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Second Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

STANDING COMMITTEE

on

AGRICULTURE

40 Elizabeth II

Chairman
Mr. Jack Reimer
Constituency of Niakwa



VOL. XL No.1 - 10 a.m., TUESDAY, JULY 16, 1991



MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

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**LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON AGRICULTURE**

Tuesday, July 16, 1991

TIME — 10 a.m.

LOCATION — Winnipeg, Manitoba

CHAIRMAN — Mr. Jack Reimer (Niakwa)

ATTENDANCE - 11 — QUORUM - 6

Members of the Committee present:

Hon. Messrs. Cummings, Downey, Driedger,
Findlay

Mrs. Carstairs, Messrs. Evans (Interlake),
Helwer, Plohman, Reimer, Sveinson, Ms.
Wowchuk

WITNESSES:

Randy Eros, Manitoba Sheep Association
Ed Peltz, Union of Manitoba Municipalities
James Bezan, Manitoba Cattle Producers
Association

MATTERS UNDER DISCUSSION:

Bill 20—The Animal Husbandry Amendment
Act

Bill 53—The Natural Products Marketing
Amendment Act

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Clerk of Committees (Ms. Patricia Chaychuk-Fitzpatrick): Good morning. Will the Standing Committee on Agriculture please come to order. We must proceed to elect a Chairperson. Are there any nominations?

Mr. Ben Sveinson (La Verendrye): I nominate Mr. Reimer.

Madam Clerk: Mr. Reimer has been nominated. Are there any further nominations? If not, Mr. Reimer, you are elected Chairperson.

Mr. Chairman: Order, please. This morning the Standing Committee on Agriculture will be considering Bill 20, The Animal Husbandry Act, and Bill No. 53, The Natural Products Marketing Amendment Act.

It is our custom to hear briefs before the consideration of the bills. What is the will of the committee?

Some Honourable Members: Agreed.

Mr. Chairman: I have a list of persons wishing to speak on Bill 20 which I will now read out: Mr. Randy Eros, with the Manitoba Sheep Association; Reeve Ed Peltz, Union of Manitoba Municipalities; and Mr. James Bezan, Manitoba Cattle Producers Association.

I would also like to inform the committee that there are no presenters registered to speak on Bill 53. If there are any members of the public present who would like to speak to these bills and who have not already registered to do so, please inform the Committee Clerk and your name will be added to the list.

Did the committee wish to impose time limits? Is it agreed? No time limits? Agreed.

**Bill 20—The Animal Husbandry
Amendment Act**

Mr. Chairman: I will now call upon Mr. Randy Eros of the Manitoba Sheep Association to come forward, please. We have a written brief. We will just pass it on if you would not mind. One moment.

You may proceed.

Mr. Randy Eros (Manitoba Sheep Association): Thank you very much, Mr. Chairman.

This is a brief to the Agriculture committee in opposition to Bill 20 from the Manitoba Sheep Association. I will read from a prepared text and then certainly answer some questions.

Mr. Chairperson, members of the Standing Committee on Agriculture, I am pleased to have this opportunity to express the Manitoba Sheep Association's opposition to Bill 20, The Animal Husbandry Amendment Act.

In this brief, I will discuss three major areas: firstly, the changes to the act and how they will affect sheep and lamb producers; secondly, the formal consultation process or, in this case, the lack of one; and thirdly, recommendations for amendments to this act.

As outlined in the brief on the Manitoba sheep industry presented to the Honourable Mr. Findlay at a meeting on March 12, 1991, the sheep industry in Manitoba is on the increase. We are experiencing a growth in the provincial flock size, membership in our association is growing, and new marketing initiatives by the Manitoba Lamb Producers Co-op are bringing federally inspected Manitoba lamb to Manitoba consumers in increasing volumes.

I say this to inform you that the sheep industry is a viable industry in this province. I just wanted to give you that background. This is not a case of five or six pet owners worrying about dogs. This is part of the agricultural industry.

The changes to this act greatly concern the MSA, specifically the amendment to Section 1 and the repealing of Sections 35 to 38. The amendment to Section 1 removes dogs from the scope of this act. For many sheep producers and, I would think, more than a few cattle producers, working dogs are an important part of their farm operation. By specifically excluding dogs from this act, are we preventing the stock dog owner from recovering from a loss of a stock dog through attack by other dogs? Admittedly, it is just in reviewing the act several times that this has come to light. We are unsure of how it will affect the stock dog owner by clearly eliminating them from the act, so I think it needs some consideration.

The repealing of Sections 35 through 38 is of the greatest concern to the Manitoba Sheep Association. In correspondence to the Honourable Glen Findlay on July 16, 1990, the Manitoba Sheep Association outlined its support for the act as it now stands. I have appended a copy of this correspondence for your reference.

Now quoting from that correspondence:

Two of the issues relative to sheep producers are (a) the value of the animal and (b) the method of recovering damages. The current act through the use of "Valuers" and compensation based on "Fair Market Value" recognizes that the value of animals may differ. This combined with the liabilities being placed upon the municipality for damage allows the sheep producer to expect that he/she will receive reasonable compensation without having to put themselves in direct conflict with the owner of the dog(s).

* (1005)

The minister's basis for repealing these sections of the act is that there is an alternative protection through livestock insurance coverage. He also points out that there is still opportunity for the producer to destroy stray dogs found injuring their animals on their premises.

In response to the opportunity to destroy stray dogs found injuring livestock, this is a bit like closing the barn door after the horse has left. The fact is that before changes to the act in '87, the sheep producer, and I believe turkey producers as well, had the right to kill stray dogs found on his or her property before they cause damages. This was a bit wild-west and changes in '87 to remove this, accompanied with the ability to recover damages from the municipality, seemed appropriate. Under these new proposed changes, we go back to having no legislated responsibilities for the municipality on the control of dogs, and we have also restricted the right of the producer to control the stray dogs before they cause damages.

The minister has pointed to the availability of livestock insurance as the reason for removing responsibilities from the municipalities. In correspondence to Mr. Findlay dated May 30, 1991, the MSA outlined concerns regarding the availability of insurance for sheep producers. I have attached copies of this correspondence for your reference. The fact is that not all insurance companies will protect for sheep or losses to dogs. The minister's response to this was to provide us with a list of six companies who will insure. Given this "some do and some do not" response from the insurance companies, it would appear that at the very least a more detailed study of the actual insurance coverage available to sheep producers should have been conducted prior to the act being introduced.

The whole idea of availability of insurance replacing the need for comprehensive legislation is an interesting one. Does the current government feel that because we can get fire insurance on our homes, the building codes are not needed, or that because we can get insurance for theft, police protection is not needed, or that because we have Autopac there is no need for The Highway Traffic Act? The answer to these questions is that of course legislation is needed. In the same way, though insurance for loss of livestock from stray dogs may be available, does not mean the requirement for adequate legislation is any less.

By repealing this portion of the act and not providing any measures for recovery from the owners of the dog, we see once again the rights of the agricultural producer being chiseled away.

The problem of dog attacks is a serious one for the sheep producer, more often solved with a sharp eye, an accurate rifle and a shovel, and then a mark in the loss column of the farm journal book. This act as it stands allows the producer the opportunity to recover these losses. With the repeal of these sections, the municipalities are under no obligation to control the running of dogs in their jurisdiction. We are benefiting the municipalities at the cost of the producer.

I will just add here that, as I understand the current legislation, there will be no requirement for municipalities to maintain dog control. So we are removing the requirement to pay compensation, but not requiring them to control the dogs within the municipalities. There is a very big gap there. To do one without doing the other is poor legislation.

The concerns that the municipalities have for their liabilities under the current act may have some validity. These concerns should have been discussed through some form of a formal consultation process. This is the second major point that I would like to discuss this morning. Contrary to what Mr. Findlay said in his April 15 speech where he introduced the legislation, and I quote:

"We have had considerable consultation with all those groups, and I think it is fair to say that there is a very strong consensus that these act changes need to be done and should be done."

There was neither consensus nor consultation with the Manitoba Sheep Association prior to the introduction of the bill on April 15.

I will highlight the correspondence between the MSA and the minister's office on this issue:

July 16, '90, the MSA wrote to Mr. Findlay indicating their support for the bill as it stands. March 12, '91, the MSA met with Mr. Findlay to discuss the Manitoba sheep industry. No reference was made by Mr. Findlay relative to changes in the act. April 15, Mr. Findlay presents The Animal Husbandry Act. A letter dated April 22, 1991, the MSA receives this letter from Mr. Findlay informing us that he will be introducing the outlined changes in the spring session. May 30, the MSA informs Mr. Findlay concerning changes to the act. June 20,

Mr. Findlay responded with his list of insurers. July 9, a phone call to Mr. Findlay's office reveals the act has passed second reading, and would, as I understand it, have moved to committee in less than 48 hours, but that was postponed until today.

What this brief trail shows is that the minister's office let the opportunity for meaningful contribution by one of the producer organizations pass before informing us of the proposed changes to the act. I just would add here for a moment, in the ten minutes Mr. Peltz and I had an opportunity to discuss this situation, and I certainly will not put words in his mouth, but we had some meaningful discussion, and I would think from our perspective, there were areas to move. We had no opportunity for that meaningful discussion prior to the amendments to the act being created.

It is difficult for an agricultural industry organization to determine on what issues it wishes to challenge the government of the day. Dog control is not the single most important issue facing the sheep industry today. It is in fact a bit down the list, but with this example of a consultative process, we fear that the list may grow longer.

