

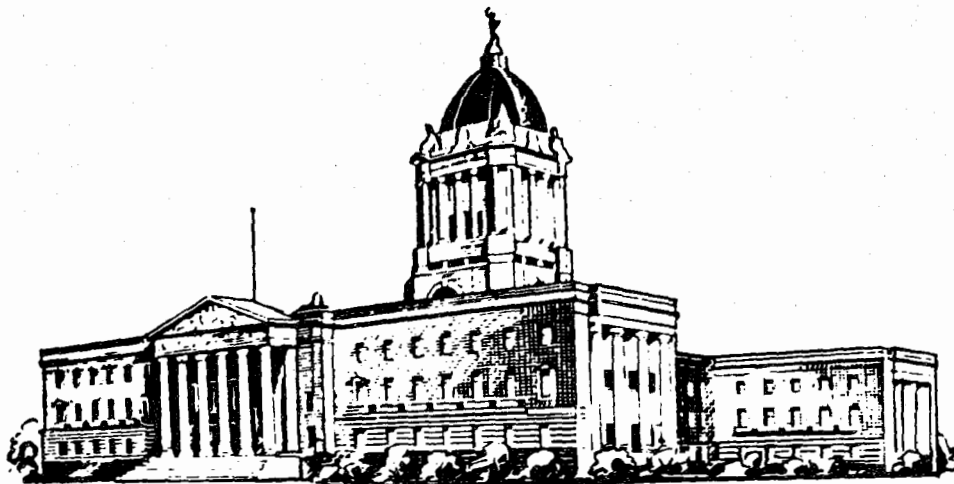


Legislative Assembly of Manitoba

**HEARING OF THE STANDING COMMITTEE
ON
AGRICULTURE**

Chairman

**Mr. A. R.)Pete(Adam
Constituency of Ste. Rose**



WEDNESDAY, June 15, 1977, 8:00 p.m.

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E: 8:00 p.m.

CHAIRMAN: Mr. A.R. (Pete) Adam.

MR. USKIW: Are we in order to proceed, Mr. Chairman?

MR. CHAIRMAN: Yes, it's in order to proceed if we have a quorum. So proceed. I believe there was an amendment for 9(1).

MR. USKIW: (1) and (2).

MR. CHAIRMAN: (1) and (2), yes.

MR. USKIW: Mr. Chairman, for the benefit of the members of the Committee, we are suggesting we would be prepared to amend 9(1) as follows:

"Where the Minister or any person authorized by him has reason to believe that a person or a corporation has acquired land in contravention of this Act, he may conduct an investigation for the purpose of determining if there has been any such contravention."

MR. LYON: "That a person or a corporation" ?

MR. USKIW: "That the Minister or any person authorized by him has . . ." — (Interjection) — "Where the Minister or any person authorized by him has reason to believe that a person or a corporation," and the rest remains the same.

MR. LYON: What's the advantage of having, "has reason to believe" as opposed to "reasonable and probable cause to believe"?

MR. USKIW: Well, as I understand it and legal opinion has it, that there may be a dispute as to what "reasonable cause" and therefore one might have to go to court to determine that there is cause to launch the investigation.

MR. LYON: That's what's meant, yes.

MR. USKIW: Well, that's why it's objected to.

MR. LYON: Oh. The whole point is that there has to be "reasonable cause", otherwise you can have indiscriminate investigations for no cause at all which is not tolerable.

MR. CHAIRMAN: Mr. Minister.

MR. USKIW: Well, Mr. Chairman, . . .

MR. LYON: The RCMP can work with these words, surely to God the Minister of Agriculture can.

MR. USKIW: Mr. Chairman, there is no intent here in the administration of this bill to seek a court permit or whatever procedure the Leader of the Opposition has in mind, before one launches an inquiry into any transaction. The reasoning behind an inquiry is that it is known that someone has an excess amount of acreage over what the Act provides, and therefore that is the logic of the inquiry to determine whether or not it's within the sphere of the legislation.

One wouldn't launch the inquiry if one was not in a position to know that the acreage owned is in excess of that permitted.

MR. LYON: That's why I can't see why there's any objection to accepting the original words because you must have reasonable and probable cause.

MR. USKIW: But in the end someone has to make that decision and if the Leader of the Opposition, Mr. Chairman, is suggesting that a judge make a decision before any inquiry is going to be undertaken . . .

MR. LYON: No, no. It doesn't work that way. If the method by which, in various statutes as I've mentioned, federal and provincial, you in effect keep the bureaucracy and/or the ministerial authority honest because they can only act on reasonable and probable cause, and that as I say, and in effect, if that authority is given with respect to search warrants and so on, then I think that in this kind of an affair where there can be investigation into private affairs of individuals, this is an unusual procedure, something akin to the income tax enquiries that there should be reasonable and probable cause before a Minister or more particularly one of his minions can move off at whim and proceed to investigate the private affairs which, under ordinary circumstances, are no particular business of any bureaucrat.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, in terms of the practical application of this Act or the administration of it, once a transaction is filed at the Land Titles Office and an affidavit signed that determines to some degree whether or not there is need for investigation. If, for some reason or other, there is evidence to show that the affidavit is not accurate or that there are other landholdings that were not listed in the affidavit, then you launch the inquiry. It's for that very purpose that you do it. There is no other purpose being served through the inquiry. It's a matter of determining whether or not a person has exceeded his authority in terms of the total land holdings that he or she may purchase, or has purchased.

MR. LYON: I think with respect, Mr. Chairman, the Minister may be a bit hung up on this business of having to go to court to demonstrate that he has reasonable and probable cause. That occurs in very few cases. But where an investigation was initiated this would obviously be an area where, if

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there were no reasonable and probable cause the person who is the subject of the investigation would have this cushion within the Act, which is a normal cushion, for any free citizen to be able to say that he is not to be subjected to capricious types of investigation merely because some bureaucrat may not like the way he parts his hair, and that's the whole point of the amendment.

MR. USKIW: Well, Mr. Chairman, what would trigger the investigation is both an action purchase of property and therefore that in itself may be reason for the investigation. What reason does one need other than there has been a transaction involving property and it's a question as to whether it's in violation of the statute. It's only for determination of whether or not that is a violation.

MR. LYON: Well, Mr. Chairman, as a general rule I always feel that it's a good fault to err on the side of the citizen and I think that if you use the words "reasonable and probable cause", if there is an error there, it's an error that is in favour of the citizen. And in my experience in government, that's the kind of an error that a Legislature should be making, if indeed it is. I don't think it is. I think it's a reasonable precaution that saves individual citizens in a democracy from the kind of capricious nonsense that we sometimes see being carried on, even in this country today, under an over-centralized bureaucracy such as we have in Ottawa and to a growing extent here.

MR. CHAIRMAN: Mr. Enns.

MR. ENNS: Mr. Chairman, what my leader is trying to say is at least allow in this bill the kind of right traditionally held, you know, right of position of the individual. And we have seen, you know, that right abused in different ways by wilful bureaucracies or wilful administrators. President Nixon, you know, excused himself for using the right to inquiry into the personal affairs of citizens of his country for the broadest of reasons and really, was that necessary. It's now proven not to be necessary. If the purpose of the Act is to determine and to examine the books as to who is a shareholder because of the purchase of a piece of land, then that's what it should be restricted to. There should be reasonable grounds for an investigation by bureaucrats into the affairs of an individual or corporation.

What you are seconding to yourself, Mr. Minister, is no limitations to that right and I just believe that that's not necessary. You say it will only be triggered as a result of the purchase of land. But you're also saying and reserving to yourself and to your bureaucrats, the right to open up all sorts of extraneous matters, all books and all other things. Well, that's not necessarily the case in point. The case in point is does that corporation, does that individual have the right under the law to purchase an additional acreage of land, an additional quarter section of land. You should not be able to use the Act to go on a wide ranging witch hunt — if I want to use the words by the Member for Gladstone — to determine that fact.

I think the amendments are reasonable and they are made in a reasonable way and I really am concerned why the Minister should back up on this particular course. I think the words that that amendment have in them, the Minister has a reasonable cause, a reasonable suggestion to look into the affairs of books, then fine, we're not objecting to that. What we are objecting to is that it should be *a carte blanche*

invitation for anybody to open up the books.

MR. CHAIRMAN: Mr. Uruski.

MR. URUSKI: Mr. Chairman, I think there has been a compromised suggestion to the reason, if you understand Mr. Lyon's amendment, that every investigation that is to be conducted, if there is a non-co-operation or a denial of purchasing, then every investigation would have to go to court, I gather. Is that not the intent?

A MEMBER: No.

MR. URUSKI: No? Then what happens?

MR. LYON: Keep the Minister honest. Any minister of any government. Any minister. I'm not singling out the present Minister of Agriculture. It's to keep the bureaucracy from using capricious methods to investigate the private affairs of citizens which up until this very moment as we sit here tonight are no damn business of the state. Now we're moving from a situation of 107 years where it's been no business of the state as to who bought land, where, when, or in what amount, into a situation where we would hope that we were putting a minimum amount of interference into that free right.

A MEMBER: The title system.

MR. LYON: The title system has nothing to do with it. We're moving from an absolutely free system with respect to the ownership of land subject to usual economic stringencies and so on, into a situation where we're saying that a certain group of citizens, for reasons of public policy, not all of which we subscribe to, but part of which we subscribe to, namely, foreigners, non-resident foreigners, cannot for what we consider to be good reasons in public policy — at this time. I don't think that anyone would argue that this bill will necessarily have to be in force forever. I would hope that it wouldn't. We're facing a peculiar situation at the present time. But that being the situation, moving from that position, surely we should not be conferring overly generous powers of investigation upon a Minister or upon one of his bureaucrats in an area where we're saying, "Look at the present time we think it's a good idea to close the barn door before that 1.6 percent becomes 3

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cent," or whatever. That's all we're trying to do. Now that being the case, let's not confer overly broad investigative powers upon a Minister but more particularly upon bureaucrats to pry into the private affairs of what today are the private affairs of individuals, what tomorrow will be limited private affairs of individuals, unless he can show reasonable and probable cause to stimulate that investigation. That's all we're saying.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Well, Mr. Chairman, I think that it's obvious that the Leader of the Opposition knows that with respect to an individual that there may not be too much difficulty and therefore his suggestion may work. With respect to intricate corporate structures within the province or without a province, it may be much more difficult and you might be in a court action trying to determine the right of investigation until the cows come home — and Mr. Enns would know something about that. I don't think that's not the position that we want to be in. So we're prepared to make some amendment here knowing that there be some reason to believe on the part of the Minister, but that we're not prepared to allow protracted litigation to disallow an investigation.

MR. CHAIRMAN: Mr. Lyon.

MR. LYON: Well, let me put it in a different light. The wording that is used here, as I have said, and I don't have the Criminal Code in front of me, but the wording that is used here is not at all uncommon with respect to what are considered to be criminal offences. What we're looking at here is a form of civil remedy that is applied or that is conferred upon the Minister or one of his appointees in order to make sure that the effort, or that the burden of this Act is carried out and if somebody is stepping over the line, fine and dandy, then the Minister should have reasonable powers to investigate. Nobody argues about that at all. All we're saying is that before he investigates he should have reasonable and probable grounds upon which to conduct that investigation. That's all.

MR. USKIW: Well, Mr. Chairman, it's obvious to me that when there has been a land transaction, which may or may not put a person in contravention of this bill, that that is a reasonable ground for investigation. I don't think you need any more reason to investigate than the knowledge that a corporation (a) owned 600 acres yesterday, or even 500, or 100 or 20 and today it is purchasing another block of land, and recognizing the intricacies of corporate structures, to follow through and to find out just who it is and how much is involved in terms of land ownership may be some problem for the board in terms of the administration of this Act, and to have to go to a judge to first of all prove that there is reason to believe, you know, I think is a very cumbersome approach. Not so much with respect to the individual but with respect to a corporate structure, which may be very difficult to proceed with.

MR. CHAIRMAN: Mr. Lyon.

MR. LYON: Well, I'm not trying to act as the legal adviser to the committee because I'm not here in that capacity but I suggest that in the instance which the Minister suggests, he would have no difficulty at all in establishing that he had reasonable and probable grounds to conduct an investigation because, (a) the land transfer had taken place and (b) his solicitor would merely provide the fact that there had been other land held say to the aggregate amount of 640 acres, so it's *prima facie*, it's evident as the lawyers would say in a *prima facie* way that are reasonable and probable grounds. It's a very easily rebutted presumption. But it's important to have the presumption there to avoid capriciousness, to avoid whim, to avoid the kinds of things that sometimes motivate bureaucrats, god knows why. I've been a bureaucrat, I've been a member, I've been a Cabinet Minister, I know, and all I say is, and my honourable friend should know from that case of a year or so ago with respect to the Marketing Board, what I mean about capriciousness, where petty bureaucrats put in position for power, can hound private citizens without any right whatsoever. And all we're trying to do is to protect the citizen against that kind of capriciousness.

I think that the presumption, in the instance that the Minister has used, is *prima facie* establishable, that he has legitimate grounds for a land transaction that's taken place and if it is contested — and I don't think they would be contested in too many cases at all — if it is contested he's got a very easy *prima facie* way of rebutting any suggestion that he hasn't got reasonable or probable ground. May I say this, it's not a partisan thing, it's not a political thing, it's a question of protecting and preserving the right of the individual citizen in the country who is moving from a state of 107 years of having nobody put himself to answer to with respect to land purchases, removing him to a temporary situation where we want to restrict that for what we deem to be good reasons of public policy, but for heaven sake let's not throw the net too widely.

MR. CHAIRMAN: Mr. Einarson.

MR. EINARSON: Well, Mr. Chairman, I just want to enforce the comments of my Leader. The section says, "Where the Minister or any person authorized by him has a reasonable and probable cause to believe that a person who is not a resident Canadian or a foreign corporation has acquired and in contravention of this Act he may conduct an investigation for the purpose of determining if there has been any such contravention."

As a layman, Mr. Chairman, I don't understand the hang-up that the Minister of Agriculture has on

this particular section and I can tell him that under the legislation that have been passed in recent years, that individual farmers are faced with bureaucrats telling farmers what they can do and what they can't do and I would hope and all we're doing, as my Leader says, to assist the Minister in getting away from the kind of bureaucracy that we've been faced with in recent years. I can tell him, Mr. Chairman, that I'm faced with it every day. Farmers coming to me and telling me what bureaucrats within various departments are doing to farmers in this province and heaven forbid if we're going to have to have more of this, and this is what we're headed for in this whole section.

MR. CHAIRMAN: Order. Order. Mr. Uruski.

MR. URUSKI: Thank you, Mr. Chairman. I didn't finish my remarks when I posed the question.

MR. CHAIRMAN: I apologize.

MR. URUSKI: . . . I didn't complete. But as I understand the words that are related in the Criminal Code, if I understand them properly, they are related to the powers of searching or entering upon premises and searching for certain documents. The section here in the Act relates to the power to conduct an investigation, not to enter upon or search. And the reasonable and probable grounds are related to the Criminal Code as powers vested to a Peace Officer giving him the authority to enter upon a search and seize and upon making that application to a court, he has to have reasonable and probable grounds to prove to the justice to have that search warrant or whatever kind of warrant issued for that entry, but he's not to do — he has done his investigation, his investigation up to that point has been completed. However, we are talking about just a beginning of an investigation upon receiving information that someone may have done and purchased more land than is allowable under the Act if my understanding is correct.

MR. CHAIRMAN: Mr. Lyon in response.

MR. LYON: Mr. Chairman, I thank the Minister for making my point. He makes the point precisely that before the police in certain warrant situations under the Code or under different federal acts, can move in to obtain the information that is able to be sought under subsection 2 they must go before court. Nobody is suggesting here that they have to go before a court. All we're suggesting is that they must have reasonable and probable grounds, which are demonstrable in the event that they are called before a court. Nobody is saying that the Minister has to go to court at all. All we're saying is that the Minister has to have reasonable and probable cause and unlike the RCMP he doesn't have to go and lay before a judge an affidavit. In fact, he makes a good suggestion. Perhaps we should say that the Minister should have to demonstrate by affidavit that he has reasonable and probable grounds for . . . But the search power that he talks about under general warrant provisions in the Criminal Code is already accorded to the Minister or his appointee under Section 9(2) without the reference of the court at all, so you're giving very very serious powers. Read subsection 2, "The person conducting the investigation under subsection 1 may at all reasonable times demand the production of and may inspect only such books, documents, papers or records etc. etc. being investigated." So that is according the power, the warrant search right there.

MR. CHAIRMAN: Mr. Toupin.

MR. LYON: May I make a further point because the analogy is too facile in this sense. This is not a criminal matter that we're dealing with. We're dealing with a civil remedy that the legislature is seeing fit to confer upon the Minister or his appointee. That being the case, we're not dealing with murder, with rape, with any of the indictable offences under the Criminal Code, we're dealing with a situation where an individual or even a corporation may be in a position of having made an honest mistake. And I've got some amendments to deal with that later on so I won't dwell on it at this point. But all we're saying in a contra position vis-a-vis the Minister is that he, on his part, before utilizing these serious powers that are conferred upon him should have reasonable and probable grounds to initiate the investigation. I don't think it's unusual at all.

MR. CHAIRMAN: Mr. Toupin.

MR. TOUPIN: Mr. Chairman, I'm not going to make remarks with the purpose of having Mr. Lyon rebuttal to remarks. I don't believe that's his responsibility at this level. First of all, I happen to believe that 9(1) and 9(2) as it stands in the bill I like. Mr. Graham says that he likes the amendment proposed by his caucus. I like the sections as they are contained in the bill. That's my prerogative to do. I happen to believe that the discretion given to the Minister in the bill before us is a good one. If there is reason to believe that an act or a law, a Manitoba law is being broken, I don't mind giving the Minister the discretion. If I take my car, Mr. Chairman, and . . .

MR. LYON: That's not the point, it doesn't say that.

MR. TOUPIN: Just listen. Take your time and listen. Listen like everybody else.

MR. CHAIRMAN: Order please. Order.

MR. TOUPIN: I read it. I can read as much as you can. If I go in my car now and break a law I can be stopped by a Peace Officer, and if he has reason to believe that I'm intoxicated, he can take my license away. The Minister can't do that. The Minister is saying here if he has a reason to believe that an act is being broken, that he'll have it investigated. —(Interjection)— Yes, investigated. He's not going to withdraw the power of the individual or reverse a deal that's been made. What's so bad about

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? Stop raising red herrings.

