulty enforcing that because, you know, these guys are famous for spreading at night and when Conservation can't see it. There've been numerous complaints made and the issue has never been addressed.

Mr. Chairperson: Okay, seeing no further questions, I do have to ask you, Ms. Pryzner, with leave of the committee, you are allowed to use your graph. You had made reference that it was a part of your written presentation, but I do not see it.

Ms. Pryzner: They're here. The Clerk didn't pass them out. Sorry about that.

Mr. Chairperson: Okay, I see no further questions, so I thank you for your presentation.

Next on my list is Mr. Robert McLean, Keystone Agricultural Producers.

Mr. McLean, you have a written copy of your presentation?

Mr. Robert McLean (Keystone Agricultural Producers): Yes, I do.

Mr. Chairperson: Mr. McLean.

Mr. McLean: Good morning, members of the committee. I'm Robert McLean. I'm vice-president of Keystone Ag Producers. On behalf of Keystone Agricultural Producers, I am pleased to share our organization's position with respect to Bill 17.

Keystone Ag Producers is a democratically controlled general farm policy organization representing and promoting the interests of thousands of agricultural producers in Manitoba. Our membership consists of farmers and commodity groups throughout the province, and our organization is proud to be the voice of Manitoba farmers.

Bill 17 prohibits the construction or expansion of confined livestock areas for pigs and pig manure storage facilities in specified areas of Manitoba. This bill followed the release of the Clean Environment Commission report on the sustainability of the hog industry, and that report did not call for a ban on hog facilities. The provincial government went beyond these Clean Environment Commission recommendations by announcing an indefinite moratorium on any new or expanding hog operations which includes an area that extends from the Interlake to the U.S. border, a huge stretch of agro-Manitoba.

This piece of legislation is not based on science but rather on the political whim of government without due consideration for the economic impact on rural Manitoba and on the province as a whole. The government has eliminated any opportunity for beginning or existing hog farmers across the entire middle swath of Manitoba without any regard for

their ability to raise hogs in a way that is environmentally sustainable.

KAP believes that placing a ban on the hog sector is wrong and not based on any sound science. Has the government given consideration to the number of potential job losses that this will create? Has the government considered the financial burden it is placing on farm families directly affected by the ban?

Currently, there are several regulations in place which govern sustainable production, including the livestock manure and mortalities management and the new nutrient management regulations. KAP and its commodity group members worked in consultation with government in both of these areas to develop a workable approach that does protect the environment and ensures the sustainability of our industry and the provincial economy.

The new nutrient management regulation is site specific and is based on science like soil testing. If government truly wants to address some environmental issues and see real results, then we believe working through a science-based model like this regulation is the best approach. The important thing to note by way of this example is that the tools are in place, and farmers are already moving forward to address issues like phosphorous concentration. There is no need to place a ban on a huge area of our province. It does not make good business sense, and the environmental impact is questionable.

Water quality problems associated with Lake Winnipeg have occurred over many years and from many sources. If government does not believe that the current regulatory processes are adequate, then we believe it would be more appropriate for them to assess their own effectiveness in this area, identify any gaps and continue to work with all the sectors, including agriculture, to develop an appropriate approach.

* (11:00)

All sectors of the agriculture industry have shown leadership in the area of environmental stewardship, and Manitoba farmers take their role as stewards of the land very seriously. They have voluntarily adopted environmental farm plans at an impressive rate, invested in environmental research and on-farm technologies, complied with the regulations and managed nutrients effectively. This has been well documented by our farmers, by our commodity organizations, by the academic

community and even by governments, but our commitment does not stop at the farm gate.

As an example, the hog industry has invested significant amounts of money and time in the research that deals with a host of environmental initiatives designed to minimize their impact on the environment, but this moratorium fails to take these into consideration.

Government has the responsibility to ensure resources are available for research and development on a long-term sustainable time period. Over the years government has not properly funded or ensured that the proper research was in place. The Clean Environment Commission report recommends a strengthening of the research, and government must ensure that this takes place.

We must also consider the importance of the hog industry to Manitoba and her agricultural sector.

Historically, one of the reasons that the livestock industry was expanded was to replace the need for commercial fertilizers. While we have moved in that direction, Manitoba farmers are still importing nutrients. Most soils in Manitoba are deficient in nutrients such as nitrogen and phosphorus, and we need to add these nutrients to grow our crops. It is science and facts like these that we believe government must use as a basis for decision-making instead of political decisions made for political purposes through moratoriums.

Through research and development, science-based decisions can be made. Many new technologies are in development that would allow sustainable development without prohibitive legislation. Our message to this committee is simple. Farmers have done their part to protect the environment and will continue to do our best to improve the sustainability of our industry. We need a mix of good regulation, effective incentives, research and resources for this to be possible, and farmers want government to be a partner.

There are ways that we can grow a better environment for Manitobans, but an outright moratorium on one part of agriculture is not the way to do it. Keystone Ag Producers is calling on you today to withdraw Bill 17 or at the very least make serious and significant amendments to the Bill 17 in consultation with hog farmers and the agricultural industry.

Government and industry need to work together co-operatively to ensure a strong and healthy

industry today and into the future. Our generation depends on it. Thank you.

Mr. Chairperson: Thank you for your presentation, sir.

I open the floor to questions.

Mr. Struthers: Thank you very much, Robert, for your presentation.

As I said with Manitoba Pork earlier, any of the discussions that we've had with Keystone Agricultural Producers, and whether it's the Minister of Agriculture (Ms. Wowchuk) and I or whoever, you've been forthright, and you've been professional. We appreciate that.

Our door is always open, as I know yours is, and sitting and talking about the body of the Clean Environment Commission's recommendations and the recommendations themselves, so I look forward to working with you on that.

Mr. McLean: Yes, thank you.

I would just like to say that the regulations based, a number of years ago, were based on nitrogen-based regulations and that's what farmers did. We adhered to those regulations and replaced any fertilizers based on those regulations. New technology or new research has come out and said phosphate is an issue. We agree phosphate is an issue, and we're trying to meet and come to the new regulations. I think we need to allow these regulations—the tools are in place—allow the regulations as we work with government to move forward over a number of years.

There's no need to put a moratorium on. Allow these regulations, allow industry to move, and we will adapt to the regulations.

Mr. Eichler: Thank you, Robert, for your presentation. I think it speaks well for what your industry is doing in advocating for your farm organizations.

A couple of questions I'll roll into one because the way we've been kind of handling here, we've got one or two questions, so I'll roll a number of mine into one.

First of all, was your organization consulted before Bill 17, in fact, was tabled in the House? Why do you think the government targeted the hog industry, and, thirdly, do you believe that your organization could work with the government to implement the CEC reports while that happened to

put a permanent ban on expansion of the hog industry in the province of Manitoba?

Mr. McLean: I have to answer this kind of backwards.

Yes, we can work with government. We will work with government. We've had a good working relationship. It's unfortunate that Bill 17 came forward. We weren't told that it was coming. It was news to us, but we still want to work with government. We think there's room. Farmers are willing to adapt. We're willing to meet any new science that comes out there.

As I said before, we just need the time, and we need government to work with us. We don't need to be imposing these kinds of regulations in place that hurts an industry. It hurts young people in the province.

We import nutrients into Manitoba. We bring in phosphate and nitrogen. Our plants depend on these. These are the two building blocks of good plant growth, and a way of offsetting high costs of fertilizers, commercial fertilizers, was to increase the livestock industry.

Mr. Gerrard: Yes, Robert, thank you.

You made a point which I've made repeatedly. That is, the government has not properly funded or assured that the proper research has been in place, and so that in some cases we still need quite a bit of research and science. I've certainly been impressed that many farmers are ready to adapt to change the regulations if you've got really solid research. So I just wanted to get your comment on this area.

Mr. McLean: I think over the last number of years, because of budgets and so on, research has been cut back not only in the province, but federally. I think government needs to look back and say, you know, that's a mistake made. If research would have been ongoing, I think we would have had the new technologies that we could have easily have adapted, whether it's through the machinery or centrifuge or all these new technologies that are coming up.

So government needs to continue, in fact, they need to ramp up the dollars that go into research. Research is very important.

Mr. Stuart Briese (Ste. Rose): Thanks for the presentation, Robert. It was a very good one.

I have probably two questions, but the first is quite simply, I've had a background with planning

districts and stuff, and do you feel that all the tools that are necessary were already in place to deal with things on a case-by-case basis?

Secondly, I would like you to, for the record, put on the record the number of membership you have in your organization and the number of commodity groups that are served by your organization.

Mr. McLean: Okay, we have about 22 commodity group members. We represent about 78,000 farm families across Manitoba. As far as the regulations go, through The Municipal Act, zoning by-laws, development plans, that's handled on the municipal front. There are lots of areas that we have to comply to. We have the Nutrient Management, newly introduced Nutrient Management regulations. There's a manure and management mortalities act that we have to comply with.

All the tools are there. Allow time. Allow us time to work with these new regulations and good things will come out of it.

Mr. Chairperson: Okay, seeing no further questions, sir, I thank you for your presentation.

The next presenter is Mr. Shannon Martin, Canadian Federation of Independent Business.

Mr. Martin, do you have a written presentation for the committee?

Mr. Shannon Martin (Canadian Federation of Independent Business): No, I don't.

Mr. Chairperson: Oh, by the way, I would ask the public if they have any cellphones, if they would either please turn them off or put them on silent, so that it doesn't interrupt our proceedings.

Mr. Martin, are you ready?

Mr. Martin: I am, Mr. Chair.

Mr. Chairperson: Okay, proceed, sir.

Mr. Martin: Good morning. My name is Shannon Martin. I am Director of Provincial Affairs for the Canadian Federation of Independent Business. I am here this morning to voice CFIB's opposition to Bill 17, the permanent ban on building or expanding hog facilities.

* (11:10)

CFIB, by way of background, is a strictly non-partisan organization exclusively representing the interests of 105,000 small- and medium-sized businesses in Canada. In Manitoba, we have

approximately 4,800 members, of which 500 are in agribusiness.

CFIB is entirely funded by our members and takes directions from them through regular surveys on various issues facing their firms. CFIB farmers, in their capacity as businesspeople, require strong advocacy with respect to business-related issues of farming.

CFIB is dismayed that, despite surveys indicating that two-thirds of ag producers in Manitoba have environmental farms plans, the highest level among prairie provinces, they continue to find themselves singled out by this government as environmental hazards.

What is particularly of concern is a blatant misinterpretation of the 48 recommendations of the Clean Environment Commission. The word "moratorium" is mentioned a mere four times in the entire 750,000 and 210-page report, and not once, in reference, the imposition of a moratorium as being proposed in Bill 17.

The Minister of Conservation (Mr. Struthers), this week, attempted to compartmentalize the opposing views surrounding Bill 17 by stating the legislation was about those who want to protect water and those who don't want to protect water. Well, CFIB finds this absolutely amazing, that a minister of the Crown is pigeonholing the literally hundreds and hundreds of pork producers, many of whom will have travelled hours and will wait hours to speak out in an attempt to save their livelihood by dismissing their views as simply that they don't want to protect water. Such a comment is a slap in the face to every farmer in this province. It makes one wonder just how open this government is to actively listening throughout the public presentation process.

Just yesterday, CFIB member, Joe, who is a hog farmer and is scheduled to present, called me to talk about the process of presenting as he'd never done it before. As he spoke, he shared his commitment to his career, his land, his family, his livestock and his rural community. In the background I could hear his children playing. This is an individual clearly concerned about his livestock and his community. But the minister dismisses Joe simply as an individual who does not want to protect water. I look forward to hearing the minister tell our member at the end of his presentation exactly that.

I want to be absolutely clear to members of this committee. I'm not a scientist, but unlike this

government I believe in science. I believe that ignoring science is a slippery slope that leads to decisions made out of ignorance. That is why I listen when Dr. Michael Trevan, Dean of the University of Manitoba's Faculty of Agriculture, publicly states, that if you took all the hog barns out of production, you wouldn't make any sensible dent in the amount of phosphorus in Lake Winnipeg. He can find no evidence that anybody can use to say that we need to cease expansion over the whole of central and southern Manitoba: What really troubles me is that the minister, pretending he's working on the basis of recommendations by the Clean Environment Commission, implies that the science is supporting his case. It does not.

That is why I pay attention when Dr. Don Flaten, a University of Manitoba's soil scientist, states, site-specific management of nutrients on farms is ultimately going to be much more important for environmental sustainability than prohibiting the expansion of a particular species of livestock.

CFIB's recent report, *Achieving Eco-prosperity: SME's perspective on the environment*, indicates that small- and medium-sized business owners believe that we can grow the economy and protect the environment at the same time.

Manitoba's hog sector, along with other livestock sectors, is a vital component of Manitoba's economy. According to the Province of Manitoba's Agriculture, Food and Rural Initiatives Web site, Manitoba is Canada's third largest pork-producing province. Pig production is the most valuable agriculture commodity in Manitoba, worth almost \$1 billion. There are 16,000 to 17,000 people employed in the pig industry in Manitoba, and the economic spinoff to the provincial economy is estimated at \$2 billion. These are all facts up on the government of Manitoba's Web site today, unless that site now finds itself under construction.

While there are currently external pressures beyond the control of the Province, your government appears only to be willing to ensure that its struggling hog industry never recovers. CFIB is not surprised to hear from other members in the livestock sector asking when they're going to be the next target.

CFIB's agri-businesses have always been willing to work with government on issues such as environmental protection. It is of primary importance to remember, as your government makes these ill-advised decisions, that we are talking about real

people who have, in some instances, lived for generations and continue to live on the very lands that you suggest they are threatening. These are the same individuals your government made the election promise to, quote, save the family farm. So much for a promise made as a promise kept slogan.

I would suggest to the ministers of Conservation and Agriculture to reflect on some of their past comments when it comes to the hog industry here in the province of Manitoba, and I quote: The hog industry continues to grow in this province and in a very healthy way. That was the Minister of Agriculture (Ms. Wowchuk). I want the industry to grow. When we took office we recognized there was an opportunity for growth. What I'm trying to explain is that we are working with the industry in full consultation.

Hog producers started growing this industry before 1996, and they were doing a good job at it. I congratulate the hog producers of Manitoba. We will work on the issues that are very important to producers so that, indeed, the industry can continue to grow.

The Minister of Conservation (Mr. Struthers) on the record said: We said that we would grow the hog industry in Manitoba and also strengthen the environmental protection for communities. It is going to improve the growth in the hog industry. It seems like a very common sense thing to get some decisions made on scientific data.

We have proven that, in terms of growing the livestock industry, you can grow the industry at a good rate and also protect the environment. Again, that's our own Minister of Conservation on the public record.

The former Minister of Consumer and Corporate Affairs: It is certainly obvious that producers are the people who are the best stewards of the land. They know how the industry affects them, how it affects their neighbours, and how it affects the people who are downstream, so to speak, of their operations.

The Minister of Agriculture during a debate with Harry Enns, a former Ag Minister, over the issue of dual marketing, said to him: Hog producers across this province are absolutely shocked and devastated that a Minister of Agriculture has made an arbitrary decision. The minister has been so arrogant that he has told Manitoba Pork that they can rally, they can protest, they can do whatever they want, but he is going to push this through. This is very much déjà

vu. That very same comment can be made to today's Minister of Conservation.

While these same ministers who now seek to cut an industry off at the knees, never to recover, may forget their past comments, *Hansard* does not. As I look to conclude my remarks and note the absolute unfairness of Bill 17, I need only to quote from the government of Manitoba's Web site: Manitoba Agriculture, Food and Rural Initiatives is strongly committed to the pork industry. Sustainability of the pork industry is one of Manitoba's highest priorities. The province has sufficient agriculture land for expansion of pig production facilities and environmentally sound manure disposition. Manitoba is one of the most dynamic sites in Canada for pig production and as a Canadian leader in pork production and processing, government and industry continue to work together to ensure the success of the pork industry in Manitoba.

Unfortunately, we all suffer when government creates legislation based on the shifting winds of political expedience rather than basing it on science. CFIB is of the view that Bill 17 must be withdrawn and urges the government to instead abide by the recommendations of the Clean Environment Commission, to actually work with the industry, to work with organizations like the Manitoba Pork and Keystone Agricultural Producers, the same people they previously described as stewards of the land.

This bill sets a chilling precedent throughout the ag sector, and indeed all sectors in the economy, who, instead of looking forward for new opportunities for their business, consistently will have to now look back for the government to tap them on the shoulder and say it's your turn to be shut down.

Thank you for the opportunity to share our members' views on this topic.

Mr. Chairperson: Thank you, Mr. Martin.

Questions?

Mr. Struthers: Thanks, Shannon, for your comments.

Twenty-eight percent of the hogs in Manitoba are produced in two rural municipalities in the southeast. Fifty-four percent of the nutrients that enter Lake Winnipeg and cause the damage that we all claim we want to deal with come floating up the Red River Valley. The Clean Environment Commission is very clear that I couldn't stick my

head in the sand and ignore that. I don't think anyone should.

Has your organization ever done a study of some sort—first of all, did it do any science, did it ask for any science when the hog industry was developing so rapidly through the 1990s and at the turn of the century? Did it do any science as to whether that was sustainable? Did you call for any? Furthermore, would your organization look at doing any kind of work in terms of determining the economic value of Lake Winnipeg to our economy and any kind of study in terms of the value of clean water to Manitoba, including agriculture?

Mr. Martin: Well, I can tell you, I mean, I don't have a laboratory beakers and microscopes in my office. We are not scientists. We are a lobby group. As you'll see, Bill 37, when we registered, we are lobbyists. We represent our members and we represent the views of our members. Absolutely any decision made by any level of government has to be made, and based on sound science. What I'm suggesting is Bill 17 is not.

*(11:20)

I mean, I look to the comments made by the Dean of Agriculture at the University of Manitoba, and I consider him a far more reliable source when it comes to the issues of phosphorus and the impact to the hog sector on Lake Winnipeg than I would myself or the minister.

Mr. Struthers: That wasn't quite my question. Did you—you're calling for science now on Bill 17. Did your organization call for scientific study when the hog industry was developing in an unprecedented way through the 1990s?

Mr. Martin: Well, Minister, I'll just have to take a page from *Beauchesne's* and say I'll have to take that question under advisement. I simply cannot remember the position of our organization in say, you know, 1994 on calling for science in the hog sector and when it was expanding. So I will take that under advisement and I will get back to the minister.

Mr. Eichler: Thank you for your presentation and interesting remarks on *Hansard*. What we say sometimes comes back to bite us and, certainly, should be relied on as good information that the minister should be basing this decision on.

I want to talk about the economic impact on the province of Manitoba. You have a wide base of membership. Has your organization—was it

consulted, first of all, on Bill 17, and, secondly, the economic impact that's going to take on impact as a result of Bill 17?

Mr. Martin: With all due respect to the Minister of Conservation (Mr. Struthers), I would think it far more pertinent that he look towards KAP and the Pork Council, as opposed to CFIB, when it comes to legislation like 17, so I'm not insulted that the minister didn't seek us out in terms of consultation. But, in terms of impact, I mean, our surveys have consistently said—whether when we survey our entire membership here in the province of Manitoba, so whether we're talking about mechanics to chiropractors to landscapers, you know, to car dealers, they consistently have said a strong agricultural community is critical to the strong economy of the province, and I think Bill 17 threatens that.

Mr. Hugh McFadyen (Leader of the Official Opposition): Thank you, Mr. Chairman, and thanks for the presentation. In fairness to Mr. Martin, in his defence, I think he was about 22 years old in the 1990s, so I don't blame him for taking that question as notice.

I want to just ask one of the themes coming out of the presentations is the anomalous treatment that the pork industry is receiving by contrast with very many other industries and players within the economy who do contribute in one way or another to the environment, positively or otherwise. I want to ask, there's a bill under consideration in another committee, Bill 15, which deals with greenhouse gas emissions, which contains no sanctions, no teeth, no provisions at all that require anybody to do anything. It just sets out targets without sanctions.

We saw a report come out the day before yesterday showing the greenhouse gas emissions went up in Manitoba from 2005 to 2006. Yet, we see from the government no action to close down HudBay or Inco, which are two of the major contributors to greenhouse gas emissions. We don't think they should close down HudBay or Inco. We think that they should work with them in a co-operative way to achieve the goals. I want to ask you: What is your theory as to why the government is effectively shutting down the hog industry on the one hand, and yet not using similarly heavy-handed tactics when it comes to other players within the provincial economy?

Mr. Martin: I would suggest the answer is twofold. Going back to the debate, actually, that the Minister

of Conservation had with the former Minister Enns, the manure doesn't smell like raspberry jam debate, a very good debate I recently read. So they are an easy target.

The bigger concern, I think, that our organization has, though, is that the hog sector is just the first of many sectors that this government is potentially targeting for closure essentially, and this—I mean, such legislation is unprecedented here in the province of Manitoba, that the government of Manitoba could say to an industry, you are banned from working. I mean, essentially, they're trying to turn the pork industry, you know, and compare them; they're essentially making the pork industry, you know, the new second-hand smoke.

It's ridiculous what the government is trying to do on 17. There's absolutely no science around it. I mean they commissioned a three-quarter of a million dollar Clean Environment Commission report. There are 48 recommendations in there.

I would strongly urge the government to, you know, work with the industry when it comes to those recommendations and make sure that the current legislation regulations that they have brought forward get a chance to flow through the system. Maintenance and enforcement are critical. I mean, we all care about the environment, but, I mean, wrapping ourselves around this idea that it's all about Lake Winnipeg and that somehow Bill 17 is going to save Lake Winnipeg is bunk.

Mr. Chairperson: Time for this presentation has expired. I thank you, Mr. Martin.

Mr. Martin: Thank you, Mr. Chair.

Mr. Cliff Graydon (Emerson): May I ask leave to ask a question?

Mr. Chairperson: I see that our presenter has already left the microphone. We had dealt with this earlier, Mr. Graydon, and leave had been denied at that point, so—

Mr. Graydon: I believe he's still in the—

Mr. Chairperson: Leave has been requested—

An Honourable Member: No.

Mr. Chairperson: —and leave has been denied.

Mr. McFadyen: For the record, I want it noted that it was the Minister of Conservation (Mr. Struthers) who denied leave.

Mr. Struthers: Just for the record, it's the Minister of Conservation who's doing that in order to have more presenters be heard tonight and be fair to all presenters.

Mr. Chairperson: My next presenter was listed as not from being from out of town. It was Mr. David Wiens, but it is my understanding he is from Grunthal, so I will call Mr. David Wiens of the Dairy Farmers of Manitoba.

Do you have a written presentation? It's coming around I see. Begin when ready, sir.

Mr. David Wiens (Dairy Farmers of Manitoba): Thank you for this opportunity. I'm here as Dairy Farmers of Manitoba chair as well as a dairy producer from the Grunthal area.

Just in the way of introduction, in Manitoba, obviously, people are increasingly concerned about the impact we have on the environment, whether we live in Winnipeg or in rural Manitoba or whether we are part of industry or agriculture. We all want the best for the environment and, in particular, the health of Lake Winnipeg. I think it's fair to say that it is on top of everybody's mind, and we do recognize that we all have to do our part.

I want to speak today, though, more specifically about agriculture in this bigger picture. I do believe that we can combine, we can continue to farm and improve the health of Lake Winnipeg and continue farming and even expanding farming all at the same time. Technology and information through scientific research has allowed us to reduce our environmental footprint in agriculture. This is important for the survival of both Lake Winnipeg and, of course, for agriculture as well.

I'm here today to express my concern regarding Bill 17. In the Manitoba Clean Environment Commission, the report does not specifically recommend a permanent moratorium on the construction of new and expanded hog barns in our province. The report does state that the hog industry is environmentally sustainable.

The report does outline a number of recommendations for the hog industry, including conducting additional research, and I think that that is an important part of what is being done. We need to continue doing that going forward. To truly ensure the protection of the environment, it is critical that all environmental regulations are based on science now and into the future. So we are asking the government to revisit this issue and work with the hog industry to

implement the recommendations outlined in the CEC's report. We strongly urge the government to reconsider Bill 17.

We appreciate your consideration regarding this important matter and, of course, we appreciate the opportunity to have our voice heard. We are optimistic that we can work out some of these issues and move forward and continue to create a hog industry that is sustainable, and that the environment is protected in all of that.

* (11:30)

For a few minutes, I'd just like to talk about the environmental practices on my own farm. Of course, that's a dairy farm. I have a dairy farm that's a herd size of 200 cows. I think it's important to understand that, as a producer, I live and work on my farm every single day of the year. So it's important to me that I protect the land, water and air quality for my family. So it becomes of great importance as well as to the surrounding community and for our future generations.

I'll note that I'm a third generation. I would certainly hope that I will be able to pass something on to my children that is environmentally sustainable and that can carry on. We do care about the environment, and just some of the things that we've done on our farm and, of course, that is with the environment considered. For example, we have recently improved our manure storage and are now storing manure in a liquid form. It allows us to more accurately analyze the nutrients in the manure but also to match that with soil analysis of the cultivated land so that we can get a good match.

Mr. Chairman, I think there's—

Mr. Chairperson: Are you finished your presentation?

Mr. Wiens: No, I'm not. Okay, sorry, and we've created buffers between our field and the creek flowing through our property. These are things that, as we've become more and more aware of the importance of this, then we act on it. We've allowed the most flood prone and environmentally vulnerable areas to return to nature. Another example is our heifers that stay outside are over-wintered on a field instead of in a riparian area.

So here are just some examples of how we've been able to take some actions on our farm. Of course, all this kind of information that filters down to the farm is done through research that comes to us

through—well, first of all, through the research, but then it's filtered down to us through your extension people.

As an organization, dairy farmers support environmental research. Dairy farmers have made a five-year, \$250,000 commitment to the National Centre for Livestock and the Environment, known as NCLE, located at the University of Manitoba's Glenlea research farm, and that was effective April 1, 2007. I should note that it's important—we felt that that kind of research is important to happen right here in Manitoba rather than in Iowa or Wisconsin or wherever else because that addresses the uniqueness of our climate, our landscape, our soil types, and so it's important to have that research right here in the province.

The NCLE's sophisticated facilities and equipment will support long-term research and identify opportunities for continuous improvement in areas such as water quality, greenhouse gas emissions, odour and fertilizer use, with a goal of developing environmental sustainable livestock production practices. This research is expected to span 20 years and will look at animal housing, manure handling, crop existence, soil, air and water health, animal welfare, and food safety. So I think there is an excellent opportunity there. I think there's some very important research happening there, and I believe that this research will help to ensure both the sustainability of the agriculture industry and the protection of the environment in our province.

I can speak a little bit about my own experience. Again, we were in the process of—we are actually in the process of a small expansion, but it requires a technical review process which has been in place for a number of years. I believe it is a very effective process to address any potential impact and expansion would have on the environment. As more information comes forward, that would certainly become part of the technical review process.

I was impressed at how thorough it is and how, you know, every potential environmental impact is addressed and needs to be mitigated in order to move forward, and I think that's good. So those who receive approval at the end of the day to expand their operations are certainly the ones that can grow and prosper, but it's important to note that the ones who do receive approval have met the kind of requirements that make it possible to both farm and protect our environment. Specifically, Lake Winnipeg is a huge issue for us here in Manitoba.

So, just to summarize with regard to the hog industry, it is critical that all environmental regulations are based on science, and I would like to say, too, that as we move forward, we become—with more research, more information, better farming practices, all these things have improved. If you would look at Manitoba Hydro, for example, the way in which, let's say, for example—I think this is a good example—the way in which they build dams today compared to what they did 30 years ago is majorly different. The impact that they will have today on the environment is much less than it was back in the old days when they built these huge dams and flooded who knows how many hundreds of square kilometres of land. Well, it no longer happens. I think we've all made great strides in that area, and we have in agriculture as well.

We are optimistic that the government will reconsider Bill 17 and move forward to resolve this issue in order to ensure both the sustainability of the hog industry and the protection of the environment in Manitoba, and I think that that would serve all of agriculture.

That's my presentation, Mr. Chairperson.

Mr. Chairperson: Thank you, Mr. Wiens.

I have Mr. Struthers.

Mr. Struthers: Thank you, David, for your presentation. One quick comment and one quick question.

First, I want to congratulate the dairy farmers of Manitoba for their ongoing commitment to research, and research and development. I think that's commendable.

I'm interested in what you said about your own farm operation and some environmental decisions you make there, which I know go on all the time right across Manitoba. Livestock, hogs, poultry, you name it. In order to make some of those decisions, were you encouraged by, say, a riparian tax credit or a program through a water conservation district or anything like that? I mean, there are a lot of those programs out there that can help farmers on that. Environmental farm plans. Those sorts of things. Does that make an impact on your decision as a producer to change your practices?

Mr. Wiens: That's been an important part of our consideration as well. Some of these made it possible to do it sooner rather than later, so we have certainly tapped into some of these programs in terms of

watering systems for cattle, in terms of manure storage and so on. Those programs have been very helpful, yes.

Mr. Graydon: Thank you, Mr. Wiens, for your presentation today.

In your report, or in your presentation, I note that one of your statements was that the Clean Environment Commission that was appointed by this government to ascertain the loading in the lake, the report states that the hog industry was environmentally sustainable. I noticed that, also, there was additional research, and I'd like to point out that you and the dairy industry have contributed thousands of dollars over a period of time for research, as well as the hog industry also has done that with a number of organizations, the same as you have and a lot at the university of—research station at Glenlea.

You also noted that you have improved your manure storage, as well as the hog industry has done, and improved up to and beyond what some of the regulations are. So my question is, and it really comes from what the minister had said to the previous presenter, that 24 or 28 percent of the hogs in Manitoba, the hog industry or production, was located in two municipalities. Now that you have conformed to all of the same regulations that the hog industry has and you continue to do that, and you're applauded for that, but does it give you a bit of a nervous feeling that 65 percent, or approximately 65 percent, of the dairy industry is located in the very same municipalities?

* (11:40)

Mr. Wiens: I think it's important, and that's getting back to the research again, that the research that's being done will point us and create—and out of that we can create regulation, so that we can meet these regulations.

I can speak for my own farm. Of course, we had to have the land, either own the land or have a longer term lease on the land, to be able to apply the nutrients coming off the farm. That's based on the phosphorus regulations, so it had to be done in a sustainable way.

I just think that, for any industry, whether it's agriculture or industry, there's a strong basis in science, so we can understand exactly what those implications are for us. On that basis, we can make those kinds of investments on the farm.

I think it's important—I think the opportunity to make those kinds of changes and to grow allow us an opportunity to make those kinds of investments, so we can actually continually improve the way in which our best management practices on the farm.

Mr. Chairperson: Three more questions in three minutes.

Mr. Eichler: I'll try and keep it brief. Thank you for your presentation, Mr. Wiens.

First of all, was your organization consulted before Bill 17 got tabled in the House, or were you aware of it? Secondly, during the CEC report, there was nowhere mentioned about a permanent ban on the expansion of the hog industry. The Manitoba Pork Council referenced earlier, along with the Keystone Ag Producers, they would be more than happy to sit down, work through those recommendations.

Would your organization assist the Minister of Conservation (Mr. Struthers) and the Minister of Agriculture (Ms. Wowchuk) in revamping the bill, or have the bill withdrawn, and work through those recommendations in order to ensure that, in fact, we do have clean water here in the province of Manitoba?

Mr. Wiens: I will say that, over the years, we've had a good working relationship with our government and we would certainly want that to continue. We are certainly very open to participating in any kind of discussion or, if there's any way we can contribute in our discussions, we would be very willing to do that, absolutely.

Mr. Gerrard: I compliment you on the efforts you're taking to look after the environment and just had one quick question for you and that relates to circumstances. There are concerns about overloading fields with phosphorus.

Can you tell us how you go about making sure that you don't overload fields with phosphorus?

Mr. Wiens: What needs to happen is, first of all, you need to do a soil analysis every year, so that you know exactly what the nutrient levels are in terms of phosphorus and nitrogen and all the rest.

Then you have to—which crop you put on will depend on the amount of nutrients that you would put on that field. Certainly, in the technical review, since the phosphorus levels in the soil are really the benchmark, if there are fields that reach a certain limit, then, of course, there would be no nutrients

applied to that field until you can work it out with crop rotation.

Just getting back again, it is important to stay on top of the nutrient analysis of the soil and also of the nutrients or the manure that you apply to the land. Those two have to go hand in hand; then you match that with the crop. I think that's the way you can be most successful.

Mr. Chairperson: Mr. McFadyen, you have 15 seconds.

Mr. McFadyen: I'll start talking and see if he cuts me off.

I just want to pick up on where the Minister of Conservation left off. He made the point that there were some good programs in place. I think the Minister of Conservation will actually want me to finish this question, because I'm going to give him credit for doing some things in rural Manitoba, along with his colleagues in Cabinet, to encourage more environmentally sustainable practices, some of the wetlands conservation initiatives, some of the Environmental Farm programs, ALUS and others which have led to better practices and encouraged good practices in the rural landscape.

I wonder, in light of the success of those programs which the minister is touting, whether it strikes you as logical or illogical that they would proceed with something as heavy-handed as a moratorium when there's proven success using more co-operative approaches of regulations and incentives.

Mr. Wiens: Well, I'll say again that, as regulations come down, it's important to have them based on science. I think those kinds of programs are very important to the farming community. I think farms tap into them and it allows them to make those changes sooner rather than later.

At the end of the day, we have an opportunity here. We know that the food requirements for us as a province, and many are export-oriented, certainly, the hog industry is an important component of it. I think the demand on food is increasing. The population is increasing, and we know that any pressures are created on the environment. It's important, in going forward that we need agriculture, we need cities and we all need food. So I think it's important for us to go forward in an environmentally sustainable way because, obviously, if our practices are not sustainable, then there's going to be an end to it somewhere.

What we have is science. Let's use it. Let's apply it. Let's grow together. Let's improve Lake Winnipeg and let's also continue with a strong agriculture as we have it today, and I think that's the best way forward.

Mr. Eichler: Point of clarification for the presenters that just came in, I thought I heard a cell phone go off a little bit ago, and perhaps for the benefit of the committee, those people that wanted to make a phone call, I know down the hall there are coffee, donuts and pork on a bun three-quarters of the way down the hall on the right where they can maybe make their calls. So those that want a coffee and donut and a bun, maybe they can make their way down and use that as an opportunity to make their phone calls.

Mr. Chairperson: That's very gracious of you, Mr. Eichler. Thank you for that.

I will now call Mr. Ab Freig of Puratone, and his written presentation has already been circulated to the committee.

I also want to inform the committee that I am allowing some latitude with time, the last presentation being a case in point, but that's an exception; that's not going to be the rule of this committee. I just want that noted.

So on that note, Mr. Freig, please proceed.

Mr. Ab Freig (The Puratone Corporation): My name is Ab Freig. I'm here to represent The Puratone Corporation. We're a hog producer, a company based in Niverville, Manitoba. We employ about 400 people. Our annual sales are about \$130 million, and, obviously, this moratorium will have a big impact on us going forward.

I prepared the presentation just in one page, and basically I'm just going to comment as bullet points on some of these key issues. Maybe it will allow more time for questions later on.

So let me start by saying that I oppose the Bill 17 based on the following: the moratorium is arbitrary, discriminatory and not based on science.

The government spent \$700,000 for the CEC committee members to spend a whole year travelling across the province, listening to input from people across the country, some in favour of the hog industry and some against. However, nowhere in the CEC report does the committee suggest a moratorium is warranted on those areas identified by the government as not environmentally sustainable.

The government is using the hog industry as a scapegoat. The moratorium targets the hog producers and only hog producers, insinuating that the hog industry is to blame for polluting Lake Winnipeg.

*(11:50)

Even if the government chose to destroy the entire hog industry, the impact on Lake Winnipeg will be minimal. The government should know that farmers use manure as fertilizer and still need to supplement it with chemical fertilizer to meet the needs of their crops. If there are no hogs in the province, farmers will be forced to pay for expensive fertilizer to substitute organic fertilizer, which is manure.

The government had many options to deal with the phosphorus in the lake and chose not to take advantage of them. I am puzzled why the government chose this action instead of finding a solution to protect Lake Winnipeg and keeping the hog industry sustainable. Why not capitalize on current and future development in science to address these concerns?

The moratorium assumes and insinuates that the hog industry does not care about the environment and their immediate vicinity or anywhere else. The government is wrong. Hog producers are willing to do what is needed to protect the environment and to keep their industry sustainable.

The Puratone Corporation directly employs 400 people who, in turn, support 1,200 to 1,600 people. The moratorium and the inability to grow and expand the business will have a deleterious impact on those people, people's dreams and aspirations. The moratorium may end up forcing companies like Puratone to expand in other locations outside the province.

If companies would choose to expand outside restricted areas, could the company trust the government not to impose a moratorium in those areas as well? If the decision was not based on science, what would stop the government from doing it again? If expansion or growth is deemed to be unsustainable in Manitoba, then our company will have no choice but to expand outside this province. If this is the underlying motive of the government, then they will get their wish.

In conclusion, I hope the government would reconsider a decision that could have a significant impact on the lives of thousands of people employed directly and indirectly by the industry. I ask the

government to withdraw Bill 17 and consult with the industry as to arrive to a workable and sustainable solution. Thank you.

Mr. Chairperson: Thank you, Mr. Freig.

Questions?

Mr. Struthers: Yes, thanks, Ab, for your presentation.

In the areas of the province that are outside of the moratorium area that we're dealing with in Bill 17, we haven't seen the kind of growth or expansion that anyone can blame on a moratorium. The pause is lifted outside of the moratorium area, and yet I don't see much expansion taking place. What factors are leading to the decisions of hog producers not to expand? As a matter of fact, there were about 14 proposals that pre-dated the pause, and of the 14, only two or three have actually proceeded. What other factors are going to limit that kind of expansion?

Mr. Freig: I'm glad you asked this question, because you indicated earlier to another speaker about 24 percent of the hog industry is based in two municipalities. I would like to remind everyone here this hog industry, or the agriculture industry, the livestock industry, is mostly concentrated in those areas. The same thing goes with the poultry industry. Most of the poultry industry, in those same areas. Most of the dairy industry—ask the dairy producers—are in the same areas. The same with the hog industry because of the people that were interested and motivated to produce in those areas; that's why.

Our company—it's for the same reason. We are based in Niverville; our expansion is based around this area and western Manitoba, and others is not. It's outside our area. However, it's not that we are not going to be considering areas outside this restricted area. However, the main thing is—which we talk about in our office all the time—okay, if we go to these areas, what guarantee do we have that the government doesn't come back again and impose this restriction on our industry? That is damaging to our industry, damaging to our farm. You talk about this area, expand outside. We have farms in this area, in this restricted area that need expansion, need expansion. They are not sustainable economically. We need to expand them. We cannot, and that is wrong.

Mr. Gerrard: One of the questions that has come up, there's a problem with a country-of-origin labelling and I understand that there were a number

of hog producers who were actually moving to do more finishing in Canada so that there wouldn't be as much of a problem but the putting on of the pause actually created a real problem and that's been exacerbated by the hog market changes. Can you comment on that?

Mr. Freig: Thank you. A very good point. The country-of-origin labelling will have, if it goes through as stated now, it will have a big impact on many producers. We are not in this same boat because we finish the hogs here in Canada, in Manitoba. However, we ship some hogs across the line to finish in the States. If the moratorium goes through as is, and it's very expensive to finish in the U.S., we would consider finishing in Canada, finishing in Manitoba. Now with the moratorium we will not be able to do that and not only us, many other producers. Manitoba sends about 4 million hogs across the line to the States. One million is about finished hogs, about 3 million with isowean hogs. Something has to happen with those ones. Can we finish them here? Are we going to all finish them in the west in those unrestricted areas? I don't think so.

Mr. McFadyen: You made a comment about the present reality that, due to economic circumstances, there isn't a lot of expansion currently taking place, but, as you look to the future, obviously, there's optimism in the industry, as there well should be, based on the normal market considerations and the natural advantages that we have here in Manitoba. I just want to ask, in follow-up to your comment about, or your statement, that if you were to expand you'd be looking to expand outside of Manitoba as a result of this bill. Can you just indicate which jurisdictions you would be most likely to expand in and whether they happen to be within the Lake Winnipeg basin?

Mr. Freig: The two areas we were thinking possibly for expanding would be either Saskatchewan which would be in the similar watershed. However, we also should mention that the real area that we were looking for expanding in, if there is a moratorium here in this province, would be the U.S., and that's also similar watershed coming as well from the Red River.

But I also wanted to comment about another commentary, I thought you were asking about the suspension of the moratorium for the hog industry. I think the government is making a mistake for another reason. The government has to realize that,

in the world, there is food shortage and the food shortage will exacerbate more so than what we have now and Canada has prided itself to be the supplier of a lot of the food ingredients to feed the world. If the government imposes the moratorium it would basically deprive us, our company, our people from taking advantage of that, going forward. It will deprive us from taking advantage of our expansion.

We were thinking about the future, we're thinking about China, we're thinking about other things will make the prices go higher and we will not be able to take advantage of that because of the moratorium, and again, moving to these western areas is not as easy as you may think.

Mr. Eichler: Very quickly, thank you for your presentation, Mr. Freig.

I'm disappointed to hear that you, perhaps, may be thinking of moving outside our province. You're a substantial company; you're a substantial employer. I know the minister of agriculture in Saskatchewan has made it very clear they're open for business. They want you to come. We want you to stay and whatever we can do to work with the Province of Manitoba, this government in particular, to have the producers come forward with a meaningful way, which we can have clean water, which we all know is conducive to raising livestock—and, for the minister's sake, we know we need soil that's compatible, and we need good, clean water in order to raise livestock. The reason those haven't grown in the rest of the province is the fact that those soils are not conducive and the water is not palatable for livestock production. That's why it's concentrated in the areas in which it is.

* (12:00)

So thank you for considering staying in Manitoba. We certainly hope that you do, Mr. Freig.

Mr. Freig: Thank you very much.

I wanted to say that we have met with the Minister of Agriculture (Ms. Wowchuk) and Minister Struthers a few times in the past. We are, as a company, and as an industry, but as a company, we are prepared to work with the Minister of Agriculture, to work with the Minister of Conservation on regulation. If you don't like what you see because of the pollution or if you think there's pollution, let's talk about that. Let's talk about how we can make it better. We are prepared to spend money. We are prepared to do what we can to protect

the environment. We want to work with the government to do that.

Our company is spending a lot of money for research and to try to reduce the level of phosphorus in our manure. We are prepared to continue to do that. It's not that we want to keep the status quo. We want to acknowledge science, and in the future science will dictate that we can do a better job than what we are doing today. So we are prepared to do that and I urge the government, and instead of putting the moratorium, to sit down with the industry to talk about what can we do.

It's also insinuations, which I mentioned earlier, insinuating that we do not care about the environment is wrong. I do care. My people, our employees, our shareholders, care about the environment. I live in the area, and I have a cottage on Lake Winnipeg, and we swim, and my kids swim in the Lake Winnipeg. We care, we care a lot about the lake. We drink water in this area. I think to insinuate that we don't care, that's why we need the government to impose the moratorium is wrong.

Mrs. Myrna Driedger (Charleswood): Thank you, Mr. Freig, for being here and for your very thoughtful presentation.

I wanted to ask you, you were making reference to food shortages that can be the result of this moratorium. I wonder if you can just provide a little bit more information in terms of the extent of the food shortage that could occur because of this moratorium over the next 10, 20 years, and if you think that enough people in Manitoba are aware that this could be a result of this moratorium, or do you think the government has thought that through well enough?

Mr. Freig: I don't think the government has thought this through enough. Not to acknowledge that we are going to need more food, and protein is next. Right now there is maybe sufficient level of protein, the grain, wheat, corn, and so on, that's needed but protein is next. We're going to need more of that going forward, and the government, not to recognize that Manitoba is very well suited to produce those foods and produce this protein, and to cut us off from this opportunity. Two things, one is to exacerbate the issue with food shortage by limiting growth and protein in this province is wrong, but also it cut us off from opportunity.

You know how much we suffered, the people that understand the hog industry. We know in the last

two years how much money we lost. We were hoping, and that's why we are staying in the business, we're hoping to capitalize in the future of profitability, and that comes from the demand. Supply and demand equation, right now, there's maybe more supply and demand. The demand will be increasing and our company will be deprived from that opportunity to capitalize because we cannot expand. So, therefore, yes, we will look at expanding elsewhere.

Mr. Chairperson: Thank you, Mr. Freig. Time for this presentation has expired.

I call Mr. Richard Bergmann, to the microphone, of Maple Leaf Foods. Mr. Bergmann, do you have a written copy of your presentation?

Mr. Richard Bergmann (Maple Leaf Agri-Farms): Yes, I do.

Mr. Chairperson: You do. You may proceed when ready.

Mr. Richard Bergmann: Good afternoon. My name is Richard Bergmann and I am director of operations for Maple Leaf Agri-Farms. This is the hog production arm of Maple Leaf Foods and was previously known as Elite Swine, prior to a name change late last fall. Maple Leaf Agri-Farms is one of the largest hog producers in Manitoba, and our province has become the centrepiece of Maple Leaf Food's primary and secondary pork processing operations in Canada.

As you may know, Maple Leaf is executing on a new business model in its pork operations, improving the scale and efficiency of its primary processing activities and expanding into a wider range of value-added, innovative food products. Primary processing is being consolidated in Brandon where we are making capital investments of approximately \$90 million and creating 700 new jobs. Our payroll here continues to rise, and by the end of 2009, Maple Leaf Foods will directly employ approximately 3,500 people in Manitoba.

The fact Manitoba has become the heart of our operations really speaks to the great confidence we have in this province. That confidence is due in part to the encouragement and support we have received from the provincial government as well as its tough but fair regulation of the hog industry. Bill 17, therefore, comes as a surprise to us as it appears to contradict the provincial government's ongoing support and fair regulatory approach.

This bill is important to Maple Leaf Agri-Farms since the 40,000 sows we directly own or manage supply only about 20 percent of the approximately 3.9 million hogs we process each year in Brandon. A further approximately 70 percent are supplied by other Manitoba producers and are vital to the long-term operation of our Brandon facility. We therefore have a direct interest in any proposed legislation that will affect the economic health and future viability of the hog industry in this province as Bill 17 most certainly will do.

Let me be clear that Maple Leaf Agri-Farms respects and supports provincial government efforts to protect Manitoba waters and establish this province as a leader in environmental stewardship. Manitoba has some of the most stringent manure management regulations in North America, and Maple Leaf Agri-Farms, like most large hog producers, adheres to all those regulations.

Allow me to highlight very briefly just a few of the beneficial management practices adopted by Maple Leaf Agri-Farms and most of our industry. For example, we soil-test every piece of land on which we intend to apply manure and prepare annual nutrient management plans customized to each site. The fact we soil-test 100 percent of our spread acres compares very favourably to the estimated 25 percent of acres that are tested when commercial fertilizers are used.

We inject or incorporate manure into annual lands rather than spreading it on the surface, thus ensuring there's no run-off. We employ certified manure management planners who have completed a rigorous and specialized course at Assiniboine Community College and have registered with the Manitoba Institute of Agrologists. We follow provincial regulations that require all applicators be licensed. These applicators must complete a specialized course at ACC on how to do proper manure sampling, how to keep proper records, what to do in the case of a potential spill, et cetera.

We use satellite and other aerial imagery and global positioning systems to know precisely on what land to apply manure, how much to apply, and where to maintain setbacks from waterways.

Every year we're learning more about how industry can best protect the environment and we're putting that learning into action. This is not to say, however, that some components of the industry can't make further improvements. Indeed, we respectfully suggest that rather than impose a permanent ban on

hog-barn expansion in most of southern Manitoba, the government should be helping producers to make those improvements. For example, when the new phosphorus regulations begin to come into effect this fall, producers in the southeast corner of the province will see the cost of finishing a pig rise between \$5.50 to \$11.50. To put that into context, it costs about \$100 to \$160 to raise a hog. So the regulations will increase costs by roughly 5 percent. This is significant when current market prices have producers losing anywhere from \$20 to \$30 an animal.

So we suggest financial assistance to help producers make capital upgrades for manure treatment. Then give the new, tougher phosphorus regulations an opportunity to show results before rushing in with a permanent freeze on future expansion. Now, clearly, no one is talking about expanding their barns right now. The strong Canadian dollar, high feed prices, and country-of-origin labelling in the United States have all combined to send our industry into a tailspin. But like any commodity our industry is cyclical, and there will come a day when markets recover and producers may again want to grow their operations.

Indeed, it's often the hope of better times, of future prosperity, that keeps farmers going through the times of tough sledding. If they know future business opportunities have been removed from them, farm families are less likely to wait out this downturn and more likely to simply pack it in.

*(12:10)

The freeze will also remove opportunities for young people to stay on the farm. A son or daughter may want to take over dad's 500-sow operation, but will know that, since they can't expand, the farm won't be viable. Clearly, the loss of these farms will have a detrimental effect on Manitoba's rural economy as well as on our Brandon processing facility, which relies on an adequate and sustainable supply of hogs in the long term.

Ms. Sharon Blady, Vice-Chairperson, in the Chair

We question the need for the ban on new or expanded hog farms. Opportunities to build there are already extremely limited in the southeast area of the province and in the Interlake, since existing regulations effectively mean a producer cannot get a permit for expanded manure storage in these areas where the hog production population is fairly dense. The current site-specific approach includes an

environmental evaluation through the technical review process and is more fair than an outright ban on building on sites that may be well-suited to a barn.

So, if existing regulations do the job, why implement a permanent freeze? Why not adhere to the existing phase target dates for compliance with the phosphorus regulations ranging from November 2008 to 2020, depending on the region? This would allow experts the opportunity to assess how the regulations are working and would allow for technological advances that are already transforming our industry.

Very importantly, the phased implementation date would also allow the opportunity for the industry to catch its breath after the economic downturn it has recently been suffering.

We had in place a good plan, a good time line, developed consensually by government and stakeholders. Now the government seems to have turned its back on the plan in favour of a permanent freeze. We don't understand why. We particularly don't understand why the Red River Valley Special Management area is included in the regions targeted for a freeze. This area has many vicinities with few livestock facilities. For example, there are few livestock around communities such as Roland, Elm Creek, Sperling and Carman, to name a few. Instead, there are wide open areas of some of the most fertile and high-producing crop land in the province, land that would benefit from organic nutrients.

Many Manitoba soils are deficient in phosphorus, so grain farmers generally welcome the opportunity to spread manure on their fields. With phosphorus fertilizer prices more than doubling in the last eight months to roughly \$1,100 a ton, it's clear that economical access to manure would be beneficial to the general economy in the valley.

We also wonder, where is the science behind the freeze? Until recently, government and industry managed to put aside philosophical interests, self-serving interests, and political interests in the interest of letting science take precedence. Certainly that was the case when the phosphorus expert committee made objective recommendations on the 206 phosphorus regulations. We strongly feel this science-based, objective approach should be maintained. The industry may not always like what science suggests is the best course of action but at least producers will understand where subsequent decisions are coming from.

I'd like to reiterate that Maple Leaf Agri-Farms supports the provincial government's commitment to protecting Lake Winnipeg and the Manitoba environment, but we think a much better and more effective way to go about it would be to offer financial assistance so that older operations could quickly move away from winter spreading. We suggest looking at Ontario as a model. That Province covered up to 90 percent of the cost of building larger storages, thereby eliminating the need for winter spreading and the threat of surface run-off during the snow melt. This would greatly reduce livestock nutrient losses to water. You'll notice I said livestock, not hogs.

One final point I'd like to make is that it seems illogical and unfair to take steps to limit the future prosperity of hog farms while not taking similar action against other livestock producers. Madam Vice-Chairperson, we worry that Bill 17 sends a message to the hog industry that says we do not support your industry; we do not support your right to grow and expand your business in an environmentally sustainable fashion, and we do not value the jobs, growth, and economic development you have brought to so many rural communities.

I'll conclude by assuring you that Maple Leaf Agri-Farms is committed to continuous improvement and leadership in environmentally responsible hog production practices. We urge the provincial government to withdraw Bill 17 and instead work co-operatively with our industry on regulations that protect the environment and ensure the sustainability of the hog industry. Thank you.

Madam Vice-Chairperson: Thank you, Mr. Bergmann, for your presentation.

The floor is open for questions.

Mr. Eichler: Thank you for your presentation; very interesting. In fact, we know your company is a leader in the industry and we certainly commend you for that.

We just heard from the previous presenter that they're looking to move outside the area if, in fact, the permanent ban on hog barn expansion in the province goes through. Where is your company in relation to that? Do you see your company moving outside the province boundaries?

Mr. Richard Bergmann: Today, we have no immediate plans to expand as our business is going through a transformation, but our concern is evident, as we expressed in this presentation, about our ability

to expand our existing operations where we are located.

Mr. Eichler: In your opinion, why do you feel that the hog production was singled out in regard, through the result of clean water?

Mr. Richard Bergmann: I can't answer why the hog industry was singled out. I would only be speculating at this point.

Madam Vice-Chairperson: The honourable Minister of Conservation—[interjection]—the honourable Minister of Agriculture, sorry, the question was deferred.

Ms. Wowchuk: Thank you for your presentation, Mr. Bergmann.

You and the previous presenter talked about expansions. I wondered, your facilities—first of all, do you have farms in the western part of the province or are more of your farms in the eastern part of the province?

Mr. Chairperson in the Chair

Mr. Richard Bergmann: Today our operations are spread across the province. Approximately half are in the west and half would be considered in eastern Manitoba.

Ms. Wowchuk: The reason for my question is we're talking about the moratorium in three parts of the province. I'm looking to see whether, as you grow and plan to expand your industry, you could meet your needs in the western side of the province.

Mr. Richard Bergmann: The investments we've made in the eastern part of the province, including the operations we have in the Red River Special Management Zone, are of great concern to us.

Our concern here is we are investing and looking at new technologies in the future which would allow us to—water treatment systems that may eliminate the need for manure, like removing phosphorus entirely from the liquids, and those types of technologies. Our concern there is the economic detriment this will place on our ability to expand existing operations in the eastern part of the province.

Mr. Gerrard: I noted with considerable interest that you're calling for the subsidization of help with building larger storage areas. We've been calling for a full ban on winter spreading and exactly the sort of approach that you mentioned.

Maybe you could just bring us up to date on what the current situation is and how this can be improved.

Mr. Richard Bergmann: Just so I clarify, Maple Leaf Agri-Farms does not do any winter spreading. My comment on winter spreading was in regard to the industry and that was referring to Ontario where, I'm given to understand, they had done some—there was some financial assistance provided to prevent the need for winter spreading, where farmers could actually reinvest and expand or built new storages, so it would eliminate that entirely, which was one of the concerns that was earlier identified.

Mr. Gerrard: Of the industry outside of Maple Leaf, what proportion are still winter spreading and how much of a difference would this make?

Mr. Richard Bergmann: I don't know what portion of the industry is winter spreading. I wouldn't know.

Ms. Wowchuk: You talked about the one region which you're concerned about that you have facilities in.

In the legislation, it says that there will be no expansion; however, with new technology—if new technology is adapted that will reduce nutrients, expansion can still take place. Are you aware of the legislation?

Mr. Richard Bergmann: When we're talking about new technologies and our investment that we'd be looking at, I'm not familiar with the details of the wording of it. Our concern here is we have some stringent regulations that are coming into place where it's forcing us to actually look at new technologies.

We are asking for the opportunity to allow those regulations to work. This is unnecessary. We don't believe this is necessary; it's not required. The regulations we have today, that are being phased in, will do its job.

Mr. Chairperson: Time for this presentation has expired. I thank you, Mr. Bergmann.

I now call Mr. Beerd Hop, private citizen. Mr. Hop, do you have a written presentation?

Mr. Beerd Hop (Private Citizen): No, I don't, Mr. Chairperson.

* (12:20)

Mr. Chairperson: Okay, proceed.

Mr. Hop: Thank you, Mr. Chairperson, members of the committee, for offering me this opportunity to present my thoughts.

I don't know if I have words to describe the loss of trust, the sense of desperation that I got when this Bill 17 came through. There's a sense of betrayal in the last years that I've been here actively farming in Manitoba. I've listened to several speeches of our Minister of Agriculture (Ms. Wowchuk) asking us to expand, asking us to diversify, asking us to create jobs in Manitoba, and we have done so.

Now, all of a sudden, we have to ask the question, what went wrong? And in answering that question, I have to go back to the beginning, and for me the beginning is 468 years ago when my ancestor bought the first registered piece of land back in my native country of Holland and he was asked what his occupation was. And his occupation was listed on the deed as a farmer with livestock. So we know that 468 years ago that piece of land got manure applied to it because he had livestock.

This day, my cousin with his children is still farming that piece of land as part of their operation with livestock. It still gets applied manure to that piece of land. So the grass is still as green on this side of the fence as it is on the other side of the fence. Manure hasn't had a detrimental effect to that piece of land.

Since I'm the third son of the third son, the oldest one got the farm, the second one got the cows, and I got to roam the world. And I came here. I came to Manitoba. It appealed to me. Canada appealed to us as a whole in Holland, and Manitoba appealed to me in person, and I came here. In 1981, I bought my first piece of land, and I would have been just as proud as my ancestor to put on my deed that my occupation was farmer with livestock, and that's what I am. I'm a farmer with livestock. We started in dairy, and I got married, and we expanded in beef and we had children and the call was to produce more, to produce more, to create jobs. Opportunity is here, and we did. And we expanded into hogs.

When we did that we followed all the rules of the day. This was in 1996. We followed all the rules of the day. And then the rules changed, and we followed all the rules of the day as they changed. First, nutrient management plans on nitrogen; then nutrient management plans on phosphorus. And we followed all the rules. We soil-sample all our fields before we apply manure. We have 10 years worth of soil samples showing that the phosphorus does not

increase in our soils the way we apply manure. All these rules and regulations have done one thing and that has made farming more expensive. There is less profit all the time. There have been years that we went and borrowed money to buy the groceries. It was as simple as that to just stay in business, and we have spent hundreds of thousands of dollars on manure storage. We have spent thousands of dollars every year for nutrient management plans to apply manure to soil samples to manure samples. We know exactly what goes on our soil, what comes out of our soil every year.

So I don't know, I kind of feel like an environmental terrorist right now, because we're blamed for all the woes of Lake Winnipeg, all the woes of the environment. We have done everything we can to live with the environment. I don't buy water in the store. We drink the water that comes out of our well. We test all our wells every year. All our wells pass every year. This chequebook here, that I have here—I had it, so I guess I'm broke, but it has paid for my manure storage, a quarter of a million dollars, and it pays for my groceries every week in the store. It comes out of the same account.

As a person, as a private citizen, I do everything I can to live within the environment that we work with. My children want a farm. I guess we've always had a positive attitude towards farming, towards agriculture. Manitoba has been good to us. What's going to happen now? There is a certain economy of scale going on in the farming industry in Manitoba and all over the world that you have to get bigger, you have to consolidate, you have to diversify in order to keep making a living.

When I started milking cows, 10 cows was good enough. Then we had to raise a family. Now we're milking 80 cows. Now my children want to farm. The only way they can farm and start is by growing our farm and using the same tractors, using the same production facilities and adding more livestock to it. How can we do this if all these rules and regulations come into place and we're not allowed to expand? Where do I have to send my children, especially if they don't want to leave home? Can they farm?

Some of the questions that we don't have answers to and we're stuck with because Bill 17 comes up and it doesn't do nothing for Lake Winnipeg as in lowering the amount of phosphates going into it. It freezes everything. When I moved here in 1981 we had a packing industry in Winnipeg. We had a thriving beef industry. The packers went;

we all know where the beef is at right now. With the hogs in another 25 years Maple Leaf isn't going to keep the plant going if we don't have the hogs for it. The jobs are gone and lots of jobs. We've heard all the figures, and I don't have to reiterate all those because everybody will tell you and the story goes on and on and it's the same thing.

Mine is a private story. I don't know where I'm going from here. What am I going to tell my children? Because they want to farm. Livestock is in our blood. So I guess I kind of have to leave it at this. We have participated in an environmental farm plan. We've built our composters and it's all come—some of the money has come from the environmental farm plan, but most of it has come out of our pocket. We're paying the interest on those programs. Thank you.

Mr. Chairperson: Thank you, Mr. Hop.

Questions?

Ms. Wowchuk: Thank you very much for your presentation, Mr. Hop.

The part of the process of introducing a bill is having the opportunity to listen to the public. The story that you tell about your farming operation is very important for us as we look at the bill and its implementation. So I just want to thank you for sharing with the committee your story and how you have adapted your farm. I was going to ask you about Environmental Farm Plans and whether you had taken advantage of those programs, and you have indicated that you have, so I just want to say thank you for your presentation.

Mr. Chairperson: Mr. Hop, response?

Mr. Hop: Well, like I say, we live in the environment that we work in. We don't have a cottage at the lake and farm south of Winnipeg. We live south of Winnipeg. We farm south of Winnipeg. That's where we live. That's where our house is. That's where our community is. Thank you.

Mr. Eichler: Thank you for your presentation, and thank you for your sincerity in telling us about your family and thank you for choosing Manitoba and Canada as your place to live of choice. I know it's very troubling to live within regulations, though we know that the farmers are the great stewards of the land, and you've certainly proven that.

My question to you is: The CEC report didn't mention anything about a permanent ban or moratorium on the hog industry. Are you prepared to

once again reach into your pocket, pull out that chequebook that you talked about and live within the recommendations brought forward by the CEC if you were allowed to expand your operation and continue to see your family grow and prosper here within your region?

Mr. Hop: I don't know if we were one of the first ones to ask for a copy of the recommendations, and we read through them. We were quite relieved that the moratorium was not discussed as such as being permanent, and we saw light at the end of the tunnel.

* (12:30)

We will do whatever we can to protect the environment. We will do whatever we can to live within the regulations, and we will live within the regulations as science and we hope as science will tell us what we have to do. We might have to add commercial fertilizers to our manure in order to get the right balance if time says so that we have to. Thank you.

Mr. Eichler: Thank you. I'm not picking on your age, but you're not a young man anymore, and we certainly do want to encourage the next generation of taking over our operations, and I mean that in a complimentary way. I am very close to your age as well, sir. But what the point I'm trying to make is, is that we need—

Some Honourable Members: Oh, oh.

Mr. Chairperson: Order, please. Be respectful.

Mr. Eichler: What I'm trying to say is the fact that we need that generation in order to take over that you referred to. Encourage the next generation, your son, your daughters. If you're not allowed to expand, or your children are not allowed to expand in your operation, do you feel they will then be, in fact—have to leave that farm and go off to another sector rather than that of farming?

Mr. Hop: Well, I have to tell you that my hair is deceiving. If I shaved my beard I'd be asked for identification if it wasn't for my beard. But I know that my children, if they cannot expand on our present location because of the moratorium, the ban, whatever the case would be, their feelings for livestock are strong enough that they're going to leave this province and start farming somewhere else. The only thing I can do is encourage them and help them as much as I can if that's what they really want. They've all worked off the farm. They've all done different things, and they all came back because

that's what we want to do, Dad. So that's what we'll help them with. Thank you.

Mr. Blaine Pedersen (Carman): Thank you, but our presenter just answered my question; thank you.

Mr. Chairperson: Okay. Seeing no further questions, I thank you for your presentation, sir.

Committee Substitutions

Mr. Chairperson: I would like to inform the committee that, under our rule 85(2), the following membership substitution has been made for this committee, effective immediately: Ms. Kerri Irvin-Ross for Ms. Erin Selby.

* * *

Mr. Chairperson: Next presenter is Mr. Sieg Peters, private citizen. Mr. Sieg Peters, is he in the audience?

Okay, we will move on to Mr. Garry Tolton, private citizen.

Mr. Pedersen: If there's leave of the committee, I know Mr. Tolton's here, so if we go on to another presenter, can we come back to him when he comes back in the room, if that would be acceptable?

Mr. Chairperson: Yes, I think we had agreed to that latitude earlier, and that will apply to Mr. Peters as well.

Is that him? Okay. Mr. Garry Tolton. Do you have a written copy of your presentation, sir?

Mr. Garry Tolton (Private Citizen): No, I do not.

Mr. Chairperson: Okay, you may proceed.

Mr. Tolton: My name is Garry Tolton. I'm from Newdale, Manitoba. Our farm has been there for 50 years. We've raised hogs, grain and cattle. I guess we're outside of the banned area, but not the affected area. I see if this bill is passed that it's going to severely affect our industry as we move forward. *[interjection]* Water would be appreciated, thanks.

This bill is going to affect my farm in approximately four different directions. First of all, it clearly makes the industry look like it's not very environmentally friendly, as I watched a news clip this morning suggesting that nutrients from hogs run into Lake Winnipeg immediately, never suggested anything else, just hogs.

I'm supposed to go home and convince my neighbours that I'm an environmentally friendly person when the government is saying I'm the

problem. I think that is going to cause trouble if we want to do anything, whether it's build an earthen manure storage, whether it's trying to expand. People are going to remember the government about me. We are picking on people, producers, right now.

The second consideration I see is my costs are going to go up because, as has been explained, the producers of family farms in the affected area are not going to be able to expand and are slowly going to leave the industry, likely. Those are the people that along with myself living in the western part do use different feed companies, manufacturers. As these people have less customers, less hogs to deal with, they're going to have to raise their margins or go out of business. So we will quickly see an increased cost in everything we purchase either from less choice or from people with less volume.

I market my hogs through the marketing co-op, another prime example. If they have to access pigs from less people, they're going to be less competitive in the market. You know, can they put as many loads to go to the U.S.? Are they as big a player? Of course not. Will they be able to cut a deal in the States like they do now? I doubt it. What Manitoba does doesn't matter in the North American economy. We'll just see us become a much smaller player. The competition will be maybe Saskatchewan, maybe Ontario, maybe Iowa. It doesn't matter. If somebody gets more of a chance to be economically viable than me, I've got a problem.

I guess I'll look at my cropping part of the operation. I'm in an area that's prone to freeze in May, June and August, so we grow crops like barley quite often. That barley, a lot of it that I haven't fed on my own farm has ended up in Puratone, Landmark. All those companies are buying that barley. If we start to see this industry shrink, they're not going to need as much barley, and I've already kind of figured out that the railroads either cannot ship all the grain that's grown in western Canada or don't want to ship all the grain that's grown in western Canada. It doesn't matter. It's going to be sitting in my bins. It just worked a whole lot better to put it into feed mills and use them, value-added in Manitoba, not value-added in Saskatchewan, or try to grow something that we're probably not going to be as efficient and have some crop failures.

So I'd like to see that hog industry in the east continue, so I have a market for my grain. Basically I would have to wonder, how am I going to continue to finance my operation? I'm getting to the point

where it's going to be the change to somebody else, by being sold or have a partner and expand. I see this bill, talking to my neighbours, the best they can say is, who's next? I don't think they want to invest in a hog industry where they've seen, with the stroke of a pen, half of the province severely limited. They're looking at expansion.

* (12:40)

We know that all young people want to do better than their dads. I guess I was one. I wanted to be bigger than my dad. I would think that my kid and my neighbour's kid want to be bigger than we are, and Bill 17 has said that you can't do that if you're in the zone down here, and it will say it or may well say it in the western part of the province as well at some point in time. So we're not going to find investors that want to invest with me. I'm really questioning if the financial institutions are feeling very good today, too. If they have huge amounts of capital already invested down here, do they want to be investing more?

I don't think we've solved the problems of how do you build in a lot of western Manitoba anyway. I went through the process early this century, which was 2002, I believe, of wanting to farm with a larger company and build a larger barn. It would have been more environmentally friendly. After repeated meetings and the council hearing, that they did not think it was sustainable; the councillors didn't want it. We finally packed it in.

So today I've got a smaller operation. I winter spread. I doubt I can go to my council and get an opportunity to build an earthen manure storage. I don't even know if I have enough desire to go through being kicked that many times again. So leave this bill. Try to keep the industry strong, and I hope to remain in it for a while. Thank you.

Mr. Chairperson: Thank you, Mr. Tolton.

Questions? I have Mr. Briese.

Mr. Briese: Mr. Chair, I heard you mention you wanted to be bigger than your dad. I accomplished that, but it was around my middle.

My question though, I think there's a myth being perpetrated here somewhat, and you being from western Manitoba, I'm hoping you can help us out a little bit here, that the myth that I'm hearing is that the hog industry phosphate is—the phosphate that's in the manure is causing all these major problems. We all know or we should know that the soils in western

Manitoba are very high in natural-occurring phosphates, and I wonder if you're able to comment on the soil tests in your area because I know in my area they're very high in natural- occurring.

Mr. Tolton: Yes, our phosphates are not extremely high. We still need to add phosphates. We have to add starter phosphate even on the land that I have spread, soil tests and I've always told that I'll have to add some. Basically I think—well, this week when my fertilizer bill comes, my wife will probably wish I hadn't had to apply any, but yes, I think we still need phosphate. I don't think it's going to be a serious problem if the manure is injected.

Mr. Leonard Derkach (Russell): Thank you for your presentation, Mr. Tolton.

The moratorium bill that is before us right now I think has been put in place as a political signal to those people who are anxious to have something done about the problems that Lake Winnipeg faces. However, I think it's been proven that this bill will do nothing to alleviate any of the phosphate levels that are currently causing a problem for Lake Winnipeg and that indeed what will happen is that any, I guess, attempts to mitigate some of the phosphate problems are just going to stop because, all of a sudden, there's a ban and people are just not going to invest any more money.