Given Mr. Findlay's comments from the Legislative Assembly on April 15, where he chastises the previous NDP government, and I quote: "I guess it is another bit of evidence where they did not consult with people before they went ahead and put a bill in place," it behooves him to develop a more formal consultative process on issues that directly affect producers, and I would also add, before they are written.

* (1010)

Having said this, I will move on to my third point, and that is some suggestions for changes to the act. As I stated earlier, the MSA supports the act the way it stands. If changes are to take place in this act, we must retain the provision for a valuer of livestock. This could be someone from within the Department of Agriculture. The way the proposed changes read, it appears that there is no method for evaluating the loss except by going to court. Let us please provide our producers and dog owners with legislation that keeps them out of court where possible.

If the municipalities are greatly concerned with their liability in this legislation, we should look at amending the legislation to have their role defined more as an administrator while still requiring them

to maintain dog control within their jurisdictions. It is one of the big things that is lacking here. We are taking away from this legislation, we are repealing it, but we are adding nothing to protect the livestock owner.

I have outlined for you this morning the Manitoba Sheep Association's concerns on changes to the current act. I have highlighted the need for a more formal consultative process and provided a number of suggestions for changes to that act.

I would like to thank the members of the committee for their time, and I will close by saying that by amending Section 1 of this act and repealing Sections 35 to 38, the government is abandoning producers in favour of the municipalities. I remind members of this Agriculture committee that this is meant to be legislation dealing with livestock protection under The Animal Husbandry Act, and not municipality protection. Thank you, and I welcome any questions.

Hon. Glen Findlay (Minister of Agriculture): Thank you, Mr. Eros. In your list of contacts, you did not comment on contacts my department had had with you or other members of the Manitoba Sheep Association.

Mr. Eros: I guess I would want to know what kind of contacts we are talking about. This is a very important issue, Mr. Minister.

Mr. Findlay: I am referring to when my staff phoned you, talked to you on the phone and to your vice president on the phone, and you had indicated at that time you had concerns about the fact that we were introducing this and the response to what the municipalities wanted and what MAUM wanted. Other producer organizations had indicated some degree of support for this, particularly KAP and the poultry boards. They did talk to you and you indicated, as I said, concerns at that time, but you have not indicated that in your chronology here.

Mr. Eros: I am not sure of the dates of those calls.

Mr. Findlay: Do you acknowledge that those calls did occur?

Mr. Eros: I have many discussions with members of your department, Mr. Findlay, and in fact our first understanding of concern your department had for this legislation came from the sheep specialist. At the time, he had no knowledge exactly of what was proposed. That precipitated our letter to you of June 1990, where we asked to be involved. I think that what has caused part of the poor consultative

process is a lack of formal consultation. If I cannot recall dates of a phone call, they possibly were not part of what was involved. This has been an issue going on for over a year. I think it would have behooved the department to be more formal in its consultation.

Mr. Findlay: They did discuss with you what we were proposing here. I apologize for not having mentioned it on the 12th when we met. That was an oversight on my part. We did not talk about it. You are also aware that the Liberal opposition supports the amendments, and Ms. Wowchuk, the member for Swan River, clearly supports it and says it is not the responsibility of municipalities to act as insurers, in her comments on May 8.

There is a general consensus that the municipalities should not be responsible for losses of sheep or cattle when insurance is available. As we indicated to you, there are at least six companies that offer that insurance. We know the rates, too; they vary fairly considerably. There are a number of companies, as I say, at least six who do offer that insurance. I think it only fair to say that when the insurance is available, that the taxpayers of your RM should not have to be responsible for your compensation.

I would appreciate that certainly the opportunity that you could ask the municipality to be your insurer is a matter of convenience. If sheep producers could get that, why should people not get it for crop insurance or fire insurance or hail insurance or lightning insurance? Why only one selected group?

* (1015)

Mr. Eros: I suppose the question begs asking. The municipalities cannot control lightning or hail, but they can control dogs. One of the points that I made in the presentation was that we are removing their responsibility for control of dogs by repealing those parts of the act. So let us look at the act in that light and realize that we need to include within changes to this act the responsibility to the municipality for the control of dogs. If you can tell me, Mr. Minister, that is indeed a requirement to all municipalities, then possibly our position will change.

Mr. Findlay: You are aware that the municipality has that authority under The Municipal Act to pass bylaws to control dogs. That is the avenue open to them to control dogs. The other thing is the dogs in many cases may not come from within the

municipality where the injury is inflicted and may well be from outside the municipality, so that municipality does not have the control of those dogs that a neighbouring one would have had.

Mr. Eros: Mr Chairman, in response to that, I think that certainly it is not that administratively difficult. First of all, you indicated they have the choice to provide that legislation. They are not required and that is the problem. We are moving from a requirement for compensation to no requirement for dog control. We have left a very large hole there that needs to be filled. Through a good consultative process we probably could have filled that hole.

I think the whole idea of neighbouring municipalities was addressed fairly effectively in the current legislation, whereby they could collect from the other municipality. I see no reason why that could not have been included in better amended legislation.

Mr. Findlay: In terms of the examples to date, there are four examples where there has been some requirement of municipalities to pay compensation, two cases involving sheep. In neither case was any agreement or settlement arrived at. What it does show is that the sheep producer did not really have "insurance" by this act. He is still required to obtain his own insurance personally and privately and this act, or the previous act as it was, did not give him the protection that may have been perceived to have been obtained by the municipality acting as the insurer.

Mr. Eros: I think if the act was flawed in its original design, simply repealing the portions of the act, in effect, is not particularly progressive. If it does not work, let us fix it so it does work. I think there would have been ample opportunity to do that.

Mr. Findlay: Do you believe it is fair and reasonable that the ratepayers in your municipality should pay your sheep insurance?

Mr. Eros: No, Mr. Chairman, but I do think it is fair and reasonable that municipalities be required to impose dog control. If that was done initially in the act by having to pay the compensation, then they could choose on the one hand to pay the producer for the loss of his stock, if they chose not to control the dogs, or on the other hand to control the running of the dogs thereby not having to pay for loss of the livestock.

I think there is a middle ground there that has not been looked at.

Mr. Findlay: I would ask, how would they be able to control the running of dogs, no matter what kind of legislation was in place?

Mr. Eros: Mr. Chairman, how they control the running of their dogs—the municipality should be required to control licensing of dogs. Albeit, there will be dogs that are wild dogs and stray dogs that are not licensed. By licensing all of those dogs, the dogs that are owned by someone and do cause damage, then it allows the opportunity of the producer to know who has killed his animals. I think what we are having here, Mr. Minister, is the kind of discussion we should have had at the table with Mr. Plett a year ago where we could have understood that there was some opportunity for discussion. I think that is a very important point here today that this kind of discussion—what could, what should we, what could happen—did not happen and it should have.

Mr. Findlay: I still do not have a clear answer from you as to whether you believe that they should act as a municipality, should act as your insurers.

Mr. Eros: Mr. Chairman, I do not believe they are acting as the insurer the way the act stands. They have the option to either control dogs through legislation, which again they have the option to do. If they choose not to do that, then they are responsible for the loss of the dogs. If they control the dogs within their municipality, losses to dogs would be reduced. I mean, that is an assumption but I think it is a fairly good one that if dogs are controlled, we will have losses. I think it is also important to realize that more onus is being put on the owners of the dogs in later years.

I mean, you can look at the changes to The City of Winnipeg Act and the requirements on dangerous dogs. There are some requirements on the owners of dogs. I think we have to look at that, as well. It is not strictly the requirement of the sheep producer to control all of the dogs running at large. Possibly the minister would like to re-introduce into the act the opportunity for the sheep producer or the turkey owner, as it was initially, to shoot dogs for stepping on his property. As I indicated, to me that seems a bit wild west and I am not sure that is a terrific idea. That has been removed from the act in '87. I mean, if you are prepared to put that back in, I think we are stepping back instead of stepping forward and being progressive.

* (1020)

Mr. Findlay: As you know, in the act, there is the opportunity for the livestock owner to shoot dogs that are on his property either molesting or killing his livestock. So that gives you the protection. I mean, I say molest. I do not know if that is the word that is exactly in there, but prior to killing, if they are on your property, you have that protection. Really, in response to your previous answer, the act as it presently exists is very direct to the municipalities. It requires them to be valuers and to pay compensation—requires them. It is very explicit. The municipalities are saying no, that should not be their responsibility, especially when insurance is available.

Mr. Eros: Again, Mr. Minister, if in fact they are willing to undertake mandatory dog control, then possibly that can be removed from their responsibility, though, I will point out, you mentioned the point about the evaluator of livestock. That is something in repealing the sections of the law that you have also thrown out, and that is very important. It is an issue that should not be left to the courts as the only alternative to decide on the value of the animal.

Mr. Findlay: Have you looked at The Municipal Act to determine if the requirements there for dog bylaws are strong enough, in your mind?

Mr. Eros: No, Mr. Minister. I was reviewing The Animal Husbandry Act. My understanding is that it is optional. I do know the municipality in which I live does not have one. That, by example, is sufficient to say that the act is not strong enough.

Mr. Findlay: In your municipality, have you spoken to your councillor or your municipality to ask them to have dog control by-laws?

Mr. Eros: Mr. Minister, it was not necessary. The act now requires compensation from municipalities. Now I will have to. Previous to this, I did not.

Mr. Findlay: What you are telling me then is you believed that you were okay because the municipality was acting as your insurer?