MR. LYON: Well, Mr. Chairman, the Minister doesn't suffer from the disability of having any legal opinion so I take —(Interjection)— No, I'm not smart at all. I defer to the . . .

MR. CHAIRMAN: Order please. Order please.

MR. LYON: . . . legislative counsel on these matters. But I would suggest that the Minister would be well to read the section as it appears in the bill, where he will find that there is no question of the Minister believing at all. That's why the amendment was proposed in the first place. Mr. Chairman, I finally, we are not yet in Russia. Let's not try to make it that way here.

MR. CHAIRMAN: Mr. Minister.

MR. USKIW: Mr. Chairman, the Leader of the Opposition suggests to the committee that the Minister has legal opinion at his elbow, and it is on the basis of that legal opinion that I'm encouraged to leave it as I have suggested. Of course, we are in that conundrum where we have the Leader of the Opposition who is a lawyer making a suggestion and we have legal counsel who is also giving us information and advice and they are not concurring. So I accept the fact that we have advice that certainly doesn't concur with the Motion.

MR. CHAIRMAN: Mr. Einarson.

MR. EINARSON: As a layman, I don't understand how the Minister is having problems with accepting reasonable and probable cause to believe that a person who is not a resident Canadian citizen, you know, I mean say, all we're asking is that the Minister give consideration to the citizens, as your leader pointed out. All of a sudden, after 107 years, we have legislation being foisted upon people in this province, let alone the people who are from foreign countries. I don't understand why the Minister is having difficulty in accepting I think in simple terms in this Clause 9(1); it's merely to protect the citizens of this province. That's the point, as I understand it, our leader is trying to impress on the Minister. Those are my comments, Mr. Chairman.

MR. CHAIRMAN: Section 9(1).—(Interjection)— That's all that's before me; I don't have a motion before me.

MR. LYON: Well, to clear the point, I . . .

MR. CHAIRMAN: I don't have a motion before me.

MR. LYON: I appreciate the Minister having gone part of the way with respect to the amendment. I accept his amendments with respect to a person or a corporation. I honestly believe that he is making a mistake if he doesn't adopt the words that are there. I think "reason to believe" goes part of the way. He might as well as go and say "reasonable and probable cause", and err on the part of the citizens. If he chooses not to, he has obviously got the majority at this time to see his will done roughly, but I suggest to him in very, very strong terms that he is not doing what is in the best interests of the citizens of Manitoba if he follows this course.

MR. USKIW: Mr. Chairman, that's a judgmental thing and I propose that we go along with part of the amendment as we have suggested and perhaps it's in order, then, that we redraft an amendment to 9(1) in accordance with my suggestion. If that is the will of the committee . . .

MR. SHAFRANSKY: On a point of order, Mr. Chairman, we have been discussing a matter which is not even before this committee. You have been talking about a particular clause that has not been moved by anyone introduced. The Member for Souris-Killarney is not a member of the committee.

MR. CHAIRMAN: That doesn't matter. That's not a point of order. Your first point was well-taken at the second one wasn't.

MR. SHAFRANSKY: Well, he is entitled to express but the fact remains that that motion has not been made.

MR. CHAIRMAN: Order. I accept your first comments that I have nothing before me here . . .

MR. LYON: It has been moved.

MR. CHAIRMAN: I do not have a formal motion.

MR. LYON: Yes, it was moved.

MR. USKIW: There is a motion before the committee, Mr. Chairman.

MR. CHAIRMAN: Well, there was the one we left before the supper hour. There was a disagreement as to the entirety of that motion, whether it was acceptable or not, and it was supposed to be taken under advisement and I have nothing before me at the moment.

MR. USKIW: Mr. Chairman, I believe there was a motion put forward by the opposition, namely (1). I think the procedure would be to vote on that motion and, if the committee wishes, to introduce a different motion to cover 9(1).

MR. LYON: Well what I am suggesting is if the Minister persists in following the wording that he set forth at the beginning of the meeting today, let him move that as a sub-amendment and let the thing go through. But we don't think that that is the best way to go but let's get on with it.

MR. SHAFRANSKY: Mr. Chairman, if I had the sub-amendment — if that is agreeable to the Minister I would . . .

MR. CHAIRMAN: I have before me the Motion presented by Mr. Lyon. That's what's before the

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House at the present time. We have to withdraw that or get a sub-amendment.

MR. USKIW: It has been indicated to the committee, by the mover of the motion, that they prepared to go along with the amendment suggested by myself. It's a question of drafting it in its form now and voting on the motion. So perhaps someone should read it as it is now being proposed.

MR. LYON: Mr. Chairman, I can read it. As I understood the Minister to read it, it would read "Where the Minister or any person authorized by him has reason to believe that a person or corporation has acquired land in contravention of this Act, he may conduct an investigation for the purpose of determining if there has been any such contravention." That's the way I understood the motion that particular sub-amendment to Section 9(1).

I think it's still a rule that a member of the committee is the only one authorized to make a motion. The Member for Souris-Killarney I understand is not on the committee. Although he is not prevented from attending any committee, he is not entitled to make the motion. There should be, therefore, another member of the Opposition to make any motion.

MR. LYON: I'm not accepting my honourable friend's comments on procedure any more than I accept them on anything else, Mr. Chairman.

MR. SHAFRANSKY: Well, I don't think they accept your opinion either.

MR. CHAIRMAN: Order.

MR. LYON: That's just for the record. If we're in the silly season he'll continue talking. If not, we get on with the business of the committee.

MR. CHAIRMAN: Order. Order.

MR. USKIW: Question, please.

MR. CHAIRMAN: We have before us an amendment to vote on. All in favour of the amendment (Agreed) 9(1) as amended—pass. 9(2)—pass, as amended; 9(3)—pass. 10(1).

MR. SHAFRANSKY: Mr. Chairman, I move that subsection 10(1) of Bill 56 be amended by striking out the words and figure "of the minister under section 777" in the first line thereof and substituting therefor the words "or the determination of the minister or the board under this Act."

MR. LYON: Mr. Chairman, on a minor point of order. I don't know that the Member from Radisson was here when we discussed how we could try to facilitate these amendments. This is one where there may be a crossing of . . .

MR. CHAIRMAN: Mr. Minister.

MR. USKIW: I thought that the next amendment of the Opposition was 10(2) and we're now dealing with 10(1). I have it here as 10(2). Oh I'm sorry. No, you're correct.

MR. LYON: I don't think the motion that's been moved by the Member from Radisson bothers this too much.

MR. USKIW: We are prepared, Mr. Chairman, to delete all the words after "just" in the fourth line. I believe that meets with the proposal of the Leader of the Opposition. 10(1).

MR. LYON: I just make the inquiry then, Mr. Chairman, of Legislative Counsel as to whether or not it would not be better to specify that there are the usual appeal provisions that would apply. I don't suggest that that wording is necessarily . . .

MR. BALKARAN: I would think, Mr. Chairman, that the usual court rules would apply on the right to go to the court of appeal and then on to the Supreme court.

MR. LYON: Without being so stated?

MR. BALKARAN: Yes.

MR. USKIW: 10(1) as amended. I presume we have to state what the amendment is doing, do we? As further amended.

MR. SHAFRANSKY: The motion as read and by striking out all the words after the word "just" in subsection 10(1) of Bill 56.

MR. CHAIRMAN: The motion as amended and with the subamendment—pass. 10(2). Mr. Shafransky.

MR. SHAFRANSKY: I move that subsection 10(2) of Bill 56 be amended by adding thereto immediately after the word "Minister" in the second line thereof, the words "or the board as the case may be."

MR. USKIW: Mr. Chairman, just on a point of clarification. Before the last motion was voted on, I believe there was a motion put by the Member for Radisson and there was an interjection as to the propriety of that motion ahead of the motion that we had agreed to. I don't know whether we moved the motion or passed it, or whether we didn't. Perhaps we have to go back to 10(1).

MR. LYON: No, he incorporated that . . .

MR. USKIW: Oh, that the two tie in together, is that it? I see.

MR. LYON: That was passed as amended.

MR. SHAFRANSKY: That's indicated in "further be amended."

MR. CHAIRMAN: There is a motion by Mr. Shafransky, 10(2) as amended—pass?

MR. LYON: 10(2) then ends up reading in a different way. We had a suggestion in 10(2) that it be amended by inserting after the first two words of the subsection, the further words "from an order of

Minister, the appeal from an order of the Minister."

MR. USKIW: That is implied, is it not?

MR. LYON: That's implied, okay.

MR. CHAIRMAN: 10(2)—pass as amended; 11—pass.

MR. SHAFRANKSY: No, no, no. Mr. Chairman, there is 10(2)(b), 10(2)—pass.

MR. CHAIRMAN: It's passed.

MR. SHAFRANKSY: Mr. Chairman, I have a motion that subsection 10(3) of Bill 56 be amended by striking out the words . . .

MR. CHAIRMAN: Wait a minute, you're out of order. There is no 10(3). Where are you getting your number? There is no 10(3). —(Interjection)— Oh, I'm sorry. It's really confused, we have so many amendments here.

MR. SHAFRANKSY: Mr. Chairman, may I continue?

MR. CHAIRMAN: Proceed.

MR. SHAFRANKSY: It should be that Section 11 of Bill 56 be amended by striking out the words "of the Minister" in the second line thereof, and substituting therefor the words "appealed against."

MR. USKIW: Is there any question on that, Mr. Chairman?

MR. CHAIRMAN: Yes, are there any questions on that amendment?

MR. LYON: Mr. Chairman, I take it Mr. Balkaran can assure us that that Section 11 again is subject to the usual powers of appeal to the court of appeals, Supreme Court, if necessary. Mr. Balkaran indicated in the affirmative.

MR. BALKARAN: Yes, that's right. The reason for the striking out the words "of the Minister" is to make it clear that the order might be from the board or from the Minister.

MR. CHAIRMAN: 11 as amended—pass; 12(1). Mr. Einarson.

MR. EINARSON: Yes, that Sections 12(1), (2), and (3) be repealed and the following substituted therefor:

12(1), Any person or corporation who has knowingly and wilfully contravened Section 2 is guilty of an offence and liable, on a summary conviction, to a fine not exceeding \$1,000. 00.

12(2), Where a corporation is guilty of an offence under this Act, any officer, director, or agent who knowingly and wilfully directed, authorized, or participated in a commission of the offence is a party to and guilty of the offence and liable on summary conviction to the fine provided in subsection hereof.

The purpose of that amendment, Mr. Chairman, we reviewed the penalties insofar as this bill is concerned and found them to be, we thought, extremely punitive as well as being the kind of penalties that, in cases where people were involved in land transactions, probably not intentional, probably not knowing of the legislation. The fine for an individual is from \$1,000 to \$5,000 and for corporations from \$10,000 to \$50,000, and we thought was extreme in both cases, and for this reason we moved an amendment to reduce the penalty insofar as this Act is concerned.

MR. CHAIRMAN: Any further discussion on the motion? Mr. Uruski.

MR. URUSKI: Mr. Chairman, I certainly appreciate the amendment that the honourable member has moved, because it adequately points out their concern for the individual as they so greatly argued in the earlier sections that were being amended, that they will treat the individual the same as the government but they certainly will treat the corporation a lot lighter. Their concern for the individual is no greater, no less, but however for the corporation their concern is far greater than for the individual.

MR. EINARSON: Mr. Chairman, on that point we have argued the basis of where a farmer is an individual — and I have disputed this in second reading with the Minister — a farmer who has a family farm could be operating a farm, who is not a corporation, but in the event that he so chooses for various reasons that he wants to incorporate his operation, I fail to see where a farmer is any different just because he chose for various reasons, maybe income tax wise or so on, to form a corporation, that the penalty changes from \$5,000 to \$50,000.00.

MR. URUSKI: The farmer is not involved in here.

MR. EINARSON: And so the thing is, Mr. Chairman, the penalties that are involved here, whether it be an individual or whether it be a corporation, we feel are extreme to say the least.

MR. LYON: Just on this point, Mr. Chairman. Number One, to clear up any misapprehension in the mind of the Minister of Municipal Affairs, the penalty that is being suggested in the amendment moved by Mr. Einarson is the same for an individual or a corporation, the reason being that this is not a criminal statute. The Province of Manitoba has no jurisdiction under Section 91 or Section 92 of the British North America Act to pass criminal statutes. This is a penalty under the Summary Convictions Act, which is the authority in the Province of Manitoba to pass quasi-criminal legislation which does not trench upon the powers of the Federal Government under Section 91.

Number two, the principal weaponry that is conferred upon the Minister and/or the Board with respect to compliance of the Act, and the most important weaponry is the civil weaponry contained in Section 7. Now, what Section 7 says is, that where they have found that someone has failed to comply

with an order — where a person or a corporation has bought, in contravention of the Act, they have the ultimate remedy, which is to vest that land back, take it out of the hands of the purchaser and vest it back into the hands of the original vendor, or whomever the case may be. And, that is the purpose of the Act, that's the principle arm of enforcement.

The penalty section that comes along afterwards is really just like a sub-trailer on the whole act certainly concur with the comments of the Member for Rock Lake, the comments that have been made by other witnesses who have appeared before this Committee, but the criminal penalties, what purport to be criminal penalties, provided in this Act are excessive. We are moving again, may remind the Minister, from a situation where we are saying, up until today, as we sit here tonight, it is no offence for anybody to go out and buy land in excess of 640 acres, but all of a sudden, once the Act passes, and if they do it, even innocently, then the Minister under the draft of the Act as we first had it would have these rather draconian penalties apply to somebody who had already had the land vested back and he would have to pay the penalty under Section 12. It is really a form of double jeopardy in a sense, in that the worst action you can take against him is to take the land back which you are quite properly entitled to do, and to which we make no objection at all, but we merely suggest that there should be moderation in the application of penalties, for two reasons:

Number one, the Act as it presently stands — and that is why we have used the words “knowingly and wilfully” in the penalty section — the Act as it presently stands does not make any distinction between an Act that is performed by a person without malice aforethought; without, as the lawyer would say, without men's real or criminal intent, and an Act that is performed in a fraudulent way, a person who sets out on a particular course of action to get around the Act in an illegal way. And, of course, that distinction has to be made, and I suggest that by importing the words “knowingly and wilfully” then you put back into the provincial statute the quality of guilty intent, which in most criminal statutes, subject to advice by the Legislative Counsel, but in most criminal statutes is not found. I think you have to have that protection there in order to protect the innocent farmer or the innocent farm corporation who may go out and acquire land and say, “We didn't know.” You can't just fall back on the old defence that ignorance of the law is no defence, especially when you are putting such draconian penalties on people, and especially after realizing that you have the power to vest the title of the land back in any case.

So, I suggest, again, that the amendment that has been moved by Mr. Einarson is a reasonable amendment that covers the purpose that the Minister wants to cover. I am sure he doesn't want to convict anybody who, by mischance, committed a breach of the Act without any guilty intent; that is why we have the words in there, and that the penalty or the fine that is provided is, in the circumstances, adequate. Now, if the Minister finds that he's got a rash of these things occurring in the next year or two — or whoever the Minister of Agriculture may be — then he is always free to come back to the Legislature and say, “Look this isn't a sufficient deterrent, the civil remedy plus this is not a sufficient deterrent.” But, again, I suggest moderation as we move into this field of restricting the rights of individuals in Manitoba, and it does not bear, as the Minister of Municipal Affairs would have us believe, upon the question of favouring corporations or any of this other nonsense that he and other members are wont to prate about from time to time. It has nothing to do with that.

The whole point is that if you've got some doctrinaire hang-up about corporations then for heaven's sake repeal the Companies Act, make them illegal, but if you haven't got a doctrinaire hang-up about companies, if you are going to permit people, private individuals — that's all corporations are, they are private individuals who bind together under a form of legal institution that is permitted in every jurisdiction in the civilized world, in order that they can limit their liability and conduct their business in a more efficient way. There is nothing very evil about them at all, they are no more evil than co-operatives, in fact, they are on the same footing. They accomplish the same thing. And all I am suggesting to you is that a corporation is a sterile legal institution, but behind it is people, and these people must first band together in order to form the corporation. The fact that they have formed the corporation doesn't mean that the corporation all of a sudden becomes some evil sort of a being or evil sort of an entity, not like that at all.

So, I merely suggest that the motivation for the amendment that has been proposed by Mr. Einarson is to make the penalties less draconian, to make sure that innocent mistakes are not treated in a criminal way under the Act, and to make sure, and to reinforce the fact, of course, that the civil remedy is available, and that is the tough remedy that should be available if you are going to make the Act enforceable.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Well, Mr. Chairman, the Leader of the Opposition is quite right, we do not want to unduly, or not at all, penalize people who fall into this situation accidentally, but we believe the remedy to that lies in tying in the provisions of 7(4), through an additional section that we would add to 12, namely, that there would not be any penalties imposed unless a person failed to comply with an order, so that any innocent person up to that point would not be involved whatever, and we have a proposal to deal with that particular problem. It would be 12(4) re, if I may just cite it, “Limitation on

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prosecution: a prosecution for an offence under this section shall be commenced only in cases where a person, or corporation, has failed or refused to comply with an order of the Minister under subsection 7(2)." So, it is after they have been issued an order pursuant to an investigation, and they refuse to comply with the order that the penalty sections would apply if they were found guilty of the offence. So, in that way no innocent person could be involved in a penalty.

MR. CHAIRMAN: Mr. Enns.

MR. ENNS: Except of course, the point that was argued and lost earlier on in the debate, that the Minister and the government has, to this date, failed to acknowledge the difference between a farm corporation, which may involve myself, my wife and my son, as compared to, to quote the Minister's words, "The Timothy Eaton Company, or the CPR." In that sense the words that my leader used are very apropos, namely that many farm people have been encouraged and have taken advantage of incorporation. They are incorporated, not in the context of the way my honourable friends opposite view the word "incorporation"; they are family farms in the true context of the word, yet the Act specifically separates the two, the individual from the corporation, and the penalties imposed are different. You know, with all due respect, Mr. Minister, that still does not cover that aspect of the amendment moved by my colleague the Honourable Member for Rock Lake.

Mr. Chairman, let me make it more succinct, that today I am not incorporated as a farmer; tomorrow I am incorporated and I am going to be subject to a \$5,000 fine rather than \$1,000 fine.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, the Member for Rock Lake and the Member for Lakeside have raised his point now more than once. A farming corporation is not subject to any restriction. — (Interjection)— Yes, with respect to land that is not agricultural, they are, but with respect to agricultural land there is no limitation imposed on them if they are bona fide farm corporations where 100 percent of the shares or more are owned by farmers.