We've also heard the Premier (Mr. Doer) say in the House to us who think that this bill is wrong-headed that we're in favour of hogs and the Premier is in favour of saving Lake Winnipeg, and that was his comment in the House. I'd like to ask you, Mr. Tolton, what advice you might give the government in terms of addressing the real problems as they relate to Lake Winnipeg as opposed to a bill that will do nothing to impact the quality of water in Lake Winnipeg?

Mr. Tolton: I would think there are some relatively serious spots that have to go into it, but looking at the hog industry and saying you're going to save Lake Winnipeg is not one of them. I mean hog producers should have to show that they have enough land to spread their manure on, as should all other livestock producers. I don't think this should be hogs; it should be livestock producers. If you have enough land you should be able to do it.

Then we should start and look at other sources of pollution. You know, cottages in Lake Winnipeg, we seem to be building more of them, and I don't know if they're—I think I'd rather have the hog barn than the

cottages, and I've had fishermen tell me that as well. So, yes, there are lots of reasons, but if a person has enough land to spread this manure and use it, then let him do it. Don't let him buy commercial fertilizer and ban raising hogs. I just can't see how we do that or why we would do that. Let's move forward on a science base, and not political science, I want environmental science, please.

Mrs. Mavis Taillieu (Morris): I thank you, Mr. Tolton, for your presentation.

I think you just said something there that's very important. You said, let's base this on science rather than political science. And, you know, quite a few years ago the Premier, when he was talking about the responsibility for the environment and for our water, said that this should be a shared responsibility among 1.1 million people, which means all of the people in this province. Since then he has targeted the agricultural industry as being the problems that—all of the problems that we see with Lake Winnipeg.

I think that the government has to be seen as doing something, and this is the attempt to imply to people that they are doing something. And yet, in doing this, they are targetting an industry and, in fact, forcing some people to probably get out of the business, and when that happens, you see a decline in rural Manitoba. I think that's just wrong, and I wonder what comments you can make in that regard.

Mr. Tolton: Yes, I believe it's very wrong to just blame agriculture, because I think agriculture is a very small part of this. If there's anything we don't need in rural Manitoba, it is taking a hit on the environment and losing our population. I live in an area where, I think, now they maybe would like some hog barns because there's a real problem with school. They're noticing that enrolment goes down 15 students a year, and we read about plans to get rid of the schools. The moratorium's here for a little while, but at the end of the day we're not going to solve it by taking the people out of Manitoba and putting them in Winnipeg, or maybe Saskatoon, I don't know. We're still going to have the environmental problem and we're just not going to have any people in rural Manitoba, so let's look at things to expand rural Manitoba, not shrink it.

Mr. Derkach: Mr. Tolton, I just want to ask you another question as it relates to the perceived pollution that exists today in Lake Winnipeg. The hog industry has been targeted as being a significant contributor to the problem, and yet science doesn't hold that up. At the same time, we have a problem in

the city of Winnipeg where raw sewage is dumped into the river several times a year because we don't have the capability to be able to treat all the sewage so that it doesn't enter the river in a raw form.

Are you aware that indeed there will not be a change in the practices of the city of Winnipeg for at least another six years before the facilities are brought up to speed, and yet, there's no moratorium here on dumping raw sewage into the river?

Mr. Tolton: Yes, I'm aware that this happens, you know, and I feel it's very unfair for two reasons. First of all, we didn't tell everybody not to flush today because it's raining. That would help, I guess. And yet, by 2013, I'm going to have to put in an earthen manure storage or retire. At this point in time, I'm not getting any help, where the average citizen in Winnipeg, if we do put in this new treatment plant, it's going to come through government funds and they're going to pay it with their taxpayers' money. I accept that, but I'm going to pay for it, too.

*(12:50)

So I think we better look at this very carefully and make sure that the livestock or, as far as that, agriculture has a chance because, frankly, everybody in agriculture is scared out there right now. They're wondering who's next.

Mr. Struthers: Thanks, Mr. Tolton, for your presentation.

Despite the misinformation just put on the record by the Member for Russell (Mr. Derkach) in terms of nothing being done by the City of Winnipeg, or any other municipality, in terms of work being done to address human sewage going into the river, don't you think we need to give credit where credit is due, since the City of Winnipeg had, by '06, made improvements to one of their stations, in '08, will make improvements to the next one and, in '14, will finish off their plan?

Portage, Brandon and other municipalities have made investments. They need to be given credit for that, as do Manitoba pork producers who have made improvements to their facilities. Don't you believe that we need to give credit where credit is due?

An Honourable Member: Let's do that then. Let's do that.

Mr. Struthers: Put the correct information on the record, Len, and don't exaggerate.

Mr. Derkach: It is.

Mr. Struthers: Don't exaggerate, or I'll take you up on it.

Mr. Chairperson: Order. A question has been put and I give Mr. Tolton an opportunity to respond.

Mr. Tolton: I believe we should give credit to anybody that's trying to protect the environment, including all the farmers out there and the City, but, remember, that the City is doing it.

It isn't an individual citizen that has to make that decision. Yes, they're paying some taxes, but the City and the government are making that decision. I'm not sure what the cost share is, but I would assume that there is a lot of government money to make that city sewage system work.

Mr. Chairperson: Thank you, Mr. Tolton. Time for this presentation has expired.

I will now call Mr. Herm Martens of the R.M. of Morris. Mr. Martens. Mr. Martens, do you have a written copy of your presentation?

Mr. Herm Martens (Rural Municipality of Morris): Yes, I do.

Mr. Chairperson: Thank you. You may proceed.

Mr. Martens: Thank you, Mr. Chairperson. Thank you for giving me the opportunity to make this presentation at the hearing for Bill 17.

I will divide my presentation into two parts—first, as Reeve of the Rural Municipality of Morris and, secondly, as a hog producer in the R.M. of Morris. By way of introduction, I am living and farming on the farm that my father purchased in 1928, only four years after immigrating to Canada and making Manitoba his home.

This makes it 80 years on SE 10-6-1 W; this is where I grew up. This is where my kids grew up and now two of my grandchildren are growing up there. I hope that the next generation will have the privilege to continue farming here, if they choose to do so. This farm has been in hog production ever since my father moved there.

Now from a municipal point—more than six years ago, we, as the R.M. of Morris, placed a moratorium on hog barn construction for a period of approximately five months. This was done for the purpose of setting guidelines and conditions for the approval for the construction of any barn in the municipality. These guidelines were developed in consultation with people within the industry and with

people who opposed the hog production in their backyards.

We came to a healthy compromise, one that was acceptable to both sides. The hog producer would make improvements to develop his farming practices more acceptable, and the non-hog-farming neighbour would allow this compromise, thus developing a good and acceptable neighbourhood.

After these guidelines were implemented, the provincial government in their wisdom decided that we were too restrictive. We could no longer force our producers to inject the manure into the soil as a means of odour control. At every hearing, odour was the biggest concern to the non-hog-farming neighbours. We were too restrictive and were not allowed to enforce corporation. Is this permanent ban not much more restrictive than we were? And why such a change in attitude?

Then, less than four years ago, while we were working on our municipal development plan, the provincial government again ran interference with us, calling the local farmers in to oppose our plan because we were too restrictive. To protect our waterways, we asked to have a one-mile buffer zone between a new barn site and the Morris River or the Red River, instead of the 100 meters suggested by the Province. We almost lost the provincial approval for our plan because we were too restrictive. Again, the question: why the change? Is the permanent plan not much more restrictive than our development plan? How inconsistent. May I be as brave as to even suggest a sign of poor management.

Now I'd like to talk as a hog farmer. My brother and I started hog production on my home quarter a little over a year after I graduated from University of Manitoba. After a lot of study and discussion, we decided that in order for both of us to remain on the farm and stay in this community, a hog production unit would offer that to us. At this time, there were 17 other small hog farms within a three and a half-mile-half-circle radius from our farm. All 18 of us did winter spreading. But how time changes. Now we have only four farms left. All four have 400-day storage for manure. All four do soil testing. All four do test the nutrient level of the manure, and all four incorporate the manure into the soil as fertilizer at the level of nutrients required for the crop to be grown the following year.

With incorporation, all nutrients adhere to the soil, and thus there is no leaching, or nutrient loss,

into the waterways. Now, isn't that green? We use less chemical fertilizer. Isn't that good?

But I do have a neighbour just six miles to the north of my farm that does winter spreading. Because it's done under frozen conditions there are lumps and uneven spreading, and a certain amount of leaching happens. This neighbour is the City of Winnipeg dumping their sludge onto the field. The smell is terrible, and the hog industry gets the blame. For the leaching that happens, agri-Manitoba gets the blame. How totally unfair.

On my farm, we've been able to expand to become more efficient. We have hired two men from the Philippines. Both have a degree in agriculture with a major in animal science. Both receive good wages and a good bonus based on their production. They have brought their families to Manitoba and are in the process of becoming Canadian citizens. Our dilemma will occur in about seven months. Our contract, our present contract, will be completed and thus terminated. We market our hogs twice a week. The new contract is requiring once-a-week marketing, thus the requirement of an additional floor space and construction. Not more animal units, just a holding space to facilitate this market. If floor expansion is not allowed, the alternative is to reduce the number of sows and possibly eliminate one person from the payroll.

I hope I don't have to do this after all the training, et cetera, we have invested in them. This change would also make it very difficult for weekends and holidays, with one less employee to take shifts. So please don't enforce this bill. It will personally cost me quite a bit.

In conclusion, I wish I would have had more time because there are many, many areas that I have not been able to address. I see this as a political exercise without any scientific involvement. The permanent ban was as a result of the CEC hearings. Could someone please show me where this recommendation is found in the report? I believe this to be a case of us versus them; urban versus rural; a case of bullying, a law made under urban Manitoba affecting only rural Manitoba. This was done without consultation. Maybe this government needs to look at a recommendation from your own Minister of Education (Mr. Bjornson) how to eliminate bullying in schools and translate it to how to eliminate bullying in the political arena.

* (13:00)

I have not been consulted as a producer. I have not heard of any other producers being consulted. Therefore, certainly, I feel I'm being bullied. I hope you reverse this. Thank you.

Mr. Chairperson: Thank you, Mr. Martens.

I have four questions, starting with Mr. Struthers.

Mr. Struthers: Thank you very much, Herm, for your presentation.

I want to concur with your experience with the City of Winnipeg's spreading in your area. That's been going on for a long, long time. This government has moved forward in outlawing that in the year 2011, and we've dealt with the winter spreading on farms for 2013. So we want to be able to move forward on all of that. I just want to make sure that that was put on the record, and I think you know that that is coming forward.

Mr. Martens: Yes, I know. I've been talking to the City people in charge of this, and I know they're trying to—there's an effort being put on the way to do that, but I think it is grossly unfair that the City is given till 2012 or something like this or a number of years down the road when agriculture is not. The City also can go to the provincial and federal kitty for some of that improvement, so maybe not just at manure disposal but other aspects of disposal of raw sewage, et cetera.

Mrs. Taillieu: Thank you, Herm, for your presentation. It's very insightful, very well done, and you and I have talked about this a number of times.

Certainly, when you bring up the notion that in previous times when you were being too restrictive in trying to be good stewards and protect the water systems in your municipality, it certainly seems very hypocritical that the government now tells you you were too restrictive then and now is coming so heavy-handed upon you and your operations.

Certainly, when you talk about the sludge spreading, which we've also talked about and learning today that the government has three more years to address that, I would suggest perhaps it's time for a moratorium on that as well, especially when it's right next door to you, as you said, your neighbour.

In regard to your personal situation, I know that you've been a producer for many years. Your family has been there a long time and you and your family and your neighbours are good stewards of the land

and provide good neighbourhoods because that's where you live and do your business.

What do you think will happen to your neighbours and your community as a result of this?

Mr. Martens: I think we're going to have something similar to a little bit what's happening in Québec. The enthusiasm, the desire to develop is gone and when you cannot move forward, you are not going to stand still, things are going to be regressing. As things regress and people say, well, I can't expand the hog industry; I can't do this with my kids; well, maybe move out and leave the farm. And this is what we're seeing happening. We're seeing a lot of the smaller guys going out because the margins aren't there and they leave. They would like to also, as most of you do, have summer holidays, go to the lake and have weekends. You can't do that on a farm. Especially if you're not allowed to expand and have people doing shift work, you're there 24—seven days a week. You've got to be there. You can't leave animals alone.

Mr. Pedersen: Thank you for your presentation, Mr. Martens.

The other day in question period, when asked about Bill 17, the Minister of Conservation (Mr. Struthers) loves to wave a letter from a particular municipality that supports this moratorium, or Bill 17, but my understanding, and correct me because you have lots of municipal experience, the municipality right now has the power to decide whether a livestock operation is sited within their municipality. If Bill 17 goes through, does that not take away that right of a municipality?

Mr. Martens: I believe you're right. That's going to happen with some of the things that have happened. They've been coming back and saying, well, the list of criteria that we used to give somebody the go-ahead to come and build is to appease the neighbours also that are living beside that place that will be acceptable. If we can say to these people, oh, you don't have to incorporate anymore, well, on my farm, that's saving \$10,000 a year on manure disposal. I can do it in a cheap way and put it in the air and don't care where it lands and spend 8,000 bucks, or spend 18,000 bucks and spread it in a way that it's in the ground and it's taken care of and there's no leaching and no smell. So, when we're told we can't do that, it was kind of a—it was a real slap in the face for us. We thought we were being progressive, we were being green, and the government of the day said no, you can't do this.

And the placing of barns—yes, we do think we have control over that, but we're losing it, and with this bill we feel, well, we won't have to worry about it. We're out of the area.

Mr. Briese: Thank you, Mr. Martens. I well remember the shock that was felt through this building when you put the moratorium on in your own municipality; it was a mad scramble went on, and I was involved with the municipalities at the time.

I guess where I'll go on the question is, do you believe that all the tools are there that we need to develop the hog industry right now? The technical review committees; there are the planning districts of the municipalities; there are all the things that probably should be there to make the decisions on a case-by-case basis, and I think that—I want to know—I'm sure that's what the goal was in your municipality and your planning district, and if you'd just expand on that a little.

Mr. Martens: Yes. I'm trying to recollect—you had a number of comments there, and could I ask you to repeat the question please, Mr. Chairman.

Mr. Briese: Thank you. The TRCs and the zoning by-laws and the development plans: Do you think, along with the provincial legislation?

Mr. Martens: Yes, I think we have them in line. If we're going to go, just adhere to it. I think, in our municipality, we're very stringent on that. Make sure that you do the things that are correct, that are neighbour-friendly, and if the rules and regulations of today are adhered to, I think we can have a great hog industry.

There are a lot of expansion possibilities, and my municipality, going west from my place, I think there's about six miles of nobody living and no farmyards and so we have room for it and we have the proper soil for it. But we cannot expand now because of the new rules, so that is detrimental and people do not want to move to western Manitoba if they live here and their family's here to expand. If they have to take up their goods and move out, they will probably move to Saskatchewan, Alberta, or something like that and make a big move where this couldn't all of a sudden, this whole idea of the Bill 17, be expanded to all of Manitoba.

Mr. Chairperson: Thank you, Mr. Martens. Time for this presentation has expired.

Point of Order

Mr. Chairperson: Mr. Schuler, on a point of order?

Mr. Ron Schuler (Springfield): Mr. Chairman, could you canvass the committee and see if there would be leave not to have quorum counts at this committee for the remainder of the day?

Mr. Chairperson: Mr. Schuler has asked for leave not to have quorum count. What is the will of the committee? [*Agreed*]

Okay, it's been agreed that for the remainder of this day, there will be no quorum count at this committee.

* * *

Mr. Chairperson: The next presenter, Mr. Garry Wasyłowski, private citizen. Mr. Wasyłowski, do you have a written copy of your presentation? [*interjection*] You do? You may proceed.

*(13:10)

Mr. Garry Wasyłowski (Private Citizen): Thank you. My name is Garry Wasyłowski. I am a livestock producer from the Interlake, and I am here today to ask the government to withdraw Bill 17. This is bad legislation for the province of Manitoba. I'm not sure what the logic of this legislation is. In fact, it appears that there is no logic for this legislation at all. It appears to be based solely on politics.

Over the last eight years, the Province has commissioned two reports on the livestock and hog industry: *Finding Common Ground* was first done when it was first commissioned a few years ago, plus the CEC report. There was also a report received from the Lake Winnipeg Stewardship Board, and none of these reports recommended banning agricultural activity in the province of Manitoba.

Livestock in Manitoba is good for the economy, and on a number of occasions the minister of livestock has talked about value-added in rural Manitoba. Certainly feeding grain to hogs is one reason, and feeding grain to livestock is one way to have value-added. I also remember being in a meeting with former Minister Tim Sale where he commented that it was much better to sell \$40,000 worth of processed meat from this province than to sell \$4,000 worth of barley.

Manitoba needs these jobs, and rural Manitoba needs these jobs. I know there are proponents of the bill that will say there are not a lot of jobs created in Manitoba because of this industry, but you have to

look at all the jobs created, not just in the barns. There are the feed mills. There's the construction. There are the extra dollars that stay within a community and get spent within a community that roll over. All these have to be taken into consideration.

I also have a major concern with the precedent that this legislation sets, because there is no logic for this legislation. It is not based on fact and it is not based on science but purely on politics. It concerns me that special interest groups can create a perception and that the government would bring down legislation based on the perception, not based on fact or science. We all know that there are special interest groups in this province opposed to all forms of agriculture, and if this bill passes, what's next? No livestock in confinement, period, in the province? Certainly, Crown lands, and livestock raising on Crown lands, a ban on all fertilizers, a ban on herbicides, et cetera, there's a lot of things that have to be taken into consideration.

And what disturbs me most about this legislation is that the government is playing politics with the environment. This legislation does absolutely nothing for Lake Manitoba, but in the eyes of some—and this is a real concern to me—it will appear as if the government is taking action.

As I said before, I do not know the logic for this legislation, but I will make a couple of assumptions. The first is that the Province sees spreading of manure on land as bad for the environment. Manure is an organic compound and putting it back on the land is the right place for it. Phosphorus is phosphorus, whether it comes from manure, synthetic fertilizer or human sewage. Crops recycle the nutrients. Nature looks after itself as long as we do not overload it, and there are regulations in place to prevent this from happening. Certainly the government needs to instil confidence in the public that these manure regulations are being adhered to.

Secondly is the phosphorus issue, and once again there is no fact or science to show that this legislation will solve this issue. Water quality studies on streams in the Interlake have been done, and they have shown that the farther north you go, the better water quality is in these streams. Interestingly enough, the further north you go, the more dense the livestock populations are.

Also, while there is a perception that the spreading of manure on the land is bad for the environment because there is a possibility that it can

get into the waterways, it appears perfectly all right to discharge sewage directly into our waterways. In fact, the City of Winnipeg requires a minimum flow down the river so that their sewage can be discharged. Can you imagine if a farmer asked for this stipulation? There certainly appears to be a double standard.

In closing, politics and perception will not solve the Lake Winnipeg issue. The Lake Winnipeg Stewardship Board made a number of recommendations, and the government needs to work towards those goals. It is inconceivable that a government would put legislation such as this forth and make it appear to the public that they are doing something.

I also want to comment there were some studies done on the application of hog manure on land, and these studies have never been brought forward. In fact, one was just a mile away from my place. All the data has been collected, yet no report has been written. Is that because this does not serve the government's purpose and did not show any negative effects on our environment?

Once again, I ask the government to withdraw this legislation because, not doing so, it would be playing politics with the environment. Shame on any government that would do that. Thank you.

Mr. Chairperson: Thank you, Mr. Wasylowski.

Questions?

Mr. Eichler: Thank you, Garry, for your presentation.

I do have a question for you, though. I know that you were past reeve, and also on the AMM board, and also you're on the Lake Winnipeg Stewardship Board, as well, for a number of years. In your experience on that Lake Winnipeg Stewardship Board, what scientific evidence did you see that was actually presented to that board as a result of effluent coming from the swine industry, or did you have any scientific data presented to your organization?

Mr. Wasylowski: We didn't have any scientific evidence that any of that had happened. What the board recommended was certainly that we needed to work on some science and we needed to find some science. One of the things that was said was we were doing a lot of studying on the lake itself, but in order to deal with the issues of nutrients, we had to start doing more studies on the land.

One of the recommendations is certainly to do some studies on streams, some studies on land, and find out what the issues are involving not only agriculture, but all aspects of nutrient loading, and that these studies needed to be done on the land. Dr. Flaten was a part of that committee. I certainly had meetings with Dr. Sharpley, and there was more study that needed to have been done there and there certainly was no evidence that the hog industry or the livestock industry was creating these problems.

Mr. Eichler: Just further to that, could you single out a single industry that would be seen as the main contributor into the pollution of Lake Winnipeg?

Mr. Wasylowski: The Lake Winnipeg Stewardship Board, and I, personally, believe that everybody is responsible for dealing with this issue. You can't single out one industry. We all have to do our part as individuals, as agriculture, as municipalities, as private citizens, and especially, private citizens. We all have to do our part. I think we have to work; education is a big part of it. We have to educate people as to what needs to be done. I think, at the same time, we have to educate people as to what actually happens on the landscape and how nutrients are taken up and how manure is handled and different issues. With so many people being so many generations removed from the farm at this point, they don't understand how nutrients, crops, and how all that works, and exactly what crops do and how nutrients are taken up. As I said, this is based on perception and not on fact.

Mr. Briese: Thank you, Garry, for your presentation.

I'm going to follow up a little bit on what my colleague was talking about. I know you've participated in the Lake Winnipeg Stewardship Board. I know that you probably received an awful lot of information in your role on that board, reports and data on different things. One of the figures we're hearing thrown around here by the minister is 54 percent of the phosphate loading coming out of the Red River, and he makes it sound like it's coming from one small area of the Red River where the hog industry is. I would like you to expand on the figures and data that you had at that board.

Mr. Wasylowski: I can't remember all the numbers just off the top of my head as to where they were. The Red River is the major contributor to Lake Winnipeg, to the nutrient loading. There's no doubt about that. Over half of that, I think, it's 58 percent, 60 percent is coming from the States, I believe. To say that this is coming, and I heard this comment

before, that it singled out two municipalities, all the nutrients that are figured into that are right to the mouth of the Red River, including the city of Winnipeg and including all the natural run-off and all the things that are picked up through there. So to suggest that 54 percent is coming down the Red River and only a minute part of that would come from the hog industry, it comes from all sorts and that looks at all the nutrients from all sources.

* (13:20)

Mr. Chairperson: Seeing no further questions, I thank you for your presentation.

Mr. Wasyłowski: Thank you.

Committee Substitutions

Mr. Chairperson: I'd like to make the following substitution: Erin Selby in for Kerri Irvin-Ross.

* * *

Mr. Chairperson: Next presenter is Mr. Fred Tait, Hog Watch Manitoba. Good afternoon, Mr. Tait. Do you have a written copy of your presentation?

Mr. Fred Tait (Hog Watch Manitoba): No, I do not, Mr. Chairman.

Mr. Chairperson: Okay. You may proceed.

Mr. Tait: Thank you, Mr. Chairman.

I chose to put my speaking notes in the cover of the 2007 Auditor General's Report, investigation into the hog industry, because this report, although not mentioned here today, is probably one of strongest condemnations that I have yet read. In fact, it was so strong that the media reported the Agriculture critic in the Legislature said he was somewhat appalled when he had read it.

But, in questioning how we got where we are here today in front of this committee, I believe there were some fundamental errors that we made as a society, in that we were unable to differentiate between a farmer, a corporation producing an agricultural product, or those farmers that chose to develop along corporate production models. A production system of a farmer who gathers his feed supply from his own land base, supplies it to his own animals and distributes the waste from those animals back out onto his own land base never has a problem with nutrient loading. That is called a sustainable system. When we go to the others, where you import a feed supply, create massive amounts of nutrient, and, then, for economic reasons, cannot distribute it,

only builds nutrient loading. So some caution needs to be applied as we look at bringing this under control; that we deal with the people that are causing the problem and not the people that are creating an example of how this industry could be functioning.

I've heard repeatedly here, today, since 10 o'clock this morning, and for weeks leading up to today, the need to remove the moratorium. I ask the question as this: And replace it with what, and when? Replace it with what, and when? I look at the possibility, and the likelihood, industry and its supporters around this table would like to replace it with the status quo.

It was mentioned here, today, by Ms. Pryzner, that, under the status quo, it's possible to build up phosphorus to 823 pounds per acre, which is multiple times beyond any agronomic need of a crop or any logical need of doing that. One then needs to just go and look at Manitoba crop production figures. One needs to look at what crop removal figures are for the crops in the different districts that we farm in Manitoba, and one will find that with crops of wheat, we might remove 30 pounds of phosphorus, we might move less. We might take a maximum of 50 with corn. So, when Dr. Flaten talked about 64 parts per million, and the threshold of 76 parts per million comes to 264 pounds of P₂O₅ per acre, if one cannot farm within that threshold, one then should be honest and say, I'm here to talk about waste disposal and not farming. That would be intellectually honest, to do that.

In reality, we can never, as a society, afford to encourage an economy that applies a nutrient that has the potential to damage water beyond a rate of crop removal. A recent *Manitoba Co-operator* story quoted Al Beck as saying: The two municipalities of Hanover and La Broquerie are currently generating nutrient at double the rate of crop removal. And a moratorium does what to that? It doesn't reduce it, because the rate though, itself, is unsustainable. So then, as a society, what do we do to bring that back within the needs of protecting the environment? Because we as a society, in our wisdom, chose to license that development. We, as a society, then, have inherited a liability to deal fairly with those people who now must scale back that production. That is only fair way to deal with this.

This would be an embarrassing situation for many of us, but to do otherwise is to delay an inevitable that we've delayed long enough now, in my opinion.

We are faced with that reality of having to phase back production; there are ways of doing that. We could use the public treasury to move some of that nutrient to areas where it could be absorbed but, at the cost of fuel today, I don't think that's very logical and it's not a wise use of fuel.

The other thing that we could do—this is where the information is, because I hear it here repeatedly today—we could call another study to delay a decision. Preferably, as to what's happened in the past, the industry would say that the industry should fund the study; the industry then can control the study. One would think that may not be always in the public interest to do that, because I believe we've studied enough.

The evidence is strong, and we have to work on the precautionary principle that, when in doubt, a safe course shall be taken. For this reason, I support this moratorium because this moratorium I see as a tool of delaying while the Province creates a regulatory regime that will control phosphorus and bring the application of phosphorus in line with crop-removal rates. That, I see, could not have been done without the moratorium being in place, to give the time to do that. So for that reason, I support the moratorium.

I am also, though, somewhat taken aback that the moratorium is localized, because the very conditions and the very staffing, the very thinking and the very policy which created the nutrient loading in the zones that are covered by the moratorium is still being applied to the rest of the province.

Given time, it will create exactly the same situation and create exactly the same public liabilities to deal with it in the future. We shouldn't go in that direction. We should deal with it now, because we cannot create a nutrient application regime which treats different areas of the province differently in a competitive marketplace. They have to be dealt with equally. In my view, we have to come back to a maximum of 276 pounds per acre, province-wide, not localized. I hope that resonates with this committee.

I'll give you some examples of why, as a member of the public, from time to time, I've become rather stressed about what I see happening. The Province put on a series—pardon me—two manure-management meetings this last winter. I attended the one at Portage la Prairie, because I'm interested in this. I followed it for years.

The presenters showed a cow on pasture and said the cow was removing 30 pounds of phosphorus per acre. As a cattle farmer, I know how a cow works. The grass goes in this end, the manure comes out that end and the phosphorus in the grass goes through the cow. The cow retains a miniscule portion.

So I asked the presenters, you said the cow removed it. Where did the cow put it? This has got to be a version of *Who's on first?* because they insisted the cow had removed it. Well, I said, I understand that—the phosphorus in the grass, the cow ate the grass, cow digested the grass, but then the cow took the phosphorus and put it someplace. Where did she put it? The answer was, well, for our purposes of calculation, it has been removed, regardless of your purposes. For our purposes, it had not been removed. Those sorts of things only alienate the public.

My second example was a barn that was going to be built near Killarney a couple of years ago. I looked at the technical review report. I saw the crop projections and the nutrient uptake for those crop yields. I questioned it, went to Portage and got all the crop insurance data, the risk area and so on. I found those crop yields were optimistic in the extreme, in fact, with corn almost double the expected yield for that area.

I questioned the chair of the technical review team and got back a response that will forever stick with me. The chair of the technical review team said, we consider if the nutrients and moisture are available the yields projections are achievable.

* (13:30)

I said, that's fine, because all my life I have been taught that we needed three components to produce a crop: heat units, moisture and nutrients. Now you've removed the heat-unit requirement, we will soon be growing corn at Churchill and revolutionize this province. Those are the things that alienate me as a member of the public, that those sorts of things come through for me to accept when they are logically unacceptable.

We also, as a society, are always faced with pressure to sacrifice or expend part of our environmental inheritance for a personal gain of some sort.

Mr. Chairperson: Mr. Tait, your 10 minutes are up. Would you like to continue and use up some of your question and answer time?

Mr. Tait: I'll just maybe touch on a couple of more points.

Mr. Chairperson: All right.

Mr. Tait: There has been a fear campaign—and I heard it here just recently—that this government is going to be after me next and for what purpose. There is no logic to that. What we have is an effort to create a human shield of ordinary farmers to protect the people that have been causing the problem, and I am alienated by that.

So I'll end with that. If there are questions, I'll do my best with my time to answer them.

Mr. Chairperson: Thank you, Mr. Tait.

Questions. I have Mr. Eichler.

Mr. Eichler: Thank you, Mr. Tait, for your presentation.

As you know, there was a pause placed before Bill 17 was presented, and your comments previously had mentioned that you were in support of Bill 17. In your opinion, do you not think that a pause would be doing the same thing rather than a permanent ban because, in your comments earlier as well, you stated, based on science and changes in technology.

Do you not feel a pause would do the same thing rather than putting a permanent ban on expanding hog barns in the province?

Mr. Tait: I never assumed that this moratorium is permanent. I assumed that this moratorium would be in place until such time as the Province was able to put a regulatory regime in. I'm absolutely astounded, at this point, that the industry itself did not come forward with its own soil-test data that could've proved, beyond any doubt, that there's no problem, because we tried to get that for the environmental commission public meetings, and we were blocked for 13 and a half years to get it.

So I was astounded that the industry itself didn't take the opportunity to say, yes, put pressure on Conservation to release this, because in the end that will identify where the problem is, where the problem isn't. That's what we have to deal with, is where the problem is, and I think we've got a pretty good picture where that is, and we have to deal with those producers.

Mr. Eichler: Just further to that, I know that you're a farmer as well, and you're trying to increase your production on your farm in order to stay viable and

you want to increase your yields. What technology do you use on your operation to increase those yields in order to stay sustainable with the environmental practices? What can you recommend for us to be looking at?

Mr. Tait: Let's just back up here. Your assumption that I would increase my production because market prices were below my cost of production is wrong. When prices fall below the cost of production, I have downsized my cattle herd, and I'll do so again if need be.

What do I do on my farm to keep in balance? I gather my own feed. I feed it to my own livestock, and I put it back out, the waste, where it came from. I've been doing that for 40 years, and the soil tests show no nutrient buildup, a small nutrient loss.

Mr. Larry Maguire (Arthur-Virden): I just wanted to check, you had mentioned something about 820 pounds of buildup of phosphorus right in the soil. You were recommending 276. A normal crop would take out about 30 or 40 pounds today. I was Intergovernmental Affairs critic when the NDP brought in the increased-land-use management programs for the municipalities in the province of Manitoba, which they wanted and were granted. They put more into regulation, the guidelines that were the toughest in North America already in the '90s, and one of those guidelines was that you can't put more nutrients on the soil than the soil tests will allow, and you have to take a soil test.

Do you feel that that's enough of a management tool to make sure that there isn't an overincrease of either nitrogen or phosphorus or any other nutrient in the soil?

Mr. Tait: That's a good question, Larry. The reason I didn't go into detail on why I established 276 is because it is difficult and there are economic reasons if you tried to apply, say, 20 pounds of P₂O₅ in hog slurry. It's hard to calibrate that low, and the cost of covering the land would be quite high in fuel prices. So what I envisioned is 276. You could do the 276 maybe in one or two applications, but there'd be no more application to that field until you come down to a threshold of, say, around 50 pounds. I suggested that for economic reasons is why I suggested that.

As far as the soil-test data, I don't know if I understood your question, but I don't question the accuracy of the soil-test systems that we're—we're using the Olsen method, and I'm comfortable with it.

Mr. Chairperson: Okay, time for this presentation has expired so I thank you, Mr. Tait.

Next on the list is Mr. Martin Unrau, president of the Manitoba Cattle Producers Association. Mr. Unrau, you have a written copy of your presentation?

Mr. Martin Unrau (Manitoba Cattle Producers Association): Yes, I do.

Mr. Chairperson: Thank you. You may proceed.

Mr. Unrau: My name is Martin Unrau, president of the Manitoba Cattle Producers Association, and I farm with my family near MacGregor, Manitoba.

On behalf of the MCPA, I want to thank the committee for the opportunity to express our association's concern with Bill 17 and the negative impact that this will have on family farms throughout Manitoba. The MCPA represents over 8,000 farmers involved in various aspects of cattle production in Manitoba. Cow producers contribute in excess of \$500 million annually to the Manitoba economy, even at a time when our producers face some of the most significant economic challenges of all time.

While Bill 17 deals specifically with the hog industry in Manitoba and while production methods used by cattle producers are different from those in hog industry, the MCPA is nevertheless concerned about what Bill 17 will mean for livestock producers and rural communities in general.

It is true that our production methods are different from the hog industry. The way we live, work, with the land is different. Our family-farm-based industry structure is different, even with respect to the feedlot component of our industry. We are different in that Manitoba feedlots are mostly small family-owned operations.

I think it is fair to say that we in the cattle industry are probably one of the most non-industrial types of farming you will find in Manitoba's agriculture community. Further, because of the closeness of cattle farms to the land that we live and work on, cow producers really do understand and appreciate how sound environmental practices are not only a positive for the environment, but also usually help improve our bottom line.

We take our role as stewards of the land very seriously, because if we didn't, we probably wouldn't be in business. That's why cattle producers more than anyone else have been the ones in the forefront in adopting beneficial management practices, environmental farm plans, and help to establish farm

stewardship associations—the Farm Stewardship Association of Manitoba and the Riparian Health Council. That's why we work with groups such as Manitoba Habitat Heritage Corporation in preserving the environmental integrity of our landscape.

So the question you may ask is: Why do cattle producers care so much about the bill dealing with hog barns and, more importantly, why are we opposed to Bill 17?

There is one important thing that we share with the hog industry: we both raise livestock for a living. We raise first-class livestock for global export, an activity that brings millions of dollars into the Manitoba economy from around the world. Family farms in the cattle business generate much of Manitoba's wealth. Livestock production is a major economic driver creating thousands of direct and indirect jobs. Even in the face of the significant financial challenges like the ones we face today, and despite those financial challenges, the long-term economics of livestock production are sound.

* (13:40)

But taking advantage of those economic opportunities depends on having a stable, consistent and positive policy environment in which independent family farms can make sound business decisions. Nothing puts the brakes on investment faster than inconsistency and uncertainty. For cattle producers, Bill 17 represents just that, inconsistency and uncertainty in the business of raising livestock that will ripple throughout Manitoba's agriculture sector.

Far from giving us consistency, Bill 17 demonstrates to us as farmers and investors the major inconsistencies between a carefully science-based CEC report that says one thing about the hog industry and a piece of government legislation that says something completely different.

Bill 17 demonstrates the inconsistency of having many years of provincial government support for the expansion of a valuable export-driven commodity such as hogs and then having the government suddenly pull back its support in response to perceptions and not to sound science. Bill 17 demonstrates the huge inconsistency of putting a blanket ban on an entire industry without regard to the unique farm conditions and production methods of individual farmers.

Obviously, it needs to be stated not all farms operate in the same way. Not all hog barns handle

their waste in the same manner and many producers have invested enormously in waste management. Yet, Bill 17 treats the farmers who have gone through the technical review process, met all the provincial and municipal regulatory requirements, made all of that investment and followed regulations to a T, it treats them the same way it treats the occasional irresponsible individual who has made no investment, flouts regulation and doesn't take care of the environment. That type of inconsistency on the part of government with Bill 17 is not only inherently unfair to those individual producers who have done so much good work, it also creates uncertainty in agriculture that rolls over onto our farms in the cattle business.

All of the work and investment you made in good faith in order to meet government regulations one day suddenly doesn't matter the next. What government once actively encouraged suddenly becomes public enemy No. 1. The family farm already has enough uncertainty and the last thing we need is any more uncertainty being implemented by government policy. We just can't do business in that kind of an environment. So while the cattle business in Manitoba may be different from hogs when it comes to method, land use, water use, nutrition management and our relation to climate change, Bill 17 worries us tremendously.

Farm expansion plays a critical role in helping the next generation get into farming. More often than not, expanding the size of our family farm is the only viable way to ensure enough of a financial return to allow your children to become farmers themselves. For most young people, starting up a new operation is not a viable option. It's either expand an existing operation or lose your kids to the oil patch in Alberta, which is the case for a lot of our Manitoba young people.

All of the government's young farmer rebates and programs designed to encourage young Manitobans to stay and farm in Manitoba will be absolutely pointless if you cut out the whole viable method of getting young people into farming in the first place. I, for one, am finding it difficult to tell my own children to stay and be the fourth generation to run our farm when I see things like Bill 17. They see those things, too.

The provincial government also repeatedly says it wants to see increased processing capacity for cattle here in Manitoba. It says it wants to help the private sector make beef processing happen in our

province. But I ask you, what family farmer, groups of farmers or investor with foresight in mind would want to open a new beef processing facility with something like Bill 17 hanging over their heads?

Bill 17 undermines this government's own stated objectives when it comes to saving the family farm and rural communities. Bill 17's freeze on expansion and investment in the hog industry and its ripple effects throughout agriculture threaten to drive the final nail into many rural communities—final nail into the coffin, into rural communities around the province.

It will not take long for this type of economic hit to the hog industry to work its way through to all the various small stores, support services, goods and services suppliers in rural Manitoba.

You're not just freezing the hog industry with Bill 17. You are boarding up entire rural communities. You are going to have to keep all those schools open and have no kids to fill them. Bill 17 erodes the confidence, which cattle producers have, that facts, science and the CEC will be what shapes government farm policy and not the perceptions coming out of focal groups and generic polling.

Worst of all, I think Bill 17 is barking up the wrong tree when it comes to saving Lake Winnipeg. Hogs aren't the only source of nutrients in this province. The CEC report itself says, with some recommended changes and modifications, that the industry is actually sustainable. There's no moratorium or ban mentioned in the report.

Yet we have seen the City of Winnipeg spread winter sludge, containing all manner of human waste, heavy metals and biomedical residue, on fields around the city. We have municipalities, like Winnipeg, that can't adequately treat its own sewage for removal of phosphorus and nitrogen.

Mr. Chairperson: Order. Mr. Unrau, your time has expired. If you would like, I could ask the committee to include the last page as read, and we could proceed to questions and answers. Would you like that?

Mr. Unrau: Okay.

Mr. Chairperson: Is that agreeable? *[Agreed]*

Mr. Unrau: Okay, then the—*[interjection]*

Mr. Chairperson: I'm giving him the option of having it deemed as read, or if you would—

Mr. Unrau: I'm fine. I'm fine with that.

Mr. Chairperson: –prefer, you could read it into the record.

Mr. Unrau: I'm fine with question and answers now.

Mr. Chairperson: Okay, then your presentation is deemed read.

We have municipalities who dump their raw sewage into rivers and streams when storm water overflows the sewer system. We have cities and towns doing things on a regular basis that, if it were a farmer who did that, they'd end up in jail.

There are so many other, more significant sources of nutrient-loading into Lake Winnipeg than the hog industry, and as a citizen of Manitoba who wants to leave a healthy lake for my children and the others of their generation, I worry we are going to waste so much time and effort on addressing the misperceptions of city folks about the hog industry that in the end we're not going to tackle the real causes of the problems with Lake Winnipeg.

With Bill 17, Manitoba will not only end up with rural ghost towns, it will end up with ghost towns alongside a lake that's still full of algae.

For all these reasons, Manitoba's cattle producers respectfully ask that the provincial government not proceed any further with Bill 17.

Thank you.

We'll move to Q and As. I have Mr. Eichler.

Mr. Eichler: Thank you, Martin, for your presentation. I do have a question for you in regard to regulations. We know we have producers that do a great job at looking after the environment and some that don't.

The regulations that are there now—do you feel the government has enough enforcement on those regulations that, if they started to enforce those regulations, in fact, they wouldn't need to put a permanent moratorium on the hog barns?

Mr. Unrau: We feel that the regulations are adequate. If the enforcement was applied, we'd be fine with that. We feel that moratoriums—they don't work for the situation that we're in. Moratoriums send a negative message for the economic side and the environmental side of a program like this, in agriculture especially.

Mr. Eichler: Thank you. I know that your organization's been very active in promoting science

on all levels of manure management and the environment.

Could you share with us anything which you feel that maybe we need to be doing or recommending to the government that they look at, as far as changes to the environment or changes to the regulations?

Mr. Unrau: We have been active in pursuing the environmental issue and the regulations concerning environmental issues. We think, at this time, with the rapid movement of regulations that are being put into place, as producers—and I'll speak only for cattle—as producers of cattle, we feel that we just need a little more time to be able to ensure that some of these regulations are properly looked at.

Mr. Gerrard: I note that you mentioned the concern that investors, who are thinking of opening a new beef processing facility, might back off because of Bill 17. I've actually already heard some rumours that this might, in fact, be happening. I wonder if you can expand a little bit on this.

Mr. Unrau: I guess I was lumping this together as a general comment.

* (13:50)

When you have investment, you have to have a positive investment climate in order for investment to come into any type of an operation or any type of an industry. We feel when government sends a message that they can put a moratorium on an industry, that is very dangerous when it comes to the investment climate in a certain province or state.

For Manitoba, especially, we've been working hard to try to ensure that investment comes forward in order to put up a processing facility. I think one of the stumbling blocks that we do have in Manitoba is the message that is being sent, not just this, but messages at other times that have been sent that the province may not be as friendly to business and investment as other provinces are. That could be debated at length, but the feeling amongst investors, I believe, is negative towards Manitoba at this time.

Mr. Maguire: Thank you very much for your presentation, Martin.

One of your second last paragraphs here is that with Bill 17, Manitoba will not only end up with rural ghost towns, it will end up with ghost towns along side a lake that's still full of algae. I would assume that you would then agree with the statements of Dr. Trevan, the dean of Agriculture at the University of Manitoba, and his statements that it

wouldn't make much difference to the lake if you took all of the hogs out of Manitoba.

Mr. Unrau: I'd just like to make a comment that we believe agriculture is not a prime contributor to the problems we have in our waterways. We're working hard to ensure that in the cattle business, especially livestock, and all of agriculture is working hard to ensure that we do not put nutrients into the waterways. We're talking streams, ditches, small lakes, large lakes. It doesn't really matter. We talk about Lake Winnipeg most of the time but small bodies also. It's extremely important that as livestock producers that we keep clean sources of water for the commodity that we produce. I feel that it's extremely important that we look at all the issues when we look at Lake Winnipeg, when we look at our bodies of water, at the algae in the lakes. It isn't agriculture, it's everybody.

Mr. Chairperson: Okay. Seeing no further questions, Mr. Unrau, I thank you for your presentation.

Mr. Unrau: Thank you for your time.

Mr. Chairperson: I will now call Mr. Hank Enns for the Manitoba Corn Growers Association. Mr. Enns, do you have a written presentation for the committee?

Mr. Hank Enns (Manitoba Corn Growers Association): Yes, I do.

Mr. Chairperson: Okay. You may proceed when you're ready.

Mr. Enns: Mr. Chairman, ladies and gentlemen, my name is Hank Enns. I farm in southern Manitoba and manage 3,000 acres in the Altona area. I'm here today to represent the Manitoba Corn Growers Association. We would like to thank this committee for taking this time to listen to concerns of our association with regard to Bill 17, The Environment Amendment Act.

The Manitoba Corn Growers Association represents over 600 corn farmers in Manitoba who produce over 20,000 bushels of corn in Manitoba. Of that production, more than 30 percent of over 6 million bushels of corn are used in the production of feed for the hogs in Manitoba.

For many years, while we as grain growers suffered from low prices, the government of Manitoba's response has been farmers must learn to add value to their crop. We have done that. One of these value-added industries is the hog industry. This

industry has been built over the past number of years with a lot of hard work and much encouragement by the government of this province. Now, this very same government has put a stop to further expansion of that industry and, therefore, a stop to further expansion in an important market for our crops.

Further to this, corn requires a lot of nutrients. The hog manure available to many of our members has allowed them to address much of their nutrient needs and has reduced the cost and the amount of synthetic fertilizer applied to their corn crops. In a time of ever-increasing fertilizer costs, the removal of this option would be an additional cost that corn farmers should not have to bear.

We were encouraged when the Clean Environment Commission, CEC, finally released its report to read that it agreed that the hog industry was viable in this province, with additional recommendations to ensure that viability. We were looking forward to the lifting of the moratorium that had been imposed.

Imagine our dismay and concern when the government then announced that it was going to ignore the very credible science that had been used to develop the CEC report and introduced Bill 17 instead. This same government has long encouraged producers and organizations, such as ours, to spend a large amount of our checkoff dollars in research. We have listened to that recommendation by government and spent over 90 percent of our checkoff income on research to benefit our industry.

We are disappointed that the government, which encouraged farmers and their producer associations to conduct research and use these results of the research, totally ignores the research available on this matter and comes to their own conclusion. It would lead us to think that perhaps there is a better use for our checkoff dollars if government is not going to value the results of the research anyway.

The Manitoba government has, in the past number of months, introduced nutrient management regulations that will protect and preserve the Manitoba environment. With these new regulations, it will be possible to monitor and control much of what goes into our waterways. However, with a complete moratorium as suggested by Bill 17, it is very likely that the industry will move to regions either in the south or the west of Manitoba where regulations are not nearly as strict. Unfortunately, the results of such a relocation of industry will be that our watershed will be impacted because most of our

water originates in these areas, and now our government will have no control at all.

We believe our province and its waterways would be much better off if the industry remained here and the moratorium was lifted and our government regulated the industry on a site-specific basis to ensure that expansion is only done in the areas where research and science demonstrates it would be sustainable.

Now, on a more personal note, I'm also a councillor in the R.M. of Rhineland, and I sit on a planning committee. We deal with all these kinds of issues, and we're working very hard to bring industry into our municipality. We have succeeded with the Sunbelt corporation that we now have, and we're working hard at that.

What I see over here happening, and I'm no scientist or anything, but we're all sitting over here discussing these environment issues when we should be saying to ourselves, we have the technology; we have the science; we have the people. I am one of them. I'm moving ahead. I'm not moving backwards. I'm not putting a moratorium on nothing. We can move ahead. I know we can. I don't know what we're doing here. We can move ahead. We have the technology. Let's do it.

* (14:00)

In closing, I'd also like to thank you for your time and attention. We would strongly encourage that you remove this bill and go back to using the new regulations that were being developed by government and the industry and address the environmental concerns of this province. Thank you.

Mr. Chairperson: Thank you, Mr. Enns.

Questions?

Mr. Struthers: Thank you, Hank. Thanks for your presentation. I also want to acknowledge the commitment that your organization has to continuing research and development.

I was very interested in your comments about moving producers from one part of the Hudson Bay watershed to the other. Of course, that needs to be a concern that we have. Our intent, nobody's intent is to simply exacerbate a problem or move a problem around, but if we are truly talking about the excess—manure has been fertilizer for a long, long time—if we're talking about the excess manure that is being applied to land in areas where there's an overproduction, if there's a lack of land to spread it

on, and we move that from the two R.M.s that I mentioned earlier, for example, where 28 percent of the hogs in Manitoba are produced, to another part of the province where—you know, this isn't a moratorium for the whole province—if you move somewhere else where soil conditions and availability of land exists, then wouldn't we be reducing the number of nutrients that go into Lake Winnipeg? I'm not suggesting that farmers start moving to other places based on that, but I just want us all to be consistent in our thinking on this. Do I have that right or not, Mr. Enns?

Mr. Enns: Yes, the fact is if the hog industry moved to the west, that water's running right through my backyard. It's going the same place as it would in our R.M., but it's coming down fast because it's uphill. To the west is the escarpment and to the east is that region there.

Mr. Struthers: But my point is, if there's an area that's outside of the moratorium where there's a better capability of spreading the manure to be taken up by the crop—and you make a very good point in terms of corn taking a lot of those nutrients out of the soil—if it can be done in an area where that manure can be more effectively spread to encourage the uptake of that excess, uptake the manure and not leave an excess, then those nutrients wouldn't be flowing through this watershed in the first place.

Mr. Enns: Yes, I agree with you to a point with that. In our R.M., right now, we only have site-specific areas where we would even consider putting a hog barn, okay? It's already all—we planned it out. It's done. We know where they can go, where they can't go. We have those regulations. We put them in place. We planned for it. There are hardly any more going to come, but it's the moratorium that needs to be lifted, gone. Let's move on.

Mr. Gerrard: I'd like you to comment on—corn needs a lot of nutrients. You know, the value of having manure as opposed to commercial fertilizer, it probably helps with the bills, but it probably has particular applicability to corn because of the amount of nutrients that you need. Most of the corn grown in Manitoba, I suspect, is disproportionately in the areas of the moratorium. Can you comment on the impact of the moratorium particularly in terms of the corn-growing industry?

Mr. Enns: Yes, I can. Not that I'm going to come here and brag or anything, but I use manure. I have a plaque from this last crop season of 241 bushels an acre. It's from manure.

An Honourable Member: That's corn.

Mr. Enns: Corn. I grow corn.

I had Puratone which gave me the right to talk about their barns on the border; I've got 900 acres over there. They have a barn there; they want to put another barn there across the road. I'm now renting that land because they can't put a barn in there.

Every three years we do a nutrient management, and they put manure on my ground. It doesn't cost me a cent. That's \$70 to \$60 an acre that I'm getting from that barn, because they need a place to put their manure. It's working.

Mr. Briese: Thank you, Mr. Enns.

There seems to be a mindset floating around that farmers routinely go out and overfertilize their land to what the crop uptake would be. I've heard you talk about your great yield of corn—congratulations. Would you comment on that? Is it a common practice for farmers to use more fertilizer than a crop needs, than what their soil tests call for?

Mr. Enns: No, not even maybe. If anybody is doing that, I'd like to talk to that guy, because it's—our costs are all going up. The fuel is going up; fertilizer is huge, and I've fertilized exactly according to my recommendations on soil tests. I've done that for the last 10 years.

Not only that, I try to get as much manure as I can possibly get, because the synthetic fertilizer, compared to the manure part—there's a huge difference. You wouldn't believe how many crops you can grow on a piece of ground like that, in a row, with not fertilizing for two years sometimes.

Mr. Pedersen: Would you agree, Mr. Enns, that there's probably a direct correlation? A number of the presenters have expressed the belief that the hog industry will shrink and shrink dramatically because of Bill 17 in Manitoba.

Is there a relationship between the amount of corn grown—if the hog industry really does shrink, do you think the number of corn acres will shrink?

Mr. Enns: I believe so. The corn industry likes to have more than one buyer in the province. You know what one buyer does; it ties you. We now have Mohawk to sell to and the hog industry. So it gives us confidence in what we're doing. Do we not have that, the corn acres will go down, definitely. Mine go up and down, according to what's going on here; I can't grow corn if I don't have a market to sell it to.

Mr. Chairperson: Time for this presentation has expired. I thank you, Mr. Enns.

We'll now call Mr. Weldon Newton.

Mr. Weldon Newton (Private Citizen): Thank you.

Mr. Chairperson: Private citizen. Mr. Newton, do you have a written copy of your presentation?

Mr. Newton: Yes.

Mr. Chairperson: You may proceed.

Mr. Newton: Thank you very much.

The announcement on March 3, 2008, of a permanent moratorium on any expansion of the hog industry on the eastern side of Manitoba does not follow any logical or reasonable thought process. This moratorium is not about the protection of Lake Winnipeg, but it is a political attempt to dismantle a key part of Manitoba's agriculture industry.

I was asked to be a member of a group that became known as the phosphorus expert committee in the fall of 2002. The final report, which is a copy there, was published in January of 2006.

I was the only producer member on this committee. We were asked to look at the science around the movement of phosphorus in the environment and provide a recommendation to your government as to whether soil phosphorus levels should be regulated for the application of manure and, if so, how this might be done.

* (14:10)

The phosphorus expert committee consulted with various researchers from Canada and the United States on the current scientific knowledge on the transport of phosphorus in the environment. The committee provided your government with a set of recommendations to address the issue of phosphorus accumulation and prevent the overapplication of livestock manure, those recommendations to apply to all species of livestock, not just hogs.

Ms. Sharon Blady, Vice-Chairperson, in the Chair

So I ask: Why then did you decide that no more hog barns can be built in this area but other species of livestock may increase and operations will be allowed to expand? You incorporated the recommendations from the phosphorus expert committee into the livestock, manure and mortalities management regulation with an amendment regulation, and I believe it's 219/2006 on November 8, 2006.

However, that appears to be insufficient to regulate the hog industry in the eastern part of Manitoba. You have said that since the phosphorus expert committee designated this area as a sensitive area that this ban is justified. I again remind you that those recommendations apply to all livestock species. You are now saying that no one in this moratorium area has sufficient land to spread manure from new or expanded livestock from hog operations, but apparently there is sufficient land to apply manure from other livestock species or sludge from human waster water treatment plants. I take great exception to that interpretation and feel you have basically told everyone that participated on the phosphorus expert committee that their efforts and contribution are of no value, and you are going to make agricultural and environmental decisions based on some other political opportunism rationale.

If we look back to the announcement by Premier Doer in November of 2005, that Olywest would build a state-of-the-art pork processing plant in Winnipeg, it has been nothing but a political football for the hog industry since that time. You have attempted to portray the hog industry as a major cause for the degradation of Lake Winnipeg. It is only one of a potentially dozens, or maybe hundreds of sources, or, in reality, millions of sources of nutrients that end up in Lake Winnipeg.

You told every hog producer to park their business, regardless of where their barn was located or the land base that was associated with that barn for nearly 18 months while the Clean Environment Commission looked at the environmental sustainability of the industry. In some cases that has prevented the next generation from becoming involved in family farms and certainly delayed it as well. That certainly would have been the case on our farm if the next generation had been interested in becoming involved in our operation at that time, and there may be some interest.

I have lots of land to spread manure on based on crop requirements. I also have a neighbour who recognizes the value of hog manure and has told me that if you ever come short of land, come talk to us. We'll help you out. Incidentally, I control 12 of the 16 quarter sections of land in a one-mile radius of my barns.

The Clean Environment Commission provided 48 recommendations, most of which the industry can adapt to if sufficient public financial assistance is provided. However, the elimination of winter

spreading and requiring all manure structures to have negative pressure synthetic covers will probably force most small producers out of business unless you provide a large amount of financial assistance. I'm one of those producers that winter spread. I recognize it's not a good practice. I would like to get rid of it. In fact, I made some significant efforts two years ago, before you started the ban, that maybe I would move that way. Well, once you started the ban, obviously I can't do anything and I'm not prepared to move at this point in that direction.

How will this ban on new or expanded hog operations actually reduce the amount of nutrients actually applied in the moratorium area? Producers use commercial fertilizer or livestock manure to provide the necessary nutrients that their crops require. They now will be forced to use only commercial fertilizer. This ban will not reduce the amount of nutrients required to sustain crop production in this area. It will not change the amount of nutrients that are actually applied to the crop planted in this area. Are you also going to ban commercial fertilizer, I guess is the next question.

It would appear that you really don't want a livestock industry in this province, and you believe our future lies in being totally dependent on the good wishes of CN and CP and their employees to export bulk grain to tidewater for any surplus that is to local consumption. Many of us are tired of hearing the excuses that the railways have and they always provide on why they are unable to provide dependable and timely service to the grain industry. We also wish to make better use of labour to provide year-round employment for our families and our employees, and to diversify our income. That's why we went into livestock.

About two years ago, you brought out a proposal for a nutrient-management regulation for most of agro Manitoba. The first version, which was presented at public meetings, basically put the cattle industry out of business if they were located on marginal lands. You have since made some changes that may allow the cattle industry to remain viable.

It appears that you and your Cabinet members have very limited understanding of how agriculture actually operates on the landscape. I believe that we expect and deserve a higher level of informed decision making than Premier Doer and the rest of your Cabinet colleagues have shown in the development of Bill 17. This bill is really another

step in what appears to be your government's desire to eliminate the hog industry in Manitoba.

The livestock industry, both cattle and hogs, are facing some severe financial difficulties at this time. This is a worldwide issue. It's not just a Manitoba or Canada problem. It was not very long ago that the grains industry was also facing an equally bleak financial future. I suspect that the current high grain prices may not last for many years, if you think they are high. When you look at where the input costs have gone in the last six months, will the grain producer actually have an increased net income for more than one or two years? I guess the quick calculation we did last week, after we finished putting our crop in, is we sunk \$200-an-acre in on cash costs this spring. It was about four years ago that we thought that \$200-an-acre gross income was a great income.

You're asking cattle producers to contribute to a fund to provide financial assistance to expand cattle processing facilities in Manitoba; this after allowing the beef processing industry to be bought by Alberta—granted it was about 25 years ago, but they bought it. You have people who are willing to invest in increased pork production in Manitoba, and you seem determined to chase them away. Your business development rationale escapes me. Some people have suggested that you, in fact, seriously considered banning the construction of new barns in any area of Manitoba.

In many cases, you have now destroyed the aspirations of the next generation that they can be involved in primary production agriculture. The only option that they will have in this area is to have a larger grain farm or have employment off the farm and make farming a part-time business. This is probably not very attractive for many in the next generation.

Why can't a site-specific management system be used? If there is sufficient land available to use the nutrients for crop or hay production, then the opportunity for livestock production should remain a viable alternative for the future.

You allow expansion if anaerobic digestion in a manner acceptable to the director is used. Have you got the professional expertise available to design these facilities and guarantee that they will work satisfactorily or will producers be left to develop the technology and make the system work satisfactorily at their expense?

Can you explain how the production of methane, through anaerobic digestion, actually reduces the nutrient content and the amount of plant nutrients that will remain in the sludge? Certainly, the material that I've seen, it shows that the nutrients in fact aren't reduced; they're still there. You take off some carbon and some hydrogen, but the rest of it's still there. It is useful for odour reduction; I will acknowledge that.

At this time, I'm an unconvinced skeptic of the technology for environmental protection, and you have to show me that it is not just a dream of you and your eco-friends. Quite frankly, it is time you and your colleagues did the right thing for a commercial agricultural industry in Manitoba. I would ask you to quit designing agricultural environmental policy only to get a favourable rating from the uninformed and misguided results of public opinion polls from the non-ag sector of Manitoba. I would ask you to end your political vendetta against the hog industry.

Agriculture is, and can continue to be, environmentally sustainable. It must also be economically sustainable. Bill 17 does not accomplish either.

In closing, I would urge you to withdraw Bill 17 and instead look at other alternatives that will provide a future for the livestock industry in Manitoba and also provide reasonable protection for our land, rivers, lakes and streams. I know there are better solutions. Thank you.

*(14:20)

Madam Vice-Chairperson: Thank you, Mr. Newton.

The floor is now open for questions.

Mr. Struthers: Thank you very much, Weldon. I do appreciate the work that you and the others did on that phosphorus expert committee. If you look at this CEC report, the report said very clearly, though, that that wasn't strong enough. That is in the report.

There's been debate around the committee table and elsewhere as to what's in the report and what isn't, but very clearly in the report it said that that framework wasn't strong enough to make sure that the industry was sustainable, environmentally sustainable.

So we as a government, we're in a position where they said to us you can't afford to stick your head in the sand, to pretend that everything's fine. You have to take some action. Partly based on the hearings that you were involved with around

Manitoba, with the regulation that came from the advice of the phosphorus expert committee, we proceeded with strengthening that framework.

I'd like to know what it is, somewhere between your recommendation from the phosphorus expert committee and Bill 17, where you think we should settle out.

Mr. Newton: Well, I think, first of all, to my reading of the CEC report, they didn't quarrel with the thresholds that we suggested. Certainly, I know there's been more research done. We understand phosphorus movement better than we did five years ago, and it is a relatively new understanding. I acknowledge that.

But I still think that, to me, the main result of the phosphorus expert committee was, in fact, the thresholds that we suggested. I guess my reading of the Clean Environment Commission report does not suggest that those are not adequate at this point, and I think that's a good basis to start to work from.

I'm not afraid of new science, but I want good science and I want it peer-reviewed science.

Mr. Struthers: Thanks, Weldon. One of the recommendations of the CEC was to do that kind of a review. They're looking at indexes and there were discussions about all of those sorts of things.

That will happen even in R.M.s that are outside of this moratorium. What would your advice to this minister be in terms of moving to something stronger than what is recommended by your phosphorus expert committee?

Mr. Newton: Well, I'm not sure what you mean by stronger. I think we have to take a hard look at the science. Certainly, we have some good research coming out of the University of Manitoba with Don Flaten. We've talked to Andrew Sharpley. In fact, the phosphorus expert committee talked to him. He has also had published more work in the last two or three years along with some other people that have a very good reputation in that field. I think we have to look at that and see where we go.

But I think we need to be sure that we actually really look at the science before we do it, and, as I say, until we get there, I think what we've got is good. If you can meet the current guidelines—I guess that's my concern—why can't I build a barn?

Once there're other opportunities for other things that we are looking at, whether it's feasible—if two municipalities have a problem, and I agree they do.

I've seen some of the numbers, but I know the producers in that area that have a problem. They already know they have a problem. In fact, a lot of them are spending a lot of money on how they can actually stay where they are and solve the problem. I think we need the time to have producers put their ingenuity hats on, and you'll be amazed with what they come up with, and they won't need regulations to do it. I guess the best example I use is look at all those \$250,000 air seeders that are out on there this summer. Now, where was the first one built? It was built in a farmer's shop in the wintertime in Saskatchewan.

I think if you work with us and give us a chance to work with you, we can come up with some solutions on this. But what you have done, you've put everybody's back up against the wall, and co-operation is going to be much more difficult to get now than what it could have been if you'd taken a different approach.

Madam Vice-Chairperson: Okay, we have 30 seconds and two questions.

Mr. Eichler: I'll ask the minister to keep his questions a little shorter, then, so the rest of us will be allowed to ask some questions.

Thank you for your commitment, first of all, on the PEC committee. I think it was a great job. That was tabled in January of 2006, of which most of those recommendations were implemented. We haven't had an opportunity to really see if, in fact, they did do the job that the committee wanted them to do, and now we've been presented with Bill 17, a new set of regulations and laws that are being proposed.

What can you advise for the minister? To let the regulations have an opportunity to take and work its way through the system and withdraw Bill 17, or try and put a permanent ban on, the way he's going now?

Mr. Newton: Well, I think we have to withdraw the bill and, certainly, you've had offers today from the leaders of various commodity groups, one of which I'm involved in, but others, that producers are willing to sit down with you and look at the science and where can we go. I guess, on the other side, and I'll, you know, pick my own hat a little bit here, I think I was fairly instrumental in this whole process of the phosphorus expert committee of getting a buy-in from both the hog producers and the cattle producers because I talked to those people as we went along and said, look, this is the science, we need to go here,

and they came along. And I think you need to follow that, get them involved and follow the science, and I think producers will go along.

But, doing this, as I said, has put everybody's back up and it's going to be a little harder. You're going to have a tougher time now, but you need to do it.

Madam Vice-Chairperson: Thank you, Mr. Newton. We have exceeded our time.

Mr. Briese: I'd ask leave, with the background of Mr. Newton, to ask him a couple of more questions. He, at one time, was the chair of Manitoba Pork, and he has also been the chair of the Keystone Agricultural Producers, and the minister took up most of our time. I think we should be allowed a couple more questions, here.

Ms. Wowchuk: I think we had the request earlier this morning and we had said at that time that we have a lot of presenters and if we are going to start giving extensions then we are going to be much longer and there are many other presenters here that we should be hearing, so I do not think we can start doing extensions.

Madam Vice-Chairperson: Leave has been denied.

Point of Order

Mr. Eichler: We've been trying to be as fair as we can. We want to get through these just as quickly as the government does. But, as has been pointed out, we have a leader in our industry here that has an opportunity to provide information to us that is significantly important to the presence of this bill and I think that the minister needs to re-evaluate her answer and allow Mr. Briese, the Member for Ste. Rose, in order to ask a question.

An Honourable Member: Leave.

Madam Vice-Chairperson: Is anyone else speaking to the point of order? Okay, thank you for the information, but it is not a point of order, so leave has been denied.

* * *

Madam Vice-Chairperson: Thank you again, Mr. Newton, for your presentation.

We now call up Sheldon Stott—Mr. Maguire?

Point of Order

Mr. Maguire: Madam Vice-Chair, point of order. You know, I wasn't here this morning. I had the

opportunity of being in the other chamber to listen to the bills that were going through there and it's with consternation that I find that the Minister of Agriculture, who's supposed to defend the industry, has just shut down the leader of the industry—a former leader of the industry. She's muzzling the people that are coming to speak as much as she's shutting down the industry with her bill. I just find this unacceptable, and to miss the opportunity of asking a leader like this, you know, more than one question from our side after the minister took, you know, two or three questions. Surely, we can have some leave, here.

Madam Vice-Chairperson: Thank you for your comments, Mr. Maguire. We had earlier discussion and agreement as to how we would proceed in the efforts to hear as many people as possible today, and, in closing, it's also not a point of order. So we will proceed.

* * *

Madam Vice-Chairperson: We now call forward Mr. Sheldon Stott of Hytek Ltd. Mr. Stott, do you have a written presentation?

Mr. Sheldon Stott (Hytek Ltd.): Yes, I do.

Madam Vice-Chairperson: You may proceed.

Mr. Stott: First of all, I would like to thank the committee for allowing me to present some comments on this very important bill to agriculture and to Manitoba. I would first like to start with just a brief background of my company that I'm here to represent, Hytek Ltd.

* (14:30)

Hytek Ltd. was founded in 1994 as a joint venture of two family farms. Then the Janzen and Vielfaure families joined forces to maximize their resources and allow themselves the opportunity to grow within a very prosperous agricultural environment in Manitoba. From that point, we've grown to a fairly large company. We are considered the second-largest hog producer in Canada by producing approximately a million hogs per year. For the most part, that production is all centred out of Manitoba. We do have operations in Saskatchewan, North Dakota and, most recently, China and have just recently completed the purchase of Springhill Farms pork processing facility in Neepawa, Manitoba.

Just a little brief background on myself. I'm a graduate from the University of Manitoba, born and

raised in south eastern Manitoba. I've got a degree in agro-ecology, which I'm currently happy to say I'm practising within my professional realm as a agrologist for Hytek Ltd.

My current title is director of environmental affairs. Just a quick description of that: Basically I manage anything environment-related with our company. That includes manure management, siting of operations, government relations when it comes to issues of importance such as this, and on and on the list goes. So this is a topic that is very near and dear to my heart. I've been involved for five years now with Hytek and hope to continue being involved with it in the future.

Just as a first point, Hytek Ltd. is not in support of Bill 17 as it sits. The effects of that bill we find to be somewhat negative to the agriculture environment in Manitoba, particularly the hog industry but agriculture as a whole.

I guess I'll just run through—I've got four key points regarding the bill and then three conclusions that I'd like to present. Then I'll open it up for questions.

My first point is with regard to the Clean Environment Commission hearings that just took place and the report published in December of this last year. At first, ourselves as well as many others in the industry, were a little taken aback as to the decision to go to the Clean Environment Commission to study the sustainability of hog production in Manitoba. But, as all things, you grow accustomed to it, and the hog industry actually embraced the opportunity to go out and vindicate our industry, showcase to ourselves, to the government and to the general public that we're a sustainable industry and will continue to be sustainable into the future.

I believe, with the publication of the report, we were shown to be sustainable. The Clean Environment Commission—and I'll quote, in the end, the commission has identified three overriding areas where further action is needed to ensure the industry's environmental sustainability. It's not indicating that the industry is not sustainable. It indicates that there need to be three key areas of improvement to ensure the sustainability long-term.

Those three areas are mainly focussed on the provincial government's regulations. Some amendments to those regs, data collection and analysis, research and development and the structure

of the provincial and municipal livestock approval process. With those three main challenges overcome, I think the commission's report was fairly clear in the sense that the livestock industry or hog industry—I'm sorry I use livestock and hog interchangeably—but the hog industry is sustainable in the province of Manitoba should these recommendations be followed.

Speaking to the whole structure of the Clean Environment Commission hearings, the livestock industry, like I said, further on down the path embraced the Clean Environment Commission hearings as a method to showcase our industry and showcase the environmental stewardship that's taking place on the landscape. We worked collaboratively and collectively with the provincial government and with the commission in order to produce the highest quality, best science report available so that our industry was properly represented. Bill 17 is a slight shift from the collaborative, collective, co-operative effort that we had so valiantly displayed during the hard period throughout the Clean Environment Commission hearings.