Mr. Eros: If I followed the letter of the act, Mr. Minister, yes, I do believe so. I think there were some problems with informing producers about how the act was currently written. I do not think that was done adequately. We attempted through our newsletter, but it is a complicated piece of legislation.

I think also that there is an onus on the municipalities to know what their responsibilities were under this

current act, hopefully still will be after it is defeated, but those are requirements that were rather complicated and had deadlines. That may be the reason for the unsatisfactory resolution, but again, because the legislation as it was written was not easily implemented, does not mean that we should throw it away. We should fix it.

Mr. John Plohman (Dauphin): Thank you, Mr. Eros, for coming today to make your presentation. What I have heard from you this morning is that you are very concerned about the lack of consultation with your organization. It is one of the organizations that is affected by these changes, probably most profoundly of anyone perhaps, except for municipalities, although as the minister has said, only four cases, under this act, have taken place since 1987, so it is not something that is causing a great problem for municipalities in this province. I guess one wonders then why it had to be changed.

I think what we have here, I heard from you and I will ask you some questions, is that the government has undertaken a simplistic solution to just throw it all out rather than trying to improve the legislation if they say it was not working. They have rolled the clock back to a time when dogs could be shot on sight when they appeared on the property. They did not put that back in, but they have left it so that the only recourse you have if a dog does come, if a stray dog is around your livestock, if it actually attacks and harasses your livestock, then you can take action. Is that correct?

Mr. Eros: Yes, I believe the wording that the legislation uses is "worries the sheep," and I am not exactly sure what worries my sheep. I am sure many things do, including high feed prices, but it is a problem, very much so, and the expectation under that wording is that we sit up all night with our sheep watching them waiting for the dog to attack and drop the dog from a hundred yards as it attacks the sheep. We would do that anyway, whether it was legislated or not. The livestock producer is going to shoot an animal harassing his or her livestock.

* (1025)

Mr. Plohman: The minister has talked a great deal about the municipalities acting as the insurer. Of course he said no money has been paid out, so no municipality has acted as the insurer over the last four or five years. In any event, is it your understanding that they would be able to recover

this from the owner of the dog, any compensation paid by the municipality. Is that the intent?

Mr. Eros: Mr. Chairman, as the act currently reads, and as I understand it, the process is that an animal destroys the livestock, the producer reports it, the municipality has the livestock valued, the municipality pays the producer the value of the livestock and then recovers that cost from the owner of the dog, where the dog is known.

Mr. Plohman: So where the dog is known, it would be fairly easy for the municipality to recover through their tax system.

Mr. Eros: I would assume so, yes.

Mr. Plohman: If it was a stray dog that was not from within the jurisdiction of the municipality, how do you believe they would have recovered that?

Mr. Eros: Mr. Chairman, that would have come out of municipal coffers, and there would have been a cost to the municipality. I think if that were coupled with progressive dog control legislation, we would have all bases covered.

Mr. Plohman: Mr. Chairman, I think the whole purpose of the legislation initially was to apply some leverage to get municipalities to enact bylaws rather than just making it permissive as it is in The Municipal Act now, that they may have bylaws but they do not require it. This does not say you have to either, but when there is compensation involved, there is more likelihood that they would, in fact, enact bylaws. We will have to ask the minister how many municipalities have actually done that in the last four or five years when we have an opportunity to question the minister later.

I want to just put on the record, because the minister did refer to my colleague as being part of the consensus and the Liberal Leader, that the municipality should not be responsible for this. As the critic, and clearly she was not aware at that time of the concerns that you had about lack of consultation, I think it should be clearly put on the record that we have serious concerns with the process and the way this legislation was developed, even though the minister left the impression in the House that he was, in fact, bringing these in as a result of a consensus and full consultation. You have come forward and said that you were not formally consulted by the minister prior to him making these changes. Is that correct?

Mr. Eros: That is true, and again I mentioned earlier that it is difficult to decide on which issues an

organization wishes to challenge the minister. The consultation process is something that we took the time and effort to identify as a concern for the sheep industry, is one in which we should have been consulted, very formally, as I do feel others. I mean we should have sat down around the table with the municipalities at the direction of the minister and pounded out a very progressive legislation instead of being eliminated, and again I feel that we were not given an opportunity for ample input. We were not asked our opinion specifically.

Mr. Plohman: Another major point, of course, is at what cost insurance is available, because if the minister says, well, you can go to insurance companies, and he provides a list of six companies that apparently at this present time do offer some insurance for sheep owners, the question is how available is it, how competitive is it, and at what cost? I would like to know if you have any information on that. Have you consulted with the insurance companies, even for example the ones listed by the minister in his letter to you, and have you determined whether it is competitive with insurance for other forms of livestock?

Mr. Eros: The research I have done, Mr. Plohman, was with Royal Insurance and Co-Operative Insurance, and the information I got from them is that it was available from them at about 1 percent of value, and that, as I was informed by the insurance agent, is from 30 percent to 60 percent greater than it is for cattle. At 1 percent value, if I can just do a little mathematics here for you, at a ewe flock at a size of 17,000 within this province and an average lambing of, say, 100 percent, which is reasonable, we are talking about 34,000 animals. With this legislation in place, it was not necessary to insure your sheep from loss due to dogs. It was not necessary. It now will be with the repealing of these pieces of legislation. So in theory then, the producer should go out and insure for that, and it will cost some \$34,000 to sheep producers across this province, if we value the average animal at \$100.

* (1030)

That is theory and that is numbers on the table and it really does not represent the actual cost to producers, but it does show that this legislation could effectively take more money out of the pocket of sheep producers.

Mr. Plohman: Is it your view as well that this legislation moves us backwards insofar as putting

the onus on the victim of stray dogs as opposed to the owner which is contrary to what is happening with legislation in many jurisdictions, particularly as it applies to violent dogs such as pit bulls and so on, where the owner is responsible for the damages that might take place? Do you see this going the opposite way?

Mr. Eros: Certainly we have lost a piece of legislation that provided us with an ability to recover losses.

Mr. Plohman: Insofar as a dog being a victim, a stock owner dog, do you see—is it your interpretation of the change in the definition that a dog that is injured by a stray dog, a working dog that is, say, used to herd sheep, would now not be compensable either?

Mr. Eros: As I indicated, that was a late realization in the act and I am unsure of how it will affect them. It is certainly a concern though, because it simply removes dogs. In the comments from the minister's office on what this does, it just identifies dogs and cats as pets. Certainly Mr. Findlay would realize that many dogs are working dogs and a requirement of certainly the sheep producer, both as a livestock herding dog and as a livestock protection dog. By removing them from this legislation, is it then not at all against the law to have a dog come along and kill one of your dogs that is likely tied to the barn because you only use it for herding your sheep, so it is only loose when you are using it as a working dog, otherwise it is confined and quite vulnerable to attack?

In response to the question, yes, I think it is a very big problem because I think it exempts them. I cannot be sure, because I have not had an opportunity to discuss that with Mr. Findlay.

Mr. Plohman: Okay, thank you. So far as the issue of valuer, you mentioned that you feel, even if the government is to proceed with its repeal of the sections, it should retain the requirement for the municipality to appoint a valuer. In 1987 debates, the minister's Agriculture critic had asked the minister whether he would consider having the agriculture representatives designated as the valuers in the municipalities in which they serve. Would you like to see the valuer section retained, and do you have any suggestions as to what mechanism would be used to determine the valuer?

Mr. Eros: Mr. Chairman, we very much would like to see the valuer retained within the act, and I think

the appointment of someone from the agricultural department, and that can be as broad as the agricultural department at the minister's discretion, appointed as a valuer. I think it takes some onus off the municipalities, and that maybe is fair. I think the Department of Agriculture is probably in the best position to do that, as they have resources available to determine the value. Anyone within the industry may have prejudices or perceived prejudices in valuing animals, so I think the department is the best vehicle for that.

Mr. Plohman: Now just a couple of other points regarding this consultation. Is it your feeling that the minister knew you were against any changes to this act because you wrote to him in the summer of 1990 saying you liked the act the way it was?

Mr. Eros: It was my opinion that our association, having formally corresponded with the minister in inviting him to discuss this act with us, that a formal response to that when discussion was happening relative to changes to the act would have been appropriate. I felt that he had been informed of our concerns, and I anticipated a reply in developing changes to the act, not in an opportunity to come to this table and rebut changes to the act—not progressive in my opinion.

Mr. Plohman: Mr. Chairman, so what you would have liked to have seen was, if there were concerns with the act from the municipalities and anyone else, they could sit down around a table with yourself and the minister. You could talk about ways to find better solutions to the problem, maybe some changes that could make it more workable, and so on. That is the process that you would have wanted to see.

Mr. Eros: Certainly, when there are three parties involved, the producer on one side, the municipality on the other, and the ministry in the middle; that would be the best opportunity to come forward and develop a consensus in the true meaning of the word consensus and allow us to come together with legislation that we would be comfortable with Mr. Findlay presenting.

Mr. Plohman: Mr. Eros, is it your feeling, and you are free to speak freely here, that the minister was trying to keep this information as to exactly what changes were being made and when from your organization by not telling you one thing about it on March 12, when he met with you only six days before the dating of the spread sheets which the

department had developed to explain the amendments, and by telling you on April 22, seven days after he had spoken in the Legislature, that he will be introducing these changes to the act? Did you find that rather peculiar? Do you think it was an attempt to keep you from knowing exactly what was happening?

Mr. Eros: Mr. Chairman, I am going to quote my wife on this one, who said, do you think you have had the wool pulled over your eyes?