MR. LYON: Mr. Chairman, there are lots of bona fide farm corporations where less than 60 percent are not owned by farmers, that's the problem.

MR. USKIW: Well, that's the difference of approach. We're not going to redress that difference of opinion.

MR. LYONS: Whose private affairs do we want to start talking about, Mr. Enns or yours?

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: Mr. Chairman, on a point of order, there has been a motion put by the Leader of the Opposition.

MR. CHAIRMAN: No, by Mr. Einarson.

MR. USKIW: Oh, I'm sorry Member for Rock ' all right, by the Lake. If it is agreeable that we proceed with the motion that I have suggested, and the Leader of the Opposition has had a chance to discuss it with legal counsel, then I would presume that the Member for Rock Lake would not pursue his motion, or would withdraw it.

MR. CHAIRMAN: Mr. Lyon.

MR. LYON: Mr. Balkaran did show me the motion; there are two problems with it. Number one, you say, as I recall, under that motion that no prosecution can commence until after an order has been made under Section 7(2). Well, then you turn to 7(4) and you find that "a person or a corporation has, in the first instance, six months to comply with that order;" then you turn to the section we amended earlier this afternoon dealing with the two years for divesting, and there was another amendment agreed to there that the board might extend that time in case of hardship. Both of these instances would be in contravention of section 2, so I think you have got a hang-up on time there. Plus the fact that under the Summary Conviction Act, as I recall — Mr. Balkaran can remind us if it's true — you've got a six-month limitation period for the commencement of action.

MR. USKIW: I am wondering whether the Committee would agree to change 7(4) to a year, instead of six months. That might help us out in this particular situation.

MR. LYON: Your ratchet is going to be out, in terms of the two-year, one-year. If I may say so, I think it is only a drafting problem. I appreciate that the Minister is trying to meet the point that has been made by a number of the delegations. I wonder if he might reconsider and rather than tying it into 7(2), the Making of the Order, whether there might not be merit in just amending the general penalty sections as we have suggested, without reference to those earlier sections which don't throw up a time problem until you tie them into prosecution. They may well be reasonable in themselves, six months to comply under 7(4), two years, or such further period as may be granted by the Board under the Divesting Order.

Those are separate entities. I appreciate that the Minister is trying to get away, as I mentioned, from the double jeopardy business, and it may just be that the easier approach of the two would be to deal with the penalty sections as a separate entity.

MR. USKIW: Well, Mr. Chairman, we would prefer to proceed in the way that I have suggested. I am advised by legal counsel that doing it the other way could cause us unending problems in terms of

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the enforcement of the Act.

MR. LYON: I wonder if we could have some clarification as what the unending problems would be

MR. USKIW: Well, the words "knowingly and wilfully", of course, will lend themselves to lengthy protracted cases, determining the "wilful and the knowingly." It becomes a very cumbersome procedure.

MR. LYON: Those again are not uncommon words with respect to legislative counsel in pen sections of statutes, where you want to make sure that there was guilty intent. They are imported in the amendment merely to ensure that guilty intent must be a factor that the court must consider because unless I am mistaken the old example still applies, so far as I am aware. If you are driving 7 miles an hour in a 60 mile zone and you plead, "Well I didn't know because my speedometer was working." There's no guilty intent in a provincial statute, if you get what I mean, and the court can say, "Well, that's too bad that you didn't know, but you didn't have to have a guilty intent in order to breach the statute; sorry, you're guilty."

MR. USKIW: Mr. Chairman, this meets with the proposal that we have before the Committee, if it is acceptable. We will have determined that there was intent since an order would have been issued and not complied with before a penalty would be imposed. So, that would have to be intent after an order having been served. It doesn't follow the logic of the Leader of the Opposition.

MR. LYON: Could I raise this question, Mr. Chairman, do you not then run into a further problem under 10(1) where that order is appealable to the Court of Queen's Bench, to the Court of Appeal and then to the Supreme Court of Canada? That is, if you try to latch the penalty sections into the order this is part of the problem I think you get into. I think, it might just bear a little bit more consideration as to which approach is better. So there could be an order under appeal and then a prosecution before the order has been certified by the Appeal Court.

MR. USKIW: Mr. Chairman, if you look at section 11, of course, the implication is that you can still proceed, notwithstanding the appeal.

MR. LYON: Yes, but then you are in a very awkward position, if I may say so, Mr. Chairman. Let's assume this set of circumstances. The Minister makes the order, the defendant fails to comply with the order but appeals, the Minister then says, "Well we are going to divest in any case." The defendant then goes to the Court of Queen's Bench and gets a stay, and ultimately the Court of Queen's Bench finds that the order was improperly made and then the Minister in the meantime has proceeded with the prosecution. You see how you are getting the two interwoven in a way that . . .

MR. USKIW: Legal Counsel advises that an appeal is not a refusal.

MR. LYON: No. But it should act as a stay. It should act as a stay. If you are convicted of a serious indictable offence, something other than buying an extra ten acres of land, and you appeal your order, you're subject to at least be getting out of jail on bail. The court admits that you're still not guilty until proven so, and then you would have the conflict of a civil and a quasi-criminal action going on at the same time which leads to a great deal of confusion.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, if the Committee bears with us we will add an additional provision in the same proposed amendment that might solve that problem.

Mr. Chairman, the amendment in total would be as follows: Limitation on Prosecution. 12(4)

A prosecution for an offence under this section shall be commenced only in cases where a person or corporation has failed or refused to comply with an order of the Minister under subsection 7(2); but shall not be commenced where the person or corporation has appealed the order under Section 10 until final disposition of the appeal.

MR. CHAIRMAN: Mr. Lyon.

MR. LYON: What then happens, Mr. Chairman, to your six-month limitation for summary convictions?

MR. USKIW: I'm advised, Mr. Chairman, that in this case he's appealing, he's not divesting.

MR. LYON: That's on the civil side, yes, but I'm talking about the prosecution. You see, the date of the alleged offence would be the date when the land changed hands.

MR. USKIW: Yes.

MR. LYON: Now, it may well be two years if you ratchet it in to the civil vesting business, it may well be two years until that civil procedure has been settled after proper appeals and so on. I'm asking the question, I don't know. Are you then in a position of having expended your period of time under the usual Statute of Limitations or do you have to make provision for that in order to commence your appeal — or pardon me — to commence your prosecution? It's already confused enough without my confusing the terminology.

MR. USKIW: Mr. Chairman, the Legal Counsel would like to take a look at the Statute on Limitations and come back . . .

MR. LYON: Yes, I don't mind.

MR. USKIW: . . . and perhaps we might just relax for a few moments while he does that.

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MR. CHAIRMAN: The Committee will reconvene. The Honourable Minister.

MR. USKIW: Perhaps the Committee would hear the Legal Counsel and then we'll proceed.

MR. CHAIRMAN: Mr. Balkaran.

MR. BALKARAN: Mr. Chairman, it would appear that a simple drafting change to subsection 12(1) and 12(2), Clause 1, striking out the word and figure "Section 2" and substituting therefor the word and figure, subsection 7(2); and the same amendment in 12(2).

MR. BALKARAN: Mr. Chairman, then time wouldn't start a run for purposes of launching a prosecution until the appeal is finally disposed of, if he chooses to appeal.

MR. SHAFRANSKY: Mr. Chairman, I move that those two sections referred to by the Legislative Counsel be amended and inserting the words as indicated in 12(1) and (2).

MR. CHAIRMAN: The Chair has a bit of a problem. We have two motions, a motion by Mr. Einarson, which is 12(1) and 12(2), and I have to dispose of that before I can proceed. If Mr. Einarson is prepared to withdraw his motions, in light of the suggested amendment by Mr. Balkaran, then I can proceed, otherwise I have to dispose of that motion.

MR. EINARSON: Mr. Chairman, I'm not absolutely clear on this myself and I think we'd want some other clarification before we do that.

MR. CHAIRMAN: Mr. Lyon.

MR. LYON: Well, as I understand it, we have Mr. Einarson's motion which imports the words "knowingly and wilfully" first, and I'm just wondering, Mr. Chairman, with your permission, if we could ask the Minister if he has any hang-up on that situation because of the guilty intent argument that I was expounding before. That's the only reason I put the words in there.

MR. USKIW: Mr. Chairman, can we pause for a moment again. We have another suggestion by Legal Counsel.

MR. BALKARAN: I think we'd better write it out and give them a copy.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, we have stated earlier that we did not want to incorporate those words suggested by the amendment on the part of the Member for Rock Lake. But we do have wording there that we are prepared to suggest with respect to 12(1) and 12(2). Perhaps Mr. Balkaran would add the suggestion and then we can proceed from there.

MR. CHAIRMAN: Mr. Balkaran.

MR. BALKARAN: Mr. Chairman, the amendment to 12(1) would be to strike out the words and figure in the first line "contravene Section 2", and substituting therefor the words and figures "fails or refuses to comply with an order under subsection 7(2)."

MR. LYON: Well, we might be in a position to accommodate them if we can hear it through, yes. I see your point there.

MR. CHAIRMAN: Is that acceptable?

MR. LYON: Well, let's get the rest of it. We've only got part of the castor oil, let's get the full spoon.

MR. BALKARAN: The second amendment would be to subsection 12(2). It would be to strike out the words and figure "contravene Section 2," and substituting therefor the words and figures, "fails or refuses to comply with an order under subsection 7(2)."

MR. LYON: I think that that might meet the point about guilty intent, "fails or refuses to comply with an order under section 7(2)," I think that would obviate that point.

Now, we're making such good progress, Mr. Chairman, can we get down to the . . .

MR. USKIW: We have to be careful now.

MR. LYON: . . . can we get down to the question of the Draconian fine.

MR. USKIW: Mr. Chairman, perhaps we can get the formal motions on the table.

MR. CHAIRMAN: Is it agreeable with the Honourable Member for Rock Lake who is here?

MR. CHAIRMAN: I would like to ask the Member for Rock Lake, Mr. Einarson, if you wish to withdraw your motions, then we could proceed with this, if that is acceptable.

MR. EINARSON: Well, Mr. Chairman, we're asking now for the final situation here which we are concerned about, the fine that is implied in both 12(1) and 12(2), and we haven't had that yet. So, I think if we could carry this to its completion then . . .

MR. USKIW: . . . the question on the motion and then we'll deal with it.

MR. CHAIRMAN: If you want to have a question on that motion, all in favour of the amendments as proposed by Mr. Einarson. All in favour of those amendments to 12(1) and 12(2). All in favour?

MR. LYON: I think you are premature, Mr. Chairman, on a point of order. If we can get some . . .

MR. CHAIRMAN: We're voting on Mr. Einarson's motions.

MR. LYON: Yes. If we can get some discussion or agreement on the amounts of the fines, then I'm sure that Mr. Einarson will withdraw his motion and we can get right back to completing 12(1) and 12(2). I think it would be helpful if we could get some indication of opinion from the Minister on that.

MR. CHAIRMAN: Mr. Minister.

MR. USKIW: Well, Mr. Chairman, I want to suggest to the Committee that our willingness to

accept a change in wording dealing with the other problem, does not mean that we want to change anything with respect to the extent of the penalties, because we are indeed dealing with penalties pursuant to an action which is going to be found to be a violation of the Act, so the person will have been found guilty, person or corporation. So the two are two different matters and we're not prepared to make a change in the latter.

MR. CHAIRMAN: Mr. Lyon.

MR. LYON: With respect, Mr. Chairman, the Minister is not doing any great favour to the opposition by making the amendments. What he's curing is a piece, if I may say, of dog's-breakfast legislation that the opposition is trying to make a little bit better. So he's doing us no particular favour by changing the wording that he had in what was essentially a badly drawn Act.

What we are saying to him now is that the same kind of reason should apply itself to consideration of the penalties. The main remedy that the Minister and the government has in this Act is the civil remedy, and you've got to distinguish as between civil and quasi-criminal.

When you can divest a person or a corporation of property that was acquired in contravention of the Act, that is a serious remedy and it's a proper remedy. The tag-end provision that you come along with a summary conviction offence, and then you apply to that summary conviction offence, in the case of an individual, a minimum fine which are not looked upon in this day and age by parliament anywhere or by the judiciary anywhere, as being reasonable, the court should have a maximum discretion as to whether they should impose \$1,000 or \$5,000, whatever the maximum is. So first of all the principle of setting a minimum fine is running counter to what is happening in other penal sections in other jurisdictions right across this country, and it's wrong.

And number two, a \$1,000 to \$5,000 fine in the case of an individual is, I suggest, Draconian and in the case of a corporation, a fine of not less than \$10,000 nor more than \$50,000.00. You could well have — as we keep trying to impress upon the Minister, it's not just going to be some doctrinal enemy of his like Hudson Bay Mining and Smelting that's going to be in breach of this Act — it could be the X, Y, Z farm corporation and the X, Y, Z, farm corporation is going to have to pay \$5,000.00

MR. USKIW: Mr. Chairman, on a point of privilege.

MR. CHAIRMAN: The Honourable Minister. What is your point of privilege?

MR. USKIW: The Leader of the Opposition keeps using the words, "doctrinary enemy" and has named certain corporations. I do not recall at any time . . . At least I haven't uttered any such suggestion that they were enemies of mine. . . —(Interjection)— which is not implicit. —(Interjections)—

MR. LYON: Well, Mr. Chairman, I think I have a mind which is more than most would say about the Member for Radisson.

MR. CHAIRMAN: Order please. Order please. Mr. Einarson.

MR. EINARSON: Mr. Chairman, I think you can put the question now. We've had our debate on it. We've made our point and that's it.

MR. CHAIRMAN: Question on the motions as presented by the Honourable Member for Rock Lake, Mr. Einarson, on 12(1), 12(2) and 12(3). All in favour? (Four) Opposed? (Six) Motion is lost. Proceed.

MR. SHAFRANSKY: Mr. Chairman, I move that section 12(1) and 12(2) be amended along the lines and words as proposed by Legislative Counsel.

MR. CHAIRMAN: Is that agreeable to the Committee or do you want them. . .

MR. LYON: No way. It can't be agreeable with those penalties in there. The penalties are outrageous.

MR. CHAIRMAN: All in favour of the amendment to the motions?

MR. LYON: You're dealing with people here. You're dealing with people, remember that. You won't be here to clean up the mess, we'll have to clean it up.

MR. CHAIRMAN: 12(1) as amended—pass; 12(2) as amended—pass; 12(3)—pass; 12—pass;—pass; 13 13(a)—pass; (b)—pass. Mr. Shafransky.

MR. SHAFRANSKY: Mr. Chairman, I move, that Section 13 of Bill 56 be amended by adding thereto, immediately after clause (b) thereof, the following clause:

(c) appointing a board of not more than 5 members and prescribing its powers and duties.

MR. CHAIRMAN: Mr. Lyon.

MR. LYON: Mr. Chairman, I think there is a drafting problem here too. I don't think that under your general enabling section for the making of regulations that you include the power to appoint a board. Now, what you do is set the board up under a separate section of the Act, and then under the regulations you make regulations under which the board may operate. But, what you are doing here is, in effect, a form of double delegation in that you are saying that . . . well here is the exact wording. "The Lieutenant-Governor-in-Council may make regulations, (c) appointing a board of not more than 5 members and prescribing its powers and duties." Well, I suggest that you can prescribe the powers and duties, but the board must be appointed by the Act.

MR. CHAIRMAN: Mr. Minister.

MR. PAWLEY: Well, Mr. Chairman, this is not uncommon practice.

MR. LYON: No, this is uncommon, you see, the Lieutenant-Governor-in-Council may makeulations. So that leaves the discretion with the Lieutenant-Governor-in-Council as to whether or he will appoint a board, whereas in previous sections of the Act we have said that the board will erimine this, the board will determine that, so, we are presupposing that a board will be appointed. you do not leave that as a discretionary power for the Lieutenant-Governor-in-Council, you can't.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, the logic of the amendment has to do with the fact that the opposition, I we have on occasion, objected to the idea of introducing something new and substantive to a bill, I, therefore, the only way of getting the board mentioned in this bill would be by way of endment, in terms of the areas affecting the regulation. To introduce it in any other section of the t would mean, in fact, a substantive motion and one which was not debated in second reading. So I tried to stay clear of that in order to avoid that kind of situation, but we have had no hang-up on it personally, but it is just not procedurally right to introduce new subject or a new provision to the t itself.

MR. LYON: I think, Mr. Chairman, that the Minister in his attempt to avoid a procedural hurdle has tten himself into a substantive hurdle with respect to . . .

MR. USKIW: We have no hang-up, Mr. Chairman, one way or the other. I am only outlining the asons why it is in this form, it is so that we wouldn't get into the procedural argument as to the opriety of introducing substantive amendment or a new section to a bill.

MR. LYON: I think you might have gone at it then in this way, that the objection was taken, as I call, to the power that was conferred upon the Minister under Section 1(2), you might have gone at in that way. I'm not dismissing the procedural argument, I'm merely saying that on second reading, id in the course of a number of briefs that were presented to this Committee, the representation was ade and obviously the Minister agreed to it, that it was not useful to have that kind of power residing the Minister, and that in the alternative it would be better that there be a board appointed. Well, that eing the case, I think the Minister is in the position of acceding to a request that has been made by a umber of people, and if there is any procedural hang-up I defer to the House Leader, he is not here, ut if there is any procedural hang-up I'm sure he would have authority from us to, at this stage, insert e proper provision so that the board is properly established and set up.

MR. USKIW: Well, Mr. Chairman, we did caucus this very problem and we came to the position hat to be correct procedurally we should proceed as we have proposed, but if there was a suggestion hat we go beyond that that we are prepared to do that.

Now, we do have another problem arising out of this discussion, and that is that we have already mended that section which suggests that we will appoint a board under Section 13, which is the egulations, so, we would now have to redo our own amendment, per se. Now, I have no objection in oing that if the Committee wishes to do that.

MR. LYON: Can I ask another question? I don't remember whether this bill was introduced with a essage from the Governor or not, and the minute you appoint a board, if you are providing for any eans of remuneration to the board, then you have got to have a message, so . . .

MR. USKIW: Oh, I am advised, Mr. Chairman, that there was no message from His Honour.

MR. LYON: Well, I don't know how you get around that one.

MR. USKIW: If we were to do what would be desirable we would then be in violation.

MR. LYON: Well, you couldn't pay them.

MR. USKIW: That's right.

