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of the
Legislative Assembly of Manitoba

STANDING COMMITTEE

on

AGRICULTURE

31-32 Elizabeth II

Chairman
Mr. A. Anstett
Constituency of Springfield



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON AGRICULTURE

Tuesday, 16, August, 1983

TIME — 3:35 p.m.

LOCATION — Legislative Buildings, Winnipeg, Manitoba

CHAIRMAN — Mr. A. Anstett (Springfield)

ATTENDANCE — QUORUM - 6

Members of the Committee present:

Hon. Messrs. Adam, Bucklaschuk, Uruski, Uskiw

Messrs. Anstett, Downey, Harapiak, Manness, McKenzie.

WITNESSES: Representatives were heard on Bill No. 3, The Farm Lands Ownership Act; Loi sur la propriété agricole.

Mr. A. Goddard, Manitoba Chamber of Commerce.

WRITTEN SUBMISSION: Dawn Harris.

MATTERS UNDER DISCUSSION:

Bill No. 3, The Farm Lands Ownership Act; Loi sur la propriété agricole.

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MR. CHAIRMAN: Order please. Gentlemen, this is a continuation of our hearings on Bill No. 3.

I don't see Ms. Harris or Robin Watson, so I'll call on Mr. Goddard first.

Mr. Goddard.

MR. A. GODDARD: Thank you, Mr. Chairman. I've made available to the committee copies of our submission.

Mr. Chairman, the body that I represent is the Manitoba Chamber of Commerce. That Chamber is representative of approximately 60 member Chambers of Commerce located throughout the Province of Manitoba and, as appears from our submission, our mandate in accordance with our by-laws is the promotion of the progress and development of Manitoba's communities in order to make them better places in which to live and to work. Our further mandate is to promote the agricultural, civic, commercial and industrial and other general interest of Manitoba and Canada. Our responsibility is to be politically nonpartisan. We trust and we expect that this committee will accept our brief in the non-partisan spirit in which it is offered.

It has remained our position, and I go back to my letter to the Minister of June, that the Manitoba Chamber of Commerce position is that draconian measures, such as those are contained in Bill 3, should only be imposed upon Manitobans if there is a

groundswell of public support that makes it clear that Manitobans and, particularly Manitoba farmers, wish to have their commercial lives interfered with in the fashion that is prescribed by The Manitoba Farm Lands Ownership Act.

It was therefore with great interest last night that we listened to - I had thought 10 submissions; it seemed like 10, but I'm told it was only eight - in the expectation that there would be some submissions made in support of the legislation. After hearing many able presentations made to this Committee, and I would make specific reference to the submissions made by the Institute of Agrologists, Mr. Kroeker and the Manitoba Farm Bureau, it became patently obvious to us that there is no such groundswell of public opinion and that organizations such as the Farm Bureau and the Agrologists are unanimous in their view that the legislation proposed is not necessary for the purposes of protecting the family farm in Manitoba.

We remain strongly of the view that the bill in its present form discriminates against certain forms of ownership of farm property by Manitoba, as well as discriminating unfairly against other Canadians who are not residents in Manitoba, in respect of their acquisition and holding of farm land in our province.

We concur in the view, tentatively advanced by the Farm Bureau last night, that if there is popular support for a Farm Land Ownership Act to be found in the commercial community of Manitoba and particularly in the farm community of Manitoba, this support only exists respecting measures to control and prohibit speculation by offshore aliens in respect to Manitoba farm lands. We do not believe it is appropriate and we do not believe that Manitobans support actions by our government to pass legislation that attempts to preclude ownership by other Canadians or to preclude ownership of farm land by corporations that are registered to carry on business in Manitoba.

As we have previously stated, it is our view that, as presently drawn, this bill places vast powers in the hands of a politically-appointed board - and that is a politically-appointed board. It sits at the pleasure of Her Majesty.

We received last night a number of assurances by the Minister as to what the board would or would not do, and the sort of positions that it would or would not take. These reassurances are not reassuring to the Manitoba Chamber of Commerce. They tell us that what is envisaged is a board that is not truly independent. This board will not possess the independence of a judiciary that sits during good behaviour. These indications tell us that this board will respond to political pressures, and may indeed be removed if they do not respond to those political pressures.

We consider it to be a dangerous precedent to set up a board like this at the pleasure of Her Majesty and, in consequence, at the pleasure of the Government of the Day.

To give that board, if so created, powers such as not being bound by the rules of evidence - and I refer

you, gentlemen, to Section 7(2) of the act - and to say to it that it has the power of a reversal in its claws that makes the people that come before it presumed guilty until they can prove themselves innocent, expresses the potential for abuse of power that should be frightening to all Manitobans. The powers of the board are excessive, as set forth in this legislation, and we need only draw your attention to Section 8(2)(e) of the act.

"Without restricting the generality of subsection (1), the board may require any person holding an interest in land to submit to it, annually, such information in such form as it may require." It is our submission, gentlemen, that the farmers of Manitoba are not going to be pleased to hear that another board has the right to come to them and ask them for any additional information that it sees fit to require.

