



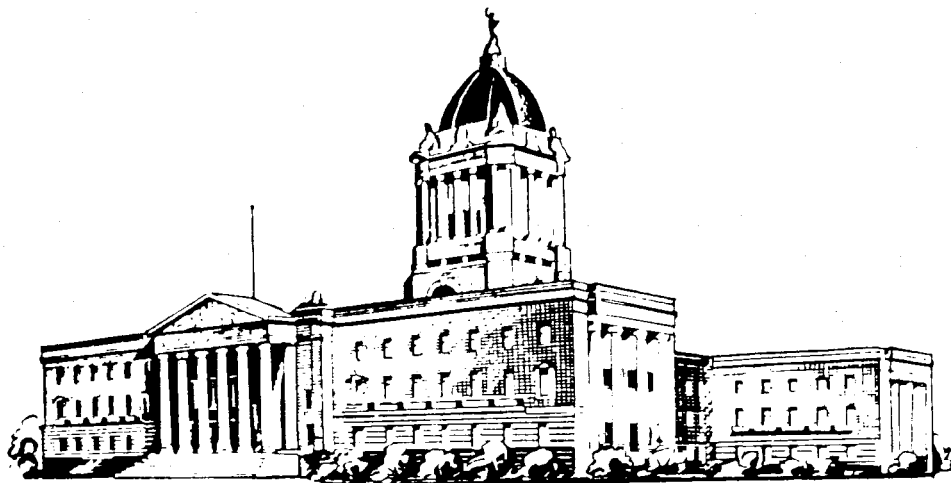
Legislative Assembly of Manitoba

HEARINGS OF THE SPECIAL COMMITTEE

ON

LAND OWNERSHIP

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



Steinbach — Tuesday, February 11, 1975

THE LEGISLATIVE ASSEMBLY OF MANITOBA
 FIFTH MEETING OF SPECIAL COMMITTEE ON
 LAND OWNERSHIP - STEINBACH
 FEBRUARY 11, 1975

CHAIRMAN: Mr. H. Shafransky.

MR. CHAIRMAN: Good morning. Order please. We shall call the meeting to order. Before we proceed I'd like to have an indication of the number of people interested in presenting a brief. Would you please come forward, give us your name so we can put you on the list and we'll then start on that basis. Is there anyone here who will be presenting a brief this morning? Sir, would you give us your name? Orlando Hiebert.

There's a green Mustang CB442, your lights are on, green Mustang.

Before I call on Mr. Hiebert, I'd like to introduce the members of the committee.

Starting on my left, Harvey Bostrom, Minister of Co-operatives and Renewable Resources, Member for Rupertsland; Jim Walding, the Member for St. Vital; Ken Dillen, the Member for Thompson; on my right, Harry Graham, Member for Birtle-Russell; Jim Ferguson, the Member for Gladstone; Dave Blake, the Member for Minnedosa; George Henderson, Member for Pembina; Sam Uskiw, the Minister of Agriculture, Member for Lac du Bonnet; I'm Harry Shafransky, Member for Radisson; and the gentleman who went out to put his lights out, Warner Jorgenson, Member for Morris, is coming in; Gordon Johnston, Member for Portage la Prairie. We have the Clerk, Mr. Jack Reeves and the Assistant Clerk, Mr. Anstett.

Is there anyone else who'll be presenting their brief this morning? Well we can proceed. Mr. Orlando Hiebert would you come forward. Would you like to take the chair or stand up? It might be more comfortable to sit down.

MR. ORLANDO HIEBERT: Honourable members, gentlemen. First of all I would like to thank the committee for coming out here and giving us a chance to express our views on land use and ownership. Secondly, I would recommend that all farmers be given a copy of the Red Paper and the hearings be extended over a longer period of time, maybe a year. I must confess I have only had a brief look at this paper, five minutes last night, but from what I have heard and read in the media I am concerned about the direction the government's farm policy is taking. While I don't believe foreign ownership of Manitoba land is in our long-term interest, the most immediate concern of farmers is the government land-lease program. I believe in the paper it said that competition among farmers is driving up the price of land. The Desrosiers case at St. Malo makes it clear that the entry of the government into this competition has only made it worse. As for the land-lease program helping the young farmer starting out, I can only say that it is only postponing the day of reckoning. The government does not give something for nothing, and Autopac has demonstrated that what looks good in the beginning may not be so good a little further down the road. To me land-lease and the Red Paper signal the first steps down the road which leads to state ownership of all land.

Agriculture in Canada and U.S. has done the best job in the world in providing a super abundance of food of high quality at the lowest price. In the light of this fact I see no reason to tamper with its basic structure. I believe our main concern at this time should be land use and how to preserve good agricultural land for agricultural use. Two ways, and by no means the only two ways to do this, would be to stop the sale of small holdings on good agricultural land to urban people fleeing the city; the second would be for the government to purchase development rights from landowners whose land may be needed for housing development in the future.

In closing, I would like to say we farmers are glad to see governments are finally recognizing the contributions we as farmers have made to society over the years, but if this recognition means more government control I believe we farmers would have to say thanks but no thanks. Thank you very much.

MR. CHAIRMAN: Thank you, Mr. Hiebert. Mr. Johnston.

MR. G. JOHNSTON: Well, Mr. Chairman, Mr. Hiebert made reference to, in his words, the Desrosiers case at St. Malo. Could you explain that to the committee? I don't follow you.

MR. HIEBERT: Well I heard some of the aspects of this case yesterday. Apparently . . .

A MEMBER: From who?

MR. HIEBERT: From Mr. Friesen from Carlowrie. Apparently there was a farmer

(MR. HIEBERT cont'd) who had some land for sale close to Mr. Desrosiers and the price was \$130.00 an acre. Mr. Desrosiers went to MACC for a loan and they did not give him the okay immediately, they put him off, roughly a week later they arrived on his farm (on Mr. Desrosiers' farm) with lease forms. They had offered this seller \$140.00 an acre and now they were attempting to lease it to Mr. Desrosiers.

MR. JOHNSTON: By "they" you mean MACC?

MR. HIEBERT: That is right.

MR. JOHNSTON: You don't know the name of the party . . .

MR. HIEBERT: Of the seller?

MR. JOHNSTON: Well is Desrosiers the buyer?

MR. HIEBERT: Mr. Desrosiers was the buyer.

MR. JOHNSTON: And who is the seller?

MR. HIEBERT: That I don't know.

MR. CHAIRMAN: Mr. Dillen.

MR. DILLEN: Just to follow up on that, I'd like the chairman to read a letter into the records now on the exact case that you're referring to.

MR. CHAIRMAN: Okay. Mr. Uskiw.

MR. USKIW: I don't know if it's a point of order, I thought I saw Mr. Friesen here somewhere. Is he not here?--(Interjection)--Oh, he is here. Just to shorten the proceedings, it has been indicated to the committee, yesterday, Mr. Chairman, by you that a letter had been sent to Mr. Friesen from the Manitoba Agricultural Credit Corporation asking him for particulars of his allegations so that they could trace them down, and if they are so to bring about corrective procedures within the Field Office, a Regional Office. We have not had a response, or the corporation has not had a response from him and yet we have another witness here today making the same kind of allegation based on Mr. Friesen's statements. So perhaps Mr. Friesen could indicate whether in fact he does intend to respond to the letter that he received from the Corporation so that we might be talking about something that is real rather than what may be assumed as being very imaginative on the part of Mr. Friesen.

MR. CHAIRMAN: Well, gentlemen, I also have--you mention different figures. In the Winnipeg Meeting on January 20th, Mr. Friesen had stated--possibly I should read the letter from the Director of the Land-Lease Program, Mr. Friso to Mr. Friesen written on January 24th, and it reads as such:

"Dear Mr. Friesen: I refer to your submission to the Special Committee of the Legislature on Land-Use at its first hearing in Winnipeg on January 20th, 1975. During your submission you made the following statement in regard to the administration of the Manitoba Agricultural Credit Corporation Land-Lease Program and it was to the effect, the statement was to the effect that a young farmer in your area tried to purchase land from a retiring farmer at \$80.00 per acre. In order to finance the purchase he went to the Manitoba Agricultural Credit Corporation for financial assistance. MACC in turn advised the farmer that the corporation was unable to assist, however, the following day the MACC purchased this property from a retiring farmer for \$100.00 per acre."

And the letter goes on to point out that,

"Mr. Friesen, you finally advised the committee that this particular property is now lying idle. It is hardly necessary to express the corporation's concern regarding the above claim. We therefore would wish to investigate the matter. Should your statement be correct, we would of course wish to take necessary steps to prevent such a situation from occurring again because same is contrary to the Corporation's policies and methods of operation.

"I trust, judging by your concern expressed in general to the committee, that you would be more than willing to assist the corporation in investigating this matter. May I therefore kindly request that you provide me with the necessary details. I would be grateful to be advised, firstly, as to who the young farmer is who attempted to purchase the property concerned; and secondly, as to the legal description of the property concerned.

"Please rest assured that this matter will receive all necessary attention.

"Yours truly, H. B. J. Friso, Director, Land-Lease Program."

This was sent on January 24th to Mr. Peter N. Friesen, Carlowrie, Manitoba, by registered mail. I received a letter on February 8th to the effect that to that date there has been no response from Mr. Friesen, and possibly I should read it.

(MR. CHAIRMAN cont'd)

This is a letter to me.

"I refer to the Corporation's registered letter, dated January 24th to Mr. Peter N. Friesen of Carlowrie, Manitoba which was copied to you. The Manitoba Agricultural Credit Corporation asked Mr. Friesen to document his allegations against the corporation made during his submission to the Special Committee of the Legislature on Land-Use at its hearing in Winnipeg on January 20th, in order to provide the Corporation with the opportunity to investigate the allegations made. I regret to advise you that to date no reply has been received from Mr. Friesen.

"In view of the seriousness of the complaints made against the Manitoba Agricultural Credit Corporation and the effect that this will undoubtedly have in the Corporation's public image, as well as its negative impact on farmers' confidence in the Corporation's business dealing, I respectfully request that the Corporation's letter to Mr. Peter N. Friesen, as well as the present letter to you, be read into the committee's records during the committee's meetings.

"Yours very truly, H. B. J. Friso, Director of Land-Lease Program."

Now that I assume, Mr. Hiebert, you are referring to the same situation when you have made the reference to the fact that you had this information from Mr. Friesen. Mr. Jorgenson.

MR. JORGENSEN: I question your right to draw that kind of a conclusion. The Minister has suggested that Mr. Friesen is in the audience today, and I think that when we are through with the present witness, or any time during the course of today's proceedings, that Mr. Friesen be given the opportunity to come before this witness, and I might say that I object very strongly to the bureaucratic attitude of the MACC in attempting to force Mr. Friesen to respond to a letter at what they consider their time. Mr. Friesen is--(Interjection)--I'm on a point of order. Mr. Friesen is free to reply to that letter when he damn well chooses not when the MACC wants him to. Perhaps what he is doing is nothing more than taking a leaf out of the government's notebook. I notice that when you write to the government, you don't get answers for weeks, and so I don't know why that they have to be so concerned because a letter has not been replied to immediately. Mr. Friesen is in the audience today and when the time comes he can come forward and make his reply here, and I think it's very proper for him to make his reply here rather than by letter to a bureaucratic organization who think they are going to take the law into their own hands.

MR. CHAIRMAN: Mr. Jorgenson, I thank you very much. The fact remains that this has been brought up time and time again at various meetings; it has been reported in the news media, and at various meetings it has been brought up, and I brought it to the attention of the committee that a letter had been written by registered mail to Mr. Friesen so that these particular statements and allegations that have been made would be clarified. I did inquire of the MACC as to the correctness of the allegations, they had written a letter and they just simply responded. There's nothing in the letter to state that they had stipulated any particular time period. They did answer me when I asked them, is there any response to the inquiry regarding the allegations made by Mr. Friesen. They answered me to the effect that there was no answer and therefore I am reading this into the record. There was no time limit set on this. The fact is that at every meeting this type of allegation was being made, people saying "I heard", and I think that becomes quite serious when they say "I heard" and then they are not able to substantiate. We don't want to get false information or incorrect information; I think we are concerned about getting the facts as they are so that they are properly presented to the committee and we will be able to deal with it.

Mr. Johnston.

MR. JOHNSTON: Mr. Chairman, I wish to speak on the same point of order. I wish, Mr. Chairman, that you would pay attention to the duties of the committee. For example, if you would read the terms of reference as to why this committee was set up, you'll find nowhere in those terms of reference that the chairman or any other member of this committee has the right to keep on meeting after meeting trying to clear up a particular point of view of the government. That's up to the government. If the government wishes to correct a statement they don't believe to be true, or if the government wishes to explain their point of view, that's their business. It is not the business of this committee to allow the chairman or other members of the committee to attempt to put across a government point of view on a particular

(MR. JOHNSTON cont'd) matter, and that is not the business of this committee. The business of this committee is as per the resolution, and I wish you would read it out so that people would know why we're here.

MR. CHAIRMAN: Mr. Johnston, may I remind you that at the meeting in Dauphin you brought attention to this effect and I told you at that time that a letter had been written to Mr. Friesen, you did not seem to object at the particular time. You have accepted that fact and I am just reporting, I'm stating that I had taken it upon myself to find out the facts, and you had accepted that statement in Dauphin.

MR. JOHNSTON: Mr. Chairman, on the same point of order, I agree there should be some latitude on the actions of the members of the committee the same way as we extend the courtesy, the same courtesy to people who wish to speak to the committee concerning the resolution that we are directed under, and I see nothing wrong with that but I do see something wrong when there's an organized attempt made where after one meeting and then another meeting this means that the Committee is being used to put across a government point of view, and that's not the purpose of the Committee whatsoever.

MR. CHAIRMAN: Mr. Uskiw on a point of order.

MR. USKIW: Mr. Chairman, on the same point of order, I think that it is erroneous to say that the Government or the Chair is trying to put forward a government point of view. I think it's fair to recollect that certain allegations were made by one, Mr. Friesen, and those allegations were a concern to him, or the facts behind them were of concern to him in that he didn't think that that was a good way in which a government corporation should be doing business. Subsequent to those allegations others who have appeared before the Committee have quoted his allegations over and over again. I think it is reasonable for either Mr. Friesen to substantiate those allegations so that we are not in the business of rumour mongering if you like, and to the extent that we can inquire of the Corporation as to the authenticity of those allegations, I think that is beneficial to both the Committee and the people who want to know. Once an allegation is made publicly I think the public has a right to know as to the disposition of that allegation.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSEN: On that same point of order. The Minister of Agriculture time and time again over the air, on television, through the news media, has been charging that I and members of the Conservative Party have been putting up witnesses in front of this Committee, have been presenting their briefs for them, and telling them what to say and how to say it. Nobody has challenged them--(Interjection)--I know it's a lot of junk. But if the Minister wants to get very technical then we're going to insist that he provide proof of what he's been saying as well, because up to this point what he's been doing is making an allegation that I know is false. I don't know any of the witnesses that have appeared before this Committee or very few of them. I certainly did not present or write the brief for Mr. Palamarchuk yesterday, or Mr. Potoski in Dauphin, or several others. As a matter of fact I've written to no one; I have proposed to no one that they should be presenting briefs before this Committee. I think that would be wrong for me to do that; and he's continuously made that charge. I want him to substantiate that particular charge as well.

MR. USKIW: Mr. Chairman, I think that on that same point of order I should indicate to the Member for Morris that the response to the media was, that yes when you have public hearings you are always subjected to people putting on a bit of an act to some people being promoted . . .

MR. JORGENSEN: Now the Minister is wheedling.

MR. USKIW: . . . to some people being promoted to put on the act and the political process will have its day. And that is something that is a fact of life. That has happened for as long as we've had government institution in this country. That is nothing new. That is a political fact of life.

MR. JORGENSEN: What is a political fact of life as far as I am concerned is that the Minister is given to telling untruths and that if he's going to continue and persist in making that allegation, I want him to prove it.

MR. CHAIRMAN: Order please. I have not had this type of allegations made at the Committee at any time and I don't see the . . .

MR. USKIW: Well, Mr. Chairman, I'd suggest that we deal with the gentleman that's before us. We are wasting a lot of time.

MR. CHAIRMAN: Mr. Dillen, you're next. No questions? Anybody else has a question of Mr. Hiebert. Mr. Uskiw.

MR. USKIW: Yes. You indicate, sir, that the figures in the transaction which you have alluded to are somewhere in the order of \$140.00 an acre. And that that information comes from Mr. Friesen, is that correct?

MR. HIEBERT: Well, Mr. Uskiw, if the figures are wrong . . .

MR. USKIW: No is that the figure you gave us?

MR. HIEBERT: It still does not alter the basic intent of what I said . . .

MR. USKIW: I'm sorry, sir, is that the figure that you gave us?

MR. HIEBERT: I didn't give you the figure in the brief at all.