MR. LYON: It might be a good reason then to come back to a suggestion, I think, that was made at econd reading, that you appoint an existing board. Without creating a new bureaucracy you esignate the Public Utility Board, or any three members thereof, which is already in existence and emuneration provided for, to act as the farm — whatever we call it here — the Farm Lands Protection oard, or whatever the name turns out to be.

MR. USKIW: Well, Mr. Chairman, we do not want to proceed in that direction. That particular oard is a very busy board as it is. We think that we should have a board with specific jurisdiction over his legislation and nothing else, because it likely will be a fairly active board.

MR. CHAIRMAN: 13(c), Mr. Lyon.

MR. LYON: Well, I think you are in a situation here, Mr. Chairman, where if you are not a foul of — I'm not worried about the procedural argument so much as I am that you are going to be running a foul of the double delegation provisions, whereby you are authorizing the Lieutenant-Governor-in-Council to appoint a board which is not authorized under the Act. And your Statutory Orders and egulations Committee, or the Legislative Counsel, is going to say, "Sorry you haven't got the power to do that." Now, I am just expressing an opinion off the top of my head.

MR. USKIW: That is not correct, Mr. Chairman.

A MEMBER: That's all you've got.

MR. CHAIRMAN: Mr. Balkaran.

MR. BALKARAN: I don't think that is really quite accurate. The power for the Lieutenant Governor-in-Council to make regulations doing anything cannot be questioned if the statute authorizes it, and which is exactly and precisely what clause (c) is doing to 13. Were it not for that specific expressed language, then, I suppose, you can question it as being an unauthorized delegation, but if a statute which is passed by the House itself says that you do this, surely you can question that authority.

MR. CHAIRMAN: Mr. Lyon.

MR. LYON: I would think though, Mr. Chairman, that the better procedure, and I am sure Mr. Balkaran would agree with this, the better procedure would be to establish the board under the Act and then enable the Governor-in-Council to make the regulations dictating what its operating procedures will be. No problem at all, but to ask the Governor-in-Council to create a board, we are going to run into a bit of a problem I'm afraid.

MR. USKIW: Mr. Chairman, I have a copy of Votes and Proceedings and there is no message from His Honour, therefore, we do have an impossible situation here.

MR. LYON: Well, not really impossible, you just don't pay them.

MR. USKIW: I'm afraid we have to proceed as it is now drafted. You can question on that amendment, Mr. Chairman.

MR. CHAIRMAN: Question? 13(c) as amended—pass; 13—pass. 14, Mr. Einarson.

MR. EINARSON: I wish to move that Section 14 of Bill 56 be amended by removal of the period following the word "Crown" and by adding the words "except in respect to acquisition of commercial agricultural land for the purpose of use as such, either directly or under assignment or lease."

MR. CHAIRMAN: Motion by Mr. Einarson. Mr. Einarson.

MR. EINARSON: Well, Mr. Chairman, we don't understand. The Minister brings in this kind of legislation whereby he is restricting citizens of this province and of this country, and we are specifically referring to commercial farm land in this particular amendment and we don't understand why the Crown should be exempt from this legislation. This is really the purport of this amendment. We feel the Crown should be under the same obligations as private citizens of this province and this country as it pertains to commercial farm lands.

MR. CHAIRMAN: Mr. Enns.

MR. ENNS: Well, Mr. Chairman, I go back to the initial hearings of the Special Land Committee that spent considerable time and visited many different places in Manitoba, and it became apparent even though the reports written up by the government in conclusion of those hearings didn't particularly highlight it, that there was at least as much concern about the acquisition of prime agricultural farm land by the state or by the government, as there was by foreign owners. The Minister has made a great deal and has spoken eloquently about the concern that he has in the maintenance of the owner-occupied family farm, that he wishes to prevent, and indeed, in that legislation it would prevent the growth of tenant farmers in Manitoba. He makes one notable exemption, and we are dealing with that particular clause in the bill right now. He doesn't mind at all apparently, by this particular clause and by his refusal, if he should so choose, to accept this amendment, to exempt the Crown, the state, from becoming a big and massive, and indeed, feudal landlord.

The Honourable Member for Radisson chuckles, but it doesn't really make that much difference in terms of the concept and in terms of the principle, as to whether you believe in the principle of the family-owned and occupied farm, and at the same time, can pass legislation that will exempt the state, who has already acquired a substantial amount of prime agricultural land, and continue doing so.

I suggest, Mr. Chairman, that it flies against representation that has been made to the special land committee on land and the acquisition of land in this province. I reiterate that there were at least as many briefs expressing concern about the growing position of the government in the acquisition of land. For the honourable members opposite to suggest that being a tenant of the state is acceptable and being a tenant to somebody else under private arrangement is not, I suggest, they are being very loose with their principles. If indeed, the honourable Minister is honest in pursuing as a policy the concept that the best of all possible situations in our farm situation is that we should encourage the private ownership of land, the family farms, then he should not seek exemption under this bill, under this Act, for the state and the acquisition of land. It's just as simple as that.

Mr. Chairman, if we are trying to embellish in this legislation that principle that all of us pay lip-service to — and I suggest that some are paying lip-service to and some aren't really believing — that the best possible situation is on the farm, being the person in the family that owns their land, has a stake in their land, that husbands the land well and has a feeling for that land because he has title to that land, then we should not be exempting in this legislation, one of the major new purchasers of farm land.

Let me remind the committee that the Americans, the West Germans, the Italians, the French, they have had occasion, they have had 100 years, 107 years to buy land in this country and in those 107

ars all they have acquired was less than two percent of the prime agricultural land. This government has had a few short years, three years, four years, and have acquired 200,000 acres often in competition with other native sons and native farmers, Manitobans that were wishing to purchase that particular quarter section of land or half section of land. If we are talking about enshrining in this legislation the concept of the owner-occupied family farm, then you really lose credibility, gentlemen, if you exempt the government from that clause. If you were putting forward as a principle that tenant farming is not desirable, no matter who, whether it is private, whether it is tenant farming to foreign owners who own the land, whether it is tenant farming to somebody from Winnipeg who owns the land, whether it is tenant farming to some Winnipeg or Portage or Brandon business that owns the farm, you want farmers on the land that have a stake in the land, that own the farm, then you are losing credibility by exempting what has to be recognized as one of the major purchasers of farmland at this particular time.

Mr. Chairman, I make those comments because I believe the exemption of the government, of the estate from this bill demonstrates a certain amount of cynicism when honourable members opposite looked about the desirability of having family owned and occupied farms.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Well, Mr. Chairman, I am enjoying the contribution provided for the committee by the member for Lakeside because if it was anyone else, I would take them much more seriously but the purpose of the right of the Crown to enter into programs in order that they may assist people to become owner-operators at some point is quite obvious and we have had that debate many many times. The Member for Lakeside, himself, hasn't found it possible to be that proud owner of the land that he operates but is relying on the state and therefore it is somewhat comical to say the least, Mr. Speaker, that the member makes that case having leased Crown land for more than a decade, for more than a decade. Now, I don't know whether, Mr. Chairman, the honourable member does it because he prefers to lease from the Crown or whether it is because he is unable to raise mortgage capital to buy land of his own but it was obviously of some convenience to him, as it is to other members of the Legislature, and there is nothing wrong with that. There is nothing wrong with that, Mr. Chairman.

Now, Mr. Chairman, first of all I don't accept the position of the Opposition on the question. Secondly, they are not attempting at all to be honest with themselves or anyone else with respect to the land lease program as operated by MACC because there are very generous provisions within that program for the lessee to purchase the land at his or her option. It is not at the option of the state but at the option of the lessee and therefore to the extent that it is not carried out, to the extent that lessees do not exercise that option, that is a free choice on the part of the lessee. So, truthfully speaking, we have extended a degree of freedom that to that point at which we introduced the program, people are not free to utilize the resources of this province without having to put up prohibitive amounts of capital. We have extended that freedom to a number of people who were unable to enjoy that kind of freedom. So with those options available, the suggestion by the Member for Lakeside or anyone else that somehow the Crown should not be involved in that way is nothing more than a comedy, Mr. Chairman.

MR. ENNS: Mr. Chairman, I, nor has the Member for Gladstone, really taken the opportunity to refute the Honourable Minister on the number of occasions that he has chosen to bring our private business into the public sector in this way. We recognize that he has every right except, of course, at underlines the very reasons why people are nervous about ceding all these rights to the Crown, that a Minister or civil servant can and has advertised and they have used it politically in papers; the DP Party has used my name and the Member from Gladstone's name, prominently displayed. They run ads in the papers: "Are you Aware?" in the Roblin papers; in the Stonewall Argus, "Enns leases Land". Up to now it was a privilege that when you were dealing with the Crown or with the government that that was reasonably private business but, of course, that isn't the case with the present government. They will use it politically, whenever.

Now then let me set the record straight and let me respond to that once and only, and this is the only time that I have done so. It was indeed a Conservative administration, in fact it was under the leadership of my present leader when he was involved in the Cabinet before I became involved that he, out of some responsibility to the public interest with respect to how land should be used, could have froze the sale of all Crown land. Now we're talking about Crown land, the kind of land that Mr. Ferguson or I lease, that has never been in the private domain, it was Crown land from Day One.

However, it was a Conservative administration back in the years of 1963, 64 that co-operated with the Federal Government of Canada in a massive multi-million dollar Canada land inventory program that said, (a) before we sell any more Crown land, let's find out how this land should be best used. What lands should be set aside in perpetuity for future generations of Manitobans to enjoy as recreational land? What land should we be best set aside for the encouragement of wildlife? What land should be purchased back, indeed, that was prone to flooding, such as around Lake Winnipeg that the Minister is well aware of. Those lands, that kind of inventory should take place and while that

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inventory was taking place, — I remind the Minister this was a multi-million dollar Canada Land Inventory Program that classified and identified the land — while that inventory was taking place prudent government, a responsible government said, "No Crown land will be sold. No Crown land will be sold." We did provide for leases during that period of time, leases in fact that were improved in 1967 that gave some security of tenure to ranchers, ten year leases. Since this government came into power, there has been tenure of leases. Since this government — (Interjection) — Well, to answer the Minister on a personal basis, I have had a one-year lease, a lease from year to year; I have had a quarter section of land that I have spent \$5,000 to improve advertised in the local paper and it was only my direct intervention with the Minister that saved me that land — after spending \$5,000 knocking bush under.

Now I want to tell the Minister — and I don't have the authority of the Minister — but a new administration, a Conservative government, will come in and will sell 100,000 acres of Crown land every year, land that has been designated as agricultural, land that has been leased to agricultural farmers and ranchers, land that has been designated that is best used as farm land and I can assure the Honourable Minister that I will not give this Minister or future socialist ministers the rights or the privileges of abusing myself or the Member for Gladstone in the manner and way in which he has wanted to include the Honourable Chairman. If he has leased land that he has been leasing for a number of years for the purpose of raising cattle, if he wants to buy it, it will be for sale, it will be for sale, and I want to assure the ranchers in Ste. Rose, in Eriksdale, in St. George, that leased land where it has been clearly shown — not through just hit and miss basis — but where it can be shown that this is land set aside for agricultural purposes, whether it is in southeastern Manitoba, whether it is in the Interlake or whether it is north, that land will be put up for sale by a Progressive Conservative administration.

MR. CHAIRMAN: I believe the Chair has a point of privilege. The Chairman does not have any Crown land. He operates on his own land and any suggestions by the Member for Lakeside that the Chairman has any Crown leased land is incorrect.

The motion before the House is an amendment by the Honourable Member for Rock Lake, Mr. Einarson, amendment on 14. Mr. Uskiw.

MR. USKIW: Well, Mr. Chairman, again, we are into another part of our circus here this evening. The Member for Lakeside raises the question of the public discussing his private affairs. Well, Mr. Chairman, I agree with him that at one time those things did not occur very frequently but since we have been the government, it has become common practice on the part of the Opposition to probe the private affairs of people who had contracts with government, a regular occurrence, and so at one particular moment, as I recall it, we were asked if we would be prepared to table all of the information with respect to all of the leases held by people and in contract with the Province of Manitoba. That is the reason why it became, at that point, public information.

Now, I don't think there's anything wrong with it being public information. We have done that with the MDC; we probably should do that with the MACC which we have never done. There is nothing wrong where public funds are being used to provide the public with all the information they want, so do not apologize for that. But what makes it interesting is that the Member for Lakeside and others would berate a lease arrangement while themselves participating to the fullest extent and I think, Mr. Chairman, that indicates how superficial their arguments are, that indicates how superficial their arguments are.

With respect to the Member for Lakeside — and he tends to get carried away from time to time — but I don't recall any lease, five or ten year lease, that was not renewed since I have been the Minister of Agriculture, Mr. Chairman. — (Interjection) — Mr. Chairman, I am advised that the lease of the Member for Lakeside came up in 1974 and was renewed. — (Interjection) — Oh, come on.

MR. CHAIRMAN: Order please. I think the discussion now taking place is not germane to the motion. I believe I have Mr. Lyon when Mr. Uskiw is finished.

MR. USKIW: Mr. Chairman, the Member for Lakeside insists, for some unknown reason, he doesn't have his renewal of his lease. I would suggest to him that he should have drawn it to someone's attention if that is the case.

MR. CHAIRMAN: I am sorry but that is not germane to the motion before the House. That is a separate issue that can be taken up with the Minister or the Department of Crown Lands and that is up to the Member for Lakeside. Mr. Lyon.

MR. LYON: Mr. Chairman, I can't improve upon the language that was used and the thinking that was expressed by the Member for Lakeside with respect to the seriousness of this amendment. I was not a member of the committee; I did not travel with this committee, the Land Use Committee, when it heard hearings throughout Manitoba, but I have followed since then in reports that were available and read some of the Hansard reports of those hearings and what the Member for Lakeside says is absolutely true because I have talked to farmers throughout the length and breadth of Manitoba about this problem since. The farmers of Manitoba today, by and large, fear the land purchase

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icies of this government as much as they do the land purchase policies of any foreign purchaser. that be stated and understood and let the Minister of Agriculture understand that very clearly. He will remember last fall, as I remember quite clearly, campaigning in Souris-Killarney and trying defend an indefensible policy and the people in Souris-Killarney told him, in rather firm terms, at they thought about his land purchase policy. All I am saying tonight is that if the Minister of riculture would listen to somebody other than the bureaucrats for awhile, and would start listening the farmers of Manitoba, he would find out that the farmers of Manitoba would support this kind of amendment because they don't want to see public tax dollars used to purchase commercial farm id in competition with them. They don't want that and that is why this is a serious amendment.

Mr. Chairman, my honourable friend the Minister always likes to talk about leases of land to the mber for Lakeside or to the Member for Gladstone or whatever — which I agree with you, Sir, is not rmane to this argument, except in this respect. That it is part of the persistent and misleading empt by this government and some of its members to confuse the minds of the public with respect Crown land that has been the property of the Crown since this province became a province in 1870 that's one category — Crown land and the province owns about two-thirds of Crown land that has en the property of the Crown since Day One. Number one.

And number two, land that has been purchased in the last three or four years, commercial farm rd that has been purchased in the last three or four years under the distorted policies of this iverment, distorting the Agricultural Credit Plan, to get into some form of tenant-state farm stem that happens to accord with their rather peculiar ideology but is not supported by the vast ajority of the farmers in Manitoba.

So this amendment is brought forward for a very patent reason, because it represents the thinking the vast majority of the farmers in Manitoba. I can certify that to the Minister because I probably lked to more of them — and I certainly listened to more of them — than he ever does. Our minds are xt clouded by any peculiar, distorted idea that the state should be the owner of all of the land in anitoba. Leases of Crown land have been given in Manitoba since Manitoba was a province, that's re thing, of Crown land. This is non-commercial and non-arable land that was leased to existing rm operations, particularly ranching operations, so that farmers with a nucleus of their own land ould expand their operation, expand the carrying capacity of their farms, and so on. There's nothing rong with it. It's been done by every government of Manitoba since there was a Government of anitoba.

What my honourable friend has imported into land holding in Manitoba is an entirely new oncept, new to this province, not new to some other jurisdictions where they've had socialist overnments, but certainly new to this province; where he tried to set up a tenant state farm system ecause that happens to accord with his rather peculiar doctrinaire ideology, which is only shared by sliver of people in Manitoba. And the people in Manitoba are telling him, about as clearly as they an, that they don't want that kind of a state farm system in Manitoba. It's not in accord with our aditions of land holding, we don't want to develop that way. That may be okay for Cuba, but it's not ood for Manitoba. —(Interjection)— That's maybe okay for Cuba, but not for Manitoba. My onourable friend may well be enamored with the land holding system in Cuba, but don't try to nport that kind of nonsense into this country, because it is alien to this country.

Now, what I want to say —(Interjection)— My honourable friend can't even spell "alien" let alone nderstand the word. Mr. Chairman, what I would like to say is, that my honourable friends have been ersistently trying to confuse the two categories of land. They're not fooling anybody. They're ertainly not fooling the farmers in Manitoba who know what Crown land is and who know what land as been purchased under the Agricultural Credit Plan in the last three to four years. They are two eparate categories of land, so let's not try to slip and slide in between the two. We know better, he nows better and the farmers in Manitoba know better and let's just makesure that the record is kept lear and straight in that regard, because I think it's easy to do.

Now, we're putting this in. We're suggesting this amendment because my honourable friend's lan — and he still persists with it — only after a great deal of, I'm sure, by harassment the members of is own caucus who are feeling the electoral flames licking at their backsides, that he make a change n that land holding system when he brought his Estimates before the House this session, only then. e know that he doesn't really believe in it because he defended it so strongly throughout the first hree years of the term, or the first four years of his particular and rather strange fallacy. So we have o faith quite frankly, nor have the farmers of Manitoba, Mr. Chairman, any faith, that the Minister of griculture — if God forbid he remains in that position after the next election — will maintain that olicy of allowing the present tenant farmers to buy the land from the state, which they should have een allowed to do in the first place, which they should never be allowed to do under the five-year ease, and my honourable friend knows that.

So we're putting this in for the purpose of making this Act accord with the wishes of the people of Manitoba, not with a sliver group of ideological people who happen to have a kind of frenzied intipathy toward private land owned, and my honourable may or may not be one of those people, but

certainly he has some of them in this government, working for this government at the present time. That kind of ideology is what I speak about; that is alien; that is foreign to the traditions of this province; that is anti-freedom —(Interjection)— and that is why we're moving this amendment at this time to make sure that the Minister, and those who advise the Minister, are not permitted to pursue this wrong-headed policy which is contrary to the best interests of agriculture in Manitoba.

