



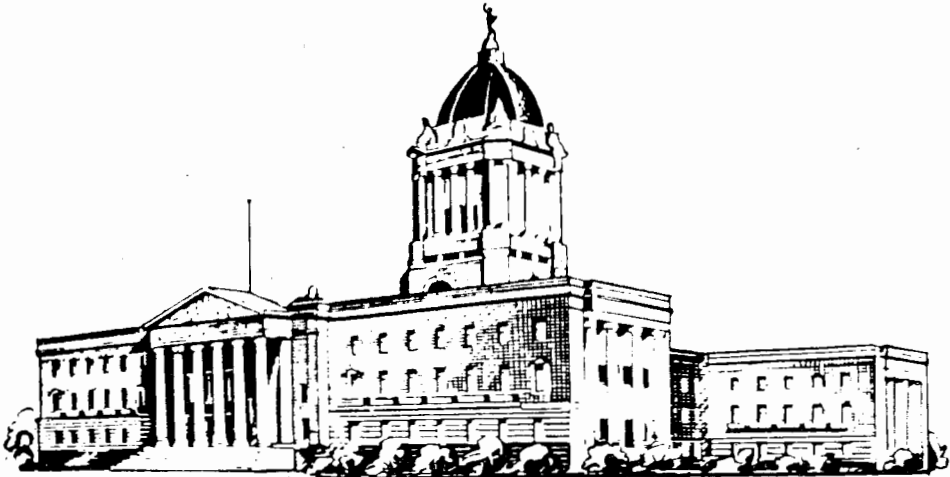
Legislative Assembly of Manitoba

HEARINGS OF THE SPECIAL COMMITTEE

ON

LAND OWNERSHIP

Chairman
Mr. Harry Shafransky, M.L.A.
Constituency of Radisson



Dauphin — Monday, January 27, 1975

THE LEGISLATIVE ASSEMBLY OF MANITOBA
 SECOND MEETING OF SPECIAL COMMITTEE
 ON LAND OWNERSHIP - DAUPHIN
 JANUARY 27, 1975

Chairman: Mr. H. Shafransky.

MR. G. JOHNSTON: By unanimous consent, Mr. Adam, would you take the Chair until a permanent Chairman arrives. (Agreed) Take the Chair, Pete.

MR. ADAM: Mr. Johnston has suggested that, in the meantime, that . . . well we have just been informed that the Chairman is here. I'm not sure whether they left Winnipeg this morning or whether they came in last night, but the Chairman is here now, so . . .

MR. CHAIRMAN: Good morning. --(Interjection)--Yes, Mr. Spivak, I see you're starting out very early in the game. Thank you very much.

The purpose of the meeting is to hear representations from people, interested members of the public, to matters relating to property rights in lands within the province. We had one meeting in Winnipeg last Monday, this is the second in a series of meetings.

Before I proceed, I think I should introduce the members of the Committee. On my left, Warner Jorgenson, the Member for Morris; Dave Blake, the Member for Minnedosa; Jim Ferguson, the Member for Gladstone; George Henderson, the Member for Pembina; Harry Graham, the Member for Birtle-Russell; Harvey Bostrom, the Member for Rupertsland. On my right, Wally Johannson, the Member for St. Matthews; Jim Walding, Member for St. Vital; Tom Barrow, the Member for Flin Flon; Gordon Johnston, the Member for Portage la Prairie; Pete Adam, the Member for Ste. Rose; the Minister, Sam Uskiw, Member for Lac du Bonnet; and I'm Harry Shafransky, Member for Radisson. Pardon me! - Sid Green, Member for Inkster, the Minister of Mines and Resources. Then we have those people, observers, Mr. Jim Bilton, Member for Swan River; the Leader of the Opposition, Sidney Spivak, Member for River Heights. I believe that is everybody.

I have a number of people who have indicated that they would be presenting briefs. Are there any more people who would like to step forward and indicate, so that I can put them on the list. We have now, Art Shaw, farmer from Pine River; John Potoski, Reeve, Rural Municipality of Dauphin; Bill Forbes, farmer, Dauphin; Arvin Bos, farmer, Dauphin, Local 502, National Farmers' Union. Is there anyone else. --(Interjection)--Yes, would you come forward and give your name so we can add it to the list.

MR. CLIFFORD: I'm Larry Clifford, I'm a farmer from Dauphin.

MR. CHAIRMAN: Larry Clifford. Any more? Okay. The meetings will be transcribed as was agreed upon in Winnipeg. The transcript will be made available as soon as they are printed. Those people who are interested would have to write into the Reeve. The members of the Committee will be receiving them. Mr. Jorgenson.

MR. JORGENSEN: Yes, I think it should be pointed out, Mr. Chairman, that since the proceedings are going to be recorded and transcribed, that anybody who has any statement to make will have to use the microphone, if we are to get that statement on the record. So that it will be necessary for anybody who wishes to speak, or to even pose questions, to use the microphone rather than speaking from where they are seated.

MR. CHAIRMAN: Thank you. That is the procedure. Okay. I shall call upon the first one, Mr. Art Shaw. Mr. Shaw. Proceed Mr. Shaw.

MR. ART SHAW: Art Shaw, farmer, Pine River. This brief of mine is fairly brief. I've put down ownership of farmland in three classes; Canadian ownership, foreign ownership and government ownership.

Canadian Ownership. Why shouldn't any Canadian be free to own farm land anywhere in Canada. There may be a problem though - origins of Corporations may be a problem.

Foreign Ownership. This I don't agree with unless the newcomer is actually going to be farming the land himself and can become a Canadian citizen. When I was with NATO in Germany no Canadian or other foreigner was allowed to buy any real estate there. They had learned their lesson in 1922-23 when Germany had runaway inflation. A German mark was worth very little and outsiders bought up all the land they could get their hands on. Land is a good long-term investment usually. Here in Township 32-21 the Hudsons Bay Company had land from when - 1670 or 1869? - until the 1950s when the Manitoba Government got it. This parcel was for sale or lease. The price was too high and they were only speculating so

(MR. SHAW cont'd) the half section was never sold or leased. Farmers grazed their cattle on it, free. The land was over-grazed, timber was stolen and fires took over from there. But, speculators pay taxes and can lose the land in a tax sale.

Government Ownership. Mr. Spivak mentioned how much farmland has been bought lately by the Manitoba Government. What about all the farmland the Conservative Government took? They added farmland to forest preserves, parks, etc. Farms were expropriated and community pastures were established to subsidize grain farmers in the South. They abolished tax sales in the Local Government Districts and any farmland in tax arrears automatically became Crown land. This system is still being continued. Government ownership of forests may be okay, but not if agricultural land has to be used for forests.

Problems with Government Ownership. Waste. They don't have to make a profit. Look at all the prime timber the Federal Government lets rot in Riding Mountain National Park. Don't necessarily have to pay property taxes. In this Township, 32-21, roughly one-third of the township is privately owned, one-third is leased Crown land, and one-third is vacant Crown land. There is a Government grant to the district equal to the taxes collected. If there was no private property there would be no taxes or grants. If the district of Mountain had enough ratepayers to be self-supporting it could be a municipality and wouldn't get the grant. Which extreme is the best for the province? History shows land acquired by government from individuals rarely ever goes back to the individual. A good example is New Forest. William the Conqueror kicked the peasants off their land and created New Forest. Nine hundred years later New Forest is still Crown land.

There is no bargaining with the government where a lessee is concerned; the farmer has to take it or leave it. So one-third of this township is left. What is privately owned, produces several times what the leased land produces. In some cases, Crown land is literally mined. Leases get dropped when there is no money in cattle and buckwheat rye, or something else is grown in place of hay on privately owned land.

To sum up, if anything is done about foreign ownership of farm lands I don't see more government ownership as the answer. If you want any suggestions, from my point of view higher property taxes would probably be one of the answers where outside ownership is concerned or speculators is concerned, because in the area where I am there is practically no property taxes being paid. For instance, this year, in my case, my total property taxes on one section come to about \$260.00, and then there's a \$250.00 rebate, so that only leaves \$10.00 of property taxes. Well if the taxes were doubled in proportion to the speculative value of the land and the rebates to resident ratepayers were there, it would knock some of the wind out of the speculation. Some people may not know too much about what it's like in the local government districts but I have a map here, a land map of Manitoba and it just goes up to 1967, and you can see by the coloured portion of the map how from the local government districts south the Crown land is moving down, or government-owned land is moving down; and there are areas like community pastures, for instance, that are white on the map and don't show up. Besides that, the Indians want larger reserves and they're white on the map, that would mean more non-taxpayers. Anybody has any questions or comments.

MR. CHAIRMAN: Thank you, Mr. Shaw. We will open it up. Mr. Graham.

MR. GRAHAM: Mr. Shaw, you made a statement that in your opinion Crown land wasn't being utilized to its maximum value, only private initiative and private ownership was maximizing the use of the land. Do you think that same situation prevails over the entire province or is it just peculiar to your locality?

MR. SHAW: Well it may be peculiar to that locality because there's no competition for land like there is in other parts. People may be forced to improve and hang on and keep their Crown land to make a viable unit, but there if the price of cattle go down you go into something else--well it's the hay. Normally the privately-owned land is used for growing hay to feed the cattle that are grazed on the Crown land, but if there is no money in cattle and you have to make a living well you tear up all your alfalfa hay land and seed it to grain when there's no money in cattle - that's in the locality where I am.

MR. GRAHAM: The Crown land then that you are referring to is mainly for grazing purposes only, or could it produce a fairly good hay crop as well?

MR. SHAW: Oh, yes, but there's no incentive. If you improve it--well they got a system now where they'll pay you for part of the improvements on that, but you don't know what the system is going to be in the next few years, whether you're still going to have it or not.

(MR. SHAW cont'd) You increase the cost of the lease, the lease is raised to another category if you clear and break it up and improve it and then you have to part with a share of the crop besides paying the lease and the lease could be doubled or tripled if it's in another category or another two categories higher.

MR. GRAHAM: In your own operations as a farmer, have you leased Crown land in the past?

MR. SHAW: Yes, I have Crown land now.

MR. GRAHAM: Did you find the increase in the cost of leasing last year, did it seriously affect your farming operation?

MR. SHAW: Well what happened a year ago August the price of cattle went sky high so I shipped out two-thirds of the herd, I culled out everything, went through fences, old cows and everything else. Then last year the leases were doubled, I dropped eight quarters and still retained three quarters of Crown land for grazing, but those eight quarters I dropped they're part of the vacant land now in the township.

MR. GRAHAM: You found then that the price of the leasing almost dictated that you surrender a considerable portion of the Crown land that you had previously rented.

MR. SHAW: Yes.

MR. GRAHAM: Thank you.

MR. CHAIRMAN: Mr. Green.

MR. GREEN: Mr. Shaw, I was very interested to hear your remarks about foreign ownership and Canadian ownership. This is a subject which has troubled me for a long time, and I would just like to get your ideas on it. You say that a foreigner should not be able to buy Crown lands in Manitoba similar to restrictions that you are aware of in Germany. Or did I mis-hear you? Do I understand you correctly?

MR. SHAW: Yes.

MR. GREEN: Because Mr. Henderson seems to think that you didn't say that.

MR. HENDERSON: . . . in the way of tax . . .

MR. CHAIRMAN: Well, Mr. Henderson, I thank you very much, I believe Mr. Shaw will be able to answer the question.

MR. GREEN: If I'm wrong, Mr. Shaw, I want to be told that I'm wrong. As I understood you . . .

MR. SHAW: Well I'll read it out as I wrote it down here. In Germany, for instance, no foreigner was allowed to buy any real estate there. Well when they had their inflation in '22 and '23 apparently other countries, their currency was good and solid, and they were able to buy up everything they could get their hands on in Germany, and maybe that's what's happening here. Because of our inflation people are taking advantage of it from outside.

MR. GREEN: What I understood you to say is that we should not permit this, but if I'm wrong then I want to be corrected.

MR. SHAW: No, it's not many countries in the world where anybody can just go and buy land, is it?

MR. GREEN: And am I correct in understanding that you don't want foreigners to be able to buy land in Canada?

MR. SHAW: No, I don't agree with it either.

MR. GREEN: Pardon me.

MR. SHAW: I don't agree with foreign ownership.

MR. GREEN: That's what I understood you to say.

MR. SHAW: But I don't see why any Canadian shouldn't be able to buy because it's a free country in that respect.

MR. GREEN: That's exactly what I understood you to say. So then I have it right, that you say that a foreigner should not be able to buy land in Manitoba but any Canadian should be able to buy land in Manitoba. Is that correct?

MR. SHAW: Yes.

MR. GREEN: There are, by the way, many people who feel the same as you so I think that that is an opinion that's sort of very current. And I want to tell you right now so that you'll know that I don't happen to have that opinion, doesn't mean that you're not right and I'm not wrong.

MR. SHAW: No, I'm just giving my opinion, you can take it for whatever it's worth or whatever you want to take it for.

MR. GREEN: Right. Exactly. Right. Exactly. I agree with that, Mr. Shaw. Now my question is, what is the difference in your mind as to what happens if a person from Newfoundland, who has no intention of coming to Manitoba, buys up ten sections of land in Manitoba, doesn't farm it, rents it out, and a person from Vermont, let's say a hundred miles away, does the same thing, what is the difference vis-a-vis what happens to the land and its productivity and everything else? It's a question that troubles me and I wonder if you can give me some help.

MR. SHAW: That's why I say property taxes could be increased.

MR. GREEN: Oh, I know that you're saying that one should be discouraged and the other should be permitted, but I'd like to see whether you can tell me, if there is a reason, what is the difference with regard to the use of that land. In other words, how is it better used and have more productivity, like you spoke about with regard to private land, if it's a person from -- well let's make it even more a problem -- a person from Nova Scotia and a person from Maine who may be living two miles apart from each other, who have no intention of ever coming to Manitoba, who have the intention of buying the land, renting it out, hoping it goes up in value; is there any difference in your mind?

MR. SHAW: Yes, sure. Going back to that case in Germany, there's the currency difference. The land may be real valuable in Maine but it's not valuable compared with--well the only farm that I know of that was sold in the area where I am, an American bought it. He thought he got a real bargain but it was several times more than the normal price of land around there.

MR. GREEN: So is it your complaint that when you permit that to happen that it increases the sale price of the land?

MR. SHAW: Yes, but there's the problem of currency difference or a difference in values, we're dealing with two different values.

MR. GREEN: But for the farmer who--again I ask you this question. If you were wanting to sell your land, if you were wanting to sell your land, let's say that you had retired and you wanted to have a little nest egg, as not only farmers but everybody else would like, and the fellow in Maine was willing to pay you \$50,000 for your section -- I don't know whether that's a good price, let's say that is a hypothetical price -- and the fellow from Nova Scotia was only willing to pay you \$40,000 for your section, do you believe that the government should prevent that fellow from Maine paying you the \$50,000, so that you only had this \$40,000 buyer.

MR. SHAW: Even the guy from Nova Scotia would be getting robbed at \$40,000.00.

MR. GREEN: I knew that was coming that's why I said let's make the prices completely hypothetical. Let's say that there was a section of land which, not you, but a farmer had for sale, the fellow from Maine wanted to pay \$50,000, the fellow from Nova Scotia who maybe was two miles away from the fellow from Maine (I hope Maine borders on Nova Scotia) -- Vermont? --(Interjection)--New Brunswick? Okay.

MR. SHAW: But even so at Canadian ownership you're narrowing it down.

MR. GREEN: Yes, I'm just asking from the point of view of the man who wants to sell, should the government prevent this farmer from getting the price that the man in Maine wants to pay and require him to sell, or limit him to the kind of prices that the man in New Brunswick was offering?

MR. SHAW: Yes, I see what you're getting at. It's the idea of what the guy has a chance of getting . . .

MR. GREEN: Right. Would the farmers accept the fact that the government says, you can't sell this land to that buyer even though he's willing to pay you more money?

MR. SHAW: Yes, but what I'm looking at is if Canadians aren't farming it, there's going to be no land left to farm. If government has it tied up as Crown land, it isn't used or just land that's held for speculation -- an example is the Hudson's Bay land, a lot of it was never sold, it was just held hoping the price would go up. Well where's everybody going to be farming in the future. Sure there are guys that will say when you get into an argument with them, especially conservationists, that the Red River Valley can supply all of the province's agricultural needs, that sort of thing, but there's the future.

MR. GREEN: Mr. Shaw, I would like to know what you would think about what would be the difference if the land was purchased--let's say if 50 sections of land were purchased by a New Brunswick company or individual who had no intention of coming to the Province of Manitoba, no intention of farming the land, but had the intention of renting it out to you, what

(MR. GREEN cont'd) would be the difference between him doing that and the public of Manitoba doing that, in terms of the use of the land? And when I say the public of Manitoba I mean as represented by the government.

MR. SHAW: Well according to statistics, I don't think there is much to worry about large corporations or large owners who actually farm because - this is a page from the Farm Business Summary - 1973 I think. Well it goes - The most profitable farms were up to \$90,000 to \$119,999, and that was the highest return to labour. Over that it gradually kept going down; the largest size is 180,000 and over and they were on the minus side in return to labour. So in the past corporate farms haven't survived and especially--well it was mentioned yesterday on Country Canada about in Alberta corporate farms usually failed. I think that the individual operator, or as it shows in the Farm Business Summary here, smaller farms or farms up to, well 120,000 gross is about the limit. Other than that, there's no competition from corporate farms; other than if they get so powerful they could manipulate the markets or labour or something like that.

MR. GREEN: Let's forget corporate farming for a moment and see whether you can help me with this other question; Whether and why it would be better if, let us say a Canadian in New Brunswick bought 50 sections of Manitoba land and leased it out to Manitoba farmers--that's one possibility which you say you find nothing wrong with because it's a Canadian buying 50 sections of Manitoba land and renting it out to Manitoba farmers--or the people of Manitoba, through the Department of Agriculture, buying the same 50 sections of land and renting it out to Manitoba farmers. In your mind what would be the difference, why would one be better than the other, if one is better than the other?

MR. SHAW: I think it could go the way the ownership of land has gone in the area where I am, where you've got more and more government ownership over the years and it's got to a point that the people who are leasing land don't have the incentive or there's no future in it, that they'll only lease while they can make money. If they can't make money, then they drop the lease. Over a period of time a private owner will stick it out sort of thing, the next year may be better sort of thing. He can always mortgage in bad years and pay it off in good years - that sort of thing, but if he's renting he only has value of his equipment or livestock or that to fall back on. So I don't think there's much future in leasing land unless you get a situation where you have a captive labour force, like in South American countries where they have the giant estates and they're still under sort of a feudal system. That way you can more or less force people to lease the land whether they're making a living or not. So I don't see any future for anybody to go buying up 50 sections or so and then leasing it out. Why bother leasing it if you won't have any future other than from year to year; if you have a few bad years in a row, you're out. You might as well go out to Alberta then.

MR. GREEN: I'm really not trying to argue with you, Mr. Shaw, I'm asking, you see, I asked you whether a person from New Brunswick buying 50 sections of land and leasing it out to farmers . . .

MR. SHAW: Well that's my answer. I don't think there's any future for him anyway if he did.

MR. GREEN: So you would say that a person shouldn't lease the land - I mean that it makes no difference whether the government does it or another Canadian does it, it doesn't make sense to lease the land?

MR. SHAW: Yes, but there's a difference between government and a private individual or even a corporation owning and leasing the land, too, because . . .

MR. GREEN: What's the difference?

MR. SHAW: The tax, taxes for a start.

MR. GREEN: I understand that when the government leases out land to farmers that there is taxes on all the leaseholds.

MR. SHAW: Yes, but the government can let the land lie vacant, eh?

MR. GREEN: Yes.

MR. SHAW: And they don't have to pay taxes on it, but if a corporation is speculating and leaving the land vacant well they're still paying property taxes.

MR. GREEN: Yes, I recognize that difference and that's why I asked you, if they each leased out the land which on the present program the government only buys the land to convert it into a lease to have a farmer on the land so that doesn't arise. Whether it makes more sense to lease from a private individual or to lease from the public, whether there is any difference?

MR. SHAW: Yes, well property taxes, for instance. And if you want to control the number of foreign or other Canadian outfits or speculators, for instance, why not just increase the taxes and pay it back as rebates to resident farmers, that sort of thing.

MR. GREEN: Thank you, Mr. Shaw.

MR. CHAIRMAN: Thank you, Mr. Uskiw.

MR. USKIW: Yes, do I get from your remarks, Mr. Shaw, that you would wish the government to consider the possibility of imposing a special tax rate on those owners of property who are not owner operators?

MR. SHAW: Well it is in effect at the moment. The only thing is the taxes are extremely low. I'm talking about the area where I am but not necessarily other parts of the province.

MR. USKIW: You're misunderstanding my question. My point, sir, is do you think there should be a differential in taxation as between one that owns and operates his land, and one that is simply holding it for speculative reasons?

MR. SHAW: Yes, that's in effect now, but it's not effective because the taxes are so low.

MR. USKIW: Now if I bought your farm, on which I would want to speculate into the next five years as to its ultimate value, that's one reason for buying your farm.

MR. SHAW: Yes.

MR. USKIW: Now your neighbour would buy your farm but he wants to buy it for the purpose of making a livelihood from that farm. My question to you is would you want me to pay more money per acre in taxes than your neighbour since I am only buying it on the basis of speculation, whereas he is buying it to continue on a farming operation?

MR. SHAW: Yes, that's my suggestion . . .

MR. USKIW: That's what I thought you said.

MR. SHAW: . . . if you want to control speculators sort of thing.

MR. USKIW: So then you are suggesting that if someone lives in the City of Winnipeg that wants to buy those 50 sections that Mr. Green thought was being bought by the person in New Brunswick just for speculative purposes, that you would prefer then that unless that person was an owner-operator that there be a difference in the property tax rate, discouraging absentee ownership.

MR. SHAW: Yes, well the tax base would be the same for everybody, the only thing is these rebates you have would only go to the operator or the resident operator.

MR. USKIW: All right. You're suggesting then that the tax rate be equal but there be a rebate to the owner-operators. So in essence you're suggesting a discriminatory tax policy?

MR. SHAW: Well if it is, it is now.--(Interjection)--

MR. USKIW: No, but the tax rebate now--yes, I see what you're getting at. But the tax rebate now doesn't discourage the one that wants to speculate in land. Are you saying that it should be substantive enough to discourage?

MR. SHAW: Yes, but the property taxes in the area where I am, property taxes haven't increased with value of the land or with the rate of inflation.

MR. USKIW: Okay. Now my next . . .

MR. SHAW: So there's why speculators can make a profit.

MR. USKIW: My next question has to do with whether in your opinion there is any reason to think in terms of determining, even within your own community, whether or not the marketplace alone should be the way in which people could acquire access to property. What I'm saying here is that some people have money, have access to money and can buy it, other people are less fortunate because of circumstance, and are unable to but have the same desire to engage themselves in agriculture; I'm talking about young farmers who don't have financial means and whose parents are not prepared to donate them a handsome sum or a handsome piece of property if you like. How do those people get into agriculture if the marketplace is the only way--if the only way to do is to borrow money and to pay it back to get ownership?

MR. SHAW: Well up until a couple of years ago that wasn't too much problem in the area where I am, because of all the Crown land that was available privately-owned land was not worth too much, because why bother buying privately-owned land for too big a price when you could get Crown land . . . but since things have really went up I say that there needs to be something done.

MR. USKIW: Let's take a hypothetical situation then, and this would have to be. Assuming that the Leader of the Opposition and myself wanted to form a company to buy up half of the land in Manitoba, you know we wanted to acquire half of the cultivated land in the province . . .

A MEMBER: You and Spivak?

MR. USKIW: Yes, for our own purpose, and of course we had the dollars with which to do just that, and of course you were then in competition with us to buy a farm for your own well-being, for your own endeavours. Would you see that as a problem if--what I am trying to say is if the marketplace is the only way in which we can acquire property, then the highest bidder gets all the land eventually, and is that a reasonable way of transferring lands from one person to another? Is that the only way in which land should be transferred is my question?

Maybe I should point out to you that that basic problem is the reason why we're in the land lease program, for young fellows that haven't been able to raise the money to buy land, haven't been able to compete in the marketplace - that's the context in which I am putting it to you. So my point is if the marketplace is the only vehicle, then what do you say to those people that can't raise the money but who have the expertise and who want to continue in agriculture?

MR. SHAW: Well go work in the mines and let the price of land go up and then you'll have a crash probably like there was in the '30s or in the '50s.

MR. USKIW: Okay.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSEN: Mr. Shaw, I don't want to belabour this point too much further but, you mention that one of the ways that the so-called problem of foreign ownership could be handled is by providing some sort of a disincentive for foreigners to come in here and buy land, in other words you mention specifically an increase in the tax or a transfer tax in the event that they purchase land in this province, rather than prohibiting them completely from buying land. I might say that there are two statutes, one provincial and one federal, which give foreigners equal rights to purchasing, ownership and disposing of land to natural born Canadian citizens - the Law Property Act in the Province of Manitoba and the Canadian Citizenship Act in Ottawa. Those laws will have to be changed if we are to prohibit foreigners from buying land in this province.

But you mention disincentives. What would you think of the idea of rather than a disincentive from foreigners purchasing land, an incentive for Canadians to transfer their land to resident Canadians. In other words, I am speaking of, for example, a father to son transfer. One of the problems that I find today in talking to a good many farmers in transferring land from a father to the son is that if the father sells the land to his son he is going to be hit with a Capital Gains Tax; if he gives it to his son, he is going to be hit with a Gift Tax; he doesn't dare die because he is going to be then hit with an Inheritance Tax. Suppose that those taxes and those barriers are removed and an incentive was provided for a Canadian farmer to transfer his land to his son by removing some of those tax barriers. Do you think that would also take care of the problem of foreigners coming in here buying land?

MR. SHAW: Yes, it might but I guess it could help to keep the price up too, maybe?

MR. JORGENSEN: Well you know the price of land is not a constant thing. I recall in the early part of this century there was quite a bit of land that was bought in the Morris district, it's in the Red River Valley, by a group of Americans. They paid what they thought was a good price but it turned out to be a much higher price than the land was really worth and they lost their shirts, so you know when we talk of speculators we can talk both ways. They can make money and they can also lose a lot of money. In 1967 we had a similar situation when land prices went up pretty high; two years later you couldn't even give a farm away because of the market situation in wheat. They've gone up again. Can you think of any reason why land prices will continue to rise and that there may be a possibility at one time that land prices will drop again?

MR. SHAW: Yes, the price of land is way above productive value of the land, so it's liable to drop because the productive value isn't there.

MR. JORGENSEN: Yes. Land prices will fluctuate. You have no reason to believe that they are going to escalate upwards all the time . . .

MR. SHAW: No.

MR. JORGENSEN: . . . that they will go down and up. So those who are buying land as was said for speculative purposes could lose their shirts too.

MR. SHAW: Yes.

MR. JORGENSEN: Then you would say that there are alternatives to a strict prohibition of people purchasing land? Incidentally, you mention that there are very few countries in Europe that allow foreigners to come in and buy land. England is one of them that allows it

(MR. JORGENSEN cont'd) . . . but they have very strict land-use legislation. Their legislation makes sure that whoever buys farmland is going to use it for farmland. Would you suggest that in this country - you mentioned earlier that one day we're going to be needing a lot of land for the purpose of purchasing food and the example that we have had in the Niagara Peninsula where now the Ontario government are wringing their hands because they allowed so much of that good farmland to be used for purposes other than farming - do you suppose that land-use legislation may be necessary at an early date in order to prevent that from happening here?

MR. SHAW: Yes, I think things have gone a bit too far.

MR. JORGENSEN: Do you think it's gone too far already?

MR. SHAW: Yes.

MR. JORGENSEN: And you think there should be action taken to ensure that our best farmland, our good farmland, is going to be continued to be used for farmland?

MR. SHAW: Yes. The definition of farmland can cover a lot of area too. What some people may call agricultural land may not be agricultural land to somebody down at Morden growing corn, while in Northern Europe agricultural land is land like around Churchill where the Lapps graze their reindeer back and forth.

MR. JORGENSEN: Yes, we can continue to find different uses for land. For example, even on sand hills if you've got enough water, that can become agricultural land as well - we have seen examples of that taking place. But in essence, I wanted to get your views on the question of land use and whether or not we should be taking steps now to ensure that we're not going to have to be sorry about the fact that we've allowed the encroachment of urban development to eat up most of our best farmland.