I just want to touch a little bit on regulation. I think Manitoba, through the Manitoba Livestock Manure and Mortalities Management Regulation has one of the most comprehensive, detail-oriented and strictest regulations with regard to manure management in Canada, perhaps North America. This regulation was developed in the same spirit as the Clean Environment Commission hearings in a collaborative, co-operative manner, with many participants: University of Manitoba, Manitoba Livestock Manure and Mortalities Management, Manitoba Livestock Manure Management Initiative, livestock producers, Manitoba Pork Council, KAP.

The phosphorus expert committee was crucial in the development of the last amendment. All these groups came together to develop a regulation that was strict. It met the requirements to protect the environment and was workable by producers.

I think there's considerable merit in addressing the current regulations' effectiveness. Over the past 10 years, there have been no less than eight regulatory changes with the MLMMMR. At no point in time have we ever had an opportunity to address any particular amendment, to see if there is any effectiveness on the landscape and any change in the nutrient loading from the hog sector, or livestock in general. That opportunity hasn't been given, so

there's no way of proving that that particular amendment has had any lasting effect.

I think we're somewhat getting the cart before the horse, stopping an industry before you've seen the effect of your very thorough regulation taking place on the landscape.

Further to the regulation, I think Bill 17 is completely unnecessary with the regulation that we have in place. The regulation which we have in place currently dictates and displays where livestock operations can be developed and expanded within the agricultural landscape.

Within our regulation, you are not allowed to develop a livestock operation or a hog operation on lands that are unsuitable for manure application and in areas where you do not have sufficient spread acres to allow for the long-term sustainability of manure application.

In essence, the regulation is already covering off what Bill 17 is proposed to do. It's to stop livestock development in areas of overpopulation and in areas of unsuitable soils for manure application. So we're duplicating effort where it's already been in place. The regulation takes care of that for us.

My next point would be on the overall impact on water quality. Like I mentioned before, as Director of Environmental Affairs, I also work as an agronomist with Hytek and work with producers of all sorts—crop producers, cattle, dairy, so on. One thing that has been consistent throughout my five-year tenure with Hytek and working with these producers is that crop producers are going to fertilize their crop, based on their yield expectations for that year, period.

Regardless of the fertilizer source, they are going to fertilize to the point where they feel they are going to achieve the yield that they need to to make a profit.

In essence, by eliminating the option of applying manure as that fertilizer source, we are not reducing the amount of nutrients that are entering our soils and, therefore, through landscape processes, entering our waterways. We are just increasing the cost of production for crop producers on the landscape.

Looking at the current environment, the current costs of production, increases have been experienced through fuel-fertilizer increases. I think this is an unfair onus to be putting on those crop producers

who are looking for some long-term sustainability of their own operations.

That leads me into my next point—farm growth and farm succession. Just speaking more to the fertilizer pricing, we've seen a doubling in phosphate fertilizer prices over the last year. That's the double the input cost of that particular nutrient for crop producers.

It's crucial that these people have an opportunity to make long-term plans for sustainability for their operations because the dream of every farmer out there, regardless of who he is, is to hand that operation down to his children and the succession within his family. No one wants to hand over something that's not economically viable long-term.

We want to be able to establish that viability through diversification, which has been encouraged by this government, over a long period of time—

Madam Vice-Chairperson: Mr. Stott, your time is up. Would you like to wrap up with your closing remarks? Thank you.

Mr. Stott: Okay, I'll wrap up. My apologies.

* (14:40)

In summary, three key points: (1) based on today's current regulation and livestock development policy, I believe Bill 17's unnecessary, as it's covered off already in the regulatory process; (2) I think the Province, following through on the CEC's recommendations, should follow through on the extension, research and education activities promoted by the CEC as a key element to managing nutrients and nutrient run-off on the landscape. (3) If it's deemed absolutely necessary that a stoppage in development and growth in the livestock sector were to take place, let's shift away from something as punitive and irreversible as legislative change. If you want to put a halt, a pause or a continued pause on livestock development to witness the realization or the development of the CEC recommendations, let's do something like that, that can be changed upon a three- to five-year review, understanding what has occurred on the landscape over that period of time.

We're getting educated every day and we're pushing for solutions on a daily basis. Thank you.

Madam Vice-Chairperson: Thank you, Mr. Stott.

We are down to about four minutes for questions.

Mr. Gerrard: Maybe you could just clarify a couple of things for me. I understand that since '94 you've made a number of changes to improve the approach to the environment in the industry with high tech. Second, it's my understanding that some of the hog companies, like yours, may have been looking at doing more finishing in Manitoba, and that both the pause and now the moratorium will make that a lot more difficult in being able to adapt to the country-of-origin labelling.

Mr. Stott: We can't really foretell the future as to what our development's going to be. The thought process, back when we presented to the Clean Environment Commission, was that we wanted to close the loop, so to speak, and bring the animals back to Manitoba to add value within our province. And, yes, the moratorium will limit our options and opportunities for that type of development.

Mr. Eichler: Thank you and congratulations. You're definitely a leader in the industry and one of the top best 50 managed companies in our country. So we're very proud of you and very proud of what you've done, and we thank you for your presentation.

My question that you referred to in your recommendations in regard to education, could you just highlight on that just a little bit for us about how we could help do that through government, if you see us playing a role there.

Mr. Stott: I believe producers, agricultural producers, in particular, want to do the right thing. They just need to know how. I think it's the responsibility of government and industry, as leaders within our particular sectors, to teach those that do not know how to do it the appropriate way.

Mr. Chairperson in the Chair

People look at their options and they'll take the best option available to them. We need to open up their minds and broaden their views as to the options that are available. The key to nutrient leaching and nutrient loss into the environment is about appropriate nutrient management. We should focus on teaching people how to do that.

Mr. Maguire: I very much appreciate your third summary point that there are alternatives available other than this legislative change.

I had the opportunity of being on a national committee from '01 to '03 that was, sort of, the pre-pillar program of APF, that we have now or that was there until a short time ago, to be more

environmentally friendly. The bureaucrats, the federal bureaucrats, not to be confused with the provincial ones, the good provincial ones that we have, but the federal ones thought you could use sticks to force the agricultural community across Canada into being more environmentally friendly. The farmers, the 10 of us from across Canada, indicated that carrots would be a much better way to go than sticks. They came around to that. The programs are now working in a much better manner.

Certainly, I'm surprised that the Province has moved in the direction they have, but the alternatives that you've pointed out, I just wanted to say that the education is a good part of it. But when you look at Québec, which Québec City is celebrating its 400th year this year of existence, and the St. Lawrence River has been there for much longer than that, hogs have been there for probably over 300 of those years and been raised on the banks of the St. Lawrence River, and you don't hear the same kind of concerns as what we're hearing about here.

Can you provide us—and I do know some background from knowing some of the hog farmers in Québec. Do you have any experience with some of the types of mechanisms and changes that they have gone through in their field that the government could have used here instead of this approach?

Mr. Stott: My knowledge of the Québec operations: I do have some; it's limited, but the one thing I do know is that through a program called Prime-Vert, the Québec government has put up a considerable amount of funds and resources for hog producers specifically to resolve some of their nutrient-imbalance issues. Many producers have taken advantage of that, and they've worked in a very co-operative, collaborative approach in ensuring that producers will remain economically viable, as technologies are quite expensive. They've offered offset funds to support that. They've also offered technical assistance from staff and from arm's-length government organizations to assist producers in developing and establishing these different technologies.

So I think that's always a positive approach, if you can work collaboratively on a financial side and a technical side, as many producers don't have the technical background or access to technical people to assist them in developing these types of programs.

Mr. Chairperson: Thank you, Mr. Stott. Time for this presentation has expired. I thank you.

Mr. Stott: Thank you.

Mr. Chairperson: I now call Mr. Bryan Ferriss, private citizen. Do you have a written presentation, Mr. Ferriss?

Mr. Bryan Ferriss (Private Citizen): Yes, I do.

Mr. Chairperson: Thank you. You may proceed.

Mr. Ferriss: Thank you.

I just want to preface my comments with regard to my presentation with a couple of comments, and that is when I was trying to figure out how I would present today to this committee, whether it would be technical or, I guess, from the heart, I chose, quite frankly, to present from the heart, as I see it as a risk to Bill 17 it presents to my family, even though we are outside the moratorium area, quite frankly. I know my comments are very pointed and, in that context, they are honest and very candid. If you've ever watched the movie, *Mrs. Doubtfire*, one of Robin Williams' lines is, blunt as a spoon, and that's the premise that I would like to make my presentation under.

My name is Bryan Ferriss and I farm at Bowsman in the Swan River Valley. It's a family owned and operated business with our son, each of us owning 50 percent of the operation. I started farming with my parents in 1967, and we were raising hogs prior to that. We operate a mixed farm with hogs and grain. We started with a grow-finish operation finishing about 500 market hogs a year, and have grown over the years to 350 sows, farrow to finish. We also operate our own nucleus herd.

Three years ago we switched to niche market genetics and currently operate approximately 350 sows farrow-weaned, still finish some for our nucleus herd. We sell direct to Asian countries, Europe and a small portion to U.S. customers. We are still a totally confined operation using domestic, coloured females crossed with a wild boar sire. We have five wild boar sires as we run our own AI stud with 100 percent of our breedings being AI using wild boar semen.

Our parents are 86 and 83, and still live on the farm in the same yard as my wife, Donna, and I do. We raised our three children, put all three of them through post-secondary education with our major source of income derived from the hog industry and, quite frankly, we are very proud of that fact.

We have approximately 15,000 square feet of barns, and the front of them is 150 feet from the front

of our houses. The water for both houses and all of our barns is supplied by one dugout that is less than 200 feet from the other end of our barns. According to all the doom and gloom self-proclaimed experts on all the harmful emissions from hog barn fans, and Lord only knows what, from the manure that we incorporate for fertilizer, neither my parents nor Donna or I should probably still be alive today, and all of our three children should have developed all sorts of impairments growing up and playing in that close a proximity to a hog barn, if you were to believe all the misinformation these people are so good at spreading.

The reason I am standing here, in front of you today, is not because my family or any other family that either owns a part of or is employed in this industry believes for one minute what these people are saying, I am here today because other people, even elected ones, whom we hoped would and, quite frankly, should know better, apparently do believe them; hence, Bill 17.

* (14:50)

There have been and continues to be millions of dollars spent on independent environmental research by very credible environmental scientists and their institutions they work within, whose research has and continues to show that my industry is not a risk to public health, nor to the fresh water in this province. The CEC report also shared this view that my industry does not pose a risk and is environmentally sustainable over the longer term.

Were there recommendations flowing out of the CEC report that stated both industry and government need to work together to address over the next number of years? Yes, there were, but nowhere in that entire report did it state the need for Bill 17.

My industry has publicly stated that it would work with government to address these issues identified in the CEC report, as we have done in the past with all other issues over the last decade or more. Our track record on readily adopting and implementing solid, well-researched, environmental recommendations will bear witness to that fact.

It has been said that my family's business is a part of the most heavily-regulated industry in North America, from an environmental perspective. My industry has willingly accepted and implemented every one of those regulations and funded, literally, 100 percent of the cost to do so, out of its own pocket.

All the time, over the last decade that this was happening, we watched as all our small local towns and villages in this province were still allowed to flush their lagoons of raw sewage, literally, every other month, straight into the waterways of this province, ultimately ending up in Lake Winnipeg.

Apparently, this was a non-issue for government. All the time, over the last decade, while my industry was adopting manure management practices proven to be the least risk possible to our environment, we watched as our larger urban centres—and, yes, even the one that this very Legislature is hooked up to—flush totally untreated and partially-treated sewage, by the millions of litres at a time, into the waterways of this province and straight into Lake Winnipeg.

Again, apparently, a totally acceptable practice to government. Yet, even after all of this, who is it that is being villainized as being the problem? My family and every other family that makes up this industry in Manitoba today—that's who.

Every time I hear the Minister of Conservation (Mr. Struthers) speak on Bill 17, it is always the hog industry, the risk to water quality and Bill 17 in the same breath. Last night, on the CTV supper news, he point-blank stated that the problems of water quality in Lake Winnipeg are a direct result of manure run-off from hog barns.

I found that to be an incredible remark, coming from the minister whose department the CEC report was presented to. I wondered what part of the report the minister read that in, or what environmental research project results he was quoting because I, for one, have not read or heard of either.

My industry, whether you live within the described area of Bill 17 or not, has done nothing wrong; yet, we are being singled out, under this legislation and in the minister's remarks, as being solely to blame for the perceived issues of Lake Winnipeg.

Current estimates are that just over 50 percent of the total nutrient load entering Lake Winnipeg comes from the south of the Canada-U.S. border; that is, the northern tier states that make up the U.S. portion of the Lake Winnipeg drainage basin.

With the negative impact of Bill 17 on my industry, there is no doubt it will relocate outside this province. With the location of a major packer in Brandon, moving south makes more sense than

moving north for that relocation of resources, economic spinoff, and industry production.

How could it possibly be beneficial to any Manitoban to force an industry across an international border, where this government has absolutely no jurisdiction or environmental influence whatsoever? Devil's Lake and foreign species entering Lake Winnipeg are good examples of what I am referring to.

In closing, I want to thank you for the opportunity to speak here today. I know my comments and criticisms have been harsh, but I want to say to each one of you on this committee that my family has been in this industry for over 40 years. Never once, not in my wildest dreams, did I ever believe that I'd have to stand here in public and defend my family and all the other families that make up the hog industry in this province against a piece of legislation like Bill 17.

This bill is not about what is right or just or fair or even, on balance, what makes the most sense from an environmental perspective. On balance, Bill 17 makes no sense at all. It is wrong, and what makes it even worse, it's wrong for all the wrong reasons. Bill 17 needs to be withdrawn completely and be replaced with the recommendations of the CEC report.

Thank you, Mr. Chairperson.

Mr. Chairperson: Thank you, Mr. Ferriss.

Questions.

Mr. Eichler: Thank you, Mr. Ferriss, for your presentation.

It's interesting to see what your industry has been doing to stay clean, to stay environmentally friendly. Whenever you look at what they've done with Bill 17, why do you think the government has targeted the hog industry?

Mr. Ferriss: I really have no answer for that. I really don't. I look at our operation at home. When I made reference to the fact that our dugout is less than 200 feet away from the north end of our barns, we've had our dugout water tested generally about every three to five years and it comes back—in fact the last time we had it tested the report came back saying it was some of the cleanest dugout water they'd ever tested.

So, you know, clearly, if we aren't a risk to our own water, which is surface run-off, which comes off the land that we spread our manure on—yes, we

use buffers, of course we do in setback areas, that sort of thing. So does the rest of the industry. Quite frankly, because we've been grandfathered into this and the size of our operations, we're still allowed to winter spread, which is even a higher risk than not being able to allow to winter spread, obviously. So, if there is going to be a risk to ground water or to run-off water, I would have to believe that our operation should be the one that shows it, or if there's a problem with the emissions out of hog barn fans, I would think that our family and our water would show it, and it clearly has not.

Mr. Chairperson: Supplemental, Mr. Eichler?

Mr. Eichler: Yes, thank you.

You referenced the regulations and said you've complied with those. Do you feel that they've been enforced enough in order to go after the ones that are really the ones that are abusing the nutrient run-off that's been referred to in the reports that have been coming in from the CEC report? Rather than just blaming the whole industry, should we not be focussed on those that are, in fact, actually doing the polluting rather than the good producers?

Mr. Ferriss: I have to tell you that I'm not aware of any producer, quite frankly, that has abused the system. Certainly, there is, I would have to believe, enough enforcement out there. Producers have to file manure management plans and they are gone through very thoroughly, I would have to believe, or certainly hope. If there were any problems with that, I would have to assume that those manure management plans would not be approved.

So I don't see a risk, quite frankly. Does there need to be enforcement? Of course, there needs to be enforcement. Does there need to be constant monitoring? Of course, there needs to be constant monitoring. That's not what Bill 17 is all about.

Ms. Wowchuk: Thanks, very much, Bryan, for driving in and sharing your views on this piece of legislation. I've known your family, and I've known your farm operation, and I appreciate you making those comments.

A couple of questions I wanted to ask you with the moratorium. The moratorium affects three parts of the province. Within that moratorium, it says no expansion unless they use new technology that will reduce the nutrient load. Do you believe that there could still be expansion within those areas with the right technology?

The other question that I have is related to the rest of the province. Do you see opportunities for expansion of the industry on the west side of the province given that there's more slaughter capacity at the west side of the province? Do you see the possibility of moving people, getting established? There are people producing there now because Maple Leaf and Puratone have operations there. Do you see that as an area where the industry can grow?

Mr. Ferriss: I'm going to be very, very candid with you, Minister, and that is that I don't see—is there an opportunity to expand? Yes, there is an opportunity to expand outside the moratorium area. Will that opportunity be realized by producers? No, it will not. The reason that I say that is, because the hog industry is so heavily capitalized to get into it or to expand, with Bill 17 in place, who in their right mind is going to take everything that they own as collateral and security and push it out into the middle of the table and say, I bet this, when in fact the whole province could be locked out under Bill 17 next year?

If you look at our operation, when I started in 1967, we produced what would equate to about 20 sows of production today, and we've grown over the years to 350 sows. Why? Because we needed that extra income. Your margins shrink. You have to expand in order to be able to be competitive and to survive, quite frankly, to do what we did, and that's raise our family where we wanted to be.

Do I see the industry moving north or west? No, quite frankly, I see the industry moving south because of the fact that, with par dollar, they're going to go—if you're going to be successful in any business, in any industry, you have to follow the money. That money is going to take you south of the 49th parallel, not west, not north, not anywhere else. It's going to go south, as simple as that.

* (15:00)

Mr. Gerrard: Thank you, Bryan. I appreciate your candour and surprised at some of the things that the minister's been saying.

My question is, in fact, about the communities around you, Bowsman, Swan River, and so on, and the sewage treatment there. Are those communities among those where we've got problems with sewage from the lagoons being emptied on a monthly basis into waterways?

Mr. Ferriss: That's a very good question, Mr. Gerrard. Do I have personal, first-hand knowledge that those lagoons are being flushed into the river?

No, I understand it's a matter of policy or practice, if you will, under the premise that they are allowed to do that sort of thing.

Am I using that to try to drive a wedge between my family who's lived in that community since 1935—we have friends and family that live in all of those communities. We have friends and family that live within Winnipeg, Brandon, Selkirk and Stonewall. Am I trying to use this particular forum to drive a wedge between myself and them? No, Bill 17 is doing that.

The reason that I raise that issue is that Bill 17 is not about whether those communities are allowed to flush their lagoons into the waterways of this province and we, as an industry, are not. That's not what it's about. It's about fairness as I spoke about. It's about what's just and what's right and the reason why Bill 17 is wrong for all the wrong reasons.

Do those communities need upgrading on those lagoons? I would have to believe, probably, because when Bowsman put the waterworks in, in the centennial year, that lagoon I don't believe has had anything done to it. It's a community of 400 people. There are countless numbers of those communities across Manitoba.

Mr. Chairperson: Okay, time has expired. Thank you for your presentation, Mr. Ferriss.

I now call Mr. Graham Starmer, Manitoba Chambers of Commerce. Do you have a written copy of your presentation, sir?

Mr. Graham Starmer (Manitoba Chambers of Commerce): Yes Mr. Chair. I ask that it be placed into the record for me.

Mr. Chairperson: Okay, you may proceed—pardon me?

Mr. Starmer: Would you place it in the record, please.

Mr. Chairperson: By all means, yes. Are you going to follow your presentation?

Mr. Starmer: No.

Mr. Chairperson: So you would like this document submitted into the record in addition. I understand. Is that amenable to the committee? *[Agreed]*

Thank you, sir, you may proceed.

Mr. Starmer: The Manitoba Chambers of Commerce appreciates the opportunity to present to this committee. The Manitoba Chambers' advocacy

mandate is largely set by 72 local chambers voting on resolutions at our annual meeting.

It is of note, for the last two years, our 10,000 businesses have seen fit to condemn this government in relation to its ban on the advancement of the hog industry in relation to the complete ban of 2006 and now the relation to the partial ban.

Both resolutions do a good job of setting out the history, significance and frustration in relation to the government's actions. The resolutions are contained in our brief.

Throughout this term, the current government has taken a number of steps to ensure the quality of Manitoba's water supply and the growth of the hog industry in an environmentally sustainable manner.

I quote: We have a comprehensive strategy to protect our natural resources, particularly in areas where hogs and other livestock are raised, or near plants where they are processed. With these safeguards in place, Manitobans can be assured that the livestock industry will grow while sustaining our environment, quote, Mr. Gary Doer, January 31, 2000.

I quote: We have been able to balance growth in the livestock industry with increased emphasis on environmental monitoring, land-use planning and data collection, the Honourable Rosann Wowchuk, January 22, 2001.

I quote: Manitoba's livestock industry continues to provide opportunities for economic diversification for rural communities. Our government is committed to growing our livestock industry in a sustainable manner. These changes will ensure that the land can support the growth of sustainable agriculture long into the future. Stan Struthers, April 1, 2004.

I quote: The Water Protection Act is a key element in the government's effort to protect and improve water quality in Manitoba. The amendments and the act ensure the quality and quantity of our provincial water resources will be preserved for equal benefit of current and future generation of Manitobans. Steve Ashton, November 26, 2004.

On November 8, 2006, the Honourable Stan Struthers, Minister of Conservation, announced that Manitoba's water protection plan would be referred to the Clean Environment Commission, CEC, for a full independent and public review in order to provide Manitobans an opportunity for input into

steps the province is proposing to protect rivers, streams and lakes.

At the same time, he announced a moratorium on new expansion or expanded hog barns. The ban was announced without prior consultation or notice to the industry, nor did the minister provide a scientific justification for the ban.

The minister released the report of CEC on March 3, 2008, at the same time announcing a further halt to industry expansion. New and expanding hog operations in the rest of the province were allowed, subject to new stricter requirements as recommended by the CEC.

The CEC reported that Manitoba's hog production and processing industry generates 7,500 jobs in Manitoba with an income of \$610 million, a total economic activity of \$2 billion. In Manitoba, this contributes more to the province's GDP than any other agricultural commodity.

While the CEC made 48 recommendations, it did not, and I repeat, did not recommend an outright ban on hog expansion in any area of Manitoba. Just to reiterate that, the CEC report said: The challenge for government will be to develop an implementation strategy that works with producers and other members of society to ensure the industry's social and economic sustainability. In those areas where nutrient production is currently out of balance with the environment's ability to remove these nutrients, the Province and producers must move quickly and co-operatively to bring production into balance within the next five years. Page 153.

The hog industry's a valuable contributor to Manitoba's provincial economy. While the citizens of Manitoba have a moral obligation to preserve and protect society's natural resources for the utilization and enjoyment of current and future generations, they also have a moral obligation to ensure optimal use of society's natural resources in pursuit of efficient food production.

Any of the government's concern related to the Interlake or southeast Manitoba can be addressed through all existing or new regulations that may come up into place on the CEC recommendations. To suggest that these regions can afford no further development ignores existing municipal land-use policies and ignores the fact that each hog barn application goes through an intense permitting process that addresses municipal and Conservation's concerns.

The proposed ban will drive future investment opportunities and Manitobans outside our province. It will also needlessly expose the hog industry and Manitoba's economy to an unacceptable trade risk if another trade dispute or foreign animal disease event occurs without sufficient Manitoba investment in processing capacity. This investment is dependent on the assured supply of finished market hogs and the faith that our government will not act capriciously.

There is no legitimate reason or fact or science and no need for the proposed ban. In fact, it's just dumb. This ban will create continued uncertainty and damage Manitoba's business and investment climate, particularly for the 1,400 hog producers and over 15,000 people working in the industry.

*(15:10)

We respectfully submit that the Government of Manitoba immediately end the moratorium on the expansion of the hog industry and work with the hog industry as the government seeks to implement the recommendations of the CEC. Thank you for your time.

Mr. Chairperson: Thank you, Mr. Starmer.

I open the floor to questions.

Mr. Struthers: Thanks, Graham, for your submission and your words. I would agree that the hog industry is a valuable contributor to the economics of Manitoba.

I asked a question earlier of another presenter from the Federation of Independent Business, two questions, and I didn't get an answer on them. Maybe you can help me.

In the 1990s, when the hog industry was expanding at the rate that it was, at the rapid, unprecedented rate that it expanded, did the Manitoba Chamber call for science then? Did it call for science at that time to justify the decisions that were being made and that impact on our environment? And can you produce for us—I'd be interested in knowing, if we truly are concerned about economics, is there a study that the Chamber has that can point to me the value of Lake Winnipeg and the value of clean water to the economics of our province?

Mr. Starmer: We have always been involved in ecological sustainability and the environment. That goes back for many, many generations as far as the Chamber goes. We've always been supportive of

environmental sustainability and responsibility. Perhaps that covers the first question.

Second question is that we have looked at Lake Winnipeg and the economic spinoff from the use of Lake Winnipeg and, as you know, it's around about \$210 million. So there is a great deal of concern that we keep Lake Winnipeg pure. Just adding to that, as you know, one of your ministers attended the Lake Winnipeg symposium, last week I think it was, Minister. One of the things that became very apparent is that Lake Winnipeg is the sixth largest water or lake. It is the least studied of any of the lakes in Canada. Also, 43 percent of the nutrients comes from the U. S. What you are doing is driving some of this employment down into North Dakota where you are going to get the same flow coming back up the Red River.

Mr. Eichler: Thank you, Mr. Starmer, for your presentation.

I do have a question in regard to the hog industry as opposed to the hydro industry. When you look at the dollars that have been brought in or exported by Manitoba Hydro, last year was some \$592 million, 2006, \$827 million and you take that in comparison to the hog industry, it would be like losing the same industry in comparison and would be substantial. In your opinion, we need to make sure that the industry is sustainable and, with the moratorium, your opinion and your membership feels that the moratorium will in fact put a devastating effect on the hog industry.

Mr. Starmer: We believe that it will have a damaging effect on the industry. We feel that there is a large spinoff from the hog industry that supports many of our communities, particularly on the east side. This will definitely have an impact on their viability as we go forward. To what extent, only time will tell. Why we didn't co-operatively work with the industry to resolve these issues and the communities before, I don't know.

Mr. Briese: Thank you, Mr. Starmer, for the very interesting presentation.

My question is very short. With the government moving to shut down the hog industry with this bill, what message do you think, in your role with the Chambers of Commerce, this sends out to other businesses and industries in this province?

Mr. Starmer: I think the message that it will provide is that they will have a fresh look at expansion and development within Manitoba because, with any industry, if this type of thing

suddenly hits them, it doesn't provide any security for businesses in developing in Manitoba.

Mr. Maguire: Thank you, Mr. Starmer, for your presentation.

A couple of things. I know that it's a good thing there isn't a ban on seals in Manitoba, as well, with the amount of government flip-flopping that's been going on in the Cabinet lately on some of these issues.

I had the opportunity of attending your AGM up in Clear Lake this spring, May. There was a resolution that came forward that you've indicated in your presentation. It passed unanimously, I noted, that morning. You have just saved the minister about 2,500 hours of committee time because your 10,000 businesses voted unanimously to have this moratorium removed. Fifteen minutes of presentation, you've done not only her, but all of us a huge favour in Manitoba, I suppose, by not keeping us here until Christmas.

But, you know, the irony of this is that the new facilities, according to Mr. Ferriss, will go west and south, and I believe him, because that's certainly what my experience is, having already farmed in western Manitoba, knowing the views of some of the people in my constituency on that. The irony is that the rivers flow north and east.

So, when you move those venues out—if it was to be as detrimental as these ministers are leading us to believe—from Dauphin and Swan River, then we'd be left with all the shift in the production, but most of the effluent, if there was any from their areas, would be back in Manitoba anyway, and they'd still have to deal with it.

So my point is, you've listened to a few presentations. I know there was an excellent presentation from Mr. Stott from Hytek. As a chamber, I know you've had suggestions as to other ways of solving this situation. Can you enlighten us on a few of those, with your thoughts.

Mr. Starmer: I think we can probably start with a new form of co-operation with the producers. I think that if there is proof that comes to be that the nutrients are coming from agriculture and we need to look at those areas, I think we need to study to see whether those particular nutrients are having an effect on Lake Winnipeg. As I said, there's no scientific proof at the moment of that, and I think that that's the direction that we need to go.

We've recommended to some of the hog producers that they actively support and get involved with the university to identify where these nutrients are coming from. We know they're coming from Manitoba, but we don't know exactly what the source is. So we've asked them to put money into the research, so that that can be accomplished, and I would ask that the government continue, if not enhance, the support to the research so that we can get some facts.

Mr. Chairperson: Okay, time for this presentation has expired, so I thank you, Mr. Starmer.

Mr. Starmer: Thank you.

Mr. Chairperson: I will now call on—*[interjection]*

Committee Substitutions

Mr. Chairperson: Oh, I'm sorry, the Clerk has reminded me, first of all, substitutions: Ms. Jennifer Howard for Mr. Jim Rondeau.

* * *

Mr. Chairperson: Also, for the information of the committee, we have received requests from several presenters to make their presentations in French with the assistance of our translation staff. For the record, is there agreement to hear the following presentations at the following times when translation staff will be on hand: presenters Adrien Grenier, Paul Grenier and Marcel Hacault on Monday morning beginning at 10 a.m., and also presenter Jean Beaumont, with the Association of Manitoba Bilingual Municipalities, on Tuesday evening, at 6 p.m.

What is the will of the committee? *[Agreed]*
Thank you.

* (15:20)

We'll now move on to Mr. Sam Gross, private citizen. Mr. Gross, do you have a written copy of your presentation?

Mr. Sam Gross (Private Citizen): Yes.

Mr. Chairperson: You do? Okay. You may proceed.

Mr. Sam Gross: I wish to thank you for giving us the opportunity to present our concern with Bill 17. My name is Reverend Sam Gross, from the Clearview Hutterite Colony, a few miles southwest of Elm Creek, Manitoba.

As the minister and president of our Hutterite community, I feel responsible to look after our 90 or so members not only for the present, but far into the future. Our main income has been hog production since our community started in 1983 when we moved into the Elm Creek area, or maybe, to clarify that even more, from 1918 when we, the Hutterites, moved to Canada from the United States.

As of now, there seems to be no more future in hog production. Being the main income in most Hutterite colonies, we see a serious problem with the hog industry. The concerns we have is with Bill 17. It could and probably will hurt the hog industry in Manitoba very seriously. The hog industry is very important, not only as an industry which creates jobs in large numbers on the production side, but also the spinoffs in other sectors, like in hog equipment, manufacturing, construction area, construction of new facilities or barns, feed manufacturing, grain production, trucking, veterinary and so on, and many more. There is almost no end to that spinoff in the hog industry. In these areas, it will have a long-range and serious impact. It could create the loss of many jobs, a closing of many businesses, feed mills, especially, or manufacturing of livestock equipment.

Is it our government's intention to allow this industry to slowly dwindle away? Should that be our government's long-range plan, and if it is, then why? What's the reason behind it?

Hog barns have a lifespan of 20 to 30 years, then they have to be replaced or renovated, otherwise it means no more hogs. No more hogs means no more income. Will life stop? Where will we go? What will we do?

The other impact it will have is in food production which, again, creates jobs in a lot of areas in Manitoba. Yes, thousands of jobs. Where will these citizens go? Where will they find work? What will happen to the unemployment rate? What about the food that is being produced or consumed in Manitoba and exported, which is huge in Manitoba, the pork that's being exported? The monetary impact is huge. Why is this not a concern for our government? And it's a serious why.

Also, the family farm. How can it be passed on to children or grandchildren? If this is what we want to happen, these farms will slowly be phased out. They will be gone eventually.

There are also many businesses related to the hog industry, as I mentioned before. They will all go

the same way. It's just a matter of time. And you see the has-been's, the town that used to be there, the company that used to manufacture. It's not there anymore. Is this what we want?

This Bill 17 hampers future business opportunities, also, capitalizing on knowledge and on science within this industry. Why is it a ban totally and only on hog production? What about the other livestock industries that we have in this province? If hog numbers are the reason, maybe too many, over-production, why are there too many? Didn't our government some years back ask hog producers to increase the production?

It's a serious question, because it's a reality. It happened. Hog farmers, comfortable with this request, trusted their government and invested in renovations, in additions and new facilities, all capital expenditures, through bank loans and other financial institutions. Now, who will take the blame for defaulting on these loan payments? They happen; they're happening already. We know what it's like.

A large majority of the hog farms have tried our best to follow all regulations within the environment. We also know what it's like. Clearview Colony has spent over half a million dollars in the last five years on manure storage. There is no such a thing as that much profit in the hog industry, but we had to do it, were forced to do it. How long can that go on?

My comment is there are too many people making too many new regulations, without sufficient knowledge on the impact they will have on this industry.

Another concern we have is how it will affect family farms and the Hutterite communities. I'm talking about future expansion. We're being forced whether to move out of our country or at least to a different province, if we cannot expand. This is not what our Canadian government promised us when we moved to Canada in 1918 from the United States. My question is, is this democracy? Is that where it's leading us into?

Our heritage and our culture will only exist if we are allowed to expand as a family farm or as a community. If we cannot expand or branch out to a new colony or community, where will we stay? Will we depend on government support? On unemployment? We hope not.

We enjoy living the way we do, in unity, love and in peace. How would we exist otherwise? We have been living this way for close to 500 years, as

our history relates very clear. Now we can ask that question: Is the end in sight? Of our communities is what I'm referring to.

In conclusion, I would like to draw your attention to the Bible. Read Romans, the 13th chapter, where the Apostle Paul extorts us to respect our government. We are definitely trying, with everything we have. The Apostle Paul quotes: Let every soul be subject to the governing authorities, for there is no authority except from God, and the authorities that exist are appointed by God, from the New King James Version.

So the request that we then have, on behalf of the Hutterite communities, is be deeply concerned how you exercise your God-given authority. Thank you.

Mr. Chairperson: Thank you, Mr. Gross.

I open the floor to questions.

Mr. Pedersen: Thank you, Sam, for your presentation.

For the benefit of the committee, they should know that we farmed side-by-side for many years; I know you and your family and your community very well. I also know that, a few years ago, you were faced with major upgrades to your manure-handling facility.

You alluded to that in your presentation. When you did that, why did you do that? Why didn't you just not produce hogs? What I'm asking is, when you as a colony looked at that, what was the rationale for your colony to invest such a huge amount of money in new manure storage?

* (15:30)

Mr. Sam Gross: First of all, the hog barns that we had built or bought originally, we bought as a source of income to sustain our liveability, our people, our children; to just shut them down, we're short that income. We're short that little profit that was there.

The reason behind it is the environment requested it. We just had to do it; either shut down or do what they tell us. You have no alternative, the authorities—the environment, if they come to see our whatever we have and they find some fault and they tell us plainly and simply if you don't do it, we can close down your barns. We can. Not that they may, they say they can. That's a serious thing for a colony to close down the main income. Very serious.

Mr. Eichler: Thank you, Sam, for your presentation and your background there on the information that you provided to the committee.

I just have one question. If the moratorium, Bill 17, is, in fact, passed in its current stage, how long of an expectancy do you see your colony being able to stay at its current size and be viable?

Mr. Sam Gross: It depends on the population expansion. At the present, we have about 90 people. If a colony reaches around 120-130 people, usually we don't have enough employment to keep everybody busy, and you know what unemployment does? It's the devil's tool so we try to stay away from that. Once we can't do that anymore, to keep everybody employed, we usually look for a new facility, a new piece of land to branch out, as we call it, a daughter colony, just to keep everybody busy, to keep on living in Manitoba. It's the way we feel. We don't want to move out. It was hardship enough to move from the United States in 1918 after World War I, with the invitation and the recommendations from the Canadian government and with requests that our leaders had at that time. The government accepted them and allowed them to live the way we live today in communities. That's why I mention it so briefly. That's what keeps us together. Peace, unity that can only be done in the spiritual love.

Mr. Briese: Thank you, Mr. Gross.

In past life, I was chair of a planning district for 12 years. There are 10 colonies in my constituency in Ste. Rose, and I know how co-operative they were in making sure they did meet all the rules that were there for building and so on.

The question I want to ask you, and I've asked it to several others, is there seems to be some idea that farmers would go out and over fertilize their land. Would you ever put more fertilizer on than your soil tests are calling for when you're doing your crop production?

Mr. Sam Gross: The question that's been asked already today, how can the farmer afford it to put more on than what's needed in the soil? No, we would never.

Mr. Chairperson: Okay, seeing no further questions, Mr. Gross, I thank you for your presentation.

Mr. Sam Gross: Thank you.

Mr. Chairperson: I will now call Mr. Ben Hofer, private citizen.

Before we get to Mr. Hofer, just for the record, Mr. Harold Froese, private citizen, has indicated to us that he is not from out of town and, therefore, that's why I passed by him.

Mr. Hofer, do you have a written—

Mr. Ben Hofer (Rock Lake Hutterite Colony): Yes.

Mr. Chairperson: I see you do. It's just before me. So you may proceed, sir.

Mr. Ben Hofer: Well, thank you, gentlemen, for letting me speak. My name is Ben Hofer. I'm general manager of Rock Lake Hutterite Colony. I would like to bring to the caucus's attention the grave concerns that the Hutterite brethren of Manitoba have with Bill 17.

Bill 17 is a direct affront to our existence and livelihood, as the previous speaker tried to make you aware of, too. I would like to make the caucus aware that the following industries used to be part of the Winnipeg scene. The flour milling industry, gone; brewing industry, well, we got one little mini brewery left. We used to have quite a host of them. Brick manufacturing industry, gone; leather tanning industry, gone; foundry and casting industry, like the Versatile file drives that used to be made right here in Winnipeg. That industry is gone. Leather tanning industry, Dominion Tanners—gone. Beef packing industry—gone; goose packing industry—gone; seven hog-kill floors that I remember—gone; cement manufacturing industry, Canada Cement and Inland Cement—kaputs; bridge-building industry, Dominion Bridge and Manitoba Bridge—gone; the sugar industry—gone; sewing, fabric and knitting industry is leaving fast; wire manufacturing, Canada Wire—gone; telecom communication, Northern Telecom—gone; road-building equipment manufacturing, Austin-Western used to build those road graders—gone; almost had Hytek kill floor—well, gone, too. Who's next? The hog industry? Bill 17 will ultimately contribute to its demise.

The Hutterian brethren communal way of life is, to a large extent, sustained by their agricultural way of life, grain and livestock. Grain and livestock farming go hand in hand. You can't raise livestock without grain, and to raise grain without livestock leaves you with one option, chemical fertilizer. If you removed every hog from the province of Manitoba, would any tillable land go unfertilized? Highly unlikely. A hog is a natural source of

fertilizer, organic, and doesn't require any natural gas resources to do it.

The brethren have proved in the past that hog farming is sustainable and that they are good stewards of the land. We drink from the same well that the hogs drink from, and we breathe the same air.

When the population of a colony increases to the point where unemployment becomes a problem, a colony split is imminent. When building a daughter colony in the past, one of the first buildings to go up was a hog barn. Why? It's a source of employment for building the barn and the equipment that is being used inside.

Although we would love to raise only No. 1 grains, what's to be done with the No. 2 and 3 grains that are oftentimes produced by inclement weather and early frost. A nice option is to feed it to the hogs.

At the present time, there are a number of colonies in the Red River Valley that are ready to build, but that option is not there if Bill C-17 goes ahead.

So what created Bill C-17? What was the rationale behind Bill C-17? The CEC report certainly wasn't part of that rationale. The CEC report certainly didn't point the hog industry as being a polluter of Lake Winnipeg. Could it be that the rationale that was used was political science? Was it a ploy to win over the Winnipeg electorate body? It certainly appears that way.

To come up with a law like Bill C-17, without a plebiscite or a referendum, makes one wonder: Are we in a democratic society? Should a Winnipeg electorate body decide the fate of rural Manitoba?

A word of caution to the present government. The Hutterian brethren in general have refrained from getting involved in politics, but don't push your luck. Things can change when you affect people's livelihood. A wise man once said: You can fool some of the people some of the time, but you can't fool all the people all of the time. Thank you for listening.

Now, this is not on your paper there, but listening to the comments here this afternoon, I jotted a few questions down here.

I was listening to Fred Tait from Hog Watch. He talked about evidence that hogs pollute, contribute to the problems of Lake Winnipeg. I was wondering—I haven't seen or heard any evidence.

* (15:40)

The other question I have for Fred was, does he use any chemical fertilizer? He never mentioned whether—he says he puts all that manure back on the land, but what about—does he add any chemical fertilizer? Somebody once asked me, if I put two tumblers in front of you, one is hog manure and one is chemical fertilizer. I put a gun to your head. You have to drink one of them. Which one would you drink? I know which one I would drink. I think I know which one Fred Tait would drink.

Now, we've heard earlier that Manitoba Hydro revenues generate about the same as the hog industry in Manitoba does. Now, can you imagine the havoc that you would create if you shut down Manitoba Hydro? It'd be about the same with the hog industry. So let's keep it alive, guys.

Thank you.

Mr. Chairperson: Thank you, Mr. Hofer.

Questions. I have Mr. Eichler.

Mr. Eichler: Thank you, Ben, for your presentation. I know that this is an issue that's very dear to your heart and your livelihood of your colony. My question for you is: when you get to that stage of where you have to start a daughter colony, where are you going to be looking at? If Bill C-17 does pass, will you be locating in the moratorium area? Will you be looking at another province, or will you be going west, or, what's your feelings there if Bill 17 passes?

Mr. Ben Hofer: That's a good question. Well, I would almost have to go into a different industry. Like, I would have to diversify into something totally different.

Ms. Wowchuk: Just to follow up, because I wanted to go in that same vein as well, as to when a colony has to split.

So, when a colony splits, do you look within the same area? What I'm getting at is, the moratorium covers a very small part of the province. There are opportunities in comparison to—it covers three areas of the province, but there is more to the west. When you are looking at dividing up a colony, and if your existing colony was in part of the area where there is a moratorium, would you look to the western part of the province?

Mr. Ben Hofer: Well, usually, what decides that is you look at all your options. There's a farm 200 miles

away, but it's so far from the market, you don't—or if there's a farm 30 miles away, it's going to make a big difference. The land base will also make a difference and whether we still want to remain—how big you want to remain. The hog industry would also make a difference. Like, there are so many factors involved with choosing a new site for a colony, it's mind-boggling.

Ms. Wowchuk: Thank you. You raised this. Is Rock Lake Colony very close to having—

Mr. Ben Hofer: I'm 20 minutes from the city.

Ms. Wowchuk: No, that's not—is Rock Lake looking at developing a sister colony in the near future?

Mr. Ben Hofer: I would say not in the next six years, no.

Ms. Wowchuk: Okay, thank you.

Mr. Briese: Thank you, Mr. Hofer, for your presentation.

I found it interesting that you said that you would have to look at a different industry if you were setting up a new colony, in all likelihood. I presume from your remarks that your preference would be to still remain in the hog business, something that you know and something that you're familiar with.

Mr. Ben Hofer: My dad was a—

Mr. Chairperson: Mr. Hofer, I have to recognize you before your thoughts are recorded in *Hansard*. I don't know if Mr. Briese had finished his question. Mr. Briese?

Mr. Briese: I would expect that you'd want to stay with the hog industry. But, beyond that, what message do you see being sent out to other industry and other things beyond the hog industry by the move of this government to shut down one whole segment of our industry in Manitoba?

Mr. Ben Hofer: Exactly what happened to all these industries that I said are gone. That's exactly what's going to happen to them.

Mr. Gerrard: This bill is going to be make it extraordinarily difficult for people in the Hutterite communities, as we've known them, because it's been a mainstay and a very important part of the operation. It seems to me an unfortunate approach that the government has taken so far on this. I thank you very much for coming and talking about it.

Mr. Chairperson: Mr. Hofer, any response to that?

Mr. Ben Hofer: Not really, no.

Mr. Chairperson: No? Okay, I think that concludes questions. I thank you for your presentation.

Mr. Ben Hofer: Thank you.

Mr. Chairperson: I now call Mr. Ray Timmerman, private citizen. Mr. Timmerman, do you have a copy of your presentation?

Mr. Ray Timmerman (Private Citizen): No, I don't.

Mr. Chairperson: You may proceed.

Mr. Timmerman: Well, thanks for allowing me to speak before this committee. I am a farmer and I farm in partnership with my wife, Leona [phonetic], and my sons, Dallas [phonetic] and Justin [phonetic]. We have a third-generation farm. It amounts to about 1,600 acres. My dad immigrated in 1926, bought the farm in 1929 and tried to make a living on the farm during the Dirty Thirties, and hogs has always been what actually kept him going. Our farm is a mixed operation consisting of 1,200 acres of cereal, oilseed, pulse crops, forages, and we also have a 90-head cow-calf operation along with a 2,000 hog-finishing enterprise.

Now that I've shared a little about myself, I'll share my thoughts with you on Bill 17 which would place a permanent ban on expansion of the hog industry in certain regions of Manitoba.

Bill 17 is wrong. It is bad public policy and based on no science. It is legislation that will hurt farmers, small businesspeople, small towns and rural Manitoba. It is a strike against the future of rural Manitoba and Bill 17 is wrong. It is anti-farm, anti-business and anti-rural. Bill 17 discriminates against individuals, families, Hutterite colonies and rural business engaged in and invested in producing pigs for food. However, pork marketing is indeed suffering at the present time. However, permanent moratoriums on new and expanding operations will greatly weaken the ability of the current and future generations, hog farmers, in those affected areas to respond to the market recovery that we know is coming.

Permanent moratoriums will also stifle any long-term interest in a vibrant industry on the part of the next generation, the one that will struggle to keep at least some people out of the city and on the land preserving a rural way of life.

Again, I repeat Bill 17 is wrong. It is not based on science or public input as proven by the Clean Environment Commission. The CEC report on the environmental sustainability of the hog industry in Manitoba contains dozens of recommendations but not a single recommendation to pursue extended, let alone permanent moratoriums.

The CEC included scientific expertise and sought input from researchers and other technical professionals on the subject. They spent a full year touring the province, receiving input from anyone who wanted to submit an opinion or information on hog production in Manitoba.

* (15:50)

Did it conclude that the industry was an uncontrollable hazard and should be shut down? On the contrary, it told the government that the hog industry is sustainable, provided that we farmers continue to do what we've always done—adapt our management to reduce environmental risk while remaining economically viable.

So where did the government find the basis of Bill 17? It didn't, because there was no basis for it provided by the CEC. Instead, it had to make a conniving move by announcing permanent moratoriums at the same time as the release of the CEC report. This implied that permanent moratoriums were among the recommendations from the CEC when, in fact, they were not in the slightest.

Our farm operation is always aware of the best management practices; we always try to work them into our management system. Soil testing is done on a regular basis in order to apply fertilizer at the most economical rate for the needs of different crops. Manure, a source of valuable nutrients and a soil conditioner, is used in place of chemical fertilizers. When applying manure on our fields, we comply with all regulations; there are a number of them. We compost our straw manure and we have constructed bins to compost our dead stock.

Having a cow herd, we have done riparian management by fencing around lakes, dugouts to protect surface water quality. All site-watering systems, run by solar-powered pumps, have been used for the past 18 years on our farm. We have tested the water in our dugouts, being that our dugouts are located mostly at the lowest points of our paddock areas, because we're trying to fill them by water run-off. We also apply our manure to the pastures and hay lands which are adjacent to these

water dugouts. Those water tests have, in the past 18 years—we've tested them maybe five times—they have always come back negative. The quality was super. So we must be doing something right with our hog manure.

We did an environmental farm plan assessment of our farm. Areas were assessed and changes were made to improve management of manure, soil, water and the environment. My fellow hog producers in the permanent ban area have, no doubt, done the same as I did and maybe even more. In return, for being good stewards of the environment, they received Bill 17.

The hog industry was looking forward to working with government to implement the recommendations from the Clean Environment Commission in a step-wise, prudent and logical manner. The precedent was already set a couple of years ago, when industry worked with government to develop and to implement the recommendations of the phosphorus expert Committee.

Despite initial misgivings and concerns about economic hardships, the hog industry ultimately supported the recommendations of the P-Expert Committee. The caveat to this support from hog farmers was financial assistance from producers most-affected by the new rules for phosphorus. We are still waiting for the financial assistance program to which government has committed but has yet to deliver.

However, it is becoming evident that this government has chosen an adversarial, rather than a co-operative, approach to its interaction with the province's hog industry. This change in approach remains mystified and frustrated for a group of farmers who have done nothing but proactively address the concerns raised about their industry.

Despite the unjustified criticism, hog farmers have remained positive and engaged with reasonable-minded government officials throughout planning and regulatory processes. Rather than throw the towel in the face of irrational arguments from the public and some within the government, arguments based on ignorance and based in bias, we hog farmers have stayed the course. That course has led to top level environmental stewardship even in incredible hard economic times.

Why am I a hog farmer, outside the proposed moratorium area, opposed to Bill 17? For one example, I am very concerned about my fellow farmers and hog producers in the eastern part of the

province as to their livelihoods and their ability to contribute to the health and strength of our industry. Another one is that I'm fully aware of the slippery slope concept. What is forced upon one part of the province can one day be forced upon the entire province.

I have two sons. One that has just returned—wanted to come back farming two years ago. My oldest son has farmed 18 years ever since he came out of high school and is very interested in hogs. If it ever happens that the moratorium goes across the province, I'm very concerned about passing the farm on to them and encouraging them to stay and their ability to remain economically viable.

They're not only interested in farming, but they've also got a vested interest which they have to meet and also be able to survive and, to be able to take one of my other sons in, the future plan is to expand the hog section. It is the one that we can do. We have the land base and that is the one area that we're looking at. But we're very scared. As I said before, this slippery slope can go on into another part of the province.

Mr. Chairperson: Mr. Timmerman, your time has expired, so either you can continue or—but it's eroding some of your question and answer time. Just to let you know.

Mr. Timmerman: I just have one part.

In conclusion, Bill 17 is wrong. This government must realize the lack of integrity it will show if it passes this bill and demonstrates the kind of leadership that the people deserve by reversing this decision. It is not too late. The partnership between government and farmers is still possible if given a chance. These statements are spoken by a real farmer, represented by a real farm family doing the real work that puts food on your tables.

Recognize my value and work with me, not against me. Thank you.

Mr. Chairperson: Thank you, Mr. Timmerman.

We have less than three minutes for questions. I have Mr. Eichler, then Mr. Pedersen.

Mr. Eichler: Thank you, Mr. Timmerman, for your presentation.

It's good to see you supporting the moratorium area that has been affected by the bill, Bill 17. I do want to come back to your comments. Nothing makes us prouder as parents and grandparents about

somebody wanting to take on the next generation of farming. I know it's going to be a difficult decision for you as you talked about whether or not to encourage your son or daughter to take over that next step. My question for you is: What do you feel Bill 17 does in making that decision as far as your area is concerned, even though it's outside the moratorium area?

Mr. Timmerman: Well, the concern I have is that I'm not sure if it's going to stop where it did, and if it does, we're not sure. So how can you plan something if you're not sure when you're in the process of doing it that somehow or another you're shut down? That's the fear I have. I know that one of my sons is definitely responsible for the hog operation and he's definitely looking at wanting to expand, but he's asking questions now. He's asking me, is it really worth it to take the chance?

* (16:00)

Mr. Pedersen: Thanks, Ray, for coming in.

When you began your presentation, you said thank you for allowing us to come, and that is despite this convoluted system we have for committee. It's us that are thankful for you coming. It's our privilege to have you here, not for you to be able to come here or be able to come to these committees.

But you're in a rather unique situation. You're outside the moratorium area. You have both hogs and cattle, and you have alluded to your family, your sons becoming involved in this. We know that Bill 17 has been reiterated over and over that it was introduced on a lack of science and more on political will than scientific knowledge.

When your son is looking at expanding the hog operation, and on your livestock operation in whole, because we're fearful of the cattle being next in terms of being targeted for this, it's going to take a great deal of capital to do this. I don't know your finances, but my guess is you're going to be out there borrowing money, or you son's going to be borrowing money. How do you approach the banks when you're going to do this? Do you think this affects their risk assessment on this as to whether you will become included in a moratorium area in the future?

Mr. Timmerman: Yes, this has been kind of a dilemma. We've discussed it. We're not sure where we're going. Being that we have a cattle operation, there is a possibility to expand that, but that's not sure either whether this ban could be imposed on

other species as well and other parts of the province. To go to try to get financing, which we definitely will have to do because I've got to retire, I've got to live off something and I've got to get my equity out somehow, and the boys are going to have to borrow money. I think it's going to be a problem to go out to find financing from the banks or the credit unions, as to their willingness of taking risk when they're not sure if this operation is going to be viable.

Mr. Chairperson: I'm sorry, Mr. Pedersen, we're already a minute over.

We'll have to conclude with that comment, sir. Thank you very much for your presentation.

Mr. Timmerman: Thank you.

Mr. Chairperson: I'll now call Mr. Roland Rasmussen, reeve of the R.M. of Cartier. Mr. Rasmussen, do you have a written copy of your presentation?

Mr. Roland Rasmussen (Rural Municipality of Cartier): Yes, I do.

Mr. Chairperson: You do. Okay. You may proceed.

Mr. Rasmussen: Good afternoon. My name is Roland Rasmussen. I am the reeve for the Rural Municipality of Cartier.

I'm here today on behalf of the Rural Municipality of Cartier to register the municipality's opposition to Bill 17, an act to amend The Environment Act to permanently ban building or expanding hog facilities in much of southern Manitoba. This area includes the R.M. of Cartier. Cartier is home to approximately 14 hog operations of various sizes.

Eleven of these are Hutterite brethren-based. I should point out we have a population of 3,300 and 1,100 of our population come from these colonies. The majority of these are original settlement colonies dating back to the 1920s or earlier, and have become an important part of the fabric of our community. These colonies have been raising livestock for approximately 90 years. Hog operations have been and continue to be an integral part of their economic livelihood.

We strongly believe our local hog operators to be good stewards of the land and that they all meet or exceed current hog manure management standards. To deny properly planned expansion will impose an unnecessary hardship on responsible citizens of Manitoba. The Rural Municipality of Cartier is

confident that the current policies in place governing new or expanding hog operations are sufficient to safeguard concerns of both local citizens and government agencies.

Not only does Bill 17 stand to devastate Manitoba hog producers, but it also will severely affect other regular Manitobans by ways of changes to our local economies. The negative economic trickledown effect should not be underestimated.

We are opposed to Bill 17 for all of agriculture, as this could only be the beginning. Who's next? Cattle producers? Poultry? Dairy? Or even bans on pesticides and fertilizers for the grain producers? Our municipality relies on agriculture for our tax base. Any limitations on it will decrease the assessment on agriculture, land and buildings, and will affect all residents of our municipality.

On behalf of our agriculture community, the Rural Municipality of Cartier is strongly opposed to Bill 17 and requests that it be withdrawn.

I would like to thank you for the opportunity to speak with you today.

Mr. Chairperson: Thank you, Mr. Rasmussen.

Questions. Mr. Eichler.

Mr. Eichler: Thank you, Mr. Rasmussen, for your presentation.

I do have a question for you in regard to authority. In your presentation you talk about the current guidelines that are in place. With the permanent moratorium, as you would know, this takes off that authority for a municipality in order to make that decision, whether the new barn will be built.

How, as elected officials, do you lobby the government in order try and get him to change that decision? Do you work through your AMM, or what's your plan of action in that regard?

Mr. Rasmussen: If this bill goes through?

Mr. Eichler: If it goes through, yeah.

Mr. Rasmussen: Well, according to this bill, they'll have to use anaerobic digestion, which I think is just another cost for them. But we're in the process of just redoing our planning act. We've joined with the neighbouring municipality, St. Francis, and we have identified specifically these colonies. Like, they have been there—the first colonies came to this area in 1918 and they've been there for 90 years, so we've

recognized with St. Francis that these are areas on their side also where they cannot develop.

I've been on council for 15 years and I've been through only three conditional-use permits for hog operations. They've all been Hutterite and they've all been just to replace an existing barn, but every time they replace, they just want to go a little bit bigger. They're not going huge. Like, I would consider them medium-sized operations on today's standards. Thirty years ago they were probably large, but today they're just medium, I would say, 400 to 500 sows, a lot of them.

Mr. Chairperson: Supplemental question to Mr. Eichler.

Mr. Eichler: Obviously, based there for 15 years, you have enough experience, I think, that you as council would be able to have the tools at your disposal in order to decide whether or not a barn should be built in a specific area, based on the environmental regulations that are in place.

Do you feel you have ample enough tools to allow you to make that decision without the moratorium in place?

Mr. Rasmussen: Yes, I feel very confident we do.

Mr. Briese: Thank you, Mr. Rasmussen, for your presentation.

I just want to touch on another aspect being as how you're the reeve of the municipality. Do you see this Bill 17 in the long term—and it would take a few years—resulting in a drop in assessment in your municipality or at least a shift in assessment to other types of structures? I would think that you're taking one thing right off the table, and that is the possibility of new barns being added to the assessment role, but I think in the long run you probably take the old ones off the assessment, too.

*(16:10)

Mr. Rasmussen: Well, I think if this goes through, I think there's going to be an immediate effect. I can't see anyone with a large barn in this area not going to appeal his assessment right off the hop because his resale value has diminished even if he has 10 years left on that barn. No, there will be an impact. A lot of these larger farms, like the colonies, next time come around, they may decide they are not going to have hogs. But they may decide they want to build a factory, and maybe they're going to build it closer to the market and away from where we are. We might just have their housing and their land. They'll just be

a grain farm, basically, with another sideline interest probably located someplace else.

Mr. Gerrard: One of the problems with this sort of moratorium is that it drastically reduces the flexibility that producers would have to modernize their facility to make it better technologically or environmentally because it might need a modest expansion, as in fact has happened. That certainly would be a major concern in terms of helping the industry modernize in whatever way people want to do. I'm just interested in your comments and thoughts.

Mr. Rasmussen: Well, I know they're willing to always adapt to new technology. I can remember when the first guidelines came out, they had to inject the manure. They were all up in arms, and now you talk to them and they say it's the best thing that ever happened because their land is improving. I can see it. I also farm next to a lot of these. The new technology is just the big expense. I feel things are better in the municipality now. At least they've been around for 90 years. We used to get a lot of odour complaints and everything. With the injection we seldom get those. There is a little bit of time in the fall things happen, but people know it. It only happens this one time of year.

We feel, the municipality, that what they have now is more than sufficient. If they want to expand their hog barn under the current guidelines, if they don't have the land base to support it, they can't do it, which is, I think, fine.

Mr. Chairperson: Okay. Seeing no further questions, sir, I thank you for your presentation.

Floor Comment: Thank you.

Mr. Chairperson: I now call—

Committee Substitutions

Mr. Chairperson: Oh, wait a second. Before I do that, I have some substitutions: Bonnie Korzeniowski for Erin Selby; and Marilyn Brick for Sharon Blady.

Mr. Chairperson: As a result of that, we have lost our Vice-Chair of this committee. We will need another one.

The Member for Fort Rouge has a nomination for me, does she?

Ms. Jennifer Howard (Fort Rouge): I do. I'll nominate Ms. Brick.

Mr. Chairperson: Ms. Brick has been nominated. Any other nominations? Seeing none, Ms. Brick, you are now the Vice-Chair of this committee.

We will move on and I call Dawn Harris, private citizen. Ms. Harris, you have a written presentation I see. Okay, you may proceed when ready.

Ms. Dawn Harris (Private Citizen): Good afternoon, ladies and gentlemen. My name is Dawn Harris, and I live on an acreage northeast of Niverville. I am not a hog producer. I have never been a hog producer, and I never will be a hog producer. I have, however, spent 30 years in the field of agriculture, and for 20 years I have lived in rural Manitoba. For several years my husband and I operated a dairy farm. As well, I live half a mile east of a large integrated hog operation and across the road from a small family farm, a family hog operation which operated until two years ago.

When I first heard that the government was proposing Bill 17, I was speechless and, for those who know me, would find that quite a unique situation. I am, to say the least, mystified at the rationale for this proposed bill. It seems so unfair. Fairness and justice are what I have chosen to focus on in this presentation, partly because others, I am sure, will base or have based their presentations on scientific grounds, and partly because science has become a non-starter with the general public.

Those in the agricultural community have long decried the gulf between agriculture and those we feed. Well, if the distance between agriculture and the rest of the community is a gulf; the distance between science and the rest of the community has become a chasm. So, if the case for science will not be acknowledged, let's base opposition to Bill 17 on fairness and justice—qualities I have always been of the understanding that the NDP supports. This bill is unfair and unjust.

Before I itemize why I believe Bill 17 to be unfair and unjust, I have to say that I find legislating an end to the expansion of a specific business in specific areas of the province to be draconian. Resorting to a legislative solution says to me that the government has given up on any creative solutions to what it believes to be a problem, not something any government should want be known for: a lack of creativity. It also says to me that the government has chosen to tell the agricultural community that it no longer wishes to work in partnership with it to find solutions.

Why is Bill 17 unfair and unjust? Firstly, it segregates one sector of society for control, and by that very act, implies that the hog industry is the primary reason for water pollution issues in the province, something which is not supported by the facts. I see no suggestion that housing starts should be stopped until Winnipeg addresses its water-related issues. It was only two weekends ago that I saw an advertisement in the *Free Press* for a new cottage development. There is no prohibition on new cottages until the waste issues related to summer residences are resolved, nor have municipalities been told to fall into line immediately in their approach to waste-water management.

A year or two ago, I was encouraged to hear a media interview with Bill Barlow, chair of the Lake Winnipeg Stewardship Board, who essentially said, if we are to solve the water quality problems in Lake Winnipeg, we need to stop pointing fingers; we are all in this together. Bill 17 points fingers and that is unjust.

For those salaried individuals in the room, imagine this. Yesterday you went to work and were told that you had to keep coming to work, but your job would stay as it is forever. You would not receive an increase in salary and more than likely, your salary would decrease. You'd say that was unfair, wouldn't you? That is essentially what Bill 17 is doing to one group of people in several areas of Manitoba.

Now, imagine you run a business. You have a business plan. You have a handle on the numbers. You understand the business cycle in your sector. You have invested financially in infrastructure—buildings and equipment. You are in compliance with government regulation. You have a relationship with your financial institution based on your business plan.

Imagine you had reduced your production in response to market cycles, anticipating you would again expand your business when the market cycle turns. Imagine you have one, or two, or more employees for whom you feel some responsibility for their well-being. Or imagine you were intending on selling your assets because you were going to retire. You were counting on your infrastructure for retirement income.

Now imagine, you woke up yesterday, and you were told you could no longer respond to market signals, you could no longer expand. Your buildings and equipment are suddenly worth significantly less

than what they were because you could have not anticipated that government legislation would single your industry out, when all along you thought you were playing by the rules. You can no longer go to your lender and present a long-term plan of where you intend to head. Is that just? I don't think so. But that is what is happening to many hog farmers, and, I think, two speakers previous to me substantiated my comments on your inability to make long-term plans and discuss with your lender.

It's not just hog farmers whose livelihoods are in jeopardy; it is the many businesses in rural communities who depend on hog farmers—truckers, feed mills, veterinarians, equipment supply companies, as well as people in the cities who supply those businesses.

Bill 17 is a storm surge in what has already been a perfect storm that hog farmers have found themselves in the middle of—input costs are up due to increased demand for food by upwardly mobile Chinese and Indians; the dollar is up; and COOL has put further chill on exports. I would have expected a more fair approach from my government than to add to this trauma.

* (16:20)

I have the greatest empathy and sympathy for hog producers, large and small, incorporated and unincorporated. The mental anguish they are going through must be extraordinary. It is not hard to understand why many of them are angry. Others are shell-shocked and still others are just plain hurt by this turn of events. For a government to visit this kind of pain on one sector of its population, I think, is unjust.

I wonder at the genesis of this bill. It seems to have its roots in an idealized, even Pollyanna-ish view of the world, at least the agricultural world. I see, behind this bill, visions of bucolic pastures and small mixed farms on every quarter or, at least, every half-section.

There is a wish on the part of some of those who support Bill 17 to hearken back to the way we were, instead of the way we are. Consequently, it is easy for them to blame all the ills of the way we are on those who changed the way we were.

There is a reason why farms have gotten larger; they have been doing so since agriculture came to the prairies. There is a reason why intensive livestock production has come into being. The majority of the non-farming public wants its cars, flat-screen TVs,

meals out and cheap food; they can afford the luxuries of life.

Farmers have responded and, by the way, farmers want what the rest of society wants: vacations, meals out, a nice house and, yes, a visit to the city every now and then. I have no problem with lifestyle farmers, but it's not something I ever wanted to be, nor can I think of any farming friends who have had that ambition.

If the government's approach to farmers had been fair, then instead of announcing Bill 17, the government would have announced significant research dollars now towards the type of research the Clean Environment Commission had suggested. It would have announced significant money to recognize farmers as stewards of the land and to supplement their incomes to continue as stewards of the land.

This government could have been on the leading edge of encouraging environmental responsibility, rather than taking the retrogressive approach it has.

As I begin to reach the conclusion to this presentation, I have to say that I am not asking that agriculture or the hog industry be given carte blanche to do as it will. I don't think any responsible person in the field of agriculture is asking that. There are saints and sinners in the agricultural community, just as there are saints and sinners in the environmental and political communities. I believe there is a middle road that can allow all of agriculture to continue to contribute to the economic well-being of Manitoba, while improving the environment.

Bill 17, to me, sets an unacceptable precedent by legislating against one sector of the community where regulation and partnerships can work as effectively, if not more so. Legislation is inflexible and cannot respond in a timely manner. Bill 17 sends a worrying message not only to other sectors of agriculture, but to other sectors that contribute to the economy of Manitoba.

If you can't count on a rational approach from a government, why would you invest in this province? If your business can't respond to opportunities, why would you set up shop here? I do not want to live in a have-not province.

Bill 17, to me, calls into question the relationship between this government and its professional staff in Conservation and Agriculture and, in fact, the role of all of those in the province who have education, experience and expertise in a

discipline. The bureaucrats will have to comply with this bill if it becomes law, but I cannot believe it would have been their first choice as a solution.

I recognize there will always be differing perspectives and ideas among those within a discipline. I expect my government to weigh those perspectives and find solutions that build on good ideas from all sides, not cherry-pick the ideas that suit its ideology.

Finally, for a government that prides itself on its public consultative process, examples being the Clean Environment Committee and the Lake Winnipeg Stewardship reports, Bill 17 seems an odd approach. I think we all need to take a breather and give our heads a shake. Do away with Bill 17; remove the blanket moratorium; make use of your professionals to review farm operations on a case-by-case basis, if need be. Take a holistic approach; work in partnership to find solutions.

There are many good programs already in place, such as the Environmental Farm Plan. I have to say, if Bill 17 had been under consideration when my husband and I had looked at going dairy farming, I don't think we would have gone dairy farming. It would have been too much risk.

On a final note, those two hog farms that I said I live near—it has been the small family-run operation that we noticed most when it came to odour, not the large corporate farm up the road. Thank you.

Mr. Chairperson: Thank you, Ms. Harris.

Questions.

Mr. Eichler: Thank you for your well-thought-out presentation. I know you respect the community of which you live, and definitely being a mass producer and understanding the economic impact as well.

You've talked a lot about different things, but we didn't talk much about education. Do you feel that we've been doing enough, as legislators, in trying to educate the public on awareness when it comes to the storage of manure, the handling of manure and, actually, where the pollutants are actually coming from, rather than just the hog industry?

Ms. Harris: That's a hard question to answer. I mean, the easy answer is: No, you haven't been. But I think what also plays into this is, there's a group of people that don't want to hear, don't want to understand, and they have the ear of the media because the media likes sound bites. I think, from agriculture's perspective—and I have a background in

communications, and I know in the last few weeks I've been talking to researchers in different areas—I think we're all struggling with how do we come up with the sound bites in agriculture to get the points across. Part of the problem with us—and it's not a problem—part of the situation we're in, in agriculture, and certainly the researchers, we tend to like to stick to facts—and the farmers, we stick to facts. Whereas the people who are activists in certain areas like to play loose with their facts, and it's hard to compete against that in the media. So, yes. I think there could be more education, but I don't think that's the total solution.

Mr. Chairperson: Okay. Seeing no further questions, I thank you for your presentation.

I'll call Mr. George Witf, private citizen. Mr. George Witf? Okay. Mr. Witf is not here, currently.

Move to Mr. John Allen, private citizen. Mr. John Allen?

We will move on to Mr. Clarence Frase. Sorry, Mr. Clarence Froese.

Okay. Mr. Dennis Thiessen. Mr. Dennis Thiessen?

We'll move on to Cheryl Kennedy Courcelles. Cheryl Kennedy Courcelles?

Mr. Hugh Arklie, Springfield Hogwatch. Mr. Arklie?

Mr. James Hofer, private citizen. James Hofer? No?

Mr. Jacob Waldner, private citizen. Jacob Waldner?

Ms. Olayinka Brimoh. Olayinka Brimoh? No?

Mr. George Matheson. George Matheson?