An additional concern to the Manitoba Chamber of Commerce is the divisive effect that this legislation may have upon different classes of Manitobans. We have heard concern expressed by the Minister concerning speculation in farm property, but let us suggest to you that as the legislation is presently drawn, it is open to farmers to speculate in farm property, and it is also open to non-farming Manitobans as individuals to speculate in farm property. We haven't blocked those loopholes.

We have previously indicated and we've asked you the question, how is it fair that a non-farming Manitoban who is an individual can purchase and sell land, thus speculating, while a Manitoba corporation owned by a non-farming Manitoban cannot? It's not fair. It is the position of the Manitoba Chamber of Commerce that all Manitobans, whether they are farmers or not farmers, should have the same rights. This rationale extends to corporations, whether they be held by shareholders who are farmers or non-farmers.

In our province, it is our submission that people and corporations should be free to change their businesses as their experiences, abilities and resources change. A person who is not a farmer should be able to acquire land through the means of a corporation, while carrying on another occupation, and should be able to save money so that active participation in farming as a full-time occupation in the future can become possible for him. The legislation in its present form prevents that course of action - I cannot use a corporation that is a non-farming corporation at the present time for the purposes of acquiring land - and would have the effect of discouraging people rather than encouraging people to move from other occupations into farming.

As to the powers of the proposed board, we share the concerns of other parties who have made representations to this committee respecting making persons who are merely at the planning stages submit and disclose to the board private information, even in advance of the date of submission of an offer to purchase.

I direct your attention, gentlemen, to Section 8(2)(b) and the requirement that the board can impose upon any party who merely proposes to involve himself in the purchase or the acquisition of land, to report to the board.

We've never had to discharge these responsibilities to government before in this province and Manitobans are not going to be pleased to have their lives interfered

with in this fashion. It is our view that the proper function of the appointed board and that the draft legislation should be so amended so as to give the board the function as set out in Section 8(2)(b) and that all that should be done at this point in time is that that board should be empowered to carry out surveys, research programs and obtain the necessary statistics to ascertain whether or not it's necessary for this act to go beyond the prohibition of ownership of Manitoba farm land by off-shore aliens or corporations controlled by off-shore aliens.

It would be our submission that the government of this province would show great wisdom in exercising restraint in using this opportunity for sober second thought, this opportunity given by the recess, to think over seriously as to whether or not it's best for Manitobans to proceed with this legislation in its present form; or whether it's best to sample the information that is available to appoint a board to pass such legislation as is necessary in order to appoint a board to gather that information, to obtain those statistics and reach a reasoned judgment as to whether or not it is advisable to prejudice in future the possibilities of Manitobans acquiring farm property in other provinces, because as sure as the sun rises tomorrow, you discriminate against the remaining six or seven provinces that do not have discriminatory legislation and they will respond.

As to paragraph or section No. 10 of your act, it is our submission that when it is brought home to the farm community in Manitoba that our farmers bear the onus of proving themselves innocent before the board rather than making the regulatory body responsible for proving its case, then and only then will the real nature of the opposition to the legislation be known to the government. The shoe has not yet begun to pinch the farmer in Manitoba. When it pinches you will hear a howl. It is not reassuring to hear from the Minister that there has been no strong objection from the farm community to the introduction of this legislation. That is not a basis for the introduction of new legislation. Rather in our submission, legislation should only be introduced if it can find strong support within the farm community for it and thus far we have seen no indication that such support exists.

The Manitoba Chamber of Commerce views with regret the broad powers of investigation sought to be vested in representatives of the board. In addition, we feel concerned that board representatives will be perceived by the public as representatives as a form of "agricultural land police" with power to demand information concerning the private affairs of families and corporations of families who have been carrying on farming for many generations without government interference and the Kroeker family comes to mind. We have heard Mr. Kroeker say to us that many family farm corporations will, with the passage of time, find it increasingly difficult to meet the legislation's definition of the "family farm corporation." It is not hard to anticipate that there will be a temptation on the part of administrators to take a look and see whether or not this family farm corporation still is a family farm corporation.

There will be a temptation to conduct investigations and spend the public's money and interfere with people's lives solely to find whether there's a skeleton contained in the Smith's or Jones' family closet.

As to offences and penalties, under section 15, The Manitoba Chamber of Commerce shares the concern of The Manitoba Farm Bureau respecting the threat of prosecution under Section 15(1)(b) or Section 15(1)(d) in relation to reluctance on the part of private citizens to disclose their private affairs to board representatives who may be seen by farmers to be conducting a fishing expedition. We say to you that the prospect of a prosecution resulting in a possible fine of \$50,000 for hindering - hindering is the word - a person carrying on an investigation will cause people to fear to take steps to protect their rights to privacy, particularly when such possible infringements of privacy may be protected by the indemnification contained in this bill respecting government employees under Section 13(1). Try to prove that faith in the courts.