MR. SHAW: Yes, and not put land into forest preserves that is possible agricultural land. By agricultural land I mean grazing land for instance or--see when they take a quarter section, well some parts - New Brunswick I think it is, when the land was first settled, where it was arable that was where the farm was, eh? And where it was non-arable that was just left as timber. But when Manitoba was settled here a homestead consisted, well where I am, of arable and non-arable land. So a guy may have 100 acres of arable land and 60 acres he couldn't do anything with except cut firewood off. So when land is transferred now to forest preserves there's a big chunk of arable land gets put into the forest preserve, but if you want to look at it on the basis of what farmland can do compared with forest, well if you take that arable land and you have spruce trees on it, well 50 years you may have pulpwood, eh? But in five crops of flax off of that land you'd have the same amount of paper that that pulp would have produced out of 50 years and it would be the type of paper that dollar bills are made out of.

MR. JORGENSEN: What you are saying, if an individual owned that land he would seek the best use for it, he would make sure that because he owned it and because he was paying taxes on it, that he would find a way to make that land pay?

MR. SHAW: Yes. That's why I figure that land use is coming too late and not enough thought put into it.

MR. JORGENSEN: You make an interesting observation about pockets of good farm land in areas that have been set aside as forest reserves; and I know for a fact that what you're speaking about is correct because I've run across that situation many times, where you have perhaps three or four sections of land right in the heart of a forest reserve that essentially is marginal land, or sub-marginal land, and yet you'll have four or five sections of land inside that area that is the best farmland you can find; and yet farmers are prevented from farming it because it's in the middle of a forest area or a forest preserve.

MR. SHAW: An example of that is Sherwood Forest in Britain. There is no such thing as Sherwood Forest, it's just patches of trees now in a non-arable park, but what is arable is used.

MR. JORGENSEN: That's all, Mr. Chairman. Oh, one other point. That map that you have in your hand, that land that you speak of there that has been taken over by a succession of governments, that's all in unorganized areas you're speaking of is it not? Local Government Districts?

MR. SHAW: Yes, I guess so.

MR. JORGENSEN: Fine. Thank you.

MR. CHAIRMAN: Thank you, Mr. Shaw. Mr. Adam.

MR. PETE ADAM: Thank you, Mr. Chairman. Mr. Shaw, you made a comment in your remarks about the government allowing the trees to rot in Riding Mountain Park, I think you said, Am I correct that you made that statement?

MR. SHAW: Yes.

MR. ADAM: Do you want to elaborate on that a little.

MR. SHAW: Yes. There is no timber permits allowed, you can't cut any timber so the trees are maturing and falling down and rotting. The government doesn't have to make money . . . also probably could support several sawmills or that sort of thing around here if the timber was being even thinned out so it would grow better or harvested properly. But it's a Park so nobody is allowed in there, not even allowed to put a television tower up or something like that.

MR. ADAM: What you're saying then is that in your opinion the management of the Park leaves much to be desired insofar as conserving that resource - the management that is now being done by the Federal Parks Board, is not one that will preserve that Park in the long run if the trees keep dying off and not sprouting. Is that what you're saying?

MR. SHAW: Yes, well they don't have to make a profit like an individual would that had to pay taxes and make a living, so . . . well, there is a lot of resource there in the timber that goes to waste.

MR. ADAM: I happen to agree with you so we're on the same wave length as far as that's concerned. I've been through Riding Mountain Park in 1971, pretty well a considerable part of the park, and I did see and witness over-age trees that should have been harvested, that only had a few years to live and then fall and end up as a windfall and I thought it was a real waste myself. I strongly believe that there should be some management. This is not the case as far as provincial parks are concerned?

MR. SHAW: No.

MR. ADAM: There's one more question then. You mention that you thought that foreign owners should pay higher property tax.

MR. SHAW: No, non-resident . . .

MR. ADAM: Yes, non-resident. Well non-resident would be a person living in Winnipeg or New Brunswick, as Mr. Green suggested, those are the people you're referring to, people who are not living on the farm and not operating as farmers, they're speculators?

MR. SHAW: Yes.

MR. ADAM: If there was such a policy, and we're only speculating of course, would that not - because of the shortage of land, there is a shortage of arable land, there is competition for land, there is a shortage of Crown lands available for leasing, maybe not in your area but I mean generally speaking, there is a shortage--there's a great deal of competition between farmers for Crown land and we hear about it every day. We get letters, you know, how come I can't get this, you know, my neighbour got it, and so on. But would this not tend to, say the non-resident owner, would it not tend that he'd have to try and get a higher rent for his land if his costs are higher, and some farmers would be taking it?

MR. SHAW: You mention shortage of Crown land. Well all they need to do is open up some of that land that's been taken back by the province - open it up for homesteading and that would put more of the Crown land into circulation.

MR. ADAM: Maybe in your areas there may be some - there might be more in other areas, but, you know, I know that in our area there's a great deal of competition --(Interjection)--Yes, I've seen it. There's a great deal of competition for those Crown lands; some of course are zoned, eh? Some are zoned for other uses other than agricultural, because the Lands Branch, Mines and Resources do the zoning as far as land is concerned.

Another question: So far as foreign ownership - and I think you were quite concerned on that point - do you think that there should be an excess profit tax on land speculators in order to discourage land speculation?

MR. SHAW: Well they get taxed in their income tax, they get taxed in income tax on capital gains, what they bought the land for and what they sold it for later on, so that wouldn't necessarily work there.

MR. ADAM: I'm speaking of an excess profit tax in addition to a capital gains tax . . .

MR. SHAW: . . . but taxes from year to year by property taxes would probably solve that problem in my opinion, but . . .

MR. ADAM: Okay, thanks, Mr. Chairman.

MR. CHAIRMAN: Thank you. Mr. Henderson. Pardon me, Mr. Shaw, we have one more and Harvey wants to . . .

MR. HENDERSON: Yes, Mr. Shaw. You were talking about non-resident ownership. Do you consider a non-resident one who would live in a town and still would come out and farm his land, in the same category? He's non-resident actually, but he still farms his land.

MR. SHAW: Resident? That's a problem in a way. In some respects if so many farmers are going to live in town and go back and forth it creates a lot of expense for a district just keeping the roads open for the one or two farmers that are still out on their farm. And then the guys that are staying in town, because they're cutting down on the expense of keeping roads open in the winter - well the school buses don't have to go out and that . . . but then there's farm diversification. You can't go setting up a feedlot in town to feed cattle the hay you're producing out on the farm. So where do you go from there?

MR. HENDERSON: Mr. Shaw, don't you think that this non-resident farmer is already paying taxes because if he's resident in a town his buildings are taxed and he is paying all local improvement taxes and all taxes in the town already. He's already penalized, shall we say, for his residence, which aren't on the farm.

MR. SHAW: No, you don't pay tax on your residence on the farm.

MR. HENDERSON: No, that's right but if this gentleman's living in town he's paying town taxes as well as his land taxes.

MR. SHAW: Well why not live on the farm and then it won't cost you any tax.

MR. HENDERSON: Well this is true, but we realize like that there is a lot of people who do live in a town and who do farm their land. I'm serious; do you really think that he should also, like he's paying his farm taxes and he's paying his town taxes, do you think there should be any further tax on it?

MR. SHAW: Well, the businessman pays tax on his residence and place of business too; so if you want to live separate from your farm I guess that would be one of the problems.

MR. HENDERSON: Well I think the people that do that accept that but you don't believe there should be any additional tax above those surely?

MR. SHAW: Pardon?

MR. HENDERSON: You don't believe there should be any additional tax above those.

MR. SHAW: Yeah, well you're a resident farmer if you live there part of the time. There are people that live in Winnipeg, eh, and they spend all summer out at the farm because they're only growing grain. I'm talking about mostly the area where I am, so that's the situation as I see it there, not necessarily the grain farmers that are only in grain . . .

MR. HENDERSON: I'm not disagreeing with you that he shouldn't pay his resident tax and his land taxes, I'm just trying to get the point that you don't believe he should be subject to any additional tax.

MR. CHAIRMAN: Thank you. Mr. Bostrom.

MR. HARVEY BOSTROM: Thank you, Mr. Chairman. I'd just like to say, Mr. Shaw, that I think you've given an excellent presentation. From the number of questions you've elicited I believe that you've given a great deal of thought to the matter before you came and certainly provoked a lot of thought-provoking questions here.

I'm in agreement with you basically on the foreign-ownership aspect of your presentation. I'm a bit confused on the part of your presentation dealing with large private leaseholders as opposed to Crown land and its affect on the farmer. You mention that in South America there are large estates where the farmers are basically sort of captive-labour, and this I would expect are large private owners of property.

Judging from your presentation here at the committee, and the fact that you've showed up to make a presentation, I would believe that you have a basic faith in the democratic process. You're here to make a presentation to a group of legislators from all parties, to a committee set up to hear the views of farmers. Why then would you not believe that you would have more say as an individual farmer over land that is held by the public, Crown land, and leased to farmers, than if it were held by large non-resident non-farm owners, who are leasing it to you?

MR. SHAW: Well as I said, you can bargain with individuals who you may be leasing land from, such as if the outfit is leasing land to you, you can go to them and say you want your land kept up and improved, will you pay for half the fertilizer and half the herbicide, and things like that, but with the government it is just a straight lease, and if you grown grain

(MR. SHAW cont'd) well you have to pay a higher lease for improvements you've made in the land, and they also get a share of the crop besides, and there's no flexibility, just take it or leave it. But with another farmer who is renting out his land or that, well you can get some sharing or it's more personal, and that's why I think that if you have a deal with anybody leasing land it's preferable to deal with even a company than the government. Another reason you can bargain with another individual or the government is because if the land isn't leased they still have to pay taxes on it, and if the land grows up with weeds well they're going to be the losers, but if it's government land well you're the loser, too, because you're paying the taxes that's keeping the government going, that's letting this land go to waste sort of thing.

MR. BOSTROM: Don't you believe that you would have a say in your government? You're here today to make a presentation; you obviously have some faith in the democratic process.

MR. SHAW: Yeah, but look at all the land in the township, for instance, that I speak of, that's just lying idle. A fire sweeps through every few years, and it's mostly all scrub growing and not being leased or anything.

MR. GRAHAM: He's being very polite, Harvey, in saying that farmers don't trust politicians.

MR. BOSTROM: That's a good comment coming from a politician.

MR. SHAW: And a farmer.

MR. CHAIRMAN: Mr. Graham, I thank you very much but I wish that you would put yourself on the list and then I can have your comments recorded for posterity. Proceed.

MR. BOSTROM: That's all, Mr. Chairman.

MR. CHAIRMAN: Thank you, Mr. Uskiw.

MR. USKIW: Mr. Chairman, I'm kind of regretting that we don't believe in the democratic process, and that government is really not the people. I've always been led to believe that government and people were the same thing.

But I should like to follow up Mr. Bostrom's question and ask you, Sir, then, since land in South America, as you allege, is owned by large private land companies, why it is then that the people that farm that land you refer to as peasants or slaves?

MR. SHAW: I didn't refer to them as peasants or slaves . . .

MR. USKIW: You said in your remarks that they were captive labourers . . .

MR. SHAW: Well, no . . .

MR. USKIW: You alluded to a feudal approach, yeah.

MR. SHAW: Well no. You mentioned about large corporations; well I mentioned there may be a problem if they get to be so large that maybe they can manipulate the market or manipulate the labour . . .

MR. USKIW: I'm talking about Sid Spivak and I owning all the land, as an example.

MR. SHAW: Well then you have a problem, eh? Then it's time to move out to Alberta while you can get out there.

MR. USKIW: So your distinction, Sir, really is that you would prefer to enter into a lease arrangement with your neighbour with whom you can bargain . . .

MR. SHAW: Yes.

MR. USKIW: . . . as opposed to a large corporation, whether it's private or public? Would that be a correct analysis of your position?

MR. SHAW: Preferably private.

MR. USKIW: No, no, but - you don't follow me. What I'm getting from you is that where you can bargain with an individual you feel you're much safer; but where you are bargaining with a large company or government, you feel you're not as safe?

MR. SHAW: Well they're less impersonal, or they're more impersonal, sort of thing.

MR. USKIW: Okay.

MR. SHAW: They're more distant.

MR. CHAIRMAN: Thank you, Mr. Shaw, Mr. Green.

MR. GREEN: I'd just like to pursue this a little bit because remarks were made here, maybe they were facetious, or maybe they were not facetious, but I want to examine them because they go to the heart of my thinking, and I want to see whether there is really that much difference of opinion.

Would you find that getting a mortgage from the Crown Trust Company, or your Great West Life Assurance Company, puts you in a safer position than getting a mortgage from the Manitoba Agricultural Credit Corporation. Do you really think that that is so?

MR. SHAW: I don't know; I never had anything to do with them.

MR. GREEN: Then you are really not saying what Mr. Graham said, that you trust Crown Trust or Beneficial Finance, or Household Finance . . .

MR. SHAW: No.

MR. GREEN: . . . or the Royal Bank, better than you would trust the Manitoba Agricultural Credit Corporation, which you are a part owner of.

MR. SHAW: Well, that's a subject I would have to look into.

MR. GREEN: Well as long as you didn't make - I thought that Mr. Graham attributed to you a definite conclusion on that and I just wanted to see whether that was correct.

MR. CHAIRMAN: Thank you, Mr. Shaw. Mr. Potoski. That is all, Mr. Shaw?

MR. SHAW: Yes.

MR. JOHN POTOSKI: Mr. Chairman, honourable members and members of the Special Committee on Land Use Policy, Leader of the Opposition, his aides, ladies and gentlemen. As you have already mentioned, my name is John Potoski; I am a farmer, a registered seed grower, and the views which I express are personal.

In a matter of formulating a land policy for Manitoba I am of the opinion that the following broad principles should be incorporated into the land policy of the province:

First, public interest must at all times take precedence over private interest, or the interest of various groups and organizations.

Second, recent economic developments indicate that agriculture must be recognized as one of the most important major industries; governments, both Federal and Provincial, should and must inject into agriculture the same degree of incentives in the form of financial support as they extend to manufacturing, mining and the entire spectrum of business enterprises;

Thirdly, studies recently completed in several provinces, and also in the United States, indicate that because the family farm is the most efficient and socially desirable agricultural unit, governments must create a climate conducive to the establishment of a family farm, and to an increase of the viability of those units now in operation.

Fourthly, immediate inception of an aggressive policy to check the depopulation of rural Manitoba; such policy to be granted top priority.

The following are some of the more desirable possibilities:

(a) Generation of increased income in rural Manitoba;

1. By virtue of integration of our agricultural industry by way of establishing related secondary industries.

2. Increase in the availability of investment capital in the form of subsidies and loans at low interest rates available only to the Canadian citizen, preferably the younger generation of prospective farmers.

3. Control of suitable methods of taxation or direct legislation, foreign or non-resident ownership of prime agricultural lands.

4. Exercise controlled by provincial regulations, supplemented by municipal by-laws, urban expansion over prime agricultural land.

5. Regulate transfer of ownership of prime agricultural lands by restricting or regulating -

(a) The sale of agricultural lands to firstly corporations, secondly, foreigners;

(b) Transfer of ownership of agricultural lands for the purpose of speculation. Only bona fide farmers should be permitted to acquire such lands;

(c) Adequate acreage of land suitable for recreational purposes should be set aside for public use;

(d) Transfer of privately-owned recreation lands should be restricted to Canadian citizens only;

(e) Non-resident owners of recreational land should be subject to a surcharge on property tax. Non-residents should be permitted to acquire privately-owned land only up to a certain assessed value. Recreation lands in the hands of non-Canadians should be repatriated. Non-Canadian owners of recreational lands should be required to dispose of privately acquired lands within five years if that acquisition was contrary to the present regulation.

Respectfully submitted.

MR. CHAIRMAN: Thank you, Mr. Potoski. Mr. Henderson.

MR. HENDERSON: Yes, one of my questions refers to Page 25 (a) where you're talking about the ownership of land and you said it shouldn't be allowed to corporations. You must have a definition of a corporation that you're thinking of because you must realize that many farms now because of the federal tax laws and succession dues, and so forth, are set up as corporations that are really farmers.

MR. POTOSKI: Yes, I'm not referring to co-operative farms or farms which are actually set up for the purpose of farming.

MR. HENDERSON: Family corporations?

MR. POTOSKI: Right. Family corporations or co-operatives what you may wish, but not corporations say, finance corporations acquiring land.

MR. HENDERSON: Yes, I see what you mean, then. And the other thing - you were talking about no speculators in land, and you are particularly talking about land. Now if you're going to restrict speculators in land, are you going to restrict them in speculating in, shall we say, stores, oil companies, hotels and other things, or are you just going to say you can't speculate in land?

MR. POTOSKI: Yes, I'll just say, just in land. I think that we must separate the two entirely. After all land is our greatest heritage and land should not be subject to speculation; it was created and God-given to man to use and to live on and it should not be subject to speculation, and that is what is driving a lot of our farmers off the land today, is speculation. How can a private person compete in buying land against a large corporation say from United States, Germany or wherever at, it's impossible.

MR. HENDERSON: Yes, I go along partly with what you're saying but we realize the speculators can lose, and as was mentioned earlier, we've seen speculators come in from the United States before, they bought at a high price and lost, and they lost their own money, it wasn't government's money, it was their own. And this could happen again. I just wondered why you were so interested in cutting down speculators on just farmland and still would allow them to do it in everything else.

MR. POTOSKI: Well, it's entirely an issue and it's entirely a commodity, I think land - as long as you're going to have speculation and as long as you're going to have high interests coming in and buying your land, our young people or our people cannot compete against them - no way - and our land will certainly drift into those hands; and you're all aware that trend is becoming more and more increasingly at the present time. If that trend continues we will have nothing but tenants.

MR. HENDERSON: Yes, I realize what you're talking about, speculators, but many foreigners could be in here - we're all speculators as farmers, you know, in another sense, we're all speculators, you know, hoping that it goes up and that we make, we're all speculators - and many foreigners might be coming in. You aren't talking about restricting any foreigners of that type, are you?

MR. POTOSKI: Well if foreigners want to come in, let them do the same as my dad did. Let them buy the land, go out there and work it.

MR. HENDERSON: That's right. Yes, but many of these farmers are doing this. We heard at the hearing the other day from one of the men that was selling to these foreigners, that they were applying for citizenship papers and that they were preparing to come in. Now you don't believe we should restrict any of these, do you?

MR. POTOSKI: No, those that wish to come and acquire land and settle on them, sure, by all means let them come in.

MR. HENDERSON: Do you think you're talking about a very large percentage when you're talking about people that are just speculators only without thinking of coming over and farming?

MR. POTOSKI: Well, of course, I wouldn't be able to just say what . . . but there is that trend and there is that interest at the present time that land is being bought, money's being put into land at the present time by high money interests which they feel is most secure in Canada.

MR. HENDERSON: Well you aren't against anybody that's going to come over here anyway, you're going . . .

MR. POTOSKI: No, if he comes over and buys land and acquires citizenship, sure give it to him . . .

MR. HENDERSON: If he can get by the immigration authorities as far as your concerned. . .

MR. POTOSKI: That's right.

MR. HENDERSON: That's all then.

MR. CHAIRMAN: Mr. Green.

MR. GREEN: Mr. Reeve . . .

MR. CHAIRMAN: Potoski.

MR. GREEN: He's the Reeve, yes. You see I have no distrust of him because he happens to have been elected by his residents to occupy a position in the public, therefore I don't mind calling him Reeve.

MR. Reeve, would you be concerned if you had a report that by 1980 there should only be 20,000 people on the land as against 40,000 people which there were seven years ago. Would that bother you?

MR. POTOSKI: Very much so. May I add, Mr. Minister, that in the Rural Municipality of Dauphin - since you've called me a Reeve - in 1926 the population was 6,400; in 1971 the population was 3,166 - dropped 50 percent. And our greatest asset, and I think the Manitoba Chamber of Commerce pointed out very very well when they said our greatest problem is the loss of population, and that is our greatest problem. We must keep our land in such a perspective that we can keep our population within a province and even induce population to come in.

MR. GREEN: So if your elected representatives at the provincial level had before it a report prepared under the Conservative administration, the TED Report, which said that the farm population would be reduced to 20,000 people by 1980, you would expect your elected representatives to try to do something about that?

MR. POTOSKI: Right.

MR. GREEN: And you have suggested various things, one of control on foreign ownership, and when you say that you're talking about a foreigner in Germany owning land in Manitoba not intending to go there and farm it?

MR. POTOSKI: Right.

MR. GREEN: Because I gather, Mr. Potoski, although I don't know you, other than our meetings that we've had from time to time, I don't know your background, but I gather your background may be somewhat like my own, that either you or your parents came here from eastern Europe.

MR. POTOSKI: Right.

MR. GREEN: And you don't see anything wrong with that?

MR. POTOSKI: No, very definitely not. And I can say again also, that as far as I know, as far as our family history goes back, they were landowners all the way through; and I'm very happy and proud to be one of them, to continue holding land, being a tenure and living on the land. And I hope that privilege will be extended to many other people.

MR. GREEN: What you are concerned with is that land in Manitoba be populated by people who are working on that land and producing and are residents of the province?

MR. POTOSKI: Right.

MR. GREEN: And you would expect your public representatives to do something about that.

MR. POTOSKI: Right.

MR. GREEN: You've suggested various means that could be taken. Would you object if it resulted in the objective that you're looking for, that if your public representatives saw land being purchased in large parcels by individuals, even if they were people in Winnipeg or people in Alberta or people in New Brunswick, that it would be preferable to the public buying that land and making it available "on good terms" to young people who would farm the land in our province. Would you say that that was a good thing for the government to do?

MR. POTOSKI: Yes, I would say it would be a good thing for the government to do.

MR. GREEN: Well I would I be correct in saying that if the government didn't do that, your elected representative, that one of the dangers is that maybe Sid Green who accumulated some money and Sid Spivak and Warner Jorgenson--(Interjection)--if that's the case, Mr. Jorgenson, I feel sorry for you, I'm not going to congratulate you for it. But the fact is that - we'll leave Mr. Jorgenson out of this - E. P. Taylor and Sid Spivak and Izzy Asper and Sid Green - you know, my only problem, Mr. Potoski, is that I don't have more money than I've got, not that I would want to have less money - but if some people with a lot of money bought up huge tracts of land in Manitoba and rented it out to farmers, that that wouldn't be better in your eyes than the public doing the same thing, at least as I understood you. Am I correct?

MR. POTOSKI: In my opinion it wouldn't be better. I still feel, as I mentioned at the beginning of my introduction, that public interest must be placed first over private interest.

MR. GREEN: And you're a farmer, Mr. Potoski?

MR. POTOSKI: Right.

MR. GREEN: And you're also an elected representative?

MR. POTOSKI: Right.

MR. GREEN: And I gather that it is not your opinion that farmers stop trusting a person after they've elected him to office?

A MEMBER: You don't have to answer, John, if you don't want to.

MR. GREEN: Well let's put it this way, Mr. Potoski. Do you feel that you have lost the trust of the people of Dauphin Rural Municipality because they elected you to office. Do you think that that's a reason that they no longer trust you?

MR. POTOSKI: No, I don't.

MR. GREEN: So you don't say that farmers don't trust their elected representatives?

MR. POTOSKI: No. No, I wouldn't.

MR. GREEN: That's all, Mr. Potoski - Reeve Potoski.

MR. CHAIRMAN: Mr. Walding.

MR. WALDING: Mr. Potoski, just for clarification. You use the two terms "foreign" and "non-resident" in your brief. Do you use those interchangeably or do you see a difference between them?

MR. POTOSKI: Well of course there is a difference there.

MR. WALDING: Would you explain to us how you see that difference as applying to the ownership of land in Manitoba?

MR. POTOSKI: Well I feel the ownership of land in Manitoba should be such that it would stay within a range where people could buy it, especially our young people. Now, if we have foreign owners coming in and living in foreign countries, they are purely speculating. No way can our people compete with speculators, not from now on. It has been mentioned here that say in '60s and so on, speculators bought land and lost but I don't think you'll ever see that recurrence. Our land today is getting scarcer and scarcer and scarcer and unless we do something to protect this land and protect it in the interests of our people, we're going to lose it. And I think the last thing we'd ever want to see, the same as was mentioned in South America, that large land owners should control the biggest part of our land and that our citizens should just become tenants.

MR. WALDING: Suppose that those non-resident owners were Canadians, would you still have the same objection?

MR. CHAIRMAN: Pardon me, the music is obviously that the bar opened up downstairs and they had this social last . . .

MR. WALDING: Shall I repeat the question? If those non-resident owners that you object to holding land in Manitoba, if they were Canadians would you have the same objection?

MR. POTOSKI: Well if they were acquiring land purposely for speculation in large amounts, yes. I think there should be a limit set to the amount a person could own land.

MR. WALDING: Whether they were resident or non-resident and whether they were a corporation or a non-corporation?

MR. POTOSKI: Right . . . corporation depends on the size of the corporation, depends on the size of course, you would limit them that is perhaps to the amount of participants in that case.

MR. WALDING: So what you are saying is that an individual could not own more than . . .

MR. POTOSKI: Say two sections or three sections.

MR. WALDING: Say two sections. But if he incorporated himself into a corporation with his wife and brother-in-law and a couple of other signers then he could own a hundred sections?

MR. POTOSKI: Right. If they're all farming, sure.

MR. WALDING: Would you allow that then by the same token if he leased that land out to other farmers?

MR. POTOSKI: So long as he was a resident in the area and so long as he had a personal interest.

MR. WALDING: Well he would have a personal interest in that he's getting rent from the land that he's leasing out.

MR. POTOSKI: Well, he's getting rent - after all if he developed that farm and lived on that farm for a large number of years and if he retired and rented it to his neighbour there's nothing wrong with that.

MR. WALDING: No, but supposing he had very large resources and could buy out several farms and rent them to other farmers?

MR. POTOSKI: That's a hypothetical question there. You're going into, you know, into . . .

MR. WALDING: No, let's say that General Motors wanted to diversify and wanted to buy out a dozen farms.

MR. POTOSKI: No, of course, I don't believe in extreme acquisition of lands.

MR. WALDING: I wanted to know where you drew the line. I mean is there a certain number of farms that a man can own and rent out to other people?

MR. POTOSKI: Well if he's a farmer,

MR. WALDING: But if he's renting out all the land that he owns to other farmers, does it make a difference whether he's a farmer or not?

MR. POTOSKI: If he's living in the area and if he's developed that farm, if he's developed that land or that farm, it doesn't make it a great problem.

MR. WALDING: It doesn't make any difference?

MR. POTOSKI: No.

MR. WALDING: Okay. One other point. Right at the end of your brief you say that non-Canadian owners of recreational land should be required to dispose of previously acquired land. Would you require the same to be true if that non-Canadian owner was resident on that land?

MR. POTOSKI: Well it depends on to what extent the circumstances would. You take, for instance, in Ontario foreigners just simply bought up the very best of shorelines in all the most beautiful lakes and they're holding it in large quantities and the local people have no access to it. I think that should be repatriated. And if the same situation should arise in Manitoba, the same, very definitely, regardless of whether it's foreign or local. If he acquires a large shore front which is in the public interest, or should be used by the public, I think that should be acquired for the public.

MR. WALDING: I agree with you. But what is the difference of the nationality of the owner of that land, whether he's a Canadian or American or German or anything else; if he is restricting the access of the public to the lake, what difference does his nationality make?

MR. POTOSKI: Well of course in that case you apply principles in the amount of land you hold or the amount of properties involved.

MR. WALDING: But do you see a difference that the nationality would make or not?

MR. POTOSKI: Well it doesn't make too much difference . . . in that case.

MR. WALDING: I would be inclined to agree. But if that non-Canadian owner was resident on that land, would that make any difference to you?

MR. POTOSKI: Resident on that land?

MR. WALDING: On that recreational land?

MR. POTOSKI: Well providing he hasn't got large tracts. If he has sufficient for his own use and - well for his friends or something like it, fine and dandy, sure.

MR. WALDING: You would see no problem there?

MR. POTOSKI: No, absolutely not.

MR. WALDING: Thank you very much.

MR. JORGENSEN: Mr. Chairman . . .

MR. CHAIRMAN: Yes, Mr. Jorgenson?

MR. JORGENSEN: Oh, do you have somebody else?

MR. CHAIRMAN: Yes, I do. Mr. Spivak.

MR. SPIVAK: Reeve Potoski, I'm in the same position as Mr. Green and yourself and probably most people in this audience, that my parents came from eastern Europe, or my grandparents came from eastern Europe, same case I assume that some of their parents did.

There are two things that I'd like to question you on. One, the reference in your actual written presentation and then some reference that you made in answer to Mr. Green's question. One, dealing with the written submission was the fact that you accept that there has to be a federal and provincial effort into agricultural in providing some degree of incentive of financial support for farming and for farmers.

MR. POTOSKI: Right.

MR. SPIVAK: Secondly, you indicated that your grandparents have been landowners both in eastern Europe and in Canada. Therefore having said that, do you believe that a policy designed by the government, by Provincial Government, which would only allow a farmer in attempting to deal with the loaning agency of the Provincial Government, the ability only to lease land in the initial period, that that is a sufficient incentive for ownership and consistent with the principles that you've talked about?

MR. POTOSKI: Yes.

MR. SPIVAK: You believe that leasing the land is ownership from your point of view?

MR. POTOSKI: Well you mean by the government?

MR. SPIVAK: No, no, I want to follow through this. That a farmer in coming to the loaning agency of government and being told by the government that we will not loan you money by way of a mortgage, but rather we will buy the land and lease it back to you with certain options, that that will provide the incentive from the Provincial Government consistent with the principles that you've talked about?

MR. POTOSKI: Well of course that must be qualified because as far as I understand the government will provide mortgages, both federal and provincial governments will . . .

MR. SPIVAK: No, I'm talking about a provincial . . .

MR. POTOSKI: But then, again, in certain cases the government perhaps to those who have not farmed or not been established or not acquainted with farming may be a farming risk, perhaps they'll rent it out to them and he has a chance of proving himself and acquiring that land through a lease, which is even better for himself.

MR. SPIVAK: But if the only incentive that the Provincial Government through its loaning agency will provide is -that the only way in which a farmer can deal with the loaning agency is by having the government buy the land and leasing it to him because the loaning agency will not provide the farmer with a mortgage, do you believe that that incentive is sufficiently consistent with what you talked about?

MR. POTOSKI: No, I think if a person applies for a loan and he's not a risk, he should get it.

MR. SPIVAK: He should get a loan by way of being able to buy the land and have a mortgage from the loaning agency?

MR. POTOSKI: That's right.

MR. CHAIRMAN: Mr. Graham.

MR. GRAHAM: Thank you, Mr. Chairman, and through you to Reeve Potoski. I believe that you stated earlier, Mr. Potoski, that you have some concern about the size of land holdings that some farmers have and you would probably like to see some restrictions placed on the size of a farming unit. Is that right?

MR. POTOSKI: Yes, that's right, I would.

MR. GRAHAM: Would you attempt to give any indication on what size you would like to see a farm unit maintained at?

MR. POTOSKI: No, it's pretty difficult, but I think from our statistics and observations say a farm unit which would make a good family farm, a good sized family farm, and I think from what reports we have at the present time it runs anywhere from two to three sections, is something like it.

MR. GRAHAM: Two to three sections.

MR. POTOSKI: Somewhere in that . . . Some places even two sections is recommended in many cases.

MR. GRAHAM: You're talking mainly about the area that you're most familiar with in the Municipality of Dauphin are you, or are you referring to the general Province of Manitoba?

MR. POTOSKI: Well . . . particularly referring to the area of Manitoba, of course the situation in Dauphin here too.

MR. GRAHAM: You're a farmer and I'm a farmer, and we know that in some areas a two-section farm would be quite adequate to operate, depending on the classification of the land and the use that it's put to, whereas in another area with maybe a different soil classification it might take two and three times as much land to make a good farming operation viable.

MR. POTOSKI: Quite right, quite right.

MR. GRAHAM: So that it would be rather difficult, would it, to establish a size by an arbitrary figure of say 1,500 acres or 1,000 acres - I'm just using those figures . . .

MR. POTOSKI: Yes. Well I think in such cases it should be recognized, or at least the question of viability of the operation of the farm - as you say, in some cases it could be two sections, others four may be required, and true enough the viability of the operation should be considered in such cases.

MR. GRAHAM: In that respect would you think possibly it might be--I'm just more or less grasping at straws here - then would you think that it maybe should be related to the income of the operation rather than the acreage of the operation?

MR. POTOSKI: Well of course that would have to be studied and looked into. It's pretty difficult to set a set of guidelines offhand at this stage, but that could be a factor. That could be a factor, true enough.

MR. GRAHAM: I believe that one way that politicians can become credible with farmers is to listen to them and try and get their views.

A MEMBER: That's why we're here.

MR. POTOSKI: Thanks for coming too, we're glad to see you come and have this dialogue with you, I appreciate the opportunity. All people here do.

MR. GRAHAM: I was just wondering if you had any suggestions to put forward on how you would control the size of a farming operation? If you're concerned about the size, how would you attempt to control it?

MR. POTOSKI: Well I think they are doing it in other countries. You take, for instance, in Denmark there's nobody extremely rich and nobody extremely poor. They all have a certain amount of land and when they put in a crop or raise so many hogs or anything, they have a price set before they even undertake the operation and they are very successful. Now it will require a good deal of study and probably accept some of their principles or their ways. They must have a way because they're extremely successful - in the small amount of land and the amount of population they have there and they're very successful.

MR. GRAHAM: The climate and the fertility of the soil could be substantially different than ours here in the centre of the prairies.

MR. POTOSKI: True enough, they couldn't begin to give two sections of land to anybody in Denmark or anywhere else in Europe as far as that goes, so that's true enough. That's why we have large . . .

MR. GRAHAM: I was just wondering if you had any suggestions to put forward to us on how you would attempt to control the size of a farm and if you believe that it should be controlled?

MR. POTOSKI: Well as I say that should be studied and an analysis made and a figure arrived at.

MR. GRAHAM: You don't think any hasty decision should be made then, it should be studied in depth.

MR. POTOSKI: Oh, I think so. Well I think it should be studied, oh definitely.

MR. GRAHAM: Would you like to see municipal corporations closely involved in these studies?

MR. POTOSKI: Well I think it would be rather difficult for them to--well we could be perhaps a part of a central study.

MR. GRAHAM: No, but you would like to see involvement of people as well as just the administration of government involved in any studies of that nature, would you?

MR. POTOSKI: Yes, I would.

MR. GRAHAM: Thank you.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSEN: Mr. Potoski, you've been farming for a number of years and I presume that you keep records of your farming operations and have some idea of what your profits of margin has been over the years, and I don't want to pry into your personal affairs, but I wonder if you could give some idea of the percentage of your capital investment that you realize in income. Would it be three percent, five percent, six, seven, eight - roughly?

MR. POTOSKI: That varies so much on the valuation. You take, three years, two years from today that would have been an entirely different figure of what it is today.

MR. JORGENSEN: Yes, I realize that, but . . .

MR. POTOSKI: We just can't come up with a figure that would give you an answer to that question.

MR. JORGENSEN: I realize that, that it does vary, but over the years would you suggest

(MR. JORGENSEN cont'd) that your return on investment is as high as you could get in any other enterprise, for example, if you invested--well could you, for example, today make as much money as you can if you invested in government bonds?

MR. POTOSKI: That's questionable.

MR. JORGENSEN: It's questionable that you could? Then why would anybody want to invest in land if the return on that land is going to be so much lower than he could invest elsewhere.

MR. POTOSKI: Well as I've mentioned, that those investors, they're just investing money for the protection and safeguarding their interest and their money. They're not interested in just what their returns will be, if they were interested in their returns they wouldn't be putting it into . . .

MR. JORGENSEN: We had evidence before the committee on Monday to the effect that 75 percent of the West Germans that are buying land in this country are in the process of taking our visas to come here and live. Do you see any great danger in those people? I understand that the German farmer, as most west European farmers are, are excellent farmers.

MR. POTOSKI: Yes. True.

MR. JORGENSEN: So you have no objection to that?

MR. POTOSKI: No, if it's their intention to come and farm this land.

MR. JORGENSEN: This is the evidence we had before the committee, how much it can be relied upon I don't know but that was the evidence that was given.

MR. POTOSKI: There may be just a percentage of them . . .

MR. CHAIRMAN: Mr. Potoski, would you use the mike, I believe you're moving away. Thank you.

MR. JORGENSEN: I want to deal with this question of corporate farming. I have never, and I state a personal opinion here, I have never been that concerned about farm size getting too large, because I operate a farm myself and I know that once it gets beyond the capacity of the owner-operator to manage that farm, he starts losing money on it. That opinion has been borne out by a recent study that was done in the Province of Alberta, and I have a clipping of a newspaper here that was released on the 7th of January, and I'll just read you a portion of it. The clipping goes on to say: "With many huge corporations unloading the farm operations they got into in the United States the prospect of the family farm in Alberta being taken over by a corporation has been dramatically reduced. The Alberta Agriculture Department in a release said the largest United States corporations have learned their financially oriented brass simply don't understand farming. Corporations try to grow too fast and have no chance to make little mistakes before making the big ones that bankrupt them." And I've always believed this.

We have so many examples. National Grain went into a huge hog operation at Abbotsford a few years ago, they went bankrupt. All these big corporations eventually do. There's always some factor that enters into the picture that levels things up, and we have one coming in right now. The question of labour. I know of farmers in my part of the country who are not purchasing more land, they're reducing their holdings because they cannot get labour. They are trying to adjust their farms to the size that they and their families alone can manage so they can operate that farm by themselves; instead of having a section or two sections or three sections of land, they're reducing it down to about 900 acres which is what they feel they can manage - one operator. And I think there is going to be a great deal more of that than there is going to be of the increase in size.

I want to agree with you about the concern about the loss of the farming population.

MR. POTOSKI: That's right.

MR. JORGENSEN: I don't think there's anybody here that has not shared some concern over this subject. But at the same time, you're a farmer and, you know, when you started farming you could not possibly farm as much land as you can farm today with a great deal of ease, with air-conditioned tractors and power steering, you can work longer hours, and you've got lights. You know there are many things, you can put in so much more land today in acreage, you can look after so many more animals because of modern techniques, there's so many things you can do alone as a farmer that you couldn't do 20 years ago. How would you militate against that? How would you draw up some regulation or whatever in preventing farmers from exercising their most capable efforts in their farms and farming as efficiently as possible?

MR. POTOSKI: That's true enough, but as you've mentioned and I still am concerned

(MR. POTOSKI cont'd) over population, and the larger your units get the population is depleted, your communities become almost extinct. I agree with you in your question and so on, but I still don't think it should go to the limits where one man should say, farm 10, 20 sections for one operation. Where has your community gone then?

MR. JORGENSEN: Yes, but my point is that outside of the Hutterite colonies which are increasing - you're not suggesting that we take away the Hutterite colonies?

MR. POTOSKI: No, no we're not.

MR. JORGENSEN: My point is that this situation is going to take care of itself, primarily because of the labour problem. You cannot get labour. So a farmer now has to depend on his own labour resources. That means he's going to have to reduce the size of his farm in order to operate it.

MR. POTOSKI: Well it's a situation that may perhaps be . . . firms in Alberta but it's certainly not relating itself here in Manitoba.

MR. JORGENSEN: Oh, yes it is, in southern Manitoba it is happening.

MR. POTOSKI: If the farmers hadn't stepped in and bought a good deal of land and kept these people there and so forth, I think we'd have been in a plight.

MR. JORGENSEN: Farm sizes are actually getting smaller, not larger. But there's one other factor that could enter into the picture now and perhaps we should be giving some consideration to it. And that's the question of energy. You know, we could within a few years on the farm have to supply our own energy. And that can be done - methane gas - and it's being done in a good many farms right now. There's a good possibility that in order to farm today you're going to have to provide not only your own financial resources, your own management resources and your own labour resources but you might have to provide your own fuel as well.

Do you not see that as a possibility, if the energy situation continues to take the trend in the direction that it has been taken in the last two years. Now if you are going to have to start paying the kind of prices for fuel that some of the oil producing countries are asking for, it may not be possible for us to farm.

MR. POTOSKI: Are you trying to tell me that the only way our farming operations will be geared, in large size and providing our own fuel and so forth, that's our only way out?

MR. JORGENSEN: I suggest, sir, that that will result in a decrease in farm size, not an increase.

MR. POTOSKI: No, but you mention that you must have large units to provide your own energy fuel and everything else to be self-sufficient.

MR. JORGENSEN: No, I did not say that.

MR. POTOSKI: That's the way I took it.

MR. JORGENSEN: No, I did not say that, sir. What I suggested, that we may have to readjust farm sizes again in order to accommodate the energy problem that we might be facing, and that does not mean an increase in farm size, in my opinion that means a reduction in farm size and a switch to a more diversified type of farming operation - livestock - because livestock is where you get the energy from.

MR. POTOSKI: If that process should take place by a free and a natural will it's one of the best things that could happen. But will it? At the present time . . .

MR. JORGENSEN: I'm posing it as a question. I have no answers myself, I'm just simply posing it to you and wondering what your observations would be.

MR. POTOSKI: No, neither have I, but I think you're a better farmer than I am.

MR. JORGENSEN: No, I sold my farm.

MR. POTOSKI: You sold you farm.

MR. JORGENSEN: Couldn't find anybody to work it. That's all, Mr. Chairman.

MR. CHAIRMAN: Thank you, Mr. Uskiw.

MR. USKIW: Yes. Mr. Potoski, I want to follow up on the line of questioning that was put to you by Mr. Spivak. He tried to determine from you whether you thought it was desirable to have two options - a lease option and a mortgage option - and your answer to him was that, yes, you would hope that there would be a choice, that the one that could raise mortgage financing should be able to do so, and the one that couldn't should be given an opportunity through the lease program and eventually to exercise his option to purchase if he so wishes.

I want to suggest to you here, sir, that we have in Canada 10 provinces, most of which do not provide mortgage financing. Manitoba is one that had for a period of years and

(MR. USKIW cont'd) discontinued in 1968 and then went back into it for a period during the tight money situation but has again discontinued the practise. Do you not agree that where there is a service provided in the mortgage field, namely through the Farm Credit Corporation which is through the Federal Government, that there is no need for the province to duplicate or to try to compete with that service, or for the same business in other words. There is no advantage to the province, to the taxpayers or anyone for having two agencies facilitate the mortgage needs of Manitoba farmers. So in essence in Manitoba's situation, we have wherever there is a customer who wants to borrow the money to buy his farm, he is referred to the Farm Credit Corporation which is a federal agency and where the federal agency then turns him down and says, but you don't have enough equity, we don't feel that you can handle a loan of this size, he is then referred to the MACC under the land lease program. That is the way we are functioning now. Do you see anything wrong with that relationship as between the provincial program and the federal program, each serving a need.

MR. POTOSKI: No, I think it's a very good program. Yes, I think it's a very good program.

MR. USKIW: You don't think that we have to duplicate the general credit corporation in mortgage lending?

MR. POTOSKI: No, absolutely not.

MR. CHAIRMAN: I just wondered, it's 12 o'clock, what is the will of the committee. That we proceed till 12:30?

MR. JORGENSEN: Let's conclude with this witness and then adjourn.

MR. CHAIRMAN: Okay. Proceed. Mr. Johnston.

MR. G. JOHNSTON: Mr. Reeve, the first witness that appeared before our committee, Mr. Shaw, stated that he gave up some Crown land because the Department of Agriculture had increased the money amount of his leases. In your experience as a reeve, has this happened in your municipality in an unusual amount. In other words, did the government so increase their lease price that it caused farmers in a significant number to give up Crown land?

MR. POTOSKI: We're in such a fortunate position here in the Rural Municipality of Dauphin that our residents lease very little, if any, Crown lands.

MR. G. JOHNSTON: So then you don't have any knowledge to back up further Mr. Shaw's statement?

MR. POTOSKI: That's right. That isn't a problem with us.

MR. G. JOHNSTON: Then I turn to another activity of government, namely the Manitoba Agricultural Credit Corporation. Have they been active in your municipality in the last few years purchasing land?

MR. POTOSKI: They have been active, I'm not aware of just the amount of land that was purchased here, but they are active in this area, yes. I believe they have an office here and so forth. But I'm not aware of the amount of lands been purchased; it's never been drawn to our attention as a matter of fact.

MR. G. JOHNSTON: Are you familiar with any of the transactions or a transaction between MACC and the farmer?

MR. POTOSKI: No, I'm not.

MR. G. JOHNSTON: Then the other questions that I would ask you perhaps I'll hold for someone who has had some experience in that regard. What I was going to ask, and perhaps there may be others in the audience who might like to answer at a later time, if - well I must preface this by saying that at the last meeting of the committee a farmer stated that one of his neighbours had approached the MACC to get a loan so he could buy a neighbour's land, it was ranching or grazing land; I think the figure of \$80.00 an acre was . . .

MR. CHAIRMAN: Mr. Johnston, if I may bring you to order. I have asked that that particular statement be investigated to see the facts on the case and I don't think it is relevant to this particular presentation, but I have asked the Manitoba Agricultural Credit Corporation to bring in the report, because those statements were made about the MACC supposedly coming in and buying out in the face of somebody else attempting to buy.

MR. G. JOHNSTON: Then, Mr. Chairman, I'll ask the general question: if anyone here has any knowledge that whereas MACC has competed to buy farm land, in other words, outbid what was going to be a private transaction, Mr. Reeve, would you know of anything like that happening in your municipality?

MR. POTOSKI: No, not to my knowledge. It may have happened but not to my knowledge.

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: Yes, just for the benefit of the committee. We did not let the statement of Mr. Friesen go without checking into it. The Chairman of the corporation has written to him directly asking him to verify in some way the statement that he made to the committee in the Legislature. So soon as we have his reply we'll make that available for the committee.

MR. CHAIRMAN: Mr. Adam.

MR. ADAM: Thank you, Mr. Chairman. Reeve Potoski, I just wanted to refer to Page 2 of your written brief, and your remarking on the transfer of privately-owned recreational lands should be restricted to Canadian citizens only. I want that clarification. This paragraph, I take it is that you would not allow a Canadian or a Manitoban to sell recreational land to a non-resident of this country. Is that correct?

MR. POTOSKI: Right.

MR. ADAM: But that I could sell to a Canadian.

MR. POTOSKI: Right. Unless a non-resident has the intention of taking citizenship here and occupying the parcel of land in question?

MR. ADAM: You're talking about agricultural land, or just recreational land?

MR. POTOSKI: Both, agricultural and recreation. I'm referring to recreation as well.

MR. ADAM: Now I would like your opinion on, say, if I sold my hunters' paradise, for instance, which maybe I have, to a non-resident and he comes in and he posts, "No Hunting" don't buy it, what is the difference if I sell it to you and you posted - "No Hunting". You know, this is recreational land, I just wanted a little more clarification on that.

MR. POTOSKI: Well put relationship of that to ownership. You're getting off . . .

MR. ADAM: No, no.

MR. POTOSKI: We're dealing with ownership. You're dealing with policies.

MR. ADAM: No, I'm saying, John, that you would not allow me to sell my land to an American because it's recreational land, but I could sell it to anyone else. Is that the statement you're making?

MR. POTOSKI: That's right.

MR. ADAM: That's correct?

MR. POTOSKI: That's correct.

MR. ADAM: Okay.

Also you mentioned that non-resident owners should be subject to a surcharge on property tax. That would be, say, an American for instance owning recreational land here, doesn't live here, you say that we should add on a little tax. That would be something like what Mr. Shaw was suggesting. Is that correct?

MR. POTOSKI: Right. Correct.

MR. ADAM: Have you got anything in mind as far as what he should be charged . . .

MR. POTOSKI: I have no figure in mind.

MR. ADAM: Would you also suggest that we do that for a land speculator on agricultural land?

MR. POTOSKI: Yes, very definitely.

MR. ADAM: A surcharge.

MR. POTOSKI: Well whatever, whatever . . .

MR. ADAM: For a non-owner?

MR. POTOSKI: That's right, for a non . . .

MR. ADAM: For a non-resident?

MR. POTOSKI: Well it depends what you consider a non-resident. If he's purely a speculator then ways and means of controlling must be initiated, and that's just a suggestion, the surcharge. You may have other ways and means. That's just a suggestion. All these are just in principle. We're not laying any guidelines, you know, in detail. Just all speaking . . .

MR. ADAM: Mr. Potoski, on No. 4, under the same, on recreation lands, say, should be repatriated. Repatriated by the, lower paragraph, non-Canadian owners of recreational lands should be required to dispose of previously acquired land within five years; or do you mean expropriated?

MR. POTOSKI: Well they should be repatriated in time, a period of say five years.

MR. ADAM: Over the five years.

MR. POTOSKI: That's right.

MR. ADAM: I see. Mr. Walding mentioned in his questions - I don't know whether I got

(MR. ADAM cont'd) a clear answer on what your answer was. On leasing of land you felt that it was preferable for a local farmer to lease land from another farmer, whether he was actively farming or not, as opposed to one who was a non-resident. Is that . . .

MR. POTOSKI: I never made that statement.

MR. ADAM: I understood that, you know, Mr. Walding asked you . . .

MR. : It's not in your brief.

MR. ADAM: No, that's not in the brief, that was in a verbal . . .

MR. POTOSKI: I never mentioned . . .

MR. CHAIRMAN: I believe that that was a question that Mr. Shaw was answering.

MR. POTOSKI: Right, right.

MR. ADAM: Well, Mr. Walding asked a question with regard to leasing of land by private owners as opposed - as to a formal . . .

MR. POTOSKI: That question was never posed to me.

MR. ADAM: Okay. I accept that then.

MR. CHAIRMAN: Mr. Green.

MR. GREEN: Mr. Potoski, there were two things that I want to come back to specifically because Mr. Jorgenson raised several questions. I'm reading a statement from a document called "Targets for Economic Development" which was prepared by the Government of Manitoba in 1969 under the auspices of a commission set up, headed by the Chairman of the Manitoba Development Fund, Secretary of the Department of Industry and Commerce, both under the auspices of Mr. Spivak at the time, and the statement with regard to a number of farmers is as follows: "Because of the uncertainty about how many non-commercial farms there will be by 1980, the target for 20,000 commercial farms should be set, but should not be a matter of concern if farm numbers as defined by the census are higher."

And then further, Page 59: "The targets of 20,000 farms by 1980, and an agricultural labour force of 30,000, mean that fewer people will be living on farms and depending directly upon farming for their incomes than at present. The decline should be faster than the natural attrition rate, and therefore people will have to seek new employment."

Now this target of reducing the commercial farms to 20,000 from - well I think that it would have been somewhat over 35,000 at that time, although I may not be correct - that's not something that you would be in agreement with?

MR. POTOSKI: No. Very definitely not.

MR. GREEN: And Mr. Jorgenson doesn't agree with it either, but he says that if you let the thing take care of itself - and I hope I'm not being unfair - that it'll go away, that it won't go down to this number, that if you just let things go on as they are, that your elected representatives do not have to intervene because it will take care of itself. Do you agree with that?

MR. POTOSKI: No, I don't. Very definitely don't.

MR. GREEN: So you gather that there is something that we as your representatives should do in order that this target . . .

MR. POTOSKI: That's right.

MR. GREEN: . . . not be reached, and you've suggested various things in your brief.

Now Mr. Jorgenson also raised a problem which I have always understood to exist, and I want to know if the farmers have correctly communicated this to me. He said that the rate of return on the capital invested has been - he didn't actually say this but I'm just trying to find out whether that is correct - that the rate of return on the capital invested would mean that a farmer is not getting a fair return on his money. Now let us take that a little further. He has \$100,000 invested in land and capital equipment, let's say that's the present value, forgetting what he paid for it, that the present value would be \$100,000 on land and capital equipment, that if he put that into government bonds today, he would get over \$9,000 without doing a stitch of work; and what is happening, as I understand it from many farmers, is not only are they not getting the normal interest return but they're getting less than that, or have in certain years got less than that, and get paid nothing for their labour.

Now would I be correct in saying that that was a legitimate problem of many farmers, that they were not getting even the amount that they would get if the money was put into government bonds?

MR. POTOSKI: Yes, very definitely. That has been a problem.

MR. GREEN: That was definitely a problem, and therefore the huge amount of capital

(MR. GREEN cont'd) that a farmer had invested in his land was making it very difficult to continue in farming.

MR. POTOSKI: Right.

MR. GREEN: And yet the farmer is not like the stockbroker, he can't say I'm earning five percent on this security and the other security pays ten, so I'm going to transfer from the five percent security to the ten percent security, because his farm is more than an investment, it's his home and it's his way of life.

MR. POTOSKI: That's his way of life, right, very definitely.

MR. GREEN: So he can't take this \$100,000, on which he may be making seven or eight, put it into something that gives him nine percent interest, and then sell his labour for another \$10,000 a year. Although it looks like that on paper, he just can't do that because he would be destroying his way of life. The farmer like anybody else has certain living patterns; there are certain things that he loves to do, and there are certain things that he just cannot do. What the farmer would like to do is live on his land, yet not be penalized by having a big capital investment on which he gets no return and get nothing for his labour. Is that correct?

MR. POTOSKI: That's right.

MR. GREEN: Well in that respect the farmer is no different than anybody else. He wants to get a fair return for his labour, and he doesn't want to have capital invested which doesn't pay him anything.

MR. POTOSKI: That's what we maintain, that the farmer should be in the same economic situation as all other segments of our country. And why shouldn't they?

MR. GREEN: One of the things that Mr. Uskiw's Farm-Lease Program does, is to remove, part anyway, of that capital investment that he's been getting no return on by saying that the farm will be capitalized on \$1,000 but the lease will be only at a five percent return, so that he is not losing five percent of the interest that he would get if he had put it into government bonds. Isn't that correct?

MR. POTOSKI: I'm not that sure.

MR. GREEN: Well isn't one of the things that a farmer can do under the lease program is that if he did have \$100,000 in land he could get that \$100,000 out and he could lease at a percentage lease that would be based on five percent of \$100,000, rather than losing 10 percent in interest. Isn't that one of the things that his program is doing?

MR. POTOSKI: I think the program is primarily meant to re-establish farmers. I don't think it's meant as a money-making scheme.

MR. GREEN: I agree with you, Mr. Potoski, but what it does mean is that instead of this man putting \$100,000 into a farm . . .

MR. POTOSKI: You're getting into high figures and I don't think - is there ever an instance where such has happened?

MR. GREEN: Let's take \$50,000.00 . . .

MR. POTOSKI: Well has any farmer or anybody ever - could you trace a loan that was made or people that came on to this program that have done that?

MR. GREEN: Well, I'm not sure that I can do it for \$100,000, although it may be. Let's take the \$50,000; that it is possible now for a young farmer instead of taking a mortgage on a \$50,000 farm and having to pay interest on it at the current market rate, that the government will let him lease it and he will pay interest on the farm as if it was capitalized at 5 percent. That would relieve the farmer of having this huge capital investment on the farm, would it not?

MR. POTOSKI: Well I presume that any such cases would certainly be investigated by the Commission, by the agency. So I don't think . . .

MR. GREEN: Is it in any event, Mr. Potoski, correct that one of the big problems that people in rural Manitoba - this is what I've been told, and I think Mr. Jorgenson more or less confirmed it - that one of the big problems in rural Manitoba is that a man has capital investment of land and equipment of - let's use the figure of \$100,000 - that he is not even earning \$10,000 a year, or many years didn't, or \$7,000 when the interest rate was 7, and it would be more businesslike if he was the ordinary businessman who clipped coupons for him to sell the farm, put the \$100,000 into bonds and securities and get the 7 or 8 percent that they were paying at that time.

MR. POTOSKI: I think you mentioned that farming is a way of life. Anybody who believes in a way of life of farming would never sell his farm and go and borrow money to carry on.

MR. GREEN: Mr. Potoski: I agree with you 100 percent; I'm not disagreeing with you. I'm merely indicating that that was one of the farmer's big problems, that in order to live his way of life he was not getting the kind of fair return that another person would get with the amount of capital moneys invested and a return for his labour as well. That was a problem in the farm . . .

MR. POTOSKI: Oh yes, very definitely, yes.

MR. CHAIRMAN: Thank you, Mr. Blake.

MR. DAVID BLAKE: Thank you, Mr. Chairman. Reeve Potoski, most of my questions have been answered by other members of the committee, but I have a piece of farmland that I acquired about 30 years ago, I guess, when I got out of the service. I've never lived on it and I've never farmed it and I'm sure that you wouldn't want to class someone like me as a non-resident, or a speculator.

MR. POTOSKI: I sure wouldn't. I sure wouldn't.

MR. BLAKE: I've never considered selling it in all that time. But I left the farm as a young man for one reason; because I couldn't make enough money on the farm, I could make more money elsewhere.

I share the concern with many people in the rural areas, the depopulation of the rural areas is a concern to us all, but how do you feel that you'll get young men to come back and farm unless you can show them that they can make more money on the farm, or as much money as they can make elsewhere. Even if you gave a young man a farm today, if he can't make 10 or 12, or 15 thousand dollars a year, as much as he can make in most jobs now, in the mines of elsewhere, what incentive do you feel that he needs to come back. I like the way of life; I think farming's a great way of life but I could make more money elsewhere so I left the farm. How do you think you can get them back?

MR. POTOSKI: I think our biggest problem is the viability of our farming operations and we should, and we must, place our farming operations viable; and if we don't do that agriculture is going to go down; our population will go down in rural areas; I think agriculture is one of the cornerstones of our country, of our civilization, and that should be preserved. And whatever ways and means, I've suggested a few, there are others, there are many ways and means, but we must make agriculture a stable operation the same as other industries.

MR. BLAKE: There's no question about that, but as I say, I just wanted to get your views on what ideas you might think would attract good young farmers back to the farm.

MR. POTOSKI: Well of course there are many, I think. You have the farm loans and so on; you must be able to get money at a low interest rate and probably some forgivable loans and many many, you know, many programs. I think some of the programs that are in operation at the present time are good but I think they must go further.

MR. BLAKE: Preferable to leasing, do you feel it might be more of an incentive to a young farmer if he could buy the farm on a long term with probably some preferred interest rate but with lower payments in the initial years when he is struggling to get started. Possibly a scheme such as the Veterans Land Act used after the war where you provided them with so many bushels of grain as payment. If you had a good crop you made a larger payment, if you had a poor crop, you gave them a very small payment. Do you think that might be an incentive, where the young man has ownership of the farm immediately even though he has a longer term to pay it off.

MR. POTOSKI: Oh, very definitely. Ownership is a great pride.

MR. BLAKE: He would think that's preferable to renting?

MR. POTOSKI: And he'll struggle through difficulties. You may have your ups and downs and so on, but as long as he can hang on to that land and make a living there and have a future for his family, he will struggle and work hard and stay there.

MR. BLAKE: Thank you, Mr. Chairman.

MR. CHAIRMAN: Mr. Graham.

MR. GRAHAM: Thank you, Mr. Chairman. Reeve Potoski, so far we've dealt mainly with ownership of land. I maybe am a little unduly concerned but so far we have dealt very little with land use. Now you have made two references in your brief to use of land and you refer to one where you're concerned about urban expansion into the prime agricultural land; and the other one was setting aside sufficient land for recreation for the public use. Are you very concerned about the abuses of the utilization of land in the province.

MR. POTOSKI: Yes, I am, yes, I'm very definitely . . .

MR. GRAHAM: I think myself that land utilization is probably the subject that we should be concerning ourselves with.

MR. POTOSKI: Right, very definitely.

MR. GRAHAM: Under the Canada Land Inventory which was taken some time ago, we have now been able to classify our lands into eight general classifications and the utilization of that land quite often we find is not being--the land is not being used for its best purposes. For instance, quite often we'll find that classes 1, 2, 3 and 4, which is mainly for growing crops and forage crops, could be used for pasture purposes if an incentive for a livestock program took precedence. Does this concern you at all?

MR. POTOSKI: Yes, very much so, very definitely.

MR. GRAHAM: The reason I asked was that we also have some intention of government policy before us when the government produced their "Guidelines for the Seventies" and in their policies for the seventies I noticed that they said, the primary focus of their program is to encourage the expansion of livestock enterprises, particularly beef. Does this concern you, that if there is an over emphasis on beef production that it could very well curtail grain production; land could be used probably not for its most beneficial purposes because of government incentives in a particular line of agricultural policy?

MR. POTOSKI: I think that's the problem that they're running into at the present time; but however they are coming out with suggestions or with programs where less grain would be fed to beef and still produce a good quality of beef say on pastures and other feeds.

MR. GRAHAM: It doesn't really concern you too much though that good grain producing land could be taken out of production and put into beef production. That wouldn't bother you?

MR. POTOSKI: Not at the moment, no.

MR. GRAHAM: Well we're looking into the future, you know, and policies that will be put forward for the future.

MR. POTOSKI: That should be kept in mind, it's true. That is . . .

MR. GRAHAM: You are a little concerned in that respect then, that land should be used for the purposes for which it is best suited?

MR. POTOSKI: That's right because there are areas which are most suitable say for grain production and there are areas which are most suitable for livestock production, therefore these areas should be so designated or used that way.

MR. GRAHAM: Do you think that government then should be able to dictate to a farmer that he can only grow grain on this certain farm and he can only produce beef on the other farm?

MR. POTOSKI: Well, of course, once you get into the internal operations of a farm, it is, you know, extremely difficult to make such predictions at the present time, but I think that the returns will settle that part; if it's more feasible or more profitable to grow grains, they will grow grains and if it's necessary even livestock lends itself well with grain production as a rotation.

MR. GRAHAM: Then you believe that probably the marketplace will best dictate how the land is used. That if grain becomes a particularly attractive crop it could be possible that farmers would take land out of hay production and sow grain on it and they should be allowed to do that?

MR. POTOSKI: Well of course that . . .

MR. GRAHAM: I'm asking questions because we need the assistance of people if we're going to establish policies for the future.

MR. POTOSKI: That question may well be so, it may be so that certain lands should be designated for livestock production and certain lands for grain production. It may be so. If it would be feasible, that is, if one wouldn't . . .

MR. GRAHAM: Well if that is done, it would probably be done through a planning commission, I would imagine.

MR. POTOSKI: That's right.

MR. GRAHAM: You, as a municipal person, I imagine, would want to have some input into any planning of that nature, would you not?

MR. POTOSKI: We would. We'd be glad to.

MR. GRAHAM: Thank you very much.

MR. CHAIRMAN: Mr. Johansson.

MR. JOHANNSON: Reeve Potoski, I'd like to congratulate you upon your brief. It's a

(MR. JOHANNSON cont'd) very well done brief and you've discussed it very thoroughly. I'd like to ask a question which relates to a sort of a divided opinion that I think we perceived at the last meeting; particularly the Farm Bureau seemed to be concerned for getting maximum value out of property, that is maximum property prices for farmers who are already in the business, and yet they were also concerned about keeping prices down for the young guy who wants to get into the business. That is, the established farmers are concerned with getting maximum price for their property because this will be their nest egg when they retire. The young fellow who's trying to get into the business wants to invest as little capital as possible. Now which group do you think should get top priority.

MR. POTOSKI: I think I answered that question in my opening remarks. The public interest must come first. Give a fellow a chance to acquire land if he's at all interested and capable of . . .

MR. JOHANNSON: You're talking about the young farmer?

MR. POTOSKI: Right.

MR. CHAIRMAN: Mr. Spivak.

MR. SPIVAK: Mr. Potoski, could I ask something, I want to follow along the line of questioning. Do you have any children who are farming with you?

MR. POTOSKI: Right now.

MR. SPIVAK: Yes.

MR. POTOSKI: They're not farming with me, they went professional.

MR. SPIVAK: You own the land?

MR. POTOSKI: That's right.

MR. SPIVAK: In the event of death, in the event of your death would you assume that your wife would have the option of staying on the farm, possibly one of your sons coming back, possibly leasing it, possibly selling it. In other words, in the event of death because you own the farm you would have various options open to her. Is that correct?

MR. POTOSKI: That's right.

MR. SPIVAK: What do you believe the policy should be if the government is to go into land leasing business with respect to the ability of the widow to deal with the land in the event of the death of the farmer?

MR. POTOSKI: I think she should have her privileges or whatever she should opt to accept.

MR. SPIVAK: Are you aware that the Manitoba Agricultural Credit Corporation program provides that the lease is terminated within 30 days in the months of January, February and December if there is a lease with the government, or after that period within a maximum of eight months; and do you think that that's consistent with what you think should happen in an agricultural land policy?

MR. POTOSKI: You mean if there's . . .

MR. SPIVAK: If there's a death of the lessee.

MR. POTOSKI: And the family has no . . . ?

MR. SPIVAK: No. You don't think that's fair?

MR. POTOSKI: No, I don't.

MR. SPIVAK: And that's not consistent with the kind of program with respect to land use that you've talked about?

MR. POTOSKI: No. I do believe that family continuity should be followed up.

MR. SPIVAK: Family continuity should be followed up?

MR. POTOSKI: Right.

MR. SPIVAK: Thank you.

MR. CHAIRMAN: Thank you, Mr. Potoski. We come back at what? 2:30? 2:00 o'clock? 2:30. Committee rise, we'll come back at 2:30.

2:30 p. m. January 27, 1975.

MR. CHAIRMAN: Order please. Is there anyone else who is present who would like to make a presentation to the committee. Would you please step forward and give us your name. There is none? We have seven more briefs to be presented. I've had some indication of the desire of one person hoping to present the brief as early as possible, he has to leave, and I wonder if it is the will of the committee that we would hear this brief. (Agreed) Mr. Cooper.

(MR. CHAIRMAN cont'd)

Possibly before I start, for the benefit of those people who were not here this morning, the whole purpose of the committee meetings is to inquire into matters relating to property rights in lands within the province. This is a special committee that was established at the last session of the Legislature on May 30, 1974. Mr. Cooper, I believe you have a brief and it's being distributed now.

MR. COOPER: Yes, Mr. Chairman.

MR. CHAIRMAN: You may proceed.

MR. COOPER: I appreciate this opportunity of appearing at this time on behalf of the Parkland Regional Development Corporation. Without further adieu, I'd just like to go into reading the brief.

The conception of land as property is deeply entrenched in our society. On the other hand, the use and enjoyment of land by its owners is profoundly modified by the demands of society. This has always been so, but the interaction of private rights and social responsibilities becomes even more complex with the increasing pressure of demand for space and an increasingly complex technology. Every society must establish its own equilibrium between private rights and social responsibilities. Perhaps equilibrium is not quite the correct term. There is a broad zone of interaction between private and public interests.

Even within the general framework of western democracy the line of demarcation within this broad zone varies enormously as between Sweden and Texas. In other lands, for example, it is normal and acceptable for the public authorities to intervene in the use and disposition of land to an extent that would be considered unthinkable in the United States, yet both are democratic countries in the generally accepted sense of that term. The point is, of course, that the mental climate in each country is the product of history and conditions. This was taken from the book "Land, Private Property, Public Control" by Professor R. W. G. Bryant from Montreal.

The above remarks introduced Professor Bryant's wide-ranging and comprehensive study of land ownership in many countries with particular emphasis on public ownership. His book published with the help of a grant from the Social Sciences Research Council of Canada in 1972, discusses land ownership, theory and practise, among other things discussing the subject under the following headings: ownership and the growth of cities; real estate and new towns; municipal land ownership; public ownership of land; leasehold tenure; pooled ownership; expropriation; site value taxation; the manner and purposes of land taxation, etc. Through his own extensive studies and by use of many references to other economists, historians and public authorities, he presents a most convincing case for public ownership of land.

Referring to the resistance to change on the attitude of private ownership to public ownership of land, Professor Bryant states, and I quote: "In a society based on independent farmers and entrepreneurs and in which wage earners could hope to save enough to start a business of their own, the property idea was naturally part and parcel of the notion of individuality. It followed, also, that in American democracy the idea that every man can do as he wishes with his own property is very deeply embedded. It has been modified only very slowly and grudgingly in response to the obvious need to relate it to social needs. The traditional small property owner still exists but small farms and small businesses play a less and less important part in an economy so largely dominated by large corporations. For most people, property is the purely personal possession of a car, a home and its contents, or rather the equity remaining after deducting mortgage and other obligations. Small property is no longer the basis of economic power." Professor Bryant goes on to say: "The snail's pace of the psychological adjustment to changing material conditions is partly due to the almost religious nature of the concept of private property. In Europe and especially in respect of land and property, the old mental climate has been profoundly modified by a pressure of circumstances."

While the concerns outlined in the government Working Paper "In Search of a Land Policy for Manitoba" are directed specifically at prevention of foreign and non-resident ownership of agricultural land, the resultant legislation, policies and programs will have to deal in its implementation with the psychological aspects of the human element referred to by Professor Bryant. Bearing in mind the independent nature of rural Manitobans and their regard for right of ownership, there's no need to expound on the probable social and political

(MR. COOPER cont'd) repercussions which could be the inevitable result of hasty legislative action if not preceded by a genuine effort on the part of government to develop a ground swell of grass roots support through discussion in the public forum.

While the issue of public ownership at this time relates to agricultural land, we are aware that legislation relating to that subject will also be introduced in the Legislature this Session relative to town planning under the Department of Municipal Affairs, with the possibility of recreational land use legislative changes being proposed by the Department of Tourism, Recreation and Cultural Affairs with the further possibility of other departments being involved in changes related to Crown land, town planning and regional planning.

The Parkland Regional Development Corporation is committed to creating awareness among its communities of issues of any vital nature impinging on the region. Furthermore, to providing information and creating discussion within the communities to be channeled back through the directors thereby providing the mechanism for responsible grass roots involvement at the regional level.

While government in contemplating legislative action has for the main part by-passed or ignored this vehicle of communication, it nevertheless exists for this purpose. Due to its local government base, it is non-partisan and should be an effective legislative tool of government. While it is administered at the regional level by municipal councils, our organization responds to socioeconomic concerns of all interest groups in the region at the administrative and operational level. The local member of the corporation, being the municipal council, having one director on the regional board of directors, the organization is accessible to individuals, interest groups and local organizations through any council member. While this concept has been regarded with scepticism and suspicion in many cases at the local level as well as levels of senior government, it is nevertheless a valid, viable approach to bridging the communications gap between the community and policy-making levels of senior government.

During the past 12 months, the seven Regional Development Corporations have prepared a joint submission for presentation to the Regional Development Committee consisting of Cabinet Ministers and presidents of the RDCs, in the near future in seeking to establish a more effective role in the development of rural Manitoba. It would be presumptuous of me to discuss the issues outlined in the government Working Paper since I have not discussed it with my board of directors, and if I had I'm sure they would want to discuss it with their communities.

I wish at this time merely to offer the services of our organization in providing the medium for presentation of these issues to our communities, possibly through a series of zone meetings and through a process of public discussion, provide a feedback of opinion thereby assisting the government to fulfill one of its stated objectives, and I quote, "and promotion of public participation in the process of government" from the government Working Paper.

It is our experience that the holding of public hearings alone fails to provide an adequate level of public response since the format operates at a level requiring a relatively well-developed prior knowledge of the subject to result in any meaningful exchange. Subject to the approval of my board of directors I would suggest a series of meetings co-sponsored by the Department of Agriculture and our organization with the attendance of members of this committee, open to the public with specific invitations to various interest groups within the six zones of the Parkland region. I wish to emphasize that our board of directors is non-partisan and further suggest that our organization is capable of providing a regional service beyond the scope of any existing organization.

In conclusion, I refer to the statement taken from the fourth report and review of the Canadian Council on Rural Development, a group selected by the Minister of Regional Economic Expansion, having a commission to advise on development programming and policy: "Government must progressively take on the nature of an open process rather than a closed one. It should operate on the basic assumption that the vast range of information it has put together at public expense is public property except in rare situations where confidentiality can be justified, rather than operating on the converse assumption, as it now tends to, that government information is by definition, confidential and less expressively designated as suitable for public scrutiny."

(MR. COOPER cont'd)

I further quote: "Participation must go further than the mere submission of written or verbal briefs by individuals or groups to government regarding their views on policy issues. It entails an obligation on the part of government not only to respond but to justify its response. A bland assurance that the briefs will be taken into consideration is not enough and yet thus far little consideration has been given by government to institutionalizing a process by which this obligation can be discharged."

Gentlemen, I thank you for your attention. On behalf of the Parkland Board of Directors and our 29 member municipalities, may I request that you give these comments your kind consideration. May I further congratulate the Minister of Agriculture and his department for taking the initiative of presenting these ideas for public consideration. May I wish you every success in meeting the objective of achieving public participation in the process of government.

MR. CHAIRMAN: Thank you, Mr. Cooper, Mr. Jorgenson.

MR. JORGENSON: Mr. Cooper, I appreciate the position that you're in as a servant of the Development Corporation and as you stated in your brief you would not be in a position to answer questions on the issue itself so I will not do that. I simply want to ask you in relation to your suggestion that you would act as a vehicle in order to encourage public discussion on this particular subject, have you any suggestions as a format for a meeting that would be most helpful in both acquainting those who are going to be responsible for implementing a program and those who are going to be affected by it.

MR. COOPER: Well I would suggest a format similar to this, except to be held under the sponsorship of our organization at the zone level, we have six zones in the Parkland region. I think in order to achieve an adequate level of public involvement and participation and to arouse satisfactory understanding of the issues among our communities, I think it would require at least meeting at the zone level and that the meetings would be represented by a group such as yourselves or by this committee, be attended by this committee. We would invite interest groups within the zones in the region to make presentations, such as the Chamber of Commerce and various other interest groups, and we would sponsor it under the sponsorship of our zone directors and the member municipalities.

MR. JORGENSON: Thank you very much.

MR. CHAIRMAN: Are there any other questions? Thank you, Mr. Cooper.
Mr. Forbes,

MR. BILL FORBES: First of all I'd like to thank you, Mr. Chairman, for your consideration in allowing us to be seated. I felt sorry for the chaps this morning who were standing so long.

MR. CHAIRMAN: Well I was looking for that possible chair or table, moved it out from the back.

MR. FORBES: Thank you. Mr. Chairman, gentlemen, I'm Bill Forbes and I operate a mixed farm in this area basically grain and cattle. Between the FCC, the bank and I, we own a half section of land, some machinery and we rent about 600 acres, not to mention the fact that MACC are presently owning part of our cattle. However, this wonderful country of ours has been built on a free enterprise system and given a fair chance I feel it will continue to thrive on this basis.

I only received a copy of the Working Paper this past Friday and I haven't had time to study its very broad assessment of land use in Manitoba. Likewise, in conversation with many of my neighbours and others in the community, they were at a complete loss to know what it was all about. This indicates to me that there must be a delay of at least one year for people to do a proper assessment of its implications. Surely our elected representatives do not want to impose on our rights as members of a democratic society by passing legislation that we do not want. I cannot accept the blanket statement that the smaller farms use their land more efficiently nor that the productivity of land is greater if farms are smaller. A good number of countries presently receiving foreign aid would fall into the small farmer area and if the concepts stated were correct they should be net exporters.

A second item related to this is the fact that in the case of most of the large farms they have their size dictated by the fact the soil or topography is such that large acreages are necessary to support a viable unit. There's nothing to substantiate the suggestion that private owners are poor landlords. Indeed they possess in most cases considerable compassion and

(MR. FORBES cont'd) a good many landlords provide needed help during the busy seasons; and I would wonder if members of the Cabinet would be as willing. Also a good portion of rented land is rented from other members of the family.

I would wonder what purpose the government hopes to serve by owning land. If it is to help farmers get started, then make it easier to purchase it after getting started. It is almost certain that the allocation of government land will be on the basis of politics or other favoritism. I cannot accept the suggestion that there is no difference between ownership of our agricultural land by Germans or Arabs and Canadian citizens from Winnipeg or Brandon. Perhaps there is not much difference in economic terms in the minds of some people but we are not economic beings alone. We do possess emotions, one of which is patriotism or nationalism, so possibly there should be some control of foreign ownership. We object to them owning our oil; why not our land?

Our major concern should be land use more so than land ownership. There is only so much good agricultural land and it should be used for food production and not for factories, parking lots and even super highways. Once this land is lost to agriculture, it is lost forever. If government are sincerely interested in keeping the family farm, I would suggest they start by increasing the 150,000 succession duty allowance to a minimum of 500,000. Inflation has had a drastic effect in this area.

Also, if government are sincere in their concern about getting the young farmer established, they should reduce the initial amount of capital needed and initiate a grace period of three to five years to allow the said farmer to become established. Certainly there will be a few who won't make it. There is in every walk of life.

Also consideration should be given to a form of trainee training for farm workers either by paying farmers to train them or to use some of the land the government presently owns to set up a farm where these people could be shown the fundamentals, particularly so in the operation of farm equipment. Our farm equipment costs too much to be fooled with.

It seems to me, Mr. Chairman, we need to take a good long look at the whole situation and not rush. Haste makes waste. Perhaps a freeze on foreign purchases would suffice for the present. I thank you.

MR. CHAIRMAN: Thank you, Mr. Forbes. Are there any questions? Mr. Green.

MR. GREEN: Mr. Forbes, you say that although we shouldn't rush, we should do something about foreign ownership?

MR. FORBES: Yes, it appears after reading the White Paper that there should be a concern about foreign ownership.

MR. GREEN: You read that in the document that you refer to as the White Paper.

MR. FORBES: White Paper, looks more like a red paper to me.

MR. GREEN: That's what I thought at first. I knew that you would feel that way. But I read from this paper that the problem would not make any difference whether or not it was a German owner or an owner from New Brunswick who had no intention of coming to Manitoba. That's what I read from the paper. Would you say that I was wrong in that?

MR. FORBES: Well again, as was mentioned this morning, I think that Canadian citizenship should have something to do with this.

MR. GREEN: Yes, but I'm now referring to the paper, I'm not referring to the speeches that were made. You say that you read from the paper that foreign ownership is a problem. Perhaps I read it differently than you which would not be--you know, that wouldn't be unusual, but as I read it, the paper said that it wouldn't make any difference if the owner was from New Brunswick or from Germany if neither had any intention of coming to the land and farming it.

MR. FORBES: This is quite true, Mr. Green, but again, as I said, I haven't had time to really study the paper and weigh all the implications, etc. I realize that you chaps have all had it longer than us.

MR. GREEN: I understand that.

MR. FORBES: I don't think that I'd be prepared at this time to make a specific statement on that very feature.

MR. GREEN: So then you wouldn't like us to rush into legislation on foreign ownership either?

MR. FORBES: Not necessarily, no, but as I mentioned, if your concern is such as is indicated, then possibly we could freeze foreign ownership for a short time, or possibly

(MR. FORBES cont'd) it will have to be for a great time, I don't know.

MR. GREEN: Well I'm not trying to be unfair in this respect but I think that I'd be correct in saying that the major concerns that were expressed relative to foreign ownership, the major - I'm trying to be fair - were expressed by Mr. Johnston, Mr. Patrick and Mr. Asper of the Liberal Party, that those were the major concerns expressed with regard to foreign ownership. I'm not saying that there weren't other concerns expressed but in the House they were expressing what they felt were major concerns in this area. So that doesn't change your view as to whether there is a concern or not I gather?

MR. FORBES: Well it's quite evident there is a concern.

MR. GREEN: Now can you tell me, Mr. Forbes, in what way it would be better for patriotic Canadians if you had land owned by a fellow from New Brunswick who didn't take care of it and you had land owned by a fellow in North Dakota who did take care of it. In what way would my patriotism be reinforced if I had it owned by the New Brunswick fellow who practised bad husbandry as against the North Dakota fellow who practised good husbandry.

MR. FORBES: Well again we're talking about foreign ownership versus Canadians.

MR. GREEN: I gather what you said earlier is that we are not to think in terms of merely economics or reason, that we have to let patriotism and emotion get into the question. Therefore since you wish to have patriotism and emotion involved in the question, I want to know what good it will do for my patriotism and for my emotions if I have a New Brunswick owner in Manitoba who doesn't take care of the property as against a North Dakota owner on the property who did take care of it. Since I believe that I am as patriotic as the next person and I have as much emotions as the next person, to me it would seem that the most patriotic thing that I could do is have the land properly cared for and producing in the Province of Manitoba.

MR. FORBES: This is initially what farmland should be doing is producing to the maximum.

MR. GREEN: And therefore the question of whether it's a New Brunswick owner or a North Dakota owner doesn't affect my patriotism but evidently it does affect yours.

MR. FORBES: Right.

MR. GREEN: Now can you tell me why? I mean I'm interested in your emotion and your feeling why you think that a North Dakota farmer who practises good husbandry is less welcome in the province than a New Brunswick owner who doesn't come here at all and doesn't make sure that the land is taken care of.

MR. FORBES: Unfortunately I'm not a lawyer, Mr. Green, and I have a little problem just following the length of your speech. Actually you partially answered the question.

MR. GREEN: Mr. Forbes, I assure you that I had these same feelings before I became a lawyer, they didn't teach me this in law school. I'll try and make the question shorter, I'll try and make the question shorter--(Interjection)--well the man has had some difficulty, I thought my question was much shorter than Mr. Jorgenson's question but I'm going to make it a little shorter. I am going to make it a bit shorter.

I say my patriotism and my emotions would make me satisfied to have a landowner from North Dakota who practised good husbandry and looked after his land as against one from New Brunswick who didn't practise good husbandry and didn't look after the land. I'm asking you why your patriotism and your emotions would prefer the New Brunswick landowner?

MR. FORBES: Well when we're dealing with foreign ownership basically we're talking about possibly the West Germans or referred to the Arabs and so on. If this may enter the field of non-residency, eh, where he is owning the land but he is not a resident-operator if you may call him so. You're indicating that he is owning land but he's not looking after it. Well we have laws, etc. particularly so in the area of weed control where his land must be kept to a certain standard or he's in trouble; certainly his neighbours down the road are not going to tolerate him letting his land slip and get into an untidy condition where there is weed contamination, if this is the area you're talking about.

MR. GREEN: Well I really wasn't referring to contamination because I believe that--wouldn't you agree even between two owners in the Parklands area, that one could be operating perfectly lawfully but he would be less of a respected farmer than other, that even between two Manitoba owners that sometimes one does a much better job with his land than another?

MR. FORBES: Oh, certainly this is the case right in our own area where we have . . . farmers, some who are better operators than the other.

MR. GREEN: And all I'm asking you is, wouldn't you be concerned with the way in which the farm is kept and operated rather than whether the owner was an Arab or a Manitoban?

MR. FORBES: Certainly I'm concerned about the condition of the land, but again referring back to whether he's a New Brunswick or an American, what have you - well as I said, I haven't had time to study this darn thing and I just am not prepared to make an outright statement. After all sometimes a fellow can make a statement on this right off the top of his head and get himself pretty deep trouble, particularly so before a committee like this.

MR. GREEN: Well, Mr. Forbes, I have no intention of trying to get you into trouble. I am here to try to find out, because I have had a problem for years trying to find out why some people say that a foreign owner should not own land in Manitoba, and you have that idea so I tried to explore that problem with you. That's the only reason that I am asking the question, I assure you.

Now seeing that you can't give me a ready answer, which is quite normal, therefore you're really not sure of the statement about the legislation in the first place, I'll go to another area. You say that you now have a mortgage with the FCC, you have a chattel mortgage I gather or mortgage on cattle . . .

MR. FORBES: I made use of Mr. Uskiw's advance on the . . .

MR. GREEN: Yes, this is the Manitoba--which, I have no criticism at all. I think that that's great. I want to know whether you call that free enterprise.

MR. FORBES: I had the option of taking it or not taking it.

MR. GREEN: Yes, but you did take it.

MR. FORBES: Certainly, why not?

MR. GREEN: No, I think it's great, I think it's great that the FCC, the people of Canada, have set up this fund and I think it's great that the people of Manitoba set up the MACC. I think it's great, but I don't think it's free enterprise, which means I don't think that free enterprise is necessarily great. It's great but it's not free enterprise.

MR. FORBES: It all depends on what your opinion of free enterprise is.

MR. CHAIRMAN: Order please. Sit down.

MR. : We're dealing with land issue.

MR. CHAIRMAN: That's right and if you wish to speak, we can put you on the list.

MR. GREEN: Mr. Chairman, I believe that this is a gentleman who has land who has told--I didn't raise it--he said that he has a mortgage with the FCC, a mortgage with the Manitoba Agricultural Credit Corporation and I think that's wonderful. I just don't think it's free enterprise.

MR. FORBES: Well as I say, it's all in what you call free enterprise, eh. I had the option of taking it or not taking it. I could have went elsewhere to get money, eh? I hope that I answered your question to the best of my knowledgeability.

MR. GREEN: Yes, very nicely.

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: Yes, I would like to pursue a line of questioning on two points. One is the apparent interest on the part of many people throughout the world to find a home for huge amounts of investment capital - that sort of appears to be one problem that has beset certain parts of Manitoba with respect to land speculation, land purchases, etc. Whether or not that's a real problem in the long term I can't tell you, but it's indicated to us by people in those areas that it is a problem to them.