MR. CHAIRMAN: You gave us a figure of \$140.00.

MR. USKIW: You gave us a figure, and I didn't catch whether it was 130 or 140.

MR. HIEBERT: Is that really relevant?

MR. USKIW: Well it's relevant to this extent that the same Mr. Friesen at the last hearing talked about the same situation with figures of 80 to 100 dollars and if it's the same parcel of land and the same people involved, then I suggest that Mr. Friesen's credibility is suffering.

A MEMBER: What's the difference in the price . . .

MR. USKIW: I think it's important in that it demonstrates that there seems to be no basis for the first allegation in that the figures keep changing as we move from one hearing to another, but in the author being the same person.

MR. HIEBERT: Let's not get stuck over the figures. The basic fact that the government now owns 63,000 acres of land which would perhaps normally have been bought by private individuals, means they are competing, that's what I said, and that competition has, well it's just increased the competition for land because now there is another buyer in there.

MR. USKIW: You, sir, then would object to the government having a program that would help that individual, who might be your neighbour, who cannot borrow money through the normal system in order to acquire a land holding. Are you saying that that is not, that the freedom of choice should not be there for the individual that isn't able to raise mortgage financing. Is that your position?

MR. HIEBERT: I believe we don't expect a businessman to start without money so why should we expect farmers to start without money.

MR. USKIW: So do you think that there should be any government programs whatever in the area of transferring farms from one generation to another. Should government be at all involved, any Government, Federal or Provincial, in the transferring of farms from one generation to another?

MR. HIEBERT: I would say no further than FCC is presently involved.

MR. USKIW: So you believe that there should be a system of financing to facilitate those people that want to transfer their farm from father to son or from neighbour to neighbour, or whatever combination thereof. Then you are saying, sir, that only those people that have money could borrow more money and therefore should be the only ones that society should support through government financing and government services, and those that have no money but may have the competence should not be given any consideration through an alternative program. Am I correct?

MR. HIEBERT: No, you're not correct.

MR. USKIW: Oh. Well then how would you deal with the young farmer who is your neighbour and the fellow you went to school with but who's father doesn't have any money to help him get started with but who wants to buy his neighbour's farm which is for sale, his neighbour is retiring. How would you say the public should help that individual acquire that land holding.

MR. HIEBERT: You are speaking to the farmer that you have described. I started five years ago and I showed my interest in the farm by giving of my time and money that I earned outside the farm for ten years prior to taking ownership. I made it.

MR. USKIW: Okay. Now, do you believe that it's good public policy to reduce the rural population substantially?--(Interjection)--It's not irrelevant, it's very relevant.

MR. HIEBERT: I don't believe I said anything about that in my brief.

MR. USKIW: No I'm asking you for an opinion because it's a related question. You don't have to answer it if you don't wish to.

MR. HIEBERT: I think we better stick to the brief.

MR. USKIW: No, that is what I'm talking about is your brief, sir. To the extent that there is no opportunity for a percentage of young people to remain on the farm in the countryside you have a net depopulation situation taking place in rural Manitoba, and we've had that since the war years. The present government's policy is to try to hold that back as much as we can in order to try to save rural Manitoba, in order to prevent the disintegration of many rural communities; that implies that we are in favour of more people living in the countryside rather than less. Is it your opinion that we have too many people in the countryside therefore we should not try to save those young people that want to stay in agriculture but don't have any money, who may be very well experienced but don't have financing?

MR. HIEBERT: I believe we have just enough people in the country right now.

MR. USKIW: No but it is reducing, it has been reducing at 1,000 per year, 1,000 farms per year, according to Statistics Canada. Do you think that we should continue to do nothing so that that reduction continues into the next ten years or so? Where should our population level off, how many farmers should we get rid of if we don't do anything?

MR. HIEBERT: I believe you are starting at the wrong end. If we get a proper price for our products there'll be no problem. You will find that in the last few years since we have gotten a decent price for our products this population decline has slowed down. As a matter of fact in my home area there are more people living there now than there were five years ago.

MR. USKIW: Are you familiar with the trend in agriculture across Canada, particular on the Prairies, where there seems to be more interest in leasing land than in owning it, and that where you have larger farms there is more acreage leased than where you have smaller farms, the bigger farmer tends to lease a portion of his holdings. Are you aware of that and that that is a trend that is escalating fairly rapidly?

MR. HIEBERT: I'm glad that you mentioned that he leases a portion of the land he farms. That's different than leasing the whole amount.

MR. USKIW: No, no, but let me pursue this question. Are you aware that that is happening on a . . .

MR. HIEBERT: Oh yes.

MR. USKIW: . . . greater scale every year? Do you think that it is good public policy to allow that arrangement to exist as between private individuals only, or should there be an opportunity for someone that doesn't want to lease from an absentee landlord through another system, or do you believe the absentee landlord should be the only kind of landlord we should have in this province?

MR. CHAIRMAN: Are you finished?

MR. USKIW: No. I'm not finished. Now you indicate, sir, that you would want to restrict some people, you don't want complete freedom according to your brief. Why would you want to deny someone else the same freedom that you want for yourself?

MR. HIEBERT: Where did I say that I would want to restrict . . .

MR. USKIW: You said that government should stop the sale of small holdings. That is a definite restriction of someone's freedom.--(Interjection)--That's right. But you are alleging that we should restrict other people's freedom but not your own. Why do you want us to restrict other people's freedom?

MR. HIEBERT: What are we talking about here?

MR. USKIW: You're talking about the sale of small parcels of land. I'll give you an illustration. I own, assuming I own, 100 acres of land and I think I could get a good price for it if I subdivided that 100 acres into five acre pieces; I can get three or four thousand dollars per parcel if I do that. Why do you want to deny me that right of capital gain, because if I sold it to you as a farm I would only get 150 an acre. Why should I be denied my freedom in the marketplace according to your philosophy?

MR. HIEBERT: I would say what is their purpose in being there.

MR. USKIW: Their purpose is that they want to own five acres of land.

MR. HIEBERT: They want to have their cake and eat it.

MR. USKIW: No they want to own five acres of land on which they want to run their power toboggan and they want to set up a ski slide, and they like their kids to have lots of room to play in. That is their purpose, that is their choice. Your choice is to do something else with land, but that is their interest, they have a recreational interest in land. Why do

(MR. USKIW cont'd) you want the public to pass a law, I mean the government, that would deny those people those rights?

MR. HIEBERT: Because . . .

MR. USKIW: You don't have to answer he's doing very well.

MR. HIEBERT: . . . their purpose for being in that particular place is quite different from mine. Mine is to make a living off that land; theirs is to enjoy the benefits of wages in the city, which can only go up, and yet enjoy the sweet smell of the country . . .

MR. USKIW: You don't want him to do . . .

MR. HIEBERT: . . . and when my manure smell drifts over to their place they get up in arms.

MR. USKIW: Yes, but what about myself? I want to sell that 100 acres of land at a good price and if you say that the government . . .

MR. CHAIRMAN: Order please.

MR. USKIW: . . . that the government should restrict the sale of those lands, then you are taking money out of my pocket. That is not free enterprise, sir. You have denied me the right . . .

MR. HIEBERT: That is protecting agriculture.

MR. USKIW: . . . you have denied me the right by the passing of that law to make myself \$100,000.00. I may only make 20 instead of 100 because of that law, and yet you say that that is okay as long as it hurts Mr. Henderson but if it hurts you you say it's no good.

MR. HIEBERT: Well it hurts me too because if I own land then I can't subdivide it. It hurts me then too.

MR. USKIW: So you say that all of the agricultural land should be delegated towards agricultural uses and that no agricultural land should be sold to people who may have a recreational desire, or who would simply like to live in a country home, you say that would not be a good idea.

MR. HIEBERT: I used the word good, good agricultural land.

MR. USKIW: Oh yes, I agree with you.

MR. HIEBERT: That's not rock and bush.

MR. USKIW: The City of Winnipeg is built on good agricultural land and it has almost, well it has over half a million people.

MR. HIEBERT: Was it good when it was built?

MR. USKIW: Oh I don't know. All I'm saying is if you had a law that said that people could not build any more in the City of Winnipeg because they are building on agricultural land, or the City of Steinbach, or the Town of Steinbach, it's on good agricultural land. Maybe we shouldn't have had this town here it should be somewhere on the slopes of the Precambrian Shield, you know, maybe we shouldn't have any towns on the prairies.

MR. HIEBERT: Why are we arguing about that? Steinbach is here, Winnipeg is here, let's talk about what's for tomorrow.

MR. USKIW: All right, so let's talk about tomorrow. You don't want to see any more subdivision in Steinbach then?

MR. HIEBERT: I didn't say that.

MR. USKIW: Well wait a minute. You just finished saying that you don't want to sell any more small parcels of land and that there should be a law passed disallowing people to use farmland for the location of a home, for their recreational needs. That's what you said.

MR. HIEBERT: No I didn't.

MR. USKIW: You said there should be a law to stop the sale of small holdings.

MR. HIEBERT: What did I say in my second point?

MR. CHAIRMAN: . . . please, you are next on the list and you can ask your questions. I believe Mr. Hiebert can answer the questions if he chooses. He doesn't have to, and I don't believe it is necessary for you to prompt him.

MR. HIEBERT: I will read you my second point there.

MR. USKIW: Okay.

MR. HIEBERT: The second would be for the government to purchase the development rights from landowners who's land may be needed for housing development in the future.

MR. USKIW: The development rights.

MR. HIEBERT: Yes.

MR. USKIW: So you would want the Government to move in in the area of development, is that it?

MR. HIEBERT: Development rights.

MR. USKIW: Would you define that for me?

MR. HIEBERT: For instance it's likely that the land surrounding Winnipeg will in some future date, given the growth of the city, be needed for housing. Well the government could purchase the development rights from the landowner - that does not have anything to do with ownership but it means that while the owner has that land it can only be used for agricultural purposes. It's like the mineral rights.

MR. USKIW: Why should you propose that the government should purchase the development rights of a private citizen or corporation while at the same time you are saying that the government should not purchase those rights on behalf of people that want to enter agriculture but don't have any mortgage money. What is the difference? You want the government to move in in one area, in the other area you're saying no don't do anything leave it as it is.

MR. HIEBERT: Well I say in the one area it is not necessary to do anything.

MR. USKIW: Well that's a matter of opinion though.

MR. HIEBERT: We have managed, at least my great grandfather came here in 1874 and land transfer has taken place quite normally in all those years, and I don't see why it couldn't continue to do so.

MR. USKIW: Well all right let me put the more basic question to you then. The trend is for more and more absentee land ownership, a very dramatic trend. The question is, at what point in our history into the future do you think government should be concerned about the fact that we in this country are repeating what took place in Europe many many years ago where only a few people owned all of the land and the rest of the people farmed it on some basis which was not very palatable to them, and there are variations, variations in terms of the arrangements of tenure serfdom, feudal system, do you think that it's good in the long range for Canada to let all of the land fall into the hands of very few people who don't happen to farm the land, just want to own it. Do you think that would be a good arrangement? Because that's what the free market can do.

MR. HIEBERT: That's what it can do, but the problem of foreign ownership is so small here right now and like I said before, if we farmers get a proper price for our product, we will be able to compete very favourably with anybody for the sale of land.

MR. USKIW: Well, I don't know whether that is a correct statement but that is your statement. You feel that you would have no problem competing with the Arabian sheiks if they wanted to buy up a million acres of Manitoba land next year, you wouldn't think that that would be a problem?

MR. HIEBERT: What would they do with it?

MR. USKIW: Oh, that is their interest - it's none of my - I wouldn't imagine. What if the Chinese wanted to buy a million acres in Manitoba? - I mean would that be okay?

MR. HIEBERT: Isn't this very hypothetical though?

MR. USKIW: Well everything is hypothetical, because the fact is that your submission is based on a hypothetical situation in that there is no legislation restricting the ownership of farmland yet you are expressing a great deal of concern about what the government may be doing which is a hypothetical question - and it is hypothetical to this extent, that perhaps you are not aware as to why we are here today.

MR. HIEBERT: How hypothetical is 63,000 acres?

MR. USKIW: Pardon me.

MR. HIEBERT: How hypothetical is 63,000 acres?

MR. USKIW: Hypothetical? It's hypothetical in a sense that you have already assumed that that land will not revert back to private ownership. That's how hypothetical it is, and that's a pure assumption. That's a pure assumption. Why will not those people who are leasing those 63,000 acres, why are you sure that all of them will decide that they don't want to buy that land forever and a day? That's an assumption that you have built in.

MR. HIEBERT: I don't recall.

MR. USKIW: Mr. Chairman, I don't think that the witness has to have the assistance of my friends to my right. He is quite capable of answering the questions.

MR. HIEBERT: If you can add on the subsidized interest in those five years on to the price of land I see no reason why a farmer would pay \$250 for land which he could get for \$200, unless it has some very superior quality which no land around it has.

MR. USKIW: I don't follow you, Sir.

MR. HIEBERT: You state in that lease program that any subsidy - like if you're renting the land to a lessee for five percent and the going interest rate now is probably ten so there is a subsidy of five percent, you can add that subsidy on at the end of five years. That would bring up the price of that land. So I see no reason why the lessee would do an irrational thing like pay \$250 for land which he could buy comparable land for \$200.00.

MR. USKIW: Are you saying that the subsidy should be forgiven - is that what you're saying?

MR. HIEBERT: I would say that the government should not enter the field in the first place.

MR. USKIW: I see. Okay. Well all right, we have established the fact that you think that only people with money should have the right to land?

MR. CHAIRMAN: Mr. Henderson . . .

MR. USKIW: You can pound that table till it falls through the floor, but I am asking this gentleman a question.

MR. . . . : But he said he didn't say that.

MR. CHAIRMAN: Order please. What is assumed to be correct, you can ask the correct questions, Mr. Graham, Mr. Henderson. Right now we have Mr. Uskiw asking questions, the witness does not have to answer, and I don't believe that he requires your assistance in giving the proper answers.

MR. USKIW: Your opinion, sir, is that there is no need for legislation on the question of land ownership. Is that correct? Am I reading you correctly?

MR. HIEBERT: You're trying to put words in my mouth.

MR. USKIW: Well, all right, what is your correct opinion?

MR. HIEBERT: Well, my correct opinion as stated in the brief is that our more immediate question is land use not ownership.

MR. USKIW: Are you saying you are not concerned about land ownership no matter who is the owner?

MR. HIEBERT: I'll tell you what I said. I said while I don't believe foreign ownership of Manitoba land is in our long-term interest, the most immediate concern of farmers is . . .

MR. USKIW: I appreciate the point you are making; you are saying there is some problem with foreign ownership but maybe we can put off a decision for a while. That's what you're saying?

MR. HIEBERT: I'm saying that.

MR. USKIW: So you are saying you are not ready at this point to give us your viewpoint on that question. Am I correct?

MR. HIEBERT: If I look at the Municipality of Hanover I believe that foreign ownership in years gone by was more of a problem than it is now.

MR. USKIW: If you look at La Broquerie, how would you respond?

MR. HIEBERT: Now mind you I don't have access to all the information you have, but from what I have heard, that the major part of that foreign owned land was bought around 1901 or 1903.

MR. USKIW: In La Broquerie?

MR. HIEBERT: Yes, that big Marchand development. So that's something that's been with us for a while; it is not something that has come now.

MR. USKIW: You don't see a problem with 48 percent of a municipality being owned by people on the outside?

MR. HIEBERT: When it consists of only 13 percent of the assessment, no.

MR. USKIW: I see, okay. You're position is that we should have land-use legislation then?

MR. HIEBERT: It's our more immediate concern.

MR. USKIW: You think we should restrict the rights of people by way of environmental control, land-use control, things of that nature, a regulatory system?

MR. HIEBERT: Well, you're already enforcing land environmental.

MR. USKIW: Well I am trying to draw from you what you mean, you know, you can't have that without regulation.

MR. HIEBERT: I have a hog barn, a hog operation, so I don't find myself suddenly near a bunch of fellows with five acre lots working in the city and I have six fellows objecting to the odour, which I believe is what's happened in Springfield. Mr. Clement there . . .

MR. USKIW: So you feel there should be some zoning . . .

MR. HIEBERT: Yes.

MR. USKIW: . . . to deny people the right to build a residence within so many square miles of a municipality or whatever - at least they should be allocated as to their rights?

MR. HIEBERT: On the marginal land, the bush and the rock, yes, but not real good productive agricultural land.

MR. USKIW: That means then that you don't truly believe in the free choice of all citizens to do as they wish to do?

MR. HIEBERT: Well, we can all do what we want to do within certain borders and some of those borders are economic borders as well.

MR. USKIW: Now you indicated to us, sir, that you thought that every farmer should receive a copy of this document. I want to respond to you by indicating that it's available to anyone that wants one, for a small fee. I think it's \$1.00 or something like that, I'm not sure, at the Queen's Printer. So anyone who wants one can get one. We have mailed out copies to all municipalities, towns, villages, political parties and farm organizations.