Mr. Doug Redekop, Kelly Farms Ltd. Doug Redekop?

* (16:30)

Mr. Art Bergmann, R.M. of Ste. Anne.

Mike "Spurs" Waldner, Cool Spring Colony. Mike "Spurs" Waldner?

Move on to Mr. Johannes Waldner, Better Air Manufacturing.

Mr. Menno Bergen, private citizen.

Mr. Scott Dick, Agra-Golds Consulting Ltd.

Mr. Greg Fehr, mayor, Town of Niverville

Mr. Nathan Baer, Airport Colony.

Mr. Lyle Peters, private citizen.

Mr. Darcy Pauls, private citizen.

Mr. Aaron Hofer, James Valley Colony. We have a winner. Mr. Hofer, do you have a written copy of your presentation?

Mr. Aaron Hofer (James Valley Colony): Yes, I have.

Mr. Chairperson: You may proceed.

Mr. Aaron Hofer: First, I would like to thank the Manitoba legislative committee for the opportunity to speak about our concerns and to voice our comments on Bill 17, The Environment Amendment Act, a proposal for a permanent ban on building and expanding hog facilities in central Manitoba.

Today I'm here to speak on behalf of James Valley Colony. I'm the business manager of the colony. We are located 50 kilometres west of Winnipeg in the Rural Municipality of Cartier. Our colony is composed of 30 families.

Hog production plays important and significant part in supporting Hutterite colonies here in Manitoba. James Valley Colony is one of the first Hutterite communities to settle in rural Manitoba. We were established in February 1, 1918. In June of 1918, the first sows were purchased and hog production has been with us every since. We started with 20 sows and have been increasing with time. We built barns, eventually replacing them with great cost with better barns and so the technology has been advancing. So has our commitment and ability advanced, so that we might be successful farmers, successful at supporting our families and supporting our rural, peaceful and agriculture Christian way of life here in southern Manitoba. Raising hogs has played a big part in helping us to support ourselves and also to provide food for people around the world.

We are currently a multiplier of F1 gilts for GAP genetics and have been disease-free for 17 years. The experts we rely on, such as our veterinarians and our nutritionists, are Manitoba-based. Our gilts, or hogs, are being exported to all Canadian provinces. We have even recently started shipping gilts to New Mexico.

Manitoba and the rest of Canada is a key player in the global trade table for a few reasons: (1) Health. We have a very clean and good health record; (2) Genetics. Canada is a world leader in advanced

genetics, growth rates, feed conversion and meat quality; and (3) Biosecurity. Manitoba has been very successful in keeping diseases under control thanks to the very strong, active veterinary association, manure management plans and support from the university and the government of Manitoba.

Since the year 2000, we, along with many other hog producers, have been filing manure management plans. With regard to our manure management plan, all our manure is being knifed in and distributed over 4,000 acres. It is done very professionally, with soil samples being taken, constant flow meters and phosphate testing. Our manure management plan is being engineered and co-ordinated by Agri-Trend, which is a Manitoba and Canadian company that specializes in land fertility, production, rotation and manure management.

Thanks to concerned people like Agri-Trend, Manitoba's a safe and environmentally friendly province. It has truly been a blessing for us to be able to live on the land in Manitoba.

Today people ask me the question, how will the Bill 17 ban affect your colony? My answer is, the outcome could be very devastating. Bill 17 makes the future for Hutterites in Manitoba almost impossible to imagine. Our multi-family, multi-generational farms have been Manitoba hog producers for five generations. We are committed to the long term, to a sustainable rural way of life for ourselves, our children and for our grandchildren. This has been our livelihood, our way of life, our past, our present, and God willing, our children's future.

Last month, in the *Free Press*, there was a photo of a poor African child starving of hunger and the headline said "Feed our world." If there's one province in Canada that has the ability, the capacity and the people to make a major impact on the global hunger situation, it's Manitoba. God has blessed Manitoba with hog farmers and a great number of other people who support and are supported by the feed industry. However, Manitoba hog producers, agricultural service providers and suppliers and the Maple Leaf packing plant can't do it alone. We need a provincial government and a federal government to be supportive of our industry.

In November of the year 2006, the Manitoba Minister of Conservation made a request to the Clean Environment Commission that it conduct an investigation into the environmental sustainability of hog production in Manitoba. The commission was

tasked with assessing current environmental regulations to determine their effectiveness for the purpose of managing hog production in an environmentally sustainable manner.

In conducting this investigation, the commission held 12 public hearings in agricultural Manitoba during the winter and spring of 2007. They also reviewed an extensive range of literature, commissioned original reports and consulted with academics and federal, provincial and municipal officials. Based on The Sustainable Development Act, the commission concluded that an assessment of the environmental sustainability of the hog production industry involved determining if that industry could be maintained indefinitely in light of its impact on air, land, water, flora and fauna.

The results were positive. Yes, the industry can be maintained indefinitely in light of its impact on air, land, water, fauna or flora. Environmental sustainability is very important to Manitoba Hutterite colonies. The challenge for our government would be to develop an implementation strategy that works with producers and other members of society to also ensure the industry's social and economic sustainability.

I think Manitoba, as a province, has the ability, experience and leaders who are able to deal with all these issues.

* (16:40)

Thank you for listening to me and all of us here who are hoping that you will take our concerns seriously. We do not see Bill 17 as positive for Manitoba. It is a serious threat to all the Hutterite colonies. May God grant the government the wisdom and knowledge to make the right decisions. Thank you.

Mr. Chairperson: Thank you, Mr. Hofer.

We'll go to questions now.

Mr. Eichler: Thank you, Mr. Hofer, for your presentation. We know how important this is to your family and your livelihood. Certainly, we commend you for your comments and speaking from your heart.

I know that this has a significant impact on your families and your brothers and sisters around the province of Manitoba. You're great stewards of the land; you try to do the best job you possibly can and you want to see that the hog ban does not affect your way of life. I know that, as a result of your

environmental plans which you follow and try to put through for making sure that you don't overspread—in fact, the price of fertilizer is so expensive that you would not waste an ounce of this.

Could you just outline for the committee some of the practices that you follow? Do you feel the regulations that we have in place now are enough to sustain the industry, without having to put the moratorium on?

Mr. Aaron Hofer: Yes, injecting manure is much, much better than spreading it on the land. We've heard today that it costs a substantial amount of money to go from one system to another and, therefore, at great cost.

Now the next step is to, as I mentioned, the Clean Environment. What are the recommendations of the Clean Environment? If they so recommend to us, then we should and the government should allow enough time for people to make the changes.

We can't jump that fast from thing to another. It doesn't work that way. You have to give people a chance and then assess it for five years—is it working or not working? If it's not working, let's go further, really. Let's take it a step further. We have to do a better job or whatever.

One of the greatest improvements ever was to go from winter spreading, or just straight spreading, to injecting. It's clean. You would have saved all the nutrients where, before that, you lost as high as 50 percent, especially in the winter. Where did it go? Some of it rained off, so it's a tremendous, tremendous improvement. But you have to wait now—what are the side effects? It's much, much better.

We're replacing fertilizer; we're replacing chemical fertilizer with every pound that we have. How could you do it any better? If studies have shown us that we can make a better job by making certain improvements, we most certainly will follow.

But the hog industry is very, very important for the Hutterites and the Hutterite colony because, if you take an equation of the land base that they have and equate it to any outsider—we have two neighbours, one on this side, and one on that side. Between the two neighbours, they farm as much as we do—30 families, 4,000 acres. He's got two and he's got two, and he says he can barely make it.

So hog production, by using our own grain, increases the value substantially and then feeds six or

eight families. They're still families; they still live here. If they so choose to live together, that's beside the point; that's a religious thing.

Ms. Wowchuk: Thank you, Mr. Hofer, for your presentation.

You and the reeve of Cartier talked about the number of colonies in this particular municipality. Someone earlier talked about sister colonies. Can you tell me whether your colony is close to having to divide—have a daughter colony or the other colonies in your area? Is there growth? Are you looking to divide up?

Mr. Aaron Hofer: We're very close. I guess we got 126 people so we're fairly large and thinking about expanding.

Ms. Wowchuk: When you think of expanding, what is a reasonable distance—how close of proximity do you look when you go to start up the daughter colony?

Mr. Aaron Hofer: Well, it can vary from 10 miles—which James Valley and Starlite, which was the last split—to 120 miles or 200 miles. It can—it all depends on the availability of land or so on, but where and how and when, and it's true that there's some are close to the Saskatchewan border, but still would not eliminate, and we've heard it more than once today, that everything drains into this particular lake that we're so concerned about.

Mr. McFadyen: Thank you, Mr. Hofer, for the comments today and the thought that went into them and we certainly appreciate that it's been a long day here and it's an unusual process in lots of ways, but the comments today, I think, were really important.

I want to just ask you, 'cause I'm not an expert by any means on the things that you're discussing today. Some of my colleagues know a great deal more about it than I do, but I want to ask you just about the move to injection. What was involved in terms of the upgrades and—just in terms of orders of magnitude, and understand costs in making that shift toward injection from spreading, and how realistic is that for the industry because it sounds like, intuitively, to me, sounds like a very good practice and if you can just walk us through the time period over which you went through that transition and what was involved in terms of costs to the organization?

Mr. Aaron Hofer: Very good question because it is almost like mechanical or scientific instead of, like,

from the Stone Age. No, that's what you could compare it to.

We, as a colony, built a lagoon—I'm going to say 10 years ago, just going to go with my memory now—and after that we had to go as a liquid, and injecting is you use a pump and a flexible hose and it can be up to half a mile long and you actually use a cultivator to knife it in. There's also—you could do it with a truck or tank system, too, but that's—nobody touches anything and that's the way you do it.

However, the hose is only so-and-so long, you can only go so-and-so far, and then you keep adding and adding and adding, and if you're out—you have only, let's say your land base is only two or 100 and 300 or 400 acres, then that is what all you can spread. To spread more, we had to dig underground a mile and a half of eight-inch PVC pipe, like, doing a pipeline from one end of the farm right to the other end of the farm, and then you high-pressure this pipeline and, on the other end, four miles away or more, you would be injecting the manure into the ground.

*(16:50)

Now, through the Agri-Trend people and through—we've heard and you might hear some more of it—the phosphate that's supposed to be the new enemy or the new kid on the block, really, that we—phosphate moves very slow to start off with, but phosphate is hard to dissolve for so long. So it's not the nitrogen that's in the soil because he can almost use it up in one-year type. That's the reason why we are spreading our manure over 4,000 acres because we already did some of it. At great cost, we extended our pipeline to another mile and a half so we could do the other area of the farm and spread it out. It'd be five, six years before any other field would get manure on it the second time. So there's lots of room for spreading the manure.

In the old system, you can only haul it so far because often there's muddy, wet, and even lots of snow conditions. That's why it was dumped on the first field. We have taken care, and have the tools, and most every people have, to spread it out very evenly on 2,000 acres, not 20.

Mr. Chairperson: Okay. Mr. Hofer, we have to draw this to a close. We're several minutes over already, so I thank you for your presentation.

Mr. Eichler: I was wondering if we could have leave. We went through 31 presentations in about six hours, which was roughly about 15 minutes per

presenter, four per hour. We, some of the presenters, thought we were going to be running a little bit behind schedule. So I was wondering, first of all, if we could have leave to go back to No. 50, who is here for sure now, Mike "Spurs" Waldner from Cool Spring Colony.

Mr. Chairperson: Is that agreeable to the committee? *[Agreed]*

I will call, on that basis, Mr. Mike "Spurs" Waldner of Cool Spring Colony.

Mr. Waldner, do you have a copy of your presentation? Yes, you do. Thank you. You may begin.

Mr. Mike "Spurs" Waldner (Cool Springs Colony): Good day, ladies and gentlemen. I represent the Cool Springs Hutterite Colony from Minnedosa. My name is Mike Waldner.

Dear sirs:

This letter is in regard to the unfair moratorium the Province of Manitoba has placed on hog production expansion. This action appears to be based on political motivation rather than scientific fact.

The inclusion of phosphorus as a determining nutrient for application has limited the amount of manure in organic fertilizer or a municipal's sewage sludge that can be applied. Cool Spring Farms, along with most hog producers, rely on nutrients testing on manure and soil to prevent overloading the soil and leaching into the groundwater. In addition, the swine industry, Cool Spring Farms included, adopted methods to reduce the amount of phosphorus in manure by the inclusion of phytase in our swine diets. This action has successfully reduced phosphorus levels in manure by as much as 40 percent. Phytase is an enzyme that reduces the amount of calcium phosphate supplements required. Manure injection has become the standard rather than the surface application which also reduces phosphorus leaching and surface run-off.

It should be noted that most swine producers had manure plans in place before the enactment of the Livestock Manure and Mortalities Management Regulation under The Environment Act came into place. When I made a presentation to the Clean Environment Commission, one of the commissioners commented that our hospitals and other industries could learn from swine producers in the way we deal with our manure.

Finally, with the high cost of fertilizer, swine producers cannot afford to misuse or waste them. We also enjoy the use of our rivers and lakes, and we do not want to do anything that will rob future generations of that enjoyment.

If Bill 17 passes, Manitoba's hog producers will have to utilize natural principles of animal husbandry techniques and management practices where and whenever possible. Most of the producer concerns are focussed on not being able to remodel and/or expand their existing hog sow barns. Hog producers are under considerable pressure from consumers and the general public to create a more friendly animal environment.

The swine industry operates under a narrow profit margin that has tightened considerably over the years due, in part, to increasing government regulation. One of the biggest impacts of Bill 17 will be on the future of the family farm. If hog farms cannot be expanded or modified, then young people taking over the family farm may not be able to adapt their operations to change in consumer demands, both domestic and international, in order to stay competitive and profitable. Thus, Bill 17 needs to be reworked in order not to attack the concept and survivability of the family farm, but to provide the means where young producers can develop and maintain a viable operation.

Cool Spring Farms currently supplies breeding stock to 30 family hog producers. Most of these clients had plans to have young family members take over the family operation. With the introduction of Bill 17, these plans have started to change as the future of making a living in the hog industry has come in question.

These potential impacts on hog production and farming in general will then have serious impacts on our rural communities. Our young people will have to relocate to urban centres to find employment. As populations decline and businesses close and our food prices—food that we used to produce locally may have to be brought in from other provinces or countries.

In 1876, the Mennonites and Hutterian brethren left Russia because of intolerant government attitudes. During the Stalinist period of the former Soviet Union, millions of Ukrainians were starved to death and many fled to Canada for not adopting the government's collective-farming concept. Ironically, with the fall of the Soviet Union, Canadian agricultural practices are being imported through

Russia and its former republics. The message of this paragraph is governments need to operate in areas where they have expertise and facilitate in areas where their knowledge is lacking.

Since the majority of Manitobans live in urban areas and have limited exposure to farming, it is important to note that food—bread, eggs, milk, meat, cereal, vegetables, fruit—do not grow on supermarket shelves. These products, or the precursors of these products, are grown on farms and in orchards. Without a viable agriculture sector in Manitoba, all of our food would have to be imported from other provinces and countries. From an environmental standpoint, this would seriously increase the carbon footprint of Manitoba just in transporting the food—trucking and rail—not to mention the impact of cost to the consumer.

* (17:00)

In 1970, when I started in the hog business, there were seven hog slaughter facilities in Winnipeg. Now there are two major plants in Brandon and Neepawa. Over that same time frame, many non-agriculture industries have left the province, and we are already being called a have-not province. Can Manitoba afford to cripple the hog industry or potentially have components move to other jurisdictions?

Protecting the environment is everyone's business in Manitoba. To this end, before legislation is passed that will seriously damage this industry, there needs to be dialogue and consultations by all interested parties to come up with viable solutions and compromises.

As it stands, Bill 17 has more in common with witch hunt than concern over the environment. If it is a witch hunt disguised as legislation, then you are truly throwing the baby out with the bath water. Please recall that hog producers are citizens who vote, pay taxes and spend the majority of their incomes in Manitoba. Thank you for listening.

Mr. Chairperson: Thank you for your presentation, Mr. Waldner.

Questions?

Mr. Pedersen: Mr. Waldner, in your brief here, you mention that you supply breeding stock to 30 family hog producers. I do not want to go into names, but I'm more interested. These are all over Manitoba, and I assume they would be inside the moratorium area

and outside the moratorium area. It's all over Manitoba, I would assume.

Mr. Mike Waldner: These 30 family farms are all in these three municipalities that have that moratorium, and we also have more outside of these jurisdictions. They're mostly family farms.

Mr. Pedersen: So, obviously, and as you deal with them, with these 30 family hog producers in the moratorium area, they must be expressing some concerns about their family operations, about sons and daughters taking over and, obviously, for you to be able to continue to supply them over the years and how they will survive. You must be having discussions with them about how their livelihood will be affected.

Mr. Mike Waldner: Their concerns have been great ever since this Clean Environment Commission's gone on, and we put a few good words in for them that they told us to speak up for them, and we promised them we would consider that when we make this speech to our government.

Their concerns are how are they going to sustain their family farms with their young members going off with what's going to become with Bill 17. Now I told them, we can try. Maybe our majority of the hog producers will probably—if our government is going to have heart and be reasonable and show more scientific—Pardon me, and rely to more scientific fact on this moratorium about this phosphorus, the 1.5 percent, maybe it'll become something. That's what our askings were from these family farms.

The majority of them, how are we going to expand these barns because our husbandry act for sows. All the food source that they're calling for food, they're looking to look at different way to house sows. Now their hands are tied. How are we ever going to manage that? And not only the sows—

Mr. Chairperson: Okay.

Mr. Mike Waldner: I'd like to make one more. Our packers—10 years ago, how many kgs did you market pigs for—110? Now, we are up to 115, 120. What if our plants are going to ask for heavy hog? That's what moves for exporting, a heavy hog.

How are these assembly farms going to survive, if they can't expand their large, if our packers would call for 120 kg hog, or 130, the way the Americans do? Have heart.

How are you going to feel out for those guys, youngsters, with Bill 17? I feel sorry for them, for all

the hog producers and for any government official that sticks up for this Bill 17.

Mr. Chairperson: Thank you, sir. Seeing no further questions—Mr. Briese.

Mr. Briese: I guess you missed my signal a while ago. Thank you, Spurs, for coming in and making this presentation.

I think you're the first one, or I may have missed it if there was another, that mentioned phytase in the diets. I'm well aware of what it is, but I'm sure there are some members on the opposite side of this table that have never even heard of it before. I wonder if you would expand on that just a little.

Mr. Mike Waldner: On what?

Mr. Briese: On the phytase in the diet.

Mr. Mike Waldner: Phytase is an enzyme. All cereal grains have a phosphorus content in it. Before these phytase were brought in, we used to add, presumably, 25 to 30 kg of phosphorus in our diet ration per tonne.

With this phytase now, there are some rations where we virtually take all of our phosphorus out. With these by-products out of the grains, we can actually feed pigs without phosphorus, with phytase. It's an enzyme that brings the natural phosphorus out of cereal grains, where we take in a bit by. Actually, I got 40 percent here. I don't want exaggerate it, but we're down to probably 60 percent.

Mr. Chairperson: Time for this presentation has expired. Mr. Waldner, I thank you for your time.

Mr. Mike Waldner: Thank you.

Mr. Eichler: Again, I ask leave of the committee. Ron Friesen, presenter No. 36, is from out of town. It has been indicated to staff that, in fact, he is from out of town. We would ask leave for him to be called now.

Mr. Chairperson: What is the will of the committee? *[Agreed]* On that basis, I call on Mr. Ron Friesen, East-Man Feeds. Mr. Friesen, you have a written copy?

Mr. Ron Friesen (East-Man Feeds): I do.

Mr. Chairperson: You do. Thank you. You may proceed.

* (17:10)

Mr. Ron Friesen: Good evening. It's going to be a long haul at this table. I'm sure you're going to hear a

lot of stories, and you've probably heard a lot already. My name is Ron Friesen and I'm a resident of Steinbach, Manitoba. Ms. Wowchuk, I thank you for the opportunity to move that, advance that forward.

For most of my life, I've raised my family in this community and with no ill effects. There's substantial agriculture in the Steinbach-Hanover municipality. As everyone is well aware, they're one of the areas that are heavily scrutinized through the Clean Environment Commission and through their production of livestock.

I'm the vice-president and general manager of East-Man Feeds. My dad and I started this company in 1970. That's when there was 7,000 hog producers producing 1 million pigs in Manitoba. Today there are about 800 producing about 10.5 million. The family farm, for one reason or the other, kept expanding in the pig business. Some were going out, and as the barns got older, they were retired, and, certainly, the farming practices in swine husbandry has changed dramatically. So over these 38 years that we've been in business, we currently are employing about 200 people in this business, and we've expanded right across western Canada and down into the United States.

Based on our knowledge of this industry, the feed industry, and swine husbandry practices, we're very confident that the people that we deal with are probably the best livestock producers in the world, and certainly it's demonstrated through their production numbers, through their pigCHAMP reports. The Hutterite and Mennonite people are the substantial producers as far as private individuals go.

We primarily deal with independent livestock producers and mostly with independent producers who raise hogs in all different forms, being farrow to finish, wean to finish and isowean farms. Isoweans I'm sure have been explained to you. They are the prominent force where the farms expanded into this method of raising hogs when the Canadian dollar was 74 cents, and the industry was built somewhat on that premise. However, they have been a vital supply of livestock to the finishing side of things and certainly in the decision to develop new packing facilities in Manitoba.

In 1997, Ron Plain and Fred Grimes, who are the world-renowned economists out of the U.S. stated that somewhere between Brandon and Winnipeg was the most cost-effective area to do business in the world. Ever since that time, it seems like the

governments of Manitoba have done everything in their power to change that, and we wonder why.

Today we're addressing how Bill 17 will impact the lives of all these people that are directly or indirectly involved in the livestock industry in Manitoba as a whole. All of these studies that you've done through the Clean Environment Commission, the sciences and research that have impacted agriculture and the production of livestock, but particularly the hog industry, have now been completed.

For some reason I keep getting the feeling that Manitoba seems to be under the impression that they're the only area in the world to raise hogs, that these studies have not been done in North Carolina, in Holland, in Denmark, in Malaysia and the United States as a whole. As far as our research goes, there are not too many places in the world where there are moratoriums on building hog barns in these areas that have a lot more intensive livestock production and communities that are living in those, agriculture with agriculture.

So there are lots of assumptions that have led up to these studies in Manitoba, but the science and the proof is that the hog industry is a responsible steward of the land and the environment and that the hog industry has had a minimal effect on the environment and the phosphates that have been discovered in Lake Winnipeg.

With or without the hog industry, every acre of arable land in Manitoba will still be seeded, especially with the prices that we see here today. They'll be seeded to crops regardless of the price of grain, and I would suggest that every acre will then be fertilized with either chemical fertilizers or organic liquid hog manure. I would prefer the hog manure. You get the best crops from that. With the price of fertilizer, there's a huge value in organic liquid hog manure of which most farmers, too, would prefer.

This industry has vastly changed over the last 40 years of growth, in the size of the operation and the method of managing and housing livestock to the way the farms apply forms of hog manure, and you heard Aaron talk about knifing the hog manure in and whatever the environment commissions, whatever the people who—the powers-that-be that have suggested that we need to change, the farmer has always adapted to this.

Bill 17 has limited effect on the commercial farms because the commercial farms can simply move any new development to areas not affected by the moratorium with not too much hardship. In fact, they can move right out of the province, and they will demonstrate that they will do that. However, the private farmer needs to work where he lives and generally is farrow to finish, and not like a pig or like a pig, a pig does not defecate where they eat or sleep, okay? And farmers are responsible and they're stewards of the land. However, the private farmer works where he lives and generally is farrow to finish. He uses the resources of the hog production to supplement his grain farm and vice versa.

The hog industry in general has complied with every rule or regulation that the Clean Environment Commission and/or whatever other government regulatory body has bestowed on them. Whether it is manure management, clay liners and lagoons, covers on manure storages, hog transportation, swine husbandry, et cetera, the hog farmer is adaptable and compliant within reason. What will happen when the hog industry and if or and animal rights husbandry practices will infiltrate this industry? What will happen when this will limit their ability to produce hogs at the level that they have been used to, and it will minimize the farmer's ability to survive in this very competitive industry? They'll have to expand their operations to accommodate these changes. There's no doubt about it.

Bill 17 stops all of this and suppresses their ability to sustain their livings because if you don't expand in this hog industry to compete and to keep up with the production gains, you will simply go out of business. There is no doubt about it.

Mennonites, along with Hutterites, came to North America in 1876. My great-grandfather was on that boat, the first boat with the Hutterites, and there were 14 names that came over here, 14 Hutterite names. Today, there are still only 14 Hutterite names. They came to this country because these governments at the time embraced them because they were agronomists; they were agriculturalists. They were enticed to come to the Ukraine and into Russia by Catherine the Great because she saw the value of agriculture and the Mennonite's ability to feed her people because they were starving at the time. The Mennonites were up to the task and they went where they were called.

They came to Canada and North America because of unfriendly governments, and they were

embraced and welcomed to this country. They were welcomed with open arms to exercise their trade as agronomists or agriculturalists and to have the rights and freedoms to free speech, freedom of religion and the right to educate their children. They left Russia and the Ukraine because of the increasing unfriendly governments who suppressed their way of life. How history has repeated itself it seems.

* (17:20)

Bill 17 completely and totally takes away the spirit of that welcome and suppresses and challenges their mere existence in Manitoba. It takes away their ability to expand in livestock production and to sustain their living in agriculture. The Hutterites are truly one of the world's best hog producers and their production records compete on a world scene with the best of the best.

Mr. Chairperson: Mr. Friesen, your 10 minutes are up.

Mr. Ron Friesen: I have a few more things.

Some Honourable Members: Leave.

An Honourable Member: Let him go to the end of his time. It's just his question time.

Mr. Chairperson: Okay—[*interjection*]

Mr. Kelvin Goertzen (Steinbach): I understand there's been a good co-operation on the committee and that's been appreciated. I just wonder if we could ask leave for Mr. Friesen to conclude his comments.

Ms. Wowchuk: I think we should continue to operate as we have all day and, if the individual wants to conclude their comments, then that time comes off their question time.

Mr. Ron Friesen: I wish you could give me like two minutes warning or something like that, then I would wrap it up.

Mr. Chairperson: Okay. May I suggest that you've given us a written copy of your presentation and we can deem that as read into the record.

Mr. Ron Friesen: I would like to make one more point, if I could.

Mr. Chairperson: Okay. Your time will come off the question and answer period then. Proceed.

Mr. Ron Friesen: That's fine.

I mean, I won't go into how many people this employ, I'm sure you'll go through that. We have learned a lot over the last 40 years and we are getting

a world-class research facility here in Manitoba. Your government has put a fair bit of money to it. It's the National Centre for Livestock and the Environment. Our company has donated \$100,000 to the development of this research facility. It will match and bring together the sciences of soil, plants, facility designs, the science of water and the environment and how it pertains to the humans. It's going to be one of a kind in the world.

Bill 17 is going to minimize their effectiveness and I just can't believe this happening. We have earmarked \$100,000 over the next five years to go to that. We have suspended that because of Bill 17. We think that confidence of the government has eliminated the effectiveness of this world-class facility and we think that this is a crying shame. The world is hungry and we have the opportunity and the responsibility to help feed it and we have the resources and the land to fulfil that commitment. Do we have the political will? If, today, we shut down the hog industry and tomorrow, what's next? I truly believe that this government is discriminating against the Hutterite people, the Holdeman Mennonites and Evangelical Mennonites that came here with open arms, because they represent more than 50 percent of the hog production in Manitoba and I truly believe that.

Thank you very much.

Mr. Chairperson: Thank you, Mr. Friesen.

We have a little more than two minutes for questions.

Mr. Goertzen: Mr. Friesen, thank you for your presentation and for the work and contribution you're making to Manitoba.

I noted your comments regarding immigration and the Mennonites, Hutterites, and Holdemans coming to Manitoba and finding opportunity. I also know, and then you will know, in our region in Steinbach and beyond the region, there are still many immigrants to that area. Many, my understanding is, whether it's Filipino or German, find employment in agriculture and the pork industry.

The government likes to trumpet the fact that immigrants are coming to the province, but is it not short-sighted to recognize that many of those immigrants are still finding opportunities in agriculture, and to limit agriculture in the pork industry, in particular, might also hurt immigration?

Mr. Ron Friesen: Absolutely—

Mr. Chairperson: Mr. Friesen.

Mr. Ron Friesen: I'm sorry.

Mr. Chairperson: Proceed.

Mr. Ron Friesen: There's no doubt about the value of immigration and that these people are coming in specifically to go into hogs production. A lot of them are veterinarians. They're highly skilled and trained professionals in this area of agriculture. They also are going to working on the kill lines at Maple Leaf. Michael McCain is very, very concerned whether he's going to be able to maintain his second kill if we minimize the hog production in Manitoba. In fact, right now, they are scrambling to find all the existing feeder barns that are in place to have them maintain their production.

Mr. Chairperson: Mr. Eichler, briefly, please.

Mr. Eichler: Very quickly, your feed company, East-Man Feeds, if you were told to put a moratorium and a stall on yours, where would your company be in five years?

Mr. Ron Friesen: Well, we don't think we will exist in Manitoba, and we're certainly not going to—we depend primarily on the hog industry for our feed production. About 96 percent of our production is hog feed in this particular area. When you're in complete feed, you don't want to run your trucks 150 miles out of a trading area. You want to be within 35-40 miles of your facility to manufacture your feed because that only makes sense, especially with fuel today.

Thank you for that question. Good point.

Mr. Chairperson: Thank you for your presentation, Mr. Friesen.

Committee Substitutions

Mr. Chairperson: I have a substitution to announce: Mr. Goertzen in for Mr. McFadyen.

* * *

Mr. Chairperson: The next presenter is Jason Falk. Is he present?

Okay, I have Mr. Adrien Grenier next, but I believe he is one of the presenters that will be presenting in French, tomorrow is it?

So I will move to Arian DeBekker, Morris Piglets Ltd. Mr. DeBekker?

Mr. Garry Verhoog, private citizen.

Mr. Paul Neustaedter, Steinbach Chamber of Commerce. Tomorrow, you say.

Mr. Allan Steinke, R.M. of Victoria.

Mr. John Preun, Manitoba Pork Marketing.

Mr. Jeff Friesen, private citizen.

Mr. John Kroeker, Penner Farm Services.

Mr. Ken Rempel, private citizen.

Mr. Brent Byggdin, private citizen.

Mr. Tom Greaves, private citizen.

Mr. Gerald Dolecki, private citizen.

Mr. Ron Johnston, Paradigm Farms Ltd.,

Mr. Lyle Loewen, private citizen.

Mr. Neil Cutler, private citizen.

Mr. Fergus Hand, private citizen.

* (17:30)

Mr. Henry Holtman, private citizen.

Mr. Ken Waddell, private citizen. Mr. Waddell, do you have a written copy of your presentation?

Mr. Ken Waddell (Private Citizen): No, I do not, sir.

Mr. Chairperson: No, you don't. Okay, you may proceed.

Mr. Waddell: Thank you very much, Mr. Chairman, for the opportunity to speak to the committee. It is a bit of a long grind this committee process so you have my sympathies.

This particular bill I have to say in all the years that I have been both a participant and an observer of public life in politics is probably one of the worst pieces of legislation I have ever seen. It is, as has been said by many speakers today, without science to back it, without common sense to give it a foundation, and with little forethought to give it any future.

It strikes me as being somewhat ironic that a government now, over the years, of both the predominant political parties in Manitoba have spoken loudly and strongly to our agriculture community for some 30-plus years that they should expand, they should diversify, they should grow within the fence lines. There are a number of slogans that have been put out over the years. I know them well because in 1971 I became an ag rep with the

Department of Agriculture. I served as an ag rep for two years, pardon me, an assistant ag rep for two years in Neepawa and as ag rep at Gladstone for six and a half years. In that situation I served under both the predominant political parties in Manitoba, NDP and the Conservative Party, but in more recent times both the Conservatives and the NDP have indicated strongly to farmers that they should expand and diversify and build a stronger rural Manitoba.

Even more predominantly, the current government very recently indicated to farmers, gave them all kinds of signals to go ahead and expand the hog industry. To a large extent on their own the industry implemented environmentally friendly practices. As you have heard many times here today, some of the farmers, at least, not only on the land for their lifetime but their families have been on that land for previous lifetimes and the future generations coming along behind them so it makes no sense, of course, that any farmer, especially one who has a long-term vested interest in the land, would do anything that would either harm the land, harm their immediate environment, or harm the greater, larger environment.

So it was a shock to the industry and I think a major shock to people who observed the industry that a moratorium was put on the hog industry, a totally different direction than the signal that they'd been given and totally without merit. I, personally, was even more shocked when I found that not only would the moratorium, which I understand is a regulation, be put into a bill of the Legislature, Bill 17, to become a permanent law of this province. I find it very, very difficult to understand where there is any logic in that.

You've heard all the arguments today in the vast number of speakers that have come forward and, no doubt, you're going to hear more in the days ahead, but I think we must recognize what this is for, what this is truly for, and that it is a political ploy to make the people of urban Manitoba, those who are somewhat by nature and perhaps by physical location disengaged from the industry of agriculture, and especially maybe from the hog industry, it is a ploy to make them think that something is being done that will actually protect the environment, and it certainly caught the headlines. It certainly seemed to have a beneficial effect in the 2007 provincial election. I would say this, that it is an awful thing for a government to play politics with not only the future

of the people you heard today, but the future of all Manitoba.

Now, I think maybe those who have thought this through realize that there is a mistake in the making here, if it hasn't already been made, but, perhaps, there are those who don't realize that this is a major mistake. As you've heard today, and as you well know, if there is never another hog barn built anywhere in the area under the ban, it will do absolutely nothing to reduce the nutrients that go into Lake Winnipeg. If you tore down every barn that's in the ban area and put them out of production entirely, convinced all the Hutterian brethren to move to another jurisdiction, even if it was outside of the Red River and Lake Winnipeg water catchment area, your own scientists, your own people, have told you that the total contribution is somewhere in the area of 1 to 1.5 percent from the hog industry. So you have to give yourselves a slap upside the head and ask yourself: Why are we doing this? Why on earth are we doing this? If those hog barns move to another area—Saskatchewan, North Dakota—they will be in the same catchment basin area. If there is a problem with nutrients coming from the hog barns—and I say if—you're only going to transfer them to another spot in the same catchment area.

Now, I would say that the wise thing to do—there are two things you can do, two things you can do—one is the Minister of Conservation (Mr. Struthers) can withdraw this bill, which he should do and admit he's made a mistake and thank people for their input. If that doesn't happen, the second thing that should happen is that the Minister of Agriculture (Ms. Wowchuk) resign for her betrayal of the farming industry. Thank you.

Mr. Chairperson: Thank you, Mr. Waddell.

I have Mr. Goertzen.

Mr. Goertzen: Thank you, Mr. Waddell, for your presentation here this afternoon.

You mentioned that the government is playing politics with this and I would certainly agree with you. One of things the comments that the Premier (Mr. Doer) and the Minister of Conservation have indicated in the Legislature and otherwise, that those who support Bill 17 are supporting the environment and those who don't aren't supporting the environment. I think that's both cynical and playing politics, but I also think it's more than that. I think it's harmful personally for those who care about the environment in the future because there's no

evidence that indicates that the pork industry is contributing in any significant way to the challenges in Lake Winnipeg.

* (17:40)

My fear is that, in 10 years from now, when Lake Winnipeg degenerates even further, those people who believe that Bill 17 was about protecting the environment are going to look back and say, boy, were we sold something, a load of goods that wasn't true, and that they'll become even more cynical because of that. Don't you think that those people who are concerned about the environment are actually the ones who have the most to lose by supporting Bill 17, because they're actually being sold something that isn't true?

Mr. Waddell: There certainly is that danger. This is a very hollow piece of legislation. As I said earlier, it has little basis in fact, no basis in common sense, and no basis in science. If the people who are truly concerned about the environment do, in fact, five to 10 years from now, look back and think—what happened? This was supposed to solve our problems—they're going to find out that that is absolutely not the case.

Here's the problem. The problem is that over 600,000 people live in the city of Winnipeg. The balance of the people who live in rural Manitoba is about 200,000 or maybe 250,000 people.

I was asked a couple of years ago by a Hutterite brethren: Don't they know what they're doing to us? This was even on another earlier issue. He said, what'll they do for food? I said, food isn't the issue. Please understand we don't produce enough food in any commodity in Manitoba to affect the North American price or supply of food significantly. Every farmer in Manitoba could shut down, go on social assistance or move to some other jurisdiction, or whatever. It would not affect the supply of food. So they don't have that hammer.

Farmers do not have that hammer. They could stop delivering food tomorrow from every farm in Manitoba, and there would only be a mild hiccup in the supply, because we are so abundant in food production in North America. So farmers don't have that hammer. There are people within government who realize that and understand that farmers don't have a lot of clout—haven't had for a lot of years. They don't have to listen to the farmers.

Somebody asked me, why are they beating up on the pig farmers? I said, very simple reasons, two

reasons—(1) they're bullies, and (2) they can. It's that simple.

Mr. Struthers: Thanks, Ken.

From that first time I walked up those stairs at the *Neepawa Banner*, way up into your loft where you used to edit the *Neepawa Banner*, right through to the day that you ran for the Tory leadership in Manitoba, I've admired your forthrightness. I've often thought that the conversations we've had have been filled with colour and filled with positive solutions.

I may not have agreed with many, or even any, of the things that you've come up with over our years of knowing each other, but I can always count on you to put a solution forward, unlike the members opposite and the Member for Steinbach (Mr. Goertzen) who likes to bring things back up from what we say in question period. It's still with no positive solutions on this side of the House.

I'd like for you, Ken—if this bill isn't the answer, is status quo the answer? Or, waive your magic wand for me and tell me what you would do to protect Manitoba's water, which is what my contention is.

Mr. Waddell: Mr. Chairman, if I was so fortunate to be the Minister of Conservation (Mr. Struthers), which, obviously, I'm not, which today makes me maybe regret that I wrote a favourable editorial about the current minister at one time—

Mr. Struthers: Too late. I've got it.

Mr. Waddell: —yes, I know you do. I believe you actually have it framed on your wall in your office.

If I was the Minister of Conservation and trying to save the lakes, I'd sure be hitting up a solution that was based on more than 1 percent of the problem. I have never yet seen a minister who had a set of standards so low. So there's one solution for you. Find something where you can solve the problem that's bigger than 1 percent.

I would suggest to you today that everybody's been pretty much too polite—lovely rain, million-dollar rain all over Manitoba. I'm willing to bet you that the sewage pipes of Winnipeg, both the storm sewers and the domestic sewers, overflowed and put raw sewage into Lake Winnipeg or the Red River today, which will soon be in Lake Winnipeg. If you want a positive solution, you solve the situation in Winnipeg. Don't just pretend you're solving it. Don't attack 1 percent.

You have planning districts. They're very good. You have the CEC. It's very good and very thorough. You have province-wide planning now in place, but, oh, no, you had to come in and put your heavy thumb on the scales and say, we're going to tip this even further for no purpose at all. There's your positive solution. Use the planning districts. Use the CEC and use your head.

Mr. Chairperson: Order. I advise the crowd there's to be no participation other than at the microphone at the end of the table here.

On that note, Mr. Waddell, time for your presentation has expired, so I thank you for your attendance here today.

Mr. Waddell: I just say, Mr. Chairperson, thank you for letting the crowd know that. I don't think they realized they couldn't participate in democracy.

Mr. Chairperson: Pardon me, Mr. Waddell, but that's not what I said. Much like in the Legislative Chamber, where the Speaker quite often tells people in the gallery that they're not to participate, the same rules apply here in committee. So that's for your clarification.

Mr. Waddell: We were not told that, sir.

Mr. Chairperson: Now, I have Christine Waddell, private citizen.

Ms. Lara Forchuk, private citizen.

Ms. Marielle Wiebe, Reeve, R.M. of La Broquerie.

Mr. Geoffrey Downey, private citizen.

Mr. Kent Ledingham, Steinbach Auto Dealers' Association.

Mr. Randy Tkachyk, private citizen.

Mr. Keith Rogers, private citizen.

Mr. Joel Grenier, private citizen.

Mr. Harvey Dann, private citizen.

Mr. Jack Hofer, private citizen.

Mr. Eric Klassen, private citizen.

Mr. Timothy Hofer, Willowcreek Colony.

Mr. Claude Lachance, private citizen.

Mr. Terry Hofer, private citizen.

Mr. Dwayne Hofer, private citizen.

Mr. Andy Gross, private citizen.

* (17:50)

Mr. John Morrison, Concerned Citizens of the Sturgeon Creek Watershed.

Mr. Bill Harrison, private citizen.

Mr. Tom Crockatt, private citizen.

Mr. Gordie Dehnn, private citizen.

Ms. Cindy Vandenbossche, private citizen.

Mr. Michael Hofer, private citizen.

Mr. Edward Stahl, Private Citizen.

Mr. Kelvin Waldner, private citizen.

Mr. Nathan Gross, private citizen. Mr. Gross, do you have a written copy of your presentation? You do. Proceed when you are ready, sir.

Mr. Nathan Gross (Private Citizen): Thank you, ladies and gentlemen, for allowing me this chance to speak.

Yes, we're all concerned. It's our land, our freedom. They're being violated. This is what we do. We're hog farmers, average people, average citizens. It's my future. I was hoping it was going to be my future. There comes a time when farmers like us are reeling from poor returns from investments, high input costs, very stringent manure disposal laws, now even this to worry about.

It's almost at the point where somebody like me who wants to grow up and farm just can't. There's no use in it. It can't be our priority any more. The last two centuries, lots of technologies have been developed: computerization to help with ventilation, sorting, processing and animals, they are treated better. The industry has responded to every threat that has come our way. Consumers want the leaner meat. Industry responded. The public wants smell control. Sure steps have been taken. It takes time. Give us time.

Over \$20 million has been spent on research. Now the privates and government, they just want to stop this when the future just looks so bright. And, yes, it's true, there are a lot more hogs here in Manitoba than can be used for domestic use, but isn't that for everything, hydro, grain, cattle, everything, pulpwood. Manitoba is very rich in resources. That's good for the economy because imports are just bad. Fertilizer, for example, it has to be imported. Sure it's made in Brandon. It comes from Ontario and Alberta though. We're helping other provinces if we import chemical fertilizers, right?

Organic fertilizer, we grow it here. Hog barns, it's organic fertilizer. That's miniature factories. If we want to be green, isn't that the way to do it? Let's be environmentally friendly. If you will replace all chemical fertilizers with organic fertilizer, we'll just be greener for it.

It's a big industry we've got here, the hog industry. It employs lots of people directly or indirectly, with slaughtering plants to feed mills, transportation, et cetera. A lot of time has been invested, time and money, to try and improve the hog industry. Let's hope all these investments are not for naught. Let's hope they are not a waste. That would be a shame. So many jobs would be lost, and it's completely anti-business. For a guy like me who really wants to have a future in this province, I can't see myself having a future in such a province. I just can't. It's hopeless. Everything's just anti-business, anti-farm. We cannot, as a person who wants to have a future, I can't see one. It's hopeless. Everything's just gets so rundown.

It's supposed to be all about common sense. Let's not set our goals so low; let's set a bright future. One percent of it is suppose to be causing all this damage to Lake Winnipeg—1 percent. Can't we set bigger goals than that?

We're supposed to have a future; we can't see a future at this rate. Common sense should prevail. We need you to make that decision for us; we need your help. We need you to hear our voices. We're just trying to be average citizens here in doing our business.

I don't think any more really needs to be said. I could go on and on, but everything has been said already. Let's just—give us a future. Give us a chance. Let our voice be heard, please. Thank you.

Mr. Chairperson: Thank you, Mr. Gross.

I open the floor to questions.

Mr. Pedersen: Thank you, Nathan, for your presentation.

If I may ask, what is your job on the colony?

Mr. Nathan Gross: Sorry, I should have stated that. I work in a welding shop, which is right now in the process of remodelling our hog barn. It seems pretty pointless, as of right now, because we're investing so much money, but what's the future in it?

In a few months down the road, it can say, no more hog barns. Then, all that money for a small

exempt to be over \$200,000, \$300,000—it's just gone, wasted, because there's no future in it.

I work in a welding shop and also I'm involved with a lot in the hog industry, from manufacturing to helping. If help is needed, I'm helping in the hog barn myself.

Mr. Chairperson: Supplemental, Mr. Pedersen?

Mr. Pedersen: If Bill 17 goes through and our worst fears come to be, that your colony is not able to stay in hogs because it's not able to expand or remodel or keep up with the times, if I can call it that, where do you see yourself? You're a young man; you're coming up. How does this affect your hopes, dreams and aspirations as being a part of the colony?

Mr. Nathan Gross: I can't really tell you about my future right now, because it's just so hopeless. In the agriculture industry, that's where I basically worked all my life. I grew up in it; I enjoy every minute of it. Sure, it is just the hogs now. Sure, it's only one area now, but is that where it's going to stay? It's going to hurt industry as a whole. It's going to affect the whole agriculture industry, not just hog.

As of right now, I love being a farmer. It's my life; it's what I do. Sure, there's not much money in it, but it's what I do, what I love to do and I hope I never have to stop. I appreciate every day of it, every minute, every moment. I'm going to try to stay in the industry, no matter what it takes, just because that's where my heart is. It's what I hope to do, that I will try to do. That's where my future lies—in agriculture.

Mr. Briese: Thank you, Nathan, for coming and making a presentation here today. It's always inspiring, to say the least, to see young people come to these mikes. I know there are, probably, a whole lot of places you'd rather be right now than standing at a microphone in a committee room in the Legislature of Manitoba. I do give you credit for having the fortitude to come and do this over something you really believe in.

The one thing that I didn't catch, and I don't think you said anywhere in your presentation, I don't think you mentioned which colony you were from, and if you are in the actual moratorium zone.

* (18:00)

Mr. Nathan Gross: I'm from Sommerfield Hutterite Colony, which is at High Bluff, Manitoba, east of Portage la Prairie. Yes, we are in the hog moratorium area. No, we will not be allowed to expand if we

would want to or build new barns. We were told they'd be—we could not do it. We would not be allowed to, which is why it affects me so much 'cause it would be like part of me is being taken away before I even had a chance to do it. Before I even could take that future and be in it, it would be gone without me being able to enjoy what I really would want to enjoy.

Mr. Chairperson: Seeing no further questions, Mr. Gross, I thank you for—oh, pardon me, Mr. Eichler.

Mr. Eichler: A quick one. I know you're a great steward of the land and you're very proud of your colony and where you come from, and I thank you, too, for your presentation. Neighbours and that, have they had any complaints against your operation?

Mr. Nathan Gross: No. We have never had any significant complaints that I can know of. Neighbours have been very understanding about our farming community and understand what farming is all about, that, sure, there will be the odd smell, but nothing too significant that they just can't understand that they were not willing to sacrifice just for the best of farming. They realize that this comes with farming and it's all part of the business. No, not that I can recall of. Good question. Thanks for asking that.

Mr. Goertzen: Thank you, Nathan, for your presentation. We appreciate you coming out this afternoon.

One of the previous presenters alluded to solutions other than the pork moratorium, which doesn't seem to—won't have any affect on Lake Winnipeg, and the minister of the environment also made a call for solutions as well.

Would it surprise you to know that there are department studies that indicate that the nutrient level at St. Norbert south of Winnipeg, when it's measured there, is much, much lower than when it's measured again north of Winnipeg closer to Selkirk, indicating that there's a nutrient load being picked up as the Red River moves through Winnipeg. That, certainly, is an indication that somewhere along the way, there are nutrient loads going into the river in Winnipeg, probably as a result of the overflow of the sewer system. The government has done really nothing in the last eight years to address that issue.

Do you not think that it would make more sense for the government to focus on that issue as opposed to simply picking on an industry that doesn't, by all evidence, seem to be significantly contributing to the nutrient load in Lake Winnipeg?

Mr. Nathan Gross: Yes, that's true. It seems to be worse in Winnipeg than in our rural areas. That's why I'm so disappointed in Rosann Wowchuk for not representing us farmers when we need her most. This is where we need her 'cause it's not from us. It's not us. It's not us doing the damage. That's why it's not a fair fight. It's definitely—it has shown that it's worse—the water is worse after Winnipeg than before Winnipeg. That's where most of the—lots of the—whatever seem to be coming from, but still it's us being targeted. That's what hurts the most. This struggle—we are unfairly discriminated against, and we have no way of defending us except here, where we hope you will listen and represent us and fight for us.

Ms. Wowchuk: Thank you for your comments, Nathan, and for making your presentation this evening, or this afternoon.

You had said in one of your comments, you said that you were concerned that you wouldn't—on the colony—you wouldn't be able to rebuild barns, but the legislation says that you will be able to rebuild if you have to and that with new technology, there's also the ability to expand. Are you aware of that part of the legislation?

Mr. Nathan Gross: Yes, I was aware, but, really, eventually, we might want to branch out and make another sister colony where we would prefer to have a hog barn. Also, as the colony grows, we would prefer to expand, which, therefore, is out of the question 'cause we are not allowed to do that. Our colony is growing. We need more economics. We need more economic benefits, and we would get that from a hog barn, maybe not right now, but a few months down the road when prices are expected to be much better. As of right now, we just cannot do that, so I'm concerned 'cause that's what we need. It's our economic driver, the hog barn.

Mr. Chairperson: Supplemental, Ms. Wowchuk.

Ms. Wowchuk: Just one other question. You talked earlier about you were a welder. The hog industry is facing many challenges right now, high Canadian dollar, country-of-origin labelling. On your colony are you looking at anything other for industry, or do you just weld for your own use? Are there any other industries that are developing on your colony?

Mr. Nathan Gross: Well, as of right now, 90 percent of the welding is agriculture-related, hog barn upgrades or other barn upgrades. It's basically just for the colony use. All our work as of right now

is upgrades. That's basically the only thing I work. We're agriculture driven.

Mr. Chairperson: Time for this presentation has expired. I thank you for coming today.

Committee Substitutions

Mr. Chairperson: Before I move on to the next presenter, I have a substitution to announce: the Honourable Andrew Swan in for Ms. Howard.

* * *

Mr. Chairperson: Now, we had passed over a couple of presenters who were out of the room at the time. It's my understanding they're back in now. Do I have agreement from the committee to go back and call them, given that they're present at this point? *[Agreed]*

Mr. Eichler: At this point, I'd like to thank the committee for their patience. I know there are 400-and-some presenters. I think the committee's been more than fair today in trying to get through as many presenters as they can. We know the confusion, the weather that's out there, and I know the uncertainty of when people would be called, so I thank you, Mr. Chairman, for your patience. I thank the committee for their patience. We'll get through as many as we possibly can tonight and hopefully tomorrow. Once we get through this first spot tonight we'll have a better indication of where we're at tomorrow. Thank you to the committee for their patience. We all want to get through this the best way we can.

Mr. Chairperson: Thank you for that, Mr. Eichler.

I will now call Mr. Doug Redekop, Kelly Farms Ltd. Mr. Redekop, do you have a written copy of your presentation?

Mr. Doug Redekop (Kelly Farms Ltd.): Yes, I do.

Mr. Chairperson: You may proceed.

Mr. Redekop: I, first of all, want to thank you for the opportunity to speak today. My name as mentioned earlier is Doug Redekop. I am representing my farm, Kelly Farms, among other interests that I've got, all impacted by the agriculture industry. I live in the Niverville area and, yes, we are affected by the proposed moratorium.

I'm here to speak in support of the hog industry regarding Bill 17. This is not the first time I've spoken in support of an industry under attack. I presented to the Clean Environment Committee, met with the assistant to the Ag Minister, petitioning for

fairness in licensing of manure applicators and changes to ag employment standards.

I have had the opportunity to speak to a number of my customers about presenting in front of your committee. They hesitated, then responded as to why they were not here to present today. That was because it was their impression that the government of the day has already made up their minds and that the hearing today is just a formality.

Well, I'm still here, and I'm of the opinion that if you don't take the time to present, then you give up your rights to complain. My association with the hog industry has been a long one. Our family immigrated to Canada in the early 1940s and livestock, in particular hogs, have always been the cornerstone of our farming organization. Livestock and grain go hand in hand. I call them Mother Nature's closed-loop, value-added chain. I've worn many hats pertaining to the hog industry over the past number of years, from farm labourer, feed manufacturing and sales, barn owner, as I mentioned earlier, supervised barn construction. I oversee a nutrient application company. I've done market development pertaining to hog barns. I currently own a service industry and I'm a co-founder of Manitoba's Manure Applicators Association and president, and I am here to tell you that the industry and its producers have changed a lot.

* (18:10)

Farmers focus on environmental sustainability, though, as one constant. The nutrients produced by these facilities has never been more valuable than it is today, and farmers have never needed regulations to get us to do the right thing. Sheer economics has always dictated we spread manure in a sustainable fashion and farmers have always risen to the occasion, adopting new technology and educating themselves.

The hog production groups that we have been associated with in the past have always sought to exceed industry standards regarding barn design, animal welfare, and employee work environments. Our farm, in partnership with feed industry leaders, have conducted research for over 15 years at our facility. Our findings have contributed to programs that reduce phosphorus levels in manure, that develop state-of-the-art feeding programs, that target optimal performance without sacrificing the health of our animals. Our business is food production, we just happen to be in pigs.

Manitoba is fortunate to have all the necessary ingredients for successful food production: good quality land, water, skilled labour and quality feed grains, and I have, up until now, prided myself in having a keen interest in politics that included a belief that democracy was alive and well. And I'm here to tell you that all parties of government in Manitoba have forgotten their moral responsibility to all citizens of Manitoba.

The businesses that I'm involved in, I feel, contribute a lot to our provincial economy. I employ directly 41 employees. We have an annual payroll of over \$1.5 million and we contribute an estimated \$140,000 to corporate and property taxes. I'd say it's an industry whose financial contributions rival your beloved Manitoba Hydro.

The indecision that our industry is now facing has caused producers to stall in their tracks. In the past we've powered through price lows doing what was needed to come out the other side leaner, more productive, and with clearer vision of what needs to be done to survive.

Recent changes to hog production loops in the province, along with labelling concerns in the U.S., have producers wondering how they need to restructure their operations. For example, adding farrowing space to accommodate older weaning ages, add quarantine space to alleviate concerns of a disease, add size to our facilities to gain economies of scale, et cetera. All of these impossible now.

Supporting service businesses have seen sales slip dramatically, with the construction freeze, causing owners to contemplate where their futures lie. Plans of adding staff and growing infrastructure put aside, hopefully, for another day. I'm here to admit that we are not blaming all of our woes on this proposed legislation, however, I feel strongly that it is the straw that may break the camel's back. With current facilities' worth being placed into question, how will that impact the assessed values of these operations? Who will make up for the property tax shortfalls at a municipal level? Who will compensate us for our lost investments? I daresay that the trickle-down has only begun.

We, as a province, cannot afford to place all of our eggs in one financial basket. Diversification has always been the key to strong farms. Why shouldn't the same apply to our provincial economy? We are not against rules. In fact, we embrace them. Our businesses, our employees depend on common sense prevailing. The science revealed in countless

government-funded studies must prevail. Was the money spent on the Clean Environment hearings a complete waste? We should not take our farms for granted. Decades of cheap food policy has already dwindled our numbers down. Many farmers have already quit, and I would say that many countries are already wishing they could turn back the clock, returning their farmers to the land. I believe we need to be vigilant in trying to protect our food sources and our suppliers. A food crisis can happen here.

Your party's policies have always touted the survival of the family farm and, yet, your own regulations are doing in the very people you are attempting to save. You, obviously, have no faith in the regulations already in place, for those regulations should make the moratorium completely unnecessary.

Please vote to strike down Bill 17. Thank you.

Mr. Chairperson: Thank you, Mr. Redekop, for your presentation.

I open the floor to questions. I have Mr. Eichler, then Mr. Goertzen.

Mr. Eichler: Thank you, Mr. Redekop, for your presentation. Certainly, your background is that of business and a businessman within the community. I want to ask you a question.

You make reference to the regulations and that Bill 17 wouldn't necessarily do anything to help until we see whether or not the regulations are going to work. Would you feel that the regulation in place, along with a short pause, to see if the regulations would work would be more in order than enforcing Bill 17?

Mr. Chairperson: Mr. Redekop, I have to recognize you.

Mr. Redekop: I think that's a great idea. When we do feed trials at our sow farm, they're very persistent on the fact that we need to do one trial at a time. We need to test one theory at a time, in order to determine how that's going to impact the livestock. If you mix up too many variables in a trial, you don't know where your gains or your negatives came from. So I would think the same would apply here.

Let's put our faith in the regulations that we have in place already. They're the most stringent, probably, anywhere in North America. Let's try to see how those work first, before we go and put this permanent moratorium on.

How long does that take? That's my question for the crowd. How long should it take to find out where there's going to be response and whether it's positive or negative?

Mr. Goertzen: I thank you for your presentation, Mr. Redekop, and your contributions to Manitoba.

I want to pick up on a point you made in your presentation that the moratorium might be the straw that breaks the camel's back. I found that interesting because I've heard ministers of the government indicate publicly that, in some ways, they don't think the ministers believe that the moratorium wasn't important to farmers and, in some ways, they should be grateful for it, because of the other challenges that are happening in the industry.

I want you to pick up on that point and how it is that the moratorium will impact you in the future and your future planning for the industry, despite the other challenges that are happening.

Mr. Redekop: There are a couple of issues, actually. I put on many different hats here, when I answer that question. I'll start with my farm.

The point's been made numerous times that we cannot switch gears. We cannot change and adapt our operations to fit the new challenges that come forth. Yes, we can rebuild, if the barn burns but, what can we rebuild? We can only rebuild what we have today. We can't make the necessary changes to adapt to what's going on and what may come in the future.

I look at the manure-handling side of it. We're in a mature industry now; there's no more room for growth on that side of it. So that's certainly impacted my service-related business, but also others that would like to grow that side of their business.

My service-support business—I've seen sales drop by a minimum of 10 percent. Farmers are putting off large capital purchases that would help stimulate a staggering economy. I think it's just put a lot of indecision in people's minds. When people are indecisive and concerned, they don't spend money.

So every aspect of the businesses that I'm involved in is impacted by this potential moratorium. Now, like I said earlier, I truly believe that it's not just the moratorium that's impacting us today in the hogs, but it is one of the things that is really pushing this car over the edge.

* (18:20)

Mr. David Faurichou (Portage la Prairie): Thank you very much, Mr. Redekop. You do, indeed, have a lot of interests and all related to the farm, so it gives you an excellent observation. Without question, there will be a trickle-down effect right through to the community arenas and our local rural facilities.

As co-founder of the Manitoba manure applicators association, obviously, you saw the value of the manure and wanted to make certain that the application of manure was the most effective it could possibly be. Obviously, you've seen the escalation of prices of fertilizer this past spring and even more value in that application. So, with your observations within the application of the manures, could you tell the committee as to those observations? Has it been for the most part in an accurate and environmentally sustainable fashion?

Mr. Redekop: We started to apply manure back in—14 years ago now, and I say we. Our applicator company is made up of a series of farms that own the equipment. The value that we saw at that point was that we could pool our resources and purchase equipment that was cutting edge, that was the newest technology out there. As individual farms, we could not afford to adapt, so we saw the benefit in banding together and buying the most up-to-date equipment we could.

We started out—and I'm maybe ashamed to admit it today, but it was the newest technology back then. We started out with the big irrigation gun. Well, it didn't take many years, it was I believe four years afterwards, and we said this is not the right thing to do. So we abandoned that, and we got injection equipment. You know, from there, it's been a steady flow of updated technology to present day. I can rattle them off. We were the first ones in the province to adapt GPS. Back then, the cost, I believe, was \$32,000, not the fraction of it, as is today, but we took that risk. We said it's the right thing to do.

So, you know, GPS, flow meters, direct injection, tight spacings for the dropping of manure down to seven and a half inches, which rivals any air seeder out there today, European technology for distributors that will guarantee plus or minus 3 percent across a 30-foot applicator. That's pretty darn good. We've got Nova meters that test the manure in the field. We backed that up with getting tests done at the lab here in Winnipeg, and we roll in historical data from past year's application along with the

cropping intentions for the year going forward. The list goes on and on, autosteer.

When it's come along, we've done it, and it's not because we've had a gun to our heads. It's because we voluntarily brought on this technology to do a better job. That's our nature. We don't want to waste this valuable resource. We never have. We never will. It's just too doggone valuable.

Mr. Chairperson: Time is up, Mr. Faurshou. I'm sorry.

Thank you, Mr. Redekop, for your presentation.

Again, somebody we called earlier is now in the audience, so I call Mr. Bergmann. Mr. Art Bergmann, R.M. of Ste. Anne.

Floor Comment: What number?

Mr. Chairperson: Number 47.

Mr. Bergmann, do you have a written copy of your presentation?

Mr. Art Bergmann (Rural Municipality of Ste. Anne): I do not, sir.

Mr. Chairperson: You do not. Then please proceed.

Mr. Art Bergmann: My gosh. It was almost feeling like, if we were going to be called up, it was going to be like winning a lottery. Here I am.

Ministers, it's nice to have this opportunity, and members of the Legislature and Mr. Chairman.

The R.M. of Ste. Anne is southeast of Winnipeg about a 40-minute drive from the Legislature. Our municipality has about 4,500 residents. Many of them are involved in food production. Our own family is involved in food production, not with hogs, but with honey. Our land also produces grain which goes into hog production. Within two miles of my home, I probably have about five large hog operations, and I'm proud to say that my neighbours treat the environment with respect, and their neighbours with respect. We eat our suppers in our screened porch in summertime, and there are less than three days in summertime that, because of air quality, we would not be outside to eat our dinners. So it gives a little bit of a flavour.

Many of the residents in our municipality are food producers, many of them second- and third-generation food producers. The people that are on the tractor or in the barns are at the boardrooms at supertime, because a boardroom is a kitchen. That's the way agriculture is done in our municipality.

There have been probably some attempts by the large integrators to move into our municipality, but really that has not happened. Council previous to mine legislated that you had to own the land for manure, and whether that was a good decision or a bad decision, what actually happened is that the agriculture is done by people who are residents there and, not only residents, but are also stewards of the land. I see that. I've heard that here this afternoon as I've listened, and I've observed that in my neighbourhood.

At the same time, I want to say that regulations are good and guidelines are good, because when you have guidelines it gives you a framework of how close you can get to streams and to ditches, and so forth, with manure. This is something that, when it's practised properly, it gives a bouquet to the whole industry.

I want to laud this government, this Legislature, for putting the emphasis on Lake Winnipeg that has been done. How will we look our grandchildren in the face if we do not do the right thing for Lake Winnipeg? We have an opportunity to do it, but we need to do it right.

I'm thinking that we have a problem here with this legislation, because it may be well intentioned but it's ill informed. I think some of the presenters that we've heard here today have given better maybe information than I have given. We've seen a growth in our municipality also of animal husbandry. Part of that reason is because of the Crow benefit having been removed from the railroads. So you could not produce barley and ship it to the Lakehead. You can't do it because the cost of shipping is so high. So you need to take that material and put it into a higher form of protein. Hogs have been an easy one to get into. I mean, it's not supply management and so forth. So this has happened.

Mr. Chairman, I'm going to be brief. You've heard all kinds of stuff here. One of the things that we have is, we've got a problem, because this legislation has been brought forward. As head of the municipal council, occasionally we move in a direction that is maybe not the best direction to be moved into, and then we need a solution. How do we get out of this? You know, we've sort of dropped something on the floor. How do we clean it up quickly and without people taking too much notice?

Well, Mr. Chairman, ministers of the Crown, I think I have a solution for you. You asked, from Mr. Waddell, for a solution earlier. Madam Wowchuk,

good day to you. The solution is one that is part of your governance practices already. You have a technical review committee. Every time we've had an expansion or a larger barn wanting to locate in our municipality, the technical review comes and brings us the information, and the municipal council then makes a decision on direction and so forth.

* (18:30)

I am quite proud to tell you that the technical review—Mr. Dickson, you may remember this even—came to our municipality with a review and we said, you know what? It's a good project, but it's a wrong location because, if you're going to put a hose on the ground and let it run for 10 minutes or for 10 hours, you will not notice a difference because, if the material in the ground is too coarse, it just runs away, what happens with manure and so forth.

Ms. Marilyn Brick, Vice-Chairperson, in the Chair

So whether we made friends—we know we didn't, but we did the right thing. That Technical Review Committee, Mr. Minister, can have significantly larger powers than it has. It can come with more than just information; it can come with a recommendation. It never has, never even when we've pressed them for it, the Technical Review Committee has said, no, that's not our mandate. You can give them that mandate, sir.

So I'm giving you a window. You asked Mr. Waddell, what would you do? How can we fix this? I'm telling you this is how you can fix it now. Only fools and dead men can't change their minds. The rest of us can. Take the opportunity. Give this a second sober look and see whether there's not an opportunity to actually improve the direction that you're wanting to go.

Mr. Chairman, I think—or Madam Chairman now, I think I'll close my remarks with that.

Madam Vice-Chairperson: Thank you very much.

Mr. Briese, for questions.

Mr. Briese: Thanks for the presentation, Art. I know you've attended most of the AMM functions over the years. I'm sure you recall that, when The Planning Act was being revamped, we talked about technical review committees, and we talked about splitting the environment from the land use and land use being a municipal issue, and the Province would then handle the environmental side of the issue.

I'm sure you also recall Gary Wasylowski and Ron Bell and myself all talking about trying to, if the Province was going to take the responsibility for the environmental side, then the Province had to be there at the hearing that we had in our municipalities. All through that process the Province continued to refuse to commit to be at those hearings.

So I'm hearing what you're saying about the technical review committees and the fact that they can have a lot more input in advising councils. There's always been a reluctance of them to—their approach has always been, if you do this, this, this, and this, then we can approve it, rather than, in most cases saying, okay, this truly is a bad location; we shouldn't go here.

But I don't know how many of the—I presume you're in a planning district. Oh, you're not. Okay. You do your own municipal planning.

So, then, you will be under the Province's—yes, okay. That makes it a little more difficult, in my view, to get things done.

How many large operations do you have in your municipality, if any? I'm not just sure of how many you've got in Ste. Anne?

Mr. Art Bergmann: I don't know—

Madam Vice-Chairperson: Just a moment. I'm sorry. I have to recognize you, Mr. Bergmann.

Mr. Art Bergmann: I'm sorry. Thank you.

I don't have a number on how many we have. We have got a lot of smaller operations that are 300 animal units or less, but we also have a few in the hogs and dairy that would be up to 1,600.

Madam Vice-Chairperson: Mr. Briese, a very short question.

Mr. Briese: I'll ask the same question, Mr. Bergmann, that I've asked a number of others from municipal backgrounds. Do you see this moratorium having an impact on the assessment in your municipality?

Mr. Art Bergmann: You know I'm not particularly concerned about coming at it from the assessment side. I think that may be a poor driver in terms of making the decisions and for why a reeve would be here, but I look at our families. I look at our growth. I look at our community. We're growing communities. The farms that are there need to have the opportunity to have a bit of wiggle room, that if the next generation is going to come and join dad to

make sure that there's enough there so that dad can move out of the farm into retirement and the young fellow can move in. But sometimes you have your kids too young and you've got to make your living at it at the same time.

Madam Vice-Chairperson: Thank you.

Mr. Eichler: Thank you, Mr. Bergmann, for your presentation.

Do you feel, as a municipality, you have the necessary tools to make the decision on whether or not you as a municipality should allow or disallow a new facility to be built within your municipality?

Mr. Art Bergmann: Well, history would show that we probably do, yes.

Mr. Struthers: Thank you very much, Art. I enjoyed your presentation.

At one point you talked about fools and dead people. I'm alive—[*interjection*] You are right that—are you disagreeing with me on that, too?

You're right. I did ask Mr. Waddell earlier for a positive solution, so I appreciate your very practical suggestions about the Technical Review Committee. That is something that has come up in the Auditor General's report that was mentioned earlier, which we've accepted and publicly stated we will follow up on those recommendations. It also was part of the discussion in terms of the Clean Environment Commission's report. One of the recommendations is to review that and to see where we go.

You're saying to us, I believe, correct me if I'm wrong, but you would want the Technical Review Committee to actually make a recommendation to the R.M.

Mr. Art Bergmann: We certainly would be open to that. Minister Struthers, let me tell you that, you know, people come to the municipal table. Many of them don't have agricultural background even in agricultural communities, because we have diverse interests, so around the table, very often we don't have the expertise. I mean, the question was asked whether we had the expertise. I think that around our table we do have it at present. But what do you do to a municipal council that doesn't know, that hasn't got these tools?

I think, for there to be a strong scientific based recommendation, I think that that's good. Now whether that fits into how the municipality wants to

do business or not still becomes a question for the municipality.

Madam Vice-Chairperson: Thank you very much. We thank you for your presentation, Mr. Bergmann.

Mr. Art Bergmann: Do you have 30 seconds for a poem?

Madam Vice-Chairperson: Thirty seconds is all you have, if it's quick.

Mr. Art Bergmann: Sarah Binks is a songstress of Saskatchewan. She was brought to life by Dr. Paul Hiebert who was a professor in our University here, and, as I was thinking of today, I said, how do I impress on these people, how will they remember that Art was here?