There is another aspect in respect to prosecutions under Section 15(1) and it may not have been given adequate thought at this point in time, that these are strict liability offences. There is no intention that is necessary to be proved. These are quasi-criminal offences, not criminal offences, and people who say "no" to a government employee who comes to snoop into their business may find themselves not merely charged with an offence but guilty of the technical offence of hindering a public employee. It's a strict liability offence.

As to rights of appeal, it remains our position that there should be a right of appeal from any decision made by the board; that is to say, any decision made by the board, not just orders that are made by the board. We share the view expressed by the Manitoba Association for Rights and Liberties that an exemption order, given under Section 3(3), should be open to appeal by members of the public. If such an exemption is given in a discriminatory fashion, members of the public should have the right to challenge it. If you're going ahead with this legislation, and we earnestly and strongly urge you not to, rights of appeal should be given in respect of any order granted by the board and any decision made by the board.

Our Chamber takes notice of the fact that Section 3(13) of your act permits one transfer only by the persons described therein, and we say that it will have the effect of forcing the sale by lineal descendants of their interests in land to whosoever will be prepared to buy it. Given the limited marketability of a fractional interest in land, or of a single share or a small number of shares in a fairly widely-held corporation, particularly in the context of Bill 3, this legislation will certainly have the effect of depriving these people of the fair market value of their interest in this land.

The question of residence was addressed by a number of parties last night. As to the question of residence, it is our view that a resident for the purposes of the definition of this act should mean a resident of Canada within the meaning of The Income Tax Act of Canada. Our Chamber takes this position in supporting the view that the Manitoba Government can effectively prevent speculation in Manitoba farm property by foreign nationals by an effective monitoring program under the reporting provisions of The Corporations Act. To not use those facilities that are available to you, to not ask Manitoba registered corporations to provide that information and then say that the reason we can't do it is that we just don't have the facilities available

or we're not able to do it, is in our humble submission, laziness. It can be done; all you have to do is try. You haven't tried.

It remains our view that based upon a combination of Canadian residency and Canadian citizenship this government can effectively prevent non-Canadian market conditions from distorting the values of Manitoba farm land, while permitting Manitoba farm land to find its market value in the context of other farm lands located across Canada. Manitobans don't want their land isolated from other lands across this country. We don't want to be discriminated against by people in other provinces, and we don't want to be discriminating against people from other provinces. I can't reiterate that enough.

The Manitoba Chamber of Commerce would wish to thank you, gentlemen, for this opportunity of making representations to your committee.

MR. DEPUTY CHAIRMAN, H. Harapiak: Are there any questions for Mr. Goddard for clarification?

Mr. McKenzie.

MR. W. McKENZIE: Mr. Goddard, this is the Manitoba Chamber of Commerce, so how many rural communities would you be representing here today?

MR. A. GODDARD: I believe the number is closer to 67 than 60, but it's in that area.

MR. W. McKENZIE: They're all rural, eh?

MR. A. GODDARD: They range from Churchill to Altona, Winkler to Piney, all over the province.

A MEMBER: The Pas.

MR. A. GODDARD: You bet.

MR. W. McKENZIE: A second question, in your research on this Bill 3, have you found any farmers or farm groups in these jurisdictions that have come up and supported this legislation?

MR. A. GODDARD: Mr. Chairman, we have received no communication from any one of our member Chambers in support of this legislation.

MR. W. McKENZIE: Thank you, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Mr. Manness.

MR. C. MANNES: You indicate on Page 5 that you would like to see a situation or a process by where every decision made by this board could be appealed. Would you say appealed to the Court of Queen's Bench, or to what authority?

MR. A. GODDARD: That would satisfy us.

MR. C. MANNES: You had an opportunity to listen last night to the approach presented by the Farm Bureau as to the dual system of attempting to determine residency. I forget the other factor — (Interjection) —

citizenship, that's right. Would you support that system, as explained and presented by the Farm Bureau?

MR. A. GODDARD: Mr. Chairman, we have done so. Indeed, in the last paragraph of our submission we say that this province can effectively monitor land sales in this province by a combination of the provisions of The Citizenship Act and the contents of legislation that might be passed by this jurisdiction in respect to residency having to do with farm lands.

HON. B. URUSKI: Mr. Goddard, first of all, having read this brief and having heard Mr. McKenzie's question, was this brief considered by your executive, since it's obviously a brief that was prepared after last night's meeting?

MR. A. GODDARD: The Minister has in his possession a letter dated June 29, 1983, which he saw fit to respond to on Thursday or Wednesday of last week.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. A. GODDARD: In that letter, we completely or substantially dealt with all of the matters that were set forth in our submission here today.

HON. B. URUSKI: Mr. Chairman, the Chamber of Commerce, in your submission on Page 4, deals with objection and support. Would you consider a pledge within an election platform as being the seeking of public support and mandate enough to bring in legislation?

MR. A. GODDARD: Mr. Chairman, I can't deal with the question, unless it's more specific.

HON. B. URUSKI: Mr. Chairman, in the second paragraph on Page 4, your brief states that you don't believe that we have support within the farm community for legislation within the Province of Manitoba in general. Would you consider support and part of an election platform as being a mandate to bring in legislation of a political party?