MR. HIEBERT: I find it somewhat unusual though that you would charge us for the privilege of knowing what you want to do with us.

MR. USKIW: Well, no, that isn't the purpose. All Queen's Printer documentation is never distributed to all of the people of Manitoba without a charge, it does cost money to print; and if you have an interest in the information it is available at a very reasonable cost to you.

MR. HIEBERT: I figure I am not the most well informed farmer but, on the other hand, I don't think I am the least informed and I did not know where I could receive a copy.

MR. USKIW: That's why I'm advising you, sir.

I just have one last question, Mr. Chairman, and that gets back to Mr. Desrosier. Why did he go to the MACC - Do you know?

MR. HIEBERT: I don't know, because I knew that you couldn't pull out money from there.

MR. USKIW: That's the point I was trying to make, yes.

MR. HIEBERT: But not everybody knows this.

MR. USKIW: Well, I'm sorry, you said you couldn't borrow money, period?

MR. HIEBERT: From MACC.

MR. USKIW: You can't borrow any money?

MR. HIEBERT: This is what I have been told.

MR. USKIW: Or do you mean for land purchase?

MR. HIEBERT: For land purchase.

MR. USKIW: Oh yes, that's better. Okay. Thank you.

MR. CHAIRMAN: Mr. Graham.

MR. GRAHAM: Thank you, Mr. Chairman. In one of the many misleading statements made by the Minister he referred to a very dramatic trend to absentee landlords. Do you in your own area know of such a dramatic trend?

MR. CHAIRMAN: Off hand within a six mile radius of my place I don't know of one. As a matter of fact it's practically impossible to rent land.

MR. GRAHAM: Well then maybe the Minister was not correct when he was stating that there was a dramatic trend towards absentee landlords.

MR. CHAIRMAN: Well, I'm wondering too whether this trend toward absentee landlord, who that really means. Is that an older farmer who is maybe living in town - where is his postal address. Maybe he's still farming that land but his postal address is different than the land description.

MR. GRAHAM: Well, sir, I can tell you that I have sat in the Legislature for five years trying to figure out the thinking of the Minister and I haven't come anywhere close to being able to understand it yet.

MR. USKIW: Don't apologize for not understanding.

MR. CHAIRMAN: Order please.

MR. GRAHAM: Sir, I think that you have made a very noteworthy new input when you brought forward a proposal on development rights for land for future use for housing. I understand from that that you are referring mainly to agricultural land - are you?

MR. HIEBERT: Yes.

MR. GRAHAM: In that case, I would like to proceed further with your suggestion of the sale of development rights, and would ask you this question: That if planning procedures that

(MR. GRAHAM cont'd) were instituted with - and here again I state very strongly, with local input, if planning procedures were instituted that would ensure that development of that nature could not take place, would that satisfy your request in that particular direction?

MR. HIEBERT: You mean by that that my land would never be able to be used for anything other than agriculture?

MR. GRAHAM: I didn't say that. I said that planning procedures with input from the local community into that planning, and those planning procedures could quite conceivably change from time to time, rather than having a direct sale of development rights to the Crown?

MR. HIEBERT: Well I believe that local input would be good. Again, this is just what I heard yesterday, but the City of Winnipeg is looking to extend the area in which it has jurisdiction or planning rights for a very large area and we farmers want to farm, that's our primary business, and we sometimes feel very helpless when it comes to other people wanting to do things with our land.

MR. GRAHAM: Well, you as a farmer then are very concerned about the abuse of agricultural land for non-agricultural purposes?

MR. HIEBERT: Yes, that's correct.

MR. GRAHAM: As a farmer myself, I can understand your concern in that nature and I heartily commend you for having that approach. In this process of planning for future use, have you had any previous experience with planning, whether it be on land or environmental use in your area?

MR. HIEBERT: No, I have not.

MR. GRAHAM: You have had no direct knowledge then of some of the activities of the Clean Environment Commission?

MR. HIEBERT: My concern in this area was actually sparked by the Clean Environment Commission and the fact that I have two neighbours living very close who are not engaged in farming and what effect that could have on my operation.

MR. GRAHAM: Do you believe that if there was local involvement in the Clean Environment Commission that probably it could act in a better manner for all people concerned?

MR. HIEBERT: Yes, although I see something encouraging too. I think the Clean Environment Commission is operating in a more equitable way toward farmers now than it did at first. I think Mr. Uskiw can take some credit for that.

MR. GRAHAM: In this question of housing, the development rights on land for future use of housing, we all understand that there are many people, maybe urban, some of them may not even be urban, who would like to have a four or five acre lot or maybe a ten or fifteen acre lot, in rural Manitoba rather than living in the concrete jungle. Do you think it would be advisable that that type of development should be only allowed in areas of sub-marginal land, or at the very most marginal, or should it be allowed to continue indiscriminately on even on some of the prime agricultural land?

MR. HIEBERT: Well, we find now that governments are increasingly concerned with the amount of production. The last number of years has found the total world needs just - well not even satisfied - and when urban development is allowed to pave over and encroach on good farm land that production is going to be decreased. So certainly I would say keep it to the land which cannot be cultivated.

MR. GRAHAM: Well let me assure you, sir, that Manitoba is not the only jurisdiction which has that concern. That concern is expressed in many other jurisdictions as well, and as far as I personally am concerned I think that land use is of far greater importance than land ownership. But that is a personal opinion of mine.

To carry on with the other point that you raised which had been referred to both by the member for Portage and the Minister, and that is the case of the purchase of land by the Agricultural Credit Corporation. You have stated that you don't believe the province should be further involved in the purchase of agricultural land in that manner. Is that correct?

MR. HIEBERT: No, I believe they should not.

MR. GRAHAM: You have also stated that the Federal Credit Corporation is presently involved and you think that is sufficient. Is that correct?

MR. HIEBERT: Yes, I do. I probably would have most to gain by a land-lease arrangement. I had to settle for a quarter when I could have had three, but it will come and I take great pride in the quarter I do have. I've made my living off of it for the last four years.

MR. GRAHAM: Well I congratulate you on your tenacity and your determination to

(MR. GRAHAM cont'd) succeed, and I'm sure that you will succeed in that respect. Do you, or can you foresee, or suggest, any other field in which the Province of Manitoba can assist a young farmer getting started other than a field that is not already covered by the Federal Credit Corporation.

MR. HIEBERT: Offhand I can't think of any but that doesn't say that there aren't any.

MR. GRAHAM: Then can I ask you, if at any time you do feel that there is a field that they could become involved in, would you be good enough to pass that information on to members of this committee?

MR. HIEBERT: Yes, I would.

MR. GRAHAM: Thank you very much.

MR. CHAIRMAN: First I'd like to mention that the coffee is the courtesy of the local MLA, Bob Banman, and I'd like to also introduce the other members that came in late. Mr. Tom Barrow, Member for Flin Flon; Pete Adam, Member for Ste. Rose; and Warner Jorgenson, the Member for Morris who had stepped out at the time I was introducing the other members.

Mr. Walding.

MR. WALDING: Thank you, Mr. Chairman. Mr. Hiebert, you mention I believe in your brief that one reason why you were opposed to government ownership was that it provided one more owner and pushed up the value of land. Do I take it from that that increasing prices of land are not a good thing?

MR. HIEBERT: No, you should not take it that way.

MR. WALDING: Would you tell me then if it's better if land prices are higher, or is it better if they are lower?

MR. HIEBERT: What I do object to is that the government has a little more money behind it than I do.

MR. WALDING: You didn't answer the question. Is it better if land prices are higher, or is it better if they are lower?

MR. HIEBERT: Better than what?

MR. WALDING: Better than if they were in the middle. We are in a period of increasing land values, I am told; now is that a good thing or would it be better if we were in a period of declining land prices.

MR. HIEBERT: You have to relate that question to something else, don't you? The produce that the land affords or the price of the produce the land affords . . .

MR. WALDING: Let's relate it to farmers then. Is it better for farmers if land prices are increasing?

MR. HIEBERT: Land prices are determined by the most part to the value of the product which comes off of them.

MR. WALDING: So you don't have an opinion whether increasing or decreasing . . .

MR. HIEBERT: Well you have to relate it to what comes off the land, don't you?

MR. WALDING: I see. Let's take then a man wishing to get into farming for the first time: is it in his interest that land prices should be low?

MR. HIEBERT: It would obviously mean that he would have to lay out less cash.

MR. WALDING: Which would presumably be to his advantage?

MR. HIEBERT: Probably immediately, yes; when it comes time to sell, no.

MR. WALDING: That was going to be the next question.

Let me deal with another point that you brought up. Now right at the end of your brief - I'm just going from memory - you said that you would be opposed to government, and I don't know whether you said involvement or intervention, or just what the word was, would you read that again for me?

MR. HIEBERT: I used the word "control". If this recognition means more government control I believe we farmers would have to say thanks but no thanks.

MR. WALDING: Government control, I see. Did you read the TED Report?

MR. HIEBERT: No.

MR. WALDING: I have a copy in front of me. It's the report of the commission on Targets for Economic Development; it's a government document that was produced I understand about 1966 by the previous government, and I'll read you what that report said dealing with agriculture.

MR. CHAIRMAN: I think the record should be set straight that it was tabled in the

(MR. CHAIRMAN cont'd) House in the spring of '69. Mr. Jorgenson--(Interjection)--
Oh, fine. Proceed, Mr. Walding.

MR. WALDING: I stand corrected that the spring of '69 it was completed. That report said in part: "The provincial net income target" - that is the target up until 1980 - "in relation to the target for income per farm indicates the opportunity for 20,000 farms in Manitoba by 1980 with average net incomes of \$10,000.00." And it says further on the same point: "The decline should be faster than the natural attrition rate and therefore people will have to seek new employment." That is, it was the policy of this report, or the urging of this report, that some farmers be forced off of the farm to get the number down to 20,000 so that those farmers would have income of \$10,000.00. Now you don't have to answer this if you don't want to, but do you make a net of \$10,000 a year from your farm? Maybe you don't want to answer that but let me ask you, of the farmers in the district, or maybe the farmers in this room, would you say that many of them net \$10,000 a year?

MR. HIEBERT: Yes, I do net more than 10,000.

MR. CHAIRMAN: Net?

MR. HIEBERT: Yes.

MR. WALDING: Good. Okay, the next question. Would you say that the farmers in the district, or in this room, how many of them would net \$10,000 a year?

MR. HIEBERT: This I would not know.

MR. WALDING: Is it likely to be a high proportion or a few?

MR. HIEBERT: In our recent crop production course I believe we found that the average was somewhere between 9 and 12.

MR. CHAIRMAN: Net?

MR. HIEBERT: Yes. It was higher than I thought.

MR. WALDING: Then I take it from what you say . . .

MR. HIEBERT: That was the most recent survey. They didn't survey everybody but . . .

A MEMBER: For one year?

MR. HIEBERT: Yes.

A MEMBER: For one year.

MR. HIEBERT: Yes.

MR. WALDING: I take it then from what you said that you would not be in favour of the government controlling the number of farmers to get it down to 20,000?

MR. HIEBERT: No, it's a poor idea.

MR. WALDING: Thank you.

MR. CHAIRMAN: Mr. Henderson.

MR. HENDERSON: I judge that what you are concerned about is that you believe that people should save money and then make--I believe that it's your concern that people should save some money and that then they should be assisted by governments in the form of a loan?

MR. HIEBERT: Yes.

MR. HENDERSON: And you believe that the government itself shouldn't go into the purchasing and a lease program?

MR. HIEBERT: No.

MR. HENDERSON: And you believe that that lease that they have is such a type of a lease that if you ever take it out that you'll never buy that land under that lease?

MR. HIEBERT: It's very unlikely.

MR. HENDERSON: I agree with you.

Do you agree with the statement that the Minister made when he said that farming would become in the hands of just so few people if they didn't intervene?

MR. HIEBERT: No.

MR. HENDERSON: I have to agree with you. I'd like to read you a little bit from a clipping I have here where it speaks about the large farms that they had years ago when one farmer who was hiring people to look after the land had a hundred thousand acres of summer fallow and that eventually this farmer, he passed on, he wasn't a resident, he was hiring people to do it, and that they didn't make money and that eventually that land had to be sold, that it wasn't that that farmer was more efficient and could make money at all. So you aren't worried about their becoming so few farmers either I presume?

MR. CHAIRMAN: Mr. Henderson, would you please identify the source of that article, what newspaper or . . . ?

MR. HENDERSON: Yes, I will. This was in the Dufferin Leader and came out on January 30th, 1975, and I'd be happy to table this here and let you put it into the records here some time because you people are so worried about large corporations making so dash much money when actually when you get a big corporation that becomes so large they actually lose money. They aren't as efficient and they don't make as much money. The best operated farm is the owner-operated farm where he has his own help around. That's all I want to say.

MR. CHAIRMAN: Mr. Bostrom.

MR. BOSTROM: Mr. Chairman, Mr. Hiebert I note from your presentation that you had not had an opportunity to really study the document thoroughly, you mentioned that you had only looked at it for about five minutes. I was wondering - well I guess, as you say, you got most of your information from the media, Free Press, radio, television, or whatever, and also talking to other people. You had mentioned that from that kind of information you were concerned about the rate at which government through MACC was purchasing land and that somehow this was something to be afraid of. Is that correct?

MR. HIEBERT: My source of information was not entirely the media. During this crop production course we had the local representative from MACC, spoke to us for a whole morning on this. So I would say the most definite information I got there.

MR. BOSTROM: So the definite information you got, you referred to, I believe, is 63 or 66 thousand acres?

MR. HIEBERT: I referred to 63.

MR. BOSTROM: And that was purchased over what period?

MR. HIEBERT: Two years, I believe.

MR. BOSTROM: Two years. I believe the information supplied to the committee yesterday that that was purchased in a shorter period than that in fact, but at that rate of purchase of farmland do you know how long it would take for MACC to buy all of the land in the Province of Manitoba, all of the farmland, arable farmland?

MR. HIEBERT: This man said 100 years.

MR. BOSTROM: Well the information supplied yesterday is that if no one took up the option to purchase at that rate it would take 300 years. Now if you presume that some at least, perhaps half of those who took a lease on that basis, were to purchase the land it would then be twice as long, or 600 years. Does that in your opinion represent a serious intervention in the purchase of farmland by MACC?

MR. HIEBERT: Who are we to say that the last half of that intervention would be at the same rate as the first half. As a matter of fact, I believe if it became very obvious that the MACC was going to eventually own all the land, you would find farmer to farmer sales decreasing dramatically because the result would seem to be obvious. So I believe this projection is not really accurate.

MR. BOSTROM: Well on what basis do you believe that MACC is purchasing land? Do you believe that they are going out aggressively and buying land?

MR. HIEBERT: How would you define aggressively?

MR. BOSTROM: Going out and seeking to buy land. In other words, going around asking farmers if they would like to sell.

MR. HIEBERT: I have no evidence of that.

MR. BOSTROM: I see. The evidence that was presented to the committee was that of all the land that is bought there is more land being offered to the government, to the MACC, for sale than they actually purchase. In fact MACC only purchases approximately 41 percent of all land that is offered to them for sale by farmers, this is farmers who are seeking to sell and want to sell.

MR. HIEBERT: Is this because of price?

MR. BOSTROM: I don't know. I know that from the information I've heard at committee meetings that has been supplied here that most of these transactions take place with willing partners. In other words, there is someone who is willing to sell and someone else who is willing to lease the same said parcel of land, so that the MACC only acts as a facilitator, a vehicle of satisfying the desires of two people, one who wishes to get out of the ownership of that property and the other who wishes to lease that property. In some cases this is between a father and a son where the son can't raise the money to purchase a property because he has no equity of his own and the father can't afford to give him the land because he needs money to retire; the other is where a farmer may wish to lease land to a neighbour

(MR. BOSTROM cont'd) and the neighbour wishing to increase his holdings somewhat like yourself, perhaps someone who has a half section of land and cannot make it go on that one-half section. You appear to be very successful on your half-section; I expect it's very arable land.

MR. HIEBERT: One-quarter.

MR. BOSTROM: Sorry, one-quarter. So that, you know, I assume it's very arable land and you're able to do possibly better than someone else who is on less arable land with the same amount, and that if you wish to increase your holdings, you know, a farmer next door may sell his land to MACC who in turn would lease it to you, so that that would be a way of you increasing your farm without laying out a lot of cash.

MR. HIEBERT: If it is the intention of MACC, as they state, to help the young farmer starting out, I would find it somewhat interesting though that if I would lease an additional quarter from MACC that you would then want the right of first refusal on the quarter I own when I sell.

MR. BOSTROM: How is that again, I'm sorry?