The man who raises pigs for cash may leap for joy to give them mash / And laugh aloud to meditate, the liver sausage on his plate, / Transform the barley and the bean to strips of fat and strips of lean / And see all things, his barns and yard, and wife and child in terms of lard, / But such a man without his will must pay the price in more than swill. / His mind may dwell on pig and death, but his eyes are crossed from holding breath, / And he who follows where he goes must wear a clothespin on his nose. / Of all the farmers' birds and beasts, I think I like the pig the least.

Madam Vice-Chairperson: Thank you, Mr. Bergmann.

Mr. Art Bergmann: The poor pigs. I'm hoping that maybe the fact that we like chickens and cows better than pigs is not going to bias where, the direction we go today.

Madam Vice-Chairperson: Thank you, Mr. Bergmann, for adding levity to this committee hearing. We appreciate that, and I wonder what he has for his honeybees.

* (18:40)

For the information of the committee, we have several presenters. I'm asking leave for the committee for these presenters to appear in the order that they have come to the committee. I'm going to read the numbers that they are on your list and then I'm going to read their names. They've all been called once. So the first is No. 74, Mr. John Preun; No. 43, Ms. Matheson; No. 75, Jeff Friesen; and No. 77, John Kroeker.

So is there leave from the committee to hear these individual at this time who are now here?
[Agreed]

I'm sorry, I apologize. Forty-three is Mr. George Matheson.

So the committee now calls John Preun.

Yes, Mr. Eichler?

Mr. Eichler: Again, Madam Acting Vice-Chair, I want to thank the committee for their patience. I know we've struggled here today with the number of presenters. There are, as we said, over 400. So it's been quite a task in order to co-ordinate these, and I know the Clerk's office has done a fantastic job. So I know a number of people have left and come back, and the in-town presenters, some of them are still sitting here, don't know whether they're going to be called or not, so. I know we're trying to stay within the rules as best we can. We do again thank the committee for their patience.

Madam Vice-Chairperson: Great.

Mr. Preun, do you have a written submission to circulate?

Mr. John Preun (Manitoba Pork Marketing Co-op): No, just an oral presentation.

Madam Vice-Chairperson: Okay. Please proceed.

Mr. Preun: Madam Acting Vice-Chairperson, the board, thank you for hearing my presentation. I'm the president of Manitoba Pork Marketing Co-op. We represent the marketing for 500 independent and Hutterite producers. Their size is from 100 finished pigs to 24,000 pigs. They all are basically family farms. They produce grain and they produce hogs on their land and they live on their land.

I believe, speaking on their part, the legislation is wrong. It is based on politics, not on facts. I believe that the moratorium will do nothing to impact the pollution in the lake. There are other causes. We need to get by the politics and get down to the science behind the problem in the lake.

Minister Wowchuk has said many times at our meetings that she wanted to preserve the family farm. This legislation does nothing to preserve it. It kills it. We are not allowed to continue our family farms. The only way that we get to expand from generation to generation to make the intergenerational transfer at all possible is to expand because we have to feed another family. We cannot

have this legislation and have family farms prosper. It does not work.

The impact that this will have on our children is, basically, it'll drive them away from the rural setting that they are in. They will be driven into urban residences where they will look for other employment.

We've had many, many industries in agriculture that have been killed by the city and by other reasons. Years ago, when I took a ride to the city to bring our livestock to the city to the packing plants, there were eight killing facilities at that time. There was a huge cattle industry. There was malt barley. There was oat milling. Today, what have we got left? Basically, one maltster. There's no oat processing. Our cattle industry is out of Winnipeg. The hog industry will be out of Winnipeg very shortly. What is this city going to live off?

We produce the animals which are a very, very small part of the income that's derived by this province. It's a secondary industry which will be hurt the most. There are millions and millions of dollars of economic spinoffs from the hog industry. Are you willing to kill it too?

We have to be able to go forward in a manner that is scientific, in a manner that is sustainable, and I believe we have some of those rules in place. We are held to the highest standards in the hog industry, yet our neighbours who are in different agriculture industries can expand as long as they meet any of the criteria. Even if we meet the criteria, we are not allowed to expand, and that is wrong.

I believe that we have to go about this fairly. I'm not picking on any other agriculture industry because if this happens to us, surely to God, it's going to happen to them too. I ask of this committee to rethink the way this legislation is brought forward. Think about the people that are impacting and those few minority groups who are pushing this legislation upon us. It's not right.

I think of my own family farm. We've done what we can to make our manure management done proper. We've followed the rules. We were in part of the making of some of those rules. Information that came from our farm was used for some of the regulations that were brought forward. Our family has sat on a Manitoba manure initiative board. We know what's right, and we're doing what's right. We're adapting to change. But the rules that are put

before us in a moratorium will stop us dead in our tracks, and we've got to stop that. Thank you.

Madam Vice-Chairperson: Thank you very much. Are there questions for the presenter?

Mr. Maguire: Thank you very much for your presentation, John, for taking the time to be here with us and make your views known. You've outlined your role in the industry here today with the Manitoba pork marketing council. I know you from another life that perhaps the minister should know about as well, I think, and that is to show your stewardship of the land. No only do you farm and farm well, and I appreciate your remarks about being able to expand your operation.

But your modesty has prevailed you from saying that you're also an Outstanding Young Farmer recipient by the Department of Agriculture and others in the Province of Manitoba for Manitoba from some years past. I commend you for that. Obviously, you wouldn't have attained that level of recognition through the Province of Manitoba if you hadn't been a good steward of the farming community, and we commend you for that as well.

We've heard that it's going to be good for western Manitoba if this type of a bill comes in, and we've also heard from many presenters today that if there are people who wish to relocate and expand their operations, they might have to leave their home area that they presently have to do that. There are lots of areas in Manitoba that they could go to. However, what's your view of that? If those people are going to move, it's very easy for them to make a decision to either move to some other area in Manitoba that doesn't have the restrictions that have been placed on them in eastern Manitoba by this moratorium, or do you think they would leave the province or go to another jurisdiction before they would settle here? Secondly, are you aware of any scientific data that was in the moratorium or in the Clean Environment Commission that would have encouraged the government to make this decision?

Mr. Preun: I guess the second question first. No, I'm not aware of any information that came forward from the Clean Environment Commission that would state that we need to have a moratorium in Manitoba. I believe that what it did state was that there were rules and regulations in place to have a sustainable industry.

As far as relocation, I'm hearing it from some of our producers that are in the moratorium area, they

will have to look elsewhere. I've also heard tongue in cheek, Saskatchewan is open for business. Proximity to a killing plant, southeast Saskatchewan is a very good place. My personal family would, our next generation, have to move? It's entirely likely because I can't expand where I am. I hope to God that my kids could farm alongside me, but the moratorium makes it impossible. So we will more than likely have to relocate.

* (18:50)

This is not only for myself, but this is for other producers who are coming to the age where their children are coming out of university and say, hey, Dad, I want to farm. Sorry, son, I can't let you farm over here, but we can relocate you 600 miles from home. Is that what the family farm is about? I sure to God hope not.

Mr. Faurschou: Thanks very much, John. I really appreciate the presentation.

An earlier presenter made a suggestion about the technical review and bestowing upon that entity greater powers to recommend rather than just advise. In your capacity, working with municipalities all over the province, what's your opinion of that suggestion, for the minister's benefit?

Mr. Preun: I believe that each individual operation as it's brought forward should be based, or should be criticized on its own merits. If it doesn't meet the criteria of good stewardship, no. But, if it meets all the criteria, why should we be held back and any other agriculture industry not be held back?

Madam Vice-Chairperson: The committee thanks you very much for your presentation.

The committee calls Mr. Matheson, George Matheson, No. 43, for the committee's information.

Do you have a written submission you wanted to circulate?

Mr. George Matheson (Private Citizen): No, I just have a few notes here.

Madam Vice-Chairperson: Okay. You can proceed.

Mr. Matheson: My name is George Matheson. I'm a hog producer from Stonewall. I've been producing hogs for 26 years now. We live just a couple of miles south of Stonewall, there with my wife and four children, ages 10 through to 20.

I feel this bill is prejudiced very much against our hog industry. I'm a director with Manitoba Pork Council. I represent the Interlake producers, and I'm very proud of our producers, of our industry's sustainability. I would like to see us judged individually, not by misinformation used against the entire industry on this east side of the province.

Personally, I'm ready to expand my operation. I would very much like to do so. We've been seeing some very low prices of late, but our product is still of great value, and I think this is time. I've gone to the South Interlake Planning board. They have been sensitive to my requests. They feel it's unfair, but they've also told me that there's no use in my applying, that, even though there would be a fair bit of effort that I would have to put forth to put together an application, it would be at this time denied because of the moratorium. I'd like to add about 30 percent to my current operation, or about 2,000 square feet.

I have an interesting situation on my farm. It has been documented on the front page of the *Manitoba Co-operator*. I live on a section of land with my brother. He's on the south half. He's a cattle producer. As you know, I'm a hog producer. I'm on the north half of the section. He's got a 23-year-old son, he's got a family. He can expand, and his future looks bright, where I can't. I would like to have the same opportunity for my family. We're both sustainable. I grew up on a cattle farm, and I can assure you that cattle manure can be just as potent a source of organic fertilizer as hog manure. I can't see how our farm is environmentally unsafe.

It's ironic that on the west side of our family we have what's known as the Grassmere drainage ditch. The town of Stonewall is two miles to the north, a town of 5,000 people. Their sewage flows into a lagoon. From there it goes down the Grassmere drain ditch, as I said, which runs through the west side of my farm. From there it heads east to the Red River and, of course, to Lake Winnipeg. Now that sewage is treated by sunlight. It's held in a lagoon until the bacteria count reaches a certain level and then it's released.

Now, it's rather ironic that this kind of a practice can continue, yet I can't expand by so much as one sow. I think, if I am not allowed to expand, then a town such as that should be not allowed to have any more building permits until they install a sewage treatment plant.

To conclude with, I just would like to be judged as an individual, not by some misinformation against our entire industry. I have been a good steward of the natural resources in this province entrusted to me. I'm very proud of my fellow producers. I think we all deserve the right to expand if we are within sustainable guidelines.

Madam Vice-Chairperson: Thank you. Mr. Gerrard, for questions.

Mr. Gerrard: You brought the comparison of the sewage from the community of Stonewall going down and being released from the lagoon. I wonder whether you would care to make a comparison of the amount of phosphorus that would be going—released through the water into waterways of Manitoba from that process compared to, you know, your hog farm, for example.

Mr. Matheson: Sir, I have—

Madam Vice-Chairperson: Mr. Matheson, I have to recognize you.

Mr. Matheson: Sure. I have no idea how the phosphorus would compare, but I can tell you, I sure wouldn't take a drink out of that water, and yet that very water is flowing into our natural resources. I don't think it's an effective means of treating it before it flows towards that final source. In terms of phosphorus levels scientifically, I have no idea about the comparative levels.

Mr. Gerrard: How often would they release the water from the lagoon?

Mr. Matheson: I did a little research this spring and spoke with an individual in charge of town operations, and he stated that, in terms of this spring, it was, I think, I believe it was May 20, that any date after that they could release it. How often it actually is released and on what occasions, the reasons behind it, is it volume, is it the bacterial levels? I'm not sure, but that's the only date I received in terms of this year's flow.

Mr. Gerrard: I mean, in your hog operation, you will spread the manure on the land and probably in—I don't know whether you inject it into the land or spread it on top, and the run-off from that land would be, I mean, just as a comparison.

Mr. Matheson: Six-hundred-thirty acres. I have 100 sow farrow to finish. Almost the entire amount of manure that my hog operation produces is straw-based. It is applied on the surface and then cultivated in during the springtime. It's extremely, highly

unlikely that there'd be run-off from my farm 20 miles to the west of the Red River on that volume of acreage, considering the volume of hogs that I produce.

Mr. Maguire: Thank you, Mr. Matheson, for coming and making your presentation. I take it, then, that you do live in the restricted zone, the area where the moratorium is.

Mr. Matheson: Yes, yes, That is correct.

Mr. Maguire: I heard you earlier this spring had an opportunity at the Premier's (Mr. Doer) presentation at the Manitoba Chambers of Commerce breakfast on the state of the province and you had the opportunity to ask him a question there about the situation you're faced with with you and your brother expanding, him being able to in a different type of an agricultural business, and you, because of hogs, not being able to. I wondered if you've had any response from him on that.

Mr. Matheson: No, I never have received any direct response from the Premier or any other government officials.

Mr. Maguire: I noted that morning that he indicated he'd be more than glad to speak to you after the meeting, but I guess that hasn't happened.

In the situation that you're faced with, obviously, I've asked others this question about the expanding. You've indicated, obviously, you want to expand close by. I just finished asking Mr. Preun the same question. Do you think that it's likely that someone taking their investment and making an investment in the same hog industry would do it in Manitoba under the rules that are here even if there are areas in Manitoba that presently are not under a moratorium?

* (19:00)

Mr. Matheson: Interesting question. I think it is something they would seriously consider due to this moratorium; otherwise, I think it's a fine place to raise hogs. But I think it would definitely be something they would seriously consider not doing because of the lack of opportunities for the future because of this current government's oppositions to the industry. We had a good chance to have a packing plant two years ago. We desperately needed that, producing nine million pigs a year. In the end, we did not get the support we needed.

Madam Vice-Chairperson: Seeing no other questions, we thank you very much for your presentation, Mr. Matheson.

The committee now calls Jeff Friesen, who is No. 75. Hello, Mr. Friesen.

Mr. Jeff Friesen (Private Citizen): Hello.

Madam Vice-Chairperson: Hi. Do you have a written presentation? No?

Mr. Jeff Friesen: Just oral.

Madam Vice-Chairperson: Okay. Please proceed.

Mr. Jeff Friesen: Good evening, and thank you for the opportunity to speak on my family's behalf and my partners that I farm together with. Me and my brother started farming in '93.

Maybe I should back up a bit. I'm married with four kids and I'm farming on a third-generation farm, my dad's and my father-in-law's. So there's a lot of farming history, and I enjoy going to family gatherings and sitting around and enjoying hearing about that history and how things have changed and stuff.

Never in the history of my father's and grandfathers' have we encountered this, so I thought, until my father told me a little bit about before when they left from Russia with some of the problems they had. It wasn't directly with their livelihood; it was other issues. That has been brought up a lot, and maybe you've heard it here. It's something I can't speak to; I wasn't there. So I'm deciding to speak to stuff that I can speak to.

In '93, me and my brother started hog farming. It was the two of us, and we built up 500 sows. We enjoyed it. We went to work together. We worked side by side. It was a great time. I lived right there on site. My brother lived a few miles away. It was some of the best times of my life, if I look back.

After time moved on, I started learning the ropes of, not just the pig end of it, which I knew very well from at home, but the politics and the way of life, as I grew older. One of the things I learned very quickly is you have to grow to keep going. As things became more expensive, profit margins were shrinking, two families lived well, plus there was something besides our wages; back then I think we were taking out \$26,000, and then, for some reason, I think, 28 the next year. That was what we lived off of in '93. Times were different. But it survived two families, plus paid its mortgage.

As things shrunk, we looked at ourselves in '98 and said, we are not going to be here in five years. We've always put together a five-year plan, and saw

that we would not be here in five years with the shrinking profit margins. We needed to expand, or we needed to pay down some debt fast and get some extra revenue. Something had to give. Expansion was the way we needed to go.

We are currently running about 6,000 hogs in total.

As we expanded, I realized some attitudes in situations that have changed over the time. When I was young and farming, I would visit with some of the older people, and friends, parents. They always said: Oh, I wish I could have gotten into farming. That was something I wanted to do. I have an uncle that farms. I have got a grandfather that farms. Everybody knew somebody who was farming.

As I get older, I look at some of these people—I don't know, in this room, how many of you go to family gatherings and find somebody you farm with? That number seems to be shrinking. As that's shrinking, the concept of what a farmer is changing. The face of that person, to someone who doesn't know a farmer, thinks we're out there to rape the land.

The farm, the house, I live on is 100 years old, and I'm a third-generation farmer on that one. Where my hog barn is, that's off my dad's land, and that's a third-generation farmer for us there as well. We are not there to rape the land.

I was very disappointed. I'm going to speak to what I know. Clean Environment was called on us multiple times, yearly, sometimes twice a year, for extreme high fecal matter in the ditch. I knew it was there. I saw it was there. I didn't know exactly how to approach the problem. Somebody beat me to it and called Clean Environment. It came off of our land. Clean Environment came down. We went through our records. We have a three-cell lagoon system. It was very clean. There were no problems there.

He said, the problem's not here. I said, so now what happens? Because I was also concerned with it. He said, nothing. I said, well, don't you want to go and figure this out, find out where it's coming from? There was no interest. That was one officer. Two years later, I had another officer call, same situation. I got smart. I started hiring a private engineer from Winkler, somebody I did not know and didn't do any business with, just to take water samples at all the property lines from where I knew the problem was, and because it wasn't on my section of land that was called upon. Three officers, different officers, read

me the same rules, as I'd pushed. One time they showed up I had two brand-new four-wheelers, not beat up ones that didn't drive properly, nice and clean. I offered to go with my truck. There was no interest. It was the hog barn and the hog barn only, the facility that was in question. If I wanted to complain, we would do something about it. We're complaint-based, I was told. I thought this was ludicrous. I'm a third-generation farmer. This is not good. I can see this.

Lo and behold, I couldn't figure out who was the one calling. I figured if they are this upset, they needed to find the person who's calling, because they're looking at my farm. I went around and asked the neighbours, you know, work this out, work that out, find out what's going on. Couldn't find out who it was. Four years in a row, four different complaints. Actually, one year we had two complaints in the same year because we had huge rains in fall which produced the same result. Couldn't get Clean Environment to do anything unless there was a complaint. Finally, the reeve at the time was the one who made the complaint because there was too much fecal matter in his pond for his cattle to drink. There was definitely a problem here, but was Clean Environment willing to do anything about it? So he phoned them. Lo and behold, the facility where the problem was coming from wasn't agricultural. It wasn't their problem.

Today, it's still the same. You think you've got where you're looking, you've looked under the rug, you think you've got the right place. Take another look. My local town lagoon flushes twice a year. They've been banging on their door. They need a new lagoon. I know the phosphorus levels, I know the nitrogen levels and, I can tell you, my cell 3 is less. I separate my manure. I have three cells. Since '98, I have sold every piece of manure that has left my land because I am not a grain farmer. I have over 160,000 chickens, I have 6,000 pigs, and every piece of manure that leaves my land sells. It's not a waste unit. It is profit for me. There are properties to it: there's nitrogen, there's phosphorus and, most importantly, there's organic matter.

I was shocked reading our local *Carillon* news had a letter to the editor and someone wanting to have a barbeque. The stupid farmer wanted to save money by spreading manure just to save money and wrecked his barbeque, in spring of all times. Then I was shocked to find out that that was a retired farmer who had already sold his farm and was waiting for the transition period to move out to Woodridge. It

angered me that, now, this retired dairy farmer is upset at a hog farmer for these reasons. It makes no sense.

There's always been something with the pig, all the way back to biblical times. We eat it. It's a commodity. It's prejudiced against. I understand that. But let's get down to beyond the political part. Let's look right at the phosphorus, the nitrogen, where's it coming from, who are being good stewards.

I heard what the 52 percent of our nitrogen or phosphorus problems that come over the border, and the deal that Manitoba made with our provinces to the south. It's an awesome deal. All they got to do is keep their waterways clean, and the Minnesota government signed up. They'll come down with the correctional institute and they'll cut the wood and cut the grass, stack the wood, remove the dying on the river sides and the banks. I have friends in the States. They told me exactly what they're doing for Manitoba because Manitoba asked them to do something about the phosphorus coming across the border. Manitoba is fine with that little bit? That's all they have to do, and they're going to shut down a whole industry?

I'm not happy here. I wish I was. I can tell you, every dime that I can spend in the United States, I am spending there. I'm holidaying there. I'm going there. I'm buying all my commodities, everything I can because Manitoba doesn't want me farming here, and that's the way I feel. If you want to get in touch with the farmers, you're going to have to ask us what needs doing. You have a lot of regulations and a stop, but yet Kleefeld can't even get enough to build a proper lagoon that they flush twice a year—twice a year. I think you need to start looking somewhere where it really is.

* (19:10)

Mr. Chairperson in the Chair

We have beef farmers that are still bedding down on river beds. We have holding facilities. We have people that buy my manure, ship it here to Winnipeg, store it on concrete. Look at the rain we had today, I went and looked. On concrete, manure, stored, waiting to be used. Where did it go? How much phosphorus comes out of Winnipeg? I can tell you, town lagoons, a lot of dishwashing detergent. What gets those dishes clean, a lot of phosphorus in that, a lot of soaps. You guys know that. I didn't have to tell you that. I just know that you've got to look. If

you want to make a difference, you've got to look where the sources are coming from. Thank you.

Mr. Chairperson: Thank you, Mr. Friesen.

I have Mr. Struthers, and then Eichler, and Gerrard.

Mr. Struthers: Thanks, Jeff.

A couple of things I want to key in on, on what you were saying. At the end, you talked about knowing where the point sources are. I couldn't agree with you more. There are a lot of point sources right across the board. I have meetings with different people that come to me and say, we're only X percent of the problem; you've got to look elsewhere. I've had many of those meetings from a whole wide variety of groups that have come in to tell me that. I think everybody should take their responsibility for this, too, everybody.

The one thing that you said, at one point you said that you have to grow to survive. In 1990, there were 3,150 barns and an average of 388 hogs per barn. We're nowhere near that right now. We've grown to survive in this province to the state at which there are a lot fewer barns with a huge number of hogs per barn.

If we didn't have a moratorium in place, where would you be comfortable with that settling out? How far do we have to grow to survive, and what's that impact on our water going to be?

Mr. Jeff Friesen: If I understand the question you're asking, we've had lots of farms; now we're cutting it down to only a few farms with a lot of volume. I don't know.

I can tell you my personal experience is that we, again, right now, are looking at, do we survive or not? Profit margins, again, have shrunk. We don't have supply management here with the hogs. We are, here, shipping 35,000 hogs into the U.S. All that money comes into Canada and to Manitoba and pumps into our economy.

I don't know why there has to be a limitation. I don't think you should be looking at limitation of farms or barns. I think you should be looking at limitations as to what can we use as fertilizer here. Look at, not the waste units—I'm not calling it waste units, which a lot of people have, and it angers me to hear that—but let's look at how much nitrogen and phosphorus is being purchased at your local ag store. There's a need.

In the states, not very far, I was visiting with a farmer who was in the Whiteshell, ironically, last weekend. I went one weekend to the Whiteshell and I met up with a guy from, it was South Dakota, and he was renting out portions of his land, actually, building the barn, building the lagoon, devaluing it, or valuing it at \$20 a hog per year for the manure. The outfit he was renting to would spread the manure. He was buying and securing himself, his next 15 years, by building a barn, his fertilizer bill, and hedging his bets, paying it off now, because everything's rising. It's a fertilizer bill. It has got quality to it.

I'm always looking at new ways of using this fertilizer, composting it. We saw a guy on the 59 sell his whole entire manure pile over one summer by bags at the end of the driveway, and it went into Winnipeg. You know, it got used. I think we've really got to look at that.

I would say some strong regulations on the purchase of commercial fertilizer would be a definite plus. I've got a neighbour who put all the chicken shit on there he needed. He had 250 pounds of N, and put 150 more on, just underneath the fine limit, which the corn can't even take up, but he wanted a bumper crop because corn prices were really good. That's not smart thinking, but he could do it because he could buy commercial and there were no regulations. He couldn't do it with the organic because there were regulations. There's a loophole there. He's hedging his bet. He wants it.

In Winnipeg here, I have a friend who, every year, works for—I won't say the company, but a lawn care company. They put on double the amount and triple if they're on a slope and they reapply if we have a heavy rain. Where does it go? Right into the river.

I don't know what the percentages are, but I know that since '93, since I've started in this hog industry, wherever a pig dropped something, we've picked it up analyzed it, dissected it, separated it, and used it. We toured Alberta at some barns there that were built strictly for their manure quality. They were 5,000-head barns, loose housing, sloped floors. They composted it. They had a separate building that was twice the size of the building where their hogs were coming from where they had big rollers and composting and you could buy it at Costco. I bought a bag just to bring it home and show the guy, Wild Hog, grows anything.

You know, we need to maybe change some of our thinking. I tell you the worse offenders in my area are the small farmers, the outside 50 pigs. I met with Vicki Burns. One of her people came down for a meeting against hogs years ago in Sarto and I sat down with that lady. We spent about three hours drawing out what she would like me to see with my farm. It was to take my 160 acres and grid it into pens and all this, and I thought it was a great idea, we're going through it, because I wanted to see—so, okay, now what happens if we have heavy rains and I have nowhere to incorporate? These are all pens, hard packed so it's not too muddy so they don't get too whatever.

I heard two years ago they had a barn that did the outside pig thing, and 25 percent of the hogs were condemned because of sunburn, can't have them totally outside. I've had outside pigs at my dad's place. We had to have enough shelters for them to be inside. Trees didn't work because the trees eventually died because they rub on them and kill them. We've done the outside thing. We've done the inside thing. We've gone back and forth, but I think the best thing we've ever done is starting to use our manure and selling it as a commodity because now there's a reason for me to really take control of it and do something with it. There are lots of things, alternative fuels; there are generators. There are lots of things that can be done with this manure. It shouldn't be looked upon as something to stop an industry, and if it is something to stop an industry, why do you stop the hogs before you even look at your own front porch?

In my book I'm saying Winnipeg here. You know you've given yourself time to get Winnipeg into place. You've given yourself time for the town lagoons. You've given us what? Nothing. And for what reason? I don't think it's fair. I think it's almost Communism. I don't think it's right to just lay down the law like that and that's it when you only do it in one sector and the other. If you're talking about phosphorus, let's talk about phosphorus right across the page even, and I don't see it. If I don't see it, maybe I need to be educated on it and I'd be welcome to be educated on it because right now it's just angering me to hear what I hear, read what I read, learn what I do learn, going through the courses and learning about phosphorus, learning about nitrogen, learning about these things and how to utilize them, going down to Nebraska and seeing what the alternatives, what they're doing there, hearing what the Denmark people have been doing.

I sat one weekend just with the Denmark people, how they've been doing it, and they're selling it all over the cities. They're buying it and putting it on their lawns, and it's probably running down to their ditches because they're not incorporating, but this is a commodity that needs to be regulated and not just an organic end, not from the barns but all the way across the board if you're going to see differences.

Mr. Chairperson: Okay, thank you, Mr. Friesen. One question, almost eight minutes, so I'm sorry to other members of the committee, but time for questions has expired. I thank you for your presentation.

Next presenter is Mr. John Kroeker of Penner Farm Services.

You have a written presentation, Mr. Kroeker, I see. Okay, you may proceed.

Mr. John Kroeker (Penner Farm Services): I'm John Kroeker, general manager of Penner Farm Services. Penner supplies livestock equipment to the hog, dairy and poultry producers in Manitoba and other provinces. Penner Farm Services and related companies have served the livestock industry in Manitoba since the early 1960s. During that time we have seen many changes in the industry in new technologies and farm practices.

* (19:20)

As our customers have expanded, our business has grown with them. Bill 17 closes that door to future growth. It was not so long ago that a producer would decide on expanding his farm and be under construction as soon as he could arrange his financing. In more recent years, producers expected a year-long process to get approval for building permits, manure storage permits, municipal hearings, technical reviews and manure management plans. The lengthy and onerous process alone was enough to discourage many producers from expanding. It also suggests that we have an abundance of rules to ensure that the livestock industry is expanding and managing their business responsibly for those wishing to grow their business.

Bill 17 says that even if we meet all of the rules and regulations and prove that you have a sustainable business plan, they still will not let you do it. The reason for a permanent hog moratorium is unclear, as it appears not to be based on any factual science. The government has made the response: It is for the good of the environment.

We wonder what this government is protecting us from that is worse than any other industry operating in Manitoba. Do we have a Chernobyl-like risk in our backyard, and the government has decided it is better to ban production expansion rather than scare us with the facts? Where is the evidence to support this draconian action? What other industry has ever been banned before without evidence to support such action?

Personally, I would like to see this evidence to understand the risk I exposed my own family to for 20 years. We had hog farms within a mile of our house in every direction. We had manure spread in fields within 400 feet of our house every year. These fields produced great crops year after year. This is sustainable farming, recycling nutrients. What are you protecting us from to make this bill necessary? Where are the facts to support your actions?

If the concerns are truly environmental safety, wouldn't the government address all of the other contributors to the environmental problem so that the environmental risk is eliminated? Why only hog producers contributing a very small percentage of the problem? If you are concerned about the environment, then nitrogen and phosphorus regulations should apply equally to all users, regardless of their sources, from livestock or chemical plants.

We should be equally as vigilant about leaching from fields using chemical fertilizers, lawns and golf courses, as we are about croplands being fertilized with hog manure.

The City of Winnipeg on numerous occasions dumps raw sewage directly into the Red River, yet we don't see any moratorium on development. The *Winnipeg Sun* reported on Sunday, May 18, that a third of the city's sewer pipes overflow during periods of heavy rain and dump raw sewage into the river on a regular basis, and the City plans to continue doing it. The massive 427-million-litre spill of 2002 resulted in a fine and a reprimand, but has anything changed?

We have a real problem here, and it appears nothing is done with any urgency. Is the government really concerned about water safety? After a year of intense scrutiny by the CEC and no recommendations from the CEC to ban hog expansion, we still have Bill 17 rammed through with about as much concern for the impact on rural Manitoba as the first moratorium had. Why is the hog industry being singled out? Is this government

agenda really anti-farming camouflaged as pro environment?

Southeastern Manitoba is thriving today because of a strong mixed farming agriculture base. We have watched several generations of producers expand their farms through diversification and growth as they attempted to keep their children interested in farming. Our towns and cities are thriving because our producers are leveraging their cropland into prosperous livestock facilities that employ thousands. Businesses in the region have thrived supplying services to these enterprises and their employees. Our schools are full and bursting at the seams, where many other rural regions in the province are seeing continued decline in rural population. It is no accident that Hanover and La Broquerie, with the highest density of livestock in the province, are seeing population increases, while other rural municipalities continue to decline. I would suggest that our strong farm base is the main reason Steinbach is growing faster than Brandon. It is very puzzling as to why this government would not want to replicate this success story in other municipalities.

Paying attention to soil loading, water quality and drainage makes sense. Good farmers do that because they understand that it is essential to their long-term viability. Restricting manure application to phosphorus levels makes sense if it's causing an environmental problem. We don't need an industry moratorium to change the rules, any more than we need a ban on driving while we consider a change in speed limits. Our laws should focus on applying those new regulations equitably and fairly across all industries, including the urban centres. This government was elected to serve all Manitobans, not just the anti-hog lobby.

Imposing a moratorium on eastern Manitoba has effectively discouraged western Manitoba from expanding as well. Why would anybody want to invest in an industry that the elected government is opposed to? Any risk analysis would have to assume that a high probability exists that the government will implement its policies across the whole province eventually.

We've still got thousands of acres of land in Manitoba that have not seen any manure applied to it. These regions are applying chemical fertilizers to the cropland today. Using non-renewable resources to produce fertilizers surely isn't a sustainable practice. Recycling the undigested feed nutrients

back to the field they came from to be used for the next crop is a sustainable practice used for centuries. Why are we discouraging low-density livestock regions from expanding into hog production today if it would make their farms more viable, create employment and build stronger rural communities?

Why are we painting the hog industry as a polluter for recycling the nitrogen, phosphorus and potassium back to the fields it came from? The industry is willing to accept rules of operation that are sustainable. Why do we need a unilateral moratorium on the hog industry?

The effect of the moratorium on new hog facilities is having a huge impact on our company. On top of all of the negative factors affecting the industry today, our government is saying to producers and suppliers, we won't let you invest in the next hog cycle. We are forced to downsize our business to this new reality. As we and other suppliers to our hog industry cut back, our towns in rural Manitoba will feel the reduced spending. I expect the government will also feel it in lower tax revenues. This bill is not in the best interests of rural Manitoba. It is shameful for one industry to be bullied and singled out as a polluter without a shred of evidence being presented to prove that the industry practices are not sustainable.

I would encourage you and the government to do the right thing and kill Bill 17.

Mr. Chairperson: Thank you, Mr. Kroeker, for your presentation.

Questions?

Mr. Goertzen: Thank you, Mr. Kroeker, for coming out this evening and for your contributions to our region and to our province through your business. You expressed the frustration, as did the previous presenter, and in some ways anger, that it looks as though the pork industry is being singled out and that this bill is being sold as an environmental fix when it probably is more properly described as anti-agriculture. Certainly, we've heard in the Legislature some comments by government members that if you oppose this bill, then you're against clean water, and I think that just adds to the overheated and unfair rhetoric. That sometimes happens, you'll be surprised to know, in the Legislature. Perhaps one of the reasons it was happening was because there was a short time frame. This bill was scheduled to pass this coming Thursday, or scheduled to be voted on this coming Thursday and, presumably, if there hadn't

been a change in government philosophy, it would have passed.

As a result of some of the work that opposition members have done in slowing down the agenda, there are a new set of rules now in place, and it won't be on until the fall as opposed to this Thursday. One of things that I would suggest to government members is that we sort of put a—and take a deep breath over the summer and have some groups come together like yourself and maybe some of the producers in the different industry groups, and on all sides, to try and take another look that there isn't a better way to do it. You mentioned regulations that would be sustainable or rules that would be sustainable. Do you think that that would be a productive use of time over the summer now that this bill won't be voted on this Thursday, and perhaps that you or another person from your industry could participate in those discussions?

Mr. Kroeker: I'm sure there are a lot of agronomists that would be more expert than I would be on that topic, but my understanding as a supplier to the industry, the rules are there. It's a matter of adding to them or changing them or modifying them if you want them more stringent in certain areas for the ground situations that each farm has, but to add a moratorium across a wide area doesn't make any sense to me. I mean, look at each case individually. If you got land to spread your manure on, why wouldn't you let 'em do that? If you don't have land to spread your manure on, then for sure you shouldn't do it. But the rules are there.

Mr. Gerrard: In your presentation, you mentioned that the hog moratorium is already having a huge impact on your company, that you're being forced to downsize the business to the new reality. Can you explain a little bit the sort of secondary impact of the moratorium?

* (19:30)

Mr. Kroeker: Well, a few years ago, we probably employed about 67 people directly in our company, and probably another 70 indirectly through construction projects that we were involved in. Today, we're probably down to 50 people, and we're probably heading down to 40 by the end of the year.

Mr. Gerrard: Just, on the products and services that you provide that you've had to scale back because of what's happened with the moratorium?

Mr. Kroeker: It'd be hog equipment.

Mr. Gerrard: Thank you.

Mr. Eichler: Thank you for your presentation.

I just have a question in regard to the economics. You were talking about how it's going to impact your company. I know that you used to be a dealer of mine when I was in the retail business at Prairie Farm and Ranch Supply. What other impact do you see? Will it also be affecting your importers and your manufacturers that you supply as well? What do you see affecting long term within the province of Manitoba?

Mr. Kroeker: I think the biggest impact will be on the trades, the carpenters, electricians, plumbers, gas fitters, people that are working in the barns building these barns. Those trades are all going to go find employment elsewhere, and the whole industry, whether you're in poultry or dairy, along with the hog farmers, will suffer because the skills just won't be there when they do want to build their facility wherever.

Mr. Chairperson: No further questions? Seeing none, I thank you, sir, for your presentation.

We'll now call Mr. Kurt Siemens, who I believe was listed as in town, but apparently he's an out-of-town presenter, for the Manitoba Egg Producers, No. 46.

Mr. Siemens, do you have a written presentation? You do?

Mr. Kurt Siemens (Manitoba Egg Producers): I have a written presentation, yes.

Mr. Chairperson: Okay. Proceed when you're ready.

Mr. Kurt Siemens: I think there are enough people here that can verify that I am from out of town. So that part is right. Just because I wear a suit jacket doesn't mean I'm from in town.

My name is Kurt Siemens. I am the chair of Manitoba Egg Producers, and I'm here with a presentation for you tonight. I want to thank you for the time that you've allowed me to present.

There are about 170 egg and pullet producers in Manitoba that house 2.2 million hens on an annual basis. The average farm size is about 15,000 hens, or roughly 120 animal units. Hens lay eggs from 19 weeks of age to about 70 weeks of age. Hens are called pullets up to a 19-week age and are raised from chicks in separate, specialized facilities. Many egg farmers actually grow their own pullets. Many

egg and pullet farmers have diversified to include other livestock and crops. Egg and pullet farmers are well organized under the Manitoba Egg Producers umbrella which enables effective communication about important issues, changes, or required actions.

For the most part, producers store manure in one of two ways, as liquid in underground concrete pits, or as a dryer product in approved, above-ground storage buildings. Manure is a valuable fertilizer and soil conditioner. It is utilized by most producers on their own farms for crops or pastures, or is transferred to adjacent crop farms.

MEP's strategic plan identifies environmental protection as a priority important to the long- and short-term sustainability of the egg industry. MEP has been a positive participant, along with KAP, Keystone Agricultural Producers, in a consultative process for the development of the nutrient management plans and amendments to the Livestock Manure and Mortalities Management Regulation. MEP has supported these regulatory changes to ensure the long-term well-being of Manitoba's water resources and soils. We have supported research into beneficial management practices, assimilated all available scientific information, and are actively educating producers on regulations and proper manure management, through programs, projects, and communication initiatives.

MEP is currently working in conjunction with Manitoba Agriculture, Food and Rural Initiatives on a number of fronts, including a field research project that involves analysis of nutrients in stored manure from hens on about 30 farms. My farm happens to be one of those 30 farms. The overall purpose of the project is to help educate egg and pullet farmers on the proper manure management with particular emphasis on phosphorus. Each of the 30 producers involved in the project is offered individual consultation regarding their results, including an estimate of their current application rates, as well as accurate manure application rates according to crop needs and soil phosphorus levels.

When they came to my farm to take the manure samples, one government person and one staffperson, they don't get to dig in the manure very often, but in my farm they did, and it's amazing how careful they were about digging in chicken manure. I've never been that careful, but they measured my spreader to the quarter-inch and everything to make sure that we had proper data to share and to let the

producers know how much they're spreading and what they're doing when they're spreading it.

Aggregate data will assist in further education of all egg and pullet farmers and will support an ongoing controlled study at the University of Manitoba on using feeding strategies to reduce the phosphorus in manure. Layer and pullet manure is important to soil fertility by improving organic matter as well as providing valuable plant nutrients. Conservation of nitrogen and reduction of phosphorus to match crop requirements and avoid buildup of soil phosphorus are ultimate goals of manure management.

Other education and project initiatives include communications in the MEP producer and technical newsletters, and producer information days in 2007 on the subject of phosphorus concerns and good manure management practices. At MEP's 2007 annual meeting, Mr. Don Flaten discussed the current state of knowledge about phosphorus and a need for more research under Manitoba's conditions to develop the best management practices.

MEP has also sponsored three environmental farm plan workshops for egg and pullet producers over the last two years. A joint MEP-MAFRI mortalities composting project that began in 2005 will be completed in 2008, and the results of this project will soon be published.

The above information provides a context for the following comments in opposition to Bill 17. The attention that MEP has given, and will continue to give, to water protection is paralleled in many other livestock sectors, with the hog sector at the forefront. Egg and pullet farmers are willing to do their part towards improving the sustainability of our soil and water resources for the benefit of all Manitobans.

However, the problem of Lake Winnipeg is much broader than hens, hogs, livestock or even all agriculture. Everyone—cities, towns, cottagers, industry—all human activity, both within Manitoba and well outside of its borders, is responsible for the problem, and all need to do their part to make the changes that will protect our water resources. Addressing the contributions of urban and recreational activities—some including urban waste, urban waste treatment, winter spreading of municipal and city human waste in the Red River Valley, cottage practices and waste management—are all equally important.

An extensive ban on hog expansion was not part of the recommendations of the two bodies of expertise, the Phosphorus Expert Committee and the Clean Environment Commission, formed by the Province to address environmental sustainability and the issue of water quality.

The Clean Environment Commission report notes, environmental regulation must be science-based. The proposed ban on the expansion of the hog industry in such a vast area of the agricultural landscape is not based on science and is unparalleled in any other sector. The proposed ban is in an area with a high proportion of N1 soil, with the lowest soil phosphorus levels in the province, ignores the research to date. The highly productive clay soils in much of this area would actually benefit from the application of manure. The Clean Environment Commission report makes reference to the economic benefit of manure for farmers looking to reduce their reliance on synthetic fertilizers.

Bill 17 is especially at odds with the recommendations of the phosphorus expert committee. The expert committee's recommendations were very specific to those management practices and limits for phosphorus that would provide protective measures, such as the elimination of winter manure spreading in the Red River Valley special management area and 48-hour incorporation of fall-applied manure. Livestock groups have indicated their support for these recommendations, as well as those of the Clean Environment Commission report, which indicates that the appropriate checks and balances in the hog industry are sustainable in Manitoba.

It is the conclusion that the report identifies the main areas of action to ensure environmental sustainability of the industry and states that the commission does not believe that the issues currently represent a serious barrier to industry sustainability. Responsible nutrient management by all contributing sectors should be the focus, rather than a ban affecting one particular sector. There is no one sector solely responsible for the problems of phosphorus in Lake Winnipeg, nor is there a simple cure.

* (19:40)

The documentary, *Fat Lake*, produced in conjunction with Shaw Cable, is a comprehensive account of the complexities involved in the problem and solutions. It should be required viewing for all Manitobans.

The current data used to determine the relative point and non-point sources of phosphorus in Lake Winnipeg is somewhat limited. Further baseline data and studies that will track the effect of the improvements are needed. More research on beneficial practices in agriculture is also required. To illustrate this point, riparian zones that were deemed to be beneficial in the past are actually harmful under certain conditions. This lack of support data does not excuse inaction, but acts as a reminder that eutrophication of Lake Winnipeg is a complex problem requiring long-term solutions that are subject to change over time based on ongoing research.

The Clean Environment Commission recognizes a need for more data and research in its recommendation that the Manitoba government work with other organizations to develop science-based, environmentally and economically sound, beneficial management practices for reducing phosphorus losses to surface water under Manitoba's soil, landscape and climate conditions. The challenge for the government will be to develop an implementation strategy that works with producers and other members of society to ensure the industry's social and economic sustainability.

We strongly urge the defeat of Bill 17 and encourage the Province to work with Keystone Agricultural Producers and the livestock groups to consider the recommendations in the report of the Clean Environment Commission, with a view to developing sound science-based, long-term nutrient management policies.

Thank you.

Mr. Chairperson: Thank you, Mr. Siemens.

Questions?

Mr. Eichler: Thank you for your presentation, Mr. Siemens.

In regard to the original strategy on the manure management regulations, was your organization part of the committee to draft those regulations?

Mr. Kurt Siemens: We had members of our staff and, occasionally, we had directors at some of those consultations, and we worked together with KAP as an umbrella organization to refine those recommendations and try and make them as useful as possible for the environment and the producers.

Mr. Eichler: Just a follow up to that, I know that the farm organizations worked very hard in consultation

with the Minister of Agriculture (Ms. Wowchuk) and the Minister of Conservation (Mr. Struthers), and that was done just not that long ago. Do you feel there has been sufficient time in order to see whether or not all the hard work that the farm organizations, in fact, did put into that, along with the ministers, if it's going to be doing the job that it was intended to do, and, if not, the permanent moratorium is actually a step a bit ahead of its time?

Mr. Kurt Siemens: Unlike some of the other presenters, I'm not an expert on that, how long it takes to find out if it works or not. It would be good, first let's put the rules in place that we have, follow them, see what happens. Let's see if it's working. In the meantime, keep on working with the scientists and people from the university and MAFRI to try and find better ways of doing better management practices, thereby, learning as we go, because it's an ongoing process.

What we knew five, 10 years ago with, you know, like, the riparian zones. They can actually add phosphorus to the water. We didn't know that, you know, 10 years ago. Now, we know that. So it's an ongoing process of learning the science and improving it as we go along.

Mr. Chairperson: Seeing no further questions—

Mr. Maguire: Just a short one.

Thank you very much for your presentation, Mr. Siemens.

I know that you've referred in your opening remarks here to the nutrient management resolutions, Water Stewardship, and the Livestock Manure and Mortalities Management Regulation through Conservation, and that your organization supported these regulatory changes to ensure the long-term well-being of Manitoba's water sources and soils.

I've asked a number of others today if they feel that there was—obviously, there is, but, you know—a better approach to having the moratorium put in place. You have stated very clearly you think this should be killed. Do you think that there could have been a better approach from the government in regard to co-operation with the various levels of the industry?

Obviously, the egg producers feel jeopardized in their operations in regard to this bill being expanded to other sectors of the industry at some point, or expanded through a further region of the province.

So can you comment on how you think would have been a better approach to have handled this?

Mr. Kurt Siemens: I don't know what would have been the best approach to handle this.

I know to single out one industry is probably not the right thing. Manure is manure. I've heard it called other things, but it still is manure. It doesn't matter where it comes from, if it comes from humans, if it comes from hogs, comes from dairy, comes from chickens, we have to manage it properly and do the right things with it. So let's follow the guidelines that have already been drawn up and let's see if they work.

I hope that answers your question.

Mr. Maguire: I mean, the guidelines were there, and I think what you're basically saying by your presentation is that you feel that the industry felt, as well, that it was complying with those. When the moratorium was first put on, they maybe, the industry, didn't like it, the pork industry particularly. Other sectors thought it was a ridiculous thing to do. But there was no science when the moratorium came on, and they said, we'll comply with it—to my understanding—we'll comply with whatever the Clean Environment Commission comes up with. The Clean Environment Commission came out with no science to back up a moratorium, and yet one was put in place.

So your thoughts about managing the present rules that were there, which were the most stringent in North America at the time, are very valid. I would just like a comment from you, how you think the government should have gone about enforcing those better, if that's what they felt was needed.

Mr. Kurt Siemens: How to enforce those rules better? I'm not sure on that. I'm learning about that just about as much as you guys are.

We were part of the consultation process in drawing up some of those rules. You're right, we didn't necessarily agree with all of them, but I think, overall, we managed something that was reasonable, and I think that's something the farmers could live with. Over time, it will reduce the amount of farmers out there because of some of the environmental practices that they have to follow.

There are lots of things hitting farmers nowadays. Everything, from animal care to environment, everything is out there, and it's going to reduce farmers. Not everybody can continue to

operate. It'll take the better farmers and the more entrepreneurial-type of farmer to get out there and get by.

But we have to all work together. It can't be just the farmers. It has to be the government, the farmers, the industry. Everybody has to work together to make it work.

Mr. Chairperson: Okay. Seeing no further questions, I thank you, Mr. Siemens, for your presentation.

We will move on to No. 70, Paul Neustaedter, Neustaedter, Steinbach Chamber of Commerce.

Do you have a written presentation, sir?

Mr. Paul Neustaedter (Steinbach Chamber of Commerce): I do.

Mr. Chairperson: Okay. Proceed when you're ready.

Mr. Neustaedter: Great. Thank you, Mr. Chairman. I think, on behalf of all these people over here, we want to thank you for arranging the rain so we could be inside here this evening. Good job.

My name is Paul Neustaedter and I'm the president of the Steinbach Chamber of Commerce. I also own the business Steinbach Dodge Chrysler. Tonight I'm here on behalf of the Steinbach Chamber of Commerce to oppose Bill 17.

Bill 17 cannot be allowed to proceed. It affects each and every one of us. It discriminates against individuals, families and businesses. Our current government prides itself in being non-discriminatory. However, this bill targets hog farmers specifically, and it removes their existing legal rights of legitimately run family farms.

The hog farmers in Manitoba are good, honest people who have strong attachments to the land and the environment. I personally meet with family-run and corporate farm owners and employees of these farms on a regular basis in our community. These people are good people who contribute in wonderful ways to our society and our region. Steinbach is a farming-based community. It's crucial that we support and encourage these people to continue to make available the high quality of pork that we have come to expect from Manitoba hog farmers, instead of creating roadblocks.

* (19:50)

This permanent freeze on hog barn building or expansion must not continue. We believe Bill 17 is passing the death sentence on Manitoba's hog industry. Many hog producers may not be considering expansion right now, but when the market recovers it will be a necessity. If we do not allow them to expand their operations, then Manitoba will lose its economic advantage over other regions in North America. Exporting hogs, producing more hogs, and the economic spinoffs that these farms have generated, have been a significant boost to our region.

Bill 17 does not just affect those who invest and work in the hog industry. It affects all Manitobans. From feed mills to construction, transportation to the veterinarian, all Manitoba businesses become vulnerable, some even crippled. New workers will not be needed if Manitoba's unemployment rate will go up. It will create lasting effects everywhere.

I'm proud of Manitoba, of a Manitoba that's friendly, where newcomers are welcome, not only because we're welcoming, but because we need them in our communities to supply the work force required to sustain the growth that we have experienced. I personally have witnessed the economic boom that's gone on in Steinbach and the southeast area. A large contributor of this boom has been the hog industry. Doesn't every government want job creation, immigration, economic growth, and all the additional taxes that this generates? If the government does not want it, I know that the people of Manitoba want it. The benefits of a stronger tax base help all Manitobans, not just a few farmers.

Hog farmers are generous. The southeast region of the province has many hog farmers and businesses that directly support these hog operations and give back to their community in money and in time. Organization after organization has benefited from the kindness of the family or the corporate farmer.

The baseball team that I played on as a teenager was sponsored by a hog farm, even if that may have been a long time ago. Many of our hockey, soccer and baseball teams are coached by people that own or operate a hog farm. Our local churches and private schools are sponsored by hog operations and hog farmers. The Eastman educational facility that's based in Steinbach and serves the area was supported, not only by this government and local businesses, but by a corporate farm. The Steinbach Aquatic Centre, which many people from Winnipeg and the southeast enjoy, has been benefited by hog

operation sponsorship. The Bethesda Hospital Cancer Care Centre received over \$500,000 directly from hog farmers or from businesses that primarily and directly serve the hog industry. That can be viewed at the Bethesda Foundation list of donors. The Steinbach Arts Council, the Steinbach Fly-in Golf course, the arena, and many other projects in the area have been strongly supported by hog farmers, and most, if not all, of these not-for-profit organizations that I've mentioned here have men and women serving as volunteers who are hog farmers. Hog farmers care about their community and give back to their communities. Know that taking away their ability to grow and to expand will impede their ability to be involved in philanthropy of this kind.

Bill 17 is being marketed as being about environmental sustainability. But, make no mistake, it's not aimed at protecting the environment. Bill 17 will not do what the government's claiming it will. Reports all indicate that the hog barns are responsible for 1.5 percent of the phosphorus going into Lake Winnipeg, but, for some reason, only the hog industry is being shut down. What about the other 98.5 percent of contributing factors? Are they next to be shut down? All Manitoba hog farmers could be eliminated and it would still have no impact on reducing the phosphorus content in Lake Winnipeg of any significance.

We must acknowledge the tremendous amount of work and research that has occurred and continues to occur in the hog industry to protect the environment. Hog farmers, as well as the Manitoba Pork Council, have invested millions of dollars into research to improve practices. The farmers that I know, both family farms and corporate farmers, are more cognizant of the environment than most Manitobans. These men and women work the soil and depend on it for their future and their family's future, and, in the past few years, have seen the people of the hog industry work within our community on an environmental project such as Steinbach's Pick Up and Walk.

If Bill 17 had been based on real science and not political maneuvers, then the Clean Environment Commission report, which cost taxpayers almost \$750,000, wouldn't have been ignored. The report clearly stated the industry was sustainable and did not recommend a hog barn ban. In contrast, it provided a detailed plan, and it called for a spirit of co-operation between government, producers and communities to make the plan a reality.

Manitoba hog producers have repeatedly said that they would work with the government on reasonable regulations to protect our environment. After all, their kids are growing up here too. But, with no consultation, Bill 17 was introduced and, in an instant, over \$1-billion worth of farm properties were instantly devaluated.

We all have a stake in this industry. So let's do what we can do to improve its environmental performance in order to expand hog production and processing. This, in turn, will fuel the Manitoba economy for the benefit of all Manitobans.

The right to farm must be protected but not by producing more rules and regulations to allow farming, but by not creating rules and regulations that make it impractical or nearly impossible to farm in the first place. At the end of the day, the hog industry contributes approximately \$1 billion to the economy each year and has created 15,000 jobs. How can destroying the industry possibly be good for Manitoba?

Bill 17 is anti-farm, anti-business and anti-rural. Please cancel this bill for the benefit of all Manitobans and make Manitoba friendly again. Thank you.

Mr. Chairperson: Thank you, Mr. Neustaedter.

Questions.

Mr. Goertzen: Thank you, Mr. Neustaedter, for taking time to come out this evening. I know you wear a number of different hats, including businessman and family man and today for the Steinbach Chamber of Commerce.

I appreciate the fact that you put in your presentation a listing of some of the contributions that the pork industry makes within the Steinbach region. Particularly, the CancerCare unit at the Bethesda Hospital which government members have cited many times as one of the accomplishments of their government, but rarely they talk about the fact that the pork industry put in, together with other donors, nearly half of that. It's good to draw attention to that.

Can you indicate for me, on the issue of immigration—I think you're right, that we do value immigration and there certainly is a lot happening in our region. Can you give us a sense, from the Chamber's perspective, how a ban on the pork industry will negatively impact immigration, whether

it's Filipino immigration or the German immigration that's happening in the area?

Mr. Neustaedter: I can give you an example. At the Border Services, there's a regular row of people that are importing their crates and their packages from the Philippines or Europe, Germany specifically, that we've, as a community, benefited from. The Chamber is the co-ordinator of the immigration program for the southeast region which has been very successful. The large manufacturing sector in Steinbach has benefited by having additional people coming to work and thereby making not only the immigrants but other workers available to either their corporate farm or other farms that are needing those workers. So it has alleviated pressure in that area and for other businesses. I can note that essentially there's no minimum wage to speak of because of the demand on employment in the southeast. Without the immigration making those jobs available in that farm sector, we would be paying a lot more for people, and it would be dire straits in the business community.

Mr. Goertzen: I don't want to steal the floor from anybody else who might have wanted it.

We know now that this bill won't be voted on Thursday as was originally proposed. Opposition members worked hard to ensure that it wouldn't be able to be voted on until at least fall now. So there's some time in between.

I know in your life and as a businessperson, you've worked with compromises and ways to get things done, whether it's two different groups on different sides—is this an opportunity for us through the summer to maybe get a group of—Chambers of Commerce and people on different sides of the issues, sort of come together and work our way through this, so that we can remove the need for a bill and ensure that whatever objective the government is trying to achieve can be achieved in a way that makes sense with the science? Would you be willing to participate in a group like that, if the government was willing to suspend the bill over the summer?

* (20:00)

Mr. Neustaedter: Firstly, I would say that there's no need for further discussion, further time. Bill 17 should be killed based on the clean economic commission report. So more bureaucracy, more time is unnecessary. Saying that, should it be necessary, then, yes, me as a chamber of commerce president in

the community of Steinbach. Because the hog producers have stated that they are willing to work with government and community, I am willing to represent our community in that position of making Manitoba friendly.

Mr. Maguire: Thank you, Mr. Neustaedter, for your presentation. Very, very clear in what you've asked for in the presentation.

There's one sentence, though, that I disagree with you on, and that is, right at the beginning of your presentation you said our current government prides itself in not being discriminatory. I just have to inform you that, until last night, by next Thursday night, if it hadn't been for a will to change to government, we would've had a bill that would've legalized deficits in the province. We would've had a bill that would've limited the amount of information that opposition members and back benchers in the government could've provided people with in the province of Manitoba, their constituencies, and we would've had a bill like this that would've been very discriminatory in regard to the livestock operations in Manitoba.

So I wanted to just inform you of that, and I'd like to encourage you to—or commend you on the rest of your presentation, by asking for this bill to be killed completely. We've been successful as opposition in moving these bills till the fall, and more Manitobans will have the opportunity to see the discriminatory—

Mr. Chairperson: Time is up, Mr. Maguire, so I'll let you finish your question, but just try and get to the point.

Mr. Maguire: I just wanted to see if you would agree that—obviously, you agree that this bill has not been good for Manitoba and that it's not a friendly bill. So thank you.

Mr. Chairperson: Mr. Neustaedter, a brief response.

Mr. Neustaedter: On your copy, I would suggest that you just put parentheses over the word "prides."

Mr. Chairperson: Thank you for your presentation, sir.

We'll move on to No. 53, Scott Dick, from Agra-Gold Consulting Ltd.

Some Honourable Members: Oh, oh.

Mr. Chairperson: Do you have a written copy of your presentation? You do.

As soon as I have order at the table, you can begin your presentation, sir.

Behave yourselves, gentlemen.

An Honourable Member: What number is it?

Mr. Chairperson: Number 53.

Okay, if I could have the attention of the committee, Mr. Dick wants somebody to present along with him. If he would identify himself—please, sir.

Mr. Cliff Loewen (Agra-Gold Consulting Ltd.): My name is Cliff Loewen. I am a partner with Scott in a business.

Mr. Chairperson: Do we have agreement of the committee for Mr. Loewen to present, together with Mr. Dick? *[Agreed]*

Proceed, sir.

Mr. Loewen: Thank you very much for giving us the opportunity to present to you today on this crucial issue and decision affecting agriculture in rural Manitoba. We are passionate about the livestock industry and the positive impact it has had on the rural economy and life in Manitoba. We trust that our comments of concern regarding Bill 17 will be adding to the growing frustration and disillusionment in the countryside over the government's proposed legislation of implementing the permanent ban on any hog expansion in large parts of Manitoba's prime agricultural base.

Who are we? Scott Dick and Cliff Loewen are partners in a manure nutrient management consulting business that we established just over a year ago.

My name is Cliff Loewen. I'm a certified crop adviser and have been involved with manure management since the inception of regulated manure management planning in 1998.

Scott Dick has a Bachelor of Science degree in Agriculture from the University of Manitoba and is a professional agronomist and began his career in manure management in 2001. Scott is also a director on the Manitoba Livestock Manure Management Initiative, and both of us have completed the required manure planners course and are in the Manitoba Institute of Agronomists registry for certified planners.

Our work as nutrient management consultants in the livestock industry is primarily with hogs. Agra-Gold files and manages the annual manure plans for

just over 25 percent of all the plans filed for hog producers in the province. We work with some of the larger hog producing entities in the province, as well as a number of the smaller family-owned and -managed livestock operations.

What type of work do we do? Agra-Gold Consulting offers the most comprehensive manure management service available in the province. The regulatory compliance and documentation required for manure management here in Manitoba are second to none in Canada. Let me quickly go through some of the critical areas of service we offer.

First of all, there's the regulatory requirement of filing of annual manure management plans which includes description of the operation and all potential manure application fields. Post-application confirmation of spread is required. Number 2, each field that is to be used for manure application must be soil sampled and the analysis submitted to Manitoba Conservation. Agronomic recommendations are given, based on the residual nitrogen and phosphorus levels in the field.

We also work hand-in-hand with the manure applicators who custom-apply on our clients' fields. Work orders with appropriate application rates and requested manure sampling procedures are given to each applicator.

A number of sites which have manure storages located in more sensitive soils have permit requirements for annual monitoring, well sampling and submission, which we do as well.

Following manure application, there is the post-application reporting, GPS coverage maps of manure application, agronomic summaries of nutrients applied, and an economic analysis of the value of these nutrients.

Just to illustrate with the escalation of costs of fossil fuels, commercial fertilizer costs have skyrocketed. Let me illustrate the incredible value of livestock manure in today's nutrient market. Just six to seven years ago the value of nutrients in the manure storage of a 2,000-head finishing operation was around \$10,000, and at today's price this value has jumped to \$28,000. This simply reflects the macro nutrients, never mind the other benefits of livestock manure.

So we are here today to tell you that you need to allow current regulation and advances in technologies and practices to bear their fruit in reducing the environmental impact of livestock

production before you judge whether a permanent ban is required. Scott.

Mr. Scott Dick (Agra-Gold Consulting Ltd.): Manure management has evolved significantly in the past 10 years, and I'd like to highlight some of those changes that have occurred.

In application technology 10 to 15 years ago it was not uncommon to see big-gun applicators doing a significant amount of the work. This application produced high amounts of odour, high nitrogen losses and, consequently, significantly over-applied phosphorus on the land.

The big gun was replaced by dribble bars which sprayed the manure on the surface and cultivators which injected the manure into the soil.

The latest methods of spreading manure which are commonly used are cultivators or airway units which poke holes into the ground or coulters which use large discs to open up holes. All these methods do an excellent job of placing the manure where the growing crops can readily access the nutrients while greatly minimizing odour and surface run-off.

Another piece of technology which has enhanced manure application is the use of GPS mapping and autosteer. Most commercial applicators are now equipped with onboard computers linked to their GPS antennas which provide an on-screen map in the cab to allow the operator to record the application. This technology is a great record-keeping tool and, as Cliff stated, gives the landowner a very accurate map of where and how much nutrient has been applied to their crop. Autosteer technology, which drives the tractor by itself, also uses this GPS, ensuring that overlaps or misses are all minimized.

Some of the regulatory requirements. Annual soil sampling of filed manure management plans was only placed into regulation in 1998. The first threshold which was established was for facilities over 400 animal units. In '04 the threshold was lowered so that all facilities over 300 animal units need to file a plan. Also in '04 more specific thresholds were established for different soil nitrate labels based on agricultural classification of land. In '06 the government further amended the regulation to include phosphorus. It should be noted that, although new and expanding operations needed to comply immediately with the regulation, a phased-in approach of time lines starting in November of this

year until November 2020 was engrained in the regulation.

* (20:10)

What I'm trying to point out is that there've been many changes in application technology and regulatory changes in the past 10 years. When Minister Struthers announced the permanent ban on hog barns in the Red River Valley, he cited that 54 percent of the phosphorus load came from the Red River. The data was taken from page 29 of the Lake Winnipeg Stewardship Board's report, which was released in December of '06. On page 29 of this report, the graph indicates that the data came from Manitoba Water Stewardship in '06, but also that the data came from a time period of between 1994 and 2001, which was prior to many of the changes I just highlighted.

I ask the question: Why not allow the application technology changes and regulatory changes to bear the fruit, rather than impose a permanent ban? Imposing a permanent ban after all these changes in recent years is like the government choosing to close the Perimeter Highway on the east side of the city after it has been twinned because the data before its twinning indicated a higher incidence of traffic accidents. It's faulty logic and I don't understand it.

Bill 17 does have an exception clause which allows for anaerobic digesters or another similar or better environmental treatment. Anaerobic digestion does not have a large impact on the mass balance of nutrients leaving the system, and therefore requires a similar number of acres for manure application. Anaerobic digestion doesn't make economic sense for Manitoba because Manitoba already produces green energy at five to six cents a kilowatt, compared to the markets, such as Europe where producers get paid 15 to 20 cents a kilowatt. Asking a producer to increase their cost of production by 5.50 to 11.50 more per market hog to do advanced manure treatment makes Manitoba non-competitive to raise pigs, and doesn't make a lot of sense in the Red River Valley where there're a large number of phosphorus-deficient fields, many acres which don't have access to manure, and where strategic nutrient management planning, coupled with injection, is all that is needed for the purpose of environmental sustainability.

If you really wanted to make a large impact on reducing phosphorus run-off, you would financially assist smaller producers of all livestock species who require larger storages in order to stop winter spreading.

In closing, we've several questions we'd like to pose to the committee:

Why does the government feel obligated to impose a permanent ban on the industry when it has been a cornerstone of large parts of rural Manitoba?

If the government is unsure as to whether new regulations and practices of the industry will decrease its footprint on the landscape and environment, then why not impose a three-year hog barn building pause? A permanent ban sends the message that Manitoba is closed for business for this segment of agriculture, and that other segments should watch out.

Lastly, if the government has little confidence in current regulations, then why are we wasting our time and money following them?

I would say the government should feel proud of the current regulations in place because they've been developed based on science, such as the science put forth by the Manitoba Livestock Manure Management Initiative, the University of Manitoba, and the phosphorus expert committee.

In closing, Cliff and myself would like to say that we have invested our careers, our integrity and our livelihoods in this industry. We are passionate about having a sustainable hog industry. We ask you in turn to recommend against passing Bill 17 and allow current regulations and practices to bear their fruit.

Thank you.

Mr. Chairperson: Thank you, gentlemen.

Committee Substitutions

Mr. Chairperson: Before I move to questions, I have a couple of substitutions: Braun in for Korzeniowski; Marcelino in for Melnick.

* * *

Mr. Chairperson: Questions.

Mr. Struthers: I want to thank both Scott and Cliff for their presentation here tonight.

The first time I jumped on a tractor and dragged the set of harrows down the field, it was a John Deere R. It had a hand clutch. It had no—heck, no GPS, it had no cab. I put a pair of earmuffs on just to muffle all the noise from the old John Deere, and I recognize that things have come a long way since dad stuck me on that tractor.

I'm really interested in what you had to say about the technology in relation to the 54 percent that we had been talking about earlier of the nutrients coming up the Red River. If there is a more definite number, what would you say that number would be?

Mr. Dick: I'm not sure I understand the question, whether there's a more definite number than 54 percent?

Mr. Struthers: Yeah, I get your comparison about the east Perimeter and blocking it off based on numbers from before. What's the number you would attest now, today, to the percentage of nutrients coming up the Red River, whether they be American sources, or sources from the R.M.s with the 28 percent production of hogs? What is a more accurate number, from your perspective?

Mr. Dick: I would say that if the number was 54 percent between 1994 and 2001, we really weren't seeing any advantages of going away from the big gun technology. So now that we have, in the past 10 years, gone away from that, certainly, if there was a contribution from the hog industry from that big gun technology, that would be minimized now.

I'm not an expert here to say that the number is 1 percent or 1.5 percent that the hog industry contributes, but whatever that number is it will be greatly reduced because of the new technologies that we are using.

Mr. Pedersen: I thank you fellows for your very in-depth presentation.

If you're doing just over 25 percent of the manure management plans for hog producers in the province, I think you've got this thing down to a science in terms of doing these manure management plans and the inherent problems in them. I guess, realizing you only have a couple of minutes to answer, I'm looking for, do you have some suggestions of where—obviously, you'd have some suggestions as to where the manure management plans could be improved, some of the shortcomings in it.

I have that feeling you were never consulted about Bill 17, whether it should be implemented or not. So, from your perspective, from a professional perspective, I guess I'm looking for, what can we do instead of Bill 17 in terms of getting across the image? We have an image problem. If there are technical problems, what would you offer, from your perspective?

Mr. Loewen: I'll answer quickly. We could give a very long answer, but I think part of the presentation answered that, to allow the science that has been produced in the province through the University of Manitoba, through the phosphorus expert committee, through that kind of research that was the foundation of the most recent amendment to the regulation, which included the phosphorus amendment, allow the industry time to adapt to that kind of a regulation.

Then, Mr. Struthers, just to answer your question, maybe after three or four years, we will indeed have better numbers that could prove the benefits of this kind of technology and how all these technologies have, in fact, benefited the environmental impact. Give it time. Give it time to work, because, as I indicated, I've been involved since the very inception of manure management in 1998, and the decrease in winter spreading and injection and proper placement, and GPS technology, huge, huge advances. Let's highlight that, acknowledge that, and give that time to show its impact.

Floor Comment: Absolutely.

Mr. Chairperson: Mr. Dick, you'd like to add to that?

Mr. Dick: Yes. Just recently, Minister Struthers, you put into the regulation that, in the Red River Valley, you would greatly encourage injection or immediate incorporation within 48 hours of the application. Well, that just came into regulation. That is probably one of the biggest steps in regulation that you could make to minimize surface run-off from snow melt. If all producers were able to inject on annual land and that was commonplace for everybody, that would solve our issues and we wouldn't be here today.

Mr. Eichler: Thank you for your presentation, very informative and very educational as well.

I just want to go to the next step. We are in a dilemma with Bill 17. I think your recommendations are bang on.

I just want to highlight on the science. We know that technology changes every day. As soon as we buy a cell phone, it's outdated. So I certainly commend you, but is there anything you see down the road in the very near future, other than what we've already got in place, that may make it, just a little bit more information that we might be able to utilize to salvage this industry.

* (20:20)

Mr. Loewen: Among many other things, there are certainly all kinds of treatment technologies, manure treatment, that might make it possible to separate and haul the solids or the higher-concentrated nutrients further. One technology that we are waiting on, and applicators are desperately waiting on, is on-the-go NIR analysis of nutrients as it's being applied. That technology is not commercially available, but we are anxiously awaiting the time when that will be available to do an on-the-go analysis of the nutrients as it's being applied.

Mr. Chairperson: Thank you, gentlemen. Time for this presentation has expired. Thank you for your presentation.

I will call Mr. Johannes Waldner of Better Air Manufacturing, presenter No. 51.

Mr. Waldner, do you have a written copy of your presentation, sir?

Mr. Johannes Waldner (Better Air Manufacturing): No.

Mr. Chairperson: No, proceed.

Mr. Johannes Waldner: Good evening, ladies and gentlemen. I appreciate the opportunity to speak and be heard here this afternoon. My name is Johannes Waldner. I live at the Baker Hutterite community which is near MacGregor, Manitoba. Baker does not comply to the usual stereotypes applied to Hutterite communities because we farm only about 1,200 acres of land and we no longer raise any livestock. As a community, we own and operate our business, Better Air Ventilation Systems, as our main source of income. We don't raise hogs, but this bill would hit us harder than most colonies as our livelihood depends on construction within the hog industry.

A great percent of the Hutterites' livelihood is based on the hog industry, and to take that part of our livelihood would serve as a devastating blow to our communities. I think any minority deserves better treatment from the government than this. As a community, Baker strives to practise sustainability, but we do acknowledge we have a lot of room for improvement in this area.

Through school programs we try our best to teach our children basic principles like reduce, re-use and recycle. We make an effort to foster a respect and appreciation for the natural environment by promoting nature trails, tree-planting projects, bird watching and gardening. We pride ourselves in our organic food orchards and vegetable gardens that we

can raise a healthy, home-grown produce for use throughout the year.

We feel that by teaching and modeling respect, love and appreciation for the environment, along with providing a scientific understanding of general environmental concepts, our children as future leaders of the community will follow environmental rules and guidelines, not only because it's the law but because they understand the need and role of such regulations. This attitude that I just described from our community is basically the spreading attitude. It's still a growing trend among the Hutterites to increase their education and try and live more sustainably. It's basically to highlight the change we are trying to bring about.

Every spring our school sends a team to the Manitoba Envirothon, the provincial envirothon competition. This year the team from Baker School placed first over all, and we're now headed to Flagstaff, Arizona, to represent Manitoba in international competition. So we're obviously on the right track being able to compete against the best schools in the province and to do so successfully.

Before my graduation, I participated in three of these envirothons, and they were highlights of my school years. Along with opening my eyes to the environmental challenges we as a province face, the envirothon left me with the belief that any problem has solutions. These solutions require time, research and resources. As a younger person in our society, two years removed from graduation, this ban has quite some scary implications for me. Basically, it's telling me not to get involved in business in Manitoba. Why? Well, who's to say that two years down the road the government might decide my painting business is unsustainable. Let's ban it and the people will vote for us because it seems to be we are environmentally friendly that way. We don't need any scientific data to back it up. That's what it seems like. Literally, this is exactly what's happening to our hog industry. Who's to say the manufacturing sector or any sector won't be next?

The people of Winnipeg are the majority of Manitoba's voters. So, if this majority is misled into thinking that the hog industry is unsustainable and shutting it down is sound environment science, and the government doesn't try to do anything about their misleading opinions or the misconceptions, then we've got a problem. The problem is not ignorance. The problem is governance. The government, instead of educating the public on these huge

misconceptions, seems to be taking the opportunity to try and come in favour of these misled voters, literally sacrificing our province's hog industry for their gain.

The government of Manitoba likes to claim that this moratorium is in place to protect Lake Winnipeg. I find that extremely hard to believe. Were our government concerned over the environment, they would attack from a much, much more general standpoint than to just rule out the hog industry. They would focus on fertilizer use and manure use in general. They would make sure people in the cities are on the bandwagon, too. They would ensure that not even treated human sludge from the city of Winnipeg would be spread in winter.

They would ensure that every town has a sewage treatment plant. In the May 29, 2008, issue of the *Manitoba Co-operator*, we read that the town of Stonewall, with some 5,000 residents, literally drains their sewage right into the Red River. How is this accepted? I can't imagine a barn with 5,000 pigs dumping their sewage right into a river.

The Manitoba hog industry is truly one of the most regulated industries there is. We've been hit again and again by new regulations, tougher laws, and they have never lashed out at us. They have proven time and time again that they are a fairly good group to work with. Is this what they get for their co-operation and compliance, having to come here in front of the government to defend their lifestyle?

We don't think that Bill 17 is the right way to go about minimizing the hog industry's impact. A good move at this point would be maybe reading over the CEC's recommendations and putting some of them to practise, like providing livestock producers with financial assistance or incentives to assist them in coming in compliance with the Livestock Manure and Mortalities Management Regulation, or developing a nutrient budget on a watershed basis, or initiating public education programs like requiring certification of manure storage facility operators.

The CEC report was a year in the making. It took a lot of extensive research, as well as a good chunk of taxpayers' money. Is it all for naught?

Hog producers are a co-operative group of people. So far they have taken all new legislations in stride, and have shown every indication that they are willing to work together to reduce their impact.

Please dismiss Bill 17. Let us keep growing. Help us do it in a sustainable manner. Thank you.

Mr. Chairperson: Thank you, Mr. Waldner.

Questions.

Mr. Struthers: Thank you for your presentation. You are a very well spoken young man. You've done your research. It's not hard to understand why your team did so well in the envirothon, despite the fact that you're in very close competition with my hometown, the Agriculture Minister's community of Swan Valley, which also does very well in these envirothons.

I want you to consider what's in the report of the Clean Environment Commission. I mean, there's a lot of cherry-picking going on about what we should be following in that Clean Environment Commission. There are members opposite who will tell me, do this, or do that, based on the CEC report.

One of the things it does say, you've made the statement that the hog industry is one of the most regulated industries in North America, yet the Clean Environment Commission very clearly said that the framework that we have in place is not strong enough. That's in there. I haven't really been challenged by anybody opposite that it's not in there. So I'm going to assume we're all in agreement on that.

So what you're telling me is that somewhere between a moratorium and what exists there now needs to be put in place. Can you be more specific about what that might be?

* (20:30)

Mr. Johannes Waldner: Well, there's always a compromise to be reached. There are two sides to the issue right now, right? One side, you have the moratorium and no building; the other side, you have lax laws. You go for the economic gain and you have the environmental gain here on this side. I think the key is balancing these two and finding ways to give the producers incentives to live environmentally friendly, finding ways to enforce the regulations, and like, one idea in the CEC recommendations is a nutrient budget per watershed. Ideas like that, implementing them and working with the present producers, and making sure that if there's a new operation in place, sure put stingier laws on it. Be very tight about it but still allow some room for building.

Some areas might not be, like if you have an area right beside a river, obviously, that's not ideal for hog production, but with certain practices it's very doable because manure is not poison. It's good stuff. It's valuable.

Mr. Briese: Thank you, Johannes. That's probably one of the strongest presentations I've heard here today, and I want to congratulate you on it. There's more common sense came out of your presentation than a lot of what we hear around this building every week.

My question more pertains to your—you talked about your manufacturing and the impacts this would have on your manufacturing business on Baker Colony. I'm just wondering, is Manitoba your main market, or do you market across Canada and into the States and internationally. What percentage of your business actually happens right in Manitoba?

Mr. Johannes Waldner: I'm not entirely sure exactly of the percentage because I'm just a floor worker basically, but I'm in shipping personally. The only way I can picture it is I'm the guy that loads the loads and stuff. Two years ago, we had loads going out, three loads a week, four loads a week, but this time it's one a week and those don't go to Manitoba. It's really affected our output. We used to have two branch plants going full time. We shut one down, so it's really slowed us down.

Mr. Eichler: Thank you for your presentation. Well thought out, well done. I do want to ask you, did you do any research on other areas outside the province of Manitoba for your presentation? Is there anything else that you wanted to share with us as far as science-based is concerned on this presentation?

Mr. Johannes Waldner: I didn't do any scientific research, but I have one personal experience to share.

About a year and a half ago, I delivered a load of equipment to South Dakota to a job site, and at that time the province-wide temporary moratorium was on. Basically, they asked us how it's going and stuff like that. We got into talking, comparing our environment rules to their environment rules, and it was ridiculous how loose they are. It takes them less than a month to get a permit. I think it's changed since then, but, at that time, that's about as much time as it took for them to get a permit.

Their manure laws were much looser. The changes were ridiculous, and if you think about it, in the grand scheme of protecting Lake Winnipeg, I'd say if they can't build in Manitoba anymore, where

are they going to go? They're going to go to North Dakota, South Dakota. It's the same watershed. The problem isn't solved. It's just moving to a different place.

Mr. Faurschou: It's a real pleasure to be here this evening to hear your presentation. Outstanding.

I wonder whether or not you've had opportunity to have the minister visit your community and just see how progressive and innovative and adopting of technology your community really, truly is.

Mr. Johannes Waldner: I'm sorry, I didn't understand that question. I'm hard of hearing. Please repeat.

Mr. Faurschou: I was wondering whether or not the minister has had opportunity to visit your community and see how truly innovative and adopting of new technology and truly how you do farm in harmony with nature. I think the minister, if she hasn't visited, or the Minister of Conservation (Mr. Struthers), if he hasn't visited, would do well by doing so.

Mr. Johannes Waldner: I don't think I've seen him there.

Mr. Chairperson: No further questions? Seeing none, sir, I thank you for your presentation.

We'll move on to presenter No. 79, Brent Byggdin, private citizen—[interjection] Byggdin, is he here?

What's the proper pronunciation, sir?

Mr. Brent Byggdin (Private Citizen): It is Byggdin.

Mr. Chairperson: Byggdin, okay.

Do you have a written copy of your presentation?

Mr. Byggdin: I do.

Mr. Chairperson: You do? Okay, you may proceed.

Mr. Byggdin: Good evening. My name is Brent Byggdin. I own property and reside in Niverville, along with my family. I've been involved, directly or indirectly, in the Canadian hog industry for over 25 years, the last eight in Manitoba. My family and I decided to move to Manitoba for hog industry opportunity and lifestyle reasons. At the time, Manitoba's hog industry was the most vibrant in Canada, a status it attained as a result of the joint and sustained efforts and collaborative initiatives of my

colleagues in the hog industry and the assistance of municipal and provincial government.

Bill 17 in its present form, once enacted, will change all that. It will unjustly stifle further growth of an industry that, for the past several decades, has played a significant role in revitalizing rural Manitoba's economy, provided meaningful job opportunities for its youth, challenging careers for agribusiness professionals, and attracted new immigrants who help supply needed labour and contribute to Manitoba's cultural diversity.

Further, the Manitoba swine industry's sustained efforts have successfully established Manitoba as Canada's preferential pork production province, whose pork quality is sought after and recognized in the U.S. and abroad, because it is safely and efficiently produced, tasty, and nutritious.

As a pork producer, I urge the government to abolish Bill 17. The CEC report on which the government purportedly bases the bill encompasses 48 recommendations. Banning hog barn construction and expansion in the special management R.M.s was not among them, for the simple factual reason that it is targeting the wrong solution to solve the problem.

In point of fact, the reasoning on which the bill is based is a fallacy. Using the current logic on which the bill is based, the proposed solution is akin to banning all new housing starts in the city of Winnipeg because the increase in human waste due to population growth contributes to phosphate loading in Lake Winnipeg. In both cases, the solution lies not in banning buildings but in ensuring animal and human sewage are treated in a cost-effective, efficient manner using practical current technology to minimize the detrimental nutrient contribution that ultimately ends up in the lake.

The hog industry, particularly in the past decade, through intensive and diligent environmental initiatives, manure management techniques, and related nutrient initiatives, such as the wide-spread use of the feed additive enzyme phytase, which has substantially reduced the amount of inorganic phosphate needed in swine feed diets to maintain optimal nutrient balance in the pig, has made huge strides in recognizing, embracing, and addressing the hog industry's responsibility in this regard.

In point of fact, the industry's current contribution to the phosphate load in Lake Winnipeg is negligible. It's approximately 1.5 percent of the total phosphate load from all sources. Given that

there are over 200 municipal and First Nations' waste-water treatment systems that currently discharge effluent into the Lake Winnipeg watershed, some of which may not even receive primary treatment, which is the basic removal and sedimentation of solids, let alone secondary or tertiary treatment, and it's the latter stage where phosphate is removed, most commonly via precipitation. It is a very safe bet that our own human waste contributes a much greater phosphate load on Lake Winnipeg than the negligible amount contributed by the Manitoba hog industry.

*(20:40)

I urge the government to stop using the hog industry as the hogwash on this issue. Instead, their energies would better serve the citizens of Manitoba who elect them to justly and wisely represent them if they were to focus on addressing the 98.5 percent of phosphate contributed from other sources, including the adequacy status of the aforementioned municipal and First Nations waste-water treatment systems and working with our neighbours to the south to address the 39 percent of phosphate contributed from the U.S. side of the Red River.

The hog industry is very well aware that they are a highly visible target. Those of us making our living in it embrace that visibility and wear that target as a badge of honour day in and day out, year after year, as we work tirelessly to continue to grow our industry's substantive contribution to Manitoba's economy and its global trade growth in a sustainable, environmentally responsible manner. The industry's high visibility does not justify discrimination and the use of a witch-hunt mentality, especially given our current track record and position as a leader of sustainable environmental practices in the production of pork for the world's table.

In closing, I trust our industry's collective presentations will stimulate the government to act responsibly and with integrity and strike down Bill 17 in favour of a justifiable alternative in consultation with the hog industry. Thank you.

Mr. Chairperson: Thank you, Mr. Byggdin.

Questions. I have Mr. Struthers.

Mr. Struthers: Thanks, Brent, for your presentation.

I want you to know that every single organization that comes in to me claims they only represent 1.5 percent of the problem, every single one of them, and there are many that come to tell me

that. I don't like to get myself bogged down into those kinds of discussions because I come from, as many people who've presented here today have stated that they come from, the premise that everybody who contributes to the problem needs to contribute to the solution. I want you to be aware that Manitoba Pork comes to me and says, we're only 1.5 percent of the problem. The City of Winnipeg comes to me and says, we're only a negligible part of the problem. Cottagers tell me that. Everybody who's got failing septic fields tells me that. It's right across the board.

Our government has been very clear that we're going to deal with that across the board. When we have a cottage subdivision that does not have a way to take care of their sewage, we don't go ahead with that cottage subdivision. When the City of Winnipeg comes to us looking for expansion of areas of the city for residential areas, and they can't show us that they've got a way to take care of the sewage, we have said no. We've said no to more than 6,000 lots.

I understand the point of view that has been brought forward. I understand that people within the pork industry feel like they're being picked on, but I want you and everybody else to know that it's a comprehensive view that we take and action based on that. Are you suggesting that Manitoba Pork should be exempt from that?

Mr. Byggdin: Not at all. I would like to comment though that, in fact, you are singling out the pork industry, and you are targeting the pork industry with this bill. It's a matter of scientific record, including on the Lake Winnipeg Stewardship Web site, that the percentage of phosphate that is contributed, as I indicated in my presentation, to Lake Winnipeg from our neighbours to the south, is a whopping 39 percent.

I think the government of the day would be better served in conjunction with discussions with the pork industry—we're not saying we're perfect, but we're an extremely progressive industry. We work very hard to produce world-class pork in an environmentally conscientious manner, very hard, and we've made significant strides. I'm not saying we're where we need to be yet, but we've made significant strides over where we have been in years past.

Why not spend your time in conjunction with discussions of this nature, looking at implementing a number of the recommendations that the CEC made? There are a number of very good recommendations

in the report. Again, banning hog industry growth in this province was not among their recommendations for the reasons that I mentioned. So I would encourage you to take a look at those recommendations, look at implementing them, and also look at initiating dialogue, progressive dialogue, and discussions with our neighbours to the south about reducing the significant phosphate load that they contribute into Lake Winnipeg.

Mr. Eichler: Thank you for your presentation. I can feel your level of frustration in your presentation.

I do want to ask you: Do you feel that the communications have broken down since Bill 17 has been brought forward between Manitoba Pork and the minister's office? Do you feel there hasn't been enough consultation in order to make a significant impact on whether or not they do want to withdraw Bill 17 or not?

Mr. Byggdin: I really can't speak to that. You know, you'd have to address that question to someone from Manitoba Pork. I mean, as a producer in the industry, certainly I became aware of my democratic right to present tonight, and I chose to exercise that right, as did several hundred others. I think you can see by the numbers of producers that have registered to present on this bill in opposition to it that there's—you're right, there's a lot of strong emotion involved because the industry's very near and dear to those of us who make our living in it. We don't take the responsibility of producing world-class pork in an environmentally sustainable manner lightly.

Mr. Faurshou: Thank you ever so much for the presentation this evening. I do believe that 1.5 has been mentioned not only in your presentation but in many others, emanates right from government-owned scientific data. I was very, very pleased to hear the minister state that he wants to progress based upon scientific data. So I almost heard that he was ready to back off on the bill. I was just waiting for that last shoe to drop.

You have obviously stated that we have to go about this in a well-informed manner, and the co-operation does indeed have to be there. I'd like to ask you, that you as an industry member, your willingness to participate with the government in this fashion and to effectively not only look at your operation but the industry itself, your perspective as to how willing you are to engage in this process with the government.

Mr. Byggdin: Certainly, I'm willing to serve, if so asked.

Mr. Maguire: Thank you, Brent, for your presentation. About a little while ago, a couple of presenters ago, I was about as hard on the minister as I could possibly be, probably, and maybe I should ask you another question in regard to that, give him the benefit at least.

Do you think that the minister or particularly the Agriculture Minister lost the battle at Cabinet on this one, or do you think that the Minister of Conservation (Mr. Struthers) actually was the one that brought this forward or did he just lose the battle at Cabinet as well?

Mr. Byggdin: I'm not sure how I want to answer that, so I think I'm going to leave that one alone actually.

Mr. Maguire: I'll ask it in another way then, Brent, because you know I've known these two for quite a while in regard to the House and before my life in politics in this Legislature. It would seem to me that they would have come forward with a plan of co-operation that is not evident in this bill, from perhaps their past record. Now they can always change and maybe they have felt that they can hammer the industry this way and be successful, but, obviously, from your presentation and I'll just ask you again, do you feel that a better way to handle this would have been through a role of co-operation with the industry?

* (20:50)

I guess I would say the minister brought it up, the Minister of Conservation, that they have had cottage lot draws throughout the province of Manitoba. He raised this just a moment ago. I'm pleased to see that he feels that they have managed those areas and taken care of the waste that's required to be managed in those areas.

That had to be in co-operation with those people in those areas and in those parks. Do you think that your industry should have been extended the same courtesy?

Mr. Byggdin: In answering your question, I'll answer it this way, that it would be a good thing if that spirit of co-operation could perhaps be further extended and enhanced to facilitate those of us who produce hogs in this province feeling more like we are valued members at the table in these

consultations. We did not feel that way with respect to this bill.

Mr. Chairperson: Thank you for presentation, Mr. Byggdin.

I'll now move to presenter No. 122, Paul Grenier, who, I understand, will be presenting in French subsequently, so we'll go to Dennis Kornelsen, private citizen.

Number 125, Kurt Stoess, private citizen.

Richard Taillefer, private citizen.

Claudette Taillefer, La Broquerie Co-op.

Wally Driedger, private citizen.

Carol Martens, private citizen.

Ron St. Hilaire, private citizen.

Darryl Herman, private citizen.

Jamie Hofer, private citizen.

Dennis Stevenson, private citizen.

Ian Kleinsasser, private citizen.

Ted Neufeld, private citizen.

Marty Seymour, private citizen. *[interjection]*
All right. Well, he's not here immediately so, when he gets here, we will call him next.

Larry Maendel, private citizen.

Mike Van Schepdael, Genesis Inc.

George Dyck, private citizen.

Raymond Funk, private citizen.

David Mendel, private citizen.

Peter Wipf, Maxwell Colony.

Darren Bates, Hypor Incorporated.

Jason Hofer, private citizen.

Paul Wurtz, private citizen.

Cameron Maendel, private citizen.

David Hofer, private citizen.

Bennett Hofer, private citizen.

David Gsell, private citizen.

Rena Hop, private citizen.

Dan Van Schepdael, Synergy Swine.

Jacob Waldner, private citizen.

Bob Waldner, private citizen.

Mark Waldner, private citizen.

Rickey Maendel, private citizen.

I have Auke Bergsma, but it's my understanding he's already submitted a written submission, so I'll stroke him off.

Mr. Maguire: Do you need leave of the committee to have his presentation put into the committee?

Mr. Chairperson: His presentation has already been submitted and in the record.

Mr. Eichler: Just for clarification, then, will his name be shown as presented, so it will be removed from the list of the rest of the committee members?

Mr. Chairperson: For clarification, he had submitted his written presentation prior to the beginning of the meeting, and the Clerk informs me it was an oversight that his name is still included on the list. So his submission in writing is in the record, and he's off the list as of right now.

I call Rita Caya.

Kathy Neufeld.

Dwayne Friesen.

John Doerksen.

Michael Sheridan.

Mike Maendel.

Is Marty Seymour in the room? There he is.

Mr. Seymour, do you have a written copy of your presentation? *[interjection]* You do? Okay, proceed. The floor is yours, Mr. Seymour.

Mr. Marty Seymour (Private Citizen): Thank you, Mr. Chair. My name is Marty Seymour and I'm a private citizen from Kleefeld, Manitoba. My roots are in Saskatchewan, actually. My family and I moved to Manitoba in 2001 at about the peak of the—well, maybe not quite the peak. We just missed it by a hair, the swine industry's growth. We're both University of Saskatchewan grads, and we came here, I guess, to chase careers in food animal production.

So you'll see in your handouts, I've dialled this all down into three points here, why this really matters to me as a private citizen. I do work in the animal health industry, and I would say it's a big contributor to the economy here in Manitoba.

* (21:00)

I guess maybe I'll get into my three points. The first one: I think what this bill really does is it starts this old phrase we heard years ago called the brain drain. People like my wife and I moved here to chase careers in agriculture and growth, and, in our case, I estimate the animal health industry and pork alone to be about a \$15-million business in Manitoba. That's only pork, and I think this bill opens a door up for other sectors and other industries as well. And so those dollars get really big really fast.

I think it's important for everybody on the committee to understand that, from our perspective, as suppliers to this industry and stakeholders, the real dollars are in a complete integrated model. We don't want to be a sow country raising pigs for U.S. hog producers, people in Iowa that want manure and benefits of the fertilizer. So it's important to me as a stakeholder in this business that this industry is complete and that we do have these feeder barns here. And it's not only me as an animal health company; it's the guys that run the trucking businesses, the whole entire feed industry. You're going to hear from the feed industry later. And so it's an all-encompassing issue, and I think what you heard this morning from Ab Freig from the Puratone Corporation, if this bill passes, there will be a strong interest to grow their business outside of Manitoba, and this contributes back to my comment about the brain drain.

So, if companies like ourselves find this industry's not strong and vibrant, we, too, won't put people in this province. We won't have a business here, and I think that's important that you understand a complete model is a healthy model.

My second key point is science, and I know everybody's come up here and talked about the science of this issue. Obviously, I'm a student of science, given my education background, but it would appear that our application or implementation of the science brings different opinions, so I'm going to suggest that this entire bill is really politically motivated and has nothing to do with the science. I think, really what it comes down to, and keep in mind I've only lived here for seven years, but it appears to me this is a Lake Winnipeg issue and the government needs to show action. This isn't really about pork; it's about we have a problem; we have to show action so that we can continue to govern in the province the way we like to. I think it's important

that the government understands that the role here would be better suited creating regulations versus dictating or mandating bans in order to look like you're doing action.

So I'm going to suggest that we use the science to set up the regulations that really enforces or helps you guys execute and live up to your environmental obligations so, as opposed to creating legislature, it's rigid and clumsy and slow, maybe we could use regulations based on the science and have something that would create dialogue and flexibility as well as progression of our industry. We've heard already this morning when I sat here from two different groups—the dairy producers were here and the pork producers—everyone is more than willing to engage in dialogue to establish the guidelines. There were two gentlemen earlier from nutrient management. Everybody's willing to work with the government on this, so I'd suggest you use the resources available to you to look at regulating versus dictating.

And the last one, really, is probably most important to me, and that's about the future. I'm still a young guy, and I want to continue to live in Manitoba and have a strong, healthy business here, and I understand the government's interest in moving pork production west into western Manitoba. I grew up just across the border on the Saskatchewan side by 20 miles, and so I like to think I understand southwest Manitoba, and the reality is there are dollars there for an investment in pork, but there's not labour, and it's not part of the culture there to work in pork. That's oil country down there. They have other interests.

So we also heard this morning from the Puratone Corporation that their core business is based in Niverville, and their worker base and their infrastructure is based in Niverville in the southeast corner. Their corporate interests aren't to move all of that west. If they're going to move, they're going to move south, or they're going to move to other areas where they can count on long-term legislation that supports their business and expansion. I know why the other species groups are here is because, if this bill passes, it opens the door for the attack on every other sector of agriculture.

That's the real fear: Where does it stop? We can say that this is really just fire engine legislation; we're trying to deal with something that's already happened, and, if we're really looking forward, perhaps the way this bill is written doesn't support the future.

I think the other thing—it was also brought up this morning—is that people will need food, and they will be hungry. If we think about the future, this legislation is dealing with an issue today, but long-term Manitoba is a food-producing province, and I think it would be a shame if we passed legislation that 10 and 20 years from now doesn't allow us to feed the world, because we can.

If this bill is ultimately about action, the government doing something to support cleaning up Lake Winnipeg, maybe we could look at using regulation versus dictating what's going to happen here in the province and try and let capitalism sort out where people put up their farms, but if you legislate against it, it will be next to impossible to keep this industry viable. It comes back to those three points. The fact that you're going to see, from a science perspective, nobody trusting the government in their activity. We're going to see a future and nobody wanting to invest here.

I think ultimately we need to simplify this. We're not building rocket ships here. The government needs to show action on this issue and I think we all respect that, and farmers want to do the right thing. They've all stood up here and said they're willing to co-operate with government so I'm going to suggest in closing that the government look at regulating their way out of this problem versus trying to dictate a change on the people. Thank you.

Mr. Chairperson: Thank you, Mr. Seymour.

Questions?

Mr. Goertzen: Thank you, Mr. Seymour, for spending the evening and the morning with us here in the Legislature.

You made some key points. I want to re-emphasize a couple of them and then ask you a question on the third. Certainly, on the science issue, you're saying what a lot of people have said to us that there simply isn't the science to back up the decision.

I think you made a key point on the fact that the moratorium affects the future of the industry and young people like yourselves, and it's one of the things I know ministers have said on the opposite side that the moratorium isn't really a big issue to pork farmers because there are a lot of other concerns in the industry, but I agree with you that it is about the future and what do people do and how do they plan for the future with a moratorium hanging over them.

On the key point that you made about wanting to work with the government to develop regulations, you'll know from hearing presenters before that the opposition has been able to get this bill, the vote on it, held over to the fall. It was supposed to be going through this next coming week. So there is an opportunity to have those discussions. Sometimes government can be a bit like a highway. Once you're going down one quickly, it's hard to find the off-ramp, and I think you're doing a good job by suggesting that there is an off-ramp. Would you be willing to participate in some of those discussions over the summer to try to find a suitable off-ramp for the government from the path they're currently going on to have those discussions about appropriate regulations as opposed to a ban that'll kill the industry?

Mr. Seymour: Yes, that's a great question, and like everybody up before me, I think you'll find eye-level engagement from all of us who are stakeholders in this business and everybody will come to the table. We just want to be asked. I think there's—and I'm only speaking from opinion as a private citizen—a general consensus that this kind of crept up on us, hit us from the side, and we didn't see it coming. So I think I'd encourage the government to get engaged with these industry stakeholders. There are lots of people who have a lot of experience here in this province, a lot of knowledge. It's a shame not to use it.

You raise a great point about an off-ramp because that's really what's happening here is that this has been the top story, or second top story on the CTV news for three nights in a row. If anybody watched the national news at 10 o'clock, there was a great program focussing on ethanol production and the fact that the science behind ethanol as it advanced—we've got both sides. They had a great representative even from a green organization suggesting that maybe it wasn't as environmentally friendly as they had hoped, but it's too far down the road to get out of. This analogy fits here what we're doing as well. A gentleman commenting on the phos regs based on data from, if I'm interpreting this right, late '90s, and we haven't really had a chance to execute the new regs. It seems like time would be a smart thing here. Let these things play out.

Mr. Eichler: Thank you for your presentation, Mr. Seymour.

I have a question in regard to the exodus. If Bill 17 was to pass in its current state, do you see a

significant downturn in a very quick time frame in regard to the hog business in Manitoba? Do you see an exodus if Bill 17 passes?

* (21:10)

Mr. Seymour: I have some colleagues that come by the farm and visit about the state of their business. We're experiencing layoffs in the industry already and I just can't see, if there's no opportunity to build and no opportunity to grow, I don't know why companies would continue to invest in people and that's really what it's about for all of us. It's about having a job and feeding a family. So the answer to the question is yes, I think you will see people leave.

Mr. Struthers: Thank you, Marty, for your presentation.

Coming from Saskatchewan to Manitoba the question I really want to ask you is whether you've got your Winnipeg Blue Bombers season tickets yet, but I won't ask you that. I'll move into something more serious.

When the Member for Steinbach (Mr. Goertzen) offers anybody an off-ramp you should be a little bit wary. He's offered to everybody who has agreed with his position to take part in conversations with the government. Would you be in favour of including in that group Hog Watch, who, earlier today, said the moratorium was okay but that we should drill down into some of these rural municipalities and find ways to reduce the amount of phosphorus and nutrient loading that takes place there? Or would you agree that we should maybe include Ruth Pryzner who says we're not going near far enough in terms of battling the evil pork industry that's messing up all of Manitoba's water? Would you be a little more open-minded than the Member for Steinbach in terms of who you would include in that group?

Mr. Seymour: That's a nice leading question. You know, I have two comments because you give me the chance now that the floor is mine.

I'm sitting here as a layperson watching this thing unfold and we've got two sides of the table. One side's highly engaged and the other side is not engaged and I'm a bit embarrassed for the government because we want this process to work but it's frustrating. We're sitting here and we've got one group. It's so far to the left and one's so far to the right that I'm embarrassed for you.

Second to that is, I'll answer your question quick because, yes, obviously, everyone at the table has an

opinion and we'll sort through it and we'll find the middle ground, as one of our Hutterite friends said.

I was driving in tonight, and I live in Hanover R.M., and if you drove down the road—and there's probably, in 10 miles, there are probably 20 acreages, each of which has one or two horses and a dog and a couple of cows dragging a cinderblock around eating the grass in the front yard, right. I wonder if our ladder's on the wrong wall here. Are we chasing pork when the reality is, if we look at—pick a sector, cottage country, acreage country—nobody on my highway is following any manure management regulation. The guy that has four horses on one acre of land.

So I don't know what the reality is. Enforcement? I think we'll always pick on enforcement because it's hard, but I don't know, I just see this whole thing unfolding and we're just picking sides and throwing rocks and maybe our ladder's on the wrong wall. Maybe it's not a law we need. Maybe it's enforcement. Maybe it's a regulation that people can actually adhere to. Maybe the regulations aren't stringent enough.

Mr. Chairperson: Last question to Mr. Maguire. Briefly, please.

Mr. Maguire: I want to welcome you to Manitoba, Mr. Seymour. You indicated you came seven years ago. As the neighbouring MLA to southeast Saskatchewan, welcome. This is a little different twist, we've been worrying about people leaving Manitoba because of this bill. I'll ask it in a different way. If this bill had been in place seven years ago would you have come to Manitoba to get into the pork business?

Mr. Seymour: For the record, go Riders go. Secondly, the answer to your question is no. Both my wife and I are considered professionals in food animal production and the work is not here.

Mr. Chairperson: Thank you for your presentation, sir.

There's been some concern about the number of absentees and the time it takes to list the names, so I'm going to list the names a lot more quickly and if the person is present I ask them to call out here. I'm not going to mention that they're private citizens. Assume that they are. If they're affiliated with some corporation or entity I will list that. So let's try and go through this quickly.

Joseph Hofer.

Garry Hofer, Elm River Colony.

Evan Penner.

Isaac Hofer.

Jacob Hofer.

Perry Mohr.

David Waldner.

Lyndon Waldner.

Jacob Waldner.

Sheldon Waldner.

Doug Martin, South Interlake Land Management Association.

Gerry Martin.

Gerald Siemens, Siefert Farms Ltd.

Brendon Penner, Border Rock Farms.

Don Winnicky.

John Gross.

Joe Van Schepdael, Van Schepdael Farms.

John Waldner.

Victor Hofer.

Brian Siemens.

Mr. Andrew Dickson. Good evening, Mr. Dickson. Do you have a written copy of your presentation?

Mr. Andrew Dickson (Private Citizen): No. I have some hand-printed sheets here. I could get them typed up, but not right now.

Mr. Chairperson: That's not necessary, sir. If you want to just speak from your notes, you're more than welcome to do so. Please proceed.

Mr. Dickson: I'd like to thank the committee for providing me as a citizen a formal opportunity to comment on pending government legislation. This is not an opportunity that every Canadian enjoys in this country, and it's really important we exercise our democratic opportunity here; otherwise it will wither away, and we will never have this chance to talk. I could make a few suggestions about how we order the number of people coming through here and that sort of thing, so I'm sure—normally you don't get 400 people showing up, which I think sends a signal about the impact this potential legislation will have and especially the views of rural Manitobans on how

they perceive this legislation affecting their livelihoods.

I'm not going to go through a whole bundle of arguments here. You've heard a whole pile of them from various people from across the industry, from private citizens, from organizations, and so forth, but I would like to provide some personal observations, and I'm going to sort of categorize these using the sustainable development model, economic, social, and environmental perspectives.

While we can get really swamped with statistics and broad descriptions of an industry and the impact of the hog industry in Manitoba and its impact in Canada and so on, our role in the world markets and so on and the impact it's had back in terms of jobs, maybe a local example might be helpful.

Now, I lived up in Arborg during the 1980s and in the early part of the 1990s. It's a small community. There are about 850 people live in the town. I lived near the town, built a house, raised a family and that sort of thing, and I got involved in the Kinsmen Club and ran bingos and everything else that I did. But in that time, you get involved in the community and there were problems. The community was sort of stalled in terms of economic growth; it was becoming aging, and one of the key things in rural Manitoba, and most of you are from there, is you need to have young people coming into town. Young people buy homes; they buy dishwashers, they get involved in the local arena because their kids are there. They get involved in the school-parent councils because they want their kids to have good educations and so on.

The hog industry came in in the early 1990s and started building barns in the area to take advantage of the land and the grain that was in the area. The rail lines were being abandoned in the Interlake and the local elevators were all closing and farmers had feed grains on their hand, and the area is characterized by the production of feed grains. It's very rare that they get No. 1 quality wheat and so on.

Those barns came in. The way it was built was that feed mills were developed, and these feed mills—there was an old one in town. It was renovated by a corporation, taken over, and it went from four to five employees to 30 employees. That feed mill alone, in terms of volume of grain going through there, became like a high throughput elevator. For the local grain farmers in the area, it probably saved them anywhere between \$10 and \$12 an acre in terms of

no elevation charges and no transportation charges, in other words, and they were paid right on the spot.

* (21:20)

They would deliver grain, get paid and asked to bring another load. From a sustainable development perspective, it also reduced the requirement of the area for things, like nitrogen and phosphorus and in terms of artificial fertilizers, because they could now use manures to grow their grains, grow their oil seeds and forage crops.

South of there, there's a little—in terms of geographic area, a big one; in terms of population, a small R.M. of the R.M. of Armstrong. Armstrong's population was dropping like a stone since 1945. It's near Gimli, but they really didn't have the cottage developments, because it doesn't border on lakes. People would drive through the area described as mainly bush.

There were about five barns built over a five-year period. After those barns were up, the population of the community stabilized. In fact, it actually started to increase. The tax base for the municipality started going back up again—a significant impact of some hog barns in a rural community in the Interlake. All these barns were all approved by Manitoba Conservation; technical reviews were done. I had a role in those; in fact, I had a role 200 technical reviews. The economic impact on the community was from these barns.

I sat on the Interlake Development Corporation for 20 years. We would beat our brains out, once a month, long winter evenings, trying to figure out ways of getting more economic development in the community. Here comes the hog industry and does a pile of economic development on its own, with no government subsidies. Talk about some of these myths that go on, we still get these ideas that there was some plan out there to try and get hog barns into these areas. It didn't happen. There might have been government encouragement for barns, but there was no economic tools put in place to encourage these developments.

It happened because of a unique situation in terms of grain prices, changes in technology in the pig industry and a unique opportunity to sell pork into the United States because of the low Canadian dollar and also exporting to Japan, and so forth.

There are a number of environmental myths I want to touch on very quickly. This concept there are millions of gallons of liquid manure are dumped on

the land and allowed to run into our waterways. This is absolute rubbish.

By law, all livestock producers are not allowed to let manure run off their land. These regulations are forcibly implemented by the staff at Manitoba Conservation. In fact, just to describe this process—it's hard for urban people to grasp it—but an application rate might be somewhere between five and 10,000 gallons per acre of liquid manure. This manure is about 95 percent water. When you put on a one-time application rate, you're talking about three-tenths of an inch per acre. It's equivalent to a summer shower once a year and incorporated into the soil.

You've heard presentations about how much is now done. It's buried at the three to four inch level. It does not run off the land into the local ditches. It's a myth. It's become an urban myth and it's got these wheels of its own. It's promulgated out there by people who don't like what's happening in rural Manitoba in terms of the changes in agriculture.

It's not just in pigs. We have dairy barns that are now an average size of 200 cows. We've got poultry barns of half a million to a million laying birds in them. It's not just the pig industry that's changed. The grain industry has changed; we've got people farming 15,000 acres now. I've met guys who've got three of these caterpillar combines on this one farm. So it's not about just the hog industry. Things have changed, but so have the cities; we've got big box stores and so forth. My grandmother ran a little corner store and ended up buying her groceries from the local supermarket, because there was more choice and better value.

Change happens. Hog manure is polluting ground water. This myth that's out there—there aren't any stories. It's absolute myth. In fact, we have 59 boil-water advisories in the province. None of them are from livestock manure and have nothing to do with pigs at all. These aren't far away communities. One of them is east Selkirk; that's just north of here.

This is an embarrassment. We should have this changed. We're not a third-world country. This is the sort of thing that happens in third-world countries, not here. We're one of the richest countries in the world.

The science of the impact of phosphorus in freshwater environment is well understood. The reality is the government objective, as an example, is to reduce phosphorus in the Red River. They're talking about taking it from 0.3 parts per million to

0.2 parts per million. What's parts per million? In an average living room, you can squeeze in 1.3 million ping pong balls. I did this calculation. So what they're going to change is one of those little ping pong balls over in the corner there from 0.3 parts to 0.2 parts. That's the idea. That's what they're going to try and do on an area that's the size of southern England. This is what the Red River Valley is.

And we're going to try and manage this, this huge watershed which we have little control over half of it anyway, and we're targeting the hog industry as somehow responsible. We hear these stories about two municipalities, 28 percent of the pigs and so on.

If you look at the growth curves for the industry, the finished animals peaked off about six or eight years ago. What we've seen in terms of growth is weaning pigs. These little baby pigs are about 10 to 12 pounds. They have two mouthfuls of feed. They have a bowel movement and they're put on a truck into the states. There are 4 million of them. Their environmental impact is minimal.

Corporate farms are bad. The majority of farms in Manitoba are corporate farms. They incorporate for tax reasons. I mean it's a myth that we have corporate farms and somehow they're bad. Most farms are corporate. We have about 5,000 commercial farms. People said we want more small farms. We have 15,000 small farms. They're called part-time farmers. We actually have about 40,000 people who have to file under the income tax rules as farmers. I'm not going to put them all down. Some of them are air traffic controllers.

Administration. I spent a lifetime administering government programs and so forth, and the key things you have to look at are equity, efficiency, and effectiveness. Now, is this equitable? No. We're just treating the hog industry. We're going to target them for some reason or other.

Efficiency. Are we actually going to achieve anything with this? We're talking about controlling storage structures and maybe barns. What has that got to do with how we manage phosphorus in the soil itself? It's got nothing to do with it. Whether I have a big barn, a small barn, I put an addition on the barn, or whatever, doesn't change my actual practice how I go in the field with my manure tank and how I inject in the soil. Other regulations deal with that. That's what we need to be focussed on.

In terms of effectiveness, we need to focus on actual real results. What are our phosphorus levels in the soil and are we achieving them? What practices do we do to achieve those results? Having a ban on barns has got nothing to do with whether we're going to achieve the level of phosphorus in the soil. We went through all of this in 1994 when we brought in the first regulations on nitrogen. We changed them in '98 and made them more targeted and more specific. Until about three or four years ago, we really didn't know what standards we were going to have for phosphorus in terms of regulations. We had an expert committee set up. They came out with some proposals. The Department of Conservation adopted those things, and now we've got targets on how to deal with phosphorus. The issue is let's get on with doing it.

Myths about moratoriums. Québec had a moratorium. The reason Québec had a moratorium was because all planning authority was invested in the province at one stage so they revised their municipal planning act—it took them about four years, and they took the moratorium off. Then they allowed municipalities to get on with local planning. They actually copied what we do here in Manitoba. I sat down with the commissioner for Ontario. He was actually drafting up how they're going to handle it.

Mr. Chairperson: Mr. Dickson, you're at 11 minutes now. You can continue or you can go to Q and A. It's up to you.

Mr. Dickson: Two other quick points. One is, let's let technology solve our problems. Two, let the marketplace solve this for us. In United States, manure is now selling for 4 cents a gallon. It'll happen here. That'll change how we look at manures and stuff like this, not just for pigs, poultry, and dairy and so on. We need to start focussing. Start using the HACCP concept on how we manage the environment, and let's help rural communities adapt to a changing world. I'll stop.

Mr. Chairperson: Okay. Thank you, Mr. Dickson.

Questions.

Mr. Eichler: Thank you, Andrew, for your presentation.

Mr. Dickson, do you feel you're—the nutrient management regulations have had an opportunity really to take effect the way they were intended to and the moratorium being actually premature before, in fact, the regulations had a chance to get in place?

Mr. Dickson: Premier Doer used an example one time. I thought it was really to the point. It was an environmental issue he was talking about. It's like going to a crossroads. You come to the crossroads, you stop, you look both ways, and then you proceed across the road. We've done that. We came to the crossroads, we had the Clean Environment Commission. We looked both ways. Now we need to proceed across. We need to get on with developing the regulations we've got in place and following the recommendations. We don't sit at the crossroads waiting to see if a 747 is going to land. We get on with life. This ban doesn't deal with the real issues.

* (21:30)

Mr. Eichler: I know that the Pork Council's put a substantial amount of money into science and new technologies. Do you feel that a lot of that will now be wasted or not have an opportunity with it to allow—if there's no expansion, will they be able to afford more science in order to sustain their industry and make those significant changes based on good science?

Mr. Dickson: Science provides us some technologies that we need to implement in the field. We also have a whole host of technologies that are here already, and there's some long-term things that we need to hurry up in terms of getting new varieties in that have low phytate levels. We need to have ones that are higher yielding. We need to improve the efficiency of our pigs in terms of how we convert feed into muscle and so on. This is all where science comes from. We need better techniques for measuring phosphorus in the environment, studying how it moves in the soil's water and how it moves from soil water into our water courses and so forth. But these are bigger issues that the whole of agriculture needs to address, not just the pig industry.

But the Pork Council has poured, in terms of its budget, a very significant proportion of its budget into supporting the University of Manitoba in setting up a national centre for livestock and the environment. It's exploring all kinds of ways of trying to modernize the hog industry and trying to look at different ways that we can improve and reduce our impact on the environment.

Mr. Chairperson: No further questions? Seeing none, I thank you for your presentation, sir.

Melvin Penner.

Dave Van Wallegem.

Garry Wollmann. Do you have a written copy of your presentation, sir?

Mr. Garry Wollmann (Private Citizen): No, I do not.

Mr. Chairperson: Please proceed.

Mr. Wollmann: Good evening, ladies and gentlemen. I thank you for this opportunity to make my points of view known on this subject. I guess I'm here thinking about it over the last week. I debated coming, making a presentation. Everybody tells me, don't waste your time; the government's already made the decision. They're pushing this forward no matter what we think.

But I have a little more faith in government. They're all part of the Manitoba community. We all try to do what's best for our neighbours and for our community. So I'm here with a small smidgen of hope that's still burning inside me, so, hopefully, you guys don't extinguish it too quickly.

I guess my point is—first of all, I'm Garry Wollmann. I'm the hog manager at Clearwater Colony. Over the last five or six years that I've been involved in the hog industry, I know on our farm alone we've made tremendous changes of how we manage manure. It's not manure anymore. It's a commodity. We farm 3,500 acres, and I think there's only about 800 acres where we can't reach with our hog manure through our injection system. I guarantee you, our cost of production would be a lot higher if we had to buy commercial fertilizer. Whether we use hog manure or not, we would still fertilize our land, so that point is moot.

Number two is, I cannot understand how the government can regulate this total ban on it. We have followed every regulation that you've put in place. We bend over backwards to make sure we're good stewards of the land. My concern is if you go through with this ban, what's the point of us following your regulations if you keep changing them and don't allow the industry time to prove that our industries are sufficient and that the regulations are working? That's my biggest fear or my biggest message that I get here, listening to all these presentations. Of all the changes you've made in the regulations, why all of a sudden can't you amend—if you're concerned that it's not enough, amend your regulations. Why do you have to put in a law? Have we not followed every regulation that you've come out and imposed on us? I struggle with getting my

ideas out. They're running through my head a little bit too quickly.

Anyway, my theory on it or my thinking on it is, if you've got the land base, if you've got enough land base to apply the manure, to me it's a lot more environmentally friendly using hog manure than it is using commercial fertilizer. I'd stick my hand into hog manure a lot quicker than I would any chemical fertilizer. Maybe that's just me. I happen to work with it every day, so I get it on me enough that it's not a concern.

But I guess the main point I want to make is we have very strict regulations. Let us prove to you that they work.

I guess in our situation we've looked at this a little different way. We realize that, if we don't change the way we do business, our children will not be able to farm the land as we have in the past. So we've come a long way. In our operation at home, we're actually in the process of going to something that nobody's every tried in Manitoba, or actually, no, there is one farm that's tried it in Manitoba. We feed our pigs through a liquid-feed system, and it has come to our knowledge now, that in Europe what they do is they let the grain soak for 12 to 24 hours before they feed it to the pig. There's enough phyte or phosphorus in the grain as a total unit for livestock, but it's not available to the pig. It passes through the pig so quickly that the pig cannot pull it out of the grain, but, if you pre-soak the grain, you can actually eliminate the added phosphorus to your ration.

We're right now in the process, at home we've got a prototype set up and we're willing to invest the money to take the full system up and running, but after hearing this ban that you want to place on us, why should we as producers take the initiative to go out find that technology, prove it at our own expense, for what? That you guys are going to come back and tell us, we don't care what you do; we think that you can't sustain what you're doing. We're trying different approaches. We're taking the initiative to do it, and I struggle with where you're coming from. Why are you doing this to us? Thank you.

Mr. Chairperson: Thank you, Mr. Wollmann.

Open the floor to questions.

Mr. Eichler: Thank you, Garry, for your presentation. Well spoken from your heart, and, certainly, a perspective from that of a producer that's

looking for new ways, new technology in order to make the operation that much more efficient.

My question for you is, with the manure that you had referred to as a great asset, have you attached a dollar value to that for your particular operation? If that operation was not there, you stated that you would still be applying fertilizer to your land in order to sustain the crops that you want. Have you calculated a margin out that might be there if you didn't have that operation at your benefit?

Mr. Wollmann: I guess over last year, our cost of production for our grain, if we hadn't applied the manure on the amount of acres that we did, our cost of production would have doubled. I don't have the total figures, what it was per acre or per bushel but talking to the field manager, easily, there are certain acres where we can't put manure onto, so we put commercial fertilizer and easily between those after we pay our fuel bill, pay our operating costs to apply the manure, we did it for half price what we did it under commercial fertilizer circumstances, and last year the fertilizer prices were a lot lower than what they are today.

Mr. Eichler: Just further to that, I know that input costs are very important to cost of production and this does have a significant impact. If you were allowed to expand, do you have enough acres now of which you would be able to spread that effluent on to that existing land at your disposal?

Mr. Wollmann: Yes, we do. Even with the new regulations coming in with phosphorus, with the steps we're taking, with the new technologies we're investing in, we're confident actually to the fact where we'll be able to pull all the added phosphorus out of our swine rations plus we'll have dropped our phosphorus levels in our manure to a point where they can put the phosphorus levels as high as they want. What will stop us from applying hog manure is actually our nitrogen level. That's how confident—we've gone through the University of Manitoba. We've done tests. We've got the numbers. We can prove it on paper, and now we've got a prototype set up at home that we're working with to finish and to prove and to put it into practice what we've done the research on.

Mr. Briese: Thank you, Garry, for your presentation. I didn't catch the name of the colony, but I want to know if you are in the moratorium area and if your

colony had any plans in the near future on expanding or building new barns.

* (21:40)

Mr. Wollmann: In Clearwater Colony, yes. We're near Stonewall, Manitoba. We're in the heart of the moratorium, and, no, we're not planning on—hopefully, in my lifetime the cost of starting up a new place and, with the margin in the hog industry, that's 95 percent of our income is hogs. I'm sorry, the margins right now—I've got a heck of a time to pay for my gas to come in here. It's serious out there so—

Mr. Chairperson: No further questions? Thank you for your presentation, sir.

I understand Mr. Darryl Herman is in the audience? Number 131?

Mr. Herman, do you have a written copy of your presentation?

Mr. Darryl Herman (Private Citizen): I didn't have it all written down, but I've got some of it written down and a lot of it in my head, because I was leaving to speak on Monday evening, I was told, based on the number that I was signed up on, but that's all right.

My name's Darryl Herman, formerly of Herman Hog Farm and Cattle. I raised hogs for 17 and a half years in Manitoba and I raised cattle, over 200 head cow, calf, for 20 years. I've been involved in the livestock industry and animal nutrition for 32 to 33 years, and I'm presently employed with a very good Canadian company, East-Man Feeds of Winnipeg and Canada.

One of the things that I wanted to get into is about facts here. I am really disappointed and pissed at the NDP government—

Mr. Chairperson: Order, sir. I would ask you to refrain from using profanity, with all due respect.

Mr. Herman: I apologize for the word. I am upset at the fact that the Clean Environment made out a report based on a number of factors. There are many, many different people and companies that are at fault, as well as the Americans, for the situation in our lakes.

For example, you take Lake Winnipeg and Lake Manitoba. Right now, there are probably 320,000 head of cows that go all around both lakes, not including their calves, not including the bulls. The average cow weighs 1,400 pounds, and a feeder pig—

250. A cow will defecate about 65 percent more manure in one day than a pig will, and it will urinate 70 percent or a bit more urine in one day than a pig will.

When a pig urinates and defecates, it's in a controlled environment; it's injected into the soil, but cattle? They're free-ranging. They can go to creeks, rivers, lakes, as they please, plus the protein factor in cow manure is about 60 percent undigested protein. What about all the phosphate in there? It's immense.

You take the Red River. I'm affiliated with many Americans in North and South Dakota, Minnesota. A lot of these Americans that farm in the Dakotas—that Red River flows north—they're heavy, heavy, into all sorts of chemicals and pollutants that go into that river which flows north.

It's not tested at the Manitoba border. So the heavy chemicals that come up river and everything else flow through our river system up into the lakes. Mind you, I have a friend from Gimli who's a fisherman and he's boasting and bragging about the incredible fish catches that they're getting this year and last year.

The NDP government has not shown to us in any way, shape, or form proof that we hog farmers, Ms. Wowchuk, are destroying the soil, the rivers, the creeks, anything. You've not shown anything.

We've been very disappointed in you, Ms. Wowchuk, because you have not come to any of our meetings that we called through Manitoba Pork Council with all the farmers, so we could have a head session. We just had a good one in Morris. Nobody from the NDP government even bothered to show up.

That's frustrating because, to me—the reason why I'm angry is I'm living in a province with a government that practices dictatorship. I just finished watching the news, and you know that, right now in the world, we have to increase food production—that's meat and grains—by 55 percent.

I've been to Zimbabwe, Africa, three times, Mozambique, Botswana, et cetera, hunting, but you know what? I didn't really enjoy myself that much. I'm a pretty good guy; I'm kind of rough around the edges—I'm sorry about that, but I volunteer with the Siloam Mission. I take care and help feed the hungry, but I never thought I'd have to see or feed starving people. I did that in Africa. When you see starving people, you're going to be different, because those people are not rational. They don't know what

rational is. They're starving; they're desperate; they will kill you to get what you have to find something to eat and cannibalism is what they're even practising. That's going on in north Korea. That's going on. So you talk—any government that practises dictatorship like this, this is wrong. All the killing plants we've had here in Manitoba, there have been many over the years; they're all gone. Most of our big industries that we've had in Manitoba, where are they? They've gone to Alberta, some to Ontario. They're all gone.

Now we're stalemate and we're going down the damn toilet again. Saskatchewan smartened up; 25 years they had an NDP government there. So the Liberals, the Conservatives, they make a party. So is that what has to be here? If you're practising socialism, and that's what I believe it is because you don't like progress, we create the dollar that you people govern with and you are taking everything away from us. This is not right. The future kids and grandchildren of this province have every right to farm.

Now I will say something in relation to the big corporate farmers that I'm not happy with because a lot of them are big investors. Maybe some of you are those investors who only put money into a big barn because, hey, I want to make some quick money here, a quick investment and let her go, then get out of it. But, if they do that and if they cause a problem, then we have a bigger problem because the family farm, which is there, is suffering.

Another thing, you have all these protectionist groups and everybody's a professional. Everybody has expertise. I demand to see the science that they know, the expertise that they really have in terms of knowledge because they have none. They're professional protestors. Does the NDP government fund them so that they can protest as they wish? That's what I'm wondering about because all they do is protest. That's not right.

So the thing is this, if you're going to start shutting us down as you are—I mean, Winnipeg looks terrible. A friend of mine came in from Toronto. He said, Jesus, Darryl, flying in from Winnipeg there, I didn't know what Winnipeg looked like; it looks like Beirut from the airport coming in. That's embarrassing. I mean all of the years where we could have done better things, and I'm not laughing; I'm pissed. I'm sorry, am I not allowed to use that word?

Gentlemen, I have a lot of knowledge in the feed industry, in livestock, animal husbandry, animal

science, and we want to feed the world. We want to feed people and you are going out of your way to literally do nothing except shut down the hog farmers and it makes no sense. The amount of phosphate that's out there, I mean, if you would listen to the people that want to come forward but you don't. You take protectionist people to speak and they're just going to protest all day long and they're good at it because that's all they have to do.

I kind of got off-track a little bit because I was angry. I apologize for the anger but I am angry.

Now you take for example Russia, okay? They kicked all the Hutterites and the Mennonites out of there, men, over a hundred years ago and it's a fact. They kicked everybody out of there that had any brains or had any money and what are they doing now? At East-Man Feeds we have two of our best people. We have a nutritionist and a geneticist that's over in Russia right now, and you know why? Because they sell 12, 13 pigs per sow per year. That's what they sell and they don't know what lean pork is. Everything is sausage, sausage, sausage. They come over here and they eat what we have, they say holy cow; what are we doing?

So what do they do? They come over here; they buy our genetics. They want us to go over there and they want us to show them how to feed pigs, how to make a good environment and make everything work, how to incorporate manure into soil. I mean when all the chemical plants—even Simplot in Brandon is dumping constantly into the Assiniboine River. You never hear about them and you don't even know what the hell they're dumping in there.

In Winnipeg when we have a rainstorm like we had today, how many millions of gallons of raw sewage have been dumped into the river? Lots, because I've been told that by a supervisor at the City of Winnipeg and I believe the man. He asked me not to use his name. I guess he wants to keep his job.

Anyway, if you'd like to ask me a few questions, I'd greatly appreciate it.

* (21:50)

Mr. Chairperson: You're at nine minutes. Are you finished your presentation?

Mr. Herman: Yes—[interjection] My blood pressure got to the top; now it's coming down.

Mr. Chairperson: That's quite all right. It's a free country. So, questions? I have nobody so far.

Mr. Eichler: Thank you for your presentation. I thought it was very informative.

I can certainly feel your level of frustration. I know that we've had a number of presenters today with a lot of information that has been shared with us and, certainly, I know both ministers will be listening intently. I know they weren't playing with their BlackBerrys. So I know that you certainly had their attention. Maybe sometimes we need to get a little aggressive.

But I do want to ask you a question in regard to regulations. I'm not a big fan of regulations, but we do have a number of regulations that came, and as a result of that, do you feel that the regulations that have been brought forward in the past year have had an opportunity to have actually been tested to see whether or not they are going to be beneficial before they put the ban on a permanent level?

Mr. Chairperson: Mr. Herman, I have to recognize you before you respond, for *Hansard*.

Mr. Herman: I'm sorry. I'm blue collar.

No, you know, the farmers are very good land stewards, and it's imperative to them and to teach their children exactly—not only growing grain and raising chickens and pigs, et cetera, there's more to it than just feeding pigs. It's taking care of the land that you have and putting in the proper nutrients. Okay, so, yes, you want to take soil testing, that's part of it. you have to. You don't over put expensive manure, or anhydrous—that's the worst thing you can put on the ground is anhydrous, compared to hog manure. And so you've got to watch your costs and you've got to put in what is necessary, only what is necessary.

As far as the rules and regulations go, I don't know of any that actually have ever done anything stupid like the Murphys did down in the Carolinas 20 years ago where they dumped a bunch of manure from a pipe into a creek. I've never heard of that here. I've never seen that. I don't know of anyone that's been fined in a bad way. If there were some bad farmers, they're long gone. The farmers that are available now, not including the corporate guys, I don't expect they will be around forever; they will go, but take care of our family farms and our colony farmers. Don't shut us down and send us off to Saskatchewan or Alberta, because that's what you're going to do. And I'm telling you, that makes me

furiously when I see that we had the best darn province in Canada for the terms of numbers of pigs that we were growing. We were doing beautiful, but it seems that there's so much jealousy out there—oh, those damn pig farmers. Listen, you know, I guess when you've got all day to protest and do nothing, I guess jealousy has a lot to do with it.

Now, you know, like I said, with the Soviet Union, we're over there teaching them now how to feed animals, and teaching them about genetics and animal nutrition. Where do you think they got all that knowledge from? Right here in Canada. And we're going over there to get them back in place. If you want to have socialistic views or whatever, I won't bother you, but don't dictate to us. Robert Mugabe right now in Zimbabwe is murdering and starving hundreds of thousands of people, starving them to death. They're competing against the monkeys in the bush. I said to my boss, Ron, I said, you know, man, we should build some pig barns there if we could get rid of that Mugabe. I'll be your manager. I'll go over there and I'll feed all them suckers. Oh, we'd have a blast. They all love pork; there are no Muslims there.

But stewardship is very important and, yes, you're absolutely right. We have to monitor everything, and the farmers are. And Clean Environment in Manitoba is doing a good job working with the farmers. If they find anything that's out, they work with it. If any farmers do anything deliberately, well, for God sakes, don't jump on the industry, but nail the ones that do something if they do it, especially keep your eye on the corporate farmers. That's a different matter; that's investment farming. And they've got their place. They're big guys, and a lot of them will survive, and some of them won't. But don't make it difficult and shut us down. Because, you see, when these barns—if you won't allow us to build, refurbish the barns, or anything like that, what are your plans? Put us back like the Soviet Union? Each farmer have 10 sows outside? On straw? Well, that's okay in a Walt Disney movie, but in the world when you're starving to death, it doesn't work.

Mr. Chairperson: Okay. Before the next question, I cautioned you once about using profanity, and I would caution you a second time in regard to making what could possibly be interpreted as racial slurs, so just bear that in mind, sir.

Mr. Herman: I am not a racist, sir, not in any way, shape or form. I'm a God-fearing man. I believe in God. I believe in Jesus Christ, and I believe that,

when I die, I am going to be accountable for what I've done on this earth.

So you can be politically correct all you want. I understand there's a format for the way you speak, but this guy came out of the bush here a little while ago. So give me a break.

Mr. Goertzen: More a comment. I want to say, Mr. Herman, you express anger here today, and, if you don't have anger about your livelihood being challenged, I'm not sure what a person would get angry about. So I don't want you to be sorry for the fact that you've come here and expressed emotion. I know some of the presenters previously have said that they don't think that they—others have thought that it's not worth coming to present, because they don't think the government's going to change their mind. I think if the next 350 presenters have the same passion that you have, we might have a chance.

So don't feel sorry, and thank you for your presentation.

Floor Comment: Gentlemen—

Mr. Chairperson: Mr. Herman, I have to recognize you. Go ahead.

Mr. Herman: I thank you very much for the honour to speak here. I've never had the opportunity before. I spoke with a lot of passion and compassion. We're very hardworking people. We create the dollar and you're governing our dollar. I suggest you take real good care of that dollar because you need the farmers. That's the bottom line.

As it is, we're fighting the Americans on all fronts. They don't practise free trade in any sense, shape or form. We've got enough on our plates. As it is, we go seven days a week. People don't realize that. Thank you for your time.

Mr. Chairperson: Thank you, sir.

Okay, we'll move on to the next presenter. Gary Hofer, Elm River Colony. That's 191.

John Nickel.

Steve Hofer.

Christopher Tokaruk, Designed Genetics Incorporated.

Peter Waldner.

Denny Klewsasser.

Leonard Maendel.

Paul Maendel, Prairie Blossom Colony.

Jack Penner.

Todd Hacault.

Marinus Hop.

Levi Hofer.

Kurt Plaitin.

Reuben Waldner.

Arnie Waldner.

Titus Baer.

Tom Waldner.

Brian Klassen, Nutricycle Incorporated.

Brent Manning.

Stan Siemens.

David Hofer.

Ray Wipf.

Leonard Waldner.

Jack Waldner.

Victor Kleinsasser.

Guy Labossiere.

Mike Hofer.

Felix Boileau.

Rick Fast.

Miles Beaudin.

Mack Waldner.

Jonathan Maendel.

Shani Hofer or Stanley Hofer? Stanley?

* (22:00)

Blair Cressman.

Edwin Hofer, Miami Colony Farms Ltd.

John Bannister.

William Hoffman.

Don Winnicky.

Robert Krentz.

Jeremy Maendel.

Ron Klippenstein.

James Waldner.

Tom Leppelmann.
 Albert Maendel.
 Patrick Hague.
 Kevin Kurbis, New Standard Ag.
 David Hofer.
 Christine Hofer.
 Martin Sharpe, Little Saskatchewan Feed Yard Group.
 Mark Gauvin.
 Mark Hofer.
 Levi Waldner.
 George Hofer.
 Fred Hofer.
 Alvin Hofer.
 Martin Gross, Iberville Colony.
 Brad Schnell.
 Robert Toews.
 Rika Coelstra.
 Kees Vanittersum, Micro Fan Canada Inc.
 Joe Marshall.
 Gary Stott.
 David Waldner.
 Darrin Warkentin.
 Jeroen VenBoekel.
 William Tschatter.
 Rick Friesen.
 Amos Stahl.
 Christine Kynoch.
 Josh Waldner.
 Michael Wurtz.
 Edward Maendel.
 Russell Paetkau.
 David Waldner.
 David Wurtz.
 Betty Siemens.
 James Siemens.

Leonard John Friesen.
 Wendy Friesen.
 Bill Vaags.
 Zack Waldner.
 Les Routledge.
 Rick Bergmann.
 Heinz Reimer.
 Lee Perreault, Prairie Abattoir.
 Stephanie Stahl.
 Irvin Waldner.
 Ernie Siemens.
 Donald Friesen.

Floor Comment: Yes.

Mr. Chairperson: Ernie?

Floor Comment: Did you say Harry or Mary?

Mr. Chairperson: I said Ernie Siemens.

Floor Comment: Sorry.

Mr. Chairperson: Sorry.

Donald Friesen.
 Susanne Friesen.
 Michael Gykes.
 Ed Dornn.
 Ingrid Penner, Penner Farm Services.
 Henry Rosolowski.
 Sandra Klassen.
 David Sutherland.
 Robert Klewsasser, Suncrest Colony.
 Steve Penner, Pioneer Meat.
 Richard Peters.
 John Waldner.
 Tim Friesen.
 Peter Wipf, Maxwell Colony.
 Marvin Waldner.
 Archie Waldner.
 Peter Wollmann.
 David Wollmann.

Reg Penner.

Michael Andres.

Tim Bear.

Galen Peters.

Tom Hofer. *[interjection]*

Okay, when you're ready, let the Clerk at the back know, and they'll bring your name up to the front here, all right? And we will call you.

Peter de Jong.

Raymond Cherniak.

Glen Maendel.

Beverley Pachal.

Julie Baird.

Clint Miller. Oh sorry, internal.

Randy Rutherford.

Richard Prejet, Porcheria Lac du Onze. I apologize for my French.

Andrew Curry.

Are you ready, sir? Okay.

Tom Hofer. Do you have written materials for us, Mr. Hofer? No? Okay. You don't have to submit anything if you don't want to. You're prepared?

Mr. Tom Hofer (Private Citizen): Yes.

Mr. Chairperson: Proceed, please.

Mr. Tom Hofer: I'm Tom Hofer. I'm from Starlite Colony, by Starbuck. We farm around 9,000 acres and we have hog barns, too.

I would like to describe the frustration I have with Bill 17. First of all, let's look at the real picture. I think that if you have to, you could just implant stricter laws on how we go about raising pigs because if you look at the whole picture, the manure, we're managing everything as possible or as much as possible to make sure we don't put on too much hydrogen into the ground and we're knifing it in to make sure the smell is taken care of. We have put straw on our lagoon for at least 10 or 15 years, and this year we're actually going to put on a tarp. We ordered a tarp and that's going to cost roughly around \$200,000.

We have spent over \$30,000 in the last year alone trying to reduce smell and that's pretty hard to

do if you take manure into—I mean it's going to stink or it's going to smell, but, we are very careful to make sure our hog operation is run to meet all government standards. I don't think it's the right thing banning hog farms from being built. Look how long the hog barns have been around. They've been around forever.

One other thing you're going to run into by banning hog barns, people are going to flood the whole country with broilers, turkeys and dairies. I'm sure they all have their good and their bad, but the bad can be eliminated if it's managed properly. It wouldn't matter if you had put in a couple of stricter laws or—I'd say the laws are strict enough, really, but you take, for example, the Red River Valley. Probably you could minimize it a little bit more, narrow the gap a bit closer to the river, but to ban, that's a pretty wide area. I forget how many acres it includes, but that's a lot of hogs. You go south; there are hog farmers all over the place.

I don't think it is the right thing to do. We have been raising hogs for as long as I can remember. We can't all become politicians to make a living. I think by banning hog barns, people are just going to move out of Manitoba and that will create a lot of people out of jobs.

* (22:10)

Let's look at Denmark. Look how small Denmark is, and they raise more hogs than all of Canada. Iowa is full of hog barns, too. I could go on and on and on with these descriptions, but we can see that people are all into raising hogs and they don't go ahead and ban them. They try and figure out a way to make it work. You have to look at this picture from our side. How would you feel if we would ban something that you would be making a living with? I think you would be pretty upset. You take manure as an example. I know the guy who does all of our manure injection at home; he's registered, too. Last year, I helped for the first year to inject some manure; you have no clue what you have to go through.

Every day, two times a day, when he gets so and so many gallons, he has to fill two jars—to about this high and this round—with manure, send it in, get it tested. Then he knows he's going to put on the right amount of manure. The first year, I think everybody was experimenting then. They put on triple the amount, but now you can zero it in. We got GPS on our tractor.

I think you are not fair with the whole problem. Statistics show that not even 2 percent of all the pollution in Manitoba comes from livestock. So where do you want to fix the problem?

I think you should think it over and tackle the sewer problem in Winnipeg that creates over 10 percent of the pollution. You are trying to blame it all on the pig farmers and you're forgetting that, with this ban, you would have done nothing to make lake water better.

By introducing this Bill 17, all you are willing to do is make a good impression for the people of Winnipeg but, really, with this bill, the problem won't be solved yet. I don't think it's the right approach to take—banning hogs. If you think—for instance, look back 10, 15 years. They were feeding hogs, manure—spreading it on a spreader. Look how strict the laws are now. Now, you're going to ban hogs. What's Manitoba going to look like in 50, 100, 150 years? It's going to be a mess.

I have a question for all of you. How many of you eat pork, pork chops and ribs? A lot of them like it, right? With this ban, it will hurt the economy in the long run. Please take it into consideration and don't do something that you will regret in the future. Please, don't go ahead with Bill 17. Caring farmer, Tom. Thanks.

Mr. Chairperson: Thank you, sir.

I open the floor to questions.

Mr. Pedersen: Thank you, Mr. Chairman, and thank you for your presentation, Mr. Hofer. We appreciate when you take the time out to come in here at quarter after 10 on a Friday night. It shows your passion for this.

Starlite Colony—earlier tonight, we heard from some colonies, and there was the bit of an explanation from them about splitting and forming what's called a daughter colony. Starlite is in the process of doing that right now, and you did buy a farm down near Altona, I believe. It has an older barn on. Can you explain what's happened there with this—what's going to happen to you now with Bill 17?

Mr. Tom Hofer: Who knows what's going to happen? All we know is hog farming is a big industry for us. If you take that away—on our colony now, we got a 160 people. You got to support all those people. Land doesn't just do it alone. You have one, two, three bad years—you're going to be bankrupt.

