



Legislative Assembly of Manitoba

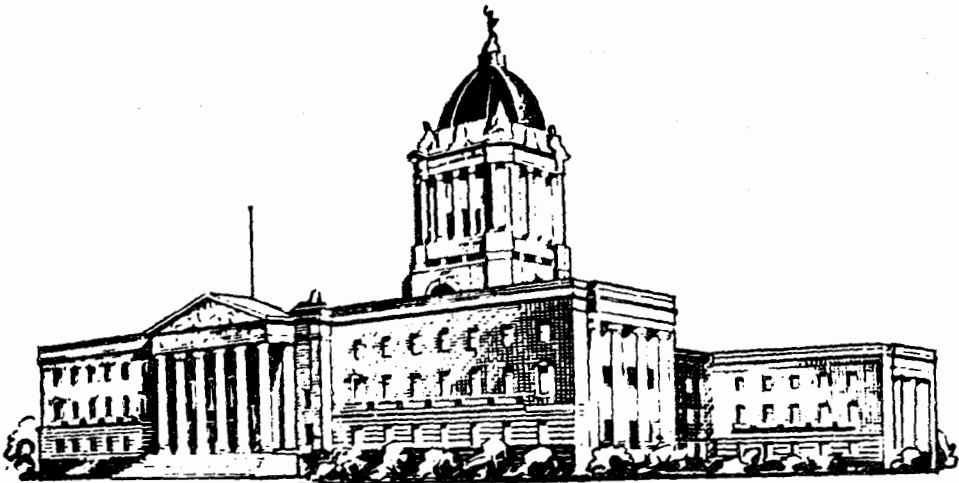
HEARING OF THE STANDING COMMITTEE

ON

AGRICULTURE

CHAIRMAN

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



WEDNESDAY, June 15, 1977, 3:15 p.m.

IE: 3:15 p.m.

AIRMAN, Mr. A. R. (Pete) Adam.

MR. USKIW: Mr. Chairman, I suggest we dispense with Bill 3 and then move on to the other one.

MR. CHAIRMAN: If that is agreeable with the Committee. (Agreed). I might remind honourable members that the person who is transcribing the proceedings has requested that we speak loud into microphones because of the acoustics in the building.

Page 1—pass. Do you wish to proceed clause by clause? Section 1(a)—pass; 1(b)—pass; 2(a).
e Honourable Leader of the Opposition.

MR. LYON: On 2(a), Mr. Chairman, we've raised the point before that the final section is essentially a dangerous one in the sense that it authorizes the Minister with authority from Cabinet to make agreements with individual producers. I know the Minister can probably point to other enabling legislation that has a similar type of provision but it was suggested to him at the time that that could lead him or any other Minister into a dangerous situation. I'm just wondering if he's had an opportunity to reconsider that and to indicate whether or not it would not be sufficient for his purposes if he was permitted to enter into agreements with producers in the plural, collectively producer groups because obviously I think that's what's intended.

MR. USKIW: Well no, we do have agreements with individual producers now retroactive to 1975. We're not dealing with groups, we're dealing with individuals in their present contracts.

MR. LYON: No, but collectively you're dealing with producer groups, if you get what I'm saying. You're making individual contracts with individual farmers, true, but the contracts are within a group in that it is offered to a group of producers. Otherwise, you see what the authority is here. The authority here, literally, would permit the Minister to go out and say to Farmer A who has a broiler operation, "I'm going to enter into an agreement with you and get the Cabinet to authorize me to enter into agreement with you, but I'm not going to enter into an agreement with any Broiler Producer Manitoba. You see the danger.

MR. USKIW: I know what you're saying. Well, Mr. Chairman, I'm advised that the Department of Agriculture Act provides the very identical authority that the member is objecting to. So, if he's asking for a precedent it's already in . . .

MR. LYON: I'm sure there's a precedent for it. I just point out the danger of this kind of legislation, as I say, in the hands of an irresponsible Minister. And, I'm not suggesting that the present one even falls into that category but he might be succeeded someday by somebody who would not be responsible. —(Interjection)—

MR. CHAIRMAN: Order please. I'm sure the transcription will be really mixed up with that change. Let's keep it in order please and we'll have less difficulty for the person who is transcribing the proceedings. I'd like to identify each person as they speak to make it less complicated for those who are typing these proceedings. If you'll give me the courtesy of announcing your name then I'm sure there won't be any problem downstairs when they do this. Any further questions? Mr. Lyon.

MR. LYON: Could I ask the Minister if he has taken advice on this point from the Legislative Counsel. It's a legal point, having to do with an extraordinary power which I think he can now see which should not necessarily be conferred just that freely without some comment or some advice that it's absolutely necessary.

MR. CHAIRMAN: Mr. Einarson.

MR. EINARSON: Mr. Chairman, I'd like to pursue the comment that Mr. Lyon makes and ask the Minister if an example wasn't established whether it be a group of farmers but there was not consultation with those of us in the House when he entered into his beef assurance program. This is an authority that he took upon himself and established that as the Minister. He decided he was going to spend X number of dollars in providing the five year program that farmers could enter into. I would say that this is an example that my leader points out and I think this has significance insofar as the subject matter we're dealing with while those of us in Legislature had no authority, had nothing to say. And of course, then when we get out into our respective constituencies people ask us what this is all about. But we had no say in the House. There was nothing to do with us at all, the Minister himself took it upon himself to decide that he was going to establish a Beef Assurance Program. I'm not criticizing the program as such, but I'm just adding comment to seek an answer from the Minister on the same point I think that I'm making as my colleague, Mr. Lyon.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Well, Mr. Chairman, there may be validity to the point that is being made but if one was concerned about that then one would have to amend a number of other statutes and I'm advised that Section 7(1) of the Department of Agriculture Act provides for indeed those discretionary powers on the part of the Minister. So that in essence if we didn't have this provision in this bill, we could realize on the fears of my honourable friends opposite through that other statute if that was the intent and that's been on the books for many many years.

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Now, the beef contracts that we're talking about are written pursuant to that statute, not this or

MR. LYON: Mr. Chairman, are we going to proceed without benefit of Legislative Counsel? I think it would be much better if he were here.

MR. USKIW: Well, that's a very valid point. We're waiting for him to arrive, Mr. Chairman.

MR. CHAIRMAN: Can we move on to Section (b) and come back to that one?

MR. USKIW: Well, unless there's a substantive motion, Mr. Chairman, I think we should proceed.

MR. LYON: Well, this is it. Here we are in a position where a slight drafting change might accomplish both purposes. I was toying around with one but I don't claim to be a draftsman, Mr. Chairman, and I don't claim that this would meet the Minister's purposes but it would read, instead "with producers individually or collectively", which I think is an ambiguous term, it would say "with individual producers as members of an acknowledged producer group," thereby saving the Minister from the kind of a pitfall that is inherent in the present wording.

MR. USKIW: Well, Mr. Chairman, let us proceed with the other sections and hopefully Legislative Counsel will be back.

MR. CHAIRMAN: All right, gentlemen. We'll pass 2(a) and go down to 2(b) and we'll come back to 2(a) when the Legislative Counsel has arrived. 2(a)—pass?

MR. LYON: No, that's the one we're . . .

MR. CHAIRMAN: Do you want to come back and do the whole section or . . .

MR. USKIW: Just 2(a) .

MR. CHAIRMAN: We're by-passing 2(a).

MR. USKIW: For the moment, yes.

MR. CHAIRMAN: Can we deal with 2(b)? 2(b)—pass; The Honourable Minister.

MR. USKIW: Mr. Chairman, legal counsel advises that the best approach to that question would be to delete the words "individually or collectively", which would allow us to deal with any individual producer on the voluntary program, or collectively, but it doesn't preclude one or the other.

MR. LYON: I think that would meet the only objection I have. I just think it confers the power on the Minister that I don't think the Minister wants. We know what he is trying to get at and that's my only purpose in raising it.

MR. USKIW: Well can we agree, Mr. Chairman, to delete "individually or collectively"?

MR. CHAIRMAN: Is it agreed to delete the words "individually or collectively" in the fourth line of 2(a) after the word "producers"? (Agreed)

MR. LYON: At third reading, Mr. Chairman, Mr. Balkaran may want to take another look at it and say, "with such producers", or qualify it in whatever way he wants.

MR. CHAIRMAN: 2(a) as amended—pass. Page 2, Section 3—pass; Section 4—pass; Section 5—I understand there is an amendment. Mr. Shafransky.

MR. SHAFRANSKY: Mr. Chairman, I move that Section 5 of Bill 3 be amended by adding thereto at the end thereof the words and figures "but is retroactive and shall be deemed to have been in force on and after the 1st day of January, 1977".

MR. CHAIRMAN: You heard the motion. Is there any discussion on the motion? Mr. Lyon.

MR. LYON: Could we ask the Minister what the dollar effect of this retroactivity will be?

MR. USKIW: Well, Mr. Chairman, this is on the advice of the Attorney-General's department that we make this provision, in order to make certain that we capture any federal subsidies that are paid in the year 1977, in order to deduct those subsidies from any payments that we would be making to the producers on contract.

MR. LYON: Mr. Chairman, well first of all, no contracts would have been entered into under the provincial scheme since the 1st of January.

MR. USKIW: Mr. Chairman, obligations arise pursuant to existing contracts. These contracts date back to 1975. The federal pay-out, of course, is effective as of January 1, 1977. This provision is to make certain that we take account of all payments made against contract cattle with our particular program here in the Province of Manitoba, before we calculate our payment.

MR. CHAIRMAN: 5 as amended—pass; 5—pass; preamble—pass; Title—pass; bill be reported—pass.

Bill 56. Mr. Lyon.

MR. LYON: Mr. Chairman, just a procedural matter on Bill 56. I have spoken to the Minister and the House Leader privately about it. We have prepared a number of amendments which have been distributed to members of the committee which carry out some of the suggestions that we made to the Minister at the second reading of the bill. We don't claim priority for these amendments, or anything like that at all, but procedurally I am suggesting to you, Mr. Chairman, it might facilitate the discussion and the passage or non-passage of these amendments, plus the Minister's amendments, if we could deal with the Opposition amendments as we come section by section in the first instance, because they, of necessity, had to be drawn on the basis of the bill as we had it before us. We could not be drawing amendments on the basis of the bill as amended by the Minister's amendments

ause at that time we did not have knowledge that the Minister's: (a) as to what they were going to or (b) the final form in which we would find them.

So I'm not trying to take any advantage of the committee in making that suggestion. I am merely mentioning it as I think a means of facilitating and avoiding double discussion. I use the example only the Minister, for instance, has an amendment that was just passed to us on sub-clause 1(1)(c). If that amendment were to be dealt with first, then the amendment that we propose with respect to clause 1(1)(c) would be jibberish; it wouldn't mean anything. So, only as a means of procedure, if we would be allowed to propose our amendments in the first instance, have them disposed of, and then the Minister's, I think it might get us through the small number of amendments that we have a little bit over and enable us to deal in a more orderly way with the amendments before us.