MR. HIEBERT: If I own one-quarter that has nothing to do with MACC but I want to lease another quarter which MACC has, that in return for this you would then want to have the right of first refusal on the quarter that I own if I sell. If your intention is to help the young farmer starting out, it would seem from that that maybe you're a little more interested in owning land than in helping the young farmer.

MR. BOSTROM: I am not aware of that procedure.

MR. HIEBERT: This is the information we got at that meeting.

MR. BOSTROM: I'm not sure how that works.

MR. HIEBERT: Another thing which I think is that how many of these farmers entering that lease program are really in full possession of all the facts. I believe there could be a couple of facts that have changed already. When you started out wasn't it 5 percent for the first five years?

A MEMBER: Three.

MR. HIEBERT: It's now three but it was five.--(Interjection)--Well our understanding was five years; also that the subsidized interest could be added back on or would be added back on if it was purchased after five years. Well this representative said he was not aware of that so we find occasional differences of information.

MR. BOSTROM: Well what you're talking about possibly is administrative difficulties and some field person perhaps not himself understanding the full intent of the thing.

The point that is interesting to me in relationship to your whole thinking on this is when you mentioned that 1874 your great grandfather came to this country, I presume to go into farming, did he not?

MR. HIEBERT: Yes.

MR. BOSTROM: In my own case my own ancestors came to this country about the same time and I know from the stories my father tells me of his own experience on the land that they were not very well off when they came to this country and they didn't have a lot of money to put down to buy a farm. They were farmers in the old country and wanted to get into farming here and because land was inexpensive, or practically free to the farmer, it was an opportunity for them to get into farming.

Now in response to Mr. Uskiw in the questioning, you mentioned that you didn't think a person like this today who wanted to get into farming, and who doesn't have the money to put up for the land, in order to get an FCC mortgage - you felt that person should not be allowed to get into farming. What do you think makes it much different today in terms of a person's desires to get into farming whether he was, you know, compared to your great grandfather.

MR. HIEBERT: First of all you have the wrong impression of why my great grandfather came here. It was because of religious convictions, freedom from military service was the prime motive, it was not to start farming.

MR. BOSTROM: But did he have a lot of money to buy land to get into farming?

MR. HIEBERT: I don't think so.

MR. BOSTROM: Well this is the issue I'm getting at is that in his case he was able to get into farming because there was a way for him to get into farming without putting down a lot of money. If the money was a barrier he probably would not have been able to farm, whereas today money is a barrier to some young farmers, some middle-age farmers, in any

(MR. BOSTROM cont'd) walk of life who have the skills and the desire but they cannot get the land. Are you saying that because that money is a barrier those people should not be allowed to get into farming, that there should not be some kind of program like MACC has to allow these people to get back on the land and to farm?

MR. HIEBERT: I think that life is full of what we want to do or what we can do. We can't always do what we want to do. There's economic considerations. I feel a farmer will have a direct interest, or his performance will be governed by the interest he has in the farm. That interest can also take the form of money, equity.

MR. BOSTROM: But his interest may be quite different than his pocketbook in that he may not have the money but he may have the interest. He may not have the skills to go out in the urban world and earn the big dollars that are required to be able to put down the down payment. Most people today in an urban setting have a difficult time towards raising a few thousand dollars to put down towards a house.

MR. HIEBERT: Why is this?

MR. BOSTROM: How would a young family be able to put aside say 25 or 30 thousand dollars to be able to put it down on a farm?

MR. HIEBERT: I've lived in both worlds. I worked for ten years before I came to the farm. I know what life on the other side is like too. And we put money away but we didn't live high.

MR. BOSTROM: Right. But would you not have appreciated it if 10 years ago there would have been some program that would have allowed you to go directly onto the land so that you could have been able to put your money away while doing the thing that you desired to do most, and that is farming? In other words, the economic situation was such that it forced you to have to go out to the city and do something possibly you didn't like to do.

MR. HIEBERT: It was good experience.

MR. BOSTROM: Possibly it was, but would it not have been better for you in terms of your life if you had been afforded the opportunity of moving directly onto the land and farming directly instead of having to wait.

MR. HIEBERT: Well how would I know this?

MR. BOSTROM: I'm just asking you if that would not have been a good opportunity for you if it had been presented at the time.

MR. HIEBERT: This way it made me appreciate the farm more.

MR. BOSTROM: Thank you.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSEN: Yes, Mr. Chairman. Mr. Hiebert I'm intrigued by one statement that you made when you said that you operated a quarter-section farm.

MR. HIEBERT: Yes.

MR. JORGENSEN: And your net income is around \$10,000 a year? Pray tell me what kind of farming operation are you involved in?

MR. HIEBERT: My principal income comes from the sale of hogs.

MR. JORGENSEN: I see. Well I congratulate you for being able to earn \$10,000 a year net income on a quarter-section of land because I think some of our people in the Department of Agriculture may be interested in talking to you because they might learn something from you. I wonder, Mr. Hiebert, though - you mention a meeting at which a representative of the MACC was present. Was that a meeting called by a particular organization that you belong to?

MR. HIEBERT: Yes.

MR. JORGENSEN: How was that meeting called?

MR. HIEBERT: It was a 10-day Crops Management Course here in Steinbach.

MR. JORGENSEN: Sponsored by the Department of Agriculture?

MR. HIEBERT: I think so, yes.

MR. JORGENSEN: And the MACC representative who spoke to you did not know the terms of the lease arrangement for which he is partly responsible?

MR. HIEBERT: Well some of the information he gave differed from what we had heard before and this was apparent from fellows who came from different areas even, so it wasn't just from one area.

MR. JORGENSEN: Did he tell you, for example, that there are some rather unique clauses in this particular lease? Did he tell you that the less - let's take one section - the

(MR. JORGENSEN cont'd) lessee shall be expected to keep accurate and complete farm records - which is not a surprising thing - and to use good farming practices. Did he tell you that clause was in the lease?

MR. HIEBERT: He said that we were to use good farming practices; the records I don't believe I heard.

MR. JORGENSEN: All right. Did he also tell you that further on in the lease it says, "The Lessor shall have the right to terminate this lease where the lessee is in default under the lease by reason of the breach or non-performance of any covenant, proviso, condition or stipulation in the lease." In other words, the Chairman of the MACC could come out to your farm and - earlier in here it gives him the right to walk all over your farm any time he chooses - and say, I don't agree with the way you're farming so therefore the lease is terminated. That is in the lease. Did he tell you that?

MR. HIEBERT: He didn't say it quite in those words, but yes he did if we didn't practice or use good farming practices or . . .

MR. JORGENSEN: Yes, but did he tell you who was going to make the determination as to what is good farming practice? You may be farming, in your opinion you may be using good farming practices but because the Chairman of the MACC says no, the lease is terminated.

MR. HIEBERT: He did not say the Chairman but he did say MACC.

MR. JORGENSEN: Yes, well I'm using the name the Chairman perhaps unfairly, perhaps unfairly, but after all he could make that decision. And when you go to buy that farm back - let's assume that the piece of land that you were leasing was worth \$100,000.00 - I'll use that figure because it's easy to make the calculations using a round figure like \$100,000.00 - when you lease for the first three years you're charged 5 percent. In other words, you pay \$5,000 a year for renting that land for the first three years. Now assuming that the government borrowed that money for 9 percent, that means that the interest rate is being subsidized at the rate of \$4,000 a year, right?

MR. HIEBERT: That could be true yes.

MR. JORGENSEN: Now at the end of three years, the total amount of that subsidy would amount to \$12,000.00. Do you follow?

MR. HIEBERT: Yes.

MR. JORGENSEN: Yes. Then let's assume at the end of that three years the lease is renegotiated, and there's a possibility at the end of those three years that the government will say, "Well your rental rate now is going to go up to 7 percent, which is closer to what we're paying for it." So instead of paying 5 percent, plus the taxes, plus the insurance on the farm, you're going to pay 7 percent, plus the taxes and plus the insurance.

MR. HIEBERT: Yes.

MR. JORGENSEN: That means that for the next two years, and you have an option to buy at the end of five years, for the next two years the interest rate will be subsidized at \$2,000 a year; assuming that that interest remains constant at 9 percent over that period, that means at the end of the five years there will be \$16,000 added to the value of that farm by virtue of the subsidy and the interest. That you must pay.

MR. HIEBERT: Yes.

MR. JORGENSEN: You knew that?

MR. HIEBERT: Yes.

MR. JORGENSEN: Did you know also that if you undertake to make any improvements on that farm, at your own expense - let's assume that you bought a piece of land that had been rundown somewhat, the previous tenant had not taken care of it, and I'm sure you're aware that if you take care of the land it'll take care of you but if you don't take care of it that it can depreciate in its value and its ability to produce food and produce an income for you - let's assume that when you took over that farm that you effected some improvements, you rotated, you got rid of weeds, and you did certain things that improved the assessed value of that farm at the end of those five years, and it cost you considerable money to do that, did you know that that was going to be added onto the value of that farm too?

MR. HIEBERT: Yes, when it is reappraised that is considered.

MR. JORGENSEN: I'll read you the section of the lease, it says, "Where permanent improvements can be made to the land to improve the income position of the lessee the lessor may in its discretion" - that's the MACC - "make appropriate adjustments as determined by the lessor." You don't make that determination, they do.

MR. HIEBERT: Yes.

MR. JORGENSON: And they don't have to, they may. That means that you could - and if the MACC didn't like you at the end of five years they could appraise that farm at it's higher value and it'll never be lower than the \$100,000, that's also in the lease, even if the value of the land drops by 50 percent you're going to still pay the \$100,000, plus the \$16,000, plus the improvements that you've put on it, and you don't have to have any consideration given to the cost of making those improvements by the MACC.

MR. HIEBERT: Another question which I posed to Mr. Kingstone was, there is also a stipulation in there that the yard can be purchased separately by the lessee for which he would pay the current rate, which is about 10 percent, but title to that yard would never be granted to the lessee, it would always stay with the Corporation, so that if he let the lease for the land go he could then be forced to give up the yard as well, and he could only sell that yard if he had, let's say, paid for it through the loan, that he could only sell that yard to MACC. And I asked Mr. Kingstone if this happened to me if I could achieve a fair price for that yard if there was only one buyer.

MR. JORGENSON: Well I won't pursue this because you obviously know as much about that lease or perhaps even more than I do.

I want to come back to a point that was raised by Mr. Walding when he - I'm not sure if it was deliberate or inadvertent - but I think he left the impression that the previous administration through the TED Report was anxious to reduce a number of farms in the Province of Manitoba down to 20,000. I'm not sure if you know the conditions of, or the terms of the TED Report or not but it's not that critical, but one of the statements that was in there was that the number of commercial farms could conceivably be reduced to 20,000, which is the statement that Mr. Walding made. At the time that that statement was made . . .

MR. CHAIRMAN: Mr. Walding on a point of order.

MR. WALDING: Mr. Chairman, I didn't say commercial farms, I was reading from the report itself and it doesn't mention commercial farms, it just mentions farms.

MR. CHAIRMAN: What page is that on?

MR. WALDING: It's Page 55.

MR. JORGENSON: Well I will read this particular section of the TED Report then because I copied it out, I didn't want to carry the book around with me because it was a bit bulky. "But the projected natural decline in farm numbers based upon past trends would result in 30,000 farms by 1980. This however is based upon farm numbers as defined by the census, and farm numbers as defined by the census include: census farms" - and a census farm is one which has one acre or more and produces between \$50.00 and \$2,500 in gross income, not net income. That is hardly what you would call a farm that is viable, more likely it is somebody that works at the Selkirk Steel Mills and runs a bit of a market garden on the side, and a very small one at that at present prices. So what the TED Report was suggesting was that the number of commercial farms might be reduced to 20,000, and at that moment, at that time that the TED Report was written the actual number was 27,000.

Now you and I know that there are two ways that you can improve income on the farm in order to make it viable, make it possible for a person to make a living. One of them is to intensify production, which obviously you've done on the 160 acres of land. And the other one is to increase the size of your farm and have more land, or a combination of both, depending on the judgment of the particular operator of that farm.

What Mr. Walding did not point out was that there was also a section in that report that suggested that it would be desirable to increase the net income of farmers from \$3,000 per farm, which it was at that time, to 10,000. And I'm surprised to hear you say - well I shouldn't be surprised because the way the prices are at the moment that's not surprising - that the net income of the group that you're associated with here is close, it ranges between 9 and 12 thousand dollars a year. That could materially drop if there is a decline in farm prices, could it not?

MR. HIEBERT: Yes.

MR. JORGENSON: That's not something that's going to be assured. But I think I should point out one other thing and that's just as an aside. The particular section of that report which deals with agriculture was drafted by a firm of economic consultants by the name of Hedlin-Menzies. And one of the people that they had working for them at that time, and my investigations indicate that this man had a considerable amount to do with the drafting

(MR. JORGENSEN cont'd) of that report, was the present Deputy Minister of Agriculture, Mr. Bill Janssen. So if the government members choose to ridicule or to suggest that we in the Conservative Party were suggesting that the farm numbers be reduced by 20,000 farmers, he should ask his own Deputy Minister because he I understand wrote that report.

Now, Mr. Chairman, there are several other questions that I should like to ask the witness but I know there has been a tendency on the part of this committee to zero in on the first witness, and you happen to be the first one this morning; he always seems to spend a great deal of time on the first one. I don't know whether you like it or whether you don't like it, but I'm going to leave my questioning for later on because I believe that you have been on the witness stand for some considerable time and you've had quite a number of questions thrown at you. I might say that as far as I'm concerned the evidence or the opinions that you expressed before us here I'm not going to question or quarrel with. They happen to be your opinions and this is really what the committee is seeking. I don't feel that it is necessary for us to cross-examine to find out how you arrived at those conclusions. It's enough for me to know that you have arrived at those conclusions and sometimes people come before us with only nothing more than a gut feeling, and sometimes those gut feelings are a heck of a lot better than the predictions that are made by the most learned economist, and I thank you very much for appearing before the Committee this morning.

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: Yes, Mr. Chairman, I think it's appropriate to raise a matter on a point of order but I'm not going to do that. I'm going to address my remarks to the Committee and to the people here, and to Mr. Jorgenson in particular, in the same way that he has addressed this meeting.

I should like to take exception to the continuous slander of departmental staff that Mr. Jorgenson indulges in, and he did it again this morning. He reflected upon the competence of the staff of the Department of Agriculture when he said that perhaps they should appraise themselves of the economics of production on Mr. Hiebert's farm. That implied of course that they didn't know much about farm economics and, you know, I really think that is not fair to any staff of any department of government, and Mr. Jorgenson in his own right knows fully well . . .

MR. CHAIRMAN: Mr. Jorgenson on a point of order.

MR. USKIW: You can rise on a point of order. That's disgusting. Absolutely disgusting.

MR. CHAIRMAN: Order please.

MR. JORGENSEN: The Minister has drawn a conclusion that I think . . .

MR. CHAIRMAN: Order please. Proceed.

MR. JORGENSEN: Anybody that can make \$10,000 income on a quarter section of land deserves to be investigated by anybody to find out just how he does it, and I suggest perhaps some of the people in the Department of Agriculture plan to do the same thing and they should be congratulated. Now that is all I said. The Minister attempts to draw inferences and conclusions that are not warranted.

MR. USKIW: Mr. Chairman, if I may continue without interruption, as did the Member for Morris, this is not the first time that he has assailed a member of the staff of the department, and it seems that only people that have been hired since 1969 become the subject of attack.

I should like to draw to everyone's attention here that he refers to the Deputy Minister of Agriculture as "Red Bill". I don't know how he assumes that. I'm surprised that he hasn't had a complaint through the courts from the individual. The same "Red Bill" was hired by his government to help put together that report. It's very interesting that he wasn't red when you hired him but now he is a problem to you. And that individual was in the employment of the firm, Hedlin - Menzies, who are a consulting firm that put together that document, and that individual did not express his particular opinion in that document but had to work under the direction of the government of the day. It was not his opinion, but under the terms of reference given to him (a) by the government of the day and by the firm for which he worked, and therefore one should not take undue recognition of the fact that excerpts in that particular document may or may have not been put there by the present Deputy Minister of Agriculture.

I happen to have had a long discussion with him long before he was a Deputy Minister and his opinion of the TED Report was, the question was, what will happen by 1980 if we don't

(MR. USKIW cont'd) do anything, and all we had to do was put some statistics together and by 1980 we should be down to 20,000 farms if government sat on its fanny and did nothing. That's really how they arrived at that figure. So let's not impute or reflect upon people who were in the employ of the government then and now. I think it's very unfair, very unfair for any political person to attack a staff member of any government, be it federal or provincial or whatever, unless they have some basis of attack on the individual; because it has to be presumed that all employees are working under the direction of their employers, namely the political system, and whatever it is they must perform they do it in the best way they know how. So I would hope, Mr. Jorgenson, that you desist from the slanderous attacks that you seem to like to enjoy with respect to the staff of government.

Now, Mr. Hiebert, you implied that you believed in a greater freedom for people - that would be correct?

MR. HIEBERT: Freedom where it does not infringe on others.

MR. USKIW: There is no such thing. The freer you are the more infringements . . .

MR. HIEBERT: Freedom with responsibility.

MR. USKIW: But apart from that. You alluded to the fact that your ancestors came to this country because of freedoms that they sought and that were available in Canada, in particular in Manitoba. At that point in time it was mentioned that many people that settled the prairies received a gift from the government of the day, namely a quarter section of land - free.

MR. HIEBERT: That is correct.

MR. USKIW: That's right. They did not have to put up any money in order to become owners of a quarter section of land. And in light of your own history, how can you now say that unless your neighbour can put up the money that he should not have access to land; in light of your own upbringing and your own background, how can you say that? Because that is how you are here.

MR. HIEBERT: The government, I believe, offered this land to the Mennonites in Russia.

MR. USKIW: That's right.

MR. HIEBERT: And who stood to gain by this settlement?

MR. USKIW: That isn't my question. My question is, when your ancestors came, they received the land free, it was given to them, they didn't have to draw up a mortgage to get control of land. Now you appear before the committee and you say to me, unless a guy has it, he shouldn't have access to land, unless he can raise money of his own he should have no right to land. Now that to me says that there is something wrong with the memory of people who came here, came here with nothing and were given something to start with, and then they would want to deny some person today the same opportunity. You feel that is not a problem?

MR. HIEBERT: No.

MR. USKIW: Okay.

MR. CHAIRMAN: Thank you, Mr. Hiebert.

MR. USKIW: No, I wanted to deal with one other point, Mr. Chairman. The Member of Morris alluded to the fact that there were two ways in which one could improve one's income, either through intensive farming, as you do, or extensive, in other words more land. And one of the observations that I have made since he's made that statement twice, yesterday and today, is that he never mentions that there is a third way of improving farm income, and that is in the price that you get for your product. That always escapes the Member for Morris. He thinks that you can either be an intensive farmer or an extensive farmer and that is the limit of your options. Do you believe that price has anything to do with farm stability or your security on the farm?

MR. HIEBERT: Obviously if I don't make any money I can't pay anything.

MR. USKIW: I'm saying, is price an important part of whether you will be a viable farmer or not a viable farmer?

MR. HIEBERT: Well definitely.

MR. USKIW: All right. That's fine. Thank you.

MR. CHAIRMAN: Thank you, Mr. Hiebert. Is there anyone else here this morning who wishes to present a brief to the committee? Would you please come forward, give us your name. Mr. Hiebert, you're from Steinbach?

MR. HIEBERT: Tourond.

MR. CHAIRMAN: Tourond. Is there anyone else? Well, that is the only person that we

(MR. CHAIRMAN cont'd) have on the list. Mr. Friesen, would you like to come forward please.

MR. FRIESEN: Due to the accusations made this morning, and since it is my understanding that the letter I received a week ago was read at a previous hearing, there is no doubt in my mind that similar accusations have been made behind my back by this committee. For this reason I would now ask for time to draw up a few notes and then appear in front of this committee after the noon break.

MR. CHAIRMAN: Mr. Johnston.

MR. JOHNSTON: Mr. Chairman, if I could speak on a point of order about the conduct of the meetings of the committee. I think most, or all members are accustomed to taking a whole day for a committee such as this and in all the other meetings we have gone into the afternoon. It's approaching the noon hour and I see nothing wrong with acceding to the request of Mr. Friesen. I would suggest that we adjourn at 12 and come back at 1 or 1:30.

MR. USKIW: Mr. Chairman, I think that it might be appropriate to consider another suggestion. Since the weather is not good and many of the committee members have a long way to go, that if Mr. Friesen is not prepared to respond now, that we will have another hearing tomorrow in Winnipeg and a subsequent one in Morden on the 21st, I believe, that either of those two dates would be ideal as far as we are concerned, and I don't know his opinion, to make his presentation.

MR. CHAIRMAN: Order please. One thing that seems to be rather unusual. You have presented a brief, I do not believe that there has been any kind of accusations. There have been requests to find out your particular statements at the January 20th meeting and that is where it stands. There have been people mentioning at other meetings of the same type, of saying, well I know of somebody or I heard of somebody, a farmer in the district, where the MACC went to buy the land directly without having the approach of the individual coming to them. So I don't see this matter as being an accusation, it is simply one of clarification that you have been requested to make to the MACC and I think that if you do that that's all that is necessary. There is nobody in the committee that has made any accusation; I simply brought it to the attention because I was requested to do that.

MR. USKIW: There's one other point, on a point of order, Mr. Chairman, that it could be a problem to future committee meetings if we want to engage in bringing back people for further cross-examination and rebuttal from time to time, which in my opinion would be a bad procedure. I think it would be sufficient for the committee if Mr. Friesen has a response that he do write a letter in answer to the letter that he received from the Manitoba Agricultural Credit Corporation with a copy to this committee so that we would have the information that we are looking for, and in that way there's really no need for extending the hearing today into the afternoon.

MR. FRIESEN: I have been accused here this morning of not replying to a letter I received a week ago. If you . . .

MR. USKIW: Not accused. It was just simply pointed out that no answer has been forthcoming. It's not an accusation.

MR. FRIESEN: Now if you go back to the hearing I was at in Winnipeg, the first hearing that was held, I there stated quite definitely that I would have somebody substantiating at a further meeting, and if that wasn't the case I would do it myself, and as far as I'm concerned this has been totally ignored and instead I have been accused of not cooperating.

I have in past years made inquiries of government agencies and have had to wait as long as a year to get a proper reply, and if the government insists on having a reply from me within a week, I don't feel the government is very sincere. I take it as an accusation.

MR. CHAIRMAN: Order please. Mr. Friesen has stated somebody's made the comment, I don't believe that at any time somebody was insisting; I simply made the inquiry because in the Dauphin meeting your particular statement was raised and I stated that I took it upon myself to inquire from the MACC, and they had written a letter to you on the 24th, I tried to inquire last Friday and received a letter to the effect that there was no answer. There was nobody at any time stated that you had to answer within any particular given time. So that matter is not before the committee, it is simply information that was requested by members of the committee.

MR. JORGENSON: Mr. Chairman, I think I should raise a point of order at this point as a result of a statement that the Minister has made. He suggested that it might be necessary

(MR. JORGENSEN cont'd) for the committee to call back witnesses for further cross-examination and I think it should be made very clear that this committee has no power to call anybody before it. The authority that the committee has is to hold hearings and to invite representations; so therefore the impression should not be left that we can demand anybody to appear before this committee.

MR. CHAIRMAN: I believe Mr. Uskiw made that statement.

MR. USKIW: On a point of order, my point was that I don't think the committee should operate in that way, that they should not engage in second cross-examinations of someone that has already appeared before the committee. I said that would be a bad procedural thing for us to do.

MR. JORGENSEN: The point that I want to make very clear, that not only it is a bad procedural thing but it is not our right to do that.

MR. USKIW: I agree absolutely.

MR. CHAIRMAN: Right. Mr. Henderson.

MR. HENDERSON: At every hearing that we've been at, it often looked like as if we were through in the morning and we ended up by going back in the afternoon and there was people came in with further briefs.

MR. CHAIRMAN: Mr. Henderson, please, before you proceed I do have another person on the list. Mr. David Reimer from Stuartburn wishes to present a brief. Thank you, Mr. Friesen. I will ask again if there is anyone else who wishes to present a brief. We have had a brief from you, Mr. Friesen; that will be all. Thank you.

MR. FRIESEN: I would like an answer to my question; whether or not I will have the opportunity to make some notes and appear here after the noon break.

MR. CHAIRMAN: I do not believe that it is in order for people to come back a second time, on second thoughts. You can communicate by a letter to the committee.

MR. FRIESEN: I have been wrongfully accused here this morning.

MR. CHAIRMAN: Mr. Friesen, you're not before the committee. Mr. Johnston.

MR. JOHNSTON: I raise the point of order about the conduct of the Chairman of this committee. The Chairman is in the hands of the Committee, he is to do as the committee instructs him. Now we have something to consider, whether or not we adjourn and come back in the afternoon or whether we proceed, and I would like the committee to make that decision now, and you, as Chairman, to carry out the wishes of the committee.

My suggestion is that we adjourn and come back at 1:30. We already have another delegate who wishes to speak, or another person who wishes to make a presentation, we have an indication from Mr. Friesen that he wishes to make a presentation, we are here in Steinbach and I see nothing wrong with taking the noon hour off and coming back and staying until the business of the committee is conducted in this district for today.

MR. CHAIRMAN: Well I thank you, Mr. Johnston, I still state that we have had the presentation from Mr. Friesen. We are not recalling Mr. Friesen, that would set a bad precedent; everybody who has ever made a presentation to the committee would wish to come back for a rebuttal and I don't think that it is in order.

MR. JORGENSEN: Mr. Chairman, I wish to raise another point of order. There is absolutely nothing in our terms of reference that suggests that any witnesses or anybody can't come back a second, a third or fourth time. You're taking a very arbitrary high-handed attitude towards the witness, and I suggest that we adjourn now and come back after 1:00 o'clock or 1:30, or whenever the case may be, and hear Mr. Friesen and any other presentations that may be presented before this committee.

MR. CHAIRMAN: Thank you, Mr. Jorgenson. Is this the will of the committee that we come back this afternoon and we will have the people make the presentation? Mr. Friesen, you'll be on the list. 1:30. Committee rise.

1:30 p. m.

MR. CHAIRMAN: We shall proceed. Mr. David Reimer. Is Mr. Reimer here?

A MEMBER: He's not back yet.

MR. CHAIRMAN: Mr. Friesen. Is there anyone else in the audience who wishes to make a presentation to the Committee? Would you please give us your name? Well we shall recess for a few minutes until the gentleman arrives.

MR. CHAIRMAN: Order please. We shall proceed with the meeting this afternoon. Is Mr. Reimer present? Mr. Reimer. Mr. Reimer, you're from Stuartburn?

MR. REIMER: Correct.

MR. CHAIRMAN: Representing yourself or . . .

MR. REIMER: Yes, more or less, yes. This brief has been written up by myself, has been thoroughly read and checked out by a bunch of other people in our regions, a group, and they have given me the okay to go ahead and read this brief here.

MR. CHAIRMAN: Proceed.

MR. REIMER: In concern to agricultural land policy we do not believe that foreign ownership will not accelerate land prices to any extent in the comparison with government ownerships, but most rural Manitobans are not aware of Government policies towards land-lease systems.

In the Guidelines for the Seventies it strikes us in a harsh way as to how the major objectives are listed, (a) Concerning the promotion of public participation in the process of Government. This guides us back to a few other policies such as namely Autopac. There also was no public participation in this policy. Carrying on, there is no telling as to how high our premiums could go in the next year or two. The rapid increase in Autopac premiums tells us there's a lack of sincerity in arriving at those rates. Would this be the same way the land policy that the Government proposes to do, operate?

The Working Paper states that it is the purpose of the Government to promote the well-being of all citizens. This tells us that we would not only lose the freedom of our rights but also be like a flock of sheep led by a dominant herdsman. We know that for a number of years back we were advised to grow all the grain possible for there was no shortage. After a few years there was no market for our grain. This is the same way with cattle. The more we produce the cheaper they become, due to the fact that imports from foreign countries ruin our own livestock industry. This is what happens when Government intervenes.

In Chapter II, Pages 16-18 it states the prices paid by non-residents, foreign owners and Americans, but it does not state the Government of Manitoba's prices. We, the farmers have experienced the fact it was not hard to compete with foreign owners or absentee owners but rather impossible to compete with Government ownership. For the neighbour - just one clause here I will read but it will be answered, conferring back to the Desrosiers case, so I will just carry on with the brief here. I'm sure Mr. Friesen will explain that later.

For the reason, if a person wanted to buy his neighbours farm and went to the MACC to borrow his money they then would go and offer the farmer more for his land than the person who had wanted to buy it but did not have the money. Then in return they would buy the property for more than the farmer had asked for it in the first place, then they would turn around and lease the same property to the person who had wanted to buy it. All these transactions were made with public funds and we do not feel that most people would object to the idea of having to compete with their own money, especially tax money, over which they had no authority of. We feel that Government intervention has always been more destructive in the long run and only a farmer has suffered through these programs in agriculture.

On Page 6 it states, and I quote: "That most Manitobans are striving for an equal distribution of income among the citizens of Manitoba. This statement seems false in a way. We believe that a farmer who farms 1,000 acres should get a better return for his conditions if at top production than a farmer who farms 500 acres. Also a man that works from dusk to dawn should have a better return than a welfare recipient who could work but would refuse to do so, for the simple reason that the welfare assistance has been too easy to get a hold of.

Getting back to the subject of the Working Paper, it refers to the idea that the high cost of farmer's supplies such as fertilizer, twine, animal feeds, etc. were manufactured in the rural areas, this would make better business and employment in the rural areas. This is true in a way as long as there's no middle man in the ring before the rural Manitobans buy the product, and the Government taxes raise the prices or the companies are owned by our local Government.

(MR. REIMER cont'd)

The Working Paper states the more crops and livestock are produced per acre in total the more business and employment income will result in rural Manitoba. This again is false in a way. In Chapter III of the Working Paper it states: "The rapid increase in land prices is due to the value of economic rent. Economic rent is the difference between the total revenue obtained from a parcel of land and the cost incurred in production." There are some parts left out for we know that the rapid increase in land is based on high taxes, the cost of farm supplies which have increased by 100 percent or more in the last five years. The whole chapter seems to be talking in a circle and it is based on economic rent which is not the whole problem of our land price increases. We feel the increase in land is partially based on our commodities.

In Chapter IV, the declining and small land owners is quite understandable for the cost of production and the marginal return per acre being as low as it is. Further into the chapter it also states the smaller your farm the higher return and the better efficient you become. It seems unlikely it's possible to take all the high productive land and cut it into two acre farms. But to become more productive this is what we would have to do according to the chart on Page 74. To our understanding, this book contradicts itself on and on again. The party who wrote this book must have been unaware of the real true facts which really go on as to drawing an opinion on farm policy.

To conclude this brief, we submit to you that if a policy on land-use and ownership is implemented that careful steps be taken in concluding facts and figures as to how critical the situation really is. We are sincerely against government ownership and government policies towards land-use in agriculture. We do believe the time is not sufficient for governments to enforce something which we are not fully aware of or have no part in restructuring it.

This brief was submitted by myself and was signed by Aime Carriere, Roy Greer, Alex Bachinsky, Peter Reimer, happens to be my brother, and William Funk.

MR. CHAIRMAN: Thank you, Mr. Reimer. Mr. Uskiw.

MR. USKIW: Yes, you started off your comment with the observation that governments tend to move without adequate public discussion in a number of areas, and you cited Autopac as one. Were you not aware of the public discussions that were carried out on that question before legislation was introduced?

MR. REIMER: I don't think we were really informed about it, and if we would have been informed about it perhaps legislation would already have been drawn up before we would have had anything to do with constructing this matter.

MR. USKIW: You're not aware that during the term of office of the Conservative Government of Manitoba that we had year after year a Legislative Committee studying the question of automobile insurance in this province? Not during our term of office but during the term of office of the previous government. Where there was public discussion.

MR. REIMER: I don't know how I should answer the question. I can't farm and be in the Legislature at the same time, you know, finding out what's going on.

MR. USKIW: No, no these were public discussions that took place.

MR. REIMER: No, I'm not aware of it.

MR. USKIW: During a period of two or three years, which there were many points of view expressed on what should be done about automobile insurance in Manitoba. Now are you not aware also then, that in the election of 1969 that the New Democratic Party as one of its objectives and promises to the people of Manitoba was that they would set up a public insurance automobile corporation on a compulsory basis?

MR. REIMER: Yes, I heard that at the time when they were . . .

MR. USKIW: All right. Since the people of Manitoba elected the Government in 1969, and since the people of Manitoba knew what the policy of that Government would be if it were elected, do you think that it would be right for the Government of Manitoba to disregard its promise to the people of Manitoba with respect to introducing automobile insurance?

MR. REIMER: No, I don't think so; but again Autopac was enforced, but the people weren't aware of what was going to happen in years to come. It was proposed as being the lowest insurance rate in Canada but I think a lot of people are going to have to eat those words because it's not true anymore.

MR. USKIW: Well do you know whether it is true?

MR. REIMER: No, I can't say, as for myself I wouldn't know.

MR. USKIW: All right. So there's no point in you and I debating whether it's true or it isn't true. I happen to think that we have a very good program, that's my opinion, and based on the knowledge that I have. But all I'm trying to point out is that there were very lengthy public discussions on the question of automobile insurance prior to 1969 which led to the New Democratic Party putting in its party platform that should it be elected to government it would institute a compulsory government insurance program for the insuring of automobiles.