MR. CHAIRMAN: Mr. Ferguson.

MR. FERGUSON: Thank you, Mr. Chairman. I feel compelled to say a few words on my own behalf, I guess, under this section of the bill. I would like to ask the Minister, it seems that he's very confused about the difference, and not only he but apparently many people of his party, are confused in the difference between an MACC lease and a pasture lease.

Now it seems to me that, the Roblin paper as an example, it just very recently carried an article saying, "Are you aware that two members of the Conservative caucus are carrying MACC leases? Well, I would wonder where they get their information from because as I can recall, a couple of years ago back in my own local paper there was an article in that paper, written by the President of the NCC Organization in my area, stating that I leased 1,800 acres from the state. So when I put a rebuttal in the paper asking for the description of the land and the location of it, it still hasn't been forthcoming. And when I enquired as to where the information came from I was informed it came from Mr. Hofford, then Chairman of the MACC.

Now I would not really want to say too much, Mr. Chairman, but I would hope that this government has had enough experience now that they should know the difference between the two types of leases, and they should also know that if they're going to feed information out to the country the least thing they could do is feed it right.

As I recall the other day the Minister —(Interjection)— Not even 160 acres. But the other day the Minister stood up and said he was contemplating taking court action because of a statement one of my constituents had made —(Interjection)—

MR. USKIW: Mr. Chairman, on a point of privilege.

MR. CHAIRMAN: Point of privilege, the Honourable Minister on a point of privilege. What is your point of privilege?

MR. USKIW: Mr. Chairman, the member is incorrect in that that is not what I stated. I stated that the Board of Directors has not yet determined whether they are going to take court action.

MR. FERGUSON: Very well, I'll take the Minister's word for it. But here again, it seems to me that the government or any of their agents can come out with any kind of statements, but immediately an individual tries to stand up for their rights they are basically under the cloud of a possible lawsuit.

A MEMBER: Yes, that's right.

MR. FERGUSON: And here again, we certainly have got to have a lot of apprehension to the degree that the Minister has now, I would expect, picked up 200,000 acres under the MACC.

MR. USKIW: Of those unwilling Manitobans who don't want the program.

MR. FERGUSON: By the same token, the Minister or his agent have been bidding against local farm people. They're buying land under the guise that they are buying to lease back to the young farmer, but by the same token they are bidding against them on many of these deals. I don't think the Minister will have the guts to deny that, he's got to admit it. So consequently he's creating competition.

The letting of leases, we also seem to be under a considerable amount of difficulties here. There seems to be an awful lot of jurisdiction as to whom is entitled to hold a lease, and in my own particular area, and I think we're all quite aware of the circumstances there — maybe not all of them but a considerable portion of them — that a statement was made by one of the Minister's representatives, agents, that if you are on the right side of politics you possibly will get the lease. Now this wasn't only said to one person, there were two more people it was said to and fortunately these two people happened to be in the office at the same time. So, if the Minister would like to get another affidavit I think that possibly these two people, in this particular case it would be two against one, so I don't think this other case was an altogether isolated one.

And to go back to the business of who apparently gets these leases, I think if you checked on those particular parcels of land you'll find that every one of them is presently leased and every one of them is probably to a card-carrying NDP member. And, as I understand it, practically everyone in that area of the young farmers applied for that lease, many of them did not have over the \$90,000 that would prohibit them from getting the lease. And one particular piece of property there, there was a building site — a young fellow got married, he wanted the land and he was prohibited from getting it.

Now this Mr. Minister and Mr. Chairman, the general public, the apprehension that they feel because of the fact that there is too much jurisdiction in this particular thing, the lease plan as it stands, apparently on the outside, looks like a very good plan. But the administration of it, the under-the-table deals that seem to go on connected with it.

MR. USKIW: Mr. Chairman, on a point of privilege.

MR. CHAIRMAN: Order please. The Honourable Minister on a point of privilege.

MR. USKIW: . . . I would like the honourable member to substantiate what he means, or to clarify what he means by "under-the-table deals" respecting any transaction of the Department of Agriculture or its agencies —(Interjection)—

MR. FERGUSON: I could very easily . . .

MR. USKIW: . . . or the member should retract that statement.

MR. CHAIRMAN: Mr. Ferguson.

MR. USKIW: Mr. Chairman, either he should substantiate that or he should retract it. That is absolute hogwash. —(Interjection)—

MR. FERGUSON: Mr. Chairman, if you would give me the opportunity to speak I will . . .

MR. USKIW: Mr. Chairman, on a point of privilege. The member should either table his information or he should withdraw that statement.

MR. FERGUSON: If you'd shut your mouth I might have an opportunity to reply.

MR. USKIW: Mr. Chairman, I asked that the member be asked to withdraw that statement or to substantiate his allegations.

MR. CHAIRMAN: Mr. Ferguson. —(Interjection)— Order please.

MR. ENNS: Mr. Chairman, on a point of order.

MR. CHAIRMAN: Have you got a point of order?

MR. ENNS: The honourable member is obviously trying . . . The point of order is that the Minister is being unreasonable with his request. I would ask the honourable member to be given an opportunity to respond.

MR. USKIW: All right, let's hear it.

MR. CHAIRMAN: Mr. Ferguson.

MR. FERGUSON: Thank you, Mr. Chairman. As I said, if the Minister would keep quiet I would try to answer his question.

MR. USKIW: Under the table.

MR. FERGUSON: Well, one letter has already been tabled, Mr. Chairman. I have another letter which I am very willing to table, and if you don't call these deals under-the-table or above-the-table or whatever kind of deals you want to call them, it certainly doesn't make any difference to me what you call them, but the end result of them is the same.

A MEMBER: Favouritism.

MR. FERGUSON: Favouritism, political patronage . . .

MR. USKIW: Mr. Chairman, I want that honourable member to suggest to me that he has evidence that there has been a corrupt practice with respect to the Agricultural Credit Corporation, because that is what he is saying?

MR. ENNS: Just simply answer yes.

MR. CHAIRMAN: Mr. Ferguson.

MR. FERGUSON: My reply to that, Mr. Chairman, would have to be yes.

MR. USKIW: Mr. Chairman, then if that is so, the member obviously is obligated to table his information.

MR. FERGUSON: It's already tabled in the House, I've already tabled it in the House.

MR. USKIW: Ask the honourable member to table his information.

MR. CHAIRMAN: Mr. Ferguson.

MR. FERGUSON: Mr. Chairman, part of the information has been tabled in the House and I am certainly quite willing to table the other.

MR. USKIW: Mr. Chairman, there is nothing that has been tabled in the House that would indicate that the Credit Corporation was practising under a corrupt manner, or in a corrupt manner, and nothing untoward.

MR. CHAIRMAN: Mr. Ferguson, by the way, before we proceed I am trying to allow members as much latitude as I possibly can, but I would hope that we would try to confine the discussion to the motion as presented by the Member for Rock Lake, because we can go on on a wide-ranging debate that has nothing to do with the motion before the Chair, and if we're going to complete our business . . . The Honourable Minister on a point of privilege.

MR. USKIW: Mr. Chairman, on a point of privilege. The Honourable Member for Gladstone has suggested that the Credit Corporation is involved in corrupt practices and I ask him to table his information or to withdraw that statement. We are not going to relent until he does Mr. Chairman.

MR. CHAIRMAN: Mr. Ferguson has indicated that he was prepared to table some information. I don't know just when he is prepared to do this. If he is not prepared to do it, then perhaps he should withdraw the statement until such time as he is able to table the charges that he makes.

MR. FERGUSON: Well, Mr. Chairman, how many times do you have to repeat yourself. I said I was quite willing — one letter is already tabled and I'm quite willing to table the other one. Now, what more do you need than that?

MR. USKIW: Mr. Chairman, the Member for Gladstone has suggested a corrupt practice within

one of our Crown corporations. I want him to table now the names and persons involved, and transactions involved, so that we can correct the situation, and so that we can fire some people who have been so carrying out the business of the corporation.

MR. CHAIRMAN: Mr. Ferguson.

MR. FERGUSON: Well, Mr. Chairman, if a member of Mr. Uskiw's staff says that if your political alienation was different that you might get leases, what do you call that? —(Interjection)—

MR. USKIW: Mr. Chairman, when the Member for Gladstone continues with his allegation without tabling any evidence whatever, I ask him to withdraw his statement.

MR. CHAIRMAN: Mr. Ferguson.

MR. FERGUSON: As I said, Mr. Chairman, one letter is tabled. I will go and get the other letter and table it. I will retract nothing. If Mr. Uskiw wants to take it to court let him go right ahead.

MR. USKIW: Well, Mr. Chairman, it's the privileges of the Legislature and this Committee that are involved, and members of this Committee. The member has an obligation when he makes a charge to give us the evidence, otherwise he should withdraw the charge.

MR. FERGUSON: Do you want it right now?

MR. USKIW: Yes. —(Interjection)—

MR. CHAIRMAN: Mr. Enns, what is your point of order?

MR. ENNS: On a point of order, Mr. Chairman. The Minister cannot browbeat the member into saying something that obviously he is not prepared to say. He's prepared to back up everything that he has said. He has named names, and the Minister has suggested . . .

MR. USKIW: Yes.

MR. ENNS: . . . and this is not new evidence to the Minister. The Minister has suggested that the Board is contemplating court action. The member has invited the Board to take court action. The member has invited the Board to take court action. The Member for Gladstone is not speaking anything that he doesn't know of as being the truth, the whole truth and nothing but the truth, and there is nothing for the member to retract.

MR. USKIW: Mr. Chairman, the Member for Gladstone indicated that there were under-the-table dealings. To me that means that that was a corrupt practice that was undertaken by members of the staff of the Credit Corporation. The letters that he refers to that were tabled in the Legislature do not indicate under-the-table deals, and I want him to either substantiate or withdraw.

MR. CHAIRMAN: Mr. Ferguson.

MR. FERGUSON: Yes, Mr. Chairman. I will retract the statement, "under-the-table", but I will make the next one that it was over-the-table then.

MR. CHAIRMAN: Mr. Toupin.

MR. TOUPIN: Mr. Chairman, in regard to the motion before us, I guess we can all give reasons on both sides of the argument, Mr. Chairman, why the amendment should be accepted and we can say why the section before us, being Section 14, should remain the way it is.

We all know approximately the amount of acres that are involved in regard to MACC and I'd say the bulk — when I say the bulk I'm not including the lands that were leased prior to the program initiated by our government — but the bulk of this 200,000 acres of land owned by MACC can be bought by farmers that are leasing it today. They don't have to wait any longer, five years, that we thought at the beginning would be advisable to have them wait. Four hundred and fifty farmers approximately are involved in 1 percent of the arable land in this province; 200 acres of 20 million arable acres of land in this province belong to the people of Manitoba, purchased for the reason that some farmers could not start themselves on a farm. The Crown, the farmers, through their Provincial Government purchased this land and made it possible for some farmers — and we say approximately 450 farmers — to lease, with the option to buy this land, today, tomorrow, any time, at what is considered to be a favourable rate, Mr. Chairman. And I can't assume like the Member for Gladstone that the approximately twelve farmers in my constituency that have leased, with an option to buy, these acres of land, are New Democrats, I wish they were. I'd say maybe it breaks down to about half and half.

But that hasn't been a criteria, to my knowledge, when someone has presented himself or herself to me in regard to leasing a parcel of land from the Crown. That's a good reason in itself, Mr. Chairman, to not accept the amendment of the opposition. The Crown itself is purchasing land with the desire in mind, and we've said it, to leave the option to the farmer to lease or to purchase that land. And not with an increased price on the land like some people would do in purchasing farm land, and we all know that.

A MEMBER: Surely not the Minister.

MR. TOUPIN: If we have people from Manitoba or anywhere in Canada and foreigners coming to the province, I don't believe that they would be willing to sell the land at the same price as they bought it five, six, ten years ago. Now we all know that the Crown is not trying to make a dollar out of the land that was purchased, and we all know equally that all that land is up for grabs, by the farmers that have leased this land.

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And we all know equally, Mr. Chairman, that most of the farmers involved, being about 450, find it risable today based on the lease price, to not purchase but to lease at a favourable rate.

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: Well, Mr. Chairman, the Leader of the Opposition talked about ideological positions, and I simply want to take him up on it because this motion represents an ideological position, and it is that the only way one could acquire the use of land would be through financial resources that he would have to acquire on his own. That is quite a limitation and quite a philosophy, Mr. Chairman, the fact that there are no options in his mind for people that may be good agriculturists, who are unable to raise the necessary financial resources to establish themselves in agriculture, especially the new young entries. That's quite a philosophy, Mr. Chairman. It's one that I don't subscribe to. It's one that was not subscribed to by our forefathers who had the wisdom to apportion land to the people of this province on a much more reasonable basis. In fact they took their market stem right out of the picture in the allocation process, Mr. Chairman, because they recognized that they did not, then most of these people would never be in a position to own land and to operate their own farms.

So the Leader of the Opposition has forgotten the fact that while one generation, or two or three have been helped in that way, that we have a more critical problem today with respect to establishing young farmers than they did at that time in terms of the capitalization that is required.

We had a brief submitted to this Committee just the other day by a very prominent legal person who suggested to us that the day is gone when we can think in terms of owner-operated farms, and he cited some figures to back it up. He said that it's going to be more and more common practice in the future, that there will be two parties in production — One, the owner of land and the other, the producer of food on that land — and that we will have to have some sort of landlord-tenant relationship devised by statute or whatever to govern that system. That is exactly what we were exposed to in the very lengthy submission the other night. And that is true, 26 percent of the farm land in this province is operated under lease at the moment, 26 percent. That's a quarter of our land.

MR. FERGUSON: It's been like that for years.

MR. USKIW: The Member for Gladstone suggests it's been like that for years. I can suggest to him that it's accelerating at a very rapid rate. It's accelerating at a very rapid rate simply because people are not in a position to afford to buy land today, if they are beginners in agriculture. They are young people wanting to get established.

Every one of my friends, whether they're on this side of the House or the opposite side, fully recognize the financial impediments involved in establishing a new farmer. They fully recognize that without substantial help from either their parents or friends or relatives, that it's practically an impossibility, from a financial point of view.

MR. FERGUSON: It's the highest income tax . . .

MR. USKIW: So, therefore, Mr. Chairman, the lease program makes a lot of sense as an option to people who have a desire to get into agriculture, but who do not have the financial means. And through that process any percentage of them, but 50 percent or 75 percent, ultimately acquire the land and through the option available to them, and the other 25 percent continue to lease because they prefer not to tie up their money in land. That is certainly a choice that they should make, not we. We have no ideological hang-up. We accept the fact that most people prefer to own land. We also recognize the fact that there are many that will never be able to own land, that they cannot muster the financial resources to be able to own land. The cost of machinery and buildings are horrendous notwithstanding the capitalization required with respect to land purchase.

So let's not kid ourselves. It's an ideological hang-up of the Conservative Party that we are confronted with, Mr. Chairman, not of the government. The government is not hung up ideologically. We recognize the need for both and we recognize, Mr. Chairman, that most people, even all of our lessees or the bulk of them, would prefer to own land if they were able to do so. Unfortunately, for many of them they will be only able to do so if it is either gifted to them or if they are assisted in a very significant way.

And all the credit programs that we have had by the previous administration or this administration, all the programs put together, were not able to deal with that critical problem of that group of people because there is always a collateral problem, problem of security, unless one is prepared to go on 120 percent risk on any transaction and finance, not only the cost of land, but machinery, buildings and some operating capital from Day One. It's almost, if not a total impossibility, for many today, Mr. Chairman.

We make no apologies, and we suggest, Mr. Chairman, that it's the Conservative Party that has an ideological hang-up and not the government. We are not opposing those who are able to afford and who wish to purchase land. In fact, we are assisting them.

MR. CHAIRMAN: Mr. Einarson.

MR. EINARSON: The motion that I presented here, Mr. Chairman, was on commercial agricultural land. I'm not going to prolong this debate because it's been debated and the Minister would be here

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all night if we were to carry on this kind of discussion. But I would suggest, Mr. Chairman, and for record, that my colleagues and I are representing a good many more farmers here tonight than the Minister and this government. I've said that before for the record on other things that have happened and I say it here again tonight, that for commercial agricultural land — and that's one thing they've been diffusing the issue with other Crown lands that have been Crown from Day One, as my Leader pointed out — and this is our motion. I think it's a reasonable one and I emphasize it's commercial agricultural land only. The other thing is, that the Minister in his Estimates suggested the relaxing of — I thought he was going to get out of the business of buying farm land, and when he suggested that farmers can now buy the land that he has bought and they have been leasing, that he would find much more acceptable to accept this amendment to this bill.

MR. SHAFRANSKY: The member who has proposed the motion has suggested if we bring the discussion to a close, I think and . . .

MR. ENNS: The question has been called.

MR. CHAIRMAN: The question has been called and I would ask . . .

MR. LYON: Are we having closure, Mr. Minister?

MR. CHAIRMAN: The Member for Lakeside has asked for the question.

MR. LYON: Are we having closure, Mr. Chairman?

MR. SHAFRANSKY: We didn't state that.

MR. USKIW: Let him speak.

MR. LYON: Well, then, I have a question to ask — (Interjection) — Would you keep quiet and stop providing comic relief for the Committee? Do you want the chair and the cup again, or what?

MR. SHAFRANSKY: Mr. Chairman, on a point of order. You fit that very well.

MR. CHAIRMAN: What is the point of order?

MR. SHAFRANSKY: The point of order, Mr. Chairman, is that the question has been called by the Member for Lakeside, and when a question has been called it is your responsibility to test the Committee whether they are willing to have the question put or proceed with the debate.

MR. LYON: I have a question to ask the Minister, Mr. Chairman.

MR. CHAIRMAN: Mr. Lyon, I will accept that.

MR. LYON: Can the Minister tell the Committee tonight, can he produce for the Committee tonight or in the House tomorrow, the detailed regulations that, I presume, are now in the hands of all of the tenants on the MACC land under which they can buy that land immediately? Are those regulations promulgated? What are the terms and conditions?

MR. USKIW: Well, Mr. Chairman, first of all for the benefit of the Leader of the Opposition, and obviously he hasn't informed himself on this subject, it's not regulations that govern those transactions, they are agreements and contracts. And those contracts are all being amended to reflect the change of policy that has been enunciated. All of the contracts must be amended. It's not a matter of changing a regulation, because it is not a regulation under which we are operating, but under a set of guidelines.