I think I would like to leave that sort of discussion to the floor of the Legislative Assembly. I think it is important for the sheep association—we have had what I think and I hope was a positive relationship with the provincial government and the Department of Agriculture. I said earlier, it is very difficult to decide on which issues to challenge the government of the day. I would like to think it was merely a case of oversight—maybe I am being magnanimous, but that is how I will put it, that I think it was a case of oversight—but if we were to develop a formalized process for this, then this would not happen, and we can ensure that there is no question of that.

Mr. Plohman: Terrible oversight.

Mrs. Sharon Carstairs (Leader of the Second Opposition): First of all, Mr. Eros, I would like to apologize because when I spoke in the House after the bill I was taking the minister at his word that he had, in fact, consulted with all affected groups. We reviewed municipality resolutions which certainly indicated that they wanted to see changes to this resolution. We also got in touch with the Manitoba Cattle Producers who indicated that they had no difficulty with this particular piece of legislation. We did not, however, get in touch with your group and for that I apologize.

The concerns that you raise today in terms of insurance are the ones that particularly interest me. When we had our discussions briefly last Thursday, you indicated that Portage la Prairie Mutual and Wawanesa had the major coverage on livestock in the province of Manitoba, and that neither Portage la Prairie Mutual nor Wawanesa were prepared, at least in their present policies, to insure sheep for damage as a result of dogs. Have you had any further discussions with those insurance companies, and have they indicated any willingness to broaden their coverage to include loss of sheep to dogs?

Mr. Eros: No, Mrs. Carstairs, at this point we have not had discussions with them.

Mrs. Carstairs: Thank you, Mr. Eros. I will ask those questions of the minister as well to find out if, in fact, he has had any contact to make sure that you are protected if indeed this legislation passes.

Mr. Findlay: In answer to a previous question, Mr. Eros, you indicated you had talked with Royal Insurance and Co-Operative Life Insurance and said the cost of the insurance is 1 percent of value. As I indicated earlier to you, at least five companies have given us the value or what they charge, and the range is from 35¢ per 100 to \$1.00 per 100, and \$1.00 per 100 is 1 percent of value, so what you put on the record is the highest cost. Our indication is that Co-Operative Life charges a substantially lower rate than the one you indicated, so I just want you to know very clearly that the insurance companies, at least five of which have given us values or costs or what they charge, range from .35 percent to 1 percent of value. So there is considerable range and the lowest is one-third of the value that you put on the record.

Mr. Eros: Mr. Chairman, that may very well be the case. You have certainly a larger staff at your disposal than does the Manitoba Sheep Association. I think that the information relative to available insurance for sheep producers in respect to loss due to dog attack is something that your department should have researched very thoroughly prior to a decision on what the amendments would be to the act, and then have forwarded that to us to inform our membership. To have to do this as an after the fact again shows that the consultation process did not happen as it should.

* (1040)

You and I have both been—well, I have been scrambling, members of your department have been scrambling to ascertain this information over the last two weeks. It should not have happened that way.

Ms. Rosann Wowchuk (Swan River): Mr. Eros, I also would like to just address the comments that the minister made about my support of the bill. At the time when I spoke to the bill, I had been in contact with municipalities, particularly in my area. I had not been in touch with sheep producers and was led to believe by the minister that this had all been researched. I want to apologize to you for having spoken in support of the bill when there is

such a grave concern by your organization, and we will hope to address those concerns as we get further on into the bill.

Mr. Plohman: Just one question to Mr. Eros, or maybe a couple on the issue, depending on what answers I get here. If we were to move an amendment that would require valuers to be appointed by the municipalities, if that was their only responsibility, what role would you see them playing under this act if there were no other changes made? If you were to have to have private insurance for your animals, what advantage would there be to having a valuer appointed by the municipality?

Mr. Eros: I think that the reality of this act is that producers who currently carry their insurance with those who do not ensure for loss of dogs, are not going to change their insurance. They are going to gamble. This legislation should not require that people insure. They should have that option. They can make that emphasis, but it should not require it, and the minister is indicating that it makes it almost a requirement that they insure. So there will be people out there who own sheep who do not have them insured for loss from dogs.

The valuer would then be appointed to aid, and I think just by appointing the valuer without giving defined roles would be useless. I think there would have to accompany with the appointment of the valuer, defined roles, someone who is contacted to settle disputes before they get to court. Obviously as the legislation exists, there is opportunity for appeal—and it is very comprehensive—if neither the municipality nor the producer is happy with the valuer's adjustment. It is very difficult to just take the word "valuer" out of the current legislation and put it in. It will not work. It would have to have with it some definition of what the valuer could and could not do. Ideally it is a step to save our people from going to court, so if a neighbour's dog comes and kills four of my sheep and they are worth \$600, to value them I have to go to court, and I still continue to have to live with my neighbour. Let us have an independent arbitrator settle that before court.

Mr. Plohman: So you might want to have the appointment of a valuer 35(1) and then investigation and report of valuer 35(5) and then provision for regulations to describe how their work would—

Mr. Eros: Mr. Chairman, it would certainly be an improvement on the current amendments.

Mr. Plohman: You would say that would be for those instances where there is no insurance. There are a lot of producers who do not take insurance now and will not later and, of course, there is no requirement that they do.

I think you misinterpreted the minister. He can speak for himself, but clearly there is no requirement that anyone take insurance. It just means that if you, perhaps, want to have some safeguard and be prudent and so on you would, if it is affordable, have insurance. There are many people who might not have insurance because they are willing to take the risk.

So you are saying, in those instances where they do not take insurance, this would be some type of mediation to prevent neighbours locking horns on these situations, if you could comment on that; and secondly, whether you could tell me about what percentage of sheep producers actually have insurance now.

Mr. Eros: In response to the last question, I do not know. That is something that we would like to have had the opportunity to research with our membership and determine where we stood. I am sorry, I think what I was referring to about the minister's comments about the insurance is that it sort of makes it the preferred—I mean, ideally, if all the producers had insurance for loss to dogs, then the problem does not have to exist.

I would still maintain that there is a responsibility for the municipalities to control the dogs, because even the loss of a \$500 breeding ram—\$500 does not compensate for the loss in genetic improvement you have been trying to attain, so it is not always just a financial loss, and that is what the insurance covers. Good dog control means the insurance does not have to be paid out, and you do not have the other physical loss of the livestock.

Mr. Findlay: With regard to a valuer, I have no problem with somebody in the department acting as a valuator. I would think you could call upon somebody in the department to come and evaluate or value your animals, but in terms of an insurance contract that a livestock owner has, is not the value more or less determined when you take out the insurance? You buy so many dollars of coverage on an animal, and if you lose the animal, then you are paid the level of insurance that you have actually taken out.

Mr. Eros: Yes, Mr. Minister, but again, we are talking about the case where the animal is insured. In the case of the valuer, we were talking about where the animal is not insured.

Mr. Findlay: What would be your purpose of wanting to know the value if they were not insured?

Mr. Eros: So that the producer could collect from the owner of the dog, which is a requirement under the act. What we are providing is an opportunity to do that prior to going to court.

Mr. Findlay: Okay then, as I say, I have no problem with a valuation process involving the department.

Hon. James Downey (Minister of Rural Development): I have a couple of questions to give to Mr. Eros. I am interested to hear that the sheep industry is a growth industry. It is important to the whole development of the economy of rural Manitoba. Maybe you could just be a little helpful in this regard—

Mr. Chairman: Excuse me, Mr. Downey, would you mind bringing the mike just a little closer.

Mr. Downey: How many producers are there in the province? How many sheep producers do we have in the province?

Mr. Eros: The estimate would be at 400, I believe, and I think Mr. Findlay could—that is from the Manitoba sheep specialist at the last count.

Mr. Downey: How many of those are members of your association?

Mr. Eros: In discussion with our secretary-treasurer last night, 120.

Mr. Downey: Pardon me?

Mr. Eros: 120.

Mr. Downey: So you have 120 out of 400 as the membership of your association. Really, where I am getting to, because I think the origin of this legislation came through the municipal corporations, that they felt probably they were not—and they can certainly speak for themselves—but that they did not feel that it was really in their mandate to carry out the work which they were being asked to do. It was a concern, and I think that maybe the minister can clarify it.

I think it is more of an initiation in response to a request from municipal corporations, so I think maybe the minister and the government are being a little unfairly accused here of making a move that in any way is going to harm the industry. We are here

to try and assist and foster and enhance the industry, so again I wanted those statistics on the record as far as the numbers and the numbers that speak for your association.

On the question of a valuator, rather than have a government employee, we now have a livestock buying licensing program in the province where people are in the business of valuing livestock on a daily basis through the purchasing of livestock and/or auctioneers in the province who carry out the business on a daily basis strike. I hope I do not have a conflict here being an auctioneer, but there are people who are in that business who probably could be named in an agreement if that were the minister's wish, to have an approved licence livestock buyer in the province who could be called upon to be an evaluator if a loss, in fact, took place. Would that be an acceptable approach?

I think there is some ground here, and I also want to say that I believe that municipalities that have sheep producers in their jurisdictions, most of them are pretty sensitive to the importance of livestock producers. In fact, if there was a difficulty with dogs running at large, a bylaw system is available. That is an alternative to leaving the onus on them as a blanket approach through the legislative process.

I think we are certainly interested in wanting to see the sheep industry grow and expand. We want to work to try and assist. We are also trying to accommodate the municipalities, who feel that they were being asked to carry out a role, as I understand it, that they really did not feel was within their mandate to do so.