MR. USKIW: Mr. Chairman, there is a bit of a problem with that, although I don't totally object to it. If we are moving any standard amendments, then it's somewhat redundant to be discussing something that is really not before us. Why would we want to entertain discussion for who knows how long on subject matter that isn't going to be in the bill in any event, and as indicated by way of our listing of the amendments that we intend to introduce.

In other words, redundant discussion is what we will end up with and I would like to avoid that.

MR. LYON: So would we.

MR. USKIW: Yes. You know, if it's to facilitate the committee, that's fine. But if it's to have two debating sessions instead of one, then I don't think it would be very productive. So I would suggest that where there are amendments that conform, that we simply agree that either side can move them, and whoever catches the Chair's eye first, that's quite in order. But with respect to others, then perhaps we have no objection with respect to amendments which we are not prepared to go along with.

MR. LYON: Well, just on the procedural point, Mr. Chairman, I reiterate we're not trying to seek a forum for double debate. We're merely trying to facilitate the discussion along the lines that the Minister wants, and I'm sure the rest of us want, to make sure that the points that we raise are discussed in a context where they can be understood.

MR. USKIW: Then could we agree, Mr. Chairman, that if the committee does get carried away at some point in discussion that where we have dealt with the subject matter in the one amendment that we do not repeat the debate in the second amendment that comes forward, unless there is a substantial difference in the motion.

MR. LYON: Mr. Chairman, I don't see any difficulty with that suggestion at all. That would be our intention, not to perpetuate debate but merely to do it in an orderly way so that we all know what we are talking about. As an example, when we come to Section 1(1)(a) we draw up an amendment that is a substantive amendment that is not, to the best of my recollection, covered in the Minister's amendment. And the effect of it, of course, would be to restrict the operation of the Act only to foreign corporations and non-residents, so I don't think there will be any problem of double debate on that.

MR. CHAIRMAN: Okay. We'll proceed to Bill 56, The Farm Lands Protection Act, Definitions 1, Subsection (1). Mr. Lyon.

MR. LYON: Mr. Chairman, reading from the sheet that we have in front of us, I would like to move that Clause (a) of Subsection 1, of Section 1 be repealed and the following substituted therefor:

1(1)(a) "Foreign corporation" means a corporation or a co-operative corporation, the majority of whose issued voting and non-voting shares are owned by persons or corporations who are not resident Canadians.

In speaking to that section, I merely reiterate what I said in using the example a moment ago. The effect of this would be to strike out the definition of corporation which now has application to foreign and to domestic corporations, and to leave the application of the restriction in the bill, then, not only through this definition but through subsequent definitions that will appear, the restriction then would be against non-resident foreign persons or non-resident foreign corporations. I won't even amplify. The point was made at second reading.

MR. CHAIRMAN: Mr. Minister.

MR. USKIW: Mr. Chairman, I understand fully what the Leader of the Opposition is suggesting. It is certainly opposite to the bill that we have introduced to the extent that it involves Canadian citizens and of course we are not prepared to amend that aspect of our bill. We believe in the consistency that now exists within the bill, and that is that we are dealing with the effects of absentee ownership regardless of their domicile and we do not want to amend that section.

MR. LYON: Could I ask the Minister if he was not persuaded by what I thought was a very reasonable brief that was presented by the Farm Bureau. I wouldn't ask him to be persuaded by any remark that I made, but was he not persuaded by the fact that the Farm Bureau, representing a wide cross-section of the farm community in Manitoba, is indicating that this is precisely the kind of restriction and only this restriction that they would like to see in this legislation at this time?

MR. USKIW: Mr. Chairman, I think the Leader of the Opposition is appreciative of the fact that

many people present briefs and that we certainly don't take into account only the opinion of particular group but rather the totality of the submissions that are presented to us.

He will recall, or members of the Committee will recall, that there were briefs on both sides of ledger, some suggesting that we are not going far enough; others suggesting that we go a little slow and perhaps amend in the future. So it puts us in the position of being in the middle with the present bill, and that's probably the best place to be and only time will tell whether we want to make changes.

MR. CHAIRMAN: Mr. Enns.

MR. ENNS: Mr. Chairman, simply to underline what has already been said. The Minister is correct that we have heard a number of representations and briefs on the subject matter, but it was the brief that represented the major farm organization in the Province of Manitoba, namely the Farm Bureau, that in a very definitive way requested this kind of an amendment and this kind of approach, and I simply want to underline the fact that the Minister chooses on this occasion to place judgmental value of the Farm Bureau's brief on the same basis as that of any other individual.

I believe the spokesman for the Farm Bureau on several occasions during the presentation of the brief was very cautious in not attempting to express a personal opinion. In fact, he took some pains to avoid that. He was bringing to the Committee the considered opinion of the organization that represents, which includes a very large number of organizations. Obviously all of them have had some input into arriving at this conclusion and I regret that the Minister of Agriculture chooses to set aside that recommendation as easily as he apparently is.

I want to make it very plain and I want to make it very clear in terms of the position that the Opposition is taking in this instance, we are responding to much the same kind of concern that has been expressed to the Minister about the problem that is raised with the foreign ownership of land and the foreign purchasing of land, the position of the Conservative Party is very clear on that particular point. We support the efforts of the government if they were to place some control, some restrictions in this area, but are also prepared to be guided and accept some advice from farm spokesmen, farm representation, and particularly when it comes from an organization like the Manitoba Farm Bureau in this instance. For that reason, support the amendment that has been placed before the Committee by the Leader of the Opposition, Mr. Lyon.

MR. CHAIRMAN: Mr. Einarson.

MR. EINARSON: Mr. Chairman, I was going to make a few comments but it's been said by two of my colleagues. I'll maybe just add one further comment. When the Minister talks about receiving briefs, and I concur in what my colleague just said about the brief from the Farm Bureau, and suggest to the Minister that this brief did represent a good many farmers of this province and while a number of other briefs were heard from, questions were asked of them who they represented and they were very very few in numbers, some of them in fact were speaking on a personal basis, and would suggest, Mr. Chairman, that this is not a very safe course for a Minister of Agriculture to follow in this province. I thought he learned his lesson from the beef vote on that.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, the Member for Rock Lake refers to lessons. I don't know what lesson one can derive from the fact that one holds a plebiscite on a producer recommendation. But be that as it may, that's not what we are dealing with at the moment.

I want to draw attention to the members of the opposition certain comments made in the Farm Bureau brief, and I want to quote, Mr. Speaker, the following: "We have found that farm people are not clearly united in this question and anyone believing otherwise is simply deluding himself."

And then another sentence: "You have our understanding and sympathy in grappling with the issue of whether or not some kind of controls are warranted."

Throughout their brief they point out, Mr. Chairman, that they are not quite sure of the position of the farm community. They are somewhat guessing is the tenor of their brief. It says here, "Although very few people are prepared to indicate what form of control should be undertaken." That's the tenor of their whole submission.

Then we deal with the question of numbers and it's pointed out in their brief that about 1.6 or 1.7 percent of our land is owned by foreign interests. When you stack that up against the fact that there is ten times as much as that owned by absentee landlords of Canadian origin, one has to sort of put in perspective which area is the problem. You know, we are dealing with less than 2 percent on one side of the ledger versus about 8 percent or 10 percent, 20 percent on the other side of the ledger.

So, you know, I can't quite understand the rationale other than the explanation in their own brief and that is that they are in a quandary on the subject themselves. So we have to take that into account.

The other thing we have to take into account is that people who presented briefs as individuals suggesting that we go further with this legislation, were also and are also members of the Farm Bureau. So it's a bit of a conundrum to use the Farm Bureau as the spokesman when their own membership also presented briefs suggesting that we should be more restrictive than we are. That's the kind of a problem we have and I don't know that we can resolve it. I think we have to proceed and make necessary changes from time to time as the situation warrants. I don't accept the arguments put

ward by members of the opposition.

MR. CHAIRMAN: Mr. Lyon.

MR. LYON: Before the question is put, Mr. Chairman, I merely want the Minister to be fully aware, and this Committee to be fully aware, and the people of Manitoba to be fully aware, that the effect that this legislation is now going to have, if it attempts to restrict the rights of fellow Canadians, fellow Manitobans, either in their corporate or their personal capacities to buy or to own farm land, is creating two classes of citizens, something that we have never had in this province, that we've never had any need of in this province because the wide distribution of land holding in Manitoba, as I demonstrated in the course of my remarks at second reading, is a testimony to the fact that the free and open market system we have had has been the best way of diversifying ownership through the farm community.

The Minister's own figures negate any argument that he can raise in support of restrictions on so-called non-farmers in Manitoba. It represents, as I have said before, I think, an unwarranted intrusion into the rights of our fellow citizens in Manitoba, an unwarranted intrusion into the kind of lifestyle that they may wish to adopt with respect to their own particular vocation. There are many many more instances than any piece of legislation can ever contemplate where a person who has come from the farm comes into a city or a town or a village to make his living, decides he wants to go back into the farming business where he is going to find now undue restrictions placed on him by this legislation. I just think that that's an unwarranted intrusion by any state into the lifestyle and the habits of any individual citizen in this province. We don't need it; we have never needed it for 107 years; we don't need it now. There is no cry for it by the farm community whatsoever. What we should be preserving here is the maximum amount of freedom for individuals, for our own fellow citizens in Manitoba and throughout Canada to own land. That's one of the basic economic freedoms of a free society. I say to the Minister without fear of contradiction that we whittle away at that freedom, we whittle away at it at our own peril. Because if you can whittle away at this freedom by an Act of the Legislature, God knows where else you can be taken in the interests of doing good on behalf of a farm community that isn't even asking for this kind of restriction. That's the important point to remember.

Now this kind of thinking may be in keeping with my honourable friend's particular ideology, but I stress again that it does not represent the thinking of the majority of the people of Manitoba. So I say that he passes this section; he passes this bill with these peculiar restraints that are not needed either in a societal way or in an economic way, he passes them at his own peril.

MR. CHAIRMAN: Order please. The Honourable Minister.

MR. USKIW: Mr. Chairman, if it is presumed that this kind of legislation is at all necessary, then that presumption is based on the effects of absentee ownership of land. If that is a true problem in our society, then it matters not who the owners are if the effects of absentee ownership are bad as a whole. So therefore there is no logic in making a distinction between a foreign absentee owner or a Canadian absentee owner, absentee in the sense that they are not buying land for the purpose of operating the farm but rather for some other purpose. So if the effects are the same, then it doesn't make any sense whatever to discriminate between the two in the legislation.

Secondly, I argue, Mr. Chairman, that this is not discriminatory legislation in that any Canadian who wants to be a farmer in Manitoba can buy all the land they want to own and that all other Canadians who do not want to farm are restricted equally. There is no discrimination whatever.