The other question has to do with a problem that prevails throughout the greater part of the world, Asia, Africa, where these countries are very much overpopulated. And I would like to put the question to you that assuming that their governments, say the Government of India or the Government of China, where to inquire of us as to whether we would sell to them 50,000 acres of land in Manitoba so that they could bring to this country X number of immigrants to settle this land in order to relieve the population pressures on their land. What reaction would you have to that kind of proposition?

I've had letters from various parts of the world in that connection. That is one of the reasons why we are trying to find out what public opinion is, is because we've had a series of inquiries from trust companies, from land companies in Australia, Europe and so on. They want to know what government attitude here in Manitoba is on that question. So we have responded to them by saying that we don't want at this point to encourage them in, but certainly we should define in some framework what our policy is so that investors throughout the world

(MR. USKIW cont'd) would know how to respond to the Government of Manitoba. How do you see those two possibilities.

MR. FORBES: No, I certainly wouldn't want to see them come over here and buy up a huge parcel of land for the sake of producing food for themselves. I feel that we as Manitobans are quite capable of producing all the food that the land is capable of producing, and for them to come over and take over a parcel of land for their own use, just no way as far as I'm concerned.

MR. USKIW: Well specifically, what about a land syndicate that would operate on a lease basis, leasing that land either to customers of their own who they would bring into this country as immigrants or they would lease that same land to Manitobans. This is another proposition.

MR. FORBES: You're still talking about a foreign syndicate, Mr. Uskiw?

MR. USKIW: Yes.

MR. FORBES: No way.

MR. USKIW: What about a syndicate composed of Manitoba citizens who wanted to buy up thousands of acres of Manitoba farmland for the purpose of leasing it back to Manitoba farmers?

MR. FORBES: No, as far as I'm concerned I don't think that a syndicate or a huge corporation or anybody else should gobble up the land. In fact I think that if my memory serves me correctly they sort themselves out, because certainly as we're all aware, we have our ups and downs and a syndicate or a large corporation can get carried away to the extent their overhead is such that in a bad year there's just no way they can possibly carry on. And again this comes back to where the family farm, they can generally dig their toes in a little deeper and hang on through these situations.

MR. USKIW: Do I take it then that you are saying, yes, there is a need for some action but please don't rush into it because we should think it over fairly carefully. Is that really what you're telling us?

MR. FORBES: Certainly.

MR. USKIW: Okay.

MR. CHAIRMAN: Mr. Graham.

MR. GRAHAM: Thank you, Mr. Chairman. Just to carry on a little bit further from what you are discussing with the Minister of Agriculture. Mr. Forbes, you would be a little bit concerned then if, for instance, I brought 16 British Hondurans in on my farm and employed them there for a period of time. That would concern you, would it?

MR. FORBES: Not as long as they were working for you. Where else are you going to get any labour?

MR. GRAHAM: Well then I'll carry it one step further. If I didn't bring them in but if government brought them in and put them on government land, would it concern you then?

MR. FORBES: Yes.

MR. GRAHAM: Okay, thank you.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSEN: I want to pursue a question that was asked by Mr. Uskiw. You suggested in your remarks, not on one but on several occasions, that you are a little fearful of foreign ownership and you would not be in favour of syndicates or giant corporations coming in here buying land and operating it. And then a little later on you said, you're not worried about them because they will not be able to compete with the average farmer, that, you know, their overhead would get so great, their lack of ability to control that operation would lead them to difficulties and if they run into adverse conditions they could probably lose their farms. Why are you worried about them then if you feel that will happen? Do you not think if they operate that precariously, and I happen to agree with that, I think they do, then they should be no source of worry to anybody.

MR. FORBES: Well of course there's variance in who we're talking about here. For instance, possibly we could cite an instance of a West German syndicate coming in with unlimited funds behind them who could carry themselves through the rough spots, and . . .

MR. JORGENSEN: Yes, but you are assuming that--we hear a great deal of talk about West German syndicates coming in with a lot of money. We had evidence before this committee on Monday in Winnipeg which indicates that 75 percent of those people who have bought farms in this country and they're not big syndicates, they're small groups of people, have already taken out visas to come into this country and operate that land. Have you any fear of that?

MR. FORBES: Well now they're becoming Canadian citizens.

MR. JORGENSEN: Yes. That's right.

MR. FORBES: At the present time I don't think our immigration laws are such that they stop anyone from coming into the country, at least I haven't read anything about it. If they come over and want to take up farming, why God bless them.

MR. JORGENSEN: That's generally what is happening, is that they are buying this land for the purpose of coming over here and farming it.

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: Yes, I just wanted to correct a statement that was made by Mr. Jorgenson. I don't think he intended to leave it as it was stated. That we had evidence as to the effect of the foreign acquisitions that have taken place and the purpose of it. I think we had someone tell us that they assumed or thought that that's what was going to happen, but we don't know that that is the case.

MR. JORGENSEN: But my statement was that there was evidence before the committee on Monday that was taking place.

MR. USKIW: It's not evidence, it's an opinion.

MR. JORGENSEN: Well it was testimony then if you want to be technical about it.

MR. USKIW: All right, yes.

MR. CHAIRMAN: Thank you, Mr. Forbes. Mr. Bos. Mr. Bos, farmer, Local 502, National Farm Union.

MR. ARVIN BOS: Yes, I represent the board of the local NFU. Members of the Land Policy Committee, my name is Arvin Bos.

Land policy for Manitoba suggests two things to us. One, legislate many controls on our present tenure system or embark on a new tenure system which will provide much of the now needed changes. A land policy for Manitoba will include all rural and urban land. There are many forces at work at the present affecting land values in Canada such as large sums of money in the hands of foreigners whose money has appreciated in value in relation to ours. Recognition the world over that there are few new frontiers of arable land left in the world and that arable land which we now have in the world has more and more people per square mile. Canada is one of the few countries that has large areas of land per citizen left - that is arable land. Many citizens of this country are starting to feel the pressure and fear that their heritage is slipping away. This we believe is causing those with capital to invest in land, both in a speculative fashion and also to assure their descendants of land - the essence of man.

I personally have lived as a tenant without rights to land of any size and this affects a person's thinking and feeling because he is always subject to someone else's will or wish. The drive of many people to own land regardless of costs has been an absolute windfall to the speculators in land who have financially cannibalized their fellow man in the urban areas.

This we suspect has had an adverse affect on society with probably more people living tenant lives, housing shortages, people mortgaging their future hoping that the future financial winds will be up and they can break even. Higher retail costs because of higher land costs, either owned or rented, cause for higher wages for the same production; consequently strikes lay-offs, bankruptcies, and an added demoralization to the poor.

We do not pretend to have any great pearls of wisdom to offer this committee and the time given us to prepare a brief seems so short to do any real research into the matter. However, we shall attempt to present our feelings on this policy as it pertains to farmers.

At one time western Canada, in fact most of Canada, the land was common land and everyone had access to the land. Then we saw large companies claiming common land as their own, and in fact were given rights to this land. Then the central part of Canada became industrialized, the government of central Canada looked to make a profit out of the sparsely populated west again, because as you know by this time most of the animals had been skinned along with the native people. They needed a new "skinnee", advertised around the world, free land to people who would immigrate, or cheap CPR or Hudson Bay land. People who had never had any right or title to any land came by the thousands to this free and promised land, little realizing that they and their offspring were designed for the skinning board of the eastern industrial financial empires. These immigrants were given free land to work and a title to it if they stayed on a specified period of time and made certain improvements.

This land as it turned out was not so free. The immigrants had to face extreme hardships, work hard, many times they mortgaged the labours of the next generation to produce

(MR. BOS cont'd) large volumes of food and fibre for the nation at rock bottom prices, only to pay very high prices for tools, equipment and freight for items needed to farm, from the industrial east - exploitation of the new skinnees.

Then came the land tax to this free plot of ground to support the community from which the land had come. The community retained the right to remove anyone from its property if he didn't pay his taxes; or if in the wisdom of some politician or bureaucrat it was deemed best for the community or politically astute his land could be expropriated. I ask what advantage did he have over the wealthy people in such areas as the Point Grey University area of Vancouver where they rent the land from the Crown for 99 years and build mansions on it.

The buyer or homesteader had to pay for the improvements, pay the taxes according to those improvements, he had to tie up fairly substantial sums of money - his own or borrowed - which often took more than one generation to pay for. The renter paid rent according to the production capabilities of the land based on the financial returns possible from this production with taxes being paid by the owner as well as the improvements in many cases.

To devise a land policy other than what we have at the present time, we must try to look at our present problems and attempt to find solutions. The problems of the present land policy appear to be great with a potential to get worse. We see growing investment of foreign money in our land base. I ask the question: If 51 percent of the land is owned by foreigners, whose country is it? What if any value is foreign investment in land when it is compared to the wealth to be extracted in perpetuity from the country in the form of rent? What will the future generations of Canadians do if we allow foreign investment and control of our land base? Bloodshed or serfdom. Or is this money just causing us to jump at shadows. We see an increasing number of non-resident owners buying land, buying more agricultural land. Some of the reasons are for speculative purposes, land for the next generation. Because as population density increases, available arable land becomes increasingly short in supply. Urban land is beyond the financial capabilities of many urban dwellers in the lower and middle income brackets. They will move to cheaper rural land.

Pollution density increases in city centres. Those who can afford to, want out from this centre and will purchase agricultural land, and the poor can inherit the core centres. We see farmland prices escalating far beyond the production capabilities of much of it. In areas where we don't have the urban competition for land we still see land prices rising excessively in our opinion. Land has changed hands amongst farmers in this area for 20, 30 thousand dollars and are now asking \$40,000 for 160 acres, which by our estimation will only produce at present prices for grain about \$20 per acre net or less after expenses and taxes, and the cost-price squeeze will reduce this in all probability.

Some reasons for this increase in land price may be the overall public programming that "bigness is goodness" and the bigger the more efficient. That it is difficult to grain or mix farm on small acreages today because of the net return per acre being so low. Remember we are the present generation of "skinnees". We are told that the only way to riches is to have 100,000 head of cattle at a dollar a head profit instead of ten head at \$125 a head profit. Then on the other hand, if you consider a loss like this year of \$100 per head, who is the best off?

We also have farmers speculating in a way; they invest in their land and call it a retirement savings hoping that the land will appreciate in value and that they will be able to sell it to their sons for a handsome profit; the next generation of "skinnees". This is false saving in our opinion because a farm that cost 40,000 today will when interest is calculated on a 29-year loan cost more than double the original \$40,000.00. By then inflation may erode this capital gain between \$40,000 and the figure we will assume, the sale price at the end of 29 years will be the same as the original price plus all interest costs. So that the 80 or 100 thousand dollar sale price may not buy as much as the 40,000 would have originally. And this does not take into account any capital gains tax that may apply at that time.

There seems to be a more subtle condition occurring in agriculture. Farmers are paying very high prices for land, but then to give himself some financial security which in turn is really the only way to have security of tenure on the land he is purchasing, he starts to contract some of his production to the processing and marketing firm who deal in raw agricultural products. These companies in some cases have a near monopoly on the markets for these products. If this condition is the forerunner of things to come, the day when farmers contract the bulk of his production to these companies may not be too far away. And the Task Force on Agriculture alludes to this.

(MR. BOS cont'd)

This will mean because of external forces farmers will pay high land prices but will have to accept the price set by the service industry for agricultural products, which if it occurs may well be compared to the feudal system and in fact may eventually become one. When farmers cannot pay their debt to the processors for goods received because the price of farm products is too low, it may come to pass that the processor will absorb the land in payment for the debt. There is no doubt that much more detail documentation should be done, but on such short notice we have had to present what we feel and believe, right or wrong.

What has been said above may lead one to think that we are opposed to private ownership of land. This is not true. What we want is for every citizen to feel that they have the right of access to some land. We believe that we must develop a land use policy that makes arable land farmland only; new cities to be built on non-agricultural land instead of expanding present cities on to agricultural land; industry developed on non-arable land remote from the urban setting with less concentration; improved public transportation systems minimizing the amount of arable land used in transportation system; in other words a well-planned, comprehensive land use system. Prevent foreign ownership; control non-resident ownership of farmland; effect measures of controlling agricultural land prices in relation to financial returns on production capabilities; limit the amount of public money available to established farmers for the purchase of more land graduated from large loans for low gross income farmers to nil for the larger gross income farmers; public money should be used to help the beginning farmers to get started in the form of loans and grants; reduce speculation in land by stiff capital gains tax or by other methods; control runaway property tax so that they are related to the service provided to that real property.

These are a few things that we believe should be done and done soon to protect our land from outsiders and to guarantee that future generations of Canadians will have the right to feel the earth, his heritage, is safe and accessible to him. If this can be accomplished on a quasi private ownership tenure system, it is most acceptable. However, if it cannot be done then the problems must be dealt with on a common land policy basis. The Provincial and Federal Governments must then develop a policy of buying back the land from private ownership; that is all land at a fair market value when the present private owners wish to sell. Develop a comprehensive land use policy; cities on non-arable land; farms on arable land; industries in diverse areas removed from the urban setting; transportation systems on least arable land possible; protect resort areas and natural habitat where possible. Develop a land lease policy designed to give the lessee the right to will control of his lease parcel of land to the next generation, blood relative or ward; the absolute protection against government intervention or other public or private body intervention in the production and management of the farmland; that rents be related to the production capabilities and financial reward for the same and that tax is to be included in their rent; that improvement to the land be done by the lessee but paid for by the Crown; that the present expropriation laws be adopted and modified to protect the rights of the individual lessee in balance with the rights and needs of the community at large; that the lessee cannot be evicted from his property for any reason other than failure to pay his rent, then the present laws pertaining to tax arrears could be modified and adopted; or if he ceases to rent that parcel of land, with consideration that the aged lessees be allowed to live out their years on the farmstead if so desired. The lessee would purchase and erect the farmstead buildings and would have the right to sell them to the next tenant, or the Crown, at a negotiated price with recourse by all parties to arbitration and the courts to settle the price.

There are probably other areas under a common land policy that should be covered to protect the lessee, the Crown or the public at large. Search for a land policy for Manitoba will be a long and contentious issue, but we hope that all participants will work to develop a policy that will satisfy the needs of all men, the right of access to land. We believe this need of earth is as necessary to man's well-being as the food that is produced from it.

Thank you, gentlemen.

MR. CHAIRMAN: Thank you, Mr. Bos. Mr. Jorgenson.

MR. JORGENSEN: Mr. Chairman, I want to deal only with one aspect of that brief, and that was the part that dealt with farmers contracting out to processors. You seem to feel that there is something inherently evil with that kind of a practise. Are you aware that in the sugar beet industry that is the method that is used? The sugar beet growers contract with the processors, they get paid an initial payment plus other considerations and then at the end of

(MR. JORGENSEN cont'd) the year when the crop is processed and sold the farmers share in the profits. Do you see anything wrong with that kind of an arrangement?

MR. BOS: I don't know the complete arrangements in the case of the sugar beet, Mr. Jorgenson; however the PEI potato producer I would suggest was doing the same thing with McCain and wound up in a situation where McCain's was selling him the fertilizer, machinery, etc. to produce potatoes and then without establishing any price, was contracting the entire production from the grower back to McCain's who in the fall when the crop was coming off would then start to establish a price which invariably was at the break-even, slightly below or slightly above for the producer. And I think looking at companies and the method they use in business, you know, you charge what the traffic will bear and you pay as little as possible at any time - I believe that it is unwise to continue an agricultural policy on those basis, yes.

MR. JORGENSEN: But do you see anything inherently wrong with the arrangements that the sugar beet growers have with the sugar beet company?

MR. BOS: I don't know what their arrangements are. If you can be very specific about them, Mr. Jorgenson, I'd be glad to pass an opinion on it but just to tell me that they contract and they're given an initial price without, you know, a complete breakdown of it . . .

MR. JORGENSEN: Well they operate in very much the same way that the Canadian Wheat Board does. You get an initial payment when the sugar beets are delivered and then when --(Interjection)--Well I was using this as an example, I'm not saying it's a good thing or a bad thing, that's what I am trying to find out. And then when the crop is processed and sold, the sugar beet farmers share in that profit. In other words, they are guaranteed whatever profits there are in sugar beets, and this year there will be considerable because the price of sugar went up.

MR. BOS: I would suggest, Mr. Jorgenson, that any contract that is not negotiated by the farmers as a whole on a specific commodity with any other group at all in the private industry field is unwise and should be frowned upon by governments and farmers alike.

MR. JORGENSEN: You believe that the sugar beet growers have no right to sign their own contract, that they should be calling in all the other producers . . .

MR. BOS: All the other sugar beet producers should certainly have formed a negotiating committee to deal with the sugar beet companies. If they are doing otherwise, I suggest that eventually they will have problems.

MR. JORGENSEN: What I am pointing out is that in the Province of Manitoba, the Sugar Beet Growers Association signed that contract with the processors.

MR. BOS: Then, Mr. Jorgenson, it is not the individual sugar beet grower that is signing that contract, it is the association that is negotiating that contract, which I would concur with.

MR. JORGENSEN: Well if the contract is negotiated by the Sugar Beet Growers Association and then the individual contracts are signed in terms of relationship to the general contract

MR. BOS: Oh, well, in that case, that follows doesn't it, that would follow.

MR. JORGENSEN: Do you see anything wrong with that kind of an arrangement?

MR. BOS: If it is as you state, that the sugar beet growers as a collective body are negotiating the terms and conditions under which they are growing the sugar beets with private industry or with government or with anyone else, I see nothing wrong with that whatsoever. No.

MR. JORGENSEN: But do you think that the sugar beet growers would be continuing, they've been doing that for a number of years since the war, and do you think they'd be continuing with that kind of a contract arrangement if it were not beneficial to them?

MR. BOS: Obviously it must have been beneficial because they went about it in what I would consider to be the right way. There are other contracts let out that are anything but as you describe.

MR. CHAIRMAN: Mr. Green.

MR. GREEN: Sir, if we just take the sugar beet situation a step further. You've indicated that it would be a good situation if they could collectively get together and negotiate a contract which they found acceptable with the sugar beet company, whoever it may be, as long as they did it as a group. At least that's the way I got your answer.

MR. BOS: Yes, that's what I said.

MR. GREEN: Well what if as a group they found that they could get together and take

(MR. GREEN cont'd) the kind of risk that the sugar beet company is taking and instead of negotiating a contract with the sugar beet company, set up a refinery and then sold their own sugar. What do you think of that?

MR. BOS: There is a history of problems of farmers doing that sort of thing. I think that what we must do is to look at the farming occupation as an industry, and then we have a service industry for agricultural products. Now if the farmers - which in some cases have been successful in setting up their own service industry, but in many cases the results have not been as advantageous as one would suppose they would be. I think not because the concept is wrong but probably because the individual farmer is preoccupied, in this country particularly, with production of agriculture and his labour and time are consumed at that level. If we were in a position where our income was at such a level, we could hire the efficient labour and we could then manage our farms, I think farmers as a whole would be able to move in and have another profit centre by processing their product. But the condition as it is today in this country I personally, I can't speak for all the board members, but I personally don't think it's a wise idea.

MR. GREEN: Well would that be, other than the fact that there is a processing involved, is not that what they have done with the Manitoba Wheat Pool, rather than contracting to sell to a particular entrepreneur in the sale of his product and storage, the Manitoba farmer has set up his own storage facilities and runs them.

MR. BOS: Well that's somewhat different than moving into the processing end of it.

MR. GREEN: I agree; I say that other than the fact that they are not processing they are taking the product a step further than the mere growing.

MR. BOS: Oh, yes. Well the sugar beet growers are doing that too by negotiating. He's not dropping it at his farm gate. He's actually behaving in the same fashion as we do when we deal through our Wheat Pools, our UGGs and this sort of thing. They are one step further - the Wheat Pools don't have the same negotiating ability as the sugar beet grower but still they are in that area and they are certainly providing a service to the farmers.

MR. GREEN: I guess this is getting a bit off the land policy, but it was interesting to me that you were indicating what you thought would be best in terms of the integration and the problem that you saw with being beholden to somebody else to be the processor of the product. But I'll leave that for the moment. I want to get back to the foreign land question which is the one that perplexes me the most.

In your brief you say that the first thing that there should be, as I recall it now, is a prohibition of foreign ownership; and the second thing would be a policy with regard to resident users. I believe it's in that order . . .

MR. BOS: Resident owners.

MR. GREEN: Resident owners, meaning . . .

MR. BOS: Non-resident owners meaning Canadians that are not resident on the parcel of land which they own.

MR. GREEN: Okay, then I have not misunderstood it. I fully see the validity, or at least I see consequences from the second situation, that we should be dealing with how land is used and if it's a non-resident that there has to be some concern at least shown as to how that land is going to be dealt with, but I have to ask this question: What is the difference if the owner is Joe Smith in London who buys a million dollars worth of land in the Province of Manitoba or Sid Green in Winnipeg who buys a million dollars worth of land in the Province of Manitoba, neither Joe Smith nor Sid Green having any intention whatsoever of farming the land but having the intention of renting it out on the basis that if I have a very very long purse, that eventually I'll be collecting a decent or at least a livable return from the farmer, who is always a good tenant, and hoping that the land will go up in value, in which case I'll make a good return as a result of speculation. Now what is the difference?

MR. BOS: Well in my brief I said that we should, the Government or the people of Manitoba should start to devise a policy which would control to some extent the non-resident owner and totally ban foreign ownership of land, and I think that if you answer the question, you know, if 51 percent of the Canadian land is owned by foreigners, who actually owns this country then and who controls it?

MR. GREEN: But would we be better off, and this is the question I have to put, if 51 percent of the land was owned by one Canadian - would we be better off if 51 percent of the land in Manitoba was owned by one Canadian than if it were owned by several foreign owners? I mean

(MR. GREEN cont'd) what would be the difference in the two situations.

MR. BOS: As I indicated, there is problems in both areas, but the more severe in my opinion would be foreign ownership of the land because of the money that will be extracted from the country in the form of rent, the control of local government by foreign investors; if they own the land they start to influence the area in their political thinking possibly even, you could wind up with a situation where the Spanish Dictator was to be the foreign purchaser, or some of the Arabian leaders. They would then be able through financial means to influence the policy at that local land base. Also, it would be really non-available at any time to Canadians. Whereas if we did allow Canadian ownership in that magnitude, which I disagree with, the thing is that the rents are still Canadian, the Canadian Government, the Provincial Governments would be able to have more influence over that individual. I would suggest that in time that man would probably pass on and at that time there would be in some cases a breakdown of his vast estate.

We have cases in Manitoba I think - I may be corrected on this - but I think we have one area where the man has 27 sections of land. Who's he going to sell it to, or if he dies who's going--you know, the thing is that that amount of land, that magnitude of land by a Canadian will break down, whereas foreign owners are buying land hoping that either in time they will be able to make huge profits out of it, or to be able to have an indirect way of influencing the politics within the boundaries of another country.

MR. GREEN: I'm not disagreeing with some of the things that you have said as to how a foreigner could behave but I want to know whether everything that you have said with regard to a foreigner doesn't apply to a Canadian. If a Canadian owns 51 percent of Manitoba land - one Canadian - do you not think that that man would use his wealth and land holdings to influence the policies of the Government of Manitoba?

MR. BOS: I have no disagreement with you because that's what I said in my brief primarily, although I don't have the same fear of Sid Green owning a quarter section next to me, you know . . .

MR. GREEN: Okay, go ahead.

MR. BOS: . . . as I would of some foreign entity that owns that land which will never be Canadian in all probability again.

MR. GREEN: You know, you can have the same laws vis-a-vis the devolution of estate of a foreigner who has land in Manitoba in terms of breaking it up as you have with the devolution of estate or estate taxes on a Manitoban who owns the same land. I am legitimately of the same fear that it is quite possible that you will have a Canadian who owns 51 percent of the land in the Province of Manitoba, although, you know, either one is, as Mr. Jorgenson said, a bit remote from the figures that we have got and I am not arguing with Mr. Jorgenson on that, I happen to agree with him, but that I would think that the fact that my tyrant - and I'm sort of paraphrasing your logic - I would be just as unhappy if my tyrant were some Manitoban who owned half the land in the Province of Manitoba, and I have to say to you in all deference to the fact that you are not afraid of me, that there would be many Manitobans who would be afraid if Sid Green owned half the land in the Province of Manitoba.

MR. BOS: I wasn't suggesting half the land, Mr. Green . . .

MR. GREEN: Well 51 percent.

MR. BOS: . . . I was suggesting that you merely own a quarter section. Anything more than that, we might be in trouble.

MR. GREEN: Right, and I happen to agree with you. You said - as a matter of fact you went further when you related it to myself - you said a quarter section next to me, living on it, and I agree . . .

MR. BOS: No, I didn't mean that, I meant that you as a resident of Winnipeg with no farm background, no farm connection at all, I wouldn't be too concerned of you owning a quarter section or a small parcel of land next to me or anywhere else in Manitoba for that matter.

MR. GREEN: Right. And then let us say that because I did like many other Winnipeggers did, I went to live in Los Angeles, I still had that quarter section next to you and I took out . . .

MR. BOS: You're still a Canadian citizen.

MR. GREEN: No, and I took out American citizenship, what difference . . .

MR. BOS: Then I think that there is no Canadian benefit whatsoever, you know. If you're a Canadian citizen living abroad, you're still a Canadian, you're still part of Canada as

(MR. BOS cont'd) a country. If you reject Canada as your country, if you have that little concern for Canada as a country, then I suggest you have no right owning that land and it should be expropriated from you forthwith.

MR. GREEN: Now are you aware that there are many Canadian citizens who have purchased land in Florida and in Arizona and different parts of the world - Canadian citizens who have purchased land in Florida, in . . .

A MEMBER: The Bahamas.

MR. GREEN: Bahamas, that's right, in the various parts of the world. Do you think that this is wrong?

MR. BOS: Mr. Green, when I consider the wealth that may be flowing home from them I have to think twice about it. However, if these countries see fit and have no fear of Canadians as foreigners buying up their land, then I don't think that we as Canadians have the right to interfere politically in those people's thinking by starting to develop policies here that are affecting their policies down there, which we would be doing if we did anything other than to continue to allow Canadians to own land abroad, if these countries so wish.

MR. GREEN: I'm perfectly satisfied that I am not going to get anywhere with you, therefore I ask you the question that your much greater concern, although you have a concern with regard to foreigners owning land in the Province of Manitoba, that am I correct in assessing that your greater concern, that it is much more a problem that there are non-resident users of agricultural land in Manitoba, regardless of whether they are Canadian or foreign; that that is the greater concern.

MR. BOS: Non-resident users of . . .

MR. GREEN: That there are non-resident owners of land in the Province of Manitoba who are not using the land regardless of whether they are foreign or Canadian.

MR. BOS: Well I may have misinterpreted your question, it doesn't come home quite right to me, but I am assuming that you're saying that if you own a piece of land in the Dauphin municipality and it's lying wasting . . .

MR. GREEN: No, let's say I am renting it.

MR. BOS: Renting it out.

MR. GREEN: Yes.

MR. BOS: No, that is not a greater concern than foreign ownership to me.

MR. GREEN: So you see that the fact of a foreign owner, no matter how the land is used, is a much greater concern than a Canadian owner who may not use it properly at all?

MR. BOS: Yes. I would much prefer to have you own the land and not change it from agricultural use, but just not practise good management eh? Because if you don't practise good management, Mr. Green, you won't own that land very long.

MR. GREEN: It depends on the length of my purse.

MR. BOS: Well, Mr. Green, if your purse is that long we will gladly extract whatever wealth is in it.

MR. GREEN: Then I gather that what you are saying - you know, let's carry this through just as far as you want to carry it - that I gather what you are saying is that the way to dispossess non-resident owners of land, of their land, is to tax their wealth?

MR. BOS: Well if you are going to control that parcel of land to the extent that you're going to see to it that it is not being properly managed, then it is going to cost you money to do that.

MR. GREEN: But you say that if my purse is as long - I want to keep it - then the way to get me off that land is to tax my wealth.

MR. BOS: I'm not saying to apply a specific tax to you, but through your mismanagement it is going to cost you money, and in time it is going to cost you your purse, regardless of how long it is.

MR. GREEN: Well, you know, I'm only taking that, sir, from your previous answer, that if your purse is that long, we will be glad to tax it away from you.

MR. BOS: No, I said take it away.

MR. GREEN: Take it away? I see.