Mr. Eros: There were two issues: first of all, the idea of municipalities working with producers to have dog control. I assume then, Mr. Sveinson, that you will come hand in hand with me to our municipal office and encourage our municipality to create dog control legislation, our municipal bylaws.

* (1050)

The second one, about the evaluator, I do have some concerns with what you proposed. One of the things about the legislation as it stands is a reference to fair market value. The fair market value of livestock can vary greatly depending on whether it is a commercial animal, part of your breeding flock, your replacement flock, whether it is a fat lamb or whether it is a registered purebred animal. To appoint somebody who is buying and selling the livestock, their scope, I think, could be quite narrow.

I mean, if we are talking about somebody who is the auctioneer in a small, local auction mart, that all they ever see are young fat sheep going through at 55 a hundredweight and what the producer has lost is a purebred Columbia ram, then it may be very difficult for them to value it. That person also has to continue to do business within that jurisdiction, and I think that can also not be particularly good for the person.

I would prefer someone who is at arm's length from the industry and can gather to them the information necessary—what was the average hundred pound, you know, what was the quarterly report from the tripartite for a hundred pound lamb, what were the sale prices like at the Manitoba Sheep Association's annual show and sale for purebred stock?—all those pieces of information together to give an equitable value.

Mr. Plohan: I have just one question then. If there was a provision in the act that would say that the department shall appoint a valuer whose duties would be defined by regulation, would that be enough? I do not know whether the minister had indicated some willingness to appoint a valuer where it was necessary. This would simply say that upon request or even without request, just within various areas of this province, a person in his department would be designated as a valuer. Would that deal with that portion of your concern?

Mr. Eros: Mr. Chairman, I think if we tie that specifically to the loss due to dogs, that we tie that very specifically within the act, that we do not just sort of leave it hanging out there as an expression, there is a valuer—we need to assign some definite duties. The fact that that is a—if you want to question the value, then you have to go to court. I am not sure. Again, you are asking me to draft legislation to the pulpit, and I will not.

I think there is some room to do that. We need to have that valuator. There is a need for that so that we can know what the value is. I think we need to tie some regulations to that, and again this is a very minimum. I mean, this is—again, the standing of the MSA is that the act is fine the way it is, and all respects to the municipalities and their not wishing to have any responsibilities due to dog control.

If the decision of this committee is to merely change the valuer and add that, then there is still required somewhere very quickly the requirement

for dog control legislation, not at the choice of the municipality, but that it be a requirement.

Mr. Chairman: Thank you, Mr. Eros. Thank you for your presentation. I call on Reverend Ed Peltz, please.

Floor Comment: Reeve.

Mr. Chairman: Oh, Reeve, pardon me. I thought it was reverend.

Mr. Ed Peltz (Director, Union of Manitoba Municipalities): I did not know how I was going to correct you, Mr. Chairman, but on the list here it says Rev. Ed Peltz, so it has to be reverend.

No, we start with a prayer at our UMM meetings every time we meet in Portage la Prairie, but no, I will not, although I do talk to God myself the odd time. Sometimes I am angry and sometimes I am pleased, but I am Reeve Ed Peltz from the R.M. of Woodlands and I am representing the Union of Manitoba Municipalities to date.

Unfortunately, our president and vice-president were tied up with the past president's dinner today and none of them could come, so they phoned me very quickly and asked me if I would make their presentation for them.

I would like to thank the committee for this opportunity to be able to bring their comments before you this morning, and they are as follows:

(Mr. Ben Sveinson, Acting Chairman, in the Chair)

For several years, the Union of Manitoba Municipalities has been requesting that changes be made to The Animal Husbandry Act to eliminate the obligation of municipalities to act as valuers and insurers for animals and/or poultry killed by dogs. Most recently, a resolution was passed at the annual convention of our organization that was held last November. The resolution read as follows:

Whereas Section 35 of The Animal Husbandry Act obligates a municipality to pay compensation for animals and/or poultry killed by dogs;

And whereas we are of the opinion that municipalities should not be acting as insurers;

And whereas producers can protect themselves against said losses by buying a farm livestock floater from licensed insurance companies;

Now therefore be it resolved that the Union of Manitoba Municipalities request the government of Manitoba to amend The Animal Husbandry Act by deleting those sections that obligate municipalities

to act as valuers and insurers for animals and/or poultry killed by dogs in their jurisdictions. I believe there is something missing there.

This resolution was approved by a large majority of the delegates attending the convention. Bill 20 proposes to amend The Animal Husbandry Act. Two of the changes being proposed by this bill coincide with the recommendation of the Union of Manitoba Municipalities. The first change is section 2 of the bill which redefines animals and poultry to exclude pets. This changes the emphasis of the act by directing it to animals used for agricultural purposes rather than to include pets.

The second change that coincides with our position is section 6, which deletes sections 35 to 38. This change, in particular, is supported by our association as it eliminates the responsibility of municipalities to act as valuers and insurers for animals and/or poultry. The elimination of these sections removes the requirement for municipalities to become involved with either establishing values for losses or the payment of any losses. We support these changes for the following reasons:

1) Municipal governments should not be required to appoint individuals to establish the value of losses. The service of professional appraisers is readily available to carry out these duties. As well, municipal taxpayers should not have to be burdened with the cost of payment to anyone who acts as a valuer in a situation where an individual encounters a loss of this nature.

(Mr. Reimer, Chairman, in the Chair)

2) It is our opinion that municipal governments should not be required to insure anyone against losses of this nature. Municipalities are not insurance companies, and the taxpayers of the municipalities should not be required to contribute towards the automatic payment of insurance claims of any nature.

3) A major loss could become quite a financial burden on a municipality in the event that they are not able to establish ownership of a dog under the present Section 36 of the act. The municipality would then not be able to recover the money from anyone and therefore, in the event where the loss is substantial, the municipality could suffer greatly.

4) Animal owners have the option available to them of obtaining insurance for losses of their animals. We have been advised that insurance policies are available to insure agricultural animals

against losses due to dogs killing them. It is our opinion that, because our agricultural animal owners can obtain insurance elsewhere, municipalities should not be expected to act as the insurer.

* (1100)

For the reasons that I have outlined, we support the proposed changes to The Animal Husbandry Act, as outlined in Bill 20. We request the support of cabinet in proceeding with this bill. I would add that this is not the first time that this type of resolution has come before our convention. It has been there a number of times, and there have been minor changes, I believe, made to The Animal Husbandry Act a few times.

This particular resolution came from the R.M. of Stanley. It is in the Morden area, and it was carried at our convention last fall. Listening to some of the comments that were made this morning, and I was making some notes, this past winter we were approached by the dead-stock people about compensating farmers for the removal of livestock from their premises when the animal dies from whatever purposes. Well, we felt that dead stock, like anything else, was a part of doing business. If my tractor breaks down I cannot go to someone and ask them to come and help me fix it. I have to fix it myself. If an animal dies, certainly it is a loss, but at the same time you are in business and you realize the problems that are associated with the livestock business, and they do die. So you contact the fellow who removes the dead stock or you pay somebody to bury it, and that was the way we looked at it.

The other comment that I would like to make, perhaps, that even if we did license all the dogs—our municipality has a dog bylaw—just because they are licensed does not mean to say that they are not going to go to the neighbours and kill some chickens or some sheep. You know, they do have a habit of leaving home. The other one I would like to comment on, that if the R.M. can recover from a dog owner then why can the livestock owner himself not recover from the dog owner? Why does the municipality have to get involved in a problem between two people?

As far as asking for valuers, we have to appoint, by The Municipal Act, appraisers. They do appraise if livestock get out of a pasture and go into somebody's garden and things like that. They go out and assess the value of the damage and,

hopefully, they are very nearly correct or satisfactory to the people who have sustained the damage. I really do not know if that would be a fair position to place an appraiser, to go out and estimate the value of someone's sheep. I know I have no knowledge of what the value of sheep is and I have been a farmer for all my life, but I do not have a knowledge of that. Actually, I would not be able to tell you how much a cow was worth because I do not have them any longer. -(interjection)- No, certainly you would not, and very possibly we could appoint the wrong type of a person to that kind of a position.

Mr. Findlay: Well, thank you, Reeve—Ed, for your comments. Certainly, you were very explicit in what your Union of Manitoba Municipalities feels on the issue. As you said, you have had resolutions last year and previous years. I guess I would like to ask you how many municipalities do you believe have dog control bylaws?

Mr. Peltz: I have no idea.

Mr. Findlay: Have you had any producer organizations approach you and ask you to be their insurers as this act previously indicated that you should be their insurers?

Mr. Peltz: No, we have not.

Mr. Findlay: Well, I would thank you for your presentation.

Mr. Plohman: Just a few questions, Mr. Peltz. Is this issue of dead animals, you mentioned it—just before I ask about your presentation on the act—you mentioned that people are asking to have the municipality be responsible for their dead animals, and I agree with you that individuals should be responsible for that. On the other hand, is it becoming a major problem in rural areas that people are leaving or there are dead animals around and just not attended to?

Mr. Peltz: No, I do not believe it is becoming a major problem. We were approached by the rendering companies who are suffering because of the low prices on the animals that they render, and they were wondering if they could get a subsidy from us to pick up the animals from the livestock owners. Our position was that, how long would you want this subsidy to stay in place? If you were asking for \$10 an animal to pick them up today and then all of a sudden the prices turned around and business started to improve, would you be willing for us to remove that subsidy. I think that the answer was they did not have any idea as to how long the

subsidy would be kept in place regardless of what the price became. I think everyone here is knowledgeable that if you place a subsidy on something it is very hard to remove it once it is there.