With the farm in Altona, there's an older sow barn there too and a feed shed. We're supposed to have the building permits to build a barn, but I don't know how that's going to work out—if we're going to be able to build with the ban or, personally, I don't think we're going to be able to build. That's why everybody is so uptight. Where are we going to have to move to?

We came from Russia. That's why we had to emigrate out, because they took away our livelihood. If everything gets too strict, it might happen again. You never know.

Mr. Pedersen: Your colony has bought the land; there's a barn on. You have expansion plans. Obviously, there's a lot of talk on the colony about the implications of Bill 17.

Could you, perhaps, share some of the stress that's being created by Bill 17 for your colony, because it's easy for us to talk about, well, you can't expand, but, obviously, your colony has spent that money now on purchasing the land and you have plans. That must wear very hard on members of your colony.

Mr. Tom Hofer: Yes, you're right. I actually can't put it into words how it hits the colony.

Who knew that Bill 17 was going to come? When we bought that land a year ago—it's 2,000 acres plus the pig farms and everything—nobody even dreamt that it's going to happen. If you want to know how we feel and how all the members, Hutterite members, they feel frustrated, discouraged, but it's hitting us a heck of a lot harder because we just bought the land and we're hurting right now. We're very frustrated, and we would like that this bill doesn't go on because look at all the assets you're taking away. If you take, for example, farming without manure, it does the rotation go to every five years, you can only put manure on the field every five or six years. If you put the manure out of the picture, and just put chemicals on there and fertilizers, that's where the pollution's going to come in. One year when it rains six inches, guess where it's going to? Into the ditch.

Mr. Briese: Thank you for your presentation.

You're from Starlite? I believe it was James, your brother, or your family, I presume, that was telling me about, and you described it here tonight, about putting the cover on your lagoon. One of the things he said to me was that these covers are more environmentally sound than any other method you

use to cover a lagoon, and he said there was huge price for the permit fee for it. Could you mention that here? Because I thought that was totally ridiculous. You're doing something that's more environmentally sound, and yet you're paying a permit fee to the Province.

Mr. Tom Hofer: Well, the tarp itself, I think it goes for around \$200,000. So we were ready. We emptied out the lagoon this year, ready to put on the tarp, and guess what? We have to turn around and pay a \$10,000 to actually get a permit to put on the tarp. Now, figure that out.

But, in the long run, you go with straw and—we've got a neighbour at home, they complain about the stink. It really doesn't. If the lagoons are totally empty, right, sure the fans they're going to smell a bit, but that's country life. If you take the last year, I don't think—\$30,000 is not covering it with the costs. We've tried stuff from Alberta, putting it into the water, putting it into the manure, letting it settle, that takes away—we're going to try anything, and that's why I say, if there are some stricter laws that are going to be out, hey, we're game.

But banning hogs, it's not the right way to look at this. That's not solving the problem, because if only 1.5 percent or 2 percent of the pollution comes from hogs, what are you going to do then in 15 years? You're going to figure, we actually banned hogs. We didn't even correct no problem. We just worked around a circle. Then look at all the jobs you're going to have lost, and the industry is going to go down the drain.

That's the best thing for a farm for land, is to have that manure on the land, and we're trying to spread it as wide as possible at a five-mile radius. We're taking test samples every year before harvest, after harvest, before injecting and after injecting. You've got to fill out pages, and it's a hassle, I tell you, but, hey, we're going through it.

* (22:20)

Mr. Maguire: I'll defer to Mr. Goertzen.

Mr. Goertzen: Thank you for your presentation.

You mentioned the many changes that you've made in terms of hog farming over the last number of years, and a lot of presenters have said that. How many changes have happened over the last number of years to improve how you do hog farming?

Have you been visited by any NDP-elected members of Legislature to come and see how your operations work and to see some of the advancements that you are doing as a colony?

Mr. Tom Hofer: I think, I don't know for sure, Rosann Wowchuk, she's been there once, I know that. I actually figured I was going to meet Gary Doer tonight. Where is he? He's not here.

Actually, James Hofer—you've probably heard James Hofer's name a couple of times, he's actually in Iowa. I guess it's kind of bad timing because most pig guys or pig bosses—he's our pig boss—they're all in Iowa. I guess that's why you're reading all those empty names today. It's going to get better Monday or Tuesday.

Mr. Chairperson: Supplemental, Mr. Goertzen?

Mr. Goertzen: I'm glad to hear that Ms. Wowchuk has been to the colony. It makes me even more concerned that this legislation is coming forward; they've seen first-hand what you are doing. That gives me more cause for concern than less.

Just to answer your question because I like to answer questions. Mr. Doer is in Mexico. He's been in Mexico for the last number of days.

Mr. Tom Hofer: I probably suspected that; he's in Mexico.

I just want to say we got to work together on this. You're welcome to come out, just make arrangements with James. You're going to know what a hard life is, working on a community. I tell you, it's a hard living. That's why were taking it that hard because it's interrupting the future. Hogs, that's been in there forever and now, trying to think, no more hogs. The mind doesn't want to accept it.

Mr. Struthers: Our Premier (Mr. Doer) is in Mexico with a group of businesspeople making sure that Manitoba is on the map when it comes to trade, something that premiers have done over a long history of Manitoba. A number of premiers have shown some real good results on these kinds of trips. I wouldn't want the Member for Steinbach playing some mischief with what our Premier is doing. He's working hard to make sure that trade is seen as important with our trading partner, including agricultural trade.

Do you think that it's worth promoting agriculture in Mexico and other places abroad? Is that a legitimate role for our Premier?

Mr. Tom Hofer: Yes and no. We got a problem here, not in Mexico. But, sure, it would be a good thing. It would be better if we had a straight road ahead of us to look forward to and knew we're on sound ground and go ahead and farm.

I tell you, that Bill 17 is going to throw a dagger into all the pig farmers. They're stunned right now. Lots of people don't register, they're too shocked to speak. I, myself, actually work in manufacturing. I work in a blacksmith shop manufacturing steel, whatever it may be. I don't even work in a hog barn, but that's how stunned I am. I had to come out here at 10:30 in the evening—a wife and two kids at home—you got to do what you got to do.

Mr. Chairperson: Thank you for your presentation, sir.

Mr. Tom Hofer: Thank you. Keep Bill 17 off the map, please.

Mr. Chairperson: Mr. Bill Harrison, I understand, is present; No. 112. Mr. Harrison, do you have any written documents you'd like to—*[interjection]* It's quite all right, sir. Please proceed.

Mr. Bill Harrison (Private Citizen): I didn't have the time. I'm working for myself, didn't have the time. I'd like to thank the committee for hearing me.

I find myself in an awkward position tonight. I'm actually defending the government on this bill, only half-heartedly, though, because I figure it's only gone half the distance it should. I happen to live outside the area that the proposed moratorium is taking place, or will take place. I feel it should be province wide at this time, and I'll tell you why. Because the Manitoba Pork Council, which has a war chest, I understand, from the checkoff to the tune of perhaps \$4 million, \$5 million a year. Correct me if I'm wrong, somebody in the room. I wouldn't mind, but I know they have a lot of money. They just spent a quarter-million dollars, apparently, on this propaganda, this scare tactic, that they're trying to scare the Hutterite colonies, trying to scare the corporate entities in this province, whether it's hog production or just any business.

To me, the campaign has failed because I look around and anybody I talk to—and I live in the country and I get around a lot in my work—is a little upset with the Pork Council and their calling us unfriendly Manitobans. I don't feel like an unfriendly Manitoban because I feel the hog industry—particularly the hog industry, the corporate industry, the corporatization of hogs and hog farming—treats

the animals cruelly, pollutes the water, abuses great amounts of water, uses a great amount of groundwater, to run these corporate operations. They push the small-farmer income out because the small producer, who used to use part of the hog business to provide some of his income, can no longer afford to be in the game because the corporate guys have aligned themselves with people like Maple Leaf, and they have to have contracts now because they have to have a certain amount of production. They have to deliver a certain amount of hogs by the semi-load on time. You know, it's a whole other ballgame.

The corporatization of that particular industry, of course, is just another nail in the coffin for the family farm, the family producer. The Hutterite colonies—listening tonight to this gentleman before me, I get around on a few colonies myself. I mean, you always run into your neighbours, and I have Hutterite neighbours, and I speak with some of them. They'll tell you that some of them will not be here to present because they are not speaking the party line. They're not speaking what the bosses want them to say, what the Pork Council has made a deal with them to say, because they've written up most of their speeches and handed it to them and said, this is what you should say, and these are things that they've been promoting for the last number of years.

I've been in this game now for eight years observing this, and I'm just disgusted by the power of the Pork Council, the desertion from Manitoba Conservation by its own civil servants, who have gone straight from Conservation to work for the Pork Council, and they are, right now, promoting an industry that they help set up the regulations for.

So, I mean, I see that as a conflict of interest. I don't see the hog industry, in particular, as being friendly to Manitobans at all. The jobs they provide are not the finest jobs. I question the figure that they've quoted in the newspapers and I question the value of those jobs. I talk to people who work, whether it's the truck driver hauling the feed or some of the hog producers themselves, who are not satisfied with the way the industry has pushed them to such a point that they have to sign on the dotted line before they can even sell the damn hogs, and now the Pork Council, with all their gall, their unmitigated gall, they're calling Manitobans unfriendly because they're not getting their way once again.

And they get their way most of the time. Unfortunately, even our government has given them

most of what they want. They ask for money; they get it. They ask for money because, oh, we're overproduced, feel sorry for us; we're in business and we can't afford to lose money. Well, hey, I'm in business and when I have to go for help, I have to go on welfare, maybe, eh? How many small business people can go and get financial aid just by: Excuse me, Mr. Premier or Mr. Cabinet Minister, but we need money here. The feds and the Province right now have given millions of dollars to slaughter hogs that—just the other day in the *Free Press* they're saying, oh, actually, now it's not so bad; we're doing pretty good, really.

* (22:30)

So what's all this noise about when the area I live in where there is no moratorium—I mean, right now, I can point out at least three barns, one of them brand new, built last fall, just one, two, three, four miles north of me, empty, million-dollar barn, not a hog in it and won't see them, who knows when, because they didn't sign on the dotted line. They thought they were strong enough. In their ignorance, they thought they could do it on their own. Well, no longer, because the corporate hog production system says, no, you're not in the game. You sign on the dotted line and this is what we'll give you.

They took away the single-desk marketing. This is what we'll give you. That was a gift to the Pork Council and Manitoba pork corporate producers. Now they drag in people from the colonies. They say, get up there because you're going to lose your income. Well, just like this gentleman said, he's in the manufacturing end of the colony.

I can point to just about every colony I've ever been on, they're manufacturing something. They're either making cabinets or they're making kitchenware, I mean, stainless steel kitchens, whatever. I know one that's just a machine shop. You can phone them up. They've got the CNC machines and their doing machining, and they're not paying any wages. That's helping the economy. Okay. So don't give me this big corporate line that you're doing so much good for us. You're using people, and you're using the Hutterite colonies tonight, and that pisses me off even more because, like I say, the people, pardon my language—

Mr. Chairperson: Mr. Harrison, I've cautioned other members for using profanity, so please refrain from that.

Mr. Harrison: I didn't consider that profanity, but, anyway, thank you very much.

Mr. Chairperson: I do.

Mr. Harrison: I'm sorry.

Mr. Chairperson: All right. Continue.

Mr. Harrison: Anyway, we don't need these people to tell us that they're suffering, because they're not suffering. The governments give them money for everything, money for research so they can build a better barn. How they can get better genetics, because they can squeeze more out of this animal. Because it's all about getting the animal fat as fast as it can and into the market as fast as they can, because that's where the money is. It's all about production. Well, these are sentient beings. These aren't like people producing, like, a product that you can use, a robot. Yet, that's become robotized. The people I know who are working in the barn nearest me, they work part time. Four barns, 8,000 hogs, probably more, but I'm sure they're telling the truth.

I'm sorry, but I've had enough of hearing from these guys squealing. It's time that the government did something to protect the waterways of Manitoba, because we're all responsible. Even the hog producers themselves admit they're part of the problem. They always minimize the damage that they do, but I live next to these factory barns. I see them spreading it. I've choked on this manure, this nutrient, and the guy who they're spreading the land on, told me he's not testing his soil. He only has to pay half the price he would for a commercial fertilizer.

So money talks here, money talks, not the science, the good science, the good corporate citizens. The people who are supposed to be looking after the land are not looking after it. They've got an end product they have to dispose of. Some people have no land. I know of people who have shut down because they have no land to put it on. They can't find people to take it because it's too far to transport it, and those are the smaller guys and they're getting pushed out, as I say.

So, again, if you're going to tell me that it's not a good idea to have a moratorium, I say it's a very good idea.

Mr. Chairperson: One minute, sir.

Mr. Harrison: Pardon.

Mr. Chairperson: One minute.

Mr. Harrison: Oh, thank you very much. So, all I can say is, I hope you will listen to the other side, even though they're not represented here probably in as great a numbers, but then we don't have the money to do that. The private citizen has to take time off from work. Luckily tonight I can come in the evening. I feel sorry for this gentleman if he has to leave his family late at night, but I mean I do it all the time. It's not a big deal. But I'm tired of hearing the Manitoba Pork Council squealing, because that's one thing they've certainly learned from their hog production.

Spend your money wisely. Spend it on slaughtering your overproduction yourselves. Don't ask the private citizen and the taxpayers to pay anymore. We've already been paying.

Mr. Chairperson: That's 10 minutes, Mr. Harrison.

Mr. Harrison: Pardon.

Mr. Chairperson: You're at 10 minutes. You can continue or go to Q and A at this point.

Mr. Harrison: Well, that's okay. I'll continue a little bit, if that's all right. Just a few more things to add.

I feel that enough has been said by the Pork Council. They've been at this game for a number of years. I remember in 2000 getting involved with the livestock hearings. Not much has changed. It's gotten worse, slowly worse in the province of Manitoba. Now, when, finally, the Province recognizes, Conservation recognizes, well, and Water Stewardship that something should be done to protect the waters—of course, it has to start with a lake that a lot of people happen to have cabins on, unfortunately; it's deeper than that. It's the water that we're drinking. It's the water we use to grow vegetables with, to grow grain with. It's the water we use to live on, and water, as the native people have said, is the blood of life, and we can't forget that.

The issue here, as I understand it with this bill, is to protect the waters, and it's not going to hurt the industry that much if I've got empty barns near me. What's the big cry about? What's the big worry about? Because some guy won't be able to build a new barn where he already has one or he can't expand his business where he already has one. Hey, you know, there's not endless expansion in every spot on this earth. There is a limit to what you can do, and I'm saying the line should be drawn in the sand now. It won't hurt everybody that much.

I mean, I look at the trucks out there, the farm plates on these brand new trucks out there; they're not suffering too bad. I don't see any old trucks out there that my neighbours are driving, the small farmers, the mixed farmers, the guys with a section or less.

So I ask this committee and I ask this government to stick with the bill and, if anything, extend the moratorium to where I live, because if they've got empty barns and they come crying to you that it's, oh, it's hurting them and they're, oh, I'm suffering. I'm sorry but he weighs more than I do. He's not suffering that bad the way I see it.

I just really think we should get our priorities straight. It's all about water, looking after the environment. Business is business and that's what the Pork Council should realize. They're just in business and not farming. Raising hogs in confinement is not farming, and I'll talk to any farmer I talk to and they say it's really bad what they see. They couldn't do it. They made a choice. They decided not to borrow the money and not to go into that type of a business, because that's not the way they see animals should be treated. They do care about the environment, and they're viable because they diversify. Maybe they go and work off the farm but that's what they have to do because they've chosen a lifestyle.

The people who are working on these investment barns, these corporate hog farms, are not living on them. For the most part, the only ones I know pretty much are Hutterites and they surround themselves with their barns. Not the healthiest situation, but that's their choice and they do it. But most people don't. Most people I've seen who are building corporate barns are not living there.

I've seen abandoned—I was just down in the southwest, down around the Grunthal area and I noticed some abandoned homes right across the road from a large operation. It looked like about a 10,000 finishing hog operation, empty, empty homes. Nobody wants to live there because they're right across the road from it and they have to live with that odour all the time, and the traffic, that's another thing. The roads around my neighbourhood are getting destroyed by the semis that go by. The lady who runs the business on the intersection a half mile from this barn from me, the St. Lucipin barn that's just south of me, the Hytek barn, she's not happy. It's always disconcerting for her because of the dust, the destruction of the road and for all of us. Even the

Mounties are complaining about the state of the road when it gets wet, particularly, and they have to come out on a call, and we have fire trucks; we need that. But the roads, the municipality can't keep up the roads good enough.

Mr. Chairperson: Mr. Harrison, there is a questioner at this point. Would you entertain a question? You've only got a few seconds left here.

Mr. Harrison: Sure. I'm for it.

Mr. Chairperson: I will go to Mr. Maguire, and then I'll offer Mr. Struthers a chance to put a question as well. Please be brief, gentlemen.

Mr. Maguire: Mr. Harrison, you indicated in your early comments that you worked and you were eight years in it. Do you work in the pork industry or do you raise pork?

Mr. Harrison: No, I'm just a country-loving person and I observed—

Mr. Chairperson: Mr. Harrison, sorry. I didn't recognize you.

Mr. Harrison: Oh, I'm sorry. Oh, is there water here? *[interjection]* Well, you just asked me what I did and I'm—you're asking what I don't do? Is that what you're asking, or what? Did I answer the question for you?

* (22:40)

Mr. Struthers: Thanks, Bill.

First of all, a couple of things I think that I need to make clear. I believe that, as you've pointed out, Manitoba Pork can defend themselves from a number of the charges that you've brought forward to the table.

I do want you to know, though, that we do not fund Manitoba Pork. Any funds that we're involved with go to producers in terms of programs. Any funds that we are involved with in the pork industry are involved in research which we authorized, which we sanctioned, separate from Manitoba Pork, and any money that—*[interjection]*

Mr. Chairperson: Mr. Harrison, unless I recognize you, your thoughts are not recorded. Mr. Struthers has the floor.

Mr. Struthers: As MLAs, we represent the people of Manitoba and we make those decisions based on what we think the public needs to know in terms of research and support for pork producers in Manitoba.

Would you have a problem if we gave public funds to individual pork producers to help in a transition towards more of a sustainable environment, if there were technologies or items that would improve the environmental performance of an individual hog producer?

Mr. Chairperson: Brief response, Mr. Harrison, please. The time has expired.

Mr. Harrison: If they're incorporated, I would say, no. If they are genuinely a family farm, a smaller operation, I would say, yes, because they do—those are the people who do need the help.

Mr. Chairperson: Thank you for that, and thank you for your presentation.

Mr. Harrison: Thank you, folks.

Mr. Chairperson: I'll move on to Dave Hildebrand, Operation HOG Wash. That's No. 323.

Alvin Gross.

Laura Waldner.

Kelvin Waldner.

Gordon Gross.

Adrian Gross.

Jonathan Gross.

Len Desilets.

John Waldner.

Adam Gross.

Thomas Thiessen.

Andy Hofer.

Scott Penner.

Clifford Wollman.

Karen Wollman.

William Alford.

Jordan Riese.

Aaron Gross.

Ben Ginter.

George Vis, GJ Vis Enterprises Inc.

Jim Peters, Silverfield Farms Inc.

Trevor Speirs.

Lloyd Wiebe.

Peter Hofer, Skyview Farms.

Marie Hofer.

Paul Beauchamp.

Paul Gross.

Ryan Riese.

Daniel Wyrich.

Elston Solberg, Agri-Trend.

Brad Chappell, Manitoba Veterinary Medical Association.

Leonard Wiebe.

Gordon Siemens, Castlewood Farms.

Joey Maendel.

Jeff Toews.

Levi Bergen.

Michael Maendel.

Steven Denault, Agri-Mart Livestock and Poultry Products Ltd.

Wilfred Chabot, councillor of R.M. of La Broquerie.

Rudy Dyck.

Clayton Block.

Lauren Wiebe, Topeaka Farm.

Mr. Mike Maendel.

James Friesen.

Bill Matheson. Mr. Matheson, do you have any written materials you'd like to submit, sir? No? Please proceed.

Mr. Bill Matheson (Private Citizen): It's a good thing I don't listen or believe everything I hear on the news, because, when I heard the evening news, they said you were on No. 24 and I'm 392, I was told. So I thought maybe Tuesday. I came into Winnipeg tonight and I thought I'd pop in just to see how this thing took place.

I want to tell you I'm a beef farmer from Stonewall, Manitoba, and I think my brother was in here earlier today. He might look a little bit like me. There are 22 months difference between us. I guess my greatest point I'd like to make tonight is the unfairness of the bill, I believe. I believe I produce as much waste as my brother does on his hog farm as I do with my cattle. I think sometimes we overlook the

whole thing. It's such a stupid subject really, talking about waste all, urine and manure. As humans we produce the same thing and we've got just as big a problem. But that's what we're going to talk about, that's what we're going to talk about.

On our particular farm I can cover my land once every 10 years an acre with manure. I had the outfit in here three weeks ago. We got our sheds custom cleaned in the spring. I paid \$350 an hour for those guys to come in. My bill is usually around \$5,000 every spring. I'm not a big operation, I run 75 cows, feed out my calves, which is a tough business in this province as it is. We have no slaughter facilities.

Many people say to me, why do you still do what you do? You know, it's because I still believe in it. I believe in my job, and I believe in what my father and my grandfather and my great grandfather gave me, and I believe it's what I gave my son. He's 23 and he wants to farm. Now, to raise livestock in this province we've got limited options. We have either beef or pork because dairy business is all by quota. You have to buy your way into it. Poultry business or the feather business is by quota, too. I remember last year or two years ago, at the federal election it was, when Mr. Schreyer ran. I had written my question out at the Teulon meeting, but my question was too complex for them to understand and I had an opportunity to talk to Mr. Bezan and Mr. Schreyer both. They talked about the high cost it is for a young farmer to get into supply management.

Cost of quota, I don't even know if you people can begin to believe what it costs. I'm not saying about buying the land. Whether you're a dairy or a turkey farmer, my son, 23, loads turkeys for a fellow who's in the turkey business, very successful man. But if I only had 90 people to compete against, I could be successful too. But that's not how it works in this country. It's a free country except for those units. So, for my son to get into the poultry business or the dairy business, it costs more than it is to buy the farm.

Recently, my neighbour sold his dairy quota for \$700,000, that quota, a piece of paper no bigger than what you have there in front of you. He sold his milk herd for \$23,000, the actual cows that produce it. Now, I don't want to go that way.

So it leaves my son two options right now. He can raise pork or he can raise beef, and that's what we do for a living. It's not a healthy thing in anything

when you have a one system where you produce wheat or rape or oats or Canola or flax. You need that livestock. You need that blend. You need that where the two function together because it's healthy for the land. You know, I'm out seeding there last two weeks. We farm 900 acres of cropland, my brother and I, 200 acres of hay. We're not big farmers. We've raised seven kids. My wife who's sitting is here with me and my youngest daughter, we just turned a quarter section over to my son to encourage him to farm, for \$1. I could have sold that for \$180,000. It's not about the money in this business sometimes. It's about the lifestyle living. I get up every morning and I feed my cows. In the winter, to the east here, I can see the city of Winnipeg. I'm 10 miles past the Perimeter and I see 600,000 people who have to eat every day.

* (22:50)

Ms. Marilyn Brick, Vice-Chairperson, in the Chair

And you're saying to us, close down part of that production; we'll bring it in from somewhere else. You know, all our vegetables come from Mexico. So much stuff comes from the States and we're going to come to the point in a few years, if this bill goes through, we're going to say: what was that all about; Now we're importing all our pork? We got to have a little bit of vision here.

You know, recently in our local paper, a big housing development, not Qualico, but one of those high-up things, a big ad in *The Argus*, they started a housing development in Stonewall, upscale homes only. You got to have money to build those homes. You know something? There's no law against that. I don't know if they're going to be the best neighbours. I hope they are. I don't think every large hog operation with 500 or 600 sows has been the best for this country, but, you know, in the same breath, they have as much right to build a 500- or 600-sow barn as a man or woman has to come out to Stonewall and build a 5,000-square-foot house.

I guess the galling thing is—you probably heard my brother say this earlier in the day—that town, I think it's the second fastest growing in Manitoba, drains its lagoon—they call it effluent; you can call it whatever you want, it's still human waste—and it runs right through our farm. Right through our farm. You know, this spring, I was hauling hay and there was a hole bigger than this desk in the bottom of the grass mid-drain. The water was coming from the north and it was going down there just like your tub. I phoned

the Town of Stonewall. I said, you cannot drain that lagoon. We got a hole in the bottom of that grass mid-drain because that's what they use to drain their lagoon in Stonewall. They pull the plug. Of course, they have to take a sample of it. I heard this man saying earlier where he tests the manure twice a day. I wonder how often they test the lagoon when it drains. I know darn well they drain it before the ducks and the geese migrate in the fall because they don't want those geese disturbing it because the bacteria count always goes up.

But, nevertheless, the grass mid drain, it comes off west of Stonewall, comes through our farm and probably 20 miles worth of countryside before it dumps into the Red River just north of Middlechurch Home and goes directly into Lake Winnipeg. I see no moratorium on the Town of Stonewall for its expansion or building and they don't treat their sewage other than the sun shining on it. From October to March, or let's say November, that lagoon is probably frozen over with a layer of snow. So how much sun works all winter on that lagoon?

Yet, I have to say to my brother, you're going to be limited. He's got two boys. Your days are numbered. I can still raise cattle as long as I meet the guidelines, but you're out of business. You know, Mr. Struthers, it's like you having a brother going to work in the morning and he's driving a Ford and you're driving a Chevy and someone suddenly said, there's ban on Chevies. Where's the rationale in that? I don't think you can give me a rationale why you picked on pork more than dairy or poultry or beef. I'm not afraid of guidelines and rules. You put them in place with the help of the farm community, KAP or the council, Manitoba Cattle Producers, that we can agree on something to live by and we'll do our best for the environment.

You know, like I was saying earlier, I'm seeding away there and we had a young girl from Ontario. I don't know if you know the program Katimavik or not. We've had two students. They travel across the country and they stay at our place. We've had four of them now. We'll get two this winter. This girl came out and rode while we were seeding. The seagulls were all over the place behind us. Do you know what that's a sign of? It's a sign of healthy soil, because you know why the seagulls are there? She thought they were eating the seed. I said, we're putting the seed in the ground. They're eating the worms. We have zero tilled our farm since 1988. We were doing it before anyone in this area, and we still do it.

My brother has—whatever number of sows he told you today, he's been up to probably 80; I think he's running 30-some now. It's not really a viable operation, you know, but you know, he has four kids. You know, I can tell you another interesting thing, too, about him. Three of his kids have had braces. You know, he pays out of his pocket. His wife doesn't work at a job with a plan. He doesn't work it. You know, the hard-earned dollars—I don't mind even telling you and the whole darned room here, I had an income of \$38,000 on my farm last year. My wife makes \$50,000 teaching. I got half a million dollars tied up in land, let alone my livestock, you know.

I'm getting off the point here a little bit, but you talked about 2,000 people at GM being laid off there. You know, I never even thought of those types of things until we had BSE hit this province. I tell you, I lost my job that year. I cashed in every RRSP I had saved to keep my farm viable.

Mrs. Wowchuk might remember me at Grosse Isle. I told her take a million dollars and go home because a group of us tried to build Ranchers Choice to help us and build us an industry, and we couldn't even get ourselves to pull together on that thing. I told her that night, take your money and leave. I said it out of respect to her, because this was an undeserving crowd. A man sat on the porch and smoked a cigarette later, telling me he couldn't afford that \$2-head checkoff. I couldn't understand it.

But, here we are now. I'm fighting this government that I thought was going to help me, a government I thought that had an ear to a farm community. This moratorium is just—I think you're grandstanding and trying to buy points someplace, that people look at you and say, I've done something for the environment. You can put laws in there; we'll live by those, like I said earlier. When you say, no, that's not a law at all, I can't live with a no.

Madam Vice-Chairperson: Mr. Matheson, I'm not sure if you wanted to continue—

Mr. Bill Matheson: I have one other point I'd like to make.

I took out an environmental farm program, applied—I'm one of those people. The government—and your money goes into that as well as the federal government's—pays me to build portable windbreak fences to take my cattle out of the yard in the winter, to feed them out in the field.

In 2012, you will fine me when I get my manure spreader, clean out my barn in the winter and go out

to the field and spread the manure. On one hand, you are paying me to feed my cows out in the field, to spread that manure, and you're going to fine me and take money from me if I dare take my spreader out and spread that manure on the field.

We know what we're doing. My son is sixth generation. I do this for a living, so he has a future and his kids have a future. This isn't a quick buck and I'm gone. This is hard work and minimum pay.

I told you earlier what my income was. That son who's 23—I said, we don't have a viable enough operation for you to have a livestock enterprise right now. He went to Winnipeg airport and got a job; he's making \$26 an hour the first day he shows up for work. I probably haven't made \$9 an hour for the last 10 years.

I'm not ashamed of it, but I cannot live with a law that restricts him in the future, that says to him, Nick, you can't have hogs, because the government said so. That's my presentation.

Madam Vice-Chairperson: Thank you very much.

Mr. Graydon, you have questions?

Mr. Graydon: Thank you for that presentation, Mr. Matheson. That presentation's from the heart, and that's how many people feel in this province—north of Winnipeg, south of Winnipeg, west and east of Winnipeg.

Mr. Matheson, your brother has to follow strict rules or regulations for spreading manure. When you're feeding your cows—I'm sure that you've read a lot of the information that comes from the Department of Agriculture which suggests, instead of feeding in a corral, you can feed any place on your property. It just makes good sense to spread that manure all winter.

Do you do that on your farm?

Mr. Chairperson in the Chair

Mr. Matheson: I do that. That's why I can see Winnipeg. I bought—

Mr. Chairperson: Mr. Matheson.

Mr. Bill Matheson: Sorry. I got the rules now. My daughter told me, make sure you listen to that man up there. Okay, I'm anxious to go here.

I tell you I bought a bale processor this winter. I don't know if you know what a bale processor is; it picks up a large round bale, puts it in and blows it

out in a windrow. I'll tell you something about it. They told me it makes good hay out of bad but I can tell you one thing, it makes bad hay out of good too. It's just reversed and it knocks the heck out of it.

Anyway, when I go out to the field, I feed those cows all over. It's a wonderful machine. I can take them out and feed them 500 feet in a long windrow; that's exactly what I do. When they go out there to eat, you can guess what else they do when they go out there too.

I bought a quarter-section of land four years ago. I phoned the municipality; it had a swamp on it. I said, would you close the drain? The previous owner had a drain cut in it. You know what the councillor and the operator maintainer said that day to me? He said, you are the only one around here closing drains. The rest of the country is draining the whole countryside to extract everything out of every acre.

I don't say that braggedly, but I want to tell you how true I am to the loyalty of the soil and my farm, that it's going to be a better place.

You know what? That's full of ducks and geese in the spring; when it dries out, I have the opportunity to just cut hay in there. I didn't dig a ditch and I didn't drain it, and you know what? We have water that we can drink. The other day, I filled a couple of pails I was taking out to the chickens. A man was there and I just took the hose and drank out of the hose. He said, you drink that water? I said, yes, I drink that water. I don't know what the guy up the stream did to it, but I know what I'm doing to it, so the guy behind me doesn't have to worry about it.

* (23:00)

That's how I live, and you have to be aware that the farm community lives that way. We're not a bunch of redneck radicals who—

Mr. Chairperson: Thirty seconds.

Mr. Bill Matheson: —don't care what the future lies. I wouldn't give my son a quarter section for a dollar, for any other reason, but I believe in that. I believe in him.

Mr. Chairperson: Mr. Matheson, I have one more questioner. Would you entertain one more question, briefly?

Mr. Bill Matheson: Yes. I'm going to tell you one more thing, though. I've got two girls, too, and if

they want to marry fellows who want to farm, I'll share it with them, too.

I'm ready for questions.

Mr. Eichler: Thank you, Mr. Matheson, for your presentation. I know you spoke from your heart, and, in fact, I know your operation, and you're a very good operator, just a model for any other producer to follow.

My question is: In order to sustain the livestock industry in the province of Manitoba, how do you see the government trying to handle nutrient management, in your opinion?

Mr. Bill Matheson: I have no qualms or problems with what the government says. I will do my best, but when the government takes into consideration what Pork Council, what KAP, what MCPA, Manitoba Cattle Producers, as advisory members, if together we can come up with some protocols, guidelines, rules for manure management, I can live with that. I will do the best by rules, but I know there's not any much consideration around the circle as far as I'm concerned.

Mr. Chairperson: Thank you, Mr. Matheson.

Mr. Ed Oswald.

Wes Martens.

Walter Hofer.

Susanne Richter.

Mike Gauthier.

James Gross.

Fred Fast.

Rolph Penner.

Elie Hofer.

Edward Hofer.

Andy Cardy.

Jake Hofer.

Garry Funk.

Jacob Rempel.

Sandra Trinkies.

Wayne Hofer.

Keith Waldner.

Jerome Waldner.

Denis Tetreault.
 Justina Hop.
 Jeff Bond.
 Marcel Hacault.
 Karen Tjaden.
 Doug Cavers, CAO, R.M. of Hanover.
 Stan Toews.
 Dan Klippenstein.
 Chris Maendel.
 Waldie Klassen, Manitoba Chicken Producers.
 Doug Sisson.
 Aaron P. Hofer.
 Ken Foster.
 Maurice Gagnon.

Harry Siemens. Mr. Siemens, do you have any written materials for us?

Mr. Harry Siemens (Private Citizen): That's it.

Mr. Chairperson: That's it. Proceed, sir.

Mr. Harry Siemens: Mr. Chairman, Madam Minister, Mr. Minister, it's, indeed, a pleasure for me to stand here before you. I didn't think I was going to make a presentation, but I've been watching this closely. I have also been involved in serving agriculture, our very basic industry that feeds the world, for the last 37 years. I want to continue to do so, but I've watched in Manitoba. I've watched the milk fight. I watched when Sam Uskiw tried to put in a beef board. I've watched the hog fight and all kinds of things over the last number of years. I started back in 1971, and, before that, I was actually farming. I became a rookie farm broadcaster. You know something? I've gone through tough times on the farm; I was selling wheat for 90 cents a bushel and barley for 50 cents a bushel. That's when I went back to school. I went back and got a job, but never in my entire history have I seen what is going on with this NDP government, where they want to curtail and destroy an industry.

I got a call from a producer from southeast Manitoba yesterday morning. He told me, Harry, in our particular municipality, they have not put the moratorium on, but you know something? It's not going to stop with hogs. It's going to go to dairy; it's going to go to beef. You know what? One day, I

think, maybe if we don't stop this right now, we're going to see when grain farmers are going to have to take a little strip in the middle and apply pesticides. The rest will be left to something else. We need to stand up and be counted for this one. It was like somebody else was going to write an article about this and the organization that he was going to write for said, take the high road. I said, you know what? It's time to stop thinking about the high road. We need to stop this in its tracks because too many people are wanting to save their own bacon and they forget about the hog industry.

I remember when Madam Minister Wowchuk—I was on the platform with her several years ago—when we had the big announcement for the proposed slaughtering processing plant right here in Manitoba. I understand she was representing this government in order to provide the support. We had somebody from the audience who I didn't know who it was. I was chairing that particular meeting. He took a real strip off the minister. I protected her because I knew that maybe one day she would stand up and protect the agricultural industry. But you know something? I'm so disappointed, Ms. Wowchuk, that you aren't standing up here for the hog producer and saying, you know what? I'm for you. I'm going to fight for you so that we can have an industry and not see that hog industry go down the tubes.

Then something else reminds me of what a former chairman of a commodity group in this province said to me when he retired. He says, you know what? I was rather sympathetic towards the NDP government when I started but now I'm beginning to realize that they would like to take this agricultural industry—and he may have said it somewhat tongue in cheek—but it seems like they want to take this agricultural industry and bring it down to where they give each farmer a quarter section of land and a lawnmower to keep it short because that's where we're headed if we're not careful of what it is we're going to be doing.

I farmed with my father for a number of years. Dad, already in 1960, was farming a thousand acres. He was one of the top farmers in an area north of Plum Coulee. You know something? He was the best environmentalist I ever saw. Nobody taught him but he loved the dirt; he loved the ground. It was almost sacred to him and he would do absolutely nothing to harm it. In fact, my brother is farming that land. My nephew is farming that land. My sister is farming that land and so are their children. Why? Because he

looked after it. The farmers are the best environmentalists that we have in this entire world. Why? Because they've learnt to walk the talk; they look after it.

I interviewed a farmer from Grunthal who lost his farm because of the hog business several months ago. He gave up and took the cull program for the sows. He says, you know what? We have policies in this country that are being made by people who have not walked the talk. We have people in this province that are making decisions, the younger people, and we're seeing the farmers, the older farmers, are now having to walk away from those particular farms because they can't make it. Why? Because it was no fault of their own, it wasn't your fault, it wasn't my fault. It was what they call the perfect storm in the agricultural industry.

But you know what? What do you think a hog farmer will do? Right now we have hundreds, maybe thousands of hog farmers that are trying to do everything possible. They are mortgaging their house to save the farm. Those people in the area where there's a moratorium, what do you think they feel like? To give up everything to save a hog industry that, just a few years down the road, will be taking a real downturn because there's a moratorium on any kind of expansion.

* (23:10)

Mr. Struthers, you said something about 6,000 lots that you were—you know what? But what if you told that development and construction industry, stop, because those 6,000 lots don't make the game. What would they do to you? What would they do to you in the next election if you stopped the industry dead here in Manitoba because of a few bad apples? They would turf out this government in the city of Winnipeg because they wouldn't tolerate the fact that you stopped their way of making a living.

Dave Gsell, 30 years old, from Switzerland, he came to Manitoba in 2005, November. Farms at Rosenort, bought a 650-sow isowean operation. He left Switzerland. Why? Because the government there in 1978 put a ban on any further expansion in the hog industry. There was no future for him, so he came here and he was going to sustainably expand that industry. Go from isoweans to a feeder barn and then to a finisher barn, and maybe an on-farm feed mill. With tears in his eyes, he told me, Harry, I have an operation that will not sustain itself. What am I going to do? You can read the story on

siemenssays.com and see for yourself what he had to say. They banned expansion in Switzerland. He came here to the land what he thought was the promised land. You know something? The moratorium, Bill 17, is going to take the promise out of that promised land. Think about that when you go to bed tonight and think about what is going to happen.

James Hofer, we've heard about him. He also said with emotion that, you know something? We have over the last century and a half moved two or three times as a Hutterite colony. If we can't do what it is we came here to do, God will direct us, God will lead us to a place where they will allow it to do.

My friend is the immediate assistant to the minister of Innovation in Saskatchewan. When they've taken over from the NDP government, he said the file folders that are so high, where people wanted to invest in that province when the NDP government was there, they were turned away because they didn't want them. Now we see expansion. You know what? They can't wait for our hog production industry to head to Saskatchewan. They want it. They'll welcome it with open arms. We will lose the jobs; they will gain. What are we going to have to show for us?

Reminds me of the story what is happening to the hog industry if you put this moratorium in. The city slicker had a horse. He wanted to take that horse to a farmer. He went to farmer No. 1, he said, what's it going to cost me to put that horse up in your place for one month? You know something? The farmer says 30 bucks and I get to keep the manure. City slicker says, you know what, this dumb farmer, he doesn't know what he's talking about, so he goes to farmer No. 2. What's it going to cost me to put my horse up here for a month? Twenty dollars and I get to keep the manure.

Mr. Chairperson: One minute, Mr. Siemens.

Mr. Harry Siemens: Listen to the punch line, please, I hope. Then he goes to farmer No. 3, and he asks him, what's it going to cost me? Well, he says, five bucks. You know what? This city slicker's all happy. He's ready to go. Comes back and he says, what about the manure? At five bucks, there won't be any.

You know something? If you put this moratorium on the hog industry, there won't even be five bucks left for the industry. It's going to die, wither and disappear, and you know something? I would hope that you would want something else in

your legacy than to destroy the livelihood of thousands of people.

You said one minute, I guess I'm just about done.

In summation, I would challenge you. I hope that all of you have listened to what you've already heard in this hearing today. You have heard from real people. You've heard about the livelihoods that are being threatened. You've heard about grandkids and children that have no future if you put this moratorium on. I hope you will think about that when you go to bed and you talk to your grandchildren tomorrow and your kids, that if somebody would take away the industry that would wither their future, what would you do if those were your grandchildren and those children? That was my challenge to you, Mr. Chairman.

Mr. Chairperson: Thank you, Mr. Siemens.

I open the floor for questions.

Mr. Eichler: Thank you for your presentation, Harry.

I do have a question in regard to the youth. As you know, the age of our farming sector now is getting up around 57, 58. What kind of signal does this say to the next generation of farmers that we're trying to encourage to come into Manitoba and get involved in agriculture?

Mr. Harry Siemens: It's not a very good signal because I know I'm 61, and I want to continue to be involved in agriculture. I think I can continue to make a living in it, but many of these farmers who had counted on passing farms over to their children, they're done.

The only reason somebody may want to come to Manitoba to buy a farm is because it's going to be cheap, because who's going to want to buy it here? So the future at this point doesn't look good.

The biggest concern I have, and Jeff Friesen said it earlier. He said it to me in the hall. He says: Harry, I can expand into something else and I think I can continue to make it work, but I'm looking over my shoulder because what else are they going to put a moratorium on before I'm done? He says: My farming career is in a whole bowl of uncertainty. It's a big bubble that he hopes this government will not burst.

Mr. Maguire: Yes, Mr. Siemens, thanks for your presentation here, very true.

You know, you heard earlier that we would lose the industry and jobs to Saskatchewan. You lose the industry first; the jobs have got to follow.

Earlier tonight you heard Mr. Seymour say that he had been here in Manitoba for seven years, but he wouldn't have come here if the moratorium had been on. I think that's a signal to what would happen to anybody in another province who's looking to set up a hog operation right now. They wouldn't come here to do it. That's a shame. Out where I am, there's still a tremendous amount of area where we could have industry developed, a lot of area that's open, no homes for a few miles, and yet they're not going to invest here if they think that tomorrow the government will extend it to that region of the province as well. So I find it a very unfriendly atmosphere in spite of the potential that this province has.

A number of people have talked about a different approach than the moratorium tonight. What would your view be on the co-operative manner or the process that should be done? Do you believe that between now and when this bill comes back to the House in the fall, the government should actually set up a committee to have a—I don't care how big the room is; put the people in it you want, and try to figure something out.

What are your thoughts on that, or do you have a better idea than that as well?

Floor Comment: Well, I remember interviewing—

Mr. Chairperson: Mr. Siemens. Sorry, I have to recognize you.

Mr. Harry Siemens: I remember interviewing Dr. Michael Trevan, Dean of Agriculture at the University of Manitoba, and that's exactly what he said. We don't need to ban. We don't need to put a moratorium on this. Let's sit down and follow the regulations that we have, enforce them, and make it happen.

Then he said something else. He said that when the government had come to them and asked them for their researchers, their input, then they turned around and put the moratorium on after they realized that the science wasn't really what it was all about. He says: It not only makes a mockery out of the government; it makes a mockery out of the university.

I have it on tape. You can listen to it on my Web site. It's exactly what he said. When the government

turned its back on the research—is how he put it—it makes a mockery out of the government, the people and the university.

Mr. Chairperson: Last question to Mr. Struthers. One minute left.

Mr. Struthers: Thanks, Harry. Thanks for your comments this evening.

The only part of your speech I didn't believe was when you said you had to protect Rosann Wowchuk. She's—

Floor Comment: Pardon me?

Mr. Struthers: The only part of your speech I didn't believe was when you said you had to protect Rosann Wowchuk. That would be a first, because Rosann can protect herself pretty well. But, if you did—

Floor Comment: May I answer that?

Mr. Struthers: But that's not my real question.

Floor Comment: Let me answer that.

Mr. Chairperson: You will have an opportunity to respond when the minister finishes, okay?

* (23:20)

Mr. Struthers: We'll roll two into one.

I also think that you didn't do much service to the farmers who presented to us here tonight. I think you did half the job because I think we can all agree that many farmers this evening told us how much they want to protect water and that we shouldn't be assuming that since they're farmers, hog producers, that they don't consider protecting water important. I don't know if you just didn't bring that up. I suspect you believe what I just said, too.

But that leaves us in a little bit of a quandary, because the Clean Environment Commission said the framework that we have in place, right now, whether you believe or anybody believes here that they want a moratorium or not, the Clean Environment Commission said the framework we have now, including the phosphorus regulation, isn't strong enough and we need something stronger than that.

What would you suggest we need that somewhere between the framework we have now and the moratorium that you don't want us to go to?

Mr. Harry Siemens: We deal with clinics and regulations. The reason the volume goes well, we enforce those regulations, and it works well. That's

what we need to do. Sit down with what Mr. Maguire said and put together a program, but don't kill the industry. That's what I would like to see happen.

May I have one more comment? Four times, the assistants to Mrs. Wowchuk, came to me at that meeting, and they said, thank you, thank you, thank you, Harry, for protecting our minister.

Mr. Chairperson: I'll give Ms. Wowchuk two seconds to respond to that.

Ms. Wowchuk: I will respond and, in fact, it did happen that I was representing the government at an event, and a city councillor chose, very unexpectedly, to make some comments. Yes, Mr. Siemens did come to my defence, and I thank him for that.

Mr. Chairperson: Okay. We are now at the end of the list, so we're going to go back to the beginning. We're going to start with presenters from within the Perimeter now.

I will go down the list as I see it. One second. All right, first call, Glen Koroluk, Beyond Factory Farming.

Lindy Clubb, Wolfe Creek Conservation.

Sieg Peters. No, that was an out-of-town, sorry, I won't count that.

Bill Ross, Manitoba Canola Growers Association.

Shane Sadorski.

William Vis, Envirotech Ag Systems.

J. Neil Dobson, the Feed and Livestock Industry. Mr. Dobson. Do you have any written materials for the committee, sir?

Mr. J. Neil Dobson (Feed and Livestock Industry): Just point form.

Mr. Chairperson: Okay, then proceed with your presentation.

Mr. Dobson: You're not leaving. I was a little worried. I'd hate for this to fall on deaf ears.

Thanks for having me. Thank you for the opportunity.

I've come here disappointed, disappointed that I even have to speak at this. I'm originally from Saskatchewan, so another one of those transplants. Yeah, originally, I did leave that province because of

lack of opportunity. My brother beat me to the punch and he got the farm and I didn't. No shame in that. I did get a university degree and moved here initially in, I guess that was '90, I spent a couple of years here. Alberta, grain trader at the time, and then came back and now fully involved with the food industry and quite proud of it. I've been here now since '98. Two children, a wife. My wife is also involved in agriculture and, again, it's part of our life that just makes up our identity.

There are couple of points I want to make, sort of housekeeping. I'll say this, if this is what we call a democratic process, I'm pretty disappointed. The fact that we can suggest that 48-hours' notice to speak on an important issue like this is notice. When we vote on referendums we're given plenty of time to rally our thoughts, speak clearly on what it is that we are discussing and make positive points.

This, again, I see this as the hog industry is really what we're trying to represent here if you actually knew anything about world trade and what goes on. The World Pork Expo happens to be on as we speak. A good percentage of that industry is there now. This looks like political grandstanding and I'm disappointed. So I'm going to move on because I can only complain so much.

What I'm going to talk about now is a little bit about the opportunities that exist within this province and why I was pretty excited about coming here at the time, leaving Saskatchewan. NDP or not, there wasn't a lot of opportunities. So, as you look around, at the time it was certainly animal—it was livestock that was making the difference and was what was going to pay some bills, and I saw opportunities for growth. So when I came in here in '98, that was about the time that the industry was about at its worst, if you guys remember some of the six-cent hogs that were going on and we pulled through that with flying colours. We've dealt with many issues to this point and pretty proud of the industry we represent.

Again, I'm going to do some housekeeping here. There's this point made about the fact that you could take an operation and move it west. Let me talk to you about that on a very local level again. I'm going to speak to my brother. As I come to Manitoba and I see the mixed farming operation, the opportunities that exist there, one of the things that impressed me so much was the ability to recycle nutrients, which I spoke of as value, and this is back in '98. So this is back when, what? Phosphorus was trading at what

number? We know when it was 250 a tonne, it's now 1,200 and we are looking at \$2,000 a tonne phosphate prices. So you're telling me that people don't want to use hog manure as value. Okay, so anyways, we're going to waste that. But in that my brother looks at the industry and says, geez, you know, I don't know anything about that. It's outside my comfort zone. I'm not sure I'm going to invest.

If you remember at that time that's when the Saskatchewan government, Saskatchewan Wheat Pool was heavily involved in promoting the hog industry in Saskatchewan. Well, that didn't go over. So, if you're suggesting that people that have grown up with hogs are going to move to a region that doesn't have hogs and be accepted with open arms, you know full well that doesn't happen. So it's a fallacy and it's untrue, notwithstanding the fact that who wants to be told they need to move? So if you're in the city and you're overpopulated and somebody comes in and suggests that you need to move to a region that's unpopulated because, well, it's more economical there and it actually just fits the city a little bit better, I don't think it's going to go over very well. So I don't appreciate that and I think that that falls on deaf ears and it turns people off.

The last point I'm going to make and now I'm going to speak to economics, because I love numbers. Here's some real numbers you can work with and go to bed with because, as I see, it's past my bedtime. Alltek is the company I represent. We are a privately held organization. We're multinational. It was the entrepreneurial spirit that brought this company to North America. It's an Irishman that owns it and thrives on being able to respond very quickly to change. We're an all-natural-based company, which means we provide all-natural solutions to the animal industry, and those solutions include things such as vitase, alternatives to antibiotics, real financial differences that we can make. Now, if you're going to say that's niche marketing and that's just a small part of the business, we actually do—and this year we will do close to \$400 million in revenues and approaching the one billion, that's the goal of the organization because we see the opportunities that exist.

* (23:30)

That being said, for us to get to our goals, we base ourselves on 20 percent animal growth. That's the bottom line. I don't know if you know of any organization that has ever sustained 20 percent growth, but let me tell you the challenges that go

with that, because you need banks to be able to work with you and understand what an entrepreneur takes to develop that.

So let me put it to you in these terms because I think this is real. What it means to Manitoba is that we have coined the phrase, and I think we truly live up to a biorefinery. I don't know if you people truly understand what that means, but that's the complete cycling of all nutrients that go into manufacturing ethanol, but here's the difference; here's the twist. It's based on cellulose, and, of course, you've got companies out there that pontificate and sort of suggest that down the road this may happen. We're doing it. We're doing it and here's the other twist.

We're going to set up this \$70-million operation in Kentucky. This is our pilot plant, \$70-million operation. We've gotten \$38 million from federal—we've gotten \$30 million in federal funding and we got another \$8 million in state funding. It's a ridiculous amount of money but you know why? Because we can see and industry understands—government is now starting to understand—what a mistake ethanol was based on cereal production. Bad idea, because you know for every one unit you put in you get about 1.4 units back, at best. At best.

So here's the challenge I got for you guys. We've got other provinces within Canada banging on our doorstep looking for us to bring money into their provinces. When the owner, who I'm going to travel with on Monday, he's going to say, Neil, what have we got going on in Manitoba? I'm going to say, well, we've got this fibreboard plant that's sitting there rotting and I see now they're tearing it down and selling off the parts or whatever they're doing there.

I've said to him, look, the cellulose is just sitting here waiting to happen. And he said, yeah, but how friendly is the government to entrepreneurs? I mean, really, are we going to be able to get funding to bring—because, seriously, he'd take on the plant in a heartbeat. I said, I don't know. He said, why don't you have the conversation. I said, why don't we just go to Saskatchewan because, as it turns out, we've already had the government phone us and come and visit our facility in Kentucky where we've invested nearly \$60 million in assets, just recently put up a \$25-million nutrigenomics facility, and now we've spent \$10 million in aquaculture facility. This isn't small potatoes and we're not messing around.

When we're looking for partners, we're not talking corporate partners. We're not talking about

worrying about what our corporate tax rate is. We're looking for money to pump into us so we can bring it back because we believe in community. Here's the real kicker that you're not going to like is the fact that we are right now promoting our global 500 meeting which is going to be held in Lexington, Kentucky, September 10 through 13. You know what we're trying to do? We're encouraging—we're looking for the top 500 dairy producers globally to come meet with us in Kentucky to understand the biorefinery and what are the spinoffs from it which is feeding into dairies—

Mr. Chairperson: One minute, Mr. Dobson.

Mr. Dobson: —thank you, dairies, beef, and aquaculture.

This is what we're telling you guys. We just had meetings this week and we're suggesting economic development. You need to come to Kentucky to understand what it is to invest in a region.

Now, I'm from Canada. I'm from Saskatchewan. I bleed green and white, but the point is, for me—I say these things halfheartedly, but, yet, I'm in a province that says, no. You know what? Against hogs or not, any government that looks at agriculture, any part of it, and says, no way, we don't see growth, I just told you. We invest in markets where we can see growth potential.

My concern is now the opposite is going to start to occur where my owner says, Neil, we're going to take that money and we're going to invest in China, India, and Eastern Europe because, honestly, you can get a far better return on your money than you can in North America. That's all I got.

Mr. Chairperson: Thank you, sir.

Questions?

Mr. Eichler: Thank you for your presentation. Very informative and certainly some definite warning signs and shots fired across the bow. I hope the ministers were listening as intently as they appear to be.

I know that I just want to defend the Minister of Conservation (Mr. Struthers). He's been very easy to negotiate with today and for tomorrow. They've agreed not to drop off the presenters that their names are called mainly because of the short notice that we have provided, the number of presenters, and it's very difficult to do. We know we need to revamp our system and we've agreed to that system again tomorrow so I thank the minister for that.

Getting back to your presentation, I do want to ask you, the signal that's being sent out with Bill 17—knowing your company, what else are you hearing out there as far as businesses being attracted to the province of Manitoba?

Mr. Dobson: I guess it's getting late; response time is slowing down. You're asking me, what's my understanding about the businesses that are coming into Manitoba?

Mr. Eichler: As a result of Bill 17.

Mr. Dobson: Great question. I can only speak from our position and from what we see in terms of business property and the expense of that. I think we'll continue to rent and not purchase property, which again goes to business tax and development. If we're not buying, it's a pretty good indication we're not investing. That's not a good indication for me.

Mr. Goertzen: Thank you for your presentation. It definitely added something unique to what we've heard tonight. It was interesting to hear the World Pork Expo is going on.

I would prefer Mr. Doer be here tonight. I actually believe he was probably not the author, certainly the impetus or the incentive for this bill. I would have liked him to have been here. If not that, the World Pork Expo would have been a good second place for him to be.

Having said that, I appreciated the comments on the cellulosic ethanol and the development going on there and the need to get that sort of development here in the province of Manitoba.

Similarly, what my colleague from Lakeside was suggesting, though, I am concerned as well as he is about we're losing ground as a province. Sometimes, we look at Alberta and what's going on there or state-side; it's difficult for us to compare ourselves to Alberta or some U.S. states.

Do you think we're losing ground, even compared to Saskatchewan which, historically, Manitoba has been compared to? Economically, are we in danger of falling behind that province as well?

Mr. Dobson: I think all you've got to do is look at the budget and the numbers that have been fudged. If we really ran a deficit last year and the kind of economic growth that's going on across Canada, I think it pretty much answers itself.

Mr. Maguire: Thank you for your presentation, Mr. Dobson. I think you lost them when you said you were a multi-national.

I think that 20 percent growth is pretty astounding; it's pretty great, that's a good target for any company. The only growth that the NDP would like in Manitoba to go up 20 percent is the transfer payments, if they're coming from Ottawa.

I say that half-heartedly, but they just can't understand the growth of business it takes to sustain an industry like this in Manitoba. I don't think some of them knew how big a \$1.2 billion industry is until some of the presenters who have come up today said, it's bigger than Manitoba Hydro.

Can you indicate to us just what—maybe you did and I missed it—how many dollars worth of investment you have in the province of Manitoba today and the type of investment that you have?

Mr. Dobson: What I will say is it's shockingly low. What I mean is that the owner of this company depends on his people on the ground to feedback economic indicators, whether it means to invest or not. So he's asking me, what do I think?

Honestly, I'm saying Saskatchewan now. It's my alma mater and you're going to say, that's bias. It maybe is, but the Saskatchewan government's been to Kentucky. You guys don't even know who Alltek is.

Mr. Chairperson: Thank you, Mr. Dobson. Time for this presentation has expired.

Harold Froese.

* (23:40)

Stuart Peter Manness.

Cam McGavin, Genetically Advanced Pigs of Canada Ltd.

Vicki Burns.

David Smith, J & R Livestock Consultants Ltd.

Colin Craig, Canadian Taxpayers Federation.
Mr. Craig.

Mr. Eichler: While our presenter is making his way to the front, I would ask leave of the committee not to see the clock in order to allow the couple of presenters that we have within town that are in here in the building, that would like to make presentations, if we could get leave the committee for those couple that are just about to wrap up. I

think there are only two. If we could check with the Clerk's desk and agree not to see the clock.

Mr. Chairperson: Okay, let's check and see if they're still here. I think your information is correct, Mr. Eichler. I have Mr. Craig and two other individuals. If they are here, then I think it's a worthy point to put to the committee.

Mr. Eichler: Thank you, Mr. Chairperson.

Mr. Chairperson: Okay, we have two other individuals following Mr. Craig.

Is it the will of the committee not to see the clock in order for them to present? *[Agreed]*

Mr. Craig, do you have a written submission for the—

Mr. Colin Craig (Canadian Taxpayers Federation): No, I don't.

Mr. Chairperson: You do not. Proceed.

Mr. Craig: Well, thank you very much for the opportunity to speak here tonight. My name is Colin Craig. I'm the provincial director of the Canadian Taxpayers Federation. We are a not-for-profit, non-partisan advocacy organization that's committed to lower taxes, less waste in government and more accountability.

I guess the benefit of going late in the evening like this is that you can pretty much say ditto to a lot of the presentations that have gone before it. I wanted to begin by talking about the Matheson brothers and their experience, but I realize the committee has heard from both of them today.

What I will touch upon is the fact that they're both in the livestock industry. One is raising cattle and the other one is raising pigs, and for some reason the government has decided to discriminate against the one that is raising pigs. The article in the *Manitoba Co-operator*, as seen here, quotes, despite being asked repeatedly, Struthers did not explain why the ban applies only to hogs.

That is something that certainly is puzzling, but the legislation overall is certainly puzzling. The government had some concerns with the hog industry, so they went out and had the Clean Environment Commission produce a report. The report came back and recommended some improvements here and there. The government essentially responded by introducing a halt on expansion altogether and when I spoke a couple

weeks ago about the climate change legislation, there I noted that the science community was split, but the interesting thing about this is that the science committee is not split. Everyone seems to be unified against the government when it comes to science. The University of Manitoba was a key provider of the Clean Environment Commission's review. They provided the research. They're hired by the government and they're speaking out against the government, as we all know.

Dr. Michael Trevan, the dean of the University of Agriculture said, and I quote, I have read the whole report from cover to cover. I can find no evidence that anybody can use to say that we need to cease expansion over the whole of central and southern Manitoba. He also went on to say, what really troubles me is that the minister, pretending he's working on the basis of the recommendations by the Clean Environment Commission, implies that the science is supporting his case and it doesn't.

As soon as you get into that sort of situation where politicians pretend that they have evidence that supports what they are doing, you damage both the political machinery and the machinery—in this case, the university—that's been providing that evidence.

What Dr. Trevan also noted is that the science supports dealing with hog operations individually rather than with broad-based moratoriums, and that's exactly what the Canadian Taxpayers Federation supports.

Improving hog farms individually has been the position of just about every farmer that members of our organization have talked to. I've been sitting here for a number of hours here today and that seems to be the consensus among farmers that have presented here today. They're not against responsible farming practices and, in fact, farmers like the Mathesons and the other ones that we've heard today, they need sustainable farming practices. You know, they've been farming on their land for 135 years. If they weren't employing sustainable farming practices, they wouldn't be here today doing exactly what they're doing.

Reports like the CEC can actually be positive when it comes to giving pointers to farmers on how they can improve their operations. However, as Dr. Trevan pointed out, they're quite dangerous when politicians use them for things that they aren't.

Ms. Marilyn Brick, Vice-Chairperson, in the Chair

The report certainly did not call for a ban. It called for improvements in different areas. That's exactly what the government should do. You should give farmers an opportunity to make improvements where they are needed. You should have consultations with farmers and give them an opportunity to meet with members of the science community and come up with a solution that's fair for everyone. As Mr. Matheson pointed out, this legislation is a little like saying that because a few people drink and drive, no one should drive. Certainly that's unreasonable.

Now, what I'd like to ask the committee members to do is to consider the effect that this will have on the economy of clamping down on this whole industry. We've heard many times today it's a billion dollar industry. According to the Manitoba Pork Council, since 1995, hog production has grown from 34.6 of all livestock in the province to approximately 52.5. During the same time the pig population has almost doubled. The number of people working in the hog industry has also increased dramatically.

According to the provincial government's web site, there are about 16,000 to 17,000 people working in this industry. Their website also notes that the hog industry has a spin-off effect of almost \$2 billion for our economy. Annually the government earns millions of dollars from the hog industry in spin-off jobs. Some very good progress has been made in this area and the pork industry in Manitoba that I've just described is something that other jurisdictions would love to have. I'm sure the Saskatchewan government right now is actually cheering for this bill. They are waiting for these jobs and these investment dollars to come straight over to their province.

Now, speaking of Saskatchewan. Let's consider an interesting quote from the same *Co-operator* magazine. The article notes and I quote: George Matheson said Premier Gary Doer told him that if he wants to expand he should move. That's not acceptable. The Premier of the province essentially told someone who is interested in expanding their business to do it outside of the province. Now after all, why would they want to move to an area that is not covered by the ban, if there is the chance that something like this could happen again? We'll just move outside of the province instead to avoid the risk.

We heard from Mrs. Harris earlier today, and she said that if she had known that this legislation

was coming forward, even though she's in the cattle industry, she wouldn't have gone ahead because there's too much risk when the government comes forward with this type of legislation. What the Premier and the government should be doing is fostering an environment that encourages people to invest here in Manitoba and not to move away.

Now, as we all know, the provincial government is facing some pretty rough financial challenges over the next while. In 1999, hand-outs from the federal government and other provincial governments represented 28.2 percent of provincial revenue. Today, that number has climbed to 36.7 percent, and that was the greatest increase dependency among all provinces during that period. So clearly we are not in a position to be swatting away businesses and the taxes that they pay and the jobs that they create. We should be supporting them.

If we look at Manitobans as individuals we know that from 2001 to 2006, according to Statistics Canada, about 57,000 Manitobans decided to leave Manitoba for other provinces. Once you include the number of Manitobans that did move here, there was a net loss of about 20,000 taxpayers. So, clearly, we can't continue to tell taxpayers to leave if we are ever going to become less dependent on other provinces. This bill will not only tell farmers and hog industry businesses to consider other provinces, but other industries that are watching, too. If we consider the forced unionization of the floodway, the unfriendly labour legislation that was passed here back around 2001, our high personal income taxes and other actions that have been conducted by this government, we will know that investors are passing this province by. This legislation will only add to the problem.

The *Co-operator* magazine noted that the minister would listen closely to what presenters had to say today to this bill, and I sincerely hope that the minister considers the concerns made by myself and other associations, and the hundreds of farmers that have spoken here today. Thank you.

* (23:50)

Mr. Chairperson in the Chair

Mr. Eichler: Thank you for your presentation. Thank you for being patient. I know it's been a very long day. I know I have a sciatic nerve that's been pinched, so I've got a bit of a pain in my leg as well. So I hope that you don't mind waiting for us. But I

do have a question for you in regard to the economic impact.

Is there any way that your organization can help us in determining the economic impact, that if this bill does go through in its current state, what type of an impact that will have on the business environment here in Manitoba?

Mr. Craig: We haven't had an opportunity to even try and consider what that would mean. Obviously, as I said, it's a billion-dollar industry, and once you count the spinoff effects, it's a \$2-billion industry.

What's very difficult to gauge when something like this happens is all the decisions that businesses are making and individuals are making. We have no idea that they're making those decisions. The business in Toronto that looks at this—and maybe they're in a different industry, but they see the government react this way and they kind of say, well, you know, it looks a little unstable there, so we're not going to move there. We'll never, ever know about those businesses and how much opportunity this province is actually passing by.

But it's certainly going to have a significant effect on the province's economy. If you consider, as I mentioned, all the other changes that have been happening over the years, it's starting to add up—and individuals that are considering moving to other locations too. Who wants to move to a province that's known for having the highest income taxes in the country? According to Ernst & Young data, individuals in the \$20,000 and \$30,000 income brackets are paying the most income taxes in the country in this province.

Once you climb into the \$40,000 bracket, it gets a little bit better. We're something like \$15 away from the highest taxation levels. So those are all things that individuals consider before locating here and investing here, and this will only contribute to those problems that we face as a province.

Mr. Struthers: Thanks, Colin. I'm going to ask you the same question that I asked a couple of earlier presenters. I want to warn you that when I asked Shannon Martin of the CFIB he ducked the question. He didn't give me an answer. When I asked Graham Starmer of the Manitoba Chambers of Commerce, he ducked it, too. So I hope you have the courage to give me a straight answer on this.

None of those organizations asked—when the Conservative Party was in power in Manitoba and they were overseeing the most historic, most

unprecedented, unfettered, rapid growth of the hog industry, none of them asked them to look at the science of whether that should happen or not.

Did your organization ask the Conservative government whether they had the science to oversee that kind of growth, or did you just wait for the NDP government to come along, slow the industry down, and now you're asking for science? Can you give me a straight answer on that?

Mr. Craig: I'll give you a straight answer. You might not like it. It's about week No. 6 on the position for me, so I don't have that historical knowledge of the organization and what transpired back then.

But I think what we need to do is focus on today, right? This is 2008. We have some very serious financial issues in this province. Thirty-seven percent of the Province's budget is coming from handouts from other levels of government—other governments, right? People like myself used to take pride growing up that we could kind of joke about Saskatchewan being the gap. We can't do that anymore.

So what we need to focus on are the issues that are before us today, and let's not squabble about the past. Let's talk about what we can do in going forward. What should happen is there should be some public consultations on this. Instead of blindsiding a billion-dollar industry in coming forward with this legislation, there should be an opportunity for farmers across the province to take part in discussions like this, not while the Pork Council is having their main meeting, but to engage as many people as possible, to get the science community, to ensure that they have an opportunity for input, instead of trying to ram this through in the middle of the summer.

Mr. Chairperson: Supplemental question to Mr. Struthers.

Mr. Struthers: Mr. Craig, that wasn't good enough. The other two bailed the same way you just did. I'm going to give you another chance to not bail, to show backbone and answer this question.

The Canadian taxpayers' association that you represent has been around for a while. They had a chance, when the Conservatives were in government, to tell them to look at the science, and you failed to do that. Your organization failed to do that. Now you're applying a different standard to an NDP government. That sounds partisan to me and it

sounds hypocritical to me. Why didn't you ask the Tories for the science when they allowed this industry to grow in an unfettered way?

Mr. Chairperson: Before I ask Mr. Craig to respond, I've had some discussions with the Clerk and I would just possibly caution the minister as to making reference to previous presenters who are now no longer here to respond in kind. So, if you would take that under advisement, okay?

Mr. Struthers: I certainly will.

Point of Order

Mr. Chairperson: Mr. Eichler, on a point of order.

Mr. Eichler: I think we're getting a little tired. Our nerves are probably a little on edge and I know the minister certainly does not want to embarrass a presenter. I know he's trying to find an answer. In all fairness, the presenter did tell the minister that it's only been the position for six weeks. There are some eight years this government's been into power. You've had eight years to make your presentations in any other way that you want to, so I would ask the minister to withdraw his question.

Mr. Chairperson: Mr. Struthers, on the same point of order.

Mr. Struthers: No, Mr. Chairperson, I asked a very simple, very straightforward question. I don't believe that this presenter needs the protection of the Member for Lakeside. I think this presenter understands that he represents an organization, whether he's been here six weeks or 60 years. He represents an organization that did not ask the questions of the Conservative government and now they think they can ask the questions on science on the NDP government. That's a double standard. I have confidence that this presenter can answer this question if he chooses to.

Mr. Chairperson: Okay. We're getting into a debate that I didn't think we would get to for another four or five days here. So let's refrain from that if we could. We're almost out of here.

* * *

Mr. Chairperson: So, Mr. Craig, do you recall the question because I forgot it myself, so?

Mr. Craig: I do recall it and—

Mr. Chairperson: Okay, I give you the opportunity to respond, then.

Mr. Craig: First, I believe the minister is actually failing a billion dollar-industry right now. Like this is a very significant industry. I answered your questions and you're more interested in playing politics. This isn't question period. I'm from a non-partisan organization which you may not recall, but when your party was in opposition, you liked to stand up in question period and talk about the work that the Canadian Taxpayers Federation did. Now, that you're in government, you seem to not like what we're doing. So I'll tell you something and that's you're here to play politics—

Mr. Chairperson: Order.