MR. LYON: Has the Minister advised the individual tenants of what their new rights are, pursuant to the alleged amendments that he is making to these . . .

MR. USKIW: Now, there's one other point I should make, Mr. Chairman, and that is that all of those existing contracts could only be amended if there is concurrence on the part of the lessee. We cannot impose upon them our new conditions. But these are amendments where it will require both parties to agree upon. If the lessee prefers to have his old arrangement, or existing arrangement, then of course we have no choice but to go along with it because it is a legal binding contract.

MR. LYON: Well, is the Minister then saying, Mr. Chairman, that notwithstanding his announcement back in February or March, in which he purported to say that his tenant-farmers would be allowed to buy the Crown land at any time . . .

MR. USKIW: That's right.

MR. LYON: . . . that none of those amendments to contracts have yet been made?

MR. USKIW: We are in the process of dealing with all of them, Mr. Chairman, but we have not concluded any of them to date.

MR. LYON: Has any tenant farmer today made an offer to buy the land pursuant to the announced policy of the Minister?

MR. USKIW: Well, Mr. Chairman, I am not aware of any. At least they haven't . . .

A MEMBER: Mr. Minister, what is he talking about when he's talking about tenant farmers?

MR. USKIW: They haven't brought to my attention any requests to date, although there may have been directly to the Corporation.

MR. LYON: Well, then, is it a fact then that we have a policy that was enunciated by the Minister which, because of the factors that he has set forth tonight, is not being carried out?

MR. USKIW: Well, Mr. Chairman, on the contrary. Mr. Chairman, on the contrary. I have indicated that the process is under way to change all of those contracts where there is agreement between the lessee and the Crown to make the change. Now, I don't anticipate that all of them will want to change.

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me of them will. I suspect that some may not want to change their contracts.

MR. LYON: Well, could I ask this question then, Mr. Chairman. Have the amendments to these ant lease arrangements, have the amendments been forwarded to the tenants of the 200,000 odd es of land?

MR. USKIW: Well, it's in some stage of the process and I don't know what stage it is, Mr. Chairman. u know, I can't tell you that because I'm not familiar as to where they're at with it at the moment. Instructions have been issued for that to take place. Now, at what stage they are, I can't tell you at this int in time.

MR. LYON: So in effect, for all practical purposes, the tenant farmer of the state is in the same sition today as he was the day the Minister made the announcement.

MR. USKIW: Well, on the contrary, Mr. Chairman.

MR. LYON: It's the same thing. Nothing has happened.

MR. USKIW: On the contrary. I have indicated that we have issued instructions that the new offer proposal be made to all of our lessees. It's a matter of administering the directive, ad at what stage that? It doesn't happen unilaterally. It has to be discussed with each lessee, and a new agreement tered into, supplanting the existing agreement. It's a legal binding agreement that we're dealing th. It's not just a matter of policy on the part of the department that we're dealing with.

MR. LYON: And can the Minister tell us then, Mr. Chairman, how long it is going to take for this lministrative procedure to come to fruition so that the tenant farmers, those who wish to buy their nd immediately, can proceed to do so?

MR. USKIW: Well, I can find out for the benefit of the Leader of the Opposition, Mr. Chairman. I on't know at what stage it's at at the moment. All I know is that we have issued the directive to the orporation to proceed with it.

MR. CHAIRMAN: The motion before the Chair is the amendment by the Meer for Rock Lake. All in your of that amendment?

Yeas, 4.

MR. CHAIRMAN: All opposed?

Nays, 6.

MR. CHAIRMAN: The motion is lost.

Section 14—pass. Mr. Uskiw.

MR. USKIW: Mr. Chairman, it has been suggested to us on the basis of some research and advice n the part of our staff, that there is an opportunity yet to introduce a motion from His Honour at port stage of this bill, in which case we could agree to the necessary amendments with respect to re setting up of the board in the statute as opposed to by regulation.

Now it means that we do have to alter Section 1(2) and introduce a new Section 15 at report stage.

MR. LYON: I presume, Mr. Chairman, you mean report from this Committee?

MR. USKIW: Yes.

MR. LYON: It would also necessitate the obtaining of the message from His Honour.

MR. USKIW: Well, is that a problem?

MR. LYON: You don't manufacture those just out of your head.

MR. USKIW: Mr. Chairman, it's suggested that we introduce the motion with the report — a message from His Honour with the report at the same time — and then at the next sitting to proceed with it. I think that's correct. Will you explain it?

MR. CHAIRMAN: Mr. Deputy Clerk.

MR. DEPUTY CLERK: If I may, for the benefit of the Committee, the procedure on report stage is hat we must have the report stage amendments into the House and distributed in the House 24 clock ours before they are moved.

We now have three bills on for report stage. The amendments have been distributed. When the amendments are distributed, at the same time that they're distributed — the Minister who will be moving the amendments which, of course, would not be the Minister Agriculture, would announce hat he had a message from His Honour. That message would then be tabled, the proposed amendments for report stage would be distributed, and then in the proper time the amendments would be moved and the debate would take place on report stage.

MR. LYON: In the House?

MR. DEPUTY CLERK: In the House, in the full House on report stage immediately prior to third reading.

MR. USKIW: Now, Mr. Chairman, that's based on the assumption that the Committee would prefer to appoint the Board by a section in statute as opposed to appointment by regulation. Is that agreed?

MR. CHAIRMAN: Mr. Lyon.

MR. LYON: Well, I presume what the Minister is saying now then is that he is going to . . . We would report the bill in its present stage from this Committee to the House, and then at the report stage in the House additional amendments that we do not have at the present before us, would then be brought forward accompanied by a message from His Honour, which would authorize the

establishment of the Board in the proper way.

So really when we're reporting the bill, if we report the bill tonight, we're reporting it subject to foreknowledge that that is what would be done by the Minister, although we haven't seen particular amendment in question.

MR. USKIW: Well, Mr. Chairman, it's suggested to us that we could move an amendment now a take out the amendment on 13(c), one on which the Board is appointed by regulation. (Interjection)— Pardon me?

MR. CHAIAN: Mr. Shafransky.

MR. SHAFRANSKY: Mr. Chairman, I move that the bill be reported as is printed before us with amendments that have been made to date.

MR. CHAIRMAN: Without further amendments? The motion before the Chair is 14. I have dispose of 14. (Agreed) Pass.

MR. SHAFRANSKY: And I move that the bill be reported . . .

MR. USKIW: 15 and 16, Mr. Chairman.

MR. CHAIRMAN: 15—pass; 16—pass; Preamble—pass; Title—pass? Mr. Enns.

MR. ENNS: No. amendment, Mr. Chairman, on the matter of the title. Members of the Committee will recall that Adjourned Second Reading and perhaps even more noticeable during the representations that were made to the bill when we were hearing from the outside people and delegates, and others indeed suggested that the title of the bill, The Farm Land Protection Act was somewhat of a misnomer in the sense that the bill doesn't, in any significant way, introduce any new elements of farm use or land use policy. It really deals with ownership. I, therefore, wish to move the following amendment:

THAT the title be amended to delete the words "farm and protection" and insert the word "ownership", thus the new title of the Act would be called "The Land Ownership Act."

I make that as a formal amendment to the title at this particular time, Mr. Chairman. Do you want copy of the amendment?

Mr. Chairman, I would ask the Committee to consider this seriously. We are not purporting to make any significant changes in land use, and surely the whole question of protecting land for farm use isn't inherent in this bill. This bill deals with the ownership of land, in the restriction of ownership of land, who shall own land, how much land, who shall we exclude from ownership of land. I refer again to the members of the Committee the recommendation made by . . .

MR. USKIW: Mr. Chairman, I wish to raise a point of order.

MR. CHAIRMAN: A point of order by the Honourable Minister.

MR. USKIW: The Member for Lakeside is suggesting that this bill should deal with land use.

MR. ENNS: No.

MR. USKIW: That is clearly not the intent of this bill —(Interjection)— and land use is dealt with properly under The Planning Act, and therefore I don't believe that it's in order to discuss land use under Bill 56.

MR. ENNS: Mr. Chairman, that's precisely the point I'm making. I am not suggesting at all . . . In fact I am saying that this bill has absolutely nothing to do with land use.

MR. USKIW: That's right.

MR. ENNS: And the Minister agrees with me. Therefore, there is somewhat of a misnomer in the title of the bill.

MR. USKIW: No.

MR. ENNS: The Farm Lands Protection Act denotes protection of a certain use of land, use for farming purposes. Well, if the Minister doesn't accede to that, that's certainly implied in the title, that somehow as a result of this bill, we are protecting prime agricultural land for farm use.

MR. USKIW: To some degree.

MR. ENNS: Production of food, etc., and I think the Minister agrees with me and he agreed with me earlier on in Committee when we were hearing representation, in particular from the Farm Bureau, which took some point in drawing that to the Committee members' attention. That we are not dealing with land use policies here. We're not dealing with saving prime agricultural farm land from the encroaching concrete jungle of urban sprawl. We're not saving it from industrialization of farm land, etc., etc. All what we are dealing in this bill is with the ownership of the land. Therefore, Mr. Chairman, at this late hour of ten minutes after eleven, having had a reasonable discussion of this bill throughout the evening, I would appeal, even to the Member for Radisson, the agricultural guru of the NDP party, to consider the reasonableness of this change of name, The Land Ownership Act. Really this is what we're talking about. There is not a matter of principle involved, except that I think it is more appropriately titling the piece of legislation that we're passing.

Mr. Chairman, those are the chief comments that I have to make. I would ask the Committee to consider that amendment.

MR. CHAIRMAN: Order please. The proposed amendment by the Member for Lakeside. It's

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acceptable to the Chair, as I've already passed the preamble and title . . .

MR. ENNS: No, you haven't. I'm sorry, Mr. Chairman. Mr. Chairman, I spoke up. You passed the preamble, you called for the title and I spoke up.

MR. USKIW: He's right.

MR. ENNS: I waited patiently.

MR. USKIW: Question.

MR. CHAIRMAN: Well, anyway we'll put the question on the proposed amendment by the Member Lakeside.

MR. USKIW: What is the amendment, Mr. Chairman?

MR. CHAIRMAN: The amendment to delete the words "farm and protection" and insert the word "ownership". The new title of the Act would be "The Land Ownership Act."

MR. USKIW: Question.

MR. ENNS: Mr. Chairman, just before you put the question, and I'm privileged to speak further to my own amendment, we are dealing here, as the Minister made very plain, with land other than farm. We had quite a discussion about that prior to the supper hour adjournment. We're dealing with recreational land; we're dealing with non-agricultural land; we're dealing with land. And again I say the bill as titled is a misnomer.

MR. USKIW: Question, Mr. Chairman.

MR. CHAIRMAN: The question has been put. All in favour of the motion — 3. All opposed — 6. The motion is lost.

MR. USKIW: The question on the title.

MR. CHAIRMAN: Title—pass . . .

MR. LYON: Mr. Chairman, before the bill is reported, I think one or two summary remarks should be made.

Number one, this bill is not cured in the way that the opposition wanted to see it cured.

MR. USKIW: I hope so.

MR. LYON: This bill represents an unwarranted intrusion into the private affairs of citizens and corporations in Manitoba and in Canada, and is bad legislation.

It is acceptable insofar only as it purports to control the purchase of land in Manitoba by non-resident foreigners. It's acceptable to us only in that respect. The bill was obviously hastily conceived and I want to make it clear for the record that any remarks that I make about the drafting of the bill have nothing to do with Legislative Counsel, they have to do with the bad instructions that Legislative Counsel gets too often from this government. It's a dog's breakfast. It is like the bill that is being considered right now by the Statutory Orders' Committee, nobody knows what it means.

We have a bill here that I doubt very much if the Minister of Industry and Commerce understands the import of it, whereby an established board that is now going to be set up by the Lieutenant-governor-in-Council, is going to have to be resorted to by every enterprising person or a company in Manitoba that wants to buy land for the establishment of industrial enterprises of any sort, job creating enterprises of any sort in Manitoba. There is no need for that kind of intrusion at all into the ordinary business affairs of Manitoba. It's going to represent just another straw on the camel's back making it extremely difficult for people to do business in this province.

They already face a tax regime that is outrageous. They face a government that is pathologically opposed to the private sector. They face this kind now — interference with the fundamental ability to own and to buy private land in Manitoba. So I think it has to be said for the record, that it is bad legislation insofar as . . .

MR. USKIW: That's definitely not right.

MR. LYON: . . . insofar as it purports to restrict the rights all Manitobans have had for the last 107 years, and I want it to be emblazoned right across the whole Province of Manitoba, that it was this NDP socialist government that saw fit to so restrict the rights of the fellow citizens of Manitoba. Thank heaven, that what is done by this administration shortly, I am sure, can be undone. And I think that the people of Manitoba are entitled to have that reassurance given to them as well, before they get embroiled in yet another one of the bureaucratic mazes that this government is so wont to erect around the otherwise private dealings of individuals in this province.

So I say—(Interjection) — I haven't finished, Mr. Chairman. I say, Mr. Chairman, that the government has no reason to be proud of this legislation at all. The fact that it was ill-conceived was indicated by the number of amendments that had to be suggested to the legislation by the opposition —(Interjection)— The fact that the government turned a deaf ear to suggestions, reasonable, logical, non-doctrinaire suggestions that were made by other members of the community at large in Manitoba; and I know the Minister of Agriculture will laugh. I know he will laugh because he belongs to that hardy little band of ideologues who think that, "We are the masters now." That's the way they operate. "We are the masters now."

They are the same in Britain, they're the same cut and ilk of people in Britain. "We are the masters now. It doesn't matter whether what we, in our all-powerful way is not agreed to by the people, we are going

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to push it through." Well, fortunately, we still have elections every four years, or is it going to be five. And the people of Manitoba will be entitled to know just how the government messed up this piece of legislation as they have messed up many of the fundamental pieces of legislation that they're dealing with in this session.

And before I conclude my remarks, because the Minister made some reference today to the Farm Bureau, not being certain as to the position that it wished to take with respect to this bill. Let me read onto the record a letter that the Minister received, that the First Minister of this province received and that I received, dated June 14, 1977. This is yesterday.

MR. USKIW: Yes.

MR. LYON: And delivered personally to the people to whom it was addressed.

"The Honourable Edward Schreyer, Premier, Province of Manitoba, Legislative Building, Winnipeg, Manitoba.

"Dear Mr. Schreyer: Re Bill No. 56 - The Manitoba Farm Land Protection Act." And this letter from the Manitoba Farm Bureau, I interject for the record to say that.

"We have now had an opportunity of examining the proposed amendments to Bill 56 and are shocked to see that none of the essential points raised in our June 9, 1977, brief have been adopted.

"We are deeply disturbed that Manitoba farmers will be discriminated against and put in economic detriment by a bill that purports to assist and foster the family farm concept.

"The bill will prevent Manitoba farmers from organizing their affairs in the same fashion as other Manitoba businessmen. The provisions of the bill will discourage farmers from incorporating and transferring their farm assets to corporations in order to derive the benefits available to corporations under The Income Tax Act of Canada.

"At a time when we should be moving to increase the incomes of farmers, we seem instead to be moving to increase the proportion of tax paid by farmers on their less than adequate incomes.

"The bill will discourage, and in many cases prevent farmers from including their wife and children in their farm corporation, and perhaps heightening the interest of the second and third generation in farming. Non-farming residents of Manitoba will continue to be able to organize their estates, to minimize the impact of Succession Duty as provided in The Succession Duty Act, but farmers will be prevented from using a similar method.

"We do not seek exemptions for farmers from taxing and duty statutes, only equal treatment under them. The bill may also impose hardship on leaders of the agricultural community and prevent new leaders from making a significant contribution to producer co-operatives, boards, etc. We wish to restate the position that we took before the Agricultural Committee in our brief:

"1. With some reservations we supported action to control the amount of land in Manitoba held by foreign nationals.

"2. We indicated it was absolutely imperative that Canadian corporations and Canadian individuals be treated in a like manner in order to prevent the type of discrimination stated above.

"3. We did not support land ownership restrictions on non-farming Canadian residents at this time. We stated that if a problem arose in respect of non-farming Canadian residents, we were confident the Legislature would and could meet such problem as soon as it was identified.

"We have attached for consideration, some hastily drafted revisions which could form the initial sections of the bill if amended to deal only with foreign ownership as we have recommended.

"4. We ask that the enforcement and supervision provisions be modified to provide fair and equitable treatment before the courts and a farmer-oriented board.

"We regret that our points have been ignored in the proposed amendments. We would strongly urge that they be reconsidered and that the bill be amended to deal with protecting Manitoba farm land from falling under foreign ownership, not creating a special hardship for Manitoba farmers.

"We are deeply concerned with this proposed legislation and the proposed amendments will, in some ways, hinder the people it purports to protect, i.e. the family farmer, while leaving the potential loopholes for those who can afford the legal advice necessary to circumvent it.

"We are prepared to meet with yourself, Mr. Uskiw and/or any government officials to assist in any way we can in making this legislation more acceptable. Signed, Sincerely, R.O. (Bob) Douglas, Executive Secretary." And copies of that letter went to the Honourable Sam Uskiw, Minister of Agriculture; to Sterling Lyon, Leader of the Progressive-Conservative Party and to Gordon Johnston, House Leader of the Liberal Party.

Now, Mr. Chairman, I've taken a couple of minutes tonight to read that letter into the record, because it's important that the position of the Farm Bureau not be falsely stated before this Committee tonight. It's important, I think, that the Minister of Agriculture and the members of this Committee realize that the Manitoba Farm Bureau speaks on behalf of more farmers in Manitoba than any other farm organization, and it's important for the Minister to understand and to realize what they are saying. They are saying in effect, "This is not good legislation. It is going to work to the detriment of farmers in Manitoba," which is precisely what a number of us have been trying to say to the Minister, at second reading stage and here at Committee stage. It's true that the Minister in a few

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s has accepted a few amendments with respect to matters tidying up the bill, and with matters of equal, and for those I thank him, for those I thank him, because I think they are worthwhile. But he remained adamant, completely ideologically adamant with respect to the voice of the farm community which says, "We don't want to restrict our fellow Manitobans. We don't want to have an act that is going to work at detriment to the farm community in that it puts them into a second-class citizen category merely because they incorporate to take advantage of tax situations in this province."