Mr. Plohman: Mr. Chairman, insofar as the act since 1987 when it was passed in the Legislature, you said that municipalities have been coming forward with this kind of request by resolution, to the Union of Manitoba Municipalities, has been passed, I guess, in previous years. Is this as a result of more what they feared might be the implication of the act as opposed to what had actually transpired in the experience with it?

I will just clarify that a little more. Obviously, there seems to have been no cases where compensation has been paid, so that has not been a problem. I do not know whether valuers have been designated in some cases. We were not able to—I guess you have not commented on that. You said that you did not know how many municipalities had dog control bylaws, but I do not know whether you know in how many cases valuers have been appointed by municipalities. I gathered from the information so far put before this committee that basically there has not been much use of this section up to this point in time, but it is more a concern about municipalities having that responsibility when they think they should not have, and secondly, what might be the cost if there was a major compensation request.

Mr. Peltz: Yes, that is a concern. Under The Municipal Act the municipalities must appoint an appraiser. We must have one, and I have stated that I certainly would not be qualified as an appraiser if it came to valuing sheep or likely any livestock. In our case, in our own municipality we have paid, under the old act, compensation to farmers who had lost sheep to dogs. Under the old act though it was based on so much value per dog. It was not based on the value of the animal. It was based on if there was one dog, I do not recall whether it was \$50 or \$350 per dog. That was certainly wrong. We asked for changes to that legislation many years ago, and it eventually came about where I believe it covers the value of the animals and does not count the number of dogs that did it. If it was just limited to so much of a value per dog then you would have had to prove that there were two dogs or five dogs or whatever that caused this damage, and it is not that way today.

Mr. Plohman: I guess you are talking about appraisal under a municipal act which is not an

appraiser for animals. This is something entirely different that you are talking about?

Mr. Peltz: He is an appraiser for everything. When he is appointed as a municipal appraiser, if there is damage to hay through livestock getting out from someone's fence, if there is damage to poultry or things like that, yes, they are called and that is their duty. I do not know how professional they are. Most of them are just farmers that we appoint.

Mr. Plohman: I guess that would be the concern then of the Sheep Association that there be somebody else other than the municipal appraiser that does this then, and you agree that it would not be appropriate even if there is no requirement for them to do it. If an individual ratepayer, municipal resident comes forward and asks for your appraiser to go out and value his dead animals, would you do it regardless of this act?

Mr. Peltz: Yes, we would have to send him under the provisions of The Municipal Act, we would have to send him out there and to place a value on this animal.

Mr. Plohman: Well, that is an interesting revelation then in terms of this work, except that you would say that that person more often than not would not be qualified. I guess, I do not know whether Mr. Eros knew about this when he was making his presentation, but certainly it would seem to not meet the criteria and concerns that he had either then. Would you agree that it should be someone other than the appraiser that the municipality has to appoint?

Mr. Peltz: What I tried to explain was that in certain instances the people that we appoint are maybe not qualified to do this type of work. There are professional people who are able to do this and they would likely be able to place a much fairer value on the livestock that we are concerned about. Certainly if someone was partial to a certain type of livestock perhaps the evaluation would be different than it would be for other types. In our municipality there are very few sheep owners and unless the person who was the evaluator went out and was knowledgeable in the value of sheep, I doubt that they would be able to come up with a fair evaluation.

* (1110)

Mr. Plohman: One last question. You mentioned something earlier in your statement about, just because a dog is licensed does not mean he will not go and kill some sheep or chickens. Would you not

agree though, that is not the point. It is a matter of ensuring that owners have their dogs licensed so that they can be accountable for their actions as opposed to necessarily controlling them to the nth degree and suddenly because they are wearing a dog tag that they are not going to go killing chickens and sheep. No one has ever proposed that would be the reason for licensing.

Mr. Peltz: It would make the identification of the dog certainly much easier, yes.

Mr. Findlay: I wish to ask Mr. Peltz, what percentage of your councillors who have been after this change in the act, what percent of them are farmers?

Mr. Peltz: No percentage of my council has been after it, and I do not think that—

Mr. Findlay: No, of the total councillors in the province of Manitoba—60 percent or 70 percent or 80 percent?

Mr. Peltz: For the changes in the legislation, I could not tell you. It just said that it was carried with a substantial vote.

Mr. Findlay: I am just asking a more general question. Of all the councillors in your 120 municipalities, what proportion would be farmers?

Mr. Peltz: Oh, I would suppose that likely 75 percent of them would be, perhaps more. Towns and villages have their own councils so I would suppose there would likely be more than that.

Mr. Findlay: You are of the understanding also, I would assume, that MAUM is after the same changes—Manitoba Association of Urban Municipalities?

Mr. Peltz: Yes.

Mr. Findlay: Thank you.

Mr. Chairman: Thank you, Reeve Ed Peltz. Thank you very much.

I call Mr. James Beza next. We will just hand out your presentation, if you just give us a moment. You may proceed.

Mr. James Beza (Manitoba Cattle Producers Association): Mr. Chairman, Mr. Minister, members of the Legislature, I would like to thank you for taking the time to hear a presentation today by the Manitoba Cattle Producers Association.

The MCPA has over 12,000 members who are involved with feed production from the ranch to the

feedlot, and this represents 85 percent of Manitoba's stock growers.

After careful deliberation and review of Bill 20, the MCPA basically supports The Animal Husbandry Amendment Act as we have indicated to the minister and to Mrs. Carstairs' office previously. Damages caused by dogs to cattle have not been common, but we realize the problems other livestock commodities face and would like to suggest a compromise policy—and if we may coin a term here, being used in the safety-nets discussion for grains and oilseeds—by establishing three lines of defence for livestock producers from damages caused by dogs.

In the first line, producers should take appropriate actions to alleviate this problem. The MCPA believes that the producer retain the right to destroy dogs found raising havoc with our herds. The producer should also take protection from such possible onslaught through insurance that is available. This is just good management.

It is our understanding that two of the largest farm insurance companies do not offer compensation packages for related dog damage. Fortunately, insurance is available through other companies. If the two companies not offering dog policies are serious about farm insurance, then they will quickly implement programs in fear of losing market share.

The second line of defence is the right for producers to seek compensation from dog owners. We believe that dog owners will try to be more responsible if they realize that they will have to answer for their dog's actions. Too many owners are now apathetic of their dog's behaviour.

In establishing the third line of defence, the MCPA felt it best if the municipality pay compensation for damages by dogs when the owner cannot be proven or it was caused by a stray dog. This should act as an incentive for the municipal government to solve two problems.

Number 1, if municipalities wish to absolve themselves of the responsibility of compensation, they will have to ensure that dogs are identifiable. This may require the implementation of a dog licensing program. Registration and identification of dogs would be necessary to prove ownership when producers want to take legal action against dog owners.

Number 2, we also feel that municipalities will make a conscious effort to control wild dogs. This

is especially important when you consider the amount of unwanted dogs dropped off in rural areas.

Since Bill 20 relates to more than just dog compensation, the MCPA would like to express its strong support for the other amendments. In particular, the MCPA is appreciative of the changes related to livestock identification and inspection. Resolutions made at MCPA meetings over the past 12 years have been calling for inspection. This would control rustling of cattle, monitor movement, enforce animal welfare regulations and police government programs.

As soon as producers and government reach an agreement on funding for such a program, the changes being made to The Animal Husbandry Act will allow implementation with little delay.

On behalf of the MCPA, I would like to thank you for allowing us to make this presentation.

Mr. Findlay: Thank you, Mr. Bezan. In regard to page 1, you are talking about the first line of defence for the producer being able to take appropriate action. You are aware that the present amendments do not alter that ability to take that action. It allows you to—in the case of any person who finds a dog disturbing, injuring, or destroying animals or poultry on the premises of the owner of, the possessor of the animals or poultry has the right to dispose of the dog. It is either disturbing, injuring or destroying, so that authority is still there for the owner of the livestock when that dog is on his own property, so that part is still there.

Mr. Bezan: Yes, we are aware of that. We are a bit concerned. There are a lot of producers that are very cautious now when destroying dogs on their property. Usually we just shoot the animal and do not tell anybody because of possible conflict with the owners of that animal. Since the act was changed in '87, it has made it a little more tender to deal with that particular issue. We still deal with it the same way, but we just do not tell anybody about the destroying of the animal.

Mr. Findlay: I gather you would still like the municipalities to be responsible for stray dogs. Would you not think it would be difficult for a municipality to deal with stray dogs because they could come from anywhere and not be licensed in where they come from? Would not any damage created in those instances still be covered by the insurance company?

Mr. Bezan: Of course, there would be. We are using this as the third and final step. If the individual could not receive insurance or did not have access to good insurance, then we would like to see the municipalities take some responsibility, especially on the issue of stray dogs. They do have the tendency to roam in packs which make them even more dangerous. Whether they put a bounty on these animals, or whether they go out and every so often go up and clean out these animals from the community, I think would be a worthwhile step on their part as well as to the taxpayers within their municipality.