MR. A. GODDARD: Mr. Chairman, the Manitoba Chamber of Commerce would feel a lot more confidence in respect to that, if this whole matter were deferred until the farmers were off the land and had an opportunity to come before this committee and make representations in respect to that.

HON. B. URUSKI: Mr. Chairman, I guess Mr. Goddard could have caucused that with members of the opposition, since this bill was before the Legislature since last December when it was tabled in the Legislature.

MR. A. GODDARD: Mr. Chairman, I am not aware that the rural areas have been canvassed and that this government has sought the opinion of farmers by public meetings on the subject of this bill.

HON. B. URUSKI: Mr. Chairman, there have been public meetings on this bill in rural Manitoba.

Mr. Chairman, on Page 2 of your brief you indicate that this bill places vast powers in the hands of a politically appointed board. Could you tell me how the board and what the powers of the board are under the present legislation and whether the board is politically appointed?

MR. A. GODDARD: It's our perception that there is no change in respect to the manner of appointment to the board but our answer to the implied question contained in your question is that bad legislation succeeded by that bad legislation does not make the second legislation good.

HON. B. URUSKI: Did you make representations to the then administration about the powers of the board when the bill was brought in because the powers are very similar in the present act as they are in this proposed piece of legislation?

MR. A. GODDARD: Mr. Chairman, as with government, the membership of the Executive of the Manitoba Chamber of Commerce is fluid. I can't speak for the people who held office at the time that previous legislation was brought before the Legislature.

HON. B. URUSKI: Mr. Chairman, in your brief you indicate on page 3 that a person, not a farmer, should be able to acquire farm land through the means of a corporation while carrying on an occupation. That's paragraph 2 or 3, if you call the top two lines on page 3 of your brief.

Can I put a proposition to you that if I say a worker on the railroad here in Winnipeg, living in Winnipeg was to form a corporation for the purpose of buying land and then went out to farm it, a beginning farmer, through the means of the corporation and I farmed that land; would that proposition be the kind of thing that you're speaking about?

MR. A. GODDARD: Mr. Chairman, the example or the model that I had in mind was this. A man earns a reasonable living but does not have the necessary assets to acquire a farm that he can operate. A man does not have the flexibility in hours that he can go out and work the land during the appropriate seasons. As the law presently stands, a Manitoban can hold down a full-time day job and buy land and rent it during the period of time that he is preparing himself and saving his money to acquire land to farm full time. This would not be possible under your legislation.

HON. B. URUSKI: If I read the legislation right, even if he went in as a partner he would be able to hold up to one-third of the shares in the corporation if he did not farm it, is that not accurate?

MR. A. GODDARD: I don't understand that to be the situation, Mr. Minister.

HON. B. URUSKI: I see, but that is the case.

MR. A. GODDARD: The point that I would wish to make is, regardless of how small a percentage he could hold, I'm not interested in a man acquiring a minority

interest; I'm interested in a person who is interested in becoming a farmer in Manitoba.

HON. B. URUSKI: There is no limit to anyone within Manitoba.

MR. A. GODDARD: My understanding is that if I choose to use . . .

MR. DEPUTY CHAIRMAN: We're taping Hansards and we have to identify the speakers, otherwise we have trouble.

Mr. Goddard.

MR. A. GODDARD: Mr. Chairman, my understanding of the legislation is that I'm obstructed from using the corporate vehicle to acquire land while I continue in another occupation.

MR. DEPUTY CHAIRMAN: Mr. Uruski.

HON. B. URUSKI: If you do not actively farm; that's the point you're making.

MR. A. GODDARD: Mr. Chairman, the person that I'm referring to is a person who has full-time occupation and is obliged to work during the day and is, therefore, not able to go onto the land during the period of acquisition.

HON. B. URUSKI: I'd like to advise Mr. Goddard that while he may be opposed to that, the act does allow for the holding of shares up to one-third, 33 1/3. Mr. Chairman, I'm only repeating what the legislation is because Mr. Goddard indicated earlier to me that he was not of the opinion that he would not be able to hold any shares in a corporation.

MR. A. GODDARD: Mr. Chairman, I haven't said so in my brief and I don't say so before this committee. What I say is that a man cannot create a corporation, carry on in his work and buy land through that corporation so that at some point and time in the future he can, through that corporation, become a farmer.

HON. B. URUSKI: Mr. Chairman, in terms of the appeals against a ruling of the board, is it your opinion that rulings of the board, with the exception of the board's rulings dealing with exemptions, are not appealable? Did I gather that correctly from your submission?

MR. A. GODDARD: Mr. Chairman, if you'll bear with me for one moment, I have to find the section.

HON. B. URUSKI: That's on Page 5 at the bottom; last paragraph on Page 5.

MR. A. GODDARD: The section I'm seeking is the appeal section in the draft legislation, Mr. Chairman.

HON. B. URUSKI: Section 16(1).

MR. A. GODDARD: It would be our submission, Mr. Chairman, that for such a right of appeal to exist, it

should state clearly that any person affected by any decision of the board.

HON. B. URUSKI: If I read the section, any person affected by any order of the board, would that not be a decision?

MR. A. GODDARD: An order would be a decision, but a decision need not be an order, if I have you confused.

HON. B. URUSKI: So it's a matter of wording that you're arguing against, not the intent.

MR. A. GODDARD: Mr. Chairman, the point that we make is that, in our view, a right of appeal should be clearly expressed from any decision made by the board. In other words, if a finding is made by the board, rather than an order made by the board, that finding should be appealable and that the section should clearly state that any such finding should be appealable.

HON. B. URUSKI: If we go into a matter of semantics, a finding would not be able to be enforced by the board, but the powers exist in the act to enforce an order. There is no provision in the act, as I understand it, that any kind of a finding, using your words, can be in fact enforced by a board; but certainly an order of the board can be enforced which then would be appealable.

MR. A. GODDARD: We asked the question, Mr. Chairman, why not make the rights of appeal clear and broad?

HON. B. URUSKI: The reverse onus provisions that you speak about; are you aware that those provisions are in the present legislation?

MR. A. GODDARD: I'm aware that those provisions are in the present legislation.

HON. B. URUSKI: Did you make those kind of views known to the administration who brought in the present legislation?

MR. A. GODDARD: Mr. Chairman, I'm unable to answer the question inasmuch as I didn't fill the role that I presently fill with the Manitoba Chamber of Commerce at that time.

HON. B. URUSKI: Thank you.

MR. DEPUTY CHAIRMAN: Mr. Uskiw.

HON. S. USKIW: Mr. Goddard, I would like to pursue a line of questioning having to do with the need for setting up of a corporation in order to purchase land. Are there some tax advantages to that process that you're trying to tell us about? Why would one prefer to incorporate a company for the purpose of buying land, which is now not permissible according to this act, when a person could buy in his own right.

MR. A. GODDARD: Mr. Chairman, it may very well be that, for purposes of planning for one's estate, for one's

children, it would be advantageous to have the property held by a corporation rather than held by yourself personally. It may be that it's possible to generate income through the corporation in such a fashion that there would be tax advantages available to you by using a corporation. I am not a tax lawyer and I can't speak to the matter in detail.

HON. S. USKIW: Mr. Chairman, I could understand that concern with respect to an individual wanting to buy land and wanting to incorporate for that purpose if there were indeed very important tax advantages.

MR. A. GODDARD: Mr. Chairman, there are other matters, of course, that I'm sure the Minister is aware of. For example, there is a continuing existence in a corporation, notwithstanding the death of the individual concerned. It may very well be that you're talking about a family purchase, where there are two brothers who wish to purchase, together making use of it and not wishing to become partners because, as I'm sure the Minister knows, the partnership dies when the partner dies, as a general rule, whereas a corporation could continue to live.

HON. S. USKIW: If there were a tax advantage then I could see logic in pressing the argument. If the argument is based on the fact that one is short of capital and, therefore, one wants to enter into a corporate partnership, if you like, for lack of a better expression, where two or three people, either within the family or beyond the family, are pooling capital in order to buy a piece of real estate; those two scenarios I could understand, but I sure wouldn't mind to know what tax advantages there are, if that were possible. I can do my own research in that respect.

MR. A. GODDARD: I think, Mr. Chairman, the Minister has answered his own question. I believe the resources available to the government are adequate for them to make a decision with regard to whether there are tax advantages, but one would suggest, again, that a mature consideration might reveal those advantages and a deferral of the passage of the legislation.

MR. DEPUTY CHAIRMAN: Mr. Downey.

MR. J. DOWNEY: Mr. Chairman, to Mr. Goddard, the presentation I think pretty well expresses the feelings of the Chambers throughout Manitoba, as I've been able to reflect them in talking to individuals.

There are two or three areas of question that I would like to have. The Minister keeps making reference to the present bill and to the present powers within that act. You are aware that the present act only applies to foreigners when it comes to owning of Manitoba farm land, whereas the proposed legislation applies to Manitobans using the instrument of incorporation, or Canadians living outside of Manitoba. You are also aware of that, are you not?

MR. DEPUTY CHAIRMAN: Mr. Goddard.

MR. A. GODDARD: That accords with my understanding, Mr. Chairman.

MR. J. DOWNEY: The Minister refers to meetings that have been held throughout the province to gain support, or to build a statistical base, or to inform the people of Manitoba of what they were proposing or going to present to the Legislature. Were you or any of your members of the Chamber of Commerce invited to public hearings or meetings that would give you or satisfy you or your Chamber of the opportunity to make presentations to such a hearing?

MR. A. GODDARD: Mr. Chairman, in my letter to the Premier and to the Minister of Agriculture, I said, at the bottom of Page 2, we would particularly wish to discuss with representatives of government an effective monitoring program under the reporting provisions of The Corporations Act that would enable the province to implement an effective act based upon the combination of Canadian residency and Canadian citizenship. We would appreciate an opportunity to meet and discuss the proper legislative solution to the problem of foreign speculation in Manitoba farm land, and would suggest that a reasoned discussion of the problem and potential solutions should follow a decision to withdraw the bill in its present form."

I never received a response; I never received an indication that the Minister was available for a meeting with a representative of the 67 Chambers of Commerce throughout the province of Manitoba.

MR. DEPUTY CHAIRMAN: Mr. Downey.

MR. J. DOWNEY: In other words, you are saying that you were ignored by this government when it came to the development of this legislation.

MR. A. GODDARD: Mr. Chairman, I don't say that we were ignored. I had considered the possibility that the Minister had decided to defer consideration of this matter and would hear our submissions in due course.

MR. J. DOWNEY: Are you aware as well that for several months now there has been, on the Order Paper of the Manitoba Legislature, a question asking the Minister of Agriculture to tell the Assembly when and where and who the government met with on these types of meetings that he has referred to, and to this point we have not received an answer to that question. Are you aware of that?

MR. A. GODDARD: Mr. Chairman, I have no knowledge of that.

MR. J. DOWNEY: So you don't have to feel alone that you weren't acknowledged or that you weren't getting any response from the government. The opposition weren't when it came to asking questions as well.

A further question. When we talk about the reverse onus, again I want to go back to the present legislation. The reverse onus, you are aware, only applies to foreigners again and not to Canadians or Manitobans. So the scope of the reverse onus is very limited in the use of it and only applies to people who we felt were not in the best interests of Manitobans or Canadians to own farm land. It was they who had to prove as outside residents of this country that they were eligible.

MR. A. GODDARD: Mr. Chairman, I don't wish to simply stand here and say I agree with what the member of the opposition has said; nor am I interested in scoring debating points against this present government. I am interested in seeking mature consideration of a very serious problem as perceived by the Ministry perhaps three years ago.

Our understanding of the situation with regard to land values is that there was a rapid escalation in land values at that point in time. Our further understanding, and it was supported by the evidence before this committee last night, is that those rapid rises in the price of land have now moved down. It may very well be that the people who speculated in our land are sorry that they did so. It may very well be that the people who thought that they could make a quick buck on Manitoba have found that the marketplace works and that they've lost the money that they chose to gamble on speculation.

We are not interested in trying to embarrass this government. We are trying to ask the government for an opportunity to examine the situation and determine whether or not the problem is as serious as it was perceived to be at the time that the original legislation was introduced.

MR. J. DOWNEY: Mr. Chairman, I appreciate that and I hope you didn't get the feel that I was trying to do anything more than just provide information and get information from you. That was the purpose and is the purpose.

You made a reference in your presentation specifically dealing with staff of the Department of Agriculture and the Farm Lands Protection Board. You made reference to the fact that - and I missed it - maybe you would repeat it again so I'm a little more clear on it. You made reference to staff being lazy or that kind of thing, and I missed the point. I withdraw it if that wasn't the case, but I would like a little more explanation if you could.

MR. A. GODDARD: I have not suggested that the staff of the Government of Manitoba is lazy; nor would I wish to have that recorded because it's simply not true. It is our earnest belief, Mr. Chairman, that civil servants in this province are hard working individuals, but what we have noticed in the process of preparation of our brief is that no attempt has been made - and I invite the government and the opposition to examine the Annual Corporations Return that is required to be filed in this province by every corporation, whether it's a Manitoba corporation or an out-of-province corporation that is registered to carry on business in Manitoba. It would be a very simple matter to insert in those annual returns reference as to whether or not those corporations hold agricultural land and, if so, how much land they hold.

MR. J. DOWNEY: I appreciate clarification of that because I was not understanding it. Of course, you should appreciate as well that sometimes it isn't all bad to have a Civil Service that aren't quite up to snuff. We would have a lot less legislation and a lot less bureaucratic control. If they were all a little bit lazy, it would be maybe a little better in some cases, because we do have an aggressiveness in certain cases.

Mr. Chairman, the point has been cleared up, and I would like to again just thank the Manitoba Chambers for their presentation and putting their thoughts forward. As far as dealing with the timing is concerned, the opposition, if we had our way, we wouldn't be debating this legislation at all, whether it be winter, spring, fall or harvest. We would have it withdrawn, and the farmers wouldn't have to worry about it, Mr. Chairman.

Thank you, Mr. Chairman.

HON. B. URUSKI: Mr. Chairman, I would just like to, for the record, because it's been left that there have not been any public meetings. In fact, members of the opposition attended a public meeting on this legislation. In fact, the Member for Portage, the opposition critic on Agriculture attended a public meeting which — (Interjection) — well, Mr. Chairman, for the record, that the statements were made that there were no public meetings on this bill.

For the information of Mr. Goddard, there were public meetings held in the City of Portage la Prairie, in Beausejour, and there were other public engagements which I spoke to the Union of Manitoba Municipalities and other groups around the province.

The meetings in Portage were open to all. In fact, members of the opposition attended the meetings and were able to ask questions and pose questions with respect to general proposals to this legislation.

MR. A. GODDARD: Mr. Chairman, we have no awareness that there have been public meetings held in Russell, or that there have been public meetings held in Dauphin, or that there have been public meetings held in Steinbach or Winkler or Altona. These are all farming communities.

MR. DEPUTY CHAIRMAN: Are there any further questions of Mr. Goddard?

Mr. McKenzie.

MR. W. MCKENZIE: I'll ask Mr. Goddard. Have you or the Chamber taken a look at Bills 23 and 24? They are companion bills with this legislation.

MR. A. GODDARD: We have taken a look at them very briefly. To anticipate your question, if this legislation were amended to reflect its focus of attention to fall upon foreign nationals rather than on Manitobans, it would be relatively simple to amend Bills 23 and 24 so as to accommodate that modification.

MR. W. MCKENZIE: Thank you, Sir. Thank you, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Mr. Hyde.

MR. L. HYDE: Mr. Chairman, the Minister is right. He did call a meeting in Portage la Prairie and I understand that there was one at Beausejour, but that is not the point right now, Mr. Chairman.

The fact is that we're in harvest time, and the farmers are concerned out there. They are very much concerned about what is going on. They can't take the time at this particular time of the year to attend meetings. At the time when the Minister did call a meeting, it was

all new. It was all very much new to the farmers of Manitoba. Today it's a different thing.

I would urge this Minister to withdraw this bill at this particular time and leave the farmers an opportunity to understand what in the heck is going on. He seems determined that he is going to put this . . .

MR. DEPUTY CHAIRMAN: Point of order.
Mr. Uskiw.

HON. S. USKIW: Mr. Chairman, the purpose of this meeting is not to give speeches. It's merely to ask questions of the people who are presenting briefs to this committee. The Member for Portage is now engaging in debate of the principle of the bill. I think that can be done at the time that we recommend the bill be referred back to the House.

MR. DEPUTY CHAIRMAN: Mr. Hyde, do you have a question of Mr. Goddard?

MR. L. HYDE: I think I've put my point across.

MR. DEPUTY CHAIRMAN: If there are no further questions, I would like to thank you, Mr. Goddard, for making your presentation on behalf of the Chamber of Commerce.

MR. A. GODDARD: Thank you again, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Are there any further members of the public who would like to make presentations on Bill 3? What's the will of the committee?

Mr. Uruski.

HON. B. URUSKI: Mr. Chairman, I believe that those presentations that have been made last night and today, we would want to consider them. There is a presentation that is being distributed now from Dawn Harris which wasn't distributed last night. She did not appear today. I would suggest that committee rise and we will meet tomorrow to consider clause-by-clause, as outlined by agreement earlier, that we will meet at 10 tomorrow morning.

MR. DEPUTY CHAIRMAN: Mr. Hyde.

MR. L. HYDE: Mr. Chairman, would the Minister entertain the brief that will be presented from the Manitoba Farm Business Association by Robin Watson?

HON. B. URUSKI: Mr. Chairman, I believe the Clerk's office, in terms of the workings of the committee, could try and contact Mr. Watson and see if that brief is available; then would make it available to all members. But since we don't have that copy with us, members would not have it, so if we can ask the office if they can get a copy of the brief we should have it distributed.

MR. DEPUTY CHAIRMAN: The Clerk advises me that Mr. Robin Watson was advised this morning that the committee would be meeting and they will contact him further to see if he would care to distribute their presentation.

Mr. Hyde.

MR. L. HYDE: Well, this goes back to the point that I brought out earlier. Now that we have a little moisture flying around outside there, maybe we'll have an opportunity to hear Mr. Watson's brief in person.

HON. B. URUSKI: Mr. Chairman, the committee, in terms of presentations is open to hear presentations now. Tomorrow when we meet again we will begin the clause-by-clause dealings of the bill.

MR. DEPUTY CHAIRMAN: Mr. Uskiw.

HON. S. USKIW: Mr. Chairman, I think members should appreciate the fact that things are moving rather quickly through the House and there will likely not be an opportunity for a personal presentation and we should agree in this committee that we'll accept written presentations of those that haven't been able to appear and leave it at that.

MR. DEPUTY CHAIRMAN: Mr. Manness.

MR. C. MANNES: Mr. Chairman, I wonder if the Minister can indicate after hearing the presentations made last night, whether there will be further amendments that will be presented at the meeting tomorrow.

HON. B. URUSKI: Mr. Chairman, that is certainly possible, that we are going through those presentations and we are reviewing the text of those presentations and there very well may be amendments tomorrow. That's why my suggestion is that we adjourn, committee rise now and reconvene tomorrow morning at 10.

MR. DEPUTY CHAIRMAN: Mr. Downey.

MR. J. DOWNEY: Mr. Chairman . . .

MR. DEPUTY CHAIRMAN: Order please. Mr. Downey.

MR. J. DOWNEY: Mr. Chairman, we would have hoped that after the hammering that the Minister has taken with all the briefs and presentations made that we would see the withdrawal off Bill 3 has been the thrust of most of the people that have put their presentations forward. That's what we would like to see.