Mr. Craig: —while we've got people here whose livelihoods are at stake. It's absolutely appalling that you're more interested in playing politics now. Let's deal with the issue and try and grow the economy and be business-friendly, be friendly to the Manitobans that are paying for your salary to be here right now. How about that? *[interjection]* I've provided you with an answer. I'd appreciate it if you would stop playing politics.

Mr. Chairperson: Order. I will go to Mr. Maguire.

Mr. Maguire: Thank you, Mr. Craig, you—I appreciate the fact you did give an answer. You felt that this should come together in a co-operative manner and have a committee look at between now and fall, of the industry, try to come to a better solution than a closure. I'm surprised that the minister doesn't take the opportunity to ask more of the presenters how they feel they could make this better other than just saying he needs something better than the toughest manure management regulations that are already in place in North America.

One of the things that struck me in this whole process from your presentation is that the need to build an industry in Manitoba, particularly—which one of the speakers tonight, I think it was one of the reeves from east here, indicated that the Crow benefit had disappeared. I know the date very well; I was in Ottawa lobbying at that time when Minister Goodale took it away. August 1, 1995, \$7 billion left the prairies. It was done by a federal Liberal program. A responsible provincial government—regardless of who it would have been, I assume—at the time would have tried to do something to protect their grain farmers at that particular time, when you pay the highest freight anywhere in Canada which we would have done in Manitoba being equidistant being equal distant from Vancouver and Montreal. Then I

remember speaking with Archie McLean, the CEO of McCain Foods at the time, and Maple Leaf. Now, looking at what would Manitoba grain farmers do with their grain. Will they export it or will they feed it? They had the opportunity. I think Mr. Siemens alluded to this earlier this evening as well. An industry was built because of the detrimental decisions made in policy by a federal government on another government. Now we have a government making a detrimental decision on an industry that was established to help save an industry here, and—

* (00:00)

Mr. Chairperson: Mr. Maguire, we're over time. Put your question, please.

Mr. Maguire: Okay. I just wanted to ask you if you feel that that's fair that an industry that was formed out of that kind of a scenario, that there are people there that would actually have some input into the kind of co-operative group that could come together to provide a better solution for the minister.

Mr. Chairperson: Mr. Craig, briefly.

Mr. Craig: Definitely. We can sit here and point fingers, talk about the past, the present. Let's talk about the future and supporting this community. As I said earlier, I think there needs to be an opportunity for as many farmers as possible to have an opportunity to take part in an open consultation, a discussion to involve members from the Clean Environment Commission, to discuss the science further. I think many members of the government could do with reading the report and realizing that they're not calling for an outright ban, they're calling for improvement where they're needed.

Farmers deserve an opportunity to have that chance to improve their farms if need be. I think that that's a fair way of dealing with the situation and that's what the majority of farmers have said. They're not opposed to any kind of regulations in their industry. They've just asked that they be reasonable. That's what the Pork Council's calling for, reasonable regulations. If you're going to support this industry, that's the first step.

Mr. Chairperson: Thank you for your presentation, Mr. Craig.

I call John McDonald, No. 69. Do you have written materials for us, Mr. McDonald?

Mr. John McDonald (Private Citizen): No, I don't.

Mr. Chairperson: No? Please proceed.

Mr. McDonald: Mr. Chairperson, panel members and, I guess there are no other speakers. I can't envy your position here tonight. I've been here since 9:30 myself, but, after I'm finished here, you guys got another three more days to go. So you look at little beleaguered right now. I don't want to see you in three days.

Anyway, my name is John McDonald and I reside inside the Perimeter Highway. Some people have asked and wondered why I feel I must speak against Bill 17. There are a couple of things I want to clarify before I get into the meat of my presentation.

One presenter, actually, I'm glad I couldn't have got up after he spoke. You thought Darryl Herman was emotional. I've known Darryl for about 20 years. You didn't see him emotional. I can get that emotional myself.

Around Grunthal, there are no 8,000 to 10,000 finisher barns. I'm quite familiar with the area. There are no vacant houses in the area from hog barns. There are some vacant houses being in the process of construction. I don't think the colonies were paid by the Pork Council to speak. I'm quite confident they can speak on their own behalf. A lot of the hog bosses are in Iowa, as are a great many of the speakers that are not here tonight, at the Expo. The one thing that got me infuriated was all the misinformation, and I wish that gentleman was here because I think he thought nobody else knew where Grunthal was. I find it insulting to be told that I was paid to come here to talk.

I'm concerned that Bill 17 targets a multi-million-dollar industry. It's ill-conceived and, certainly, from my perspective, an unfair piece of legislation, and it does target the hog industry. A lot of what I had to say has been reiterated probably about 100 times today already. But I'm going to touch on a few areas that have not been.

I make a fair amount of my livelihood in the agri-business, and a lot of it, in particular, the hog industry. I'm not shy in admitting this. I'm an insurance broker and I insure many of these operations. But this bill, combined with the past market conditions, has made some of my client's farms worthless from a selling perspective and worthless from an insurance perspective. A little explanation on that is insurance companies do not want to insure vacant buildings. If they have a mortgage on them, the lender wants them insured. There is a quandary in that area, meeting with banks and lending institutions to see how that can be

solved. But that's got nothing to do with this, but it's a problem that is coming up.

This bill, if passed, will certainly put a strain on the small producer, and from what I heard in the last election the NDP government said they want to protect the small producer. Last week, one of my clients who has now got no animals in his barn just reduced the insured value of his barn from \$1,000,000 to zero. He does not have a mortgage on it. He's in his late '60s, and certainly does not have any EI benefits. So, now, what was a large asset is virtually worth nothing.

It's tough sitting across a kitchen table because I am on the frontlines and I see this every week. I'm not going to say every day, but every week where people are making a decision on something they can't decide what's going to go on. Should I expand? Should I borrow another million dollars? I can't expand.

I have another client who bought two sections of land, a small sow operation, got some of his expansion done, it got stopped. He still has to pay the mortgage on that land with a negative income. Now, he's fortunate, he has another barn which is subsidizing it, but I know that's not the way he wants to do business. Other clients are just saying, well, I just got to give up. I'm not going to borrow another million dollars. The moratorium puts them into an area of uncertainty. The banks will not, in a lot of cases, lend an industry money where there's negative income or uncertainty in growth to be able to pay back the loan. The first example I gave, the son wanted to take the family farm over. The moratorium came in, the lending institution said, no money because we don't know if you can expand to pay the debt back.

It's been tough enough to farm without having a government telling you, you can't do it. I'm not alone in the arena of supplying the hog industry. As of the last Hog Days, there were 231 exhibitors that all have a financial connection to the hog industry. These companies are composed of, bear with me: feed companies, vet companies, welders, electricians, gas fitters, carpenters, construction companies. Some of these you've heard of today: alarm companies, genetic suppliers, accountants, lawyers, lending institutions, computer companies, software companies, specialized flooring companies, manure management, ventilation. You heard from Baker Colony, Better Air. I'm quite familiar with their operation from my line of business. Machinery and

equipment companies, propane companies, Manitoba Hydro, telephone companies, processing companies, leasing companies and, of course, insurance brokers, large or small. We all make a living off this industry. I could read you the total list of the 231, time allowed, but I think you'd all be asleep by the end of it.

Many of these companies are inside the walls of the Perimeter Highway. If this bill is passed, many of these companies will, if not already have done so, have to lay off personnel. We heard from one construction company who's already gone from 60 to 50 people. Better Air has shut down one of their off-site operations. Now, many of these voting employees will know who put them out of work and maybe their company out of business. I'm certainly not going to go out of business, but the supporting industries, we are losing our customer base, and these companies employ hundreds of people as a group.

*(00:10)

Of course, the penning suppliers could make larger pens for the criminal element if they ever get to jail, and the vacant hog barns could be used as grow ops as they have their own water and power supply. I say that tongue in cheek, but I give you five months and it's going to happen.

I talked to two large auto dealers here in the west end. I can't tell you who they are, but they happen to be at Waverley and Scurfield. They get about 25 percent of their business from the farm market. Outside the Perimeter, they will be getting a lot more than that.

I've seen and heard so much misinformation on the Lake Winnipeg issue, some of it borders on being just plain stupid. There's an article from a gentleman in the Roblin area who seems to think he speaks for the west, but what I know of him, he doesn't even live near a hog operation. He cites a tired old 2005 study on the nutrient loading in Winnipeg, but from what I've seen, it's the only study around. If there was another study around to contradict this one, well, then, he may have a point, but if you only have the one study and you don't believe it, well, find one or be quiet.

It seems if the study doesn't agree with the proponents of destroying the family farm and the hog industry, they say it's not valid. Another comment that I keep hearing is corporate farms. As mentioned

before, a lot of these farms incorporate for tax reasons. I personally am incorporated, and I don't have a 6,000-sow operation. It's all for tax reasons.

Subsidies. Well, I think every one of us here had the benefit of a subsidy of some sort. The subsidies, a lot of them are misconstrued because they are actually loans that have to be paid back, low-interest loans. Every one of us here makes use of subsidies, our education or our medicare system, every one of us.

Another point for passing this bill is just utter principle. It's indicated as the lowest polluter in the lake and the only one being banned. Water from the U.S. or other provinces is not being rerouted. We can't do it. The city of Winnipeg, as mentioned today, has probably dumped a lot of sewerage into the river untreated, so I just would like to know why the hog industry's being picked on. No other industry is being told they can't expand. Expansion done in a reasonable manner, or responsible manner, I believe is the way to go.

It seems to me that it is a purely political decision because most of the votes are inside the Perimeter Highway. My one last thing here is some individuals will find out that I'm in sales, react with the usual: I must be a good talker. I'm not. Good salespeople don't talk, they listen. Good politicians also listen to those affected by proposed legislation and don't give in to political correctness. I have found rather than being confrontational, it is far more effective to be working alongside someone. Thank you for listening.

Mr. Chairperson: Thank you, Mr. McDonald.

Questions.

Mr. Graydon: Thank you for that presentation. We know from the presenters today and from the constituents that we represent throughout Manitoba that farmers are businessmen. It doesn't matter if it's a Hutterite colony or if it's the fellow down the road or if he's in the beef industry, whatever industry he's in, he's a businessman. You're absolutely right when you point out that they understand business. They understand what it is to have to make a payroll. They understand what it is to have to take in more than a sheet of paper to buy a car. They have to go to the banker, and they have to explain to him what their long-term plans are. It's refreshing to have a businessman come up to them, like tonight, such as you that's involved in the industry.

Perhaps the question I have for you is can you define the family farm? We've heard that comment time and time and time again from this government who said they want to protect the family farm. Can you define, because you sell insurance to all farms, can you give me a definite definition of the family farm?

Mr. McDonald: Sorry about that. I heard that enough times I should've known better.

The family farm, what we use as a definition is where there is some ownership living on the site of one of the locations. Some farms have more than one location and so the owner can only have one principal residence, but that is the definition what we call family farm.

Mr. Chairperson: Mr. Eichler.

I'll come back to you, Mr. Graydon, if time allows.

Mr. Eichler: Thank you for your presentation, Mr. McDonald. I do have a concern. On your very first part of your presentation you talked about insurance values and a barn that was worth \$3 million is now worth an insured value of a million because of it becoming vacant. How is the industry going to place values if the moratorium goes through? I'm very concerned about that, and we know that the hog industry is high risk. We know that. But what are the writers going to be telling the industry when it comes to the real value, replacement values of these barns, will we see an automatic write-down because of the barns and the moratorium as a result of Bill 17?

Mr. McDonald: I got it right this time. Actually, it was 1 million down to zero, not three down to one. I felt I should correct that.

The insurance industry has its own wordings. All insurance companies have the same wordings. It's set up through insurance regulators. An unoccupied barn with no livestock in it, it is insured for what's called depreciated value, that is a number you just sort of reach at. It's very difficult, and if there's no livestock in it, say we've got a \$2-million barn and it gets depreciated to \$1 million, if there's no livestock in it all that the payout's going to be is \$500,000. The bank probably has \$1 million on it. You run into that problem. It's the insurance guidelines that have been set up and they're there and nobody's happy about it. We're sitting across *[inaudible]* as well. This is all you're going to get, get permission from your lending institution. Of course, the lending institution says,

oh, you've got no animals, how are you going to pay your loan? So if it burns we're underinsured.

So I think there's going to be a problem if the moratorium goes through and people have to start shutting more barns down. I've had two in the last two weeks.

Mr. Chairperson: Thank you, Mr. McDonald. Time for this presentation has run out, so I thank you and apologize to the people still on the speaking list, but so it goes.

The final presenter is Mr. Herb Schultz, No. 94. Mr. Schultz. Mr. Schultz, do you have any written materials? You do? Okay, thank you.

Mr. Herb Schultz (Animal Nutrition Association of Canada, Manitoba Division): If there are any baseball fans on the committee, I'm the closer for tonight and we've gone into extra innings.

I'm here representing the Animal Nutrition Association of Canada, Manitoba Division. This is a not-for-profit organization that deals with the issues in the feed industry. Our members, and I'm going to be quicker than what I'm going to read here just to sort of get on with it. Some of these things have already been said. We do a \$300-million business in Manitoba in feed only and that's slightly over 1.5 million tonnes of feed and that's about 70 percent going into hogs. There is also a major element. It's called the on-farm mixers. They account for about 40 percent of the feed matter.

Going into the proposed ban, it's actually a ban that exists right now; it's just being proposed to become permanent and that is the—there was a pause and now there's a permanent proposal on it. It does create the unrealistic expectation that you can deal with water problems in Lake Winnipeg by dealing with the phosphorus and other nutrients in hog manure.

* (00:20)

It's a very complex problem and it will not be solved by a simple solution. It's as we say, a very complex problem some people say can be simply solved, and that's usually wrong. Bill 17 is an expedient and is probably wrong because there are complex problems and complex interplays at place.

The other thing is that Bill 17, I think, is an illustration of how many speakers here ignore the political science of this. People in an open society want to be fully engaged on things that are going to

happen to them and somehow be able to read what's happening and have input into it and maybe ameliorate things and sort of adjust the whole cause as to do it. I use a theoretical example. If Winnipeg—we've got too many cars here and it's not getting better. Bill 17's solution would be is to say, yeah, everybody that owns a car right now can drive it, but anybody else that wants to register a new vehicle or an additional vehicle or a new family moving in, can't register a new vehicle. You can register as many as you want outside the Perimeter. That politically would sort of get into a firestorm very quickly.

There is one thing I would say in deference to Minister Struthers. I think you've been taking a lot of heat that the CEC did not contemplate Bill 17 in it, but in fairness that report did not anticipate the root causes as to why there's phosphorus in manure. It's in the grain that gets to the pig, that's the problem, not the manure. If you solve it strategically, you've solved it at the end of that.

I would say that in reality pork production has dropped in Manitoba for a couple of reasons. Economics are one of them. Trade's the other one and including the existing and potential regulations. A portion of those have been put out and I might give the credit here to Minister Wowchuk. She's probably done more to do to reduce phosphorus loading in the manure with the sow reduction program which is about 5 percent right now. That's done. It's faster than Bill 17 will do because there's only a cap on Bill 17.

I think it's within the purview of this committee to rethink some of the prohibitions in the Red River Valley and in the Interlake. First of all, the blanket prohibition in the Red River Valley and Interlake creates the perceptual misconception that links water quality to one problem and that is pork production. The sweeping nature of this proposed ban gives rise—it gives the myth that the problem that may be perceived in two or three municipalities is actually around in all 34 municipalities and the rest of the Interlake and west of the Red River Valley. Yes, there are some very geographically fragile areas that you may have to, in terms of looking at and stay focussed and say, no, maybe there isn't livestock reduction should be there. But there are a lot of municipalities, particularly on the west side of the Red River that have very low populations of hogs and, in fact, could sustain a hog industry there without undue harm and, in fact, with proper management could do it.

I can also tell you that the mere announcement of the permanent cap has caused some of our industry leaders to put on hold completely their investment plans for south of Winnipeg here and they're actually opening an office in the U.S. You've already heard that from other presenters that money is flowing south. That was a \$5-million plan. It was simply being put on the shelf here anticipating they were going to wait until the economics of hog production were going to turn around and then they were going to start launching it when they saw that the hog production was turning around. They can't now because it's permanently out of their jurisdiction.

I think the independent and the corporate barns that are currently depopulating right now, a lot of them had the optimism that they could re-enter after a while when things got better. I know also that a number of them are not going to go back in. This was actually the window that they could use to get out permanently. You're really not going to get back quickly to what you had when you studied this two years ago, in terms of concentration and in terms of phosphorus loading.

I'd like to go forward in where we can go in terms of collaborative efforts. The animal nutrition with the pork industry, we can and will respond to the economic and the societal pressures. When societal pressures get too high on you, you've got to do something about this. Some of the easiest ways we can improve it are already in there. Better diet formulation, bedding and manure management—they've already been discussed today. Our industry is also working with the private and public stakeholders who have developed feed grains to reduce the phosphorus in hog manures.

I can give you two examples: The University of Saskatchewan registered a low-phytate barley last year. We had a lot of problems getting it registered. I won't get into the reasons why; it wasn't your fault. There were other people involved. The reason probably is that phytate is a phosphorus compound which is not digestible by the hog; you can get around that by adding phytase enzymes and a few things but, in the end run, it's the cost of the phytase. Sometimes you have to add phosphorus to the feed to get it out.

Really, in the ideal world, there should be no phosphorus in the manure, because the pig needs phosphorus to be nutritionally sound.

There's another that is a U.S. firm and we were aware of this; they have actually developed—the majority of corn growers in Manitoba buy corn seed from them—they developed a high availability phosphorus—HAP, as they call it—corn. They've done a number of trials and actually demonstrated that they can reduce the phosphorus in manure by 37 percent by just using that.

Why would a hog producer pay for phosphorus they can't use in the grain? The issue is that all of this research sits in research labs or on shelves of seed developers because, to commercialize it, there is just no incentive to do it right now.

In summary, I think the ban, or the proposed ban, on the Red River Valley and the Interlake has been overtaken by the reduction of hog numbers, due to economic and trade issues. Any potential nutrient loading in Manitoba has already been reduced, and I don't know if we'll get back to it. Even if we do get back to those hog numbers, if we can actually get at the issue of phosphorus loading by dealing with the strategic end of it, the front end of it and the issues, we can probably get to a point where we could actually say, we've got a handle on this.

I think I will leave it at that and entertain questions.

Mr. Chairperson: Thank you, Mr. Schultz. Questions?

Mr. Eichler: Thank you for your presentation. Very interesting. I know that we are encouraging science; we are encouraging new technologies down the road. We know there's a downturn in the market and we do know that we'll come back.

My concern is that the permanent ban which has been proposed in Bill 17—the province of Manitoba will be left behind as a result of that. The lack of investment—you talk about a \$5-million investment that would be invested somewhere else. That's a significant amount of money.

My concern and my question to you is: Do you feel that this is, in fact, going to stop science-based technology here in the province of Manitoba?

Mr. Schultz: Yes, and it's not a vindictive type of thing saying, the government's done this and, therefore, we're not going to spend a dime here. It's basically economics. If you invest money in research and private A sector does, if you invest money in research and stuff like that, you expect a payout at the end. If you can't see that payout in terms of

improved productivity or expansion—in other words, you have improved the environmental issue and you now can't get advantage of that because there is an absolute ceiling—why would you spend the money? It's like asking somebody, why would you buy a lottery ticket when they've announced all the prizes? It's just stopped you; you go elsewhere with your money.

Mr. Pedersen: The Clean Environment Commission had a number of recommendations—and I don't have the report in front of me—but the government was to take some action on research.

* (00:30)

Were any of the recommendations in there to—you're talking about research and development on the phosphorus and the feed aspect and lowering phosphorus in manure. Is that part of the recommendations from the CEC, as you understand it?

Mr. Schultz: I'm not clear on it. They said there should be more research. But I guess what I'm not talking about is more research. I'm talking about ways of commercializing research that's already on the books. I guess that the question is, when we search—you research something to say, can we even do this? Well, in a number of cases, we're actually past that. We're actually at the point we're saying, yes, we can do it, but can we save money at it? Now, when we get to that point, well, then the thing goes forward. The seed developers have no incentive if there are no buy-in in terms of their effort. They're not going to do this out of the goodness of their heart.

Mr. Struthers: Thank you very much for your presentation, too, and for hanging in there with us throughout the evening and having the distinction of being our last presenter tonight.

So all I wanted to say to you was, thanks for your words. I want to say thanks to all of the staff that have been hanging around here, as well. They've done a bang-up job again tonight. My staff from Conservation and all of the others who have been here tonight to help us to listen to all the concerns of all of the presenters that we did. I thought it went very well. Thank you for your words tonight.

Mr. Chairperson: Mr. Schultz, response to that, or to the next question?

Mr. Schultz: I appreciate it. I think we should all go home and sleep on it.

Mr. Chairperson: We'll give Mr. Graydon an opportunity to put a question first.

Mr. Graydon: You had mentioned in your proposal that there was a \$5-million feed mill that may well have been—the rumour is that it won't be here because of the ban.

I would like to ask you, if Ridley is selling their feed mills in the Red River Valley and in the moratorium area, and the other feed mills that are up for sale, if that's caused by the moratorium?

Mr. Schultz: I actually would say, no. Ridley has announced that the feed-right component is up for sale. I will say that the rumour on the \$5 million is not a rumour. I got that on good authority, and I was allowed to use it based on the fact that I would be a firewall and would not identify the company.

Mr. Chairperson: Thank you, Mr. Schultz.

Seeing no further questions—I just have to say for the purposes of conserving paper, it would be appreciated if committee members could leave behind any unused copies of the bill.

The hour being 12 o'clock, committee rise.

COMMITTEE ROSE AT: 12:33 a.m.

WRITTEN SUBMISSIONS PRESENTED BUT NOT READ

All re: Bill 17

Thank you for the opportunity to comment on the proposed legislation known as Bill 17. I would encourage defeat of Bill 17 as it will have very negative consequences for the future of our province.

My family and I are egg and poultry producers at Oak Bluff and our farm is located 1/2 mile west of the perimeter highway. We are 1.5 miles north of Oak Bluff and 1.5 miles south of the Charleswood lagoon. Our family has been in Canada about 80 years and have farmed in our current location over 60 years. Oak Bluff has grown significantly during that time and Winnipeg also constructed the Charleswood lagoon. In addition, the perimeter highway was constructed and Manitoba Hydro established LaVerendrye substation west of our farm location.

Needless to say, these changes have had significant effects on our farming operation. We have actually relocated our egg laying operation, along with several other farm families, to a new facility called Prairie Egg north-west of Dufrost, due to limited expansion opportunities in the Oak Bluff area. As a family, we have been very pro-active in working with our neighbours, as well as the province, to manage the above varied land uses. I actually served on an advisory land use planning group for the R.M.'s of MacDonald and Ritchot to develop policies for all our residents.

My family is very committed to agriculture, and is extremely grateful for the opportunities Manitoba has provided. In addition to myself, I have one brother in the Oak Bluff area who is an egg producer, and another brother who works for a poultry/pork feed and service company in Niverville.

We have enjoyed the benefits of Winnipeg while living in a rural area and, as a result, have tried to be proactive in working to develop good land use policies for all residents.

Personally, I have been a director on the Manitoba Egg Producers since 1984. During this time, I have also represented Manitoba on the Canadian Egg Marketing Agency for 10 years. My involvement has been varied from representation at WTO negotiations to development of on-farm food safety programs, animal care policies, and environmental programs.

This brief is very difficult for me to write. I have worked in an advisory capacity with every Manitoba Agriculture Minister and their staff dating back to Minister Uruski's ministry. This role has been excellent, in my opinion, and each minister contributed greatly to the future of our province. My relationship with Minister Wowchuk and her staff is no exception. I, and the Manitoba Egg Producers have been very pleased with the ongoing partnership relationship we have had.

Minister Wowchuk showed very strong leadership to the beef industry during the BSE crisis. As well, she was key in resolving long standing issues in the poultry sector very successfully by merging the Hatching Egg and Chicken Producer Boards. Thus, this brief is difficult for me.

Bill 17 flies in the face of everything I have mentioned.

Manitoba has had significant growth in the pork sector in the last 10 years. As a province, we have

learned a lot and I, as well as many others, have tried to be pro-active in developing various pieces of legislation.

Land Use Planning, Environmental, Manure Management regulations are examples of legislation many of us have worked on. I often represented egg or all poultry producers during consultations under the umbrella of Keystone Agriculture Producers. The current Nutrient Management Regulations followed the same consultative process. Discussion involved a lot of give and take and resulted in draft legislation that was acceptable to most participants.

KAP showed excellent leadership in a very proactive way. These regulations will have major impacts on the farm community and we are very willing to do our part to improve environmental conditions for the benefit of all Manitobans.

I clearly remember meetings, as a part of KAP, we had with Premier Doer and several of his colleagues. Premier Doer indicated "Manitoba has lost confidence in its water supply" and we had a good discussion on future steps. I was so proud of Manitoba when I listened to every farm group and industry representative present indicate their willingness to work with the province to do our part. We also shared ideas about how we could improve policies in our cottage sector, rural towns, and the City of Winnipeg. We all agreed this involved every Manitoba resident.

Shortly thereafter, we had the CEC hearings, and their resultant recommendations. Many of their recommendations are very good and clearly indicate the pork sector is sustainable in Manitoba.

Given I was part of the above good faith process, I was surprised and offended by the initial temporary pause on pork facility construction, and now the permanent proposal in Bill 17.

As a farm leader, this bill suggests very strong negative messages regarding the long standing partnership relationships we have enjoyed in Manitoba.

All of the science and the CEC report do not support the blanket ban proposed in Bill 17. The CEC report mentions two municipalities and all of us participants in the above process realized the proposed Nutrient management regulations would curtail most, if not all, livestock growth in those two municipalities.

As an average size farmer in Manitoba, Bill 17 is extremely frustrating. Much government policy encourages rural development and the growth of more smaller farms. Bill 17 will eliminate much of this objective. If my farm is located in the affected areas and I have enough acres for the manure from my farm, I can not expand. Bill 17 could prevent me from bringing a son or daughter into the business or improving my facility to adopt better technology for environment or manure management.

Bill 17 targets one sector and ignores all scientific research. A recent documentary entitled "Fat Lake" does a good job of outlining the history of Lake Winnipeg. It describes the lake's problem as enrichment over time, and not pollution. Only a small increase in phosphorus over 30 years has created the current problem. The nature of the problem is well described – change in lake ecosystem, species, toxins, oxygen depletion. The film also describes the positive research and best management practices many groups are implementing in a proactive way. One of our leading researchers, Dr. Don Flaten, was featured in the film, and he has done extensive research on Lake Winnipeg.

Bill 17 ignores all of the work and research done to date. It arbitrarily targets the pork sector in a very discriminatory manner. Bill 17 is actually a scary piece of legislation in a democracy, as it ignores all proactive research and management practices which have been thoroughly discussed.

My last point deals with the negative economic impacts of Bill 17. This bill sends a clear message that Manitoba has withdrawn its support for agriculture. Farmers like myself are being told that we should incorporate our children into agriculture in a different province or state.

Canada and Manitoba welcomed my family to our great country as farmers many years ago, and now Bill 17 tells me I am a second class citizen and should move my family elsewhere. This is a very hard message for me, given my 25 years in active policy development to improve Manitoba.

Bill 17 also ignores basic geography. Even if all the livestock moved out of Manitoba the problem would not be corrected. North Dakota and Saskatchewan could be beneficiaries of livestock growth. Manitoba would have no input re any regulations and we would lose all the economic impact. In addition, the Red and Saskatchewan rivers all flow into Manitoba so we would still need to deal

with any negative nutrient impacts coming from elsewhere.

An interesting analogy could be made to Europe on animal care legislation. Several western European countries arbitrarily passed legislation banning cages for laying hens. The net result was that the production moved to eastern European countries which in turn exported eggs back into western European countries. Due to loss of economic activity and poorly researched policy the western countries had to change legislation to allow enriched cages as an alternative. Similar to our proposed Bill 17, these countries could have followed good research and passed correct legislation the first time.

The real solution is appropriate nutrient management as opposed to blanket discriminatory bans. I encourage you to defeat or withdraw Bill 17 and continue to work with all of us to continually improve our great province with good nutrient management policies.

Again, thank you for the opportunity to present my comments to this committee.

Sincerely,
Harold Froese

* * *

Dear Chairperson and Members of the Committee:

My name is Denise Trafford. I am speaking as a private citizen who owns property and grew up in Turtle Mountain municipality in southwestern Manitoba.

We need a province-wide moratorium on new construction of confined livestock operations for pigs. Southwestern communities are very depressed by the invasion of the intensive hog industry which takes so much and gives back so little.

Southeastern Manitoba has the unfortunate distinction of being called "a toilet for the hog operations". Can you tell me what would be accomplished by moving this problem to the southwestern side of the province? Why would the government want to make the same mistake twice?

It is clear that this government is trying to appease the hog industry by giving them the south western side of the province to expand in. As we all know from history appeasement does not work but merely displaces and prolongs the problem.

The majority of neighbours and friends that live in our community are completely against factory hog operations. When an application was made by Hytek (a Manitoba hog company) to construct a mega 10,000 hog operation, near the hamlet of Ninga, close to 90 percent of residents were opposed to it. But because of a very pro-hog municipal council, with questionable ability to make unbiased decisions because of their involvement in the hog industry, it was given the green light. Despite major errors in the Technical Review and information that demonstrated that the water table and soil types of this area cannot support such an operation it was allowed to proceed.

This municipality cannot handle any more hogs. Killarney Lake is ruined from eutrophication. I remember when the beach at Killarney Lake was covered with people from end to end. Now you only see a few brave souls swimming in the paint-green water. Once the tourists leave it is hard to convince them to come back.

The rivers and streams in this area run from west to east through Killarney Lake, Pelican Lake, Lorne Lake and Rock Lake and on into the Pembina River where converging water enters the Red River; ultimately this water flows into Lake Winnipeg. This is all part of the Red River Drainage Basin. There are vast areas of wetlands in southwestern Manitoba and the water table is very high. An example of the high water table became evident when Hytec was digging their EARTHEN lagoon near Ninga for their 10,000-factory-hog operation. Water kept seeping into the hole until they were forced to put a liner in it.

Many of us have been fighting for years to save our community in Turtle Mountain municipality from the hog invasion. We have fought to bring attention to the dire condition of Lake Winnipeg and explained how we are all connected by our waterways and common concerns. We deserve the same consideration as the rest of the province in Bill 17. This bill should not segregate us from the rest of the province. It must be uniform and fair to all.

Thank you for your time and consideration.

Sincerely,
Denise Trafford

* * *

Thank you for the opportunity to voice my support for Bill 17; this action should have been implemented from the beginning of mega hog operations in Manitoba. It would have saved a lot of

the depreciation that our Environment and concerned citizens have suffered.

I can begin addressing my support from more recent times when submissions were made a year ago last March to Chairman Sargeant. I observed that the hog operators made promises to start to remedy their mistakes and start anew by being real stewards of our environment. I was naive enough to accept those statements as they were made under oath!

It was only a short while later that those sworn promises were beginning to show the original colors; back to square one! I am enclosing a letter to Hon. Minister Oswald with copies sent to the Premier and Conservation. I noted at least 12 concerns that I believe to be worthy of serious undertaking. That shows the inconsistency of their sacred promise. Other breaches have also surfaced. They are not adhering to what they said only to cleanse their known dark areas of operation during the hearings.

Having heard the opinions of MPC, it is obvious that they want to use Manitoba free to their will as though they owned it; in some cases, yes they own their land but what their operations yield is another story. They do not own what is under their land (plowable depth only) nor the former clean air and more respectfully our water; re: Lake Winnipeg and their 1 percent joke on phosphorous! These operators had their chance to clean up their acts upon the pleas from concerned citizens but blew it. Now they challenge the people of Manitoba which is government to continue their carnage. I would hope not!

It would take endless time to really open up the books on this sordid, despicable subject, but I believe the government of Manitoba is standing up for our environment and the citizens. I tip my hat to them for their long-awaited responsibility.

Manitobans have paid enough to keep this industry afloat by way of grants, government overseeing, specific programs and the intended cost of Lake Winnipeg clean-up. The industry cannot support itself and its actions should be called in. Corporates should obtain their funding from corporate institutions and not the poor rubes of Manitoba. Corporate welfare bums are not admired by real honest Manitobans.

What remains in question is the way the existing barns carry on their business and that the ban be extended to all of Manitoba. Mr. Carl Kynoch stated

that the hog industry would move to the Dakotas and Saskatchewan if the ban was not lifted; let them go for it. Manitoba is worth a lot more than what this industry claims.

In ending, I can honestly say this; give Friendly Manitoba back to the people!

Thank you,
Joe Leschyshyn

Date: Sun, 17 Feb 2008 15:42:09 -0600

Theresa Oswald
Minister of Health
Province of Manitoba
Winnipeg, Mb.

Dear Madam Minister:

In mid December I was notified of a possible breach of the Environment Act and as well a potential health hazard. It was associated with a local hog operation known as Interlake Swine Breeders. The nature of the concern was spreading of hog bones on an area of approximately 6 acres. I took my concerns to the local Agricultural Rep. who suggested that I take this issue up with the Environment Officer at Gimli. I did so and asked to be included in the investigation to point out the conditions which concern me and most Manitobans. I received an email back stating that he was investigating if any breach of the Regulations were broken. I was getting no answer and decided to contact him. I was told he was on holidays and have not heard from him since!! I then informed the Provincial Vet who informed me that he seen no problem and that my report was too weak. Should it not be his responsibility to check it out further? Step 4 was to send you a copy of the errands I was running and after 2 weeks plus I got a phone call that Dr. Susan Roberecki wanted to meet with me. I acknowledged and asked that Dr. Tim Hilderman accompany her as well. Again I waited for over two weeks!

I then called your office and asked what was happening. No one knew anything about this meeting. I suggested that they call Dr. Roberecki and find out. The whole thing was then dumped on Dr. Tim Hilderman who also has not answered me except to say that he would investigate with the Environment Officer who was there in the first place and that my presence was not in order. This sounds rather sad that we are practicing state control and the

public has no say; rather called Fascism. I again wanted to point other things as well so that for once could understand my concern. To date I have had no correspondence and have no choice then to relate this matter to you since it all points to Health. To get a put off as such is not too encouraging when a person wants to help protect Human Health and our Environment.

I now have to point out the concerns that I have relative to the issue.

#1: The composted bones were spread on an area with no overburden; on bare limestone, a direct conduit to the Aquifer.

#2: The area is within a Water recharge zone.

#3: That area is less than a 1/4 mile from a previous manure spread field that Mr. Bob Betcher disqualified as a spread field which is bedrock! This area is the same geological stretch that the bones were spread on; limestone!

#4: Any leaching of diseases or micro organisms would enter the Aquifer and as well channel into the Headwaters of the Icelandic Water System and unto Lake Winnipeg and onward. A letter by Mr. Betcher states that the area in question is the most susceptible to contamination and the most necessary to protect in the Province of Manitoba.

#5: The claim that the Head Vet stated that the hogs were composted and free of any concerns holds no water!! I would be delighted to see anyone affix their name and state on behalf of the Province that the whole procedure is 100 percent safe. Cryptosporidium would be the first to eradicate. These hogs died from a course of many diseases and didn't make it to someone's table!!

#6: This area appears to have a fence around it supporting the fact that cattle graze there. The wide open area would enhance cattle being there to ward off the flies. Cattle have a tendency to chew on bones.

#7: There is a danger of Anthrax developing in time.

#8: Wild animals; deer, elk, wolves etc. frequent the area because of its elevation. This includes ravens, magpies and crows and smaller animals that would be hauling their cache to outer areas.

#9: If the composted matter is so good as a plant nutrient then why was it spread in a hidden area instead of an agricultural operation ?

#10: In the Manure and Mortalities Regulations it states that any part of a carcass is deemed to be classed as manure. It also states that Manure must be used as a fertilizer and shall not escape the boundaries of an Agricultural operation. Why then on Bedrock? The road leading to the venue has been barricaded with snow.

#11: The composting unit is to be of a ingenious design, however there are Regulations that state the distance of being close to a well. That as well includes the building site. There is a destroyed well that has been brought up to responsible Government People (Our Servants) without being de commissioned. It was simply bulldozed down before construction of the barn. The well is in that excluded area from the barn and composter!! One should wonder where the run off (fat) of the compost process goes to and the Air and Water being contaminated? Are the flies exempt from this process? The fallout of all hog diseases is where the concerns are.

#12: Taking into consideration of the number of hog operations we have in Manitoba, there are many who are not served by Rothesay. Where and how do they dispose of their dead stock? The Regulations are nothing but a big sieve through which 'big fish' swim through! The original Environment Act should be the tool to make this issue work, if we are going to protect our Health and Environment.

I have all pertinent literature to support my claims. I as well am open to any discussion you or your Department would undertake to put an end to this out of hand issue. As you may know by now this is not the only issue concerning this social menace. Madam Minister the ball is in your court now. As for the answers that I have previously demanded, it only shows a novel way of how our citizens and environment are protected; I hope that is not the case here.

Thank You.

Respectfully,

Joe Leschyshyn

My name is Joshua Waldner. I'm writing on behalf of Evergreen Colony. I've been hog manager on this colony for 24 years. Had a lot of challenging years in the hog barn, but none like the ones we're facing now.

It seems to me every time I go to a meeting nowadays there's new things about the environment, and every time I go it's far more confusing. We try to do the best we can, but still no satisfaction with all the new rules out there today.

Now this Bill 17 is really going to hurt a lot of people. We are not in one of those municipal areas but I have a feeling for them. Who knows? Are we going to be next? To me, it's pretty scary. As of now, we're building a new state-of-the-art hog operation, European loose housing, dry sow barn, as a lot of producers are going to be forced into it. That's what we're building now.

Have spent multi-million dollars already, everything we have to loan from the bank and are by far not done yet. Are we going to lose everything after a few years? That's a lot on the back of our minds. Lucky we had the permit in place before the moratorium was in place, but then maybe not so lucky with the way things are going.

I wish the government would spend more time on the farms to see how much effort is put in to build and produce food for our families; not only for ours, but for yours as well. So, please, don't let us down. I'm getting pretty worried. We have a big family and I'm getting pretty worried for their future as well.

Joshua Waldner

I would like to express my concerns about the Bill No. 17 that adversely affect the industry growth to whom I am working (Animal Feeds & Grains),

My views about this bill is the Bill 17 could prevent or slow down the economic growth of Manitoba livestock and animal feeds industry.

Yesterday I registered myself to present and express my views; I would like to take advantage of this email opportunity to express my views.

Thanking you,

Sincerely Yours

Syed Abu Rehan

I am writing in regards to Bill 17, Permanent Ban on Building or Expanding Hog Facilities. I feel that implementation of this bill will serve to destroy the hog industry in Manitoba. I am a 5th generation Manitoban of Mennonite descent, and my family has been hog farming since before immigrating to

Canada. It is my concern that this bill will cause farms like those of my family to become bankrupt and cease operation.

The hog industry in Manitoba has proven to be beneficial to our economy in more ways than one. Firstly, hog farms provide many Manitobans with gainful employment. Secondly, due to the increasing demand for food, and the food crises facing nations outside of Canada, failing to expand facilities may place existing business owners at a disadvantage as they may be unable to provide for an increasing demand. This could potentially cause the prices for food (specifically hog meat) to increase dramatically, and may force Manitobans to import meat. To me, it does not make sense to increase imports when Manitoba has the resources here at home to provide for our population.

There have been concerns raised regarding the environmental impact of hog farms, especially regarding waste. It should be noted that all farming and food packaging will result in a certain amount of waste, and that hog facilities produce no more waste than other animal facilities. I feel that it is imprudent to reduce Manitoba's self-sustainability potential in order to avoid this waste, as the final result will not be waste reduction. The result will simply be the same amount of waste being produced somewhere else and Manitobans paying for it.

I feel that passing Bill 17 is wrong and the bill should be withdrawn. If passed, this bill will rob Manitoban farmers of their ability to sustain themselves, and Manitobans will suffer the consequences of losing this valuable food resource. Although consideration for the environment is important, the well-being of the Manitoban farming industry and preservation of Manitoban heritage should also be taken into account.

Sincerely,
Ashley Trinkies

* * *

This is in regards to Bill 17. I have worked in the feed industry for the past 8 years. In that time the industry in MB has flourished, thanks in great part, to the growth in hog production. A permanent moratorium on the expansion of this industry is wrong. The provisions allowed for any growth under this bill is too restricted and is left up to too focused an interest (i.e., the Director). The Manitoba economy in general must grow. By effectively telling a viable industry that they are no longer allowed to

grow is unconscionable. If there is no more growth allowed, many companies will look in other jurisdictions to build and develop, where they are welcome. The loss of jobs in MB will be felt most immediately by those on the farms and processing plants first and in other industries reliant directly on the hog industry (like the feed company) and then to businesses in the areas that cater to all the needs of these workers.

If the focus of this Bill is to combat environmental issues why is the hog industry being targeted? There are many other industries causing just as much if not more damage. The goal of improving the environment should be done by working together with ALL industries to develop better ways of protecting our waters, lands, etc. This should not be done through destroying the economy but continually working directly with ALL industries. For far too long the MB governments have not been taking the environment seriously. Destroying the livelihoods of many will not make up for lost time.

Bill 17 is like preventing someone from dropping litter on the sidewalk by chopping off their hand. You can't do that. Instead you need to work with them, EDUCATING, reminding and if needed reprimanding them. All the while supplying or at least working with them to find new & better solutions.

Thank you.
Lorena Ewert

* * *

My name is Auke Bergsma, and I live in Carman. I am a farmer and have been since 1956 when we moved to Manitoba. Manitoba has good land and climate for growing crops. As small as southern Manitoba is, it makes for a good renewable resource to foster our economy. It creates a tax base for our province. Every family that lives off the land pays taxes and is good for our economy. Our son lives on the farm now and manages it. Our grandson is very interested in farming and is out there in the barn, as well, whenever he can. This farm is a successful operation, which I have started in 1960. Our operation consists of 680 acres and a 155-sow farrow-to-finish barn. We market just over 3,000 hogs a year and have been doing so for some 20 years. We have not increased the number of hogs per year for quite some time. Some of our barns have to be replaced in the next few years.

And now Bill 17 tells us that there will be no improvements to the barns. That means the demise of successful operation. My son said, if we cannot keep making a living here in farming, I am not out of here. There is no reason to live in Manitoba for him and his family. Do not forget that he will take his children along out of the province for he has three sons and one daughter. In some six or seven years they will also be paying taxes. We need our young families. We ourselves have raised 11 children of whom six are living in the Carman area and have jobs, some in agriculture and some in other fields.

There is a lot of spinoff from the farm. When buildings have to be built, the lumber and whatever material is purchased in the local lumberyard in town. When concrete work has to be done, it is a local contractor who does it. When the electrician is needed, it is one of the local people that does the job. And when the building has to be done, whether barn, house or shop, again it is local people that are hired for the job. The local feed mill in Carman is very important for our farm and for many more. It has a lot of people working there with good-paying jobs. This is part of the tax source that Manitoba needs for the good of the economy.

Some years back the Crow rate was taken out. The federal government, in their wisdom, did that. With this they created an incentive to add more value to the grain that would otherwise be exported. Here we see the provincial government working against what is an incentive of the federal government. We have rules and regulation in place in Manitoba. Why also a moratorium that will eventually kill the hog industry in Manitoba? Is this what you want to do? Yes, it has to be managed well and from what I can see, it is. They tell me that fishing in Lake Winnipeg is better than ever. I am very well aware that we have to take care of our water and what gets sent down the rivers and creeks.

The manure is a valuable product and the most natural to put back into the soil to grow crops. Do not single out the hog farms as a source of pollution. In a window of a storefront in Polo Park last year there was a sign up Hogs Stink. Is this how you portray the hog farms too? When driving on the Perimeter, one can smell the city lagoon and the Brady Landfill. This is created by human waste. Where do you think that ends up? You may not put this moratorium on the people of Manitoba. As elected government you are responsible to the people of the province, not only to some but also to all the

people of Manitoba. Together we build this province and sustain its economy.

On several occasions we have had the Minister of Agriculture, Rosann Wowchuk, at our annual meetings bringing greetings from the provincial government. She expressed, how much the hog industry means to the province of Manitoba. I just find it hard to respect someone who makes statements like that and then find out that they don't mean it. Remember, if you want respect you have to earn it. Just realize that with Bill 17 the family farm will disappear first and then the factory farms.

Therefore, I am opposing Bill 17. Please be sensible and govern for the good of the people of Manitoba. Thank you for listening to my concerns.

Auke Bergsma

* * *

I would like to take this opportunity as a citizen of Manitoba to speak out against Bill 17.

The feed industry will be greatly affected by Bill 17. Manitoba is a province that needs to nurture growth and development. We need to provide an opportunity for business to grow and develop. To restrict expansion or modification is without a doubt stifling to business and would most definitely make someone hesitate to take on "City Hall" and the paper nightmare that would be created. People will just avoid operating under the restricted areas. What will then happen to the Real estate, Job situation and retail businesses that count on that growth? I work in the feed industry and rely on the feed industry as do many.

Environmental responsibility is very possible without Bill 17. Thank you.

Kelly Fargher

* * *

Introduction:

Good morning. My name is Karl Kynoch. I am the chair of the Manitoba Pork Council. I am also a family farmer in the Baldur area. I appreciate having this opportunity to make a brief presentation on this bill on behalf of the Manitoba Pork Council.

Economic Background:

I would like to start with a little bit of economic background on the hog farming sector. It is important to remember these facts, and it is why we

continuously point out to people how important this industry is to Manitoba. Most people do not understand the scope or scale of this industry and just how important it really is. This sector employs about 15,000 people in Manitoba and generates over \$1 billion in annual revenues, including over \$500 million a year in foreign cash revenue.

Just to put this into perspective: The \$500-million-plus in annual export sales is more than any other sector in Manitoba.

When Flyer Bus or Motor Coach Industries or Bristol lay off 100 workers or get a contract, it makes headlines. When Manitoba Hydro gets a (possible) \$2-billion deal over 15 years in the U.S.A., it makes huge headlines. Yet we in the hog sector have quietly been outperforming those sectors for years with very few headlines or notice. We have brought in more foreign cash revenue to Manitoba than Hydro the last five years in a row. That \$2 billion that Hydro will bring in over 15 years, we would bring in \$3 billion. We employ more people and bring in more revenue than Flyer, Bristol, Standard Aero, MCI and all the other manufacturers of transportation goods combined. And that foreign cash income isn't going to corporate headquarters in Toronto or New York. It mostly stays here, is spent on TVs and cars and farm equipment and other goods and services right here in Manitoba. The hog farm sector has accounted for about one-third or more of all farm revenues in Manitoba. Thousands of people depend on the hog farmers for their employment, everything from farm equipment dealers to feed dealers to electricians, truck drivers, plumbers, construction workers, engineers, insurance agents, accountants, lawyers and many more. And this isn't just a rural thing. Many of these people live and work in Winnipeg.

So, when the hog sector is hurting, it hurts many other people.

And the hog sector is hurting: Market prices are down. Feed and other input costs are up. The high Canadian dollar is hurting us, and, of course, the impending COOL legislation is potentially going to hurt us. So the industry has been going through tough times over the last several months.

But we did not expect to have our own government kick us when we were down. Ironically, there is light at the end of the tunnel. Markets appear to be turning around. Farmers were looking to a brighter future, especially since we have shown we can outperform almost anyone, even the Chinese, in

hog production. But not now. This proposed legislation effectively kills any hope of reviving this billion-dollar industry.

Why Bill 17 is wrong:

This new legislation, Bill 17, that would permanently ban new hog facility construction in all or parts of 35 municipalities, covers about 6.7 million acres of land in southern Manitoba.

The government has been providing a rationale for its decision to ban hogs in this huge part of Manitoba. I want to spend the bulk of my presentation discussing this rationale, which we believe is based on false premises, and here's why:

(1) We are being singled out. This legislation deals ONLY with hog farms. This ban is unfair and discriminatory against a small sector of society. The government says it is not singling out the hog sector and that it is dealing with other things that are adding phosphorus in waterways.

But the reality is the government is dealing with them by regulating them with no limitations on the growth of any other economic activity in Manitoba. It is not banning new development in Winnipeg. It is not banning new dishwashers, golf courses, septic fields or cottages, and it is not banning other livestock expansions. But it is banning growth in the hog industry.

Hog production is a legally recognized industry which should be regulated as any other industry or activity.

This legislation is highly discriminatory and treats this legitimate activity as requiring extraordinary treatment in law.

No other jurisdiction in Canada is proposing to ban hog farms. They are all using nutrient management regulations and municipal planning tools to guide and develop their hog farm sector.

There is a huge difference between how the government is treating hog farmers and how it is treating others. Hog farmers are indeed being singled out by being banned out of existence.

Pork producers are simply asking to be treated in the same way as any other livestock group or other legitimate business activity. This ban is unfair and just plain wrong.

(2) No science. Manitoba Pork Council has repeatedly asked for whatever science the

government has on which it based this decision. No such science or evidence has been produced.

Meanwhile, real research, done by independent third parties such as the University of Manitoba, has shown no hard evidence of any significant nutrient loading from the hog industry in Lake Winnipeg. The hog sector itself has spent millions of dollars in third-party research and updating of technologies to improve its practices.

I ask again: Where is your evidence that we are harming Lake Winnipeg? On what scientific grounds are you basing this decision?

And, by the way, saying that 54 percent of the phosphorus loading of Lake Winnipeg comes from the hog areas along the Red River is plain wrong. That 54 percent figure is for the entire Red River basin which covers Minnesota, North Dakota, Saskatchewan and a huge part of southern Manitoba.

(3) Ban not recommended by CEC. The CEC report does say there are areas of over concentration of hog operations in certain areas of Manitoba. But the CEC is referring to only two municipalities. The chair of the CEC has publicly confirmed this. Banning new hog operations in 33 other municipalities is completely unjustified.

The CEC report states the hog industry is sustainable with appropriate regulatory implementation. The government has continually tried to connect its ban with the CEC report, yet no such connection exists. In fact, the CEC report actually said that farmers should use more manure, that inorganic synthetic chemicals should be replaced by manure. I wonder where they will get that manure, import it?

Previous reviews of the hog industry also stated the industry was, with appropriate regulation, sustainable. Dr. Ed Tyrchniewicz, the chair of the previous panel looking into the hog industry in 2000, said there was "no smoking gun," that despite what some people's speculation was, there was no evidence of any significant harm being done to waterways by the hog industry.

In fact, that 2000 report stated that: "Public apprehension about intensive livestock operations is being driven by several factors: experience in other jurisdictions . . .", what the CEC chair referred to this March as 'imported science', " . . . declining familiarity with what is happening on farms, the

occasional 'horror story' and the perception of insufficient monitoring of livestock operations."

I would argue that these observations by that distinguished panel not only still hold true today but seem to be what this government is basing decisions on, because they are certainly not based on hard science.

(4) No justification of ban areas. With one-line statements the government has tried to justify its ban in huge areas of the province.

I want to discuss those areas one-by-one.

Red River Valley Special Management Area: By law, hog operations must be built up above flood level, both the barns and the manure storage facilities. So to suggest that flooding will somehow flood manure facilities or barns is wrong. If the government is talking about spring runoff issues or flooding of fields with manure on them, this can and is dealt with by winter spreading regulations. Besides, the ban only deals with storage facilities, not management of manure. Banning construction of new manure storage facilities is meaningless since they would all be flood-protected anyway. There are hundreds of thousands of acres in the Red River Valley Special Management Area that do not have hog operations and do not have manure spread on them. This means they have artificial chemicals spread on them instead. There is a huge amount of good agricultural land for safe manure spreading. Hog farmers are not legally allowed to let manure run off into drainage ditches. However, municipalities are allowed to let their sewage effluent run off into ditches and water courses as part of their normal manner of handling human sewage.

Interlake: We would not argue that new hog operations should locate in inappropriate areas, such as right next to a lake or on rock or on very poor soils or in the marshlands, et cetera. No one should be farming in those areas. But there are thousands of acres of good, agricultural land in the Interlake that are suitable for all types of farming, including raising pigs, that are miles from the big lakes and not near any karst landscapes.

Capital Region: Contrary to what some may think, the Capital Region is not just a small area around Winnipeg. Parts of the Capital Region are more than 40 kilometres from Winnipeg's boundary. Besides, municipalities in the Capital Region already regulate the location and size of hog farms with clearly identified areas where such developments

will not be approved. It is simply unreasonable to ban all hog operations in the entire Capital Region, parts of which are miles and miles away from the city and which contain some of the best farmland in Manitoba.

Southeast: There is a significant concentration of hog operations in some parts of the southeast. Yet, without a legislated ban, appropriate nutrient management regulations would essentially prevent any further developments of any significance in parts of the southeast anyway, and there are parts of the southeast that have never had hog manure applied to them. To simply ban development in four entire municipalities by simply stating there are already too many hog farms there is misleading. I remind the government that the CEC referred only to two municipalities where there was over-concentration.

I also would remind the government that all of those operations in the southeast were approved by the government and legally established under the then-existing regulations before the issues around phosphorus were known, but that kind of concentration could never happen again with current regulations; so, again, the ban here is pointless.

5. Poor Market Conditions. It is very short-sighted to say that the poor current economic conditions prevent expansion anyway, so that this ban will not harm farmers or, worse yet, to say that the government is actually helping farmers with this ban. And to say that it is only capping expansion and not stopping the industry is wrong.

There are already signs that the market is turning around. Yet this ban is permanent. It will prevent farmers from restructuring their facilities and business. What will happen when the industry does recover and farmers want to expand or new farmers want to get into the hog industry? They will be prevented forever from doing so.

The ban also depresses investment and optimism, which are critical to any business sector.

Farmers will be prevented from modernizing their operations. They will not be allowed to take advantage of new technologies in barn design and operations, genetics, feed, spreading, et cetera, which would allow them to reduce their impact on the environment. Farms will stagnate and disappear.

The Province will lose an industry well-suited to our natural advantages in crop and animal production., the largest value-added component in

agriculture, and thousands of people will have to find other employment elsewhere, perhaps out of the province.

Financial institutions will likely not lend money to these operations.

Local property taxes will decline as the real value of the barns deteriorates over time. These lost property taxes will have to be replaced by taxes on other businesses and residences.

This ban will permanently prevent the construction of modern operations in the most suitable areas of Manitoba.

Make no mistake. This ban will kill the hog industry in Manitoba. It is not just a cap since farmers will not be able to get back in, and new farmers will not be able to enter and farmers will not be able to expand. It will lead to the inevitable decline of the industry.

Is that what the government really wants, to kill one of the great success stories of Manitoba agriculture and of Manitoba business? Because that's what this ban will do.

6. Manure and Water Pollution Myths. Manure is not waste. And contrary to what some city councillors might say, pig manure is not 'dumped' on the land. It is a valuable, organic, natural by-product of livestock operations. Manure has been used by humans for thousands of years to build and improve soil and fertilize crops. When farmers can't use manure, they must replace it with expensive synthetic chemicals.

In fact, the recent CEC report states that "manure [should] replace synthetic fertilizers as much as possible."

Manure is so valuable in some countries that 'manure rights' are passed down in wills, such as in England. In Minnesota and Iowa, manure is sold and has become a significant secondary source of income for many farmers.

Farmers do annual soil tests on manure-spread fields and file manure management plans with the government annually. Manure is spread with specific crops in mind, based on how much nutrients the crop will take up.

Manure storage facilities are never drained off into waterways, unlike human sewage lagoons, which are routinely drained into waterways.

Manure lagoons are engineered to be safe and environmentally sound, inspected by the government, and most have monitoring wells around them. Manure storage lagoons are engineered similar to human sewage lagoons and are designed not to leak into the ground.

There are currently about 60 boil-water orders in Manitoba communities. This means there are about 60 or more community water sources which are polluted and the government has stated are unsafe to drink from. None of these have been polluted by livestock operations.

The fact is human waste is the major cause of groundwater pollution and these boil-water orders, not manure.

The only available credible evidence indicates that the land to which hog manure is applied contributes, at most, 1.5 percent of the total phosphorus loading to the system.

But banning hog operations will have zero effect on any such nutrient loading in Lake Winnipeg. Farmers will simply use inorganic, synthetic, chemical fertilizers, which have the same basic ingredients as manure, phosphorus, nitrogen and potassium.

This ban will do nothing to reduce nutrients which can only be dealt with through appropriate nutrient management.

A ban on manure storage facilities has nothing to do with how manure is applied to the land. So if the government is trying to stop runoff into waterways, this ban is pointless.

7. Farms Forced to Move West? This ban covers all or parts of 35 rural municipalities and about 6.7 million acres. While that may only be about one-third of the physical area of the province, about two-thirds of the hog production in Manitoba is covered by the ban.

Much of the land in western Manitoba is also not as suitable for manure spreading because it is made up of lighter soils and hillier land. Suitable sources of good water for livestock are a major problem for much of western Manitoba.

One of the worst aspects of this ban may be that some hog operations will indeed begin to move. But they won't move into western Manitoba. They will move right out of Manitoba into Saskatchewan and North Dakota. There they will still have relatively

easy access to the Maple Leaf plant in Brandon but are still in the Lake Winnipeg watershed, are subject to uneven environmental standards and are out of the Province's control. It's the worst of all worlds. We lose the revenue, the jobs and lose control as well. Is that really what the government hopes to achieve?

This ban will impact the people the government claims that it wants to protect the most, the small independent family farmers. It is they who will suffer the most. It is they who can least afford to move. Even the small organic pig farmers will be impacted by this ban. Don't think this ban just affects the big farms. And few hog farms will start up in other parts of the province for fear of being the next region to be arbitrarily banned.

8. Subsidization Through Farm Income Support Programs and Direct Grants to the Processing Industry in Brandon and Neepawa. The hog-processing plants in these communities directly and indirectly employ thousands of people and pay millions of dollars in taxes. Both levels of government will quickly recover their investments, and residential taxes will continue to be kept at low levels. Besides, the government input in these situations was to municipal sewage treatment plants and only indirectly helps the processing plants there.

The hog sector has only made use of assistance programs which are available to other agricultural and industrial sectors. Any special programs have all been repayable loan programs.

None of these programs will help producers whose pig barns have now been devalued by hundreds of millions of dollars.

While the industry appreciates the support from government on these issues, they have nothing to do with the ban.

9. Regulations on the hog industry and polluting Lake Winnipeg. The Manitoba hog sector is already one of the most regulated in North America.

New regulations affecting the hog industry come fast and frequently. The provincial government introduced three new sets of regulations in the last year alone during its pause (Planning Act amendment last fall, the new labour standards and the nutrient management regulation). So while it 'paused' the industry, it clearly was still busily manufacturing more regulations.

The ban takes away the authority of local municipalities to regulate land use. Municipalities

had been given the authority under The Planning Act to regulate land use and adopt livestock operations policies. This ban removes that authority as it relates to hogs from 35 municipalities.

This ban will also likely have a negative impact on municipal taxes in the 35 affected municipalities by devaluing existing barns and hog operations. Placing the ban in an act of the Legislature, instead of a regulation, presents a kind of prescriptive detail rarely found in modern legislation; it is usually found in regulations. This legislation essentially tries to freeze and curtail a legitimate business activity without any compensation to the affected farm families.

Broken Promises. The government also bent over backwards over the last decade not to distinguish between hogs and other forms of livestock. And, in fact, when municipalities attempted to do that in their local by-laws, the government came down hard on them to prevent them from discriminating. But now who is discriminating?

The government promised it would lift the temporary pause on the hog industry after the CEC report. The government even used the word "pause" presumably to emphasize its temporary nature. Not only did the government not lift the moratorium as it promised to do, but without consultation it is making it permanent.

The CEC, which spent almost 3/4 of a million dollars and over a year studying the issue, in the end, stated the industry was sustainable with appropriate regulation. We agree with that reasonable approach. Why won't the government?

Bill 17 is not temporary. It is forever. It is a permanent taking away of farmers' rights.

Conclusion. Why won't the government simply work with the industry to continually improve environmental performance instead of imposing this permanent ban on one of the most successful economic stories in Manitoba.

This ban is not based on real science. It is based on political science. It is unreasonable, irrational, discriminatory and unprecedented.

Over and over again, we have offered to sit down with the government to work out reasonable regulations on the hog sector. If the government is willing to meet and discuss this, we could end this

right here, right now. There are almost 450 people registered to speak on this bill, mostly opposed to it and mostly driving in from out of town and, by the way, this is an historically high number of people. We could save a lot of wasted time, effort and money by simply sitting down and reaching some reasonable solution, as should have already happened, to deal with this issue and based upon the recommendations of the CEC.

I am not talking about politics here. I am talking about people's lives, families' lives.

Reasonable people can reach reasonable solutions. So I will say it one more time. We are prepared to sit down and discuss this with the government anytime to make this work.

As it stands, this bill is remarkably poor public policy and must be withdrawn or radically altered.

Thank you for your time and attention. I am prepared to answer any questions anyone on the committee may have.

Karl Kynoch, Chair
Manitoba Pork Council

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Submission: To the Law Amendments Review Committee on Bill 17, The Environment Amendment Act

Introduction:

The Manitoba Chambers of Commerce is the umbrella organization for Manitoba's Chamber movement. With a membership comprised of 75 local chambers and 350 direct corporate members, in total we represent over 10,000 businesses across Manitoba.

Our membership is not confined to any specific region within Manitoba. Nor do we represent only one size of business. In fact, the Manitoba Chambers represents the entire spectrum of business, from sole proprietorships to some of the largest companies in Manitoba. Nor do we represent only one particular sector of the economy. To cite but a few examples, our membership includes representatives within services industries, manufacturing, transportation, mining, information communication technologies and agriculture.

The Vision of the Manitoba Chambers is as follows:

Policy development that brings together businesses of all sizes, from all sectors and communities across Manitoba;

Non-partisan public debates of integrity, that criticize government where necessary, praise government where warranted and disdain personal attacks and exaggeration;

A business community that demonstrates high ethical standards in all it does;

Businesses dedicated to the vitality of their communities, the prosperity of their employees and the sustainability of the environment;

A province that understands the nature and value of entrepreneurship and promotes the competitive enterprise system;

A provincial government with sound, long-term economic strategies that are focused without ignoring opportunity, flexibility and diversity;

Government policies and spending that are efficient and effective, delivering the programs that Manitobans need and helping the disadvantaged; and

A Manitoba that promotes the progress of all its citizens toward individual freedom, dignity and prosperity, and opposes any form of negative discrimination or needless control.

The Manitoba Chambers appreciates the opportunity to present its views in relation to Bill 17.

Submission:

The Manitoba Chambers' advocacy mandate is largely set by local chambers voting on resolutions at our annual general meeting.

It is of note that for the last two years our membership has seen fit to condemn this government in relation to its ban on the advancement of the hog industry, first in relation to the complete ban of 2006 and now in relation to the partial ban.

Both resolutions do a good job of setting out the history, significance and frustration in relation to the government's actions.

Hog Industry Moratorium (2007 Resolution):

Preamble: On November 8, 2006, the Honourable Stan Struthers, Minister of Conservation, announced that Manitoba's water protection plan would be referred to the Clean Environment Commission, CEC, for a full, independent and public review in order to provide Manitobans an

opportunity for input into steps the province is proposing to protect rivers, streams and lakes.

At the same time he announced a moratorium on new or expanded hog barns. A specific date has not been provided as to when the moratorium will be lifted.

Throughout its term in office, the current government has taken a number of steps to ensure the quality of Manitoba's water supply and the growth of the hog industry in an environmentally sustainable manner:

" . . . we have a comprehensive strategy to protect our natural resources, particularly in areas where hogs and other livestock are raised, or near plants where they are processed. With these safeguards in place Manitobans can be assured that the livestock industry will grow while sustaining our environment." The Honourable Gary Doer, Premier of Manitoba. Manitoba Government News Release, January 31, 2000.

"We have been able to balance growth in the livestock industry with an increased emphasis on environmental monitoring, land use planning and data collection." Rosann Wowchuk, Agriculture and Food Minister. Manitoba Government News Release, January 22, 2001.

"Manitoba's livestock industry continues to provide opportunities for economic diversification for rural communities. Our government is committed to growing our livestock industry in a sustainable manner. These changes will ensure that the land can support the growth of sustainable agriculture long into the future." Stan Struthers, Conservation Minister. Manitoba Government News Release, April 1, 2004.

"The Water Protection Act is a key element in the government's effort to protect and improve water quality in Manitoba. The amendments and the act ensure the quality and quantity of our provincial water resources will be preserved for the equal benefit of current and future generation of Manitobans." Steve Ashton, Water Stewardship Minister. Manitoba Government News Release, November 26, 2004.

The ban was announced without prior consultation or notice to the industry. Nor did the minister provide a scientific justification for the ban.

Manitoba has approximately 1,400 hog producers and over 15,000 people working in the

industry. It is a \$1 billion industry in Manitoba that contributes more to the province's GDP than any other agricultural commodity.

Resolution: That the Government of Manitoba: (a) continue effective monitoring and enforcement of existing manure management and water quality regulations; (b) end immediately the current moratorium on expansion of the hog industry in Manitoba; and (c) work with the hog industry to improve manure management regulations to protect our natural resources for future years.

Lifting the Ban on the Expansion of Hog Production (2008 Resolution):

Preamble: On November 8, 2006, the Manitoba Minister of Conservation made a request to the Clean Environment Commission, CEC, to investigate the environmental stability of hog production in Manitoba.

The minister released the report of the CEC on March 3, 2008, at the same time announcing a further halt to industry expansion in: southeastern Manitoba; the Red River Valley Special Management Zone: This area includes the Capital Region of the province; the Interlake: This region borders on Lake Winnipeg to the east and Lake Manitoba on the west.

New and expanding hog operations in the rest of the province were allowed subject to new, stricter requirements as recommended by the CEC.

While the CEC made 48 recommendations, it did not recommend an outright ban on hog expansion in any area of Manitoba.

Further, the CEC report stated: "The challenge for the government will be to develop an implementation strategy that works with producers and other members of society to ensure the industry's social and economic sustainability. In those areas where nutrient production is currently out of balance with the environment's ability to remove those nutrients, the province and producers must move quickly and cooperatively to bring production into balance within the next five years." (page 153)

The bans announced were not done in cooperation or consultation with the industry.

The CEC reported that Manitoba's hog-production and processing industry generates 7,500 jobs in Manitoba (hog farming plus direct estimate for packing); total wages, contract benefits and other

income of \$610 million; and total economic activity of \$2 billion.

Resolution: That the government of Manitoba (a) immediately end the current moratorium on expansion of the hog industry in Manitoba; and (b) work with the hog industry as the government seeks to implement the recommendations of the CEC.

Conclusion:

The hog industry is a valuable contributor to Manitoba's provincial economy. While the citizens of Manitoba have a moral obligation to preserve and protect society's natural resources for the utilization and enjoyment of current and future generations, they also have a moral obligation to ensure optimal use of society's natural resources in the pursuit of efficient food production.

Any of the government's concerns related to the Interlake and southeastern Manitoba can be addressed through all the existing and new regulations that may come up into place based on the CEC recommendations. To suggest that these regions can afford no further development ignores existing Municipal Land Use Policies and ignores the fact that each hog barn application goes through an intense permitting process that addresses municipal and Conservation's concerns. Although it is true that the Red River Valley is prone to flooding, what the government is ignoring is that any new lagoon would have banks high enough to address the risks associated with flooding.

The proposed ban will drive future investment opportunities and Manitobans outside our province. It will also needlessly expose the hog industry and the Manitoba economy to unacceptable trade risks if another trade dispute or foreign animal disease event occurs without sufficient Manitoba investment in processing capacity. This investment is dependent on an assured supply of finished market hogs and faith that our government will not act capriciously.

Significant progress has been made since 1999 in regulatory reform, livestock stewardship and water quality protection measures, all of which ensure that the livestock industry, including hog production, is managed in an environmentally sustainable manner. These measures include:

The Livestock Stewardship Review Panel public meetings and report, December 2000; amendments to strengthen the Livestock Manure and Mortalities Management Regulation, March 2001; creation of the Office of Drinking Water; increased

environmental monitoring and enforcement of livestock operation; requirements for annual water source testing for livestock operations over 300 AU; adoption of The Water Protection Act, January, 2006; adoption of The Planning Act requiring mandatory local livestock policies, January, 2006; completion of government's 2006 report "Examining the Environmental Sustainability of the Hog Industry in Manitoba", which did not identify any significant issues of concern; strengthened Livestock Technical Review Committee mandate and resources; final report of the Manitoba Phosphorus Committee, January, 2006; adoption of a new phosphorus regulatory amendment, November 2006; proposed nutrient management regulation currently under public review; the CEC report made 48

recommendations but did not recommend an outright ban.

Given all of the above, there is no legitimate reason and no need for the proposed ban.

A prolonged ban will only extend the uncertainty and damage Manitoba's business and investment climate.

We respectfully submit that the government of Manitoba: (a) immediately end the current moratorium on expansion of the hog industry in Manitoba; and (b) work with the hog industry as the government seeks to implement the recommendations of the CEC.

Graham Starmer

The Legislative Assembly of Manitoba Debates and Proceedings
are also available on the Internet at the following address:

<http://www.gov.mb.ca/legislature/hansard/index.html>