Mr. Plohman: Mr. Bezan, I find quite a contradiction in your paper, because you first of all say that you support the amendments the government is putting in. There are several portions of the act that are being amended so I can understand your support for the identification, inspection and so on, but the issue dealing with the dogs, stray dogs and so on, I find a contradiction because you first of all support all removal of any responsibility from municipalities for these dogs except in The Municipal Act where they may have a dog bylaw, but in this act all responsibility from municipalities to not only control dogs but also pay compensation. Then, after having said that, you support the minister's amendments in that way, you say a third line of defence should be established which in fact would require municipalities once again to pay compensation and, therefore, do what was intended in the first act to start putting in place bylaws to control dogs, which was the whole intent in the first place of the act before.

So what is your overriding position, and how can you support the act? I really am puzzled by this because I would like to—the minister has talked about the consensus, you know for support, but now we have the Sheep Association is not in support. You have kind of two positions on this. How can you say you support the amendments which remove all responsibility from the municipalities when in fact you want to see another provision?

Mr. Bezan: I think what we are saying is that we do as an organization support the amendments. As cattle producers, this is not a concern to us. In respect to our fellow commodity organizations, we have tried to establish a compromise position in hoping that we can address their concerns that would also relate to us, but for the most part we do not have a problem. If you go back over the years

there is not a problem there. To establish policy, it took us quite a while to come up with a position or the compromise position that we are putting out today because there is just a general lack of concern. If we see a dog, it is usually not there for very long.

* (1120)

Mr. Plohman: Okay, so what you are saying you have many other issues that are more important to you than the dog issue, but that you have taken a position on. I take it this is a formal position that MCPA has taken as a result of consultation with other commodity organizations, the Sheep Association being one of those.

The fact is that cattle tend not to be the recipient of major damage by stray dogs because of their size, I guess, but you did mention the fact that stray dogs sometimes roam in packs and then they could be dangerous to cattle producers. Do you have any idea of whether there is a loss to stray dogs in the province to cattle producers? Has it ever been quantified, or have you done any work on that at all?

Mr. Bezan: That would have been brought to the UMM's attention. We have just in the past year only come across one incident up in The Pas where there was some damage by a dog pack. Now, whether they are a stray or whether they are owned is yet to be determined because of a lack of an identification program, but there is a bit of a problem there.

In that case, no animals were destroyed, they were just raising havoc. The producer went and took his own means of controlling that population of wild animals, or whether they are owned we are not sure, and got himself into trouble for doing so, by setting traps and baits since he was not around all the time, and did get himself into a bit of trouble and had to go through court. That is the only incident that we are aware of. This is not a big problem. He was acting under the means of the establishment in the act to control the population himself, or the problem himself.

What we are trying to do here is lay out a compromise position that hopefully is some middle ground between where we stand, which has been basically to support the amendments because it is not a problem, and to where the Sheep Association stands, and hopefully be able to establish a policy that will work for everyone.

Mr. Plohman: Mr. Chairman, it was my understanding from talking to Mr. Eros that he

probably in his association would not have too much difficulty with this compromise as you say. If we are dealing with stray dogs that cannot be identified, that is the major problem. Otherwise, there would be a way to go after the owner because he is responsible for his dog, especially if it is licensed. So it would not be as good perhaps as the provision now, but this would still put the onus on the municipalities to control dogs and to in fact even pay compensation where the dog is a stray dog. I do not think the municipalities would agree to that if they do not want anything to do with paying compensation, but it is an area of solution to this.

I would ask you whether, Mr. Bezan, you would be—after this act is either passed as it is being proposed by the government or changed if they choose to make some changes to it, you would feel this is a significant enough issue that you would go to bat with the Sheep Association to try to get the government and the municipalities to work on some other solutions?

Mr. Bezan: Mr. Chairman, I think that is what we are doing here, is that we are lending some aid to the Sheep Association, and to other commodity organizations that may be concerned with this, and establishing some middle ground that we can hopefully implement into this particular legislation.

Mr. Plohman: In the last question then, would you say, because I had seen this, and I think reading this a contradiction in the paper, this would be your preferred position in terms of the MCPA and in terms of the act that the government would, rather than throwing out the whole Sections 35 to 38, that they would in fact put in some provisions along the lines that you have, that would be the preferred position?

Mr. Bezan: I suppose it is now. We still as an organization do not have a great deal of a problem, but we do recognize the problems associated with other livestock producers, other commodities, and we are putting this forward as hopefully amendments to the act.

Mr. Plohman: One last question. Have you discussed these with municipalities, UMM and MAUM?

Mr. Bezan: Not this particular issue.

Mr. Findlay: Mr. Bezan, you mentioned the Sheep Association and other commodity groups. Could you identify any other commodity groups?

Mr. Bezan: Well, we got just talking among ourselves, and there may be individuals that have

loose flocks in yards, such as turkeys and geese, that may be of some concern to them. Now, where the turkey association sits or the geese association, we are not positive, but we did discuss that they are at some risk from this potential damage.

Mr. Findlay: I would assume from that then that you did not talk with those other commodity groups. I would have to remind you that they have told me that they agree completely with the bill as it is being proposed to amend the act, that they have no concerns in that regard.

Mr. Plohman: Well, we have learned that if the minister says something—that other people agree completely—that we have to take his word with a grain of salt, Mr. Chairman. So we would rather talk to the poultry associations ourselves. It would seem, though, that to the presenter, to Mr. Bezan, those would be the other commodity organizations, if any—besides the sheep association, it is the poultry groups that would be concerned.

Mr. Bezan: Yes, I believe so, that they are exposed to outdoor conditions and that possibility, but if the turkey, I believe and say, had not indicated they would support the changes, I would not be able to talk on their behalf. Just one final comment I would like to make. There is some discussion on the appointment of an evaluator of livestock, and this is something that we would probably look forward to. We do get contacted by different insurance companies from time to time to put a value on livestock, particularly cattle, and it gets extremely difficult for a producer organization to put values on animals. We give them what we feel is the range for commercial cattle and purebred cattle of that weight range that they are talking about and age, and we do the best job possible. This would take some of the onus off us if there was an evaluator appointed that insurance companies can use.

Mr. Findlay: Thank you, Mr. Bezan. With regard to an evaluator, I am prepared to propose an amendment that will allow the minister to appoint someone from, I would presume, the department. Given Mr. Downey's comments about somebody in the livestock business versus somebody in the department, where would your preference lie?

Mr. Bezan: Probably with somebody within the department that has accessed all the information from across the country through market reports and such. -(interjection)- No, not necessarily, but there is an issue of conflict of interest and those individual

dealers are expected to do business with these people from time to time, and if—I think, in their own minds it could be a contentious issue if an individual that they placed a value on was not happy with the value they placed.

Mr. Plohman: From that then you are saying that there is a potential for a conflict of interest if it was someone from the private sector, and that if the government were to put in place an informed person as designated as a valuer that would be your preference?

Mr. Bezan: Yes, it is, and we are—I think, that concern that maybe future or past dealings could impede the assessment of that animal.

Mr. Chairman: Thank you very much for your presentation, Mr. Bezan.

Since all presenters have been heard, did the committee wish to proceed with the clause-by-clause consideration of the bills?

An Honourable Member: Agreed.

Mr. Chairman: Did the Minister of Agriculture have an opening statement for Bill 20 (The Animal Husbandry Amendment Act; Loi modifiant la Loi sur l'élevage)?

Mr. Findlay: Mr. Chairman, just that I would thank the presenters for their presentations here this morning, and that I will be proposing an amendment to Section 6 with regard to an evaluator.

Mr. Chairman: Did Mr. Plohman have an opening statement on Bill 20?

* (1130)

Mr. Plohman: I also want to thank the presenters for their comments, and I think, Mr. Chairman, we have seen here that there is far from a consensus on this issue, that there should have been a lot of homework done on this before arriving at a proposal. We will have an opportunity—the member for Arthur (Mr. Downey) does not think I should make any statements—but I will have opportunity to make them as we go, so you might as well hear them now. -(interjection)- Well, the minister will proceed. We are going to go. As a matter of fact, I want to comment on the fact that he is going to move an amendment which, I think, is a positive thing.

Let me just say that it is unfortunate that we have not had the opportunity to have all of the groups together in a consultation to work this problem out before it was brought into legislation in a hasty way

at this session. I think that—well, I am hopeful that the minister will use a greater degree of concern, demonstrate a greater degree of concern and more consultative initiative in future when he is dealing with an act such as this and that he has learned something from this process.

Mr. Chairman: Did the Liberal critic, Mrs. Carstairs, have an opening statement for Bill 20?

Mrs. Carstairs: I am delighted to have heard from the presenters today and particularly that Mr. Eros took the time also to meet with me last week and also at that time to meet with the other critic for the other opposition party.

An Honourable Member: The official.

Mrs. Carstairs: The official opposition party. Mr. Chairperson, I am somewhat concerned, though, because I think we were misled when this bill was introduced in the House. We were given assurances by the minister that there had been very broad-ranged consultation with a number of groups, and I have indicated my own apology for not having consulted with the Manitoba Sheep Association. Quite frankly, that is really the minister's job when he is preparing legislation, and it would appear that his inadequacies here have been duly pointed out and that in future when such legislation which obviously affects a group such as the Manitoba Sheep Association is introduced that the minister can indeed stand and say that he has made ample consultative progress, which obviously was not made in this particular piece of legislation.

Mr. Chairman: The bill will be considered clause by clause. During consideration of the bill, the title and the preamble are postponed until all other clauses have been considered in their proper order by the committee. Shall Clause 1 through 5 pass?

Mr. Plohman: Yes, just a question to the minister on that. He has heard from the presenters the concern about working dogs being included as animals under The Animal Husbandry Act as opposed to pets. Has the minister considered that concern, and does he have any response to that?