The Minister sits there, Mr. Chairman, and he nods his head negatively. But the Minister doesn't seem to understand that it's the very definition that he has imposed in this bill, requiring a farm corporation to be 60 percent owned by active farmers, that is going to cause a lot of trouble. Because I tried to tell him, and other members have tried to tell him, and the Farm Bureau have tried to tell him, that there are farm corporations, legitimate farm corporations in Manitoba whose main and sole object only is farming, who have say partners who are not actively engaged in the business of farming. You could have three sons who were each left joint estates in the family farm: one of them chose to farm the land, the other two equal owners chose to practice their vocation in the city, they are not farmers. That is still a legitimate farm corporation. And the Minister's pig-headed insistence retaining one definition for "corporation" is going to cause untold harm to otherwise innocent legitimate farming groups in Manitoba who merely want to be left alone by this government to carry out their legitimate operations without having the long arm of bureaucracy snooping around in their private affairs, and trying to tell them whether or not they fall within the definition of "farmer" in this ridiculous piece of bad legislation.

He had the full opportunity to cure the legislation. We offered the amendments fully to this committee whereby he could have restricted this Act, its application, to foreign corporations which would have had unanimous consent on in this Committee. But instead, he has used it as a vehicle to give us his envy-ridden nonsense about trying to get at corporations. I repeat to him again, if the DP are so hung up by the word "corporation", why don't they abolish The Companies Act, just go ahead and abolish The Companies Act. They try to treat corporations as though they are some unwanted legal institution in Manitoba. They're bad. They think of corporations I suppose only in Tommy Douglas' terms, "multi-national corporations" and all of that prattle that Tommy Douglas and David Lewis, who should know better but obviously don't, use in their rhetorical salvos when they go out at election time. It's a lot of rot and pap and the people of Canada have been misled long enough by this 16 or 17 percent rump of socialists, who have no concept of how the private economy works in this country, the private economy that has conferred upon our people the greatest benefits known since the dawn of civilization.

If my honourable friends would only get down off their ideological perch and settle down reasonably and try to work out something reasonably with the farm community and with other citizens in Manitoba, they would find that they would probably garner a little bit more support than they're going to get when they next dare and screw up their courage to go to the people.

So I merely say, Mr. Chairman, it's a bad bill. Insofar as it restricts the purchase of farm land by foreign corporations, we support it. We do not support the other aspects of it, because they are wrong, they are not needed. The Farm Bureau and a large number of the people who appeared before this Committee, made that statement. The Minister and his caucus are proceeding blindly ahead with their envy-ridden nonsense just so that they can perpetuate this silly ideology which they have already inflicted upon the people of Manitoba far too long.

MR. CHAIRMAN: I thank the honourable member for reading the letter from the Farm Bureau. The chair was not given the courtesy of a copy. However, I thank the Member for Souris-Killarney for reading it. Mr. Uskiw.

MR. USKIW: Mr. Chairman, I begin my remarks with some disappointment at the attitude of the leader of the Opposition simply on recollection of how things used to be prior to 1969 in Law Amendments Committee, and when he was in the Chair. Because he introduced his comments indicating that the government was immovable, that we were not prepared to accept their amendments. And, Mr. Chairman, I think we have witnessed tonight our flexibility in a number of areas. Not necessarily in areas of principle, but certainly in areas where it had an effect on the administration of the bill or the Act.

MR. LYON: Which I acknowledge.

MR. USKIW: There were a number of acceptable motions from the opposition, and I think that's the way it should be.

I want to recall for the benefit of the Leader of the Opposition, the night that he was in the Chair in Law Amendments Committee, in the Sixties, where we went through some 50-odd bills, up till four in the morning, and where the former Premier of this province, D.L. Campbell stood up to introduce amending motions, and he was arrogant enough to say, "We are not accepting motions at this hour of the night except those that the government was introducing."

MR. LYON: Mr. Chairman, on a point of privilege.

MR. USKIW: Mr. Chairman, I recall the former Premier walking out. He put on his hat and walked out of the Committee and the Member for Portage la Prairie will back me up on that Chairman.

MR. LYON: On a point of privilege. The Honourable Minister is talking about some fictional n because the only time we sat till four in the morning when I chaired the Law Amendments Comm was with the full concurrence of the former Premier of Manitoba and the then Leader of the NDP Paulley.

MR. USKIW: That is correct.

MR. LYON: The only people who took objection at that time were some new members who v then in their salad years and rather green in judgment, who didn't know how the House worked honourable friend has always demonstrated he hasn't learned much in the last eight years.

MR. USKIW: Mr. Chairman, there is no point of privilege. I did not suggest that there was concurrence to sit late. I suggested that the Honourable Leader of the Opposition, who was t Chairman of the Committee, refused to accept amendments from the opposition because he thou it was too late in the night and only government amendments were allowed to proceed. So let not arrogance take control of this Committee at this stage, Mr. Chairman.

Now for the benefit of those that want to know the draft response to the letter that the Honoura Leader of the Opposition just read — I think perhaps it might be worthy to take a moment or tw give the response.

MR. LYON: Yes.

MR. USKIW: And it's dated as of the 15th. It says:

"Dear Mr. Douglas: I have received your letter of June 14th respecting amendments to The Fa Lands Protection Act.

"I must say that the fears expressed in your letter, namely that the bill would discriminate again farmers who choose to incorporate their enterprise, are totally unjustified.

"There is nothing in Bill 66 that would prevent a farmer from incorporating. A corporation own 60 percent or more by farmers is treated in exactly the same manner as an individual farmer, i.e. restriction whatever is placed on either form of farm ownership.

"The definition of a "corporation" in Bill 56 is the exact equivalent to the definition of a "no agricultural corporation" in Saskatchewan's legislation, and so on.

"I am particularly baffled by your concern in view of the recommendations made in your brief the Agricultural Committee that we adopt a definition of a *bona fide* farmer similar to the one adopt by the CFA which reads as follows:

"1. He is a user of agricultural development land or farm land for the purpose of producing food fibre useful to man.

"2. He spends a principal portion of his time actively engaged in the production of food useful man.

"3. He earns, or by following a recognized development plan, will be capable of earning a major portion of his income from the farming enterprise? This is to take care of the person hacking a farm out of the bush and getting into business. If he can show the Committee that he has an actual plan that will be a viable operation within a limited time, four or five years or something of that sort, then he would qualify.

"4. He is recognized by his peers as being a legitimate primary food producer. In the case of agricultural commodities with universally regulated production or marketing systems, he must be registered participant in that system.

"5. He must achieve a level of productivity recognized by his peers as being representative of the industry. In other words, he cannot be just a token producer."

"I am sure you will agree that the CFA definition is a lot more restrictive than the one used in Bill 56. Your brief indicated that you did not support restrictions on non-farming Canadians at this time saying that if a problem arose in respect of non-farming Canadian residents, we were confident that the Legislature would and could meet such a problem. It would seem to me that the problem is here now. I have difficulty understanding why you would support controls on foreign ownership now amounting to 300,000 acres / but not on ownership by Canadian land companies and other non-farmers who own ten times as much land. Why support controls in one-tenth but not on the other nine-tenths of the problem?

"I wish to comment on your statement that it is absolutely imperative that Canadian corporations and Canadian individuals be treated in a like manner. I simply cannot accept the implied proposition that there is no difference between an individual Canadian citizen and a corporation. While corporations are legal entities it must be remembered that the granting of a Charter or Letters Patent is a privilege bestowed by parliament or Legislature, and that the legal entities so created are artificial persons who can lay no claim to any of the natural rights of man. We should, therefore, not equate the privileges granted to companies with the rights of individual citizens.

"Thus while The Farm Lands Protection Act leaves the farmer free to choose the form of his

ness, including incorporation, the Act justifiably makes a distinction between Canadian citizens who are not farmers and corporations who are not farm corporations.

In conclusion I fail to see from where stems your expressed fear that the legislation and the proposed amendments will in some way hinder the people it purports to protect, i.e. the family farmer. By limiting the scope of all who are not farmers, it enlarges the opportunities for those who are and who wish to become farmers."

MR. CHAIRMAN: Mr. Shafransky.

MR. SHAFRANSKY: Yes, Mr. Chairman. We have heard the power-hungry Leader of the Opposition express his views, —(Interjection)— his dictatorial attitude on how he is ready to do the Leader's bidding. Well, I'd like to challenge him, instead of taking a very easy seat, let him run against the government member to prove his position. —(Interjection)— He can run against me. Come on.

MR. CHAIRMAN: Order.

MR. SHAFRANSKY: I challenge you to withdraw and run in Radisson.

MR. CHAIRMAN: Order. Order. I'm afraid, Mr. Shafransky, that you are out of order at this particular time. I'm sorry.

MR. USKIW: Bill be reported.

MR. CHAIRMAN: Bill be reported.

MR. CHAIRMAN: Bill 79 - an Act to amend The Real Property Act (2). Are there amendments?

MR. LYON: No. Section by section, Mr. Chairman, this is too important. We don't know how this is fouled up.

MR. CHAIRMAN: Section 1—pass. 82(3)(a)—pass? Mr. Lyon.

MR. LYON: Can I make the inquiry here, Mr. Chairman. In the light of the amendments that were made to Bill 56 today, incorporating the strange provision about non-agricultural land, will it not be necessary to accommodate that in this Section 82(3)? I'm asking the question, I don't know.

MR. CHAIRMAN: The Honourable Minister. Is there an answer to that question?

MR. USKIW: Mr. Chairman, if you look at Bill 79, 82(11)(b), land means land as defined in The Farm Lands Protection Act.

MR. LYON: But here we are, Mr. Chairman, with a provision which is going to require every person who completes a land transaction in Manitoba, whether that's the sale of a house on Broadway or the sale of a farm in Souris, to fill out an affidavit. Now, what I am suggesting to the Minister is that it would appear from this that again the net is being cast too wide. Now, if Mr. Balkaran can clear up my apprehension about this, fine. But it seems to me that this requires a general affidavit.

MR. CHAIRMAN: Mr. Balkaran.

MR. BALKARAN: No, Mr. Chairman. If you again, Mr. Chairman, look at the definition of land which has now been amended to refer to agricultural land, "other than lands covered in a town's village or municipality or land governed by The Planning Act," so that this is a very restrictive definition. Not all land would be agricultural land.

MR. LYON: Now how is the individual person to know whether or not he falls within that definition?

MR. BALKARAN: Well, I don't know how you'd know whether he falls in that definition except to know the area he's living in, or the area where the land is being purchased.

MR. LYON: You see in (b) for instance, "the amount of land owned by the purchaser in Manitoba." Now let's assume that a purchaser living on Broadway is buying 160 acres of land in rural Manitoba.

MR. BALKARAN: That land wouldn't include his property in the city.

MR. LYON: He would not have to account for any land that is excluded from the definition of land in Bill 56.

MR. BALKARAN: Yes. By definition "land" means that land in Bill 56, as defined.

MR. LYON: That is under Section 82(11)(b), for the purpose of this section, corporations provisions. . . . Okay, let's just tread carefully then. So long as we understand we're dealing here with every potential land transaction in Manitoba and if that definition section is as restrictive as it appears to be, then it obviates some of the difficulties. But we have to be careful.

MR. BALKARAN: I think, Mr. Chairman, I might add that the District Registrar has taken a look at this too and he foresees no difficulty.

MR. CHAIRMAN: 82(3)(a)—pass; (b)—pass; (c)—pass; (d)— pass.

MR. LYON: Well, under (d), Mr. Chairman, how does that differ from the affidavit of value if it's presently on The Real Property Act transfer? I mean, is that not redundant information? The sworn value of the land is already given as part of the Affidavit of Value on the RPA transfer.

MR. CHAIRMAN: Mr. Balkaran.

MR. BALKARAN: There is an administrative reason for this, Mr. Chairman, in that the transfer, while it is true will have a proper legal description, this document will not form part of that and indeed may find its way into another office for the purpose of policing how much land and the acreage of land that's being covered by that transfer. So this is why the affidavit must set that out.

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MR. LYON: Yes, but of course you can't — with respect, Mr. Chairman — the District Registrar cannot register this transfer or the deed or the conveyance under The Registry Act unless the transfer agreement or caveat is accompanied by the statutory declaration signed and executed by the purchaser, or a person acting on behalf of the purchaser. So presumably that would continue to be part of the record of the Land Titles Office.

MR. BALKARAN: No, Mr. Chairman. 82(9), Mr. Chairman, reads: A copy of the statutory declaration requires that this shall not be physically part of or physically annexed to the transfer, shall not be registered until it has formed part of the transfer.

MR. LYON: Well, then we get to the basic question. Who is to be the vetting officer? Is it the District Registrar or is it going to be some appointee of the Department of Agriculture?

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: It will be someone, Mr. Chairman, designated by The Farm Lands Protection Board or operating under the jurisdiction of the board.

MR. LYON: And what will the administrative procedure be *vis-a-vis* a transfer of land which is presented to a District Registrar, say in Boissevain, with this accompanying affidavit? The affidavit will then be sent immediately to the vetting officer of The Farm Lands Protection Board or whatever we're calling it? Now will that transfer then be held up until such time as the affidavit is returned, certified, or what?

MR. CHAIRMAN: Mr. Balkaran.

MR. BALKARAN: No, Mr. Chairman, the transfer will be processed and registered in the usual way by the District Registrar and his staff. If it turns out by the vetting officer who was responsible for police this, that the amount of land so acquired was in contravention, then the rest of Bill 56 that we've gone through today will be brought in, and the machinery will be set into motion and the divesting order would then take place and the rest of the bill would then flow.

MR. LYON: Well, have we got a curative section in here then that would exempt the transfer from the insurance provisions of The Real Property Act which provide, of course, that every title issued by the Land Titles Office is a guaranteed title?

MR. BALKARAN: I don't know that this has any effect on that, Mr. Chairman. I think the title continues to be guaranteed under that section of The Real Property Act.

MR. LYON: Well then are we not . . .

MR. BALKARAN: The title will be good subject to the provisions of Bill 56.

MR. LYON: I'm just asking again, I don't know the impact. Are we not getting into a potential situation of conflict, Mr. Chairman? You see, the purpose of the Torrens's system, and I know I don't have to lecture Mr. Balkaran on it, but the purpose of the Torrens's system is to give a guaranteed title.

MR. BALKARAN: Mr. Chairman, I think that the guarantee of title will still obtain, and if I recall correctly, the insurance fund is to protect a person who has been duped or by some act of the District Registrar has lost out. In this particular case there will be no losing out. The order will provide for return of land to the vendor or for whatever action that Bill 56 provides. So there would be no need to call upon the insurance fund in that situation, at least that's how I see it.

MR. LYON: But there might well then be a situation, and this is over into the drafting area, Mr. Chairman, where a person who is subsequently divested of land because of a mistake in aggregating the total land that he held, he could be divested by an order of the Minister and then could come along in the absence of a saving provision, could come along and say, "Fine and dandy, you go ahead and divest me, but I've got a guaranteed title here and I'm moving under that section to make sure that that title that you issued to me is kept in full force and effect." I don't know if it's a real problem or if it's . . . The point being that what we're doing here, by Bill 56 and I think it becomes clearer by the moment that the impact of this on otherwise established and understood rights, I sometimes wonder if it's brought home that you're now interfering, at least by implication, with the guaranteed title which the Torrens's system, ever since it's been in effect in Manitoba, has given to every property owner in this province. And we're starting to trifle with pretty fundamentally important property rights, and I just want to make doubly and triply sure that the citizens of Manitoba are not being led down some garden path here with respect to their established rights under the Torrens system.

MR. USKIW: Mr. Chairman, I think that the area is somewhat unclear and perhaps we could leave it in abeyance and check with Mr. Lamont, and if necessary make any changes at report stage, if that's acceptable to the Committee.

MR. CHAIRMAN: Is that agreeable? (Agreed) We will pass 82(3)(d) and move on to (e)—pass

MR. LYON: Well, now, on (e), how does a person take an affidavit when he doesn't know what the definition of farming is?

MR. USKIW: Mr. Chairman, the legal counsel advises that in (e) we strike out "whether or not" at the beginning, and "is farming" at the end and simply require the declaration of the principal occupation of the purchasers.

MR. CHAIRMAN: Who has a motion?

MR. USKIW: Motion to delete, as read by legal counsel.

MR. SHAFRANSKY: I move that the motion as read by legal counsel be adopted.

MR. CHAIRMAN: It has been moved that an amendment to 82(3)(e), as amended—pass.

MR. LYON: Well now, just on that point, we've got it down to manageable proportions, the principal occupation of the purchaser will have to be shown, but if he cannot show that his principal occupation is farming within the definition of the Act, then he may well not be entitled to purchase the land.

A MEMBER: That's exactly it. That's the whole bill.

MR. LYON: But when do we come to the definition of "farming"? That's what we have to . . . we have to see now the importance of having the definition of "farming" promulgated yesterday, because you're going to have land transfers going through willy-nilly day by day, week by week, month by month and a practising solicitor would not advise a client to take a statutory declaration which would augur against his ability to purchase the land unless he knew very strictly what that definition was. I think the Minister now begins to see how important it is that . . .

MR. USKIW: I don't know whether we can do anything with that, Mr. Chairman, until the regulations are published. The regulations will be the governing part.

MR. LYON: Well then, can I suggest to the Minister the absolute imperative need for those regulations to be promulgated yesterday, because there are land transactions going through the Land Titles Office in all parts of Manitoba today which are going to be subject because of the retroactivity of this legislation, are going to be subject to this Act. They're not going to require the consent of the government, as of today, but the ability of the person to own the land is going to be in question because of the retroactivity of the Act going back to April 1, 1977.

MR. CHAIRMAN: (e) as amended—pass; (f)—pass.

MR. LYON: Well now, can I ask on (f), Mr. Chairman, (f)(ii) - "the principal occupation of each of the shareholders" — that's standard information that's requested— "and the amount of land in Manitoba owned by each of the shareholders as at the date of execution" — what has that got to do with the ability of the corporation to buy land, as to how much land the shareholders own?

A MEMBER: That's why you love the corporation because you can get around it.

MR. LYON: No. You've missed the point by a mile. They didn't teach you much in the RCMP. — (interjection)— No, it has nothing to do with the intent. If, for instance, the Hudson's Bay Mining and Smelting Company is going to buy 40 acres for a sludge pile, you're saying here that you've got to ask 10,000 shareholders how much land they own in Manitoba? That doesn't sound reasonable.

MR. USKIW: "82(8) - The Attorney-General may exempt any corporation from the provisions of this section upon such conditions, if any, as he considers appropriate."

MR. LYON: Well why not do it right in the Act? I mean, I can't see the point of it.