The Leader of the Opposition points out that it's going to make it difficult for someone wanting to re-enter the agricultural industry and I just can't for the life of me understand how that becomes difficult. There is ample tolerance provided for in the legislation for new entries in terms of accommodating those who are not full-time farmers but may be part-time initially, intending to become full-time, and so on. That is not prevented by the passing of this bill.

When the Leader of the Opposition talks about freedom, then I believe that his version of freedom is quite frankly a warped version of freedom because it relies totally on the ability of a person to accumulate capital before his rights of ownership or land use are determined. I believe that is a very severe restriction and a removal of freedom from people. I think it's the opposite and if we are truly talking about the rights of people who want access to land, then we have to talk about means that would allow people to use our land resource whether they have capital or not. That is a measure of freedom that I am prepared to support. But certainly the dollar bill being the sole measuring stick in the determination of the rights to use property, to me is indeed a foreign philosophy. I don't believe that that is freedom whatever.

MR. CHAIRMAN: Mr. Enns.

MR. ENNS: Mr. Chairman, I don't want to prolong the debate but the Minister chooses to overlook, conveniently, what really motivated initially the setting up of the Special Land Committee and the subsequent representations made to that Committee during its two years of hearings across the width and breadth of this province. The question was, the growing concern of foreign ownership of farm land. At the hearings themselves, it also quickly became apparent that equal concern, if not greater concern, was being expressed at the amount of land that the government itself was amassing.

Those were the concerns that were expressed to us who served on that Committee.

For the Minister now to indicate that the major reason for the bill before us is the question of absentee landlords or absentee ownership, of the bill, that is his peculiar interpretation of the event and representations placed before him. We are well aware of that position; it has been a position that Mr. Green has impressed upon us from time to time and obviously the Minister of Agriculture chosen to accept or indeed concurs with Mr. Green's interpretations of what is good for agriculture or what is not good for agriculture.

Let me simply put on the record: the Minister's judgment in this instance — if the Minister is indicating to the Committee that the concern of the farm people has to do with the question of absentee ownership, then he misjudges as badly as he misjudged the beef referendum. Thank you, Mr. Chairman.

MR. CHAIRMAN: Mr. Toupin.

MR. TOUPIN: Mr. Chairman, there is a distinct difference between the position taken by the New Democratic Party and the Conservative Caucus, you know, I think that has been very clear since the beginning. We are rehashing, in my humble opinion, what has been made clear on the principle of the bill in the sense that we, as a Party, take it that we want to encourage and make it feasible in regard to having more farmers being not absentee landlords. The Conservative position is that they would foreclose a possibility of a foreigner owning land in the province and being an absentee landlord, but they would allow a Canadian to be an absentee farmer and owning all types of lands in the Province of Manitoba. I can't buy that as an individual. Make it possible for anyone to buy land in the Province of Manitoba as long as they want to be resident farmers; it's as clear as that, and as much land as they feel they need.

A MEMBER: Put the question.

CHAIRMAN: The question has been called. All those in favour of the Motion as proposed by the Leader of the Opposition?

MR. CLERK: Mr. Lyon, you're not a member of this committee.

MR. LYON: No, I'm not.

A MEMBER: That's why he could not move the motion.

MR. CLERK: Five.

MR. CHAIRMAN: All those opposed?

MR. CLERK: Six.

MR. CHAIRMAN: The motion is lost.

MR. SHAFRANKSY: Mr. Chairman, I'm sorry, we have some more . . . I have an amendment.

MR. CHAIRMAN: Do you have an amendment for (b)? I'm sorry.

MR. SHAFRANKSY: Mr. Chairman, I move:

THAT sub-clause 1, subsection (1)(a)(i)(ii) of Bill 56 be struck out and the following sub-clause be substituted therefor:

(i) which is not primarily engaged in the business of farming, and

(ii) 40 percent or more of all the issued voting and unvoting shares of which are legally and beneficially owned by persons whose principal occupation is not farming.

MR. CHAIRMAN: Motion as read. Any discussion on the Motion? Is there a question? Mr. Lyon.

MR. LYON: Has the Minister, Mr. Chairman, not been persuaded that this restrictive definition of family corporation is going to impinge upon family owned farm operations where, say two of the members of the family corporation are not farmers, the third one is, and they have incorporated merely for tax purposes or whatever, to put themselves in a more advantageous position, but where they are now going to be prohibited — at least the corporation that they operate is now going to be prohibited and restricted to 160 acres of land. Does he not realize from all of the debate how restrictive these measures are, and I merely say to him before he gives us his usual dogmatic diatribe about how bad corporations are, that if the NDP feel that corporations are bad let them abolish The Companies Act, but let them not, on the one hand, allow people to incorporate for whatever motivation individuals may have of their own free will and then, on the other hand, turn around in bad legislation like this and say, "Oh, if you're incorporated, if you choose to use the legal device that has been available since this province became a province, then of course you must be discriminated against because you carry those terrible words 'Ltd', meaning Limited, after your corporate name." This makes absolutely no sense at all; it smacks of a kind of simplistic anti-corporate and anti-business outlook which I regret to say all too often manifests itself, not only in the legislation but in the remarks of some members of this government. —(Interjection)— If you have anything to say that's sensible, why don't you say it?

MR. CHAIRMAN: Order please, I will put you on the list, Mr. Shafransky. Mr. Uskiw.

MR. USKIW: The Leader of the Opposition is in effect arguing the same Motion that we just voted on and which was lost because the effect of his argument would be the same. The purpose of this bill is to provide for complete freedom of operation with respect to farmer owned companies. Now, to make the change that the leader suggests would mean that any corporation, a combination of —

mothy Eaton Company could become a farming corporation — so in sence, we don't need the ll other than to control foreign ownership. That is all we would be left with if we were to go along th his argument. So to be consistent with the arguments that we have put forward, and that is that a do believe in restriction , with respect to the ownership of farm land, to that of the farmers who erate the land rather than those that want to have some investments in land ownership. That's the y purpose of the bill; is to take away the artificiality of land ownership in the sense that ownership ould depend to a large degree on the rewards of production from an acre of land.

MR. CHAIRMAN: Mr. Henderson. Speak up loud, sir.

MR. HENDERSON: Well, Mr. Chairman, I would like to clear this up a little further because I know hat the Minister intends but I was just wondering about a corporation such as my own where my son ut there farming the land, where I am a farmer and have been a farmer but I am now a legislator, nd he wanted to enlarge his holdings. How does it affect him then? Can we not, because he isn't a ajor shareholder.

MR. USKIW: Well, Mr. Chairman, if the member wishes me to reply, I don't believe that a member f the Legislature gives up his occupation when he becomes an elected member. In fact, he may be ected because of the very nature of his occupation or endeavour in the community. He is epresentative of the community. We would not want to interpret the election of a member as being a erson who no longer qualifies to be defined as a farmer for the purpose of this bill.

MR. HENDERSON: Well, then, to carry this further. Suppose the member retired from the egislature and maybe I sell real estate besides. Does that restrict that farm operation, when my son : farming it, from purchasing land next to it?

MR. USKIW: Well, to the extent that . . .

MR. CHAIRMAN: Order please. I don't know just how you want to operate this. We could develop nto a two-way argument. I think perhaps, make your statement, Mr. Henderson, and then we will roceed as I have them down on the list and the Minister can take notes and answer to the questions hat have been put. Are you finished, Mr. Henderson? Are you through with your comments?

MR. HENDERSON: Well, yes, but really when he answers me, and I want further clarification, we ave to continue until it is clarified or else what is the point of the whole discussion. I don't see anything wrong with the discussion. There may be a little bit of trouble getting it transcribed but if it is oing on between the two of us, I think they'll pick it up when they are transcribing it.

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: Well, Mr. Chairman, again the provision I regard is fairly generous. Now, if we're oing to have hardship with it we may have to change it sometime but that is the criteria that is now sed by the Agricultural Credit Corporation for determining eligibility in their loans program and, urthermore, there is flexibility built into Bill 56 to allow for a degree of discretion in that there will be xemptions of any individual or groups of individuals where there is ample evidence to indicate that hey should be exempt from this kind of a regulation. The bill is left open in that way, for that very purpose, so that it doesn't come down hard and fast without due consideration of the circumstances. Now, I think I should recall for members opposite that in second reading, during second reading, hey made a strong pitch for putting more into the Act and we resisted that because we wanted to ave the flexibility that is so necessary in order to deal with the kind of situations described by the Member for Pembina.

MR. CHAIRMAN: Mr. Einarson.

MR. EINARSON: I'll defer till the next Section.

MR. CHAIRMAN: Mr. Lyon.

MR. LYON: Mr. Chairman, I think part of the Minister's problem arises — and as I say, I don't know whether it is an ideological or a drafting problem but he makes the assumption which is, of course, false, that all corporations are the same. They aren't. There are corporations of the kind of which Mr. Henderson spoke which are set up for the purpose of operating a farm but the main and beneficial ownership of which may not be in a person who falls within the definition of farmer. Now, surely to heaven we are not so plodding in this field of legislation or in our outlook that we are unable to distinguish between the T. Eaton Company and a farm corporation, that is a corporation that is set up essentially to run a farm.

I don't think that it matters particularly whether it is 40 percent or 50 percent or 30 percent so long as the main purpose of that corporation is to operate a farm. That's the purpose for which it has been given a charter by the Government of Manitoba under the Companies legislation. I don't see why we should be discriminating against that kind of a corporation in this Act. I can understand my honourable friend's concern about Hudson Bay Company or one of these terribly big bad outfits that he thinks are so terrible having farms. They have had farms in the past; they are probably going to have farms in the future. If he talks to any lawyers he will find out that this legislation, like all restrictive legislation, is probably just an aid to be gotten around and it can be gotten around fairly rapidly, so he's really not going to accomplish his purpose to the full extent that he wishes in any

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case.

All I am suggesting is that his definition of corporation should take into account the fact that there are corporations, the main purpose of which is to operate farms where two, three, five, or eight people, or a family group can get together, incorporate for tax purposes or for whatever, and that should not fall afoul of this definition really because my honourable friend is concerned about the Timothy Eaton Company.

MR. CHAIRMAN: Mr. Einarson, you wish to go further with this discussion? The Motion, (1) amended—pass. 1(a)—pass; 1(b)—pass. Mr. Lyon.

MR. LYON: On 1(b), Mr. Chairman, a farmer means a resident Canadian who is actively and substantially engaged in farming in Manitoba and whose principal occupation is farming. Do we take it that this determination is now going to be made, if we look ahead to the amendments the Minister is proposing, by the Farm Land Protection Board and what then are . . . The Minister nods agreeably . . . what then are to be the criteria that that board will follow in order to make this determination?

MR. USKIW: Well, that is precisely the point that I was alluding to, Mr. Chairman, a few months ago when I indicated suggestions by members opposite in second reading that we spell these things out in the bill and I think that it is, for practical purposes, unreasonable to spell them out in the bill because we will have all sorts of situations which a board may want to approve but if they were precluded by legislation they would have their hands tied and it's a set of regulations and the operations of the board which will be the large determinant in how this bill will affect the ownership of land in Manitoba.

MR. LYON: On that point, Mr. Chairman, can the Minister give us some indication at this stage as to the thinking of himself or his officials. Is this going to be a monetary qualification such as we find in the Income Tax Act where if a person earns more than half of his income in a particular year from farming, then he is deemed to be a farmer for the purposes of that Act. Or what are the criteria? What are we looking at here?

MR. USKIW: Well, Mr. Chairman, our philosophy with respect to the Credit Corporation from which this same formula is derived, is one of the utmost flexibility. It's a matter of judging each situation on its own merit and hopefully we can do that with this bill or the implementation pursuant to this legislation. We don't want to have a preconceived notion as to a person entering agriculture for the first time, who may not have most of his income coming from the production of his farm, to be defined as a non-farmer. We wouldn't want to say that but we would want to consider his application or at least the board should, on the basis of his intentions and so on. There would be some means of reviewing that from time to time if it were determined that the intentions were not being followed, that it was truly a speculative interest and nothing more. Then of course the board would have the power to suggest to him that he, or she, is in violation of this Act. But, hopefully, we would want to be extremely flexible in this area to allow people to a degree of time and opportunity to get established.

MR. LYON: But on that point, Mr. Chairman, how is any board — no matter how gifted or well appointed — to make that kind of determination. I think we get right down to the nub of it. I can think of instances, through practice, where individuals have bought farm land and they may have initially had the idea of buying it for the purpose of reselling it, I don't know. But, in one instance I think of immediately that comes to mind when the Minister talks about speculation, that land was held by an urban person and then within a matter of a few years, one of his sons came along who wanted to farm and, all of a sudden that farm was available for that son. Now, was it wrong for that man to have bought the land even if he might have harboured — God perish the thought — that he might have made a dollar out of it if he sold it and then to turn around four years later and turn it over to his son?

You see, this is where you are getting the heavy hand of the state moving into an area which is really no damned business of the state. It's no business of the state to make a determination as to whether citizen "Y" or citizen "Z" is buying farm land for speculation, buying it for some unanticipated purpose or whatever. This goes really to the root of the problem with this kind of legislation. It's social overmanagement of the worst kind because no board — I don't give a hoot what kind of a board it is — can make that kind of a determination and make it in a fair way because they don't know what future events are going to lead that land purchaser to do, be he a farmer, be he a city person, or whatever. It's just an unwarranted intrusion into his freedom. By the way, my definition of freedom, with respect to land purchases, is a definition that has obtained in this province for 107 years — I don't have to take it out of a book . . .

MR. USKIW: That's part of the problem.

MR. LYON: . . . I don't have to pick it out of a book, I am descended from farm people like most people around this table who came to this country back in the 1870s to farm here. They didn't have much capital; they came and they got a homestead script and farmed, and farmed successfully here for over 100 years and there's nothing wrong with that, so my definition of freedom is the definition that we have come to expect by tradition in this province where people have the right to go out and buy the farm land and for whatever their motivation may have been at the time, or to settle on farm land and this is what this particular piece of legislation is working against.

MR. USKIW: Mr. Chairman, the last point as made by the opposition is very amusing to me,

because if that's the style that he would prefer, then he should be endorsing land-lease 100 percent. What has he in mind in terms of new entries into agriculture? He refers to The Homestead Act where people were given plots of land for a \$10.00 bill. That certainly wasn't the marketplace; that was the time . . .

MR. LYON: It was the marketplace at that time.

MR. CHAIRMAN: Order please. Order.

MR. USKIW: . . . apportioning land to the immigrants and, Mr. Chairman, there was nothing wrong with that. In the early development of this country. That was the proper thing to do. **A**

MEMBER: That's our heritage.

MR. USKIW: All right. Now, the Leader of the Opposition suggests that we have come to the point where only those with money have the utmost of freedom and all those that do not, or are not able to pass mortgage funds have no property rights whatever, that's the position he's putting forward. The people that came here at that time had no money but the state saw to it that they had property rights through some vehicle of the state. Now, I totally reject the analogy that the Leader of the Opposition is trying to draw here because it is in complete contradiction. It is certainly not what we are dealing with.

MR. LYON: Well, Mr. Chairman, on that point, I reject my honourable friend's . . .

MR. CHAIRMAN: Mr. . . . do you want to speak.

A MEMBER: Yes.

MR. LYON: . . . Mr. Chairman, I think we're on a point and if we are going to have a debate, we're going to have a debate, and then when we're finished, other speakers are on the list and we carry on. That's the way we carry on in all committees.

MR. CHAIRMAN: I'll put you on the list.

MR. LYON: I'm already on the list. I'm already debating, Mr. Chairman.

MR. CHAIRMAN: The last member I had was the Honourable Minister.

MR. LYON: Yes, but the Minister and I are engaged in a debate with respect, Mr. Chairman.

MR. CHAIRMAN: I'll put you on the list.

MR. LYON: No, I am on the list right now, Mr. Chairman. I intend to continue.

MR. CHAIRMAN: I will recognize you, Mr. Lyon. Mr. Shafransky.

MR. LYON: Mr. Chairman, on a point of order, we're in a debate right now and I'm merely asking the usual courtesy of the Chair to continue the debate.

MR. CHAIRMAN: I will give you the floor as soon as Mr. Shafransky has finished his comments.

MR. SHAFRANSKY: Yes, Mr. Chairman, I wish that the Honourable Member for Souris-Killarney could indicate exactly what he means when he talks about this ideology, these people. What he actually means is what he stated at his nomination, that until those strange and alien people came with their strange and alien ideologies, we just knew the question of private ownership; we just knew that. That's his particular position. I wish he would come out and state his reactionary attitude as far as his Farm Protection Act being proposed before us.

Because he indicated . . . it is not a matter of the fact of what this bill does, it's the fact that he referred to the members on the government side as those strange, alien people with their strange and alien ideology. That's what bothers the honourable member.

MR. CHAIRMAN: Order, order. You're not speaking to the bill. Order. Order please, order please. I don't think that the member, Mr. Shafransky, is referring to the bill. You are referring to a nomination meeting and the opinions of the Leader of the Opposition. I don't think it's relevant to Bill 56. Mr. Lyon.

MR. SHAFRANSKY: It is relevant because that's what his position is.

MR. LYON: Mr. Chairman, as I was attempting to say before, I don't except the Member for Radisson to understand me or most of the debate that goes on here, because I'm sure most of it goes over his head. But not . . . withstanding that and I don't pay one bit of attention to anything that he said . . .

MR. CHAIRMAN: Proceed, Mr. Lyon.

MR. LYON: But merely so that will be on the record for, I'm sure, his piece of mind.

What I'm saying to the Minister of Agriculture is that the tradition of landholding in this province — and it's been said before and it will have to be said again for him to understand it — the tradition of landholding in this province has been through the market system which has demonstrated by his own figures, that 91 percent of the farm land in Manitoba is today owned by local farmers. That's a pretty darn good system and that he should tinker with it only at his peril.

We all agree around this table that there is need at the present time to close the barn door before the horse gets out with respect to tremendous foreign purchases, tremendous capital escaping from Europe at the present time and looking for a haven here in Canada. We agree on that. But we don't agree that in the course of doing that, that we should be impinging upon the freedom of fellow Canadians. And that's where I get down to the definition of "farmer". His definition of farmer, I'm afraid, if it's open-ended, is then going to be left to a board to make a determination, a board that is

going to be established presumably by the Lieutenant-Governor-in-Council and a board that then have the power presumably to say to Citizen "Y" when he comes in, "Why are you wanting to buy this land? Do you actually earn X number of dollars out of farming, or do you intend to earn Y number of dollars out of farming?" And so on. You're getting into a kind of bureaucratic over-centralized socially over-managed business that just isn't necessary in order to accomplish what is the main purpose of the bill.

The main purpose of the bill at the present time is to make sure that non-resident foreign land owners do not come into the province and buy up land to the disadvantage or to the prejudice of Manitoba citizens. It is not aimed, or should not be aimed, at fellow citizens in Manitoba or fellow Canadians who want to utilize the same freedom that they've had in this province for 107 years to buy and to sell farm land from time to time, or to change their lifestyle to go onto farms, and so on, without the intervention of some damnable board that they are going to have to appear in front of and tug their forelocks and explain the reason for their existence. That's what I mean about an invasion of freedom.

My honourable friend's revision of sense of history with respect to land development in Manitoba I think, needs a fair amount of re-education on his part. Because if he would read Bill Morton's History of Manitoba, read about the early settlement from all countries that came here, then he would find out that many of the people who came here — from whatever part of Canada or whatever part of the world — came to enjoy that precise kind of freedom. Not to stand tugging, at their forelocks in front of some government-appointed board to see whether or not they were deemed to be satisfactory people to own a piece of farm land. That's what we're getting into now, 107 years after the fact, and it's bad.

MR. USKIW: Well, Mr. Chairman, if the Leader of the Opposition wants to refresh his historic memory, then perhaps we should take him back beyond 107 years. Because in the 1760's the whole island of P.E.I. was sold on an auction block in London, England and of course that meant that no local person had a right to buy any land in Prince Edward Island. And it was a question of entry into Confederation as to what happens with absentee land ownership; one of the conditions of P.E.I. coming into Canada was that the land be returned to the Crown; land that was owned by absentee landlords over in Europe. The follow-up to that, of course, was the Homestead Act which apportioned land to people in Canada, including the immigrant that moved into this country. It was not the marketplace that arranged this. It was state intervention that provided for that opportunity.

I don't have to read up on Manitoba's history at all, Mr. Chairman. My own parents came from a part of Europe which they didn't enjoy under the feudal system, where the state and the landlord were one and the same people, and where most of the people had no property rights whatever but worked for the seven sheep or whatever it was at that time. They were very pleased to have the Homestead Act, yes, an Act of the state to give them some property rights. But they would not for one moment condone a return back to a handful of people owning all of the land area in the country, from whom they would then have to rent or work on the seven sheep basis again.

MR. CHAIRMAN: Section 1(1)(b)—pass?

MR. SHAFRANSKY: Mr. Chairman, I have an amendment . . . that subsection 1(1)(c) of Bill 56 be amended by adding thereto immediately after the word "means" in the first line thereof the words "agriculture".

MR. LYON: Mr. Chairman, on a point of order, I don't think we passed (b). We had an amendment that would have repealed it. Of course that amendment is not in order. What we have to do, then, is vote against (b).

MR. CHAIRMAN: We have passed (b) now.

MR. LYON: No, we haven't, Mr. Chairman.

MR. CHAIRMAN: They stated no, so that there is a question. . . All right, then, all in favour of (b)?

MR. USKIW: Call (b) again.

MR. CHAIRMAN: Section (b)—pass.

MR. LYON: Well, you better hear them again, Mr. Chairman.

MR. CHAIRMAN: Section 1, sub (c). . . asking for a show of hands.

MR. USKIW: Mr. Chairman, on a point of order, I think there is some confusion here. What is the point of the Leader of the Opposition?

MR. LYON: The point is very simple. If you look at our amendments, we had an amendment that clause (b) be repealed. That amendment is not in order when clause (b) is being considered. All we have to do is vote against clause (b); all we're looking for is the opportunity to do so.

MR. CHAIRMAN: All right, all in favour of clause (b)? All in favour of clause (b) as in the bill?

MR. USKIW: Nobody is challenging clause (b).

MR. LYON: Yes, we are.

MR. USKIW: Nobody was challenging it.

MR. LYON: Yes, we are. We're challenging it.

MR. USKIW: Nobody moved any amendment.

MR. CHAIRMAN: All in favour of clause (b) — 6. All those opposed to clause (b) — 3. The section

assed. Proceed Mr. Shafransky.

MR. SHAFRANSKY: Mr. Chairman, I move that Subsection 1(1)(c) of Bill 56 be amended by lining thereto immediately after the word "means" on the first line thereof the word "agriculture".

MR. CHAIRMAN: The motion as read—pass?

MR. LYON: Mr. Chairman, does this have the effect of restricting the definition of land to icultural land and not recreational?

MR. USKIW: That's essentially the point, Mr. Chairman.

MR. CHAIRMAN: Section 1(1)(c) as amended—pass; Section (d) —pass.

MR. SHAFRANSKY: Mr. Chairman, I move that clause 1(1)(e) of Bill 56 be struck out and the owing clauses be substituted therefor: (e) "resident Canadian" means (i) a Canadian citizen or a ded immigrant, or (ii) a corporation, other than a corporation defined in clause (a), which is marily engaged in the business of farming and at least 60 percent of all the issued voting and non-ing shares of which are legally and beneficially owned by individuals who are resident Canadians d whose principal occupation is farming;.

MR. CHAIRMAN: The motion as read . . . (e) as amended—pass?

MR. LYON: Mr. Chairman, on (e) we have an amendment. I think it's just a curative amendment.

MR. CHAIRMAN: A sub-amendment?

MR. LYON: Well, it would be an amendment to the section as now amended. And this is where the jislative counsel could be of assistance to us. If you look at the definition of "resident Canadian", ould it not be possible to strike out all the words after the word "immigrant" in the first line thereof d still end up with the same definition? Do those extra words not just confuse?

MR. BALKARAN: No, Mr. Chairman. If you shorten this definition you could then have a rporation that is a farming corporation that is non-Canadian, incorporated elsewhere, coming and ying land in excess of 640 acres.

MR. USKIW: In excess of 160.

MR. BALKARAN: 160 acres.

MR. USKIW: You'd be exempting foreign corporations?

MR. BALKARAN: That's right.

MR. LYON: But the term "resident Canadian" doesn't have anything to do with corporations.

MR. BALKARAN: Mr. Chairman, by definition corporation as defined in Clause (a) will not prevent rporation that comes from the United States, for instance, that is essentially a farming rporation from buying land in excess of 160 acres.

MR. LYON: Yes, we pointed out that deficiency at second reading. But I'm just wondering if this is ie place to cure it. I wouldn't argue with Mr. Balkaran. He is a very able draftsman but it seemed to me at this would not be the place to cure that loophole that was in the Act. I was referring to this merely ecause the words, the five lines or so in (e) that follow "immigrant" seem to obfuscate rather than to ake clear. If Mr. Balkaran says that they are needed to plug the loophole, I would, off the top of my ead, have to accept his judgment but I am not persuaded that that would be the case.

MR. CHAIRMAN: (e) as amended—pass. Subsection 1(2).

MR. SHAFRANSKY: Mr. Chairman, I have an amendment. I move that subsection 1(2) of Bill 56 be mended by striking out the word "minister" in the second line thereof, and substituting therefor the ord "board appointed by the Lieutenant-Governor-in-Council under Section 13".

MR. CHAIRMAN: Section 1(2) as amended—pass. Section 2(1).

MR. SHAFRANSKY: Mr. Chairman, I move that subsection 2(1) of Bill 56 be amended by striking ut the word "who" in the second line thereof, and substituting therefor the words "or corporation at".

MR. CHAIRMAN: Pass? Mr. Lyon.

MR. LYON: Mr. Chairman, I merely point out for the record, in keeping with what we said earlier bout not reiterating debate, we had a series of amendments following upon the first amendment that roposed that was defeated, namely the new definition of foreign corporation. If you look at Page 2 ou will see that we had a series of amendments relating to the insertion of the word "foreign", in rder to follow through on that line of thought. We're not going to, obviously, move those because we ave already cleared that . . .

MR. USKIW: We've debated the subject.

MR. LYON: We debated and cleared the hurdle. I just didn't want anyone to think we had verlooked it, or that the point was less . valid.

MR. SHAFRANSKY: Mr. Chairman, I have an amendment. I move that subsection 2(2) of Bill 56 be amended by adding thereto, immediately after the word "Act" in the first line thereof, the words "or he regulations".

MR. CHAIRMAN: Motion as read—pass? Mr. Lyon.

MR. LYON: Mr. Chairman, this subsection 2 of Section 2 goes really to the crux of the restrictions of ownership about which we have been speaking and we would like to indicate non-support of this.

We call for ayes and nays.

MR. CHAIRMAN: All in favour of 2(2) as amended — 6. Opposed — 4. Motion is passed. Shafransky.

MR. SHAFRANSKY: Mr. Chairman, I move that section 2 of Bill 56 be amended by adding there immediately after subsection (2) thereof, the following subsection: Acquisition of non-agricultural land. 2(3) Except for land designated or zoned for residential, commercial or industrial use accordance with The Planning Act, no person, resident Canadian or corporation shall directly indirectly acquire land that is not agricultural land which would result in that person, resident corporation owning in the aggregate more than 640 acres of non-agricultural land.

MR. CHAIRMAN: Motion as amended, agreed? Mr. Lyon.

MR. LYON: No, Mr. Chairman. As I read this amendment, this is following upon the redefinition of land now to encompass only agricultural land but along comes this section, Acquisition of non-agricultural land, which in effect says that no person, resident Canadian or a corporation shall directly or indirectly acquire land that is not agricultural — and I read that to mean recreation whatever — which would result in that person, resident of corporation owning in the aggregate more than 640 acres of non-agricultural land. Now, is it the intention of the government to restrict from that time forward any person in Manitoba owning more than a section of land for recreational purposes and if so, from whence did this policy emanate?

MR. USKIW: Mr. Chairman, this policy was contained in the bill at the outset and secondly the amendment arises from the point that members opposite made on second reading, namely that farmers were privileged beyond that of any other group in that they had no limitation on land ownership whether it be agricultural or non-agricultural. So this essentially removes the favouritism discrimination.

MR. LYON: Of course there's a better way to remove the discrimination and that's to wipe out that section.

MR. USKIW: Well, it's a matter of policy.

MR. LYON: That's the ultimate. To leave it, in other words, the way it is now *status quo ante* that you've got the right. The purpose of your bill is allegedly the Farm Land Protection Act. Now what God's name are we doing dealing with or purporting to deal with recreational land in the Farm Land Protection Act. Where is the justification for it? That was the point we were making.

MR. USKIW: Mr. Chairman, I simply would point out that during the course of our hearings over two years there was a great ado made about the future and control of recreational resources in that province which would include land not developed at the moment. This of course would address itself to that particular concern. It's somewhat academic however, in that most of the land in question now Crown owned so in essence the Crown has control of it in any event.

MR. LYON: Mr. Chairman, assuming that a company or a partnership or a private individual presently has a section of land on which he's operating, for the sake of the example, a Dude Ranch or whatever, and he has the opportunity to buy an adjoining quarter to expand his operations. As I read that section he would be unable to buy that land.

MR. USKIW: Well, yes, Mr. Chairman, unless of course it was approved by the Board in question. The Board has the power to allow or disallow and that's a matter of discretion at that point in time.

MR. LYON: But we come back then really to the nub of the whole business. Why? Why?

MR. USKIW: Mr. Chairman, the import of this amendment is to put the farmer in the same position as all of the other citizens of Canada are, namely that they are entitled to the ownership of a section of land without question. Beyond a section of land they would have to have approval. In other words the Board would have to agree to waive this particular requirement.

MR. LYON: But the Board, Mr. Chairman, deals with farm land protection. Are we into recreational land legislation now? We pointed out that fallacy in the original Act. All I'm merely saying to the Minister is that the logical and reasonable approach for him to take, following upon the amendment to the definition of land is to leave it open. That's the ultimate freedom.

MR. USKIW: Mr. Chairman, the Leader of the Opposition and I will not, of course, obviously agree since the Leader of the Opposition wants no restriction at all and the essence of this bill is that there will be restriction on the amount of land that anyone is going to own in the Province. Now the bill clearly indicated that when it was first introduced, that we're dealing with all the land in Manitoba Period. We're not just dealing with agricultural land. Mr. Chairman, this is. . . —(Interjection)—

MR. CHAIRMAN: Order please. The Minister has the floor.

MR. PAWLEY: Mr. Chairman, I can appreciate the problem that the Leader of the Opposition has. He was not with us at the time we were discussing the land question over the last number of years. We had a whole host of meetings throughout the province which discussed agricultural and recreational land. This emanates from that particular discussion and review so that we are talking about the rights of land ownership period — agriculture and non-agriculture.

MR. LYON: What about the position of an operating company in Manitoba that for the purposes of its operations in various parts of Manitoba, rural, already owns 640 acres and finds that for the

poses of erecting a new shed or for the purposes of getting additional land at Norway House which is privately held or whatever, that they have to acquire more land. Do they have to come with a cap in hand to the Minister's Board and say, "Please Sir, can we buy a piece of land? Just because we already own a section of land, can we buy another piece of land in Order to carry on our business in Manitoba?" What sort of nonsense is this?

MR. USKIW: Mr. Chairman, the bill provides with the amendments that where land is zoned for a certain kind of development of course these controls would not apply. These controls apply to land that is not now regulated by the Planning Act or the local governments throughout the province under the Planning Act. So that in essence this would become the regulatory body where there is no other.

MR. LYON: But that's what I'm talking about. In non-urban or non-village or city or town situations, unless the land is designated commercial, what you're going to do is to create whole new areas. You people must be very fond of the legal profession because you're creating a whole new area of work for lawyers again who are going to go to a council, they're going to take an option — I'll tell you exactly how it'll happen — the lawyer will be approached by the company and told, you take the option on the piece of land because we've already got a section of land. The minute you get the option and get the land zoned commercial from the R.M. and then we'll move in as the beneficial owners and buy it from you. Why go through that charade? All you're doing is creating business for lawyers and you're not going to stop the big bad old companies that you're so concerned about from getting the land in the first place.

MR. USKIW: Mr. Chairman, this is an area of control that will work well in co-operation with the Municipal Planning Act. As it would stand now without this legislation, a person would buy a tract of land for whatever purpose at whatever market value, from that point on would proceed to ask for a rezoning in which case, after rezoning one would logically enhance those values and there would be a capital gain. What would happen in this instance is that we might want the rezoning indicated prior to the approval of the sale.

MR. LYON: But my point, Mr. Chairman, and correct me if I'm wrong, my point, as I read this and I'm just looking at it now, is that if the Company already owns an aggregate 640 acres of land it can't buy a square inch of land.

MR. USKIW: Well that is correct other than where it's zoned for that purpose.

MR. LYON: Other than where it's . . .

MR. USKIW: We are only dealing with areas that are not now regulated by the Municipal Planning Act.

MR. LYON: But why go through the charade, Mr. Chairman, of having intermediaries to go in to buy the land to secure it first of all and then to get to the rezoning done and then to have the ultimate owner come in and buy it and merely go through this charade to get around this piece of legislation. What's what will happen. Why are we concerned in terms of farm protection?

If Mr. McCain wants to come and set up a plant as he is in Portage La Prairie and he wants to locate that plant — I'm sure he's locating it within the town limits or the city limits — but if he wants to locate in the R.M. of Portage La Prairie we should welcome him with open arms. But if Mr. McCain has already through subsidiaries got other land in Manitoba he can't buy a square inch.

MR. USKIW: Mr. Chairman, the impact of this section will be beneficial to the original owner whereas the suggestion of the Leader of the Opposition is that the enhanced value would accrue to the new owner. That's the essential difference. Because if we're talking about a tract of land that will be required to be rezoned in order to carry through with the project, then of course if the owner who now has the land is aware that that is the destiny of that area he will of course command the enhanced value before he sells it. If we do not proceed in that way then the new owner gets a windfall benefit and the original owner has taken a much lower value.

MR. LYON: Mr. Chairman, with respect, the Minister is off chasing after one of his socialist hares again. All I'm talking about is the procedural bramblebush that this legislation is going to put in the place of ordinary land transactions for purposes that are beneficial to the economy and to the people of Manitoba whereby, without any question of inflated values or speculation or anything else, a company in Manitoba that already owns 640 acres of land is not going to be able to buy another inch of land for some purpose that may be beneficial. It may be conceived by 99 percent of the people, not my honourable friend the Minister, but 99 percent of the other people in Manitoba who happen to think differently from him that it would be good if a company opened up a subsidiary plant somewhere else in Manitoba but it can't buy a square inch of land to open up that plant under this particular piece of legislation. That's what I'm getting at, unless it goes to this Board with cap in hand and says please, can we buy a piece of land so that we can expand and create some more jobs for the benefit of the people of Manitoba. What sort of nonsense are we getting into?

MR. USKIW: Mr. Chairman, there is no intent here to encumber that kind of a situation or that kind of a proposal.

MR. LYON: That's exactly what's going to happen.

MR. USKIW: One has to assume that the Board is going to hear the proposal and approve or deny

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on the basis of the evidence put forward. That's quite different from taking a blind eye to the question and allowing the speculation in the land in question to take place.

MR. LYON: There's no question of speculation involved.

MR. USKIW: So, Mr. Chairman, if it is a clear case which can be identified as such there's a question that the board will give approval. And it's not an unnecessary amount of red tape.

MR. LYON: Mr. Chairman, with respect what the Minister is saying now is that some as unannounced and unappointed board is going to be making a determination about future industrial development in Manitoba and I don't think that this is the purpose of this legislation. I don't think the farmers of Manitoba have asked for it. I don't think that the people of Manitoba have asked for it. How have we tripped into this pitfall of muck in order to protect whom from what?

MR. USKIW: Mr. Chairman, the Leader of the Opposition doesn't have a very good memory. I have been chastised by his colleagues from time to time over the lack of public control of industrial development — "land use" is the key term they use. This is the kind of linkage that is necessary in order to deal with changes in land use where land use has not been defined under the present municipal planning arrangement. In other words the process will be as follows: A company wishes to enlarge its factory or whatever and needs additional acreage or wants to establish a satellite operation or whatever and needs additional acreage. We would then want to have the board consult with planning authorities both local and provincial to determine their interest in that kind of development in that particular area. Right now that does not exist where it's non-zoned and noncontrolled. That will give us an added advantage in proper planning for both industrial and commercial development.

MR. LYON: With respect, Mr. Chairman, the Planning Act already confers that power and I really can't see — my honourable friend talks about linkage. I can see chainage, not linkage in this case because he's so consumed with the possibility that somebody might make a buck on a land transaction that he's missing the whole point. The whole point as I've been trying to say to him, if he knows anything about land transactions, about how land is purchased, XYZ Company, if it's a manufacturing company is not going to come along in *personam* as a company and say to farmer X or to corporation Y, "We want to buy your land to build a gadget factory." That is not the way it's done. An agent will come along — the agent could be a real estate agent, a lawyer or a trust company or some other agent for that purpose — and will buy the land or take an option on the land. Now speculation has nothing to do with it. The agent will then proceed to get the land zoned commercial if that's the only way he can get his client out of the linkage or the chainage of this Act, he'll get it zoned commercial and then the real owner will come along. I just don't see why they have to go through all of this nonsense in order for a company or any group of people who want to set up a business operation in Manitoba just because they already happen by happenstance to own in the aggregate 640 acres of land somewhere else in Manitoba. It makes no sense. It offends reason.

MR. USKIW: Mr. Chairman, obviously the Leader of the Opposition and I are not going to agree on that point.

MR. CHAIRMAN: All in favour. Mr. Einarson.

MR. EINARSON: Mr. Chairman, is the principle of this bill really not that we're talking about ownership of land, who is going to have the right to own land. And the Minister is bringing in a clause here describing the use of land. I think this is a point that we have to be clear on. I'd like to ask the Minister. That's the concern that I have here insofar as this section is concerned. Is he now taking that responsibility and would say any person who is living in the city that he's going to be denied these rights if it's non-agricultural, that he's taken the powers say from the Minister of Urban Affairs that it's not going to be necessary under the Minister? I pose that question to the Minister. Will the next step be that we're going to put restrictions on people within urban areas and is the Minister of Agriculture going to take that responsibility for the Minister of Urban Affairs. Do I detect that aspect in this particular clause that it could pertain to that?

MR. USKIW: Mr. Chairman, all of those remarks are of course not valid. We now have urban uses, industrial uses, etc. controlled. We now have them controlled and had them controlled for 50 years or a 100 years. I don't know how long, Mr. Chairman, under the Municipal Planning Program, zoning programs, etc. This bill or restriction deals with those areas where there is no zoning. Where an area is zoned for this kind of development that the member alludes to of course this bill does not apply. It only applies in areas beyond what is now provided for in other pieces of legislation or regulation be it municipal or provincial.

MR. CHAIRMAN: All those in favour of the new subsection as amended? (Agreed)
3(1)—pass. Pardon me, you have a motion?

MR. SHAFRANSKY: Mr. Chairman, I have a motion that Clause 3(2)(a) of Bill 56 be amended by adding thereto immediately after the word "by" in the last line thereof the words both "A"; and"

MR. CHAIRMAN: Motion as amended.

MR. SHAFRANSKY: That's capital A in quotation.

MR. CHAIRMAN: Motion as amended—pass.

MR. USKIW: Mr. Chairman, I believe they wanted an explanation of that. Legal counsel will deal with that. It has to do with the intricacies of corporate ownership.

MR. CHAIRMAN: Mr. Balkaran.

MR. BALKARAN: Well, Mr. Chairman, I would have thought that the clause as amended is self-explanatory. It simply says that where you have shares that are owned by another corporation in one corporation, or the same people own shares in two or more corporations, the land shall be deemed to be owned by both so that you don't parley a number of corporations to be able to thwart the purpose of the bill.

MR. CHAIRMAN: As amended—pass?

MR. SHAFRANSKY: Mr. Chairman, I have a motion. I move:

THAT Clause 3(2)(b) of Bill 56 be amended by striking out the word "corporation" in the last line of the proof and substituting therefor the words "both 'A' and."

MR. USKIW: Mr. Chairman, that serves the same purpose as the previous amendment.

MR. CHAIRMAN: Subsection (b) as amended—pass; Subsection 3(3). Mr. Shafransky.

MR. SHAFRANSKY: Mr. Chairman, I move:

THAT Subsection 3(3) of Bill 56 be struck out and the following subsection be substituted therefor:

Reduction of land holding by corporation becoming a non-resident Canadian.

3) Where land is owned by a corporation as defined in clause 1(1)(a) or mentioned in sub-clause 1(1)(e)(ii), and a sale or transfer of its shares occurs which results in the corporation not being a resident Canadian, the land so owned by the corporation shall be reduced to the maximum permitted under section 2 within 2 years of the date of the sale or transfer of the shares.

MR. CHAIRMAN: Resolution as amended—pass. Section 4. Mr. Shafransky.

MR. SHAFRANSKY: Mr. Chairman, I have a motion. I move:

THAT Section 4 of Bill 56 be struck out and the following section be substituted therefor:
Exceptions.

1) Section 2 does not prevent a corporation or person that is not a resident Canadian or a farmer from owning or acquiring land in excess of the amounts specified in that section

(a) if the person or corporation owned or acquired the land prior to the 1st day of April, 1977; or

(b) where the person or corporation acquires land on or after the 1st day of April, 1977, if the right to obtain title to the land arose prior to that date.

Exception on acquisition by devise.

4(2) Section 2 does not prevent

(a) a person from owning or acquiring land in excess of the amounts specified in that section where the person acquires the land by devise or by operation of The Devolution of Estates Act; or

(b) a corporation from acquiring land in excess of the amounts specified in that section where the corporation acquires the land by devise.

MR. CHAIRMAN: Subsection 4. Mr. Spivak.

MR. SPIVAK: Mr. Chairman, I want to raise a point that I think is very important here and one which we dealt with in the clause-by-clause analysis of Family Law, or in The Marital Property Act.

Mr. Chairman, I think that there has to be a very important situation to arise whereby we provide retroactive legislation. I think there is a principle that we have to remember constantly when we deal with legislation. We deal with legislation as of the moment we are talking about it. We deal with it on the basis of the present situation, as of now, and when the Act, if it is passed, is passed and proclaimed. To in any way suggest that we as legislators have the ability at will, at any time to make a decision that it should be retroactive to any given date because of either an announced policy of attention by a government or because of the first reading of the bill or because of the whim of any of those who are in responsible positions of power or policy, is a mistake. And I don't think it can be condoned nor do I think it would be justified. I don't know of any particular situations and I'm not in any way concerned about it.

I am at this point concerned about a principle which has been consistent now with a couple of acts and which has in fact existed in the past. If the law is to come into force on proclamation and it is proclaimed as of a particular date, if this law is passed, then that should be the date upon which this law applies, not prior to it. This is not a budget matter and in a budget matter, those people who are involved in the budget are only the ones that are privy to it, no one else knows about it. And we know the whole issue with respect to secrecy.

So I want to understand from the government why there is a justification for the 1st of April being provided as opposed to the date of proclamation. That was one point.

The other point has to do with the questions of the exceptions because I think although there been reference to the operation of The Devolution of Estate Act, I think now you have to understand that there will in fact be acquisition as a result of The Marital Property Act and I think that that in it may have to be added to this.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, with respect to the alleged retroactivity, I use that word because I don't believe it is retroactive, a bill that is introduced and becomes effective on the date that it is introduced, in my opinion, is not retroactive legislation, especially the kind of bill that is going to restrict rights and privileges which could be circumvented in the interim if it was not made effective on the date of introduction, especially for that kind of legislation. I don't believe that it is wrong, I do believe that it is retroactive. If we were going back to January 1 or sometime in 1976, I would think that the Member for River Heights would be quite correct. But the bill was announced and the date that it was announced it became effective, regardless of the fact that it had to have its various stages in the House and Committee before it would become law. So I don't accept that at all with this kind of legislation, Mr. Chairman. In fact, it would be irresponsible not to do it that way because you would circumvent *carte blanche* between the date of introduction and when you passed this bill if you would not make that provision.

MR. SPIVAK: Well, every bill we enact in this Legislature affects certain people and obviously affects them in the conduct of their affairs. And every bill in itself will have some impact. It is irresponsible to suggest realistically, that either as a result of numbers or because of the importance of the bill, that it is desirable to have it retroactive to the time of announcement as opposed to the time of introduction of legislation. We are not dealing with the original bill, we are dealing with substantial amendments and they are all representations and I would say to the Minister that the justification doesn't come because of the fact that he thinks it would be irresponsible. You know, the problem we have here is that those who have power — and I'm not suggesting that it's only to those who are in government now — I think to those who have power at any given time there is a feeling of a sense of responsibility and a sense of importance and a sense that they in effect are better positioned to judge the realities of the day-to-day operations and the day-to-day conduct of people.

Well, I think that this is a problem area because I think that the assumption is that we have been given a responsibility to legislate, but not for the past, to legislate for now and the future. Now we are in June, not April, and we do not know when this bill will be proclaimed and it would be wrong and I believe incorrect to justify it on the basis that there may very well be some who may in fact put the affairs in order or do certain things, because the fact is that every piece of legislation on that basis has to be justified at being retroactive to the day of the announced intention of the government, either by way of introduction in the House or by the statements of the Minister, or by the First Minister, or by declarations of the Cabinet. We know that we do not allow that to happen because we know that our tradition that is something we do not want to have happen.

As a matter of fact, the tradition under which we operate, is not to allow retroactivity unless there is some, you know, real justification, extraordinary justification and the statements by the Minister are not extraordinary.

MR. USKIW: Mr. Chairman, I would like to respond to the second point and that is that obviously the board that is going to be set up here will have to take cognizance of any changes made in The Marital Property Act and would not want to be in confrontation with that new provision or whatever legislation that has to do with the marriage and ownership of property resulting therefrom, the division of property in other words.

MR. SPIVAK: But shouldn't that be in the Act?

MR. USKIW: Well, Mr. Chairman, I appreciate what the member is suggesting but we don't have the other Act on the Statutes Book yet so it's somewhat presumptuous to put provisions in here which are dependent on the passage of another measure. I think if we have a board with discretion, then the board will obviously, if it's going to be a common sense board, is going to look at legislation that affects its operation and will rule accordingly.

MR. SPIVAK: I accept the logic of the Minister; we are not sure that the bill will be passed therefore we should not in any way include it. But on the other hand, we're not sure that this bill should be passed but we are saying that it should be retroactive to April 1st which is the time that it was introduced. I don't think that his position was very logical.

MR. CHAIRMAN: Mr. Enns.

MR. ENNS: Mr. Chairman, the point raised by the Honourable Member for River Heights and the Minister's response really illustrates perhaps something that we have become all too painfully aware of in the past seven or eight years and it is a somewhat new position by government administrators namely that simply the announcement of intention at first reading really places the whole exercise of debating the bill in principle at second reading, inviting public representation to the bill, going through it clause-by-clause indeed as we are with substantive amendments, as a whole sham exercise.

What the Minister has really told us in response to the Member for River Heights is that the initial intention as indicated by first reading is the bill and there is no possible consideration for major changes such as dates of effectiveness, etc., to be considered.

I raise that not with much hope of having the Minister change his mind on the subject matter, but it does indicate the kind of arrogance that the Minister and this government approaches to legislation that deals very markedly in the affairs of all Manitobans.

MR. USKIW: Mr. Chairman, I would simply refer the Member for Lakeside to all the years during which they had this responsibility and let him measure the amount of arrogance that was introduced at that time.

MR. CHAIRMAN: Mr. Einarson.

MR. EINARSON: Mr. Chairman, I just wanted to ask one simple question. If a farmer purchases land on the second, third, fourth or fifth of April and the bill is proclaimed on January 1, 1978, is that not retroactive? How would that work, Mr. Chairman?

MR. USKIW: Mr. Chairman, the point the member is raising is not an accurate one because a farmer is totally exempt.

MR. EINARSON: Anyone.

MR. USKIW: . . . other than for land other than agriculture.

MR. EINARSON: That's right. That's what I want.

MR. USKIW: I'm not sure that I got the rest of his question, Mr. Chairman.

MR. EINARSON: I'm talking about retroactivity.

MR. USKIW: Yes.

MR. EINARSON: If you purchased — if you had land in excess of the amount that is allowed in the bill and the bill is proclaimed on January 1, 1978, is this not retroactive legislation insofar as the legislation we were talking about earlier? I know we are covering a larger area than just this legislation here.

MR. USKIW: Mr. Chairman, the proclamation may be at any time but I don't look upon this as being retroactive legislation, nor any similar legislation. When it is announced that it is effective a certain date, when it is introduced for second reading, that to me is an indication to the public as to where they are with respect to their rights, with respect to whatever measure is introduced.

There have been many pieces of legislation with retroactive features, dating back many many numbers of months, not dating back only to a certain date of the sitting of the Legislature, current. So, you know, there is quite a difference in terms of how I would view retroactivity from that of the position.

MR. CHAIRMAN: Mr. Lyon.

MR. LYON: Mr. Chairman, in the example that Mr. Einarson and the Minister were using, one question first of all: If a farmer has gone out — a person — has gone out and bought a section of bush land, unbroken land, is that deemed under this definition now to be non-agricultural land?

MR. USKIW: Mr. Chairman, I'm not certain as to what the final regulations are going to say because obviously we have not been able to prepare regulations that would give effect to the implementation of this Act. That is something that we will have discuss and pass by Order-in-Council at the right time. I don't think it would be beneficial to this Committee to ponder what those might be at the moment.

MR. LYON: But you see, where the Minister's case falls flat, Mr. Chairman, is here. He brings in today an amendment in which he purports to restrict the right of any Manitoban to buy any non-agricultural land in excess of 640 acres and he makes the whole Act subject to the retroactive clause of April 1st, 1977. A person might well have gone out in the last month or two and bought a section of bush land and may at the same time already own 640 acres or more of land that is non-agricultural, and all of a sudden he finds that he has made a purchase in good faith and he finds that he is not entitled to hold that land.

MR. USKIW: Mr. Chairman, I appreciate the point that is being made and that's one reason why we would want to have enough discretion in the power of the board to allow for those kinds of circumstances. But it would have to rest on the merits of the case.

MR. LYON: The obvious way then, Mr. Chairman, to obviate that difficulty, would be to wipe out the section dealing with non-agricultural land.

MR. USKIW: Mr. Chairman, we just passed that section so I don't know what the point is that the leader of the Opposition is wanting to make.

MR. LYON: The point is, Mr. Chairman, if it needs to be repeated, is that there is an unwarranted intrusion into the private affairs of fellow Manitobans in this bill because of an amendment that he has just dredged up and brought into this Committee in the last days.

MR. USKIW: Mr. Chairman, I want to object to that. That particular provision was in the bill from day one. The bill was not restricted to farm land only, and if you look at the bill, you will find that that is so. It's not an amendment introduced here as a new substantive part of the bill.

MR. CHAIRMAN: Section 4, as amended—pass. Mr. Spivak.

MR. SPIVAK: Mr. Chairman, I ask the Minister, there is an extraordinary power that is being used by him here and I would like him to justify it. Why is it necessary for him to provide and exercise power which is within the government — within a government majority — but is rarely used, in which governments are cautioned never to use, and which the tradition has been not to use?

MR. USKIW: I presume the Member for River Heights is dealing with what he calls retroactive legislation and I have already dealt with that, Mr. Chairman. This is not retroactive legislation, in my opinion.

MR. SPIVAK: This is retroactive legislation. The legislation we are now talking about deals with a date that has passed. We have not passed the legislation; we do not have any idea when the government intends to proclaim this; we do not know ultimately what the final bill will be. It has passed third reading and just as the Minister said he could not deal with The Marital Property Act as an exception because he is not sure that the bill will be passed, because he recognizes that he does not have that power, surely he shouldn't be in a position to exercise a power which is extraordinary, which governments have been cautioned not to use and which, really, in one sense, is beyond the competence now because that date has already passed.

MR. USKIW: If the former leader of the Opposition, if he was here about two hours ago, he would have had to make the same argument with respect to Bill 3 which was made retroactive to January 1st, of necessity.

MR. SPIVAK: Mr. Chairman, I would say this, that as far as I'm concerned, I try to be consistent and I think I have. I think that if one looks at the various remarks I've made in the last eight years, the one thing that I have been concerned about is the tendency on the part of the present government to think that can be documented over and over again — (Interjection)— Yes, I can. I can document it retroactively legislate and there is no justification for this. The fact is that we are introducing a substantive change in the law; we are introducing a change which is a very important change in public policy. Having said that, it is not the law yet and we are now setting dates prior to the time that we are actually dealing with it. I think that the fact that there may be a few people who may or may not be able to put their affairs in order in relation to the law that has been announced and the policy, something we face in every piece of legislation that's announced and is brought forward, though we don't provide retroactive legislation and that's for a very good reason. I don't think the Minister has answered it. All he is really simply saying is, we have the power and we're going to do it.

MR. USKIW: Mr. Chairman, it's not as if this particular subject matter has not been under debate for some period of time. We have been debating this question for four or five years. We have had two years in which we had extensive meetings throughout the province dealing with this question. Of course, when one introduces a measure in the Legislature, that is notice that there is a change in policy and of intent of the government and that to me is ample notice on the part of the government to the people of Manitoba at large or to the world at large because it does affect everyone.

For the Leader of the Opposition to suggest that we announce policy, policy such as this one in that is having to do with restrictions on the ownership of property, for him to suggest that is ludicrous in the sense that he knows that to do that, and allow an extensive time period before it is implemented would simply mean a rush on the market; would simply mean that initially the whole intent would be pre-empted in that people would be taking all sorts of legal options in order to, at least in this stage, circumvent the intent of the legislation.

MR. SPIVAK: Mr. Chairman, I want to suggest to the Minister that notwithstanding all of the legal drafting that has been provided to him to basically express his intent, there will be a lot of avoidance of this Act and it is going to be forthcoming by all the multitude of plans that will be arranged by those people who will examine the loopholes that will exist in this bill and in effect will defeat the purpose and in their system that is allowable and that will take place and he knows that.

Now, this law that we are now enacting or we propose to enact, because we haven't enacted it, is a law that is going to be in there for years and to suggest that in a matter of two months or three months all the things that will be accomplished in those three months, that will more or less take away from the effect of this Act over the years is nonsense and he knows that. My point is that there is really no justification for the date that has been set except that it fits in his mind a timing that is important because of what he sees to be the situation. I say to him that he has a responsibility as a legislator consistent with the tradition under which we govern, not to make it retroactive but to in fact bring forward the legislation, deal with it expeditiously and in fact proclaim it right away. That's his responsibility and he's not discharged from it by simply saying it is retroactive to a certain date, to the date of announcement, it doesn't really make any difference how or in what way we deal with this. I say that every piece of legislation it affects somebody in some way and it can be a number of people or it can be as large or smaller number of people and that the onus that is on government not to legislate retroactively has not been discharged by him. His statements do not discharge it and to that extent, this is bad legislation for that reason. You cannot justify it on that basis.

It is true that the committee has been meeting and that there have been announcements over the

period of time that we're going to be dealing with this but that's true of The Marital Property Act all. Although there is legislation affecting that situation, in the case of The Marital Property Act, there are people who in fact have been separated but on whom no separation agreements were made and who wanted out as a matter of fact, completely out, or will be out with the passing of this. Their situations are such that there is no remedy. Unfortunately for them, their remedy will be the remedy that existed before, no remedy under the present situation. But the reality is that there is the recognition that there has to be at least a point at which you say that the legislation we're dealing with at least legislate from here on in rather than from the past. What he's done here, he's legislating from the past and he hasn't discharged the onus that is on him.

MR. CHAIRMAN: Mr. Toupin.

MR. TOUPIN: Mr. Chairman, in my humble opinion, Mr. Spivak's argument doesn't make sense at all. We would not have this clause in the bill before us, the farm could have been bought and sold ten years between the time the bill was introduced . . .

MR. SPIVAK: In two months?

MR. TOUPIN: . . . that the date was announced as being the date . . .

MR. CHAIRMAN: If the Member for Lakeside wants to speak, he'll get his turn. Continue Mr. Toupin.

MR. TOUPIN: I believe that that was announced when the bill was presented to the House, the principle of the bill itself and if I can recall correctly, Mr. Chairman, the Member for River Heights and members of the House voted for a similar provision in the bill that accepted the principle of rent controls, Mr. Chairman, where we went back in regard to having a date, a retroactive date set of June, 1975.

MR. SPIVAK: I did not agree with that.

MR. TOUPIN: Mr. Chairman, we can check the records but that date was set in regard to the base rent controls being June, 1975, and the bill was presented and accepted in 1976. I say that if we did have this type of provisions within the bill and announce it at the introduction of the bill that it leaves the whole thing wide open for abuse.

MR. SPIVAK: Well for the record, I think if one wants to trace the record and read the Hansards, you will find that I spoke about that and spoke against that. —(Interjection)— Well, I suggested that in it was an extraordinary power but I want to point out one thing: That with respect to rent control in AIB which were realistically at that point emergency measures brought in at the time by the Liberal Government as a means to combat the inflation and dealing on a national level and consistent with the announced policies, that in effect there had to be a recognition that at least the date upon which we agreed was the date of the announced policy of the government which was October, whatever the day was in October. I indicated at that time that that is what should have been done. The government did in fact exercise that power and I don't think that was right; I still don't think it is right.

I simply say that as legislators, you have no right to provide legislation for dates prior to the actual proclamation of the legislation which we will enact unless there is some extraordinary circumstance. The fact that there may be some people who could take advantage in a few months doesn't bother me at all because every piece of legislation that is announced, people are capable of handling their affairs in such order to either take advantage of it or to avoid it, depending on what the piece of legislation is. We do not put retroactive legislation because on that basis we might as well have legislation by proclamation, at least by statements of Ministers and by Cabinets at any given time, if we don't. So I suggest again there is an onus that has been placed on the government and on the Minister here to justify it. I don't think he has justified it; he may think he has; I don't think he has. I think that that makes it bad legislation at this particular time.

MR. CHAIRMAN: 4(1)—pass. Mr. Lyon.

MR. LYON: Well, Mr. Chairman, again, we have proposed an amendment to the old Section 4 as it was originally drafted. We just reiterate the point without making the formal motion but we do not think that this Section should have application to anyone other than non-residents.

MR. CHAIRMAN: 4(2)—pass; 4—pass; 5(1)—pass.

MR. LYON: Just a minute, on sub (1), Mr. Chairman. We move that Section 5, subsection 1, be amended by adding thereto the following words after the word "acquisition" in the last line thereof: "or such further time as the board may, upon application, being justified to avoid hardship." Now the purpose of that is . . .

MR. USKIW: Mr. Chairman, just to speed it up, we have no objection to that. It's not a bad suggestion. We accept that.

MR. CHAIRMAN: 5(1) as amended—pass; 5(2)—pass.

MR. LYON: Mr. Chairman, again, on 5(2), we would vote against that for the same reason in that it could not have application to Canadian citizens. I won't make any formal motion.

MR. CHAIRMAN: Okay. Pass. 5(2)—pass; 6—pass; 7(1)—pass; 7(2)—pass; 7(3)—pass. Mr. Lyon is franky.

MR. SHAFRANKSY: Mr. Chairman, I move that Bill 56 be amended by striking out clause 7(4) thereof and substituting therefor the following clause:

(c) Vesting title to the land in the name of such person as may be entitled thereto.

MR. CHAIRMAN: Motion as amended agreed?

MR. LYON: Could we have an explanation as to the changing in that wording?

MR. CHAIRMAN: Mr. Balkaran.

MR. BALKARAN: Mr. Chairman, this was as a result of an observation made by the Dis Registrar for the Land Titles' Office of Winnipeg. He states in a letter to me that the court makes vesting order rather than directing a transfer of land from one person to another. It's just an existing terminology in other statutes.

MR. CHAIRMAN: Sub (4) as amended—pass; 8(1)—pass; 8(2)—pass; 9(1) . . .

MR. LYON: Mr. Chairman, on Section 9, we would move the Sections 9(1) and (2) be repealed the following substituted therefor:

9(1) "Where the Minister, or any person authorized by him, has reasonable and probable cause to believe that a person who is not a resident Canadian or a foreign corporation, has acquired land in contravention of this Act, he may conduct an investigation for the purpose of determining if there has been any such contravention.

9(2) The person conducting the investigation under subsection (1) may at all reasonable times demand the production of, and may inspect only, such books, documents, papers or records of a person or corporation being investigated, which may reasonably be construed to be relevant to the investigation."

Now, I point out of course that 9(1) was drawn in anticipation of the Act having application only to non-resident corporations or individuals. In the light of the amendments that have gone forward, it would have to be changed to any person prohibited under the Act, or suitable wording. But I would suggest that these amendments should have the support of the committee because the present sections as we find them, the Minister or any person authorized by him may conduct an investigation for the purpose of determining whether a person or a corporation has acquired land in contravention of the Act . . .

MR. USKIW: Mr. Chairman, I wonder if the Leader of the Opposition would permit me. No. 9(1), of course, is a policy position which we have not agreed to and it's consistent from your point of view. But 9(2) we have no problem with and if that would speed up the process, I would simply give it no implication.

MR. LYON: Well, 9(1) then, Mr. Chairman, I would commend 9(1) to the Minister because all it does is import the words "where the Minister has reasonable and probable cause to believe." Now that's a piece of legal phraseology that is used in order that there will not be investigations initiated merely at the whim of an official or of the Minister, and I think it could be fixed up by Mr. Balkaran to include all the persons who would be prohibited under the Act, persons and/or corporations.

MR. USKIW: Yes, the only objection, Mr. Chairman, that we have would be to that part of it which deals with the difference in terms of policy.

MR. LYON: Right.

MR. CHAIRMAN: Is it agreed? (Agreed)

MR. USKIW: Mr. Chairman, I wonder if the Leader of the Opposition would indicate how or who would determine what, or who will determine what is reasonable and probable cause? Would that be the point of contention?

MR. LYON: It could well be. But the utilization of the words merely obviates whim.

MR. USKIW: I know what you're saying.

MR. LYON: I don't think it places any undue restrictions upon the Minister or any of his staff. It's a commonplace phrase that's used in crazy criminal statutes, provincial and in Criminal Statute Federal like the criminal code for execution of warrants, etc. You must always have reasonable and probable grounds to believe. You can't just stop anybody or you can't say. . . and I'm sure the Minister wouldn't, "I don't like the way so and so parts his hair so I'm going to investigate him under section 9(1) of the Act." We laugh at that, we know that he wouldn't do it and others wouldn't, but that's why we don't try to confer these powers that are too wide and cast a net beyond the needs of the legislation.

MR. EINARSON: I'm just wondering if it's so close to 5:30 that if the Minister would have an opportunity to have some time to think about this 9(1) and move that the Committee rise because we have to go into the House.

MR. USKIW: Mr. Chairman, we are almost through the bill and we have heard the substantive arguments of the members opposite, I presume we have.

MR. LYON: Mr. Chairman, I can almost guarantee you that we won't finish by 5:30.

MR. EINARSON: Well, Mr. Chairman, we have some other points here and other sections of this bill that we consider very important, and I think will take some time to discuss. The reason I raise this now is because I think on 9(1) if the Minister wanted a little time — I'm only giving it for his courtesy to think

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more about 9(1), if he wants some time on that. When we come back, he could maybe have a
ite answer to my

IR. CHAIRMAN: Reconvene at 8 o'clock. Committee rise.

IR. USKIW: Well, Mr. Chairman, it is intended rather that we be back in the House before 5:30 in
event, so we will reconvene at 8:00 p.m. Is that the idea, Mr. Chairman?

IR. CHAIRMAN: The Committee will reconvene at 8:00 p.m. Committee rise.