Mr. Findlay: The amendment is to remove dogs and cats. I would be prepared to consider removing dogs and cats when they are pets so that working dogs would be considered animals.

Mr. Plohman: Yes, if the minister is prepared to do that, could he ask his staff who have much more expertise and experience in this area to perhaps make a change in the wording amendment so that

in fact he could accomplish that principle? It seems to me that may have been an oversight and would warrant some change if we are trying to make this legislation as good as possible under the circumstances.

Mr. Findlay: Mr. Chairman, I would ask leave of the committee to allow us to make that amendment in third reading, to change the definition here. In the spreadsheets, from the looks of the spreadsheets by adding "other than dog or cat which are pets," pets then would refer to dogs and cats; and, if they are a working animal, it would be called an animal.

Mr. Chairman: Mr. Plohman. Pardon me, Mr. Downey.

Mr. Downey: A serious mistake.

Mr. Chairman, could the same thing be accomplished by regulation? I ask the minister.

Mr. Findlay: I believe that would be possible. I will have to ask somebody who might know better. Yes, the answer is that it could be done by regulation. So I would commit that we would do that. I have been advised that in five minutes we can make that amendment here. So we will do it here.

Mrs. Carstairs: Yes, what we have done here is to define dogs and cats as pets. I think that might be potentially dangerous. It might be better to include a provision whereby working dogs are opted out rather than defining the other as pets, because "pets" has an interesting meaning. Pets are usually implied as having ownership; and, if you are talking about a stray dog, I do not think a stray dog is necessarily defined as a pet. So, if the purpose here is to opt out working dog, then I think it might be better to opt out working dog rather than make an inclusive pet amendment.

Mr. Findlay: What is the will of the committee?

Mr. Plohman: Yes, it seems to me that it is a much better procedure for us to put into the act the definitions, what we mean in definitions, not to play around with them in regulations and amending definitions. Definition section is supposed to be explicitly clear as to what it means. You do not go playing around in regulation changes to definitions. I do not think that is a normal process. So we can move on in the act and perhaps the minister could, if he cannot get it done today, bring it in in third reading. That would be fine.

Mrs. Carstairs: I basically agree with that, I think it is better in the definition section than not, but I would

ask staff. Therefore, I would be more than prepared to let it go into the third reading stage, that they look at the two ideas of whether it is best done by defining dogs and cats as pets or whether it is best done by an exclusionary provision for working dogs.

Mr. Findlay: If we can leave it like that, we will do it.

Mr. Chairman: Just a matter of clarification, Clauses 1 through 5, shall they pass?

Some Honourable Members: Pass.

Mr. Findlay: I have an amendment for Section 6. It is being distributed at the moment, I believe.

I move, seconded by the Minister of the Environment (Mr. Cummings),

THAT section 6 of the bill be struck out and the following substituted:

Sections 35 to 38 repealed and substituted.

6 Sections 35 to 38 are repealed and the following is substituted:

Investigation and report of valuer

35(1) At the request of an owner whose animals or poultry are killed or injured by a dog, or at the request of an insurer of the owner, the minister may appoint a valuer who shall

- (a) within 48 hours of being appointed, investigate the matter; and
- (b) within a further 10 days,
 - (i) report to the minister respecting the amount and the extent of the owner's loss, and
 - (ii) provide a copy of the report to the owner and to the insurer.

Notice to minister of loss

35(2) A request cannot be made under subsection (1) unless the owner notifies the minister of the loss within 24 hours after the owner discovers the animals or poultry that have been killed or injured.

(French version)

Il est proposé que l'article 6 du projet de loi soit remplacé par ce qui suit:

Remplacement des articles 35 à 38

6 Les articles 35 à 38 sont remplacés par ce qui suit:

Enquête et rapport de l'expert

35(1) A la demande d'un propriétaire d'animaux ou de volaille tués ou blessés par un chien ou à la

demande de l'assureur du propriétaire, le ministre peut nommer un expert qui:

- (a) enquête sur l'affaire dans les 48 heures de sa nomination;
- (b) dans un délai additionnel de 10 jours:
 - (i) présente un rapport au ministre sur le montant de la perte du propriétaire et sur l'étendue de cette perte,
 - (ii) fournit une copie du rapport au propriétaire et à l'assureur.

* (1140)

Avls au ministre

35(2) Le propriétaire ou l'assureur ne peut faire la demande visée au paragraphe (1) que si le propriétaire avise le ministre de la perte dans les 24 heures qui suivent la connaissance du fait que les animaux ou la volaille ont été tués ou blessés.

Motion presented.

Mr. Plohman: The minister has not dealt with the issue of the carcass being destroyed. Does he feel that is not necessary under the circumstances? "The carcass of the animals or poultry shall not be destroyed until they have been seen by the valuers." That is not a provision within this. There are time lines, but there is no requirement.

Does he assume, I guess, that people who will make the request of him to appoint a valuer would obviously want the animals seen, and in the previous act, because it was a requirement incumbent upon the municipality, there had to be that provision that the animal not be destroyed? Have I answered my own question?

Mr. Findlay: I think you have answered your own question. If the person wants it inspected, he will not dispose of it, but it is my understanding that under The Environment Act, it is a requirement that within 48 hours a carcass be destroyed. That is why we have put 48 hours in here. The Environment Act is explicit on carcass being removed or destroyed in 48 hours.

Mr. Plohman: I think this is a progressive piece of legislation in terms of the amendment. Under the circumstances, we still feel that the minister should have dealt with the concerns of both the Sheep Association and now MCPA, dealing with the requirements for municipalities to have some control of dogs, so this does not go all the way, but it certainly is something that is an improvement to the bill, so we would support it from that point of view.

Mr. Chairman: Shall the amendment as presented in English and French be approved? All in favour, say yea.

Mr. Plohman: Sorry. You know, making legislation you have not seen before sometimes poses new questions, and I hope that the minister will be somewhat patient. -(interjection)- Do you understand it, Mr. Helwer? You know everything about this, eh?

What I wanted to ask is, what would be the requirement following the valuer's estimate of the cost here? What would happen as a next step then? The owner would have a value that was put on the animal by the valuer who was appointed by the minister. Does he then take it to the owner of the dog and say, this is what it costs? That would be the function of the valuer, or would there be anything binding?

Mr. Findlay: I would not see anything being binding. Either the insurer or the owner could request the valuer to put the value on it. That value would be given to the requesting party, and they could do as they saw fit with it.

Mr. Plohman: This would apply then to those instances where an animal was insured or where it was not insured?

Mr. Findlay: That is right. It would apply in a case where a person obviously, if he was not insured, was going to go after somebody whom he knew was the owner of the dog. It would give him some basis on which to ask for compensation.

Mr. Plohman: So, Mr. Chairman, this would seem to deal with one of the concerns of the Sheep Association saying that rather than having the two neighbours fighting over this, they would have an independent third party make an evaluation of the value of those animals, and therefore, it might contribute to arriving at an amicable settlement. -(interjection)- Well, it might go to that, to some extent to that end. I agree that it might.

Mr. Chairman: Shall the amendment to Section 6 as presented in English and French be passed? All in favour, say yea.

Some Honourable Members: Yea.

Mr. Chairman: All opposed, say nay. In my opinion, the Yeas have it.

Shall Clause 6 as amended be passed?

Mr. Plohman: On Section 6, again, for the record, we believe the minister has made a serious

oversight in repealing all of these sections without proper consultation and working out an alternative, and I would ask the minister whether he has any intention of following up on this area as a result of what he heard today, with the municipalities and the commodities that are concerned about the repeal of this whole section today, to see whether there is not some further ground that could be covered by way of subsequent amendments or regulations in future years dealing with stray dogs, as has been suggested by MCPA?

Mr. Findlay: With regard to stray dogs, are you referring to some requirements under The Municipal Act that bylaws be passed? We are prepared to enter that discussion with the municipalities to determine if they want to have some changes made maybe to The Municipal Act to be more explicit on having dog control bylaws, but we will carry on that discussion with the commodity organizations and the municipalities.

The municipalities are fairly direct in their request wanting to have these requirements of their being insurers and valuers removed from this act, and we could look at now the more definitive requirement that the municipalities have bylaws in place to deal with dogs.

Mr. Plohman: Yes, as I heard, the commitment is a commitment to discuss with municipalities some further changes to deal with the issue of dogs in the municipalities. Would you also include the commodity groups, the Sheep Association and the MCPA in those discussions and other commodity groups who might feel there is an area of concern here?

Mr. Findlay: When we meet with them in our annual or semi-annual meetings, we will add that to the agenda.

Mr. Chairman: Clauses 7 through 14—pass; Preamble—pass; Title—pass; Bill, as amended, be reported—pass.

Is it the will of the committee that I report the bill? Agreed.

Bill 53—The Natural Products Marketing Amendment Act

Mr. Chairman: Did the Minister of Agriculture have an opening statement on Bill 53?

Hon. Glen Findlay (Minister of Agriculture): Mr. Chairman, Bill 53 is putting in place the authority for the marketing boards to have a checkoff that they

have requested for some time. It gives them authority to deal with, particularly, ILT disease or have checkoff for research that they want to do.

I might say that they are already doing this now, and this allows them to technically legitimize what they are doing. There is strong support from the commodity organizations. They are all on record as requesting that this change to this act be put in place.

Mr. Chairman: Did the NDP critic, Mr. Plohman, have an opening statement on Bill 53?

Mr. John Plohman (Dauphin): Mr. Chairman, