



Fourth Session - Thirty-Fifth Legislature  
of the  
**Legislative Assembly of Manitoba**

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**STANDING COMMITTEE  
on  
PUBLIC UTILITIES  
and  
NATURAL RESOURCES**

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42 Elizabeth II

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*Chairperson  
Mr. Marcel Laurendeau  
Constituency of St. Norbert*



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**VOL. XLII No. 10 - 7 p.m., THURSDAY, JULY 8, 1993**

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fifth Legislature**

**Members, Constituencies and Political Affiliation**

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHOMIAK, Dave	Kildonan	NDP
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Clif	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Liberal
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
GRAY, Avis	Crescentwood	Liberal
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	NDP
LAMOUREUX, Kevin	Inkster	Liberal
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
ORCHARD, Donald, Hon.	Pembina	PC
PALLISTER, Brian	Portage la Prairie	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary, Hon.	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	NDP
WOWCHUK, Rosann	Swan River	NDP
<i>Vacant</i>	Rossmere	
<i>Vacant</i>	Rupertsland	
<i>Vacant</i>	The Maples	

**LEGISLATIVE ASSEMBLY OF MANITOBA  
THE STANDING COMMITTEE ON  
PUBLIC UTILITIES & NATURAL RESOURCES**

**Thursday, July 8, 1993**

**TIME — 7 p.m.**

**LOCATION — Winnipeg, Manitoba**

**CHAIRPERSON — Mr. Marcel Laurendeau (St. Norbert)**

**ATTENDANCE - 10 — QUORUM - 6**

*Members of the Committee present:*

Hon. Messrs. Driedger, Ducharme

Mrs. Dacquay, Messrs. Helwer, Lamoureux,  
Lathlin, Laurendeau, Pallister, Sveinson, Ms.  
Wowchuk

**APPEARING:**

Ewald Boschmann, Department of Finance

**MATTERS UNDER DISCUSSION:**

Bill 2—The Endangered Species Amendment Act

Bill 10—The Farm Lands Ownership Amendment and Consequential Amendments Act

Bill 17—The Crown Lands Amendment Act

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**Mr. Chairperson:** Will the Committee on Public Utilities and Natural Resources please come to order. The following bills will be considered today:

Bill 2, The Endangered Species Amendment Act

Bill 10, The Farm Lands Ownership Amendment and Consequential Amendments Act

Bill 17, The Crown Lands Amendment Act

For the committee's information, copies of all the bills being considered today are available at the front table. Since there are no presenters registered to speak to the following bills, the committee will proceed with clause-by-clause consideration of the bills. Is it the will of the committee that we proceed with the bills in numerical order? [agreed]

Does the minister responsible have an opening statement?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Yes, I certainly do. Mr. Chairperson, first of all, I would just like to indicate that I will be filling in for the Minister of Natural Resources (Mr. Enns), who is attending a conference in Newfoundland to deal with the fisheries issues, where he is trying to present the views of our inland fisheries in terms of the difficulties that they have. So I am filling in for him, and I hope that the critics can accept that.

If they have any questions on Bills 2 and 17, I have with me Mr. Shoesmith, ADM for the Department of Natural Resources, and Gail Lancaster, from the Lands Branch, so we will try and deal with any concerns or questions that you have. As in the past, if there are questions that the opposition want to raise, if we have not got the information, we will certainly undertake to deal with it.

Thank you.

**Mr. Chairperson:** I thank the minister for that.

Does the critic from the official opposition party have an opening statement? No. Does the critic from the second opposition? No.

The bills will be considered clause by clause. During the consideration of the bills, the Title and the Preamble will be postponed until the other clauses have been considered in their proper order by the committee.

**Bill 2—The Endangered Species Amendment Act**

**Mr. Chairperson:** Let us start with Bill 2.

Clauses 1 through 12—pass; Preamble—pass; Title—pass. Bill be reported.

**Bill 10—The Farm Lands Ownership Amendment and Consequential Amendments Act**

**Mr. Chairperson:** Does the minister have any opening statements on Bill 10?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Well, again, Mr. Chairperson, the minister has been attending a conference, the Agriculture Ministers' conference. He will be arriving later tonight. We have staff here from the department, and a back-up minister in this case here, and if there are questions anywhere along the line, I am prepared to try and use staff to try and respond to them.

**Mr. Chairperson:** I thank the minister. Does the critic from the opposition have an opening statement?

**Ms. Rosann Wowchuk (Swan River):** Yes, Mr. Chairperson, I would just like to make a few comments on the bill, if I could, before we review it clause by clause.

I guess when this bill was first introduced, we had some concern as to the reason that we would be changing to a two-thirds majority in the ownership, and I guess if the minister was here, and I do not know whether the Minister of Highways can answer these questions, but I would like to ask the question as to the reason for the moving to two-thirds shares.