MR. REIMER: Was the policy set out for the public to look it over before it was passed or was put into force?

MR. USKIW: What do you mean the policy? I don't understand.

MR. REIMER: The policy of Autopac.

MR. USKIW: The policy of the New Democratic Party at that time, before it was Government, and announced to the people of Manitoba was, that we would go into public automobile insurance on a monopolistic compulsory basis in the interests of the people of Manitoba. And on that basis the Government was elected.

MR. REIMER: With whom are they competing against now when they have put the two cents gas tax on?

MR. USKIW: With whom are they competing against?

MR. REIMER: Yes.

MR. USKIW: Well, you know, that is irrelevant to what we're talking about.

--(Interjection)--Well it is irrelevant. I mean I don't know what the point is. Some people are snickering, I don't know what the meaning of that question is.

MR. REIMER: Well the way I look at it is, I hear that Autopac has been having a fairly big deficit and they've put a two cent tariff on gas tax, so to speak. How do they expect the people to react to that, or feel about that, when you take an old age pensioner who doesn't own a vehicle and cuts his grass on his own yard has got to pay two cents a gallon for Autopac. This has no bearing on Autopac whatsoever.

MR. USKIW: You think that that is a very serious burden on an old age pensioner who buys a couple of gallons of gas a year to cut his lawn. You think that is a very serious burden?

MR. REIMER: This is a small example. For myself, I use maybe 5, 6 thousand gallons of gas on the farm myself. I have to pay this tax . . .

MR. USKIW: No, I'm sorry, sir, but that's my point. Do you pay tax on the fuel that you consume on the farm?

MR. REIMER: Other than purple gas, no.

MR. USKIW: You don't pay any tax on your fuel consumption on the farm; therefore you are totally exempt from that two cents.

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

MR. CHAIRMAN: Mr. Graham on a point of order.

MR. GRAHAM: The Minister is not correct.

MR. CHAIRMAN: Pardon?

MR. GRAHAM: The Minister is not correct in that statement.

MR. CHAIRMAN: Mr. Graham, that isn't a point of order.

MR. USKIW: Mr. Chairman, I believe Mr. Graham is intelligent enough to know that you don't drive a car on the field and if he isn't, it's about time he was. You said that you used a lot of gasoline on your farm.

MR. REIMER: True.

MR. USKIW: I am not talking on the highways of Manitoba, Mr. Graham, I am talking about his farm.

A MEMBER: To him there's a difference.

MR. USKIW: Maybe Mr. Graham should learn that. Now, therefore it's obvious that that two cents does not apply to your farm needs.

MR. REIMER: If my wife brings me the lunch on the field 20 miles away with a car.

MR. USKIW: Oh, yes, but if she smashes her car on that boulder that you forgot to move Autopac will have to pay it.

MR. REIMER: I don't think so.

MR. USKIW: Oh yes.

MR. REIMER: Not on the field.

MR. USKIW: You think not, eh? Well I'm not so sure. Maybe we shouldn't, I don't know.

(MR. USKIW cont'd)

The next point you raise is the lack of public discussion with respect to land policy that the Government intends to carry out; and I presume that you are assuming that something is going to happen in the near future which you might be opposed to and you don't know what it is. Are you aware as to the reason why we are here today?

MR. REIMER: Yes, you are here to hear the views of the citizens as to how they feel towards land policy - in search of a land policy.

MR. USKIW: Why are you then saying that we are not discussing it with the public of Manitoba?

MR. REIMER: I am stating that there is no public participation. I'm not . . .

MR. USKIW: What is this right now?

MR. REIMER: This is a discussion. We haven't seen your land policy yet.

MR. USKIW: You're assuming that there is one.

MR. REIMER: Well if there wasn't an inquiry about it why have one, or why have an inquiry if there is no policy?

MR. USKIW: Let me then indulge for a moment in the history of the setting up of this committee. Two or three Liberal members of the Legislature raised the question of whether we shouldn't have a land ownership policy, and in fairness to them, it was a very good question. There was nothing wrong with it. Out of that question ensued a debate in the Legislature and the Government said it had no policy, it didn't care whether people own land or didn't own land and whether they be foreigners or not foreigners. But we agreed that it might be worthwhile to discuss this question with the people of Manitoba. And therefore a resolution was passed in the Legislature last spring that would set up this Committee, a Committee of all parties since no one party had any position on this question, and that we would discuss this question with the people of Manitoba and after that discussion we may decide as to whether there is anything needed in the way of legislation. And that's why we are here today. And you are saying that we are not allowing the public to participate in these decisions. I don't understand your positions there.

MR. REIMER: Well I think what I was writing about there is perhaps we have no assurance that legislation hasn't been drafted before this hearing was brought onto the floor. It's one thing we do not know.

MR. USKIW: Well of course you don't know that. Are you expected to know that?

MR. REIMER: We should if we . . .

MR. USKIW: I mean with the kind of mentality that is coming through with a question like that the implication is obvious that there is some scheme afoot to bring forward some legislation to control land ownership, and I just told you that that was not the case, that this is really in response to a position taken by the Opposition in the Legislature, not by the Government. And our governmental response was let's go out and talk to the people of Manitoba, and you say that is motivated by some other force. You know, I am very sorry that you have been so misled by whoever, whoever gave you that kind of information.

Now, you then alluded to the Desrosiers land case becoming quite a historic thing. Why would anyone go to the MACC to borrow money to purchase land when the MACC does not finance - provide mortgage financing?

MR. REIMER: It did two years ago, didn't it?

MR. USKIW: Oh yes, it did a few years ago, yes, right.

MR. REIMER: And I believe that this is when it happened, it didn't happen yesterday this . . .

MR. USKIW: But at the time that it was involved in the financing of land there was no lease program. We didn't have a lease program at that time. The two didn't exist at the same time.

MR. REIMER: They didn't, but this case might have happened. I do not know the dates, as I said I would let Peter Friesen talk about it . . .

MR. USKIW: Okay, that's fine.

The next point you make is that government intervention of any kind is bad for farmers. You don't want government to be involved in agriculture.

MR. CHAIRMAN: Mr. Henderson, please. The gentleman will answer for himself.

MR. USKIW: Is that a correct statement . . .

MR. HENDERSON: Since you're checking me on that, that is not what he said.

MR. USKIW: I am asking you gentlemen whether that is what he had said. Mr. Chairman, I have asked the gentleman whether my understanding of his position is accurate. Now if it isn't accurate I will be most happy to be corrected, and I don't need any intrusions from Mr. Henderson. Is it your impression that all government, or a majority, or any amount of government programming, Federal or Provincial or whatever it is in your mind, is bad for the farmers of Manitoba?

MR. REIMER: Well I think that government intervention has really hurt the farmer more than it has done him any good for a number of reasons.

MR. USKIW: Would you advise government that they should almost completely withdraw from any involvement insofar as agriculture is concerned?

MR. REIMER: No, I don't, but, as I stated at the end of my brief, I wish they would carefully examine the facts before going into agricultural steps and taking out some incentives before the people are really aware of what is coming about.

MR. USKIW: Do you think it was a bad thing for the Government of Canada to set up a stabilization fund out of which they could stabilize farm prices? Was that a bad piece of legislation in your opinion? I am talking about the Agriculture Stabilization Act that was brought in some years ago, I believe by a Conservative administration - I may be wrong, but I think it was Mr. Diefenbaker's administration--(Interjection)--in 1958 the member for Morris was in Ottawa at that time and he participated in the bringing in of that legislation, which had the effect from time to time of pouring millions of dollars into the pockets of our farmers in Canada. Was that a bad piece of legislation?

MR. REIMER: Well, I don't know, I am not too familiar with that particular one.

MR. USKIW: No, but I mean, was it good or bad that government should have come to the assistance of farmers who were in a very depressed state of affairs?

MR. REIMER: I believe they should be there for the purpose if the farmer needs them, but I don't believe that they should go ahead and then turn around and have them come to the farmer. I do believe the farmer should have the right to ask for assistance, not turn around and say, well this is what you have to do.

MR. USKIW: Do you think that the cash advances that were paid out, three times I believe it was, by Mr. Diefenbaker, was a good government intervention?

MR. REIMER: I wouldn't really know because I wasn't in that situation.

MR. USKIW: From the point of view of trying to develop policy that would be reasonably acceptable by the people of Manitoba, do you think the Department of Agriculture should reduce its budget very significantly so that we are interfering less in the affairs of agriculture in Manitoba?

MR. REIMER: No, I don't believe so.

MR. USKIW: Do you think we should maintain our budget?

MR. REIMER: Yes, perhaps.

MR. USKIW: Because within that budget are many areas of subsidization, and that is again interference in your industry and if you feel that we shouldn't be doing that, I would like to know which ones we should cancel.

MR. REIMER: It is very hard for me to decide which ones you should cancel and which ones you should enforce, or give more money into, for the simple reason that I don't work with these kind of policies.

MR. USKIW: You farm yourself?

MR. REIMER: I farm myself; I'm just an ordinary farmer.

MR. USKIW: What is the nature of your operation? Is it . . .

MR. REIMER: I'm in livestock, grain and commercial haying.

MR. USKIW: What is wrong with the present structure in agriculture? What bothers you from the point of view of your grain production in marketing from the point of view of livestock production in marketing, what bothers you as far as government programs are concerned in those areas? Is there anything that bothers you in those areas?

MR. REIMER: I stated that in the grain it was - I remember years ago it was hard to get rid of grain, and just before that - I think Mr. Diefenbaker was still in power at that time - he told us to grow all the grain possible, and when the next party come in - it didn't really matter who was in power - there was no sale for our grain. I heard Mr. Trudeau say himself over the radio he says, if the farmer wants to get rid of his grain why doesn't he sell it himself. And the same as with cattle: we can produce all the cattle we want - five or six years

(MR. REIMER cont'd) ago or even two years ago we had all kinds of incentive programs to build up our cow herds that beef couldn't go anywhere but up, and I just noticed on the market last week it fell down 5 cents, and now we are even with the American market.

MR. USKIW: Is it your opinion that the Prime Minister was right, that you should have sold your product?

MR. REIMER: If we should have gone to the measures of selling our own products right down the line to the far end, then perhaps we wouldn't have to spend all this public money of paying these big employers . . .

MR. USKIW: Then you're in agreement with Mr. Trudeau, who said "why don't you sell your own grain."

MR. REIMER: In a fact, but if we should happen to sell our own grain then I assume that all other economic affairs should do the same thing, and why should we need him then?

MR. USKIW: No, but you know you made the observation that Mr. Trudeau sort of said it wasn't his responsibility to sell grain, and I am trying to determine from you whether you think it is a government responsibility to try and assist farmers in the sale of their product, or whether you think government should stay completely out of that area.

MR. REIMER: I have said it time and time again I don't think they should stay out of it or get further into it, but I said they should definitely make sure they have all the details before they make any steps towards, into any new policies like this pertaining to land policy.

MR. USKIW: All right. So what particular programs were you referring to when you said that government should get out or should not be in certain programs, and I gather from you that you're in the production of livestock and grain. In the grain area we have the Wheat Board and we have the open market; in the livestock area you have a combination area, depending on what kind of livestock you are producing. In those areas what do you think that government should do, to either get more into that kind of involvement or to get out of it? Are there any specifics that you would recommend to me?

MR. REIMER: In cattle, for instance, I would appreciate it, or I would see it fit, if they would go into the measures of putting tariff on foreign imports. For instance I do believe the foreign import is much cheaper than our beef you know that they can buy here, never mind produce it, and as far as grain goes I am not too much on grain so I don't know the policy all that good.

MR. USKIW: Then you don't believe in a free market?

MR. REIMER: I believe that the farmer should have a right to sell his cattle to whom he wants to.

MR. USKIW: No, I am talking about a free market. You don't believe in the freedom of the farmer to sell to the United States and on the other side for the farm in the United States to sell in Canada.

MR. REIMER: I do believe that, but there should be a tariff to protect us. Let's say if their prices were 15 cents down from us we should have a tariff to protect us.

MR. USKIW: Are you saying that we should have a system then that would give producer protection through a subsidy from the consumers of Canada?

MR. REIMER: No. What I was saying, if the American market was lower and they wanted to hit the high market here they would have to pay a tariff.

MR. USKIW: No, but that has to come from the consumers of your product in this country. Any tariff that is imposed that denies entry of a product to any country means that the country in which that product is denied entry to must pay more for that product. It means the consumers are really paying a subsidy to the producers, whether it's automobiles or whether it's cows, or pork, or whatever. You feel that there should be a consumer's subsidy to protect the producers of agricultural products in Canada.

MR. REIMER: If that is the only way to protect the producer I would imagine.

MR. USKIW: Okay, that's good for the moment.

MR. CHAIRMAN: Thank you. There are no further questions. Thank you, Mr. Reimer, Mr. Friesen.

Is there anyone else who will be presenting a brief? Well, we will have you come up after--(Interjection)--Yes, we have accepted that. We will put you on the list. Mr. Friesen. Your name, sir.--(Interjection)--Lacoste. Reeve of which municipality, sir? La Broquerie. Proceed, Mr. Friesen.

MR. FRIESEN: At the first hearing in Winnipeg I made statements that government land purchases were increasing price of land. I gave one example, and also stated that if enough time was available to the people that had been directly involved with the MACC program they could substantiate my statement. Due to interrogation techniques used at the first hearing, applied by some of the members of this committee, some of these people do not want to appear, nor let their name be used at this hearing. Some farmers have agreed to appear at future hearings but in case they don't I would like to bring one instance to your attention. First I should maybe mention the one I mentioned in Winnipeg, the instance I was talking about in Winnipeg the farmer that was involved is now a civil servant and does not want his name used so I think since the . . .

MR. CHAIRMAN: Mr. Friesen, I understood when you appeared this morning that you would be coming forth with more information, you're coming up with the same type of statement that you made in Winnipeg.

MR. FRIESEN: I never made a statement, Mr. Chairman.

MR. CHAIRMAN: Mr. Johnston, on a point of order.

MR. JOHNSTON: I think you are overstepping your authority as Chairman of the Committee to be critical of anyone who appears before the Committee because they are not saying what you want them to say. I think it is none of the Chairman's business as long as the witness is within the bounds of decency and good manners, he should be able to say anything that he has on his mind.

MR. CHAIRMAN: Thank you, Mr. Johnston. Mr. Friesen, you may proceed.

MR. FRIESEN: Since I agree that nobody should be forced to appear at this hearing, nor should he be discussed in detail if it is against his wishes, so I went to different instances, and there are very many to choose from, and I spoke to a fellow by the name of Jean Desrosiers, who I also knew that was personally involved with the MACC program; in this case a neighbour, who only lived about three or four miles away, put his land up for sale, he advertised it for \$130.00 an acre. Mr. Desrosiers went to this farmer, discussed it with him, offered to buy it providing he could get a loan. He then went to MACC to apply for a loan and when the MACC did not give him a definite answer and told him that they would let him know, about a week later the MACC came down with lease forms all filled out wanting him to sign it. He took a good look at this lease form and realized that he was paying interest on \$140.00 per acre so he pointed out to him that the price was only 130 but the MACC agents told him that the land was worth more than that and they were paying him 140 for it, but he couldn't agree on the terms on this lease so he turned it down and in turn the MACC turned down their offer to purchase. But Mr. Desrosiers was going to get the money elsewhere but when he went back to the farmer he said the government is willing to pay me \$140.00 and that is the price of it now. So he wasn't willing to go up \$10.00 in his price, so he turned it down too.

This is one way the government is pushing up the price of our land, and not only are they pushing up the price of the land, I think the thing that bothers us the most is the fact that they are using our own tax money to do so. This is what really bothers us. From the people I talked to, and a lot of the people have examined this lease form, and after examining this lease form very carefully we come to the conclusion that it isn't set out to help the young farmer but to control him. I don't believe there's very many young farmers that want to be controlled, because as soon as you control the farmer he is no longer going to be productive.

The whole red paper seems to be made up of assumptions, and they used documents from the 18th century to draw their assumptions from.

This morning from some of the questions that were asked by one of the members on this committee, I get the idea that he also has drawn assumptions because somebody's grandfather 100 years ago, or I am not sure how long ago, at one time got the land for nothing, we should do the same thing today. He is totally ignoring the fact that I didn't get mine for nothing, I had to pay for it, and if I have to pay for it, and the majority of us have to pay for it, why should the odd one get preference and get it for nothing. I don't believe we can draw up a land policy on situations from the past, but we have to draw up a land policy in regard to the situation we are in today.

MR. CHAIRMAN: Thank you, Mr. Friesen. Mr. Uskiw.

MR. USKIW: Yes. On that last point, I gather you get the impression that someone here suggested that young people, or any individual, should get land from the Crown for nothing. You would not agree that that is a good idea I gather? You don't want anyone to get land for nothing?

MR. FRIESEN: It isn't done in any other business, and if I decide I want to go into a service station business the government isn't going to give me nor my son, a service station for nothing.

MR. USKIW: Does that then mean, sir - and I agree with you, I agree with you completely - that's why when the lessee exercises his option to purchase we then have to charge him the full price of the value of the land, plus any subsidies that he received for the five years of the lease. So you and I are in complete agreement on that point. Is that correct?

MR. FRIESEN: No, I don't believe we are. My statement was at the first hearing, and it hasn't changed as of today, that the government should have no part in purchasing land.

MR. USKIW: Well that's a different question, sir. I am saying that you are in agreement with me then that we shouldn't be subsidizing the private ownership of land. You don't want your neighbour to get something for nothing, is what you said, he should buy it like you have to buy it.

MR. FRIESEN: I don't think I understand your question.

MR. USKIW: Well you said that you don't think that the public of Manitoba through the government should give anybody land for nothing - that was your statement a minute ago, and I agree with you; that is why when you through the lease program want to exercise your option to buy, you must pay back the subsidies that you have received during the lease period, plus pay to the Crown whatever the land is worth, so that we are both in complete agreement on that question.

MR. FRIESEN: What you do ignore is the fact that under this lease program it is only a matter of time that I, together with the rest of the taxpayers, get stuck with this piece of property.

MR. USKIW: Well that's an opinion I won't indulge in. Why are you, sir, raising the issue of somebody else's bad experience with the MACC, why is not the individual in question raising that issue? What is your interest in that situation?

MR. FRIESEN: I asked this individual to appear himself and he said he had seen Minister Green on television from that first hearing, and he said, "Don't ask me to appear in front of that committee." But since there was no way I could get him to appear before this committee I asked him whether or not I could use his name and whether he would be willing to speak to the news media, or to the members of this committee if they came to see him. He agreed to that and I said the committee should not ask for any more, it should be satisfactory. For this reason I am bringing this to your attention. There's one thing he did state that he would be willing to speak to the committee but he did not want to speak to Mr. Green, and if Mr. Green came to speak to him on his own, he shouldn't come on his own since he would be prepared for him. I don't know what he meant by that statement.

MR. USKIW: Obviously he also didn't see fit to write to the government complaining about his situation, nor do I recall him writing to any member of the Legislature to date, at least it hasn't been drawn to our attention, and you say this is about two years old. There are many vehicles to draw attention. and he hasn't chosen to use any of those vehicles but you seem to be the individual that he wants to carry his message through.

You also referred to another individual who was involved in that situation but who is now an employee of the government and does not want to be identified. Why would this individual not want to be identified?

MR. FRIESEN: Those are personal reasons and I don't think you have any privilege to expect me to answer a question like that.

MR. USKIW: All right. Now since . . .

MR. FRIESEN: At least we live in a country with freedom of rights.

MR. USKIW: . . . since what you are alleging is counter to government policy, and counter to the policy of the credit corporation, we would be most appreciative of anyone having any knowledge of it to advise the corporation, it might even result in a promotion, if they could give us the information we need so that we make sure that if someone in the field is doing something that they're not supposed to be, that we can reprimand the individual.

MR. FRIESEN: I can't answer on that because I've never had that much experience with the government.

MR. USKIW: Let me ask you a last question then. Do you believe in fairy tales?

MR. FRIESEN: No, I don't.

MR. USKIW: Neither do I.

MR. FRIESEN: And this is one of the reasons I asked you to ignore the incident that I mentioned in Winnipeg and look at the ones that the people involved are willing to step out in the open and back it up.

MR. USKIW: Mr. Friesen, I should like to inform you that we receive tens of thousands of letters from people who have felt that they weren't fairly dealt with by civil servants, and we try to answer them all, and I am sure that if this individual felt strongly as you imply that he did, that he would have written to my office, or even to an opposition MLA, or to the ombudsman or anybody else, and illuminated his situation so that something could be done to correct that kind of thing. Since that hasn't happened, I have to suggest to you that I cannot take much recognition from your representations unless you're prepared to supply us with the information so that if it is true we could straighten it out, or if it isn't true so that you would live with that as it may be.

MR. FRIESEN: In other words, I take it then that you are not going to inquire even though you have the name of the person directly involved. How will you treat if if somebody should appear at tomorrow's hearing in Winnipeg, and two people have said they would, stating their personal experience, and how would you treat the opinion of a man like this?

MR. USKIW: You know from time to time we have allegations that are presented to us in the Manitoba Legislature that have no basis, or no evidence presented with the allegation. There is no way that government is going to waste public money on a wild goose chase unless the people who make the allegations are prepared to give the information. The Leader of the Opposition does that occasionally too.

MR. JORGENSON: So does the Minister of Agriculture.

MR. FRIESEN: This is why I am giving you the name because this man is willing to give you that information.

MR. USKIW: Well my offices have a number of phone numbers and if that individual wanted to contact the government he can do so by phoning any one of those numbers; there's a listing in the telephone directory that provides a contact for all the citizens of Manitoba, toll free, to any government office they wish to address their complaint. And I am very much amazed that two years has gone by and this individual has not seen fit to use any of those facilities to inform government as to what their field men are doing to them out in the field.

MR. CHAIRMAN: Thank you, Mr. Friesen. Mr. Lacoste. Reeve of the Rural Municipality of La Broquerie. Would you come forward please.

MR. LACOSTE: Mr. Chairman, I would like to know the definition between an absentee landlord and a foreign owner?

MR. USKIW: A definition? Are you asking someone?

MR. LACOSTE: Yes.

MR. USKIW: An absentee owner is one, in my definition, and it's a personal opinion, is one that owns property for other than his own use, other than to sublet or lease to some other party; in other words, if you owned a million acres of Manitoba land that you were not farming but it was farmland and other people were farming it, you would be an absentee landlord - in my definition that's how you would be.

MR. LACOSTE: In the eyes of the government, how do they . . .

MR. USKIW: In the eyes of the government?

MR. LACOSTE: Yes.

MR. USKIW: Well we haven't addressed ourselves to that question because the government does not have a policy on the question of land ownership, so there is no policy. There are in other provinces, some of which have passed legislation, but in Manitoba there is no legislation, nor does there appear to be any immediate indication that there will be.

MR. LACOSTE: In the - is it the White Paper?

MR. USKIW: It's a working paper.

MR. LACOSTE: Working paper - which states that 52 percent of the municipal land of La Broquerie is foreign-owned. Do they mean . . .

MR. USKIW: I believe the statistic on it is, 48 percent is owned other than by people resident in the municipality.

MR. LACOSTE: Would that be like, we'll say if I lived in the same municipality but in a different ward, would . . .

MR. USKIW: No, no, I'm talking about the municipality, not ward.

MR. LACOSTE: Strictly the municipality.

MR. USKIW: Yes. As I recall it the figure was 48 percent; this is from memory of the meeting of the 20th of January which was our first hearing.

MR. LACOSTE: So if a person lived in the municipality of Hanover and owned land in La Broquerie, would he be an absentee landlord or a foreign owner?

MR. USKIW: You mean as far as my own opinion is concerned?

MR. LACOSTE: No, the government.

MR. USKIW: Well as I say the government doesn't have an opinion. If you want mine, I will give it to you. You know my own opinion is that if you're farming the land . . .

MR. LACOSTE: Was this White Paper your opinion or the government's opinion.

MR. USKIW: I'm saying that if he's farming the land, then he is not an absentee landlord; to be a landlord you must not be using it yourself, you are leasing it to somebody else. So if he lived in another municipality and he was leasing it to you in your municipality, my definition would be that he is an absentee landlord, yes. Or even if he was in your own municipality but he wasn't using the land, he would be classified in my way of thinking as an absentee landlord.

MR. LACOSTE: Because we have a total of 138,240 acres in our municipality; and when I mean foreign-owned, I mean out of Canada, we have 53,920 acres. So that makes 39 percent of the acres are owned foreign, or 12.5 percent of our assessment, and I believe in 1950 it meant 60 percent of the acreage or 40 percent of the assessment.

MR. USKIW: Is foreign-owned?

MR. LACOSTE: Yes.

MR. USKIW: That's in your opinion, that's the facts, are they?

MR. LACOSTE: Approximately, you know.

MR. USKIW: Sixty percent are owned by foreigners of your total municipal . . .

MR. LACOSTE: Prior to 1950.

MR. USKIW: Oh, I see, I'm sorry.

MR. LACOSTE: Today it is only 39 percent. Like I say again, it's only 12 percent of our assessment which then represented 40 percent of our assessment - approximately again.

MR. USKIW: So that 39 percent is foreign-owned as of today, and if the non-resident ownership is 48 percent, then the difference would be people living in other than your municipality, I would presume.

MR. LACOSTE: If your figures are right.

MR. USKIW: Yes.--(Interjection)--No, I wanted to pursue the--do you have any opinions on the question of foreign ownership or non-resident ownership as a Reeve of your municipality or as an individual? Does your municipal council have any views on it?

MR. LACOSTE: Well at this time I don't think we have too much.

MR. USKIW: You're not opposed to it?

MR. LACOSTE: We're in questions, I mean we're just . . .

MR. USKIW: If you were to recommend to government that we do something by way of enabling, or legislation to control ownership, what would be the area that you would want to recommend on first?

MR. LACOSTE: Would you repeat that again?

MR. USKIW: Well let's assume that you thought there should be some control, you know, I don't know that you have any ideas but if you have any ideas lurking in the back of your mind that some day somebody should do something about this question, just how would you proceed if you were government. Would you proceed against foreigners only, or would you proceed against absentee landlords, regardless of whether they're foreign or non-foreign, or how would you want government . . .

MR. LACOSTE: I'm not in favour of foreign . . .

MR. USKIW: You're not in favour . . .

MR. LACOSTE: I'm not saying that I'm not in favour; if they're giving work to our Canadians, okay, but--where's my attorney?

MR. USKIW: All right. Let's assume that within ten years that you would have no land at all left within the ownership of people in Manitoba in your municipality, that all of it was bought up by people from North Dakota.

MR. LACOSTE: Well according to our records, in the last 20 years it has decreased close to 50 percent.

MR. USKIW: No, no, I realize that. I'm saying let's assume that you were advised that within ten years, and this is based on knowledge that you would have, there were real estate people buying up land, there is an activity going on, and that it was assumed that within ten years you would have no land left in La Broquerie that would be owned by Manitoba citizens, how would you react to that situation as a Reeve of that municipality? Would you feel that was a problem, or do you think it was all right?

MR. LACOSTE: Well I think it would be a problem just like it is now.

MR. USKIW: What is the problem then? Can we define the problem? If we could define the problem then we could engage in some discussion as to how to deal with it.

MR. LACOSTE: Well we would take it up in council and we would define it, if it is a problem or not.

MR. USKIW: You have no particular opinion now as to what, if any problem, at the present time.

MR. LACOSTE: I have no intentions of making any comment towards this other than questions. I believe this is what it's for here today and this is why I'm asking these questions and I wanted to know because we were not clear on the absentee landlord and the foreign owners, and this is what I would like to know.

MR. USKIW: In this book the statistics reflect those people that own land in your municipality, or all the municipalities but who are not resident within those municipalities, so that there is no distinction as between whether they're next door or whether they're out of the country.

MR. CHAIRMAN: Thank you, Mr. Lacoste. Oh, I'm sorry, Mr. Johnston. Mr. Lacoste, would you come back, please. I'm sorry.

MR. JOHNSTON: I'd like to ask you a few questions, please. Did I understand you to say when you were giving the percentages that presently 39 percent of your municipality is owned by people other than Canadians?

MR. LACOSTE: Of acres.

MR. JOHNSTON: Thirty-nine percent of the arable acreage or of the total?

MR. LACOSTE: Of the arable--no, it's not, it's swamp, stones . . .

MR. JOHNSTON: Of all the land?

MR. LACOSTE: Yes, which represents 12.15 percent of our total assessment.

MR. JOHNSTON: So some of it is farmland, arable, and some of it is ranch land, some of it is recreational land?

MR. LACOSTE: Ranch lands, I would say.

MR. JOHNSTON: Are there any significant amount of ownership of recreational land by foreign people, Americans and such?

MR. LACOSTE: Well this 39 percent is total American.

MR. JOHNSTON: So in following Mr. Uskiw's questioning, if all of Manitoba had the amount of foreign ownership that you have in your municipality, would you expect the government of the day to take steps to discourage foreign ownership?

MR. LACOSTE: I would think so, yes.

MR. JOHNSTON: Do you think that governments should wait until that high percentage is reached or should they act somewhat ahead of time, foresee the problem in other words?

MR. LACOSTE: Well I think that if it represented more of the assessment value, I think then it would be . . .

MR. JOHNSTON: Could you describe to the committee what less desirable aspects there are caused by having a high percentage of foreign ownership. Is capital leaving the country by way of rents or is there a neglect of land? What do you not like about foreign ownership?

MR. LACOSTE: Well in our case the foreign ownership, it's land that's been used here, cattle are brought in, and the men that are working the land are Canadians--I'll go back to I think 1908 or so when the municipality made an agreement with the Americans. At that time I believe they owned nearly double the amount they own today. Our municipality was a small municipality and we made an agreement with them that if they would use the tax, their tax money, in other words, and reinvest it strictly in drainage and roads that - we made that agreement with them on a ten year basis. They went for that; the municipality agreed upon it and I believe the municipality was satisfied because they made another agreement for another ten year period on this basis. And the Americans, the money that they would pay into

(MR. LACOSTE cont'd) taxes they wouldn't pay it into the municipality they would strictly put it into drainage and they opened up the south country, which was swamps.

MR. JOHNSTON: So that in effect it was a mixed blessing; it was land that wasn't being used but there was in informal agreement made by individual American owners and the municipality to spend their share of tax money on improving the area by way of drainage?

What about the social effects of the people not being there although they had land and they employed Canadians, did that cause concern among the people that lived around there? Did it bother them or have they ever thought about that?

MR. LACOSTE: Well there's a lot of other land that's Canadian owned that's really not too productive so . . .

MR. JOHNSTON: So really you're of mixed feelings. You're not strongly against foreign ownership on a principle, it's just that in your particular situation it hasn't affected the residents.

MR. LACOSTE: Mind you my particular situation may not be the same as others. I'm talking about the Rural Municipality of La Broquerie and we've got along with the Americans. Like you say it has been a blessing and of course like every other municipality you have your ups and downs but I think that . . . they employ our people and they bring cattle in here.

MR. G. JOHNSTON: But basically you do think there's a place for government to keep an eye on foreign ownership of land and if it affects residents?

MR. LACOSTE: Well I'm very strong for locally controlled. The more we can control our municipality as a rural municipality I believe in this. I don't say that we shouldn't participate with the Government, I'm all for it, but I think it should be locally controlled as much as possible.

MR. JOHNSTON: Just for your information, but there's mixed feelings on the Committee. Some members of the Committee feel that foreign ownership of farmland isn't that bothersome, there's others who do feel that it is something that should be either controlled or regulated.

MR. LACOSTE: Well like I say, it varies. I'm just talking as an individual - as a Reeve, I guess.

MR. JOHNSTON: Thank you.

MR. CHAIRMAN: Mr. Walding. Just a minute.

MR. WALDING: Mr. Lacoste, if you would please. You asked the Minister about his definition of absentee ownership and foreign ownership. Do you see any difference between those two?

MR. LACOSTE: Not really. It was for the percentages that we wanted to know. An absentee landowner like he says is a man out of our municipality, which we have lots because we got three sides here.

MR. WALDING: But would it matter to you if the man owning that land out of your municipality lived in Winnipeg or Toronto or Chicago?

MR. LACOSTE: No.

MR. WALDING: Thank you.

MR. CHAIRMAN: Thank you, Mr. Lacoste. Mr. Loeb. L-o-e-b, from Anola.

MR. LOEB: That's correct, Mr. Chairman. Mr. Chairman, usually it depends on how far I am from home as to the pronunciation of my name.

Mr. Chairman, I haven't written up a brief at all. I'm not representing anyone except myself, but I would like to commend the legislators for taking the opportunity to come out and listen to what people have on their minds. I don't have anything profound to add to what has been said here today or to any of the other hearings.

First of all, perhaps I should establish my credentials. And that is that I don't know what the terms of reference are for the Committee. I haven't read the Working Paper which apparently most of the other people here today have done. But as a farmer I can inform you that most farmers have time in their labours to meditate just a bit and as Mr. Jorgenson said this morning you do get sometimes some gut feelings or intuitively you do feel some things which you sometimes aren't able to express. I hope I'll be able to articulate what I feel here today.

All I know from the hearings is what I've read in the press and sometimes I think there's more heat than light being generated at the hearings. It appears to me that a lot of times participants either on that side of the table or on this side are trying to make political points,

(MR. LOEB cont'd) and I suppose we're all guilty of that at one time or another.