I thought that when you were saying "take it", you were saying take it like through some taxation policy.

MR. BOS: No, no, you will spend it to maintain your right to that land.

MR. GREEN: In view of the fact that this is a difficult question I want to make sure that

(MR. GREEN cont'd) I understand you completely. That a foreign owner of lands who rents it out in Canada, in Manitoba, is more to be feared than a Canadian owner of land who rents it out in Canada, even though both of them do not reside on the land?

MR. BOS: There's one thing. I don't particularly care for your phrase "fear", you know; fear I don't think really enters into this.

MR. GREEN: Concern then.

MR. BOS: Concern, yes, would be a much better term. Yes, that's right, I am concerned about foreign ownership of my children's heritage.

MR. GREEN: All right. Now if you were satisfied, which you appear to be from your brief, that land is being tied up into fewer and fewer hands - and let us assume that they are not foreign, that they are Canadian - would you be happier with a public owner of numerous acres of Manitoba land, or numerous sections, as against a private owner of numerous sections of Manitoba land, even given the fact that that private owner is a Canadian?

MR. BOS: I listed several things here that I felt would have to be done, and fairly quickly - I'm not saying in the next six months but in the next five years, you know, maybe two years but whatever time, eh? - that should be done, and if we can accomplish this under a quasi private ownership, fine; this is most acceptable.

MR. GREEN: Right.

MR. BOS: However, if we cannot accomplish it under a quasi private ownership of land then we're a lot better off in my opinion, and the opinion of the Board, to start moving towards a common-land policy, which is in fact a public-land policy, with those things that I said should be in the legislation, plus more, to protect the rights of the individual and the community at large.

MR. GREEN: Yes. So if I can be quite specific, if one was to assume that in ten years time that land was going to be concentrated in the hands of fewer and fewer people, and let's say that there would be landowners owning 30 and 40 sections of land, which they then rented out, that I gather you are saying that you would prefer that that be held publicly rather than it be held privately?

MR. BOS: Most definitely. If the condition were right that we were to wind up with that size or larger tracts of lands in the hands of private owners where they were importing cheap labour into this country to farm it or to use me as cheap labour to farm it, I most certainly would rather lease land from the Crown under the right conditions than I would to wind up being in the hands, you know, at the mercy of a private individual.

MR. GREEN: Well it wasn't so bad after all, Mr. Bos. Thank you very much.

MR. CHAIRMAN: Mr. Graham.

MR. GRAHAM: Thank you, Mr. Chairman.

After that lengthy debate I'm a little bit fuzzy on some of the terms that you used in your brief; I haven't got a copy in front of me, Sir, but you referred to non-resident owners several times. I want to try and establish what you consider to be a non-resident owner. For instance, if I owned a half section of grainland in one municipality and rented a section of pasture land in another municipality, would that be considered non-resident land?

MR. BOS: No. I wasn't specific enough, or we weren't specific enough in the brief. We should have had a third group, and that is the non-resident owner, the non-resident owner operator, non-resident operator.

MR. GRAHAM: Then you're more concerned about a non-farming owner rather than a non-resident owner? That was the point . . .

MR. BOS: No, there's a difference, because you can have a situation where the man owns that farm for speculative purposes, and he could be even resident in the close proximity, you know, but he's not a farmer; his intentions are, you know - what we're looking for is resident owner operator, or non-resident owner operator of farmland. These are the criteria that we want. We don't want someone who possibly in that \$9,000 acre land just south of Winnipeg, they buy up a tract of land there, actually become resident on that land with the sole intent of parcelling that land out as the city grows down the Red River Valley, eh? I think these are speculators and these are people that have to be controlled, along with non-resident owners.

MR. GRAHAM: I'm thinking in terms maybe of - it was brought up at the previous meeting about many farmers in the St. Francois area immediately adjacent to the west end of Winnipeg, where we were told that many of them were farming the land quite actively but they were living in Winnipeg. That is not a concern of yours?

MR. BOS: Why should it be?

MR. GRAHAM: No.

MR. BOS: I mean, he's doing what comes best, eh?

MR. GRAHAM: You would consider a farmer to be one that holds a Wheat Board permit, or something of that nature?

MR. BOS: Oh, we've got lots of farmers that don't have any grain.

MR. GRAHAM: Yes.

MR. BOS: And they're good farmers. In fact a man on three acres in some areas of Manitoba can make a very good living farming.

MR. GRAHAM: Yes.

MR. BOS: In other areas of Manitoba you need 30,000 acres to make a good living farming, you know. I mean it's . . .

MR. CHAIRMAN: Order, please, just for one second. There's a long-distance call downstairs they're holding for Leslie Samuch (?). They're holding the line. Is Leslie Samuch here? No.

MR. GRAHAM: May I proceed now, Mr. . . . ?

MR. CHAIRMAN: Proceed, Mr. Graham.

MR. CHAIRMAN: A second point that you were talking about. I believe at the beginning you said that you were a tenant at one time.

MR. BOS: Yes.

MR. GRAHAM: Do you presently - now again I want to say you don't have to answer this, I may ask you a personal question, you don't have to answer it. Are you an owner of land at the present time?

MR. BOS: I am. Well, let me qualify that. I'm something like Bill Forbes, eh.

MR. GRAHAM: Very good. You changed from a tenant to an owner relation . . . ?

MR. BOS: I was a tenant in an urban setting; I wasn't a tenant as a farmer.

MR. GRAHAM: Oh.

MR. BOS: Ever since I've been farming I've been buying land.

MR. GRAHAM: Your purpose in ownership of land, is it a pride of ownership - does that make you a better farmer than if you were a tenant farmer?

MR. BOS: Your question is, am I a better farmer? No, I don't think it matters very much. I rent three-quarters, four-quarters of land, I farm three-quarters of my own. The complaints I get about some of the taxes that have to be paid on the rented land would suggest that maybe I'm a better farmer for them than I am for myself.

MR. GRAHAM: Well what is your main purpose then in owning land? Is it security of tenure, or security for your old age?

MR. BOS: Under our present system it is the only way that you can have some security of tenure, eh, is to start buying that land. If you rent that land you pay rent for X-number of years and at the end of that time you're out, eh? So under our present system and the present financial condition of agriculture, you are almost obliged to buy land, at least at the time that I purchased land there was no other alternative really. If you wanted to farm you had to own land and then you could rent small parcels of additional land. I don't have a burning drive to own land that I rent at all, but if I have to own it to maintain my accessibility to it, then I shall have to sacrifice more of my income, take it away from our living and stick it into farming, into more land. Which, in my opinion, as I stated in my brief, is almost like shoving it down a rat hole.

MR. GRAHAM: Then your number one concern to me appears to be the non-security that exists in any lease arrangement. That's the main problem is it?

MR. BOS: Yes. I would suggest you have no real security on leased land. Like equipment can run a man easily \$100,000 today, eh? I bought a tractor last fall, \$18,500.00. Now if all of a sudden three-quarters of my land is taken away from me and I'm left sitting on a half section with an \$18,000 tractor, that damn thing's pretty near as big as the quarter section of land.

MR. GRAHAM: Then you wouldn't object to any changes in leasing arrangements which did give security of tenure - the reason I ask the question is we do have, at least the committee does have copies of the Manitoba Agricultural Credit leasing arrangements, which in the opinion of some are very very nebulous to say the least, there's very little security of tenure, in fact it says if you should die at any time, the lease is automatically terminated immediately.

(MR. GRAHAM cont'd) Would you like to see some of those agreements changed to give a security system in the farming industry?

MR. BOS: I don't know what the present Act reads like because I haven't been involved in it for about four years now, or three years. About three years ago I think it first came out, eh, this land - two years, two or three - the land bank in Manitoba, and at that time I went to see the MCC people, because I felt that if the material that was being presented publicly was indeed a fact, I would be wise to actually sell my land to the Crown and rent it back. But when I approached the office I discovered that the rent was five percent for, I think, two or three years, then it was to move up to a level approximating what the province can get money for, which would be somewhere in the vicinity of nine percent, plus my land taxes, and the total rent that I would be paying at that time on that parcel of land - I had purchased it for \$40,000, if I sold it to the Crown some eight or nine years later for \$40,000, the rent on that land would be \$4,000 approximately, plus taxes, which would be another, roughly \$1,000, that's \$5,000 rent on that - and at that particular time I was paying much less than that to other landlords and they paid the taxes and improvements. So I couldn't see how it could benefit me in any way under those conditions to sell my farm to the Crown.

MR. GRAHAM: I believe you also stated some place in your brief there that you felt that non-payment of rent should be the only criteria used in cancellation of lease.

MR. BOS: Yes, with the added clause. Now I didn't have it worded very well I must admit. That if a person was to cease renting that parcel of land he could also be evicted so to speak. I mean it wouldn't be right that he could maintain any control over a parcel of land that he wasn't wanting to rent; with the exception of aged persons who had maybe farmed that particular parcel of land for 20 or 30 years or 40 years. They should be allowed to maintain residence on the farmstead if they so desired.

MR. GRAHAM: Now I want to ask you another question because you have been involved in both fields, both in ownership and rental. And we'll take a hypothetical case. Supposing you owned a half-section of land and rented two sections, probably the two sections you rented were maybe pasture land, the half section you owned you did grow grain on it and you were operating a very good cattle operation, but that cattle operation would be entirely dependent on the ability to rent the two sections of grazing land which went along with your other operation. Do you believe that it should be the right to sell the lease for the two sections of grazing land along with the half section if you chose to sell your farm? Without the two sections of hay land you would have nothing, but the two together have to make an economic unit. Would you think that would be carrying it a little too far?

MR. BOS: That I, as a private individual, should be allowed to sell a lease from somebody else?

MR. GRAHAM: Supposing you have a 21-year lease or a 14-year lease or something like that on land and you are operating that as part of your farm. You own a half section and you've got a good cattle operation but maybe you broke a leg or something and you can't carry on your farming operation any longer. You can't sell it just as the half-section. The leasing of the other two sections of grazing land is the determining factor in whether you can sell that farm or not. Should you be allowed to sell the remaining portion of that lease?

MR. BOS: I don't think that you should have the right to sell the remaining portion of somebody else's lease. You know . . .

MR. GRAHAM: It's your lease.

MR. BOS: There's a third party involved. I would feel under those conditions, I'll use an example: supposing that I had myself and my father, and it was this arrangement, and I decided I wanted to sell my farm and I leased these two sections from him, then what you're suggesting is that I would have the right to sell my farm and arbitrarily take that lease I have arranged with my father and transfer it for a price to a third party?

MR. GRAHAM: Well the price is something that is . . .

MR. BOS: I don't agree with that at all, no, I wouldn't think that I'd have any right to make financial gain out of a lease agreement between myself and my father or any other individual or any other group.

MR. GRAHAM: No, but even though that lease is the sole determining factor in whether or not you could operate your farm.

MR. BOS: Well I would think that if that were the case then a proper clause in that lease would be that the person buying my farm would have first option to pick up that lease if he so

(MR. BOS cont'd) desired. But for me to actually extract wealth from another individual for something that's not mine I disagree with.

MR. GRAHAM: It isn't a question of extracting wealth, it's maintaining a viable operation.

MR. BOS: I won't split hairs with you but I would think that I'd be extracting wealth.

MR. GRAHAM: I was referring specifically to a clause in the agreement of the MACC where it says, Where the lessee already owns land he may sell all or part of the land he already owns to the lessor; but if he sells any part of it to anyone else the lease is automatically cancelled.

MR. BOS: Well you mean like if I have a half section I own and from the Crown I lease another section of land, that if I sold one quarter to another individual the entire lease would be void, eh?

MR. GRAHAM: Yes. Does that scare you?

MR. BOS: Can I stand on the Fifth Amendment on that?

MR. GRAHAM: You don't have to answer.

MR. BOS: No, it's one that I haven't come across; I'd have to do some thinking on it to really give you an answer. It doesn't, you know, off the top of my head it doesn't sound right but then on consideration I might change my mind. I wouldn't want to be real definite on that one. That's kind of a screwball.

MR. GRAHAM: Some of the reasons I'm asking these questions, I do have some concern for some of the provisions that are written into this. Leasing arrangements and . . .

MR. BOS: Well I think the little I've seen of the Act, or the Agreement, well whatever this Manitoba Land Bank is called. I feel too, you know, I have some reservations about it. I don't have any reservations about a concept of public ownership, that doesn't frighten me, but I want it on proper terms. I don't want something that's ad hoc, that is going to hurt an individual or hurt a group of people. So if that particular document needs brushing up, you know, let's brush it up, eh.

MR. GRAHAM: I think that these hearings can get some of that information and I would hope that we would be able to bring forward a better type of lease arrangement than the present one.

MR. BOS: Well I would think so if what I'm hearing is true.

MR. GRAHAM: Thank you very much, Mr. Chairman.

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: Yes. Mr. Bos, you had indicated that every one has a right, or should have a right to access to land. What are the current obstacles to that right as you see them, and what would be your recommendation to government in dealing with those obstacles.

MR. BOS: Well I think that it is fast becoming a situation where people can't afford land, that this is one major obstacle in people having access to land. Now when I say access to land, if the situation is such that all the land is in the hands of private owners and the people living in tenement dwellings in cities, they have no right of access to any land in that city that they can, you know, comfortably go to and say that I can lay on my back and look at the stars if I want to, eh. And if they want to move out of that situation it is economically impossible for many of them.

MR. USKIW: Maybe I should be more specific, Mr. Chairman. With respect to agriculture let's deal with rural land, let's deal with the desires of young people to maintain themselves, you know, for the foreseeable future within the industry as farm managers, farm operators, but who don't have capital resources to do that. Let's assume that you have three sons that would want to branch off, they want to leave your farm at some stage in life and chart their own course; what do you see as an obstacle to them today and what do you see as a solution to that problem.

MR. BOS: Well one of the things that concerns me and has affected myself as an individual is that we have produced large quantities of agricultural products and we have not received a proper price for that product, I think that if a young fellow wants to farm today with some of the disturbances that are in the marketplace, he is going to be very cautious about taking on the job that he wants, which is farming, and I think that we have to start somewhere and I don't have any pat answers for straightening out the mess the marketplace is in. I just don't have them.

MR. USKIW: I'm talking about the . . .

MR. BOS: Ah, but that's an obstacle, Mr. Uskiw, to a young fellow getting his land, that's a very definite obstacle.

MR. USKIW: But let's assume that those were not there but he still needs mortgage financing, that's my point.

MR. BOS: Oh, well, as I said in the brief then, that public money should be graduated for large loans for low gross income farmers to nil for large gross income farmers and public money should be used to help beginning farmers regardless of age - young or middle-aged. I mean there are people who are your age that want to start farming.--(Interjection)--Well then Mr. Green or Mr. Jorgenson or . . .

MR. USKIW: No, but that isn't the current situation. The current situation is that not everyone can borrow because of lack of equity, lack of investment of their own . . .

MR. BOS: My point exactly. Public money should be used to help beginning farmers get started in the form of loans and grants regardless of what his equity is. He should be, in some way be given the right to try, eh? Now if he's incompetent or incapable that will be discovered in due course.

MR. USKIW: You're saying that the public should finance 100 percent the purchase of a section of land and the machinery that goes with it and so on?

MR. BOS: To a certain class of people, yes. I'm not suggesting that if I have 10 sections of land and my son wants to start farming that you should loan him enough money to start, you know, I think that you have to have someone that is on his own hook so to speak; if we're going to maintain the present system, that this is where the public money should be going is to encourage these people and to help them start farming. I don't think that farmers that are already in the game and fairly well off as far as land base goes need any help whatsoever to buy more land and to drive prices up, because this is some of our problem, that people like myself that are established, we have a land base and now we can go to the government or to other lending institutions and get money because we've got the collateral, eh? And I don't think that public money should be used for this purpose. I should not be able to get a loan from the public purse to increase my holdings when I've already got what I consider an adequate farm.

MR. USKIW: Now the lease arrangements as were alluded to by the Member for Birtle-Russell, he alleged that there was an automatic termination of a lease on death; you indicated that you were not familiar with the terms of the lease program. I thought it might be appropriate for me to advise you that that is not the case, that not only is there not automatic termination but there is the right to pass on the lease to next of kin, and that is in the policy guidelines that govern the board of directors of the MACC which perhaps should be enshrined in legislation I would like to get some comment from you on whether we should enshrine those provisions in an act to satisfy you that there is continuity, or at least if not there then in the lease agreement itself or whatever. But they are in the present guidelines of the corporation.

MR. SPIVAK: Mr. Chairman, just on a point of clarification because I think it will be important. My understanding is Mr. Uskiw is saying that the policy guidelines of the Manitoba Agricultural Credit Corporation is as he just announced but it isn't contained in the leases that are signed.

MR. CHAIRMAN: That's what he stated.

MR. SPIVAK: That I would think in the witnesses terms would be acting like a "skinor".

MR. USKIW: That's ridiculous. Again to get back to the question I put. Would you like to see those provisions enshrined in an act of the Legislature under some legal framework that you could rely upon into the future, or would you think it would suffice to build those into the lease agreements only?

MR. BOS: Well I'll admit that when you start talking in terms of legislation and the legality of certain documents and that, I'm a little in over my head, there's no doubt about it. But if it is in the opinion of the legal minds in government that this can be put into a lease agreement which is good then it might be all right. But leases can be changed pretty easily I would suspect.

MR. USKIW: My point is that to assure continuity or at least have confidence in the lease arrangements, that an act of the Legislature at least would have to be changed by another act of the Legislature which would be added protection to the lessee and therefore some government at some day to change it would have to bring in a measure and which would have to be debated in the public arena before it could be changed. That's why I'm asking whether you would think it's desirable to bring about those kind of provisions in the MACC Act so that the general public has the assurance that before they can be amended in any way, shape or form that an act would have to be brought forward into the Manitoba Legislature.

(MR. USKIW cont'd) Because we are considering bringing amendments to the act that I refer.

MR. BOS: Yes, that's what I said, Mr. Uskiw. That if you change the lease to correspond with my thinking it's still only a lease and lease arrangements can be changed for the future date, eh. So I would think that those protections that I have listed here are a vital part of any Crown ownership of land in regards to the rights of the lessee and I think that only through legislation can we have that protection. It is the only democratic way, I would think.

MR. USKIW: Just one other point. I think it should be worth noting that the analogy that was drawn here as to contracts between farmers and processing companies by Mr. Jorgenson, the point was missed that there was a guaranteed floor price by the Government of Canada on the price of sugar. That's a little bit different than a private arrangement.

MR. JORGENSEN: That's a fact, it was the Diefenbaker government that brought the floor price in.

MR. USKIW: It doesn't matter.

MR. BOS: Could I respond to that. It was also the Diefenbaker government that brought in the ability of farmers to sell to the feed mills.

MR. CHAIRMAN: Mr. Henderson.

MR. HENDERSON: Thanks very much, Mr. Chairman, but I really feel my question's been covered pretty well by Mr. Graham and by some of the ones of Mr. Uskiw. There's only one further one possibly. Do you think that corporation farmers that are non-residents is really any problem -- is it much of a problem around here? Is there many areas . . .

MR. BOS: You mean like Labatts or . . . ?

MR. HENDERSON: Yes.

MR. BOS: No, I can't think of any here, but I do feel that there is a certain trend towards not these companies actually owning and operating farms, I think they're a little too smart for that. If I was a corporation what I would do is to set up the central body, an important area, and have the so-called private owner-farmer do my biddings under a contractual arrangement, so that I actually have control of the land and the production under contractual arrangements. I think that this is what we are going to see in the coming time if we allow our present land policy to drift.

MR. HENDERSON: I see. In other words, you're suspicious of the . . . ?

MR. BOS: Yes, I say it's subtle, it hasn't really surfaced yet but I've seen some signs of this.

MR. HENDERSON: Yes. Under this former arrangement where we have many landlords that are non-resident now and rent to fellows like you yourself, I think you would find it only fair to say that most of those landowners are fair people to deal with, that they aren't getting more than if they're getting interest on their money and their taxes. That they're holding this land more because it's something that they want to keep pride in, they want to keep ownership in?

MR. BOS: Well if you're referring to retired farmers and this type of thing, they're possibly non-resident owners, many of them are still resident owners, but they have a direct link with the soil and I don't think that anybody wants to dispossess them of that particular link. I wouldn't suggest for a minute that this is what we should be doing.

MR. HENDERSON: I'm glad to hear you say that. Thank you.

MR. CHAIRMAN: Mr. Green.

MR. GREEN: I believe I just have two short areas that I can get over with quickly I hope. They refer to the Manitoba Agricultural Credit Corporation lease - I'm not directly acquainted with every part of it but I understand that that is a lifetime lease. Is that correct? My understanding is that it is a lifetime lease.

MR. USKIW: Age 65.

MR. GREEN: Well age 65. A man could take it out at 20 or 25, so he'd have it for 40 years. That the lease is at 5 percent of the capital value.

MR. BOS: For how long?

MR. GREEN: Till age 65.

MR. BOS: Five percent till age 65?

MR. GREEN: No, no excuse me. No, that's correct. The five percent is for the next three years. I'm sorry. The other part of it, it is at the interest rate at which the best

(MR. GREEN cont'd) borrower of Manitoba - that is the Crown - is able to get money.

MR. BOS: Is there not also in there, Mr. Green, a clause that every five years the land will be re-evaluated and the rent will be charged accordingly so that any benefits that accrue in rise in the capital of that land accrues to the Crown instead of to the lessee, and also the lessee then is to pay another raise in the rent in accordance with that. So that if I was to sell my farm, any benefits that were to accrue in a rise in land prices would be transferred automatically to the Crown and I would be charged rent on those particular increases?

MR. GREEN: My understanding is that the lease gives you security on the land for the lifetime or till age 65 as has been indicated - I'm sorry, that is not a lifetime and I hope everybody lives till 120 as we say - that you are given a lease until age 65 and that the philosophy of the lease is that you will have a rent which is based on the market value adjusted every five years at the lowest interest rate that the Crown gets money on and that you start in at five percent. Would that be right?

MR. BOS: Yes, that's my understanding.

MR. GREEN: Okay, I'm sorry, then I should have been more specific on that. We now both have the same understanding. Your existing lease that you have with a private owner is for how many years?

MR. BOS: The ones that I have are within the family so they're annual.

MR. GREEN: Annual leases.

MR. BOS: There's no written agreement or lease, but at the same time I would consider that the life span of the owner is the length of my lease.

MR. GREEN: Because it's with . . .

MR. BOS: In the family.

MR. GREEN: In the family. Given your knowledge of normal agricultural leases between persons who are not related, would the lease of the Manitoba Agricultural Credit Corporation compare very favourably with a private lease in terms of security?

MR. BOS: Only in one area.

MR. GREEN: Which area is that?

MR. BOS: And that is that you have access to that land for a specified length of time which would be 20 years, 40 years, 50 years, whatever, eh, to age 65.

MR. GREEN: In other words, that is the only area in which it compares favourably?

MR. BOS: In my opinion that is true, unless I've been misled by individuals who are responsible for putting information out on the lease. I have not seen a written document on a lease, I haven't seen any material on it, all I've got is what I was told when I approached people on the Manitoba Credit Corporation board and people who were in the offices of the Manitoba Credit Corporation.

MR. GREEN: What would you say that the average private lease in terms of years is that a farmer gets?

MR. BOS: It's usually a three year lease with a renewable clause.

MR. GREEN: Three years with an option to renew for another three years?

MR. BOS: That's right.

MR. GREEN: Which is a total of six years.

MR. BOS: Well that option goes on and on and on really.

MR. GREEN: Legally? I mean you were worried about this, you were suggesting that if it's not in the lease, the Honourable Leader of the Opposition says it's an "skinnee" and I want to know whether in a private lease if the option is not there, listed in the lease, that you feel that that option continues indefinitely?

MR. BOS: I said that . . . -- (Interjection) --

MR. CHAIRMAN: Order please. Mr. Spivak I'll put you on the list. You will have the opportunity to . . .

MR. GREEN: You said that because the policy of passing on to the next-of-kin after age 65 is not in the lease, that shows that the farmer is being skinned by the Manitoba Agricultural Credit Corporation.

MR. SPIVAK: Mr. Chairman, just to make it clear. I said that if there is a policy of the Manitoba Agricultural Corporation which is a guideline under which they are going to operate and the leases that have been signed do not contain that policy, then I think that in terms of the witness they could be called a skinor.

MR. GREEN: Skinor. So that a farmer would be a skinee. And I'm suggesting to you that if there is a three year option with an option to renew for three years and that is not contained in the lease that that option goes on indefinitely, then in your language the landlords who are giving those leases are skinors by your definition. Well this is what is being said by Mr. Henderson here that despite the fact that the option is not perpetual in the lease he's going to get it perpetually anyway and therefore it doesn't have to be in the lease. Now in those private leases that you are talking about is there a suggestion that after the lease has expired that there is a - or, yes, at the expiration of the lease term that there is a guarantee that the next-of-kin will be able to inherit that lease? Is there such a . . .

MR. BOS: No. Not as far as I know.

MR. GREEN: So then by Mr. Spivak's definition these people are skinors?

MR. BOS: I don't have possession of one of those private leases.

MR. GREEN: I'm going to leave the subject. I don't want to have a debate. I want to ask this last question. You appear to be very concerned with foreign ownership. You appear to be less concerned about public ownership although you say that there should be means tried to provide tenure under a private system.

MR. BOS: I don't believe that you have what I said exactly.

MR. GREEN: Well is this not correct, that you said a common ownership principle should be gone into if there is no system devised whereby it can be handled under the private system?

MR. BOS: I said that if it is . . .

MR. GREEN: Well would it be correct - I don't have to get to your act George. I've heard the statement . . . You are a farmer in Manitoba?

MR. BOS: Correct.

MR. GREEN: I've heard the statement that farmers in Manitoba are less concerned with foreign ownership than they are with government ownership. Is that correct?

MR. BOS: Not in my mind.

MR. GREEN: Well you are a farmer in the Province of Manitoba. So the person who made that statement at least was not speaking for you as a farmer in Manitoba.

MR. BOS: That is correct.

MR. GREEN: Fine.

MR. CHAIRMAN: Thank you Mr. Bos. Mr. Jorgenson.

MR. JORGENSEN: . . . question: You suggested that it would be desirable if in the private lease you had greater security of tenure. Do you think that it would be wise to have contained in the long-term lease a fixed rental rate knowing the variability of agricultural income, knowing that from year to year those conditions which would warrant a change in the rental rate would be dictated by those economic conditions. Would you not think that a better arrangement would be a long-term lease which would carry in it a provision that the rental rate would be negotiated each year? -- (Interjection) --

MR. CHAIRMAN: Order please.

MR. JORGENSEN: No, cause there's a greater danger that you could sign the long-term lease at the high rental rate and if conditions should deteriorate in the agricultural industry you'd be stuck with a high rent and perhaps a very low income.

MR. BOS: The one lease that I have that is not family is based on a clause in it that with one year's notice either party can end said lease. And it is based on an annual rent that was set at the time the lease was taken and at any time that someone becomes unhappy with that they have but one year and the lease will expire. With notice.

MR. JORGENSEN: Thank you very much.

MR. CHAIRMAN: Mr. Adam.

MR. ADAM: Thank you, Mr. Chairman. Arvin I want to congratulate you on your presentation. You're still in good form I can see. I wanted to ask you a couple of questions. You seem to be quite concerned about foreign ownership. Obviously what has happened in agriculture over the past few decades where we've seen the depopulation of rural areas, the TED report indicates that by 1980 there will be only 20,000 farmers left in Manitoba. Active farmers, family farms. This to me indicates that there's a problem in transferring of land, and considering the average age of the farmers on the land today, which in your opinion is the highest priority - to come up with a policy of land transfer or do you think that the foreign ownership is of greater concern?

MR. BOS: I think, Mr. Adan, that we are really walking around the real issue when you talk in terms of land transfer, my concern over foreign ownership over this or that or the next thing when it comes to the depopulation of rural Canada. Because the cause of depopulation of rural Canada is not so much land transfer problems or probably even foreign ownership problems, but it is a problem of adequate or equitable financial return from a man's labour and capital invested in his farm. Men that I worked with some 10 and 12 years ago are now earning fifteen to two thousand dollars a month and there is no way that the return from my investment in land and machinery is returning me anything like that per month. And I have a capital investment in land and machinery that is fairly sizeable. That's where the real problem is, is that we do not get sufficient returns for our production.

MR. ADAM: Therefore then Mr. Bos you would say that we should be trying to modernize the marketing system, or is that up to the farmers themselves?

MR. BOS: I think that to a large extent it is the farmers' own responsibility, to a large extent. However, I think it is the jurisdiction of the Federal Government to give us a climate that is going to encourage farmers to develop and create better marketing systems for their products. I think it is the responsibility to some extent of the provincial governments to do that, but not in the same degree as the federal.

MR. CHAIRMAN: Mr. Adam I think, you know, this is possibly a worthwhile field to get into but I think at this particular time we are concerned about land use, not the actual marketing field.

MR. ADAM: I'll come back, I'll come back to ask you - of course you don't have to answer, but in your opinion do you feel that the land transfer, and that's why we're here today - would not be more important than foreign ownership at the present time. You don't have to answer Arvin if you don't want to.

MR. BOS: I think that you're putting two things up on the blackboard and asking me to choose which one is most important. They're all important, eh. I think that the problem in the past has been that we've picked one specific item and everybody runs after it and deals with it, you know, you have a real flurry of legislation involving one particular small segment of agriculture. I think that this has been the failing in agricultural policy in Canada for generations. What we have to do is to start looking at the whole problem, and transfer of land is certainly one part of the whole problem. Foreign ownership is one part of the whole problem, non-resident ownership is part of the whole problem. On and on. They're all part and parcel of the same problem. If a doctor is going to treat you for a disease he doesn't take out your liver if it's your heart that's wrong, eh. He treats the whole patient, it's the body he treats, not just a specific area. And this is what we have to look at, is the problem as it is presented on the whole instead of ad hoc. And that includes land use right down to how and where we're going to develop urban settings, where we're going to develop industrial land, where we're going to have natural habitat, where we're going to have resort areas. These are all part and parcel of the same problem, and if we don't tackle the problem as a whole we're going to fail.

MR. ADAM: That's a very very fair comment I would say. Just a couple more questions. One is, supposing that you had a section of land that was worth \$40,000 and because of some public investment - a two-lane highway or a four-lane highway going by your door all of a sudden - and because of this public taxpayers' money of a road or other thing going next to your farm, your farm is suddenly worth instead of \$40,000 it's worth \$60,000. Who should benefit from that sudden windfall?

MR. BOS: Well, you know, which hat do you want me to wear at the moment? The way I really feel would be that the public interest, the increase that unusual increase in land value should not belong to the speculator. I did try to before when I was writing this brief, try to work out a formula that would deal with speculators and I didn't feel that it was really what was needed here today but I felt that any land that was purchased or a specific item like what you describe came to pass that perhaps a small percentage increase over the real agricultural value of that land be allowed to the owner or speculator and after that the tax on the balance would be sufficient, that he would wind up with nothing, other than, you know, the capital gains tax would take care of pretty much everything over and above the real value. I don't think we should allow speculators or profiteering of farmland, or any other land at the expense of other people.

MR. ADAM: Well Arvin you've added to my vocabulary and that the word skinee now

(MR. ADAM cont'd) becomes part of my vocabulary. Thanks very much.

MR. BOS: I had great difficulty thinking that one up, you know.

MR. CHAIRMAN: Thank you, Mr. Bos.

MR. BOS: Thank you very much, Mr. Chairman.

MR. CHAIRMAN: Mr. Clifford. Mr. Clifford, farmer, Dauphin, I believe.

MR. CLIFFORD: Mr. Chairman, members of the committee. My name is Larry Clifford and I operate a cattle and grain farm straddling the Ochre River and Dauphin municipal boundaries. I have done for 15 years since taking over from my father.

After reading the working paper on proposed land use I've come to realize this is probably the most important piece of legislation to be passed in many years. The paper suggests sweeping changes that are in store for the future. I feel that at this time we are not ready for the radical changes that are suggested. I would recommend that more study and time be given to this subject because many people are not aware and do not understand how sweeping this legislation could be. As we move forward we must remember that we are Canadians first and Manitobans second. The word "foreign" must be defined as to who is a foreigner and who is a fellow Canadian or Manitoban.

To me the word foreign means someone from outside the territorial borders of Canada and does not mean someone from the next town or municipality. I feel that the land resources of this country and this province should be preserved for the people who live here. This could be done very simply by controlling the sale of agricultural land to outsiders as I do not consider cousins who live in Brandon or Winnipeg or anywhere else in Canada to be foreigners. We must not allow laws that would prevent fellow Canadians from purchasing or holding land any place they see fit.

The population of the world and even Canada is increasing at a very alarming rate. We are told that by the year 2,000 there will be more than twice as many people alive as there are today. To insure that the massive population of the world receives adequate nutrition will compel us to reap maximum harvest from every arable acre. We must stop the urban industrial sprawl of our cities that are built on prime agricultural land. I would suggest that the boundaries of cities be fixed at their present borders. Expanding industry must be re-located in areas that are not suitable for agriculture thus creating new cities or population centres. An office building, a factory, a refinery or whatever could just as easily sit on a rock or sand as on prime agricultural land.

Our nation was built on freedom to the extent unheard in any other country in the world and I would suggest that we try to preserve that freedom as fully as possible. It seems to me that the family farm is the most efficient unit for the production of any agricultural commodity. Therefore, these two fundamental philosophies indicate that we should be trying to make the transfer of the family farm from one generation to the next as easy as possible. First we should raise the exemption for succession duties from 150 to perhaps three or four hundred thousand dollars on family farms, or even higher as inflation marches on. We should make low-cost interest subsidized loans if necessary for this purpose. These loans should be geared to production cycles rather than calendar years. This would enable, for example, young farmers options in early years; rather than be compelled to make land payments they could buy necessary machinery or whatever it may be necessary to operate efficiently. A formula fixing price in all classes of farm land relating to the productivity of the land should also be worked out. Maximum allowable prices could be set in this manner. This would remove the speculator from the land market and would compel people to be more realistic in pricing saleable land. It is my firm belief that the person who works the farm should also own the land rather than be a tenant, or even worse still, even a peasant if at some time the government or some outside foreign corporation or something owned all the land.

In conclusion, perhaps a restriction simply barring land ownership from people outside Canada and accelerated by the MACC would be sufficient until more study on both sides of this issue is completed.

MR. CHAIRMAN: Thank you, Mr. Clifford. Are there any questions? Mr. Walding.

MR. WALDING: Mr. Clifford, could I just get clarification as to whether you were opposed to foreign ownership of Manitoba land or not?

MR. CLIFFORD: Well just how - I'll go a little further. Who do you clarify as a foreigner? Mind you I only got a hold of that book a couple of days, I had very little time on it. I just wrote this down about two hours last night. But just leafing through it I felt that in

(MR. CLIFFORD cont'd) my mind there was some question as to really who is a foreigner. If it's someone from outside of Canada then I'm opposed to it.

MR. WALDING: That's one question that we hope to get clarification from. People have used the expression citizen or non-resident and I wanted to know how you felt about it.

MR. CLIFFORD: Well I feel it's someone from outside - as I say in here, outside the territorial boundaries of Canada. You know I really don't think that you could say someone from other provinces should be really regarded in the same manner. You know, there may have to be restrictions regarding that, too, but I think you should be a little more strict on someone from outside of Canada than someone from within.

MR. WALDING: So you would regard the criterion as residents rather than citizenship. For instance a Canadian living in Los Angeles you would term him a foreigner rather than a . . .

MR. CLIFFORD: Is he a Canadian citizen or is he . . .

MR. WALDING: Yes, he's a Canadian citizen living in Los Angeles, is a permanent resident. Would you class him as a foreigner?

MR. CLIFFORD: Do we have very many Canadian citizens living in Los Angeles?

MR. WALDING: I'm told there's about 50,000.

MR. CLIFFORD: All year round.

MR. WALDING: Oh, yes.

MR. CLIFFORD: Well then I don't really think they're Canadians if they're living there all year round. -- (Interjection) -- Well there again there's some question . . .

MR. JORGENSON: But we have Americans up here too.

A MEMBER: Oh, yes, that's right.

MR. CLIFFORD: Well I guess you pretty near got to decide where they live most of the time.

MR. WALDING: I had one other point, Mr. Chairman. You mentioned in your brief, and I can't remember the exact wording, about freedoms and preserving as many freedoms for the farmer as possible, or words to that effect.

MR. CLIFFORD: Something like that, yes; I don't know just where it is here. "Our nation was built on freedom to the extent unheard of in any other country." Is that . . . ?

MR. WALDING: Yes.

MR. CLIFFORD: "And I would suggest that we try to preserve that freedom as fully as possible."

MR. WALDING: I agree with you about preserving as many freedoms as possible but I'm sure that you realize that if you try to restrict ownership to Canadians it means taking away the freedom of those farmers who might wish to sell to foreigners. And it could well happen that a farmer wishing to sell his land could get an offer of double . . .

MR. CLIFFORD: And he'd be denied the chance of making a gain on it. Is that what you're saying?

MR. WALDING: Yes. And he might get an offer of double from a foreigner than he would from a Canadian. Would you have us take that right away from him?

MR. CLIFFORD: I think I mentioned here someplace that there should be a formula worked out so that anybody could not charge excessive prices over and above the agricultural value of that land. Now I think that would work it out . . . -- (Interjection) -- Well as I say, I'd like to preserve it as fully as possible but I realize there's got to be some restriction someplace.

MR. WALDING: But isn't value what someone is willing to pay for something.

MR. CLIFFORD: You mean in relation to farmland?

MR. WALDING: With anything.

MR. CLIFFORD: Well I would prefer to put this back to farmland. As far as I'm concerned the only way farmland could honestly be priced is its productive value. Now if you go into some other fields, the capital gains tax I think takes care of any excessive profits it's made.

MR. WALDING: If you have a - well we've heard 40 thousand dollar farm, supposing that's what you consider it's worth but someone offers you \$80,000 for it because it's worth that much to him. Now wouldn't that be its value?

MR. CLIFFORD: I'd sure have a hard time turning it down.

MR. WALDING: All right, suppose . . .

MR. CLIFFORD: Well I've never been approached by that yet.

MR. WALDING: Supposing it was worth \$80,000 to a West German or an Arab - that's what we've heard mentioned around here.

MR. CLIFFORD: I've got nothing against Arabs -- (Interjection) -- I'd like to meet him.

MR. WALDING: Would you have us take away that right of Manitoba farmers to dispose of their land in that manner if they so wished?

MR. CLIFFORD: Now maybe I stand to be corrected, but haven't B. C. passed an act that compensates fellows that have been displaced by that, or are they not contemplating that? -- (Interjection) -- Oh, they haven't done it, oh well I've got the wrong . . . You know, I hate to really say, I'd hate to be faced with the problem myself because, you know, -- (Interjection) -- Well yes and no -- (Interjection) -- I'm like anybody else, I'd like the money but on the same hand, you know, I've got a son and I would like him to be able to farm that farm after me and I'd hate to put any barrier right now to restrict someone from this or that or the other thing then be sorry about it afterwards. -- (Interjection) -- I think I've got enough already.

MR. WALDING: Thank you.

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: Yes, in your opening remarks, sir, you suggested that in reading the paper you noticed sweeping changes, or recommendations that would bring about sweeping changes. I appreciate that you haven't had time to sort of condense entirely what was in that document having had it for a couple of days, but I just wanted to draw to your attention that there are no recommendations in the working paper. There are observations which are thought provoking, and that's what the paper is intended to be, but there isn't a single recommendation. That's the reason for the hearings is to determine how we have provoked your thoughts, and obviously you have been provoked or you wouldn't be here and we appreciate your participation.

On the question of increasing the estate taxes or the exemptions, you wouldn't want any change there to be discriminatory as between an owner of farm property versus a businessman in the City of Dauphin or the City of Winnipeg; you would want that change to be universal or are you saying there should be a discriminatory policy for agriculture?

MR. CLIFFORD: I think we've got to have a specific policy for agriculture, I think for the simple reason that, you know, there's such a very small return on investment percentage-wise that as you know, a farm that would produce perhaps on a 150,000 at 3 percent would be what - \$4,500, or something like that. That as time goes on with inflation and that farm has to be worth more, it has to generate more income somehow and if that's the way it's got to be done then we've got to have two policies, sir.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSEN: Mr. Chairman, I'd like to get back to this question of the preservation of the freedoms. I presume that you know that one of the more fundamental freedoms that we have in this country is the right to acquire, to hold, and to dispose of property. You wouldn't want to see that taken away?

MR. CLIFFORD: No, basically I wouldn't.

MR. JORGENSEN: All right. Then we have two Acts: one Federal and one Provincial, and I'll read you the Federal Act - the provincial wording is almost identical to that, the Law of Property Act in the Provincial Legislature . . .

MR. CLIFFORD: The BNA Act?

MR. JORGENSEN: No, this is the Canadian Citizenship Act, and this is what it says: "Real and personal property of every description may be taken, acquired, held and disposed of by an alien in the same manner and in all respects as by a natural born Canadian citizen, and a title to real and personal property of every description may be derived through, from, or in succession to an alien in the same manner in all respects as through, from or in succession to a natural-born Canadian citizen." In other words, the very fundamental freedom that you have, the very basic freedom that you have just said now that you want to retain is also conferred upon aliens in this country. Would you want to see changes in those Acts affecting those freedoms? You know, you can justify anything on the strength of the public good, and if you can do it for land, and there's a good argument that's being made right now for some control of land, what is to stop you, you know, any government if they can justify that argument on the basis of land, that they can't justify it on the basis of your house as well. They can say, look, here is a person over here across the street that hasn't got a home.

(MR. JORGENSEN cont'd) We're going to insist that you share; in fact they can even do it with your television set. Where do you stop that once you start it?

MR. CLIFFORD: I really don't know, but . . .

MR. JORGENSEN: That's the problem we're faced with too.

MR. CLIFFORD: . . . the farmers right today are only about five percent of the population and we don't have the voting power that probably many of the urban areas have, in other words the consumers, and I think that is probably why we haven't had good pricing policies a long time ago is there's just not enough of us.

MR. JORGENSEN: Well, Mr. Clifford, one of the things that you said, I agree with. I think that before it is too late, we're going to have to come to grips with the question of land use and it seems to me that if land can be clearly designated as to what end use it's going to be put to, if we've got good agricultural land, I agree, it's got to be retained as agricultural land. We're very rapidly reaching the situation where -- well there's a crisis in food right now and there's going to be an even greater one. FAO reports that the demand for food is increasing at the rate of 4 percent a year and we are -- under the good conditions that we had in the '60s, under those good conditions we still weren't even keeping up, we were only increasing food production at the rate of 2 percent a year. So there is a crying demand for some policy of insuring that productive land is going to be retained for agriculture, and I will wholeheartedly agree with that. Do you not think then that kind of a land-use policy will, if not eliminate, make this other question of ownership of land somewhat insignificant. The fact is that a great deal of the speculation in land takes place because people want to use that land for something else other than agriculture, but if it's designated agriculture, where is the speculation going to come in?

MR. CLIFFORD: You'd remove it, I think.

MR. JORGENSEN: That's fine, that's right. I know it's a long question but I . . .

MR. CLIFFORD: I forgot the first part of it.

MR. JORGENSEN: And I apologize for that.

MR. CHAIRMAN: All right. Mr. Uskiw.

MR. USKIW: Mr. Clifford, you alluded to legislation in other areas, I believe, or was it someone else that I'm thinking of?

MR. CLIFFORD: I think I made a comment about it in B. C., that was about all.

MR. USKIW: Yes. I think the situation there had to do with land-use policy, but that too is an invasion of freedom in that where many farmers around certain communities in British Columbia thought in terms of 10 or 15 years down the road, realizing a much larger amount of money for their holdings, they were denied that by the legislation, namely, that that land was zoned permanently for agricultural use, not subdivisions for apartment blocks or housing or whatever. So that is a definite invasion of rights, there's no question about that, and therefore it had to be done in the considered public good or in the interest of public good. I think that is true in many parts of the world, the environment laws are very much along that line. All of your zoning provisions are very much along that line, so it's impossible for anyone to do something by way of legislation, almost any act of legislation has to invade somebody's rights, at least up to that point in time. And you are saying you are not objecting to that; you believe there should be some reasonable mix of private and public rights and that there is room for a great degree of modification in the area of land use and ownership.

MR. CLIFFORD: Now where you mention there the gain in the future on land that is next to an urban centre - is that what you're saying? Well now I think there should -- you know, we've got to stop the city spread or pretty soon there's not going to be anyplace to farm at all, there's just going to be nothing but city.

MR. USKIW: Well in the Okanagan Valley, it's not near a city per se but because so many of us across Canada think in terms of retiring somewhere around the Okanagan, we have pushed the value of that land up so high that the B. C. Government, oh, several years ago got involved with an ARDA agreement with Ottawa to rejuvenate the agricultural part of the Okanagan Valley, which was declared a depressed area, which is supposed to be some of the best farming country in British Columbia and most revenue-producing to that point in time, but inflated land prices put those farmers out of business, and the pressure didn't come from farmers, it came from people who wanted to buy little blocks of land to put a home on. So you know, you cannot have your cake and eat it is what I'm trying to say. If you're going to legislate, you're going to trample on somebody's rights somewhere along the way.

MR. CLIFFORD: There'll have to be compensation.

MR. USKIW: That's right. There has to be some compromise somewhere.

MR. CLIFFORD: Oh, I think there would have to definitely be compensation but to the guy that -- I don't say the speculator should get it but the fellow that has farmed that piece of land all his life, figuring on, you know, having that little nest egg to retire and all of a sudden you pass legislation, or you zone it, that he can't do that, and I think he's got to be considered to some extent.

MR. CHAIRMAN: Thank you, Mr. Clifford. Mr. Green.

MR. GREEN: I promise that my questions will be shorter than Mr. Uskiw's and Mr. Jorgenson's.

Mr. Clifford, with regard to this compensation question, you are aware that when, let's say when Dauphin has a planning scheme that all of a sudden the use that a person had of his land is limited. In other words, for awhile he could have used it as anything, all of a sudden he can only use it for a single-family dwelling even in the town, and to this date there has been no compensation paid to people whose land has been limited by such schemes. Would you say that that was unfair?

MR. CLIFFORD: You're saying that at one time he could have used this piece of land for a commercial development?

MR. GREEN: That is right.

MR. CLIFFORD: And now it's only residential development.

MR. GREEN: Right. And it's worth less because of that by the way.

MR. CLIFFORD: I guess it would be. No, I'd say that probably there's got to be some -- you know, the transition period or something, whatever you call it, they've got to be compensated for that, I would say.

MR. GREEN: Well, they have never been and the theory has been, and I'll tell you the theory, that at no time has the land really gone down in value, it just hasn't gone up as much as the person would like it to have gone, so he hasn't lost anything.

MR. CLIFFORD: No, I still say that if somebody could get X number of dollars for a piece of land and because somebody says, you know, we can't use that piece of land for this, we've got to use something else, and he's going to lose money, then arbitration or something should take effect.

MR. GREEN: Okay. What would you say that in this area would be the value of a good sized farm, the value?

MR. CLIFFORD: Around here?

MR. GREEN: Yes. Well let's say, when you say good sized, a section of land, yes.

MR. CLIFFORD: Real good land?

MR. GREEN: Yes.

MR. CLIFFORD: Machinery and everything?

MR. GREEN: Machinery and everything, yes.

MR. CLIFFORD: A couple of hundred thousand dollars.

MR. GREEN: A couple of hundred thousand. Now I understand that the succession duty exemption -- what is it now?

A MEMBER: A hundred and fifty or two hundred thousand dollars.

MR. GREEN: A hundred and fifty thousand for a single person and two hundred thousand dollars if there is a . . .

MR. CLIFFORD: If it goes to your spouse it's 200,000, if it goes to your family, it's 150.

MR. GREEN: So that would cover every fairly good sized farm . . .

MR. CLIFFORD: Is it going to . . . 15 years from now?

MR. GREEN: I'm just asking you now; 15 years from now we may meet again.

MR. CHAIRMAN: Thank you, Mr. Clifford.

MR. CHAIRMAN: Mr. Durston. Would you please identify yourself and indicate where you're from for the record?

MR. BARRY DURSTON: Mr. Chairman, I'm Barry Durston and I'm speaking on behalf of myself as a farmer. This here White Paper has come out only in the matter of about ten days or two weeks ago. There has been many people throughout the province who would have liked to studied this more and looked into it and they could--maybe the individual that would be speaking would be able to speak more as a group, with better thoughts and better ideas to present to you. I liked the thought mentioned by Mr. Cooper that the desire of having discussion groups in the area to let the people know what's all contained in it. I might say myself that these are my own opinions and I'm going to say now that I don't believe I'll be able to come up with all the answers that maybe you people are going to pose to me. And if we had met more as groups and come and met you, we would probably be able to have more answers to present to you.

Now I don't know whether I am going to present any solutions to you or maybe--I also have some questions on my mind which I believe that there's a lot throughout the province would like to know about, and it was through these discussions groups that maybe some of these questions could have been answered and maybe something presented to you.

The concern of this hearing is more along the land ownership between foreign and Canadian or local ownership, and I would also like to add to this list government-owned land. I feel that one of the first concerns is land use, and some of the previous speakers have pressed this and I feel that the questions that have been presented to them have sort of drew them away from what they really thought was important, and I feel that if this land use is maybe considered one of the important issues, some of these other issues would fall into place.

But first we should decide what this land should be best used for, and you can break that down into about five or six categories: one is farming, recreational, urban development, subdivisions of five or anywhere up to 40 acre lots, or used for roads or utilities or for natural state such as forest or wildlife, just turn it back to the natural habitat. If this first is established and left at the above recommendations for a certain period of time, say 15 to 20 years, then this would take care of a lot of the speculative out of the land prices that we are facing nowadays. If land is set aside as farming or is in a natural state, this in turn eliminates a lot of people even considering buying the land, whether non-resident, eastern Canadian, or even foreign ownership. I might say that if we had some kind of a committee or that to draw it up what the land in the different parts of the province was designated for, if it was for agriculture land then this would eliminate some of those coming in, buying it up say around the cities or for other things, buying it up at a higher price thinking of resale.

Now you have in your manuals a chart, and I would just like to present a few of these figures. I know you have them all before you but there's many here in the audience that maybe haven't even seen this chart but it's Table 27, and there has been some mention of this earlier in the meeting about how some of the small farms have been the most productive. And of the three acre or less farms there's 146 in Manitoba - these are Manitoba figures. The average acreage of this was two acres, the improved acreage was two, and the value of the product produced per acre was \$1,726.00. I'm going to bring out some other points after we get through this table that's why I'm covering it this way.

From the three to the nine acre farm there's 532 farms, and the average total acres of those is five acres and their value of product sold per acre is \$1,418.40.

Now I'm going to drop down a little ways to the bigger size farms, 760 to 1,119 acres. The average of those farms was 888 acres and the value of the product sold per acre off of those farms was \$15.97. You can see there was a great drop in value. Going on from the 1,100 to the 1,500 acre farms, the average of that is 1,280 acres and the value of the product sold per acre was \$14.33.

If you want to go down farther to the bottom farms over the 2,800 acre lot, there's 264 farms in Manitoba and the value of the product sold per acre is \$16.01.

From this table it looks as if the smaller the farm the more you can make from it. And I might say that some of these larger holdings that are included in this survey is including ranches with wasteland included in it, and they are included in the last few figures that I gave, and it is not just ranches that are included in this area there's also farms that have runs or ravines through them which cannot be farmed, or sloughs, this is considered as wasteland too. But this isn't really presented in this portion of the book.

(MR. DURSTON cont'd)

And then going on you say later with respect to productivity there's evidence to indicate that productivity per acre declines as the size of the farm becomes larger. Now this is what it looks like from the chart but I think there may be some other things that should have been entered into because it's sort of misleading to those that look at it without this other information.

Might I ask a question. If we were to all go to these here three or five acre farms, where would we find the markets for these products if we went to that size of a farm? I think we would have such a surplus in vegetables, or whatever they do on these, that those would become the unviable units. I might say, and I don't know whether this is - as I say I just received this here book last week. I haven't had time to look through it all myself, and often when one person looks through it they get one interpretation where if there was a group of people you could come to a better consensus of it. But on Page 9 - I don't know whether you would call this a recommendation from your group or not, but it says a couple of them are intensive rather than extensive use of farmland - looking as if maybe we should get away from the bigger farms into the smaller ones where there is more . . .

MR. CHAIRMAN: Mr. Durston, that is a working paper, it does not purport to make any recommendations it just . . . Proceed.

MR. DURSTON: Yes. But what I'm getting at is that this here is maybe not presenting the whole picture.

Also another one is: the more equitable distribution of farmland amongst farmers is also mentioned in this report as if maybe these larger farms are too big, they should be broken down more into viable units. I think there's some of these larger farms that if they were split into half where some of these ranches are, neither one would be able to operate.

I might like to just take one illustration here. I think the country of Kenya has a rift running right through the centre of the country where it's a wide valley, very fertile; it's operated by big landowners, and they were producing that much grain that they were able to be in the export position. Now I think that because the native people have taken over the government - I don't know what caused this change, but the native people have taken over this land now, sub-divided it into five-acre lots. They have their own house, garden, pasture, and a little field on it, and at present they are an importing country of grain. I think these are some of the things we should be looking at in the size of the farms.

On foreign ownership, or foreigners, when you speak to the people in Europe, or in other countries where it's very heavily populated and if they own land they can get three to five hundred, maybe even more, dollars per acre for this land over in these countries. When they come over here they think it's a real deal to be able to buy land at \$ 200 an acre. We think that \$ 200 an acre is a pretty high price to be paying for land, but they think that they're getting a real bargain.

What I'm concerned is that if these foreigners are allowed to come in and buy this land, and the way the situation of our present Wheat Board is that they have got full control of the handling of grain, and if this foreign ownership increased to such a place that they could go ahead and export this grain to their home country - the Wheat Board is in the operation of just the transportation of it, this could very possibly happen in the future. In other words, they'd be supplying their own country with assured, not supply but at least some grain, and maybe us, in another 50 years, or that could be in a situation where we'd be short of grain for our own country.

Then we talk about human rights. Sometimes I wonder, it seems that any time when any rights at all are brought forth that somebody has to be trampled on, and if we go into - I'm wondering this - if we go into a restrictive buying eliminating certain people, are we not in violation to the Human Rights Act. Sometimes we get to the place where we can pass so many acts and laws that it almost binds us that we can't move any way at all.

And then when can a foreigner become a Canadian? You speak about foreigners coming in and buying land with the idea of maybe staying. Well, we really don't know whether they're going to stay or not because apparently they can come in under a visa, they can stay in the country for--and some of you people know the exact number of years whether it's three or five, before they can take out a Canadian citizenship - and they in turn maybe could, before they take out a Canadian citizenship, decide to leave and go back again. Also in Canada if there is no heirs to an estate it eventually reverts back to the Government. Now what happens if a foreigner is owning this land and there's no heirs in Canada, does the government of their country take it over.

(MR. DURSTON cont'd)

The problem with public ownership of land the way I see it is dealing with a group of people that is maybe 90 percent urban-run. Now maybe I better explain that. We in the west feel that rural population has very little say in government anymore because it's the urban voters with their large majority of members are the ones that have really the final say. And even when we look at it in Manitoba I feel that the rural population is so small compared with the urban that we've really lost our say there through our politicians, maybe because of the pressure of the ones from the city pressuring the ones in the rural for their maybe cheap food policies, we might say. If the land is say 50 percent, or a large percent is held by the provincial government - and this is another thing I'm a little in the dark about - at the present I understand the rate is charged at about five percent for the first few years and then it increases. But what I'm concerned is if there begins to be a monopoly of who's holding this land then we might be into a terrible squeeze on rates being charged to us. And this makes me a little scared of the government or any one individual tying up too much land under one name.

I don't know whether I should mention this or not because I might get into a lot of hot water over it but -- (Interjection) -- Well it's referring to our, I guess you'd call it our mining industries, is that we here in the last six months or so that they're doing an awful lot of howling - maybe they started before that - and the ones we hear about it just in certain provinces but I believe that it's covering pretty well all the provinces' resources, in that the mining companies are howling because of maybe the high rates charged. Now I don't know, care, how you want to put it, whether it's in the form of rent, leases, taxes, royalties, or whatever you call it, but this is the way I see them, and I'm just wondering if we could end up in the same boat if we have one individual or corporation that is owning too much land and then they're able to call the shots and we'd pretty near have to go along with it.

At present it has been mentioned we rent land starting out at five percent approximately for the first few years but I think we should realize that we also are paying a portion of the rest of that interest because there's no place in the province where you can pick up that interest at five percent and we are really paying more than that right now.

I think going back to the issue that I would really like to present this afternoon is that of land use. And I think if the committee could come up with what land should be for agricultural purposes and that, then this would keep individuals from coming around big centres, or anywhere, buying up land with the hope of selling it and making a big return. Now whenever you implement something there's always going to be some inequity somewhere. We have to agree to that. But the longer we leave these things the more these inequities can go on until finally they are implemented. I think if you were to say agricultural land is to be used solely for agriculture, and I think there is one thing we should realize is the need for food in Canada today, or in the world. 1974 was supposed to have been the last year we in the world were supposed to be able to produce enough food to feed the world. Well we know what happened in '74, it just didn't materialize and we fell behind. The experts also said that after the year '74 we would be falling behind every year, so it looks as if, "how are we going to catch up"? So I say if we have a set-up as to what this land use, what should be used, farmland would stay at a reasonable level, that the people that are interested in the farm could buy it - and of course one question pops up right away, "Well what about the inequities to the farmer that say lives beside a big area or a city, or even Dauphin, right beside it, hoping some day in 10 or 15 years they'll be able to sell that land and pick up a big margin.

Well I think another important issue that's going to have to come in is that the farmers are going to have to receive an equitable income on their operation at present. The idea now with a lot of farmers now is that they are not receiving - maybe in the past few years they have but in the years before that from '50 to, or '55 to '70 some of the things were going down in price. If they were to receive an equitable income during those years that they were on the farm they wouldn't have to realize a high return for the land when they sold it. I think also we should realize that, as some of the former speakers have mentioned, industries and that could be located in other parts on poorer land, and this in turn would cut down in urban sprawl also because it would move some of these people that are hanging in these cities out to other areas.

The policy of land use is one that should certainly be developed as this is the most pressing issue in order to supply food for the ever-growing population, or maybe even for our own use in another 100 years time and I think we should be looking ahead, not just for 10 years but even to 100. Maybe with that, Mr. Chairman, I'll close my remarks.

MR. CHAIRMAN: Thank you Mr. Durston. I believe before we have questions there is some clarification should be made with regard to the book that you quoted from. I'll call on Mr. Janssen to clarify some of those points and explain how they were arrived at. Mr. Janssen.

MR. JANSSEN: Thank you, Mr. Chairman. Yes, the speaker referred to Table 27 and he, I think, drew some wrong conclusions from the figures presented there.

The figures that he read were that to put - the general observation that can be made of them is that as the size of the farm increases the value of agricultural products sold per acre declines. And it seemed that this left the speaker to observe that - well, you know, what do you want all small farms. I think I should clarify here that some people appear to misinterpret the table to mean that the small farmer is more productive, let us say, in bushels produced per acre or that a small farmer, or wheat from the table even that a small farmer would do better in terms of income than a large farmer. This is not at all the case you can see from Table 25 where the figures show that the larger farmers on a per person basis received much more income. So the table should not be misinterpreted, you know, to mean that let us say a small farmer is more productive in the sense that he produces more per person employed; this is not true, we speak here on total value produced per acre. I'm sure that most farmers will realize for instance that if you have a farm of a half section, he could never exist on grain alone so he's almost forced into producing hogs or beef or chickens or have dairy cows, so that on a total per acreage basis he will produce or sell more product per acre than let us say a large farmer who operates on let us say two sections of land and operates on grain only, and as a result of that, you know, you have more products sold per acre on a small farm than on a large farm, that's the only interpretation that should be given to that table.

MR. DURSTON: What I'm concerned is that the bill isn't really passed or maybe - I don't know whether it's drawn up - but we don't know what's all going to be in it and I wouldn't want to see a limitation to something that was--a recommendation of something that small.

MR. CHAIRMAN: I can assure you, Mr. Durston, there is no bill drawn up. Mr. Uskiw.

MR. USKIW: Yes, I think to clarify that point it should be worth taking a moment to say that there is no intent that I'm aware of on anyone's part in this committee to pass legislation to limit the size of your farm. The question that we're dealing with has to do with ownership of land, foreign, non-resident within Manitoba.

Just to emphasize or give emphasis to the point of production though per acre, I should like to draw to your attention that our experience of late with respect to livestock production would lead us to believe that we have a long way to go in maximizing the returns per acre in terms of product produced per pound, or whatever it is. I should like to give you just one observation that in our grass line program we have produced 500 lbs. of meat per acre - a very intensively managed program - whereas our lowest production runs about 10 lbs. per acre of non improved land - that is cattle that are grazing on non improved land, so that there is a vast gap there that certainly can be closed over a period of time with good management, technology and some land development. There's a long way to go, and if you take that concept alone it means that you can have many more people in the countryside farming the same number of acres if they could all produce 500 lbs. of meat per acre. That's really the point that is important to notice. Now, of course, the market question is an important one as well.

Your point on land-use legislation has to be looked upon as something that would also interfere with your basic rights, and here you alluded to some violation in human rights and, you know, if you were to take that very literally it would seem to me that the marketplace violates human rights every day if it's uncontrolled in that only the highest bidder can acquire a piece of machinery or a piece of land or a home, or whatever, notwithstanding the needs of all the people of Manitoba. So in essence those who have the money are able to do better in our system than those that don't and therefore human rights is not at all a consideration in the marketplace. So I appreciate your concern because it's far broader than in fact the concern of this committee.

Now you mentioned that if government has a monopoly on land that that too could be a problem for the lessee, and I suspect you're referring to the Land Lease Program, that if we acquired so much land that we would have a virtual monopoly on Manitoba land that that would somehow be bad for the lessee. Are you not aware that that can only happen if the lessees, generally speaking, did not utilize the option to buy provision within their agreement? So that it would be because of either a good rental arrangement that they were happy with and

(MR. USKIW cont'd) didn't want to buy, or that they were not able to afford to buy because of the market situation with respect to their commodities or whatever combination of things. But certainly the option to buy is there and if people exercise that option there is no way in which the Crown could become a large land owner; it's only in the absence of those lessees exercising that option that that would be the case. Now assuming that that happened, then you have the ultimate control, which is the democratic system, that governments are not elected forever and if policies are not in keeping with public opinion then governments won't be there either, so you have the ultimate control as to the kind of policy you would have.

In light of those observations do you feel that there is some further security needed vis-a-vis the lessee given the fact that he already has the option to exercise if he so wishes the option to buy? Is there something missing in our agreement there that . . . ?

A MEMBER: Would you repeat that statement, Sam?

MR. USKIW: Pardon me.

MR. DURSTON: Maybe I'll just go ahead and answer it.

MR. CHAIRMAN: Proceed, Mr. Durston.

MR. DURSTON: I was not aware that a lessee could buy it. I was under the impression from--I'm not renting any land myself, but I was under the impression this was left out.

MR. USKIW: No, no. After five years they can buy.

MR. DURSTON: I'm sure glad to hear that. What was the second part there?

MR. USKIW: Well I just made the point that ultimately the people have the right to choose the government of their choice and therefore that is as much control as the people would want.

MR. DURSTON: Yes. Except that I've seen the way things are going, and more so in the Federal Government and I can see it coming in the Provincial Government, too, that the rural people are really losing their say, I feel, as to what they really want. It has been mentioned some time ago that the working force that the farmers make up is only four percent. Now it seems like they have an awful small group, and I know with things down east it seems like every time we turn around it's another concession for them, and it looks there as if we've lost our say there. Now I'm worried about this here even in Manitoba where it's urban populations that are increasing and the farm populations are not. And I feel through that that even though we have a democratic government, I still wonder whether they will still be able to hear us being so few and so faint in voice in speaking out.

MR. USKIW: You have to make sure you elect the right MLA.

MR. CHAIRMAN: Mr. Walding.

MR. WALDING: Mr. Chairman, I just wanted to take that last point a little bit further, and it's the second time that it's been brought up today, that somehow the urban areas are dominating the Legislature and making things difficult for the farmers. I believe you mentioned that farmers constituted 5 percent of the population. You wouldn't suggest that farming constituencies should constitute 51 percent of the seats in the Legislature.

MR. DURSTON: Well going back, I think maybe the ones that are in parliament right now maybe are listening to the farmer a little more because they still have a closer contact with the farm than what is going to be happening in another 20 years. A lot of them that are in the city now have moved in from the farm; they have contact with the farm, or they knew what it was like when they were on the farm, but this new generation coming up that is completely in the urban, I feel that our time of having a say is going to be eventually wiped out with their voice speaking louder.

MR. WALDING: I'm not sure I made it quite clear enough. Are you suggesting that a majority of the seats in the Legislature, a majority of the 57 seats, should be represented by farmers who are farmers' representatives?

MR. DURSTON: No, I didn't but I think . . .

MR. WALDING: You wouldn't suggest that then?

MR. DURSTON: I don't think that the rest of the province would go along with that either.

MR. WALDING: All right. Would you then suggest that the 5 percent of farmers should be represented in the Legislature in that same proportion, i. e. 5 percent.

MR. DURSTON: No, this is where I say that if that was the case they would have no voice at all, and I say they have a little more voice now because there is some people that are in the cities, or sitting in parliament, have still a very close connection with the farm even though maybe they're not on it, and you run into a lot of people in the city where their parents lived on the farm.

MR. WALDING: Are you suggesting then that 5 percent of the population should be represented by more than 5 percent of the seats? We have a system that says one man, one vote. You know, this is our system of democracy.

MR. DURSTON: But I think maybe we're getting into an area that is not dealing with the issues. I think what I am most concerned about is the coming up with some land policy and having that set.

MR. WALDING: Excuse me, I wanted to deal with this point that you and someone else had brought up. I wanted to know what the thinking of farmers was whether you should be represented in the Legislature in the same proportion as your numbers in the population, whether you claim some additional representation.

MR. CHAIRMAN: Mr. Walding, I don't believe it is really relevant to the question before us.

MR. WALDING: Can I just ask then, Mr. Chairman, if Mr. Durston is aware that 5 percent of the seats in the Legislature would represent three seats and would he then agree that there are more than three farming constituencies represented in the Legislature?

MR. DURSTON: I haven't taken an inventory of that, and as I said earlier, I haven't got all the answers myself and if I knew all the questions that were going to be asked, maybe I could dig up some more of the answers.

MR. WALDING: Thank you.

MR. CHAIRMAN: Mr. Green.

MR. GREEN: One short question really, I promise. I didn't quite understand what you were saying about the mining industry. Were you saying that they were calling the shots or they were not calling the shots?

MR. DURSTON: What?

MR. GREEN: The mining industry. Were you saying that they were calling the shots or they were not calling the shot?

MR. DURSTON: No, what I said was that maybe even bringing this matter up was maybe putting my neck or head in the fire but I'm just going from what playback I hear from the resources, the ones that are in the mining industry or in the oil exploration or any of these others - in the natural resources, and apparently it's affecting our economy as a province even what's coming back even that the federal is doing.

MR. GREEN: But are you suggesting that the industry is calling the shots and that's what the problem is?

MR. DURSTON: No, I didn't say that.

MR. GREEN: Oh, okay.

MR. DURSTON: What I was concerned . . .

MR. GREEN: It was a blow to my pride if you were saying that . . . how the word was. Okay, that's all.

MR. CHAIRMAN: Thank you, Mr. Durston. Mr. Rampton.

MR. RAMPTON: Mr. Chairman, members, I wish to thank you for this opportunity given to all of us here today to state our opinions regarding land policy. Cutting this brief down a bit because a lot of it's repetitious to what you've already had . . .

MR. GREEN: That doesn't stop anybody else.

MR. RAMPTON: I've noticed that, Mr. Green.

MR. CHAIRMAN: Order please. Proceed, Mr. Rampton.

MR. RAMPTON: Lost my place already! First I would like to say a few words on the working paper re a Land Policy for Manitoba, a paper that there seems to be very few copies of for such an important subject. I was in the same position when I read it - I think it was Wednesday - and for one hour or two hours and had to sit down in the middle of last night and write on it.

To say the least I would say that there are many misleading inaccurate and the usual holier-than-thou statements in it, and I'm going to quote only some of them. "Land is a gift of nature, not a product of man." And along the same line, "Neither God nor nature charges man for land, supply is fixed and limited. The supply of land does not depend upon price, incentive or reward." Makes it sound as though farmers owe the rest of the population great sums just for letting us use the land. What is not said is that it is man that makes land productive. It was the owners of land that broke it up and made it productive; it is still man's ability that keeps land productive. There are many farms that the present owners make

(MR. RAMPTON cont'd) produce that would be a complete failure if some of us tried to farm them. I wouldn't want anyone to think that God supplies us with some land and all we had to do is stand in the doorway, throw out the seed and watch it grow. When an owner puts effort into making land productive and profitable, then as in the case of any other business when he sells he should be paid. High prices do not produce more land but they do one of two things: (a) increase the productivity of that land for the simple reason that there has to be more productivity to pay for the land; or (b) increase efficiency by the way of volume to a farmer who is expanding his operation. This benefit being passed on to the consumer. It also brings more land into production.

On Page 48: "Obviously high prices are good for the owner who is selling but bad for all others." This is not necessarily true. To have sufficient money to retire on you either have a capital gain when you sell or you have to make more profit each year enabling you to save sufficient funds. To make this added profit the price of food would have to go up. So you either have a system of low profit plus capital gain, or a system of higher yearly profits which amount to the same thing over the long run. However even if the quote were true what is so strange about it? Does not the same thing apply in selling stores, hotels, houses and any other commercial business. If it applies to all other segments of business, why shouldn't it apply to the farmer so he can reap a very necessary benefit.

On Page 8: "The more crops and the more livestock are produced per acre, and in total the more business and income employment will result in Manitoba. Intensive production is better for the economy of rural Manitoba." I agree with this statement but let us quickly point out that this applies to the economy of the rural town and does not necessarily apply to the economy of the actual farms.

Page 16: There are figures on non-residents owning land at Macdonald and St. Francois Xavier. But why shouldn't the person farming in Macdonald live in Portage, or at St. Francois Xavier live in Winnipeg, where his family can enjoy the good parts of city life if that is what they so desire. Are these the worst two places that could be found for non-resident owners, or are there worse?

One can go on and on pointing out discrepancies. For example the figures of comparison owning versus renting, selling of a 500,000-dollar farm, whether large farms are a liability, etc. But this is sufficient to point out that in my opinion it is a biased paper trying to agitate the general public into thinking that individuals should not own land but that the government should. There might be some concern about foreigners and out of province non-residents owning land, and I wouldn't want to see them own all of it, but it would be a far worse fate if a government owned it. If a person owns his land he has some security. Renting from a private individual he at least knows where he stands. A foreigner or a non-resident may own the land but Manitoba still makes the rules that he has to go by. If the government owns the land then one has no security. The renter is at full mercy of the owner, as the owner in this case has the whip hand and can make and change rules whenever it wishes. There would be less incentive to improve the land and farmers would turn to just mining the land, which happens in some of the cases of rented land now.

As stated in the paper, farms would become larger and larger due to renting, resulting with less people on the farms. With less incentive the farmers would soon become more lackadaisical resulting in a drop of productivity per acre and per man. As necessary as they are there is more to farming than just profits. There is pride of ownership giving one incentive to improve his holdings. To be successful one has to be dedicated and forget about working specific hours. In fact the person who just wants to coast along will never make it. It is also an excellent forced savings program. A primary producer in agriculture already has a hard time making a profit. The consumer groups put pressure on governments when food prices rise. As soon as profits start to materialize Mrs. Plumtre is after you. So let us not have governments take over ownership of land, taking away our opportunity of a capital gain.

There's much said these days - this is a real good one - about conflict of interest. If a person has \$100,000 worth of his own buildings on land owned by the government, how free will he feel to campaign for either of the opposing parties at election time? -- (Interjection) -- I didn't hear you, Mr. Green.

MR. GREEN: They will all the time. They've done it in this constituency.

MR. RAMPTON: We'll get into that later than. I can't agree with that.

I think we do want to look at foreign and non-resident ownership but not necessarily cut it out altogether. We can have a tax system that will control them, or perhaps we would need to limit the percentage of total land that they can own. Regarding Manitoban non-resident individuals I'm not against them owning land. If you bar them from owning land are you going to stop farmers from owning businesses in town? Are you going to stop farmers from working part-time in town? I agree, and I've always advocated we need as many people as possible on farms, but this can be done without knocking down larger successful farms. Make it profitable to operate moderate size farms and then they won't sell out to the big ones.

This can be done in many ways. For example: have policies such as helping finance training of labour on farms rather than spending all the money on sending everyone to universities, community college and make-believe jobs. This results in letting the farmer being able to pay a high enough wage to induce good help to work for him and it gives the young man wanting to work on a farm the opportunity to do so. It could easily be carried further to help the trainee to buy out the farmer or a farmer. In financing of young people wishing to purchase farms much less consideration needs to be put on the equity he can come up with and considerably more consideration on his desirability and honesty. It is a must that he have that desire to work.

What consideration has there been to giving considerable grants to farmers so that they can afford labour-saving devices, particularly in the livestock business? And I just mention Quebec did this several years ago. Pretty well stole the milk business from us with it. Ontario got into it and I believe over in Holland they were paving yards at one time - I don't mean the whole yard, I mean just in front of the barn for people going into the dairy business. Certainly these schemes are all costly, but do you want a lot of people on farms or don't you.

Regarding transferring of farms from one generation to another, the Federal Government took off succession duties. It was the provincial governments that put them back on. So there's really no problem rectifying that.

In summary, I would say the paper on land policy needs to be read with extreme caution. Foreign ownership may become a concern and much more time needs to be spent to derive a solution. For highest productivity and above all else to have the happiest citizens, leave the ownership of land to people not to governments. And finally, if you want more people on the farm put in programs that may be costly but they will leave a high enough profit to be an incentive for a person to go farming. Respectfully submitted.

MR. CHAIRMAN: Thank you, Mr. Rampton. Mr. Uskiw.

MR. USKIW: I just wanted to point out to you, Sir, that on page 39 and 40 in that document are some of the relevant points that you said were missed in the document, namely, the additional values added to land. That is on top of the fact that land was given free, if you say, on day one, that the values increased as improvements were made to land. Those are listed on page 39 and 40. You were taking exception to the fact that there are other things that add value to land and I just thought I'd point that out to you.

MR. RAMPTON: Would you give me that again, Mr. Uskiw.

MR. USKIW: Page 39 and 40 indicate how values have accrued to land because of improvements on the part of man.

MR. RAMPTON: On the part of man. Yes, but also as an argument in - you know when you start off with your God-given land, as if a person had no right to be paid . . .

MR. USKIW: The paper said you got it free and then you improved it and that's how the value . . .

MR. RAMPTON: And that's how you paid for it.

MR. USKIW: And that's how the values increase. That's what the paper says. Public and private improvements.

MR. CHAIRMAN: Mr. Green.

MR. GREEN: I read this paper as concentrating on resident ownership and use of land. That the real problem that the paper tried to point out is that the best situation is when there is a resident-user of land. Did you not get the same impression from the paper?

MR. RAMPTON: Not altogether. I got the impression from the paper that people should not really be owning land, in a subtle kind of a way.

MR. GREEN: Can you tell me where that appears in the paper?

MR. RAMPTON: Well I've only read the paper for two hours so I can't find out. I got the impression from that paper that no way do we want foreigners, no way do we want non-residents, we might put up with residents - or maybe I could say we will put up with residents, but government ownership would be better. That's what I took out of the paper.

MR. GREEN: My impression is that the first two is . . . not no way, but my impression is that the paper says that whether a person is a foreigner or a non-resident is really not much difference, but that the best situation is that there be an owner-occupier or a resident-occupier of land. Is that not the impression that you . . .

MR. RAMPTON: That's not the impression I got.

MR. GREEN: Then we have got different impression. You say that the paper is an attempt to agitate the public against, or for public ownership of land.

MR. RAMPTON: That's right.

MR. GREEN: I think that it would be fair for me to say that the major thrust in the Legislature for a discussion of this question came from Mr. Asper of the Liberals, Mr. Johnston of the Liberals and Mr. Patrick of the Liberals. -- (Interjection) -- I'm not talking about the paper. I'm talking about the concern for the question of ownership of land and I'm . . .

MR. CHAIRMAN: Mr. Johnston on a point of order.

MR. JOHNSTON: The concern I expressed by way of resolution was strictly on foreign ownership of recreational and farmland.

MR. GREEN: Yes.

MR. JOHNSTON: This resolution that sets up this committee to study a problem is a problem mainly of land use.

MR. GREEN: Which was voted on unanimously by every member of the Legislature. Would you say that the Legislature is wrong in trying to discuss this.

MR. RAMPTON: Mr. Green, I could care less about the politics behind it. I didn't come here to play politics, I came here regarding agriculture. I couldn't care whether it was Mr. Johnston or . . .

MR. GREEN: I got the distinct impression that you were here to play politics. I'm awfully sorry. I got the distinct impression . . . I'm sorry, I got the distinct impression that you were here to attack the government paper as attempting to introduce public ownership into the Province of Manitoba. Is that not why you are here?

MR. RAMPTON: I'm here saying that that paper I think is out to agitate people into thinking that governments would be better owning land than individuals.

MR. GREEN: And you don't think that that's a political question?

MR. RAMPTON: I'm not a party - it's not a party. I don't care whether the Liberals brought it up, the NDP brought it up or the Conservatives. That's no interest to me. It's a political question, sure. But it's not a party . . . That's what I . . .

MR. GREEN: You don't see anything wrong with being involved in politics surely. I mean isn't politics . . .

MR. RAMPTON: I think you're getting off the question Mr. Green.

MR. GREEN: Well it was you who said that you are not here to play politics and I'm just wondering . . .

MR. RAMPTON: I'm not here to play politics, I'm here dead serious in what I think of the agriculture business.

MR. GREEN: I see. And there is no political considerations in your position at all?

MR. RAMPTON: Not political considerations in this paper itself.

MR. GREEN: You say that public ownership of land is not a political consideration?

MR. RAMPTON: Is not a political consideration. I would say some parties like public ownership better than others.

MR. GREEN: You say that the parties that are in favour of public ownership are engaged in political considerations and those who are against public ownership have nothing to do with politics?

MR. RAMPTON: I didn't say that.

MR. GREEN: Well then what are you saying?

MR. RAMPTON: I said I didn't care who brought it up.

MR. GREEN: And I am suggesting you, I am suggesting to you that when you say that you are not here engaged in political considerations that you won't really have everybody in this room believe that. Political considerations is what we are all here for.

MR. RAMPTON: Why don't you get on with the questions about land use?

MR. GREEN: Because I'm dealing, I'm dealing with the questions, sir, that you have raised. You know, I wanted to get to the questions of land use but you've changed the paper which deals with land use to what you say is Mr. Uskiw trying to agitate the public of Manitoba towards public ownership of land. It's you who . . .

MR. RAMPTON: I didn't say Mr. Uskiw.

MR. GREEN: I have written it down, I have written it down that this paper is an attempt to agitate the public of Manitoba towards public ownership of land, that that's what you have said this paper is all about.

MR. RAMPTON: That's what I have said.

MR. GREEN: Yes. And you say that that is not a political . . .

MR. RAMPTON: If Mr. Uskiw wants to take the weight, that's fine.

MR. GREEN: And you say that that is not a political consideration, that that statement is not a political consideration?

MR. RAMPTON: I didn't say that. I said I didn't care which party brought it up.

MR. GREEN: Okay. That's fine.

MR. RAMPTON: Because you started off with--poor old Mr. Johnston over here happened to bring it up.

MR. GREEN: I don't regard Mr. Johnston as "poor old Mr. Johnston." Mr. Johnston is an outstanding member of the Manitoba Legislature serving his constituency very well and knows very well how to handle himself. He is not "poor old Mr. Johnston" Now I'd like to ask you.

MR. RAMPTON: Are we on land-use questions or . . .

MR. GREEN: Now I'd like to ask you . . . No, I'm not finished with my question, sir. I'm not finished with my question. You said that the statement includes many misleading, inaccurate and holier-than-thou statements. The first one that you dealt with is that the land is God-given. Is that the statement that you are referring to as misleading, inaccurate and holier-than-thou?

MR. RAMPTON: I say that they are holier-than-thou in that anybody who is not connected with agriculture, if you feed them the right lines, they'll sure agree with you.

MR. GREEN: Well I am merely asking you whether this is one of those misleading, inaccurate . . .

MR. RAMPTON: Certainly it is. That's what I put it in there for.

MR. GREEN: So you're saying that the statement that land is God-given is a misleading, inaccurate and holier-than-thou statement?

MR. RAMPTON: It's a holier-than-thou statement.

MR. GREEN: Is it a misleading statement?

MR. RAMPTON: It can be used as misleading if you don't continue on . . .

MR. GREEN: Is it an inaccurate statement?

MR. RAMPTON: I didn't say it was. I didn't start off each paragraph by saying "this one's inaccurate, this one's holier-than-thou and this one is something else."

MR. GREEN: That's why I have tried, because I know that you didn't do that and I am trying to help you.

MR. RAMPTON: Thank you very much, Mr. Green.

MR. GREEN: I have broken it down and I said to you that you said that the statements were misleading, inaccurate and holier-than-thou. Now I then ask you. The first one that you then referred to is the statement that land is God-given, and I'm asking you is that one of the statements that you referred to as misleading?

MR. RAMPTON: First, it's holier-than-thou, the next is it's misleading because you didn't continue on with what I said right at that particular time.

MR. GREEN: Yes. So that you are now saying, I take it, that the statement that land is God-given, is holier-than-thou and is misleading.

MR. RAMPTON: Pardon me. Say that over again.

MR. GREEN: The statement that land is God-given you regard as a holier-than-thou misleading statement?

MR. RAMPTON: That's right.

MR. GREEN: And is it also an inaccurate statement?

MR. RAMPTON: No, I wouldn't say it is inaccurate. God gave the land that's quite true, but it doesn't stop there. If you want to take it out of context, it's even inaccurate.

MR. GREEN: I am taking the statements as you put them. Because - would you describe the Bible as misleading, inaccurate and holier-than-thou?

MR. RAMPTON: No, because it continues on, gives you the whole story, eh?

MR. GREEN: But the Bible says that land is God-given. It shall not be alienated to any person . . .

MR. RAMPTON: In this particular case you stopped after one sentence and you didn't. . .

MR. CHAIRMAN: Order please.

MR. GREEN: It's all right if persons . . . -- (Interjection) --

MR. CHAIRMAN: That's right. That's why I'm asking you to keep quiet.

MR. GREEN: What you're suggesting is that anybody can come in and say anything he wants about the government, about the White Paper, and nobody can challenge him on it.

MR. RAMPTON: Is it all right if I get another glass of water, Mr. Green?

MR. GREEN: Absolutely. Go ahead.

MR. CHAIRMAN: I wish to bring to the attention of the members that if you wish to speak you can come forward and we will accept you and you will make your presentation. I will control the meeting and therefore I do not wish help unless I ask for it. Thank you very much, Mr. Rampton.

MR. GREEN: Mr. Rampton, do you think that it is worthwhile that the Department of Agriculture try to present for the purposes of discussion of these members of the committee and the people of Manitoba, a paper dealing with the question of How Land Can Best Be Used in the Province of Manitoba?

MR. RAMPTON: Do I think it was a good idea?

MR. GREEN: Yes.

MR. RAMPTON: Yes, I think it was a good idea, but I don't say that that is exactly what I would call a good paper. Thank you very much.

MR. CHAIRMAN: Thank you Mr. Rampton. Mr. Reeve A. W. Smith, Rural Municipality of Ochre River. Mr. Rampton, thank you.

MR. RAMPTON: That's me.

MR. CHAIRMAN: Reeve Smith. Well I believe that that concludes the presentations for today. Hold on somebody's going to check. Order please. In case Mr. Smith does not come back, I do wish to thank the audience for your co-operation. I think it has been very interesting presentations.

MR. RAMPTON: Is that the end of the presentation?

MR. CHAIRMAN: That is all the questions I had. Nobody else is posing any questions, Mr. Rampton. You are excused. Mr. Graham. Order please.

MR. GRAHAM: We came here to listen to briefs or the views of people. We've had eight people so far. I was wondering if there are any others that would like to present some views.

MR. CHAIRMAN: Thank you, Mr. Graham. I've asked that in the morning, I've asked that in the afternoon. I've had nobody indicate to me that they had a brief to present. That therefore concludes the meeting. I thank you very much. Committee rise.