Thank you, Mr. Chairman.

MR. CHAIRMAN, A. Anstett: Mr. Uskiw on a point of order.

HON. S. USKIW: Mr. Chairman, we are not here to debate this bill at this point. We have completed our hearings. The Minister has indicated that we will come back to this committee to consider the bill further and I think our business is complete as of this moment.

MR. CHAIRMAN: Gentlemen, I understand that there was some reference to a possible meeting for clause-by-clause of this committee, Wednesday morning. The House is not sitting tomorrow morning; that was agreed to between the two House Leaders, but there will not

be another opportunity for the Government House Leader to announce in the House a meeting of this committee at 10 a.m. tomorrow. So I will ask both House Leaders, whether or not we have a firm agreement between them for this committee to do clause-by-clause on Bill 3 within the next hour. I will confirm with the Clerk that that agreement is in place and ensure that before 5:30 today, all members receive a notice of that meeting if it is to take place tomorrow at 10 a.m. for clause-by-clause.

Is that agreed? (Agreed)
Committee rise.

WRITTEN BRIEF SUBMITTED BUT NOT READ

Brief submitted by Dawn F.G. Harris, P.Ag.

I apologize for not being able to appear in person before the committee but family matters take me out of the province. This will be a much abbreviated version of what I had intended to say in person. I do not intend to go through Bill 3 item by item to point out my concerns; other groups, notably the Manitoba Farm Bureau and the Manitoba Institute of Agrologists, have ably itemized the detailed concerns related to this bill. I would rather like to make some general comments.

On behalf of my husband and myself, I would like to register our objections to Bill 3 and any subsequent legislation, should it proceed without amendment. We are potential beginning farmers who will be adversely affected by several provisions of this bill.

In order to finance our proposed farming enterprise, we prefer to go the equity route rather than debt financing. Because substantial equity is required, as I am sure you are aware, we have investigated two options in which we would jointly farm with other people who would be willing to invest money in a joint farming venture, yet would not actually farm themselves.

(a) The first option involves the joint ownership of land with a non-resident of this province. Bill 3 does not allow non-residents to purchase land in Manitoba.

(b) The second option was to form a farming corporation with a couple who now own land and equipment. We would farm both their property and any land we purchased. The couple would not actively farm as they would pursue off-farm careers, yet they would contribute management skills to the combined operation. However, by virtue of the definition of "farmer" and "corporation" under Bill 3, they would not be allowed to own more than one-third of the shares in the corporation - an unacceptable situation in our view.

Under the present bill, both our options to enter farming under feasible financial conditions have been removed. I might point out that the people we would jointly farm with are employed in the agriculture sector and have a keen appreciation of the business of farming.

Besides the personal concerns I have about this bill, there are also the larger concerns as to how it will affect the long-term viability of agriculture in this

province. In my view, the bill will have a negative effect in that it applies restrictions and unnecessary regulations to the business of farming - restrictions and regulations which, if similarly applied to any other business, would be viewed as untenable.

Briefly, some of the major concerns I have are as follows:

(1) Canadian residents should not be excluded from purchasing and owning land in this province. Such exclusions only serve to further the sense of regionalism and weaken our sense of identity as Canadians first. The fact that other provinces have such disunifying legislation does not legitimize the enactment of such legislation here.

(2) The definition of "corporation" must be extended to include other legitimate agricultural corporations, not only family farms. At the very least, the definition must be broadened to ensure, in the case of family farms, that the corporation shares can be easily transferred between second and succeeding generations, which is not the case in Bill 3.

(3) While there are allowances made within Bill 3 to allow for the granting of exemptions to those who have legitimate reasons for owning land but are restricted through the legislation, I object to the Farm Lands Ownership Board being given such broad powers without legislative guidelines being laid out as to what conditions would be acceptable grounds for the granting of exemptions. Further, I object to the concept of exemptions for the following reasons:

(a) An exemption indicates that the party granted the exemption is in contravention of the legislation, but has been granted a dispensation to operate. I prefer to operate within the law, rather than being allowed to operate outside it.

(b) The investment of time and money in the amounts required in farming today, on the basis of an exemption which can be withdrawn at any time at the will of the board, would not seem to be a prudent basis on which to establish a lifelong business.

Certainly under Bill 3, as it exists, the concept of exemptions is necessary. However, if the legislation was amended to allow Canadians to own land in Manitoba and a broader definition of corporations was established, the need for the broad application of exemptions would be eliminated.

In closing, I would like to say that there is great need for amendments to Bill 3 before legislation is enacted, if it is to serve the purpose for which it is intended and not harm the farming community. I would suggest that in its present form, it may, legally speaking, be an effective piece of legislation but it overlooks many of the realities inherent in farming and in the rural community. In other words, it is not a realistic piece of legislation.

I would plead with members of the committee to give long and careful consideration to this bill and any proposed amendments. Too many lives and livelihoods hang in the balance to allow yourselves to be guided by philosophies, rather than facts.