But on the question of ownership of land it seems to me, Mr. Chairman, that the determination I think in a municipality, in a community, in an area, would hinge I think probably on two points. The first would be the percentage of control in a given area and the impact it would have on that particular area. And secondly, would be the purpose to which the land is put, and that is to say whether it would be agricultural, recreational or as we sometimes see now, suburban almost. And the fourth category that I'd add there, a sub-category, would be speculative purposes. And I can foresee some problems in a situation where land is bought for speculative purposes with a large percentage in a given area. Now I don't have the information, statistical or other, I don't have any research facilities such as the Committee have, but I would suspect that in perhaps some areas such as we hear just west of Winnipeg in St. Francois Xavier and the Elie area as has been mentioned to me by a resident of the area, this potentially could be a problem. I don't know whether that's accurate or not.

On the question of land leasing of Crown land or purchase by the Crown of land I'm somewhat surprised at the discussion of the principle of the Crown purchasing land and leasing land, because as I understand it this is a practice that has been carried on for successive governments over the years, both Liberal and Conservative and New Democrat, Liberal Progressive, Progressive Conservative, over a period of, I think, all of our history. I don't know that there's any particular difference today as compared with the past, of the Crown owning land and buying back land, leasing land to users. It seems to me from the press reports that this is the area which is of most concern to most participants at the hearings.

Aside from that, Mr. Chairman - and I realize that these are very general points that I've made and I'm sure I'm not saying anything that's new to any of you. But I don't know that it matters very much whether or not land is owned by foreigners or by Canadians who live somewhere else. Again, as I say, I think it's the percentage of control in a given area and the impact it would have in that particular area; and secondly, the purpose to which the land is put. I've been told, as I mentioned, this resident of the Elie area told me - now this may be accurate, it may not be accurate - that land has been purchased in that area for \$300 an acre and has immediately been put on the market at \$400.00. I don't know whether that's accurate or not. Now this I realize can have a significant impact on the surrounding area, or could have. I think that's all I have to say.

MR. CHAIRMAN: Thank you, Mr. Loeb. Are there any questions? Mr. Jorgenson.

MR. JORGENSON: Mr. Loeb, I have just one or two questions. You suggested that there was no real difference who owned the land as long as there was some control over the use of that land. Would I gather from that that you're interested in a land-use policy rather than the question of ownership? The statement was, if I remember correctly, that you are concerned lest there be undue speculation in land, and you mention the specific instance of the Elie-St. Francois Xavier area. Would you believe that there would be undue speculation in that land if it was given a specific use? In other words, if it was zoned to designate it as agricultural land, do you think that would not reduce the incidence of speculation?

MR. LOEB: Well zoning I think is a good point to raise. It's one that I have seen something developing over the last number of years, particularly since the second world war. I've been commuting into Winnipeg from east of the city and I've seen some good agricultural land being bought up in five acre parcels and I can see a potential problem in the future - well I'll give you an example: In the Red River Valley, of course this is prime agricultural land, and it's being used for people to live on and commute into Winnipeg to jobs. Now along No. 12 Highway north of Anola and east of Anola on No. 15 Highway, for example, this is not prime agricultural land and it's an ideal area for people to reside in and commute.

MR. JORGENSON: That's just my point. That if land in an area that is zoned and classified as agriculture, that particular land be reserved for the production of food, for agricultural purposes.

MR. LOEB: I think this is a difficult problem for any Legislature to resolve because there are, of course, selfish motives that people have for not wanting to have change or for wanting change; and it's not one that I'd want to be responsible for resolving as a Legislature. But it's one I think that any Legislature is going to have to wrestle with in the future. I think the problem is going to accelerate rather than decrease.

MR. JORGENSON: Yes, I'm inclined to agree that the problem is with us now and that in the light of persistent stories of food shortages throughout the world that we've got to start

(MR. JORGENSEN cont'd) thinking about reserving our best agricultural land for agricultural purposes; and there's no question in my mind that there are vast areas of land in this province that are suitable for urban development or residential development, and the nearer they are to the recreation areas so much the better. Then I think Autopac would benefit from that because there wouldn't be so many automobiles travelling back and forth to Winnipeg and in the Whiteshell. That might be a thought for the Minister to entertain.

MR. LOEB: Well, Mr. Chairman, I would hope that the Committee would take the long view rather than a short term political view which most of us are inclined to do at most times, and that is that we also have I think potential problems in the future with these small five acre parcels of land being bought up and settled. I don't know whether this is going to accelerate in the future, it may well do, potentially it can, and these people then I think will in the end be wanting services such as perhaps public transit, perhaps they'll want water services and sewage services which are going to be very difficult to provide and very expensive as well. I would hope that the committee in their recommendations would, if they're going to make recommendations, would take the long view rather than a short term political one.

MR. JORGENSEN: There was a suggestion made to us by, I believe it was the Farm Bureau, that a Land Commission be set up for the purpose of cataloguing and determining the areas in which recommendations for zoning could be made, and then those recommendations be submitted so that people in this province can look at them and understand precisely what is happening. Would you think that that would be a reasonable recommendation to make?

MR. LOEB: It sounds reasonable to me, Mr. Chairman.

MR. JORGENSEN: Mr. Loeb, one final question. Do you farm your own land?

MR. LOEB: Yes.

MR. JORGENSEN: You do. Thank you.

MR. CHAIRMAN: Mr. Bostrom.

MR. BOSTROM: Mr. Loeb, just on the one point that you referred to. I'd just like to get your opinions further on the topic of government leasing of land through MACC. You noted that this leasing land problem seems to be in front of the land committee here. On every occasion we seem to get sort of emotional briefs presented on the question of government leasing of land. Why do you think that we are getting those kinds of briefs considering the fact that leasing is such a historical thing in our province?

MR. LOEB: Mr. Chairman, all I can do is reiterate what I said earlier, and that is that I'm surprised that this is apparently a question of principle with some people. But I wouldn't presume to try to tell you or anyone why these people feel it is a problem. I don't know.

MR. BOSTROM: Well in your area I realize that you're saying that you're here representing yourself, but in your own experience in talking to farmers in your area, do you see that concern demonstrated or enunciated by a majority of people?

MR. LOEB: Not in my particular area, Mr. Chairman, no.

MR. BOSTROM: Thank you.

MR. CHAIRMAN: Mr. Walding.

MR. WALDING: Thank you, Mr. Chairman. Mr. Loeb, you mentioned that you really didn't see too much difference in the ownership of land but you were concerned about speculation. Can you suggest how speculation might be defined?

MR. LOEB: I would take this to be someone who invests with the purpose of realizing the largest possible profit in the shortage period of time. Is this a fair definition in your opinion, I don't know . . .

MR. WALDING: Well I don't know. It bothered me because people have mentioned it before . . .

MR. LOEB: The only reason I mentioned it, Mr. Chairman, was that I can see that this can add to the cost of production in the event that this becomes a large, you know large - how large is large, but a significant portion of the total land which is controlled by either local or foreign persons who's only interest is to realize a quick return.

MR. WALDING: Would you consider it speculation for someone to invest money in land rather than shares in GM or something else, to look for a steady return from the rent from that land rather than looking for a quick capital gain?

MR. LOEB: No, I wouldn't think so. It depends again on the degree, it's all a matter of degree, everything is relative, and again the percentage of people that are doing this - if the land is still in production and the returns that they're realizing are not untoward I would

(MR. LOEB cont'd) say this is not a problem to the degree that this applies; no it wouldn't be a problem in my opinion.

MR. WALDING: Would speculation depend to a certain extent on the person's intent in buying that land?

MR. LOEB: Yes, it would to some degree, I suppose, the other degree would be the market and what happens in the marketplace as well.

MR. WALDING: So if we would try to take steps against speculation, you know, we would have to know the intent of that person. Obviously if we're going to put some sort of tax on speculation and we asked him, you know, are you speculating on this, the answer is obviously no.

MR. LOEB: Well I think, Mr. Chairman, we're getting into some deep water here and I don't . . . I think I'll try to bail out of that one.

MR. WALDING: I just wanted a reaction as to, you know, what speculation meant. May I just try something else on you. It was suggested to the Committee at a hearing yesterday that farmers be licensed. The thinking behind it, I suppose, is that many other trades and professions are licensed and that maybe farmers should be too. But what's your reaction to this?

MR. LOEB: I think I'll pass on that one, Mr. Chairman, I don't have an opinion on it; it's not something I've given any thought to.

MR. WALDING: Just to continue on that, one more question. We had a special committee of the House looking at professional associations, doctors and lawyers and that sort of thing. One thing we found out about most of them is that it was the doctors or the lawyers themselves who controlled entry into that profession so they controlled the numbers of people practising, they were responsible for discipline of their members within that profession and also they had the right to take away the license of the person practising that profession. Do you think that that should be a privilege that should be extended to farmers?

MR. LOEB: I like the notion, Mr. Chairman, of being a professional person and I think the status that that implies would be very gratifying to most farmers. At the same time, I don't think if you scratch almost any farmer that you'll find that that is the general consensus. No. I wouldn't think so, Mr. Chairman, it wouldn't be mine.

MR. WALDING: Thank you.

MR. CHAIRMAN: Thank you, Mr. Loeb. That concludes the meeting. There's another gentleman? Your name, sir?

MR. LEROY JOHNSON: Leroy Johnson from Otterburne. I'd like to say, Mr. Chairman, that I, like the previous speaker have not seen the terms of reference or the guidelines that you have set up. I came here specifically today I think to clarify some of the questions in my own mind. I became concerned when I heard Mr. Uskiw ask one of the previous speakers what he thought--what input he could put with regard to government policies.

I think the question of foreign ownership and land ownership policy, we should ask ourselves firstly, why do we want to stop foreign ownership; and secondly, we should ask ourselves about the land use policy. And this is where I became concerned. I think that what we should have first before a land ownership policy is a land policy. And I suggest to you that this is what your government doesn't have at this time; that they have policies they are adopting for one kind of a farmer but not necessarily the kind of a farmer that we're going to have in the future. I think this is what we've got to determine; we've got to determine if we're going to have little farmers living on a quarter section of land and then have the government adopt policies that are conducive to that kind of a farm and that are complimentary to him, that will encourage him to not only be an economical viable unit, a farm of the future, but also will be a biological farm. And I think this is where the problem has arisen, that we are adopting policies to try and get a cheap food policy and I say that the government here, the government that's in power, is the real reason why people are leaving the farm. Why are people leaving the farm? This is what we should be asking ourselves and I suggest to you that there is not very many people leaving the farm that are making money. They are leaving their farm because of policies that have been adopted that are driving them off the farm.

I think if you want to control something you should go out and control the price of fertilizer, why talk about controlling the price of land? And you go back to the statistics that were put forward in the Guidelines for the Seventies, said that if all the people in Manitoba worked for no wages whatsoever they would only receive 3-1/2 percent interest on their

(MR. JOHNSON cont'd) investment. Now in today's society if you can find people that want to come over here and invest that kind of money with that kind of return and they're paying to buy the equipment to grade the roads, they're paying to maintain the roads, they're paying for snowplows, they're paying the school tax, they're paying for curling rinks, they are doing all this for the community; they're subsidizing the small towns in our area, and then you say you want to restrict them from coming over here and buying land. I wonder why? You know, if they're willing to do all this, why should we restrict them if they're willing to do this. I think that if the government would adopt policies to encourage the people that are in Manitoba to live on the farm that they would in turn turn around and buy the farms. And I would like to just point out for an example the policies of the government, and I think they are hypocritical in doing so, is with regard to the tax, the tax that they are putting on farmland. They are asking the farmers to subsidize people in our society. The education property tax I would like to point out that has always been a sore spot in my book. It went up last year by some 50 percent, it's going to jump again this year by a terrific amount. I think a man on a viable unit, he's going to see his taxes go up something like \$750 and the government is going to give him back a few dollars in homeowner's grant, which is not realistic at all if we're talking about trying to stabilize the farming community. We're going to see these times come back all the time we're building on more costs, more costs, more costs.

We're asking people in the underdeveloped countries to go ahead and support our education system here in rural Manitoba, because they are the ones that are buying our grain, they're the ones that have got to pay that tax indirectly, and we're saying to the people that import product into Manitoba, you don't have to pay this kind of tax. There's no education tax put on potatoes that are coming across the line but the farmer that has potatoes here in Manitoba, he has to pay that education tax. So I think that what we've got to do is come up with a policy that is going to suit the individual viable farm of the future; and when we decide this then we can decide how much foreign ownership or non-resident ownership we want. I think that when we talk about non-resident ownership we're taking away from the farmer the right to have an increase in inflation. You are indirectly freezing the price of land. Well this is fine with me if you want to go ahead and freeze the price of land and say to me that I'm one in society who can't be entitled to the inflation that is taking place in other segments. But are you willing to impose the same thing on other people in society? You're not willing to go ahead and say, we'll freeze the price of land because we're going to take away the speculative business out of it by not letting foreigners come in here and buy. Are you willing to say that you're not going to let foreign capital come in here to sell machinery to us? We've got to go out and buy on an inflationary society, we've got to buy from other people who are taking all the advantages of us and yet we're denied the right to go ahead and get this speculative increase.

I think the speaker this morning came up here and said that, you know, it's all a matter of degree and the land should really be worth what it can produce. This is what should level it out as to what the real value of land is. And I think if we're talking about foreign ownership it comes back, like Mr. Loeb just mentioned, it is a matter of degree and I think the government should be looking at, you know, what are the effects of foreign ownership. It's not just because foreign ownership's are coming in here. Are they better producers than what we have in Manitoba.

I would like to go on to say that there is foreign ownership in our area, they have provided the opportunity for some young people to get started. That opportunity has not been provided by the Federal Government, the Provincial Government or anybody else, yet we see foreign capital come in here that are prepared to pay that price for the land and turn it over to individual residents in our community to get them started farming. I think this morning we've heard a lot of criticism or talk about policy. You know we're talking about, should a man be given a quarter section of land. Well I ask you, why not give him a quarter section of land. You go ahead and educate a doctor at public expense and he can pick up his tools and go across to the United States and practice and make tremendous amounts of money. I look at the farm as only being the tool, it's only a means by which I can make a living and when you educate a man, that's his tool, that's how he makes his living. Why do we say to one, you know, you're not allowed this privilege? We talk about freedom, and freedom of choice, what you are going to do for the individual, but at the same time when you do this you're taking away the right of that individual to have the same opportunity as somebody else. You're saying these are the chosen few, God's chosen few people, that they can go ahead and have a free

(MR. JOHNSON cont'd) education, but you are a farmer, you're in a different class. The government is not willing to give you that opportunity to get started.

We look at the government's land ownership policy. Why does the government come out and buy the land and then lease it to the farmer? Is it because they don't have the confidence in land themselves. I think this is what we should be asking. Why don't the government say, you're a young farmer, we'll go ahead and back you to buy the farm and you can get the inflationary values out of it. They could then say if you fail, we're going to take over the land at that point; but I don't see why that they have to go over and say, we don't trust you to be on that land, we have to have that firstly and you come secondly. You go and ask these people about buying land and they'll ask you, how much have you got; you know, they're willing to take what you've got and put it in the pot also and they'll ask you, are your parents willing to take on a second mortgage if you want to buy land from them. I don't believe that the government itself has the confidence in the land and they're trying to lower the price, which I suggest is not right. We've got to have freedom in buying land if we want to have freedom in the rest of our society.

And then it comes back, we ask ourselves the question, why are people concerned about government owning land. Well I'd like to answer that. The people are concerned about the government buying land because they don't know to what degree the government is going to buy land. Where are they going to stop? If the government would make a policy and come up and say, we're only going to buy 63,000 acres of land, then the people wouldn't be worried because it would be the degree to which the government was going to get into it. But we heard the statement here this morning that you go back two years and you'll see it will take 300 years before the government will own all the land. But if we go back five years and then take the percentage, you'll see how it changed within the five-year period. The government has not come out and said to what degree they are going to own land. I think this would clarify the minds of a lot of people. But we see this in other areas where they've said they're not going to get in it; we hear talk now that they are just setting up a policy, they're not going to move, but we don't know and I think that the fear is what is bothering the people. And again this is the fear, the concern of the people in the area about foreign ownership, if we could say to what degree we are going to let foreign ownership own land, and I think we could say the same thing. If we are going to let the speculators come in again to farm land, this is fine; but if you are going to stop it in farmland, why not stop it in other products in Manitoba. And I say to you fertilizer for an example. You're letting foreign capital come in and dominate the fertilizer market right today, and what is the government doing to freeze that. I think again we've got to freeze the costs and farmers will come up and be economical, biological units and be viable. Thank you, Mr. Chairman.

MR. CHAIRMAN: Thank you, Mr. Johnson. Are there any questions? No questions? I wish to thank the people present today for your cooperation. Committee rise. The next meeting tomorrow in Winnipeg.