MR. USKIW: I don't think you can do it in the Act, Mr. Chairman, for the same reason that we were unable to spell out other provisions in the Act, as opposed to regulations. There will be untold of situations and conditions which you will have to meet.

MR. LYON: Well, I realize the hour is late and we're all maybe missing points, but I can't see the relevance of how much land is owned in the personal capacity by a person who may, in another capacity, be a shareholder of a company that is buying land in Manitoba. I don't see the relationship between the two.

MR. CHAIRMAN: Mr. Balkaran.

MR. BALKARAN: Mr. Chairman, the relevance lies in the fact that you can have one person, being shareholder or setting up 15 corporations and being a shareholder, himself and his son, and himself and his wife, and as a result the corporation can each be farming corporations or need not be farming corporations, yet can buy land in totality in excess of what's permitted on the Bill 56.

MR. USKIW: Say he has a dummy company.

MR. BALKARAN: That's right. Holding corporations or associates are possible. Related corporations, related corporations, all the combinations.

MR. LYON: But what you're saying, Mr. Chairman, is what you want to get at is corporate shareholders, not individual shareholders.

MR. BALKARAN: No, not necessarily, Mr. Chairman. It could be corporate as well as holding.

MR. LYON: You would want to know how much land any corporate shareholder held, but if Sam Uskiw and Andrew Balkaran and Sterling Lyon are each shareholders in the XYZ corporation, which is buying a quarter-section of agricultural land for some unrelated purpose, what possible relevance is it for the vetting officer of the Department of Agriculture to know how much land Uskiw, Balkaran and Lyon own in their personal capacity? That has nothing to do with the right of the corporation to buy 160 acres, because you do not aggregate the land that the individual owns in computing the amount of land that the corporation is entitled to own.

MR. USKIW: Yes. The point he is making is that an individual is entitled to 640 acres each. They're entitled to that as citizens. Corporations are entitled to 160. That's the point he's making, but it's not the point.

MR. LYON: Yes. I just can't see the relevance.

MR. BALKARAN: Well this is designed, as I understand it, Mr. Chairman, to prevent the individual shareholders from actually owning more land than you would otherwise be able to own by being shareholders. For instance, a shareholder A could own in his individual right 640 acres. Then he turns around and becomes a shareholder in three other corporations, and if you don't divulge it . . .

MR. USKIW: That's 160 acres each.

MR. BALKARAN: . . . and then suddenly you find he's got 300 or 400 plus 640.

MR. LYON: No. But if you're a shareholder in the CPR, you're a one one-millionth owner of a awful lot of land in Canada, but so what?

MR. BALKARAN: Let's not consider CPR. Let's consider a factual situation where Mr. A can belong or can have shares in five corporations, each of which owns land. His shares of 10 or percent of each corporation represents a certain acreage. And when you total that up, plus what might own in his own individual capacity, you can see how he easily defeats Bill 56. Hence, you need to know how much a shareholder owns in any corporation which owns land.

MR. LYON: "The principal occupation", it reads, "and the amount of land in Manitoba owned by each of the shareholders", do you mean each of the shareholders in their personal capacity or each of the shareholders as shareholders?

MR. BALKARAN: That's right.

MR. LYON: But how can they tell how much land? If you have a share in a publicly traded company, like International Nickel, I haven't the slightest idea of how much land International Nickel owns, or how much my shareholding in International Nickel would entitle me to own in Manitoba. Probably a square inch.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Well, Mr. Chairman, I am advised that the Registrar has been trying to grapple with this and they've had different concepts, all of which didn't work in their mind, and this is the one they rest their case on.

MR. LYON: But I'm afraid, and I'm not trying to be obstructionist, Mr. Chairman, believe me. I'm afraid that we're setting here a qualification for an individual to make a statutory declaration where he can't, in honesty, say as a shareholder, "I own X number of acres of land in such and such a company. I don't know."

MR. USKIW: Well, Mr. Chairman, the assumption has to be that 82(8) would deal with that kind of situation. What the attempt here is to prevent the circumventing of Bill 56, so that a person in setting up a dozen dummy or paper companies doesn't get around the 640-acre restriction. That's the purpose of this requirement. Now, Section 82(8) is the area of exemption for the kinds of situations that the Leader of the Opposition is drawing to our attention.

MR. LYON: Well, I begin to get a glimmer of what this section purports to do. But I merely indicate to the Minister my concern that what it is going to do in order to get at the 2 or 3 or 5 percent who try to set up dummy corporations is that you're going to discommode the other 95 percent of the people in their normal ordinary land dealings in Manitoba, in that they will be unable to give this kind of a statutory declaration even on the best of advice from solicitors. They won't be able to do it. And the Attorney-General, if you're going to accord this power to him, he's going to be an awfully busy man unless he exempts by class, all public companies, all companies that are broadly held by more than 15 shareholders or whatever. I have no solution, Mr. Chairman, but I think that the problem I'm trying to underline is a real problem. I just don't want to see us getting into another situation like The Planning Act, where The Planning Act is today is holding up legitimate, simple transfers of land for anywhere from 90 days to six months. It just represents a tremendous road block in the way of what should be ordinary mercantile transactions of land passing from A to B, because of the planning intervention. Then you've got the bureaucracy moving in with an "In" basket that high and they don't get around to them for two months, or whatever. I'm afraid I smell the same kind of problem arising out of these requirements, and the inability of a solicitor to be able to advise his client as to what answer he should give to that question in the statutory declaration.

MR. CHAIRMAN: (f)—pass (f)(i)—pass; (f)(ii).

MR. LYON: Well before we pass (ii), Mr. Chairman, I would hope we'd have some undertaking from the Minister to consult again with respect to some of the problem areas that have been suggested tonight, because I can see another bramble bush here.

MR. USKIW: Mr. Chairman, we have done that and we've been around this one more than once, and this is the end result of trying a number of concepts here. Now maybe there is some magic solution to the problem, I don't know. But we've gone through the wringer on that one, as I understand it, with the Registrar and legal opinion.

MR. LYON: I would just ask Mr. Balkaran, Mr. Chairman, how, as a solicitor, he could advise a client what answer to give to that question?

MR. BALKARAN: I must confess, Mr. Chairman, that it was difficult to advise a client with any degree of certainty in acquiring land, especially complying with (f)(ii) in terms of that declaration. I

...speak for government policy, but I would have hoped that under 82(8) where you have the corporation whose shares are offered on the public market, will be the sort of corporation that will be exempt from that requirement. It was my understanding that that was the purpose of 82(8). Now it is not used for that, I've got no control over that, but that's what I was told.

MR. CHAIRMAN: (f)(ii)—pass; (f)(iii).

MR. LYON: Well, on (iii), Mr. Chairman, here's another problem. The amount of land owned by the farmer, we've already gone through that. That may be difficult enough for him to certify to. "And when the purchaser is entitled to become the registered owner", now that can mean under option, agreement for sale, it can even mean a mortgagor or mortgagee situation where there is an implied right to become the registered owner of land in the event of default. Now what is the definition there of "entitled to become the registered owner"?

MR. USKIW: There's a divesting provision for foreclosure, conveyance of land on foreclosure.

MR. LYON: Yes, but it could be a private individual. It could be farmer A with a mortgage on farmer B's farm.

MR. CHAIRMAN: (iii)—pass.

MR. LYON: Mr. Chairman, I think we've still got to get some information on that one? What is the definition of the words "entitled to become the registered owner"? We can think quickly of the ones mentioned, option, agreement for sale, and so on. What if a person, for instance, has a life estate in a piece of property? Does he show that if he has no residual right to take, if he's a joint tenant of a house or a joint tenant, how does he show it? If he's a joint tenant and he survives, then he's entitled to become the registered owner of the whole thing. If he's a joint tenant and he dies, then the succeeding tenant takes the whole thing. You see, all of these perambulations you get into?

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, in terms of land that is inherited, that is exempt in any event.

MR. LYON: I'm not talking about inherited.

MR. USKIW: In terms of a land transaction that is pending or in some stage of evolution, that has not yet been known by the Registrar, otherwise the information would be incomplete.

MR. LYON: I'm just trying to find out what is meant by the words "entitled to become the registered owner." Because I think you're going to be besieged by 800 solicitors in Manitoba asking the same question.

MR. CHAIRMAN: Mr. Balkaran.

MR. BALKARAN: Mr. Chairman, the intent of sub-clause (f)(iii) was only as far as I can recall, to encompass the situation where you have an accepted Offer to Purchase which is now a binding contract, but which plans have not yet got to the Land Titles Office; or an Agreement for Sale if you haven't got the usual Offer to Purchase. Those are the two situations under which this entitlement would arise. I can't think of any other that this was intended to cover.

MR. LYON: I hope you're right.

MR. CHAIRMAN: (iii)—pass; (f)—pass; (g)—pass.

MR. LYON: On (g), Mr. Chairman, I'd like some advice from Mr. Balkaran again. Where the transferee is acquiring the land as a trustee, the name, residential address and citizenship of a cestui que trust, is it not the case now that a person can hold in trust land under The Real Property Act without that trust situation being disclosed on the title of the land? Well then, why should it be disclosed on any subsidiary document which goes in with the transfer?

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, I'm advised that the intent of that is to prevent a foreigner, from holding land in somebody else's name.

MR. LYON: Well I can understand what the intent is, but it's going to result in a situation where land is being held in trust which has nothing to do with foreign purchases or does not run afoul of the provisions of this Act, where a right is being then taken from the trustee with respect to the naming of a cestui que trust, or the person for whom he is holding the land in trust. I know what the intent is.

MR. USKIW: What is the problem that you see?

MR. LYON: Well these trusts are usually silent trusts.

MR. USKIW: I presume that's the problem, though.

MR. LYON: Well they're silent insofar as the Land Titles is concerned. They're not silent insofar as their legal dealings are concerned.

MR. USKIW: There's no doubt that it has to be there, Mr. Chairman.

MR. CHAIRMAN: (g)—pass. Before I can pass 82(3) we have (d). What are we going to do with that now?

MR. USKIW: Mr. Chairman, we had agreed that we would consult further and that if necessary we could make some changes at report stage. That was acceptable. (d) should be passed, subject to that understanding.

MR. CHAIRMAN: (d)—pass. 82(4)(a)—pass.

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MR. USKIW: Did you pass 82(3), Mr. Chairman?

MR. CHAIRMAN: Yes, I did. 82(3)—pass; 82(4) (a).

MR. LYON: Well we get ramifications here, Mr. Chairman, of the same problem that arose u (g) above. Have we any instruction from Alberta or from Saskatchewan as to whether provisio this nature were put into their Real Property Act?

MR. USKIW: I'm advised there are similar provisions in the Saskatchewan one. This was dr on the basis of the Alberta and Saskatchewan experience.

MR. CHAIRMAN: 82(4)(a)—pass; (b)—pass; (c)—pass; 82(4)—pass; 82(5)—pass; 82(6)(pass. Mr. Shafransky.

MR. SHAFRANSKY: Thank you. Mr. Chairman, I have an amendment. I move that the prop new clauses 82(6)(b) and (c) to the Act as set out in section 1 of Bill 79 be struck out and the follow clause substituted therefor:

(b) where that transferee or purchaser is a municipal corporation, a board of trustees of a scl district or a school division, or a hospital district.

MR. LYON: That's just inserting "or". Just "or"?

MR. CHAIRMAN: The amendment—pass.

MR. USKIW: "Or" was the change there.

MR. LYON: There's no substantive change other than "or" is there?

MR. BALKARAN: Except that it's clause (c).

MR. LYON: (c). Pardon me, that was (b), was it not?

MR. SHAFRANSKY: That becomes (b) and (c) to the Act as set out, be struck out and the follow clause substituted, (b).

MR. BALKARAN: It's exactly as it is now with the exception of the word "or" being left out

MR. LYON: And does (c) remain in?

MR. BALKARAN: No, (c) is out.

MR. SHAFRANSKY: It's struck out.

MR. LYON: Is that struck out by reason of the definition of land, Mr. Chairman?

MR. BALKARAN: No, it has reference to regulations and there are no regulations in that secti

MR. LYON: 82(6)(c)?

MR. USKIW: There are no regulations.

MR. LYON: I was counting on what Mr. Balkaran said earlier, Mr. Chairman, that this Act w limited to land as defined in The Farm Protection Act. Now (c) it seems to me at a quick reading of would seem to doubly insure that exemption. I'm just wondering if the only concern is because of t words, "by the regulations", why do we not just strike out those words and leave the rest of the secti in to make doubly sure? That states it very clearly, that if you're transferring a house in Winnipeg, y don't have to be bothered with all of this nonsense.

MR. BALKARAN: I would have thought, Mr. Chairman, that the definition of land would takeca of that. Another thing is that, even with that change the reference to land or . . . located ar exempted. There's no section here providing for exemption.

MR. LYON: But presumably what we're getting at here is land exempted under Bill 56. (Interjection)— I just wonder if we're not throwing away too quickly a section that would be pret helpful.

MR. USKIW: Well, we can either approve the motion or delete some of the words and leave (c) i Mr. Chairman, there's no consequence one way or the other. The motion has been put.

MR. CHAIRMAN: We have an amendment before the Chair.

MR. SHAFRANSKY: Is it the will of the Committee that this motion be withdrawn and leave it as is or . . .

MR. LYON: Well you've got your exemption section in 82(7).

MR. USKIW: Mr. Chairman, we can agree to delete the words "by the regulations" and leave it ir

MR. LYON: Are you purporting to take out 82(7)?

MR. SHAFRANSKY: Yes.

MR. LYON: Why?

MR. SHAFRANSKY: We haven't come to it yet.

MR. LYON: Well you have to know what you're doing with 82(7) before you can settle 82(6).

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: My understanding is because the exemptions exist in Bill 56 that the Attorney General didn't want to deal with this aspect in this bill. In Bill 56 the Lieutenant-Governor-in-Council may exempt any class or individuals or groups. They are automatically exempted from this Act.

MR. LYON: That's just corporations but when you're dealing with land rather than corporations I'm just again asking the question, isn't this a pretty good safety valve to have in to permit the Governor-in-Council to make regulations to prevent any hang-up in the administration of The Real Property Act? You may be happy to have that. You may want to say, for example, that any land north of the 53rd parallel does not fall within the ambit of Bill 79.

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IR. USKIW: Well we're not hung up on it, Mr. Chairman, it's a duplication as I understand it.

IR. LYON: A duplication of what?

IR. USKIW: Of Bill 56.

MR. BALKARAN: Mr. Chairman, 13(b) of Bill . . . provides for "exempting persons and classes of persons or land and classes of land from this Act or any provision of this Act", etc.

MR. LYON: Yes. But Bill 56 deals with farm land protection and Bill 79 deals with the registration of property, and they're different things, they're inter-related.

MR. USKIW: But it deals with the same property in question, Mr. Chairman.

MR. LYON: It deals with the same land, yes. But what I'm concerned about are these bureaucratic requirements about statutory declaration that you may want to de-regulate your way out of pretty when you find what a hang-up there is going to be in the various Land Titles Offices. Out of pure concern for being too rigid, you might be wise even if it is redundant, you might be wise to keep it in.

MR. USKIW: Mr. Chairman, there is no problem in leaving it in. All it is is a duplication as far as you're concerned. But we have to strike out the words "by the regulations" if we leave 82(6)(c) in, because those are not proper within the context of 82(6).

MR. LYON: "Where the land that is the subject of the transfer or purchase is land of a class, or included in a part of Manitoba exempted from the operation of this section."

MR. BALKARAN: Then it stays in as is.

MR. USKIW: If you leave 82(7) in, then those have to stay in. The whole thing has to stay in.

MR. LYON: Yes. I think you're safer.

MR. USKIW: 82(6)(a), (b), (c) and so on. I think we're on (c).

MR. CHAIRMAN: Would you wish to withdraw the motion Mr. Shafransky?

MR. SHAFRANSKY: Mr. Chairman, it seems that the Committee wishes to have this motion withdrawn so we will do so.

MR. CHAIRMAN: 82(6)(c)—pass; 82(6)—pass; 82(7)(a)—pass; (b)—pass; 82(7)—pass; 82(8)—pass. Mr. Lyon.

MR. LYON: Was any thought given, Mr. Chairman, to including this power under the regulations, having the exemptions made by regulation, rather than by the A.G. or was this done to loosen it up a bit more.

MR. USKIW: I'm sorry, I missed that.

MR. LYON: I was wondering if 82(8) had been put in to give more flexibility, or had it been considered that exemptions to corporations could be made under the regulations?

MR. USKIW: Did I understand the Leader of the Opposition to suggest that we should amend that?

MR. LYON: No, I am just asking the question, Mr. Chairman, as to whether or not this ability to exempt corporations from the provisions of information, had it been considered that that exemption would be included in the regulation power, or was it felt that this would give more elbow room under the regulations and the A.G. I just wondered what the rationale was for the separation of the two.

MR. USKIW: I am not certain that I can answer that, Mr. Chairman.

MR. BALKARAN: The separation was . . . given to the A.G. to exempt corporations.

MR. LYON: Yes, but it would obviously give more flexibility with the A.G.

MR. USKIW: Well, it is not harmful to leave it as it is.

MR. LYON: I'm not complaining about it, I'm asking about it.

MR. CHAIRMAN: 82(8)—pass; 82(9)—pass; 82(10)—pass. 82(11)(a).

MR. LYON: Mr. Chairman, we are still looking at (10).

MR. CHAIRMAN: 82(10)—pass; 82(11)—pass; Preamble—pass; Title—pass. Section 2—pass. Preamble—pass; Title—pass; Bill be reported. Mr. Lyon.

MR. LYON: Mr. Chairman, before the bill is reported I would hope the Minister would be in a position on third reading to answer some of the questions, either himself or the A.G. answer some of the questions that were raised tonight which may — (Interjection) — I hope they are frivolous, I really hope so — but I can see some roadblocks arising from the statutory declaration that may not have been thought about.

MR. USKIW: We will do that. Mr. Chairman, I am wondering, just for the benefit of the Committee, whether there is any point in recapping the areas that still need clarification in the minds of the members.

MR. LYON: In this bill?

MR. USKIW: Is it just the one with respect to the registrar that the Leader of the Opposition has in mind? The Assurance Fund?

MR. LYON: Well, I think the Assurance Fund, I think the whole question of the Statutory declarations and the information that is being sought . . .

MR. USKIW: Yes, which we agreed we would check with Mr. Lamont.

MR. CHAIRMAN: Committee rise and report. Committee rise.