The original legislation was brought in with a 50 percent share, and to our understanding there has not been a tremendous push to move towards this two-thirds, and it appears that the Farm Land Ownership has been very slack in following these guidelines as it is and has been working within those guidelines. We do not quite understand why they are moving towards a higher percentage of outside ownership.

I want to put on the record that we are not in favour of this move. I think the original legislation that was there tended to slow down foreign and corporate ownership of farms, and we would have liked to have had some explanation for the reason, whether there was a great demand to have this changed or if this was just something philosophically that the minister and his staff believes in or why we are moving towards changing some of these regulations.

So this is the one section that we are not in favour of, and in the issuing of shares at this point, but perhaps at some other point or maybe at third reading the minister or maybe his staff can explain why we are moving in that direction, but we do not agree with that move.

**Mr. Chairperson:** We thank the critic for those statements. Does the critic for the second opposition party have any statement?

**Mr. Kevin Lamoureux (Inkster):** No.

**Mr. Driedger:** Mr. Chairperson, first of all, I can recall having been here for maybe too many years, but the onus on foreign ownership was a major issue for many years. That seems to have diminished to some degree, but I would like to take the liberty of having the staff from the Department of Agriculture maybe justify why that portion of it basically is being changed from the 50 percent to the two-thirds.

We want to try to provide the information as best we can. Ewald Boschmann from Finance is the individual who is going to address the concern that the member has raised.

**Mr. Ewald Boschmann (Department of Finance):** I think that our department was the impetus for this particular change. The reason that we asked for that was that there are a number of acts that are linked to and use the definition of a family farm corporation to define a family farm. It is linked to that.

Now, the problem that arose, I guess, is that where the shareholders of a family farm corporation—you got into second, third and even fourth generations. It became exceedingly difficult to meet the two-thirds requirement, that two-thirds of them had to be resident active shareholders. Also, the definition did not go down to the, as I recollect, third generation. So once you had grandchildren involved, even if they were active farmers, they all of a sudden fell out of this definition. As a result, first of all, they would have to go to the Farm Lands Ownership Board to get approval to purchase land, and since some of the other acts were linked to this one, it also causes some difficulty, particularly with land transfer tax legislation.

\* (1910)

So to keep consistency and not to have different definitions of a family farm corporation springing up in all these different acts that were linked to that one, this is the reason why we went to that. It was really to recognize that, at this stage, a lot of family farms that were incorporated had multiple generations and had nephews and stuff like that involved as well, and the two-thirds active thing was too restrictive.

**Mr. Lamoureux:** What impact, if any, would that have, let us say, on a Hutterite colony?

**Mr. Boschmann:** I think it has none, because I do not believe that Hutterite colonies are typically organized as family farm corporations or corporations at all. I do not think they operate in that form.

**Mr. Chairperson:** Clause 1—pass.

Clause 2.

**Mr. Driedger:** Mr. Chairperson, we have an amendment that we are proposing at this time. I move

THAT subsection 2(2) of the Bill be renumbered as subsection 2(3) and the following added as subsection 2(2):

2(2) Clause 1(3)(a) is amended by striking out “, the resident spouses of farmers or the resident children of farmers” wherever it occurs and substituting “or resident persons related to farmers”.

**[French version]**

Il est proposé que le paragraphe 2(2) du projet de loi soit amendé par substitution, à son actuel numéro, du numéro 2(3) et par adjonction, après le paragraphe 2(1), de ce qui suit:

2(2) L'alinéa 1(3)a) est modifié par substitution, à toutes les occurrences de “, conjoints résidents d'agriculteurs ou enfants résidents d'agriculteurs”, de “ou des résidentes qui ont un lien de parenté avec les agriculteurs”.

That is both in the English and French versions. The explanation is that this amendment corrects a drafting error in the bill. It is needed to make subsection 1(3) of the act consistent with the changes the bill makes to the definition of family farm corporation.

**Motion agreed to.**

**Mr. Chairperson:** Clause 2 as amended—pass; Clauses 3, 4, 5, 6, and 7—pass; Preamble—pass; Title—pass. Bill as amended be reported.

**Bill 17—The Crown Lands  
Amendment Act**

**Mr. Chairperson:** The honourable minister, would you have an opening statement?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Well, Mr. Chairperson, would that I could present bills that were as short as this.

Again, filling in for the Minister of Natural Resources (Mr. Enns), we present this bill. It has gone through second reading, and I have no further comments and would be prepared to accept the comments of members of the opposition.

**Mr. Chairperson:** Would the critics have anything they want to put on the record? No.

Clauses 1, 2, and 3—pass; Preamble—pass; Title—pass; Bill be reported.

Committee rise.

**COMMITTEE ROSE AT: 7:14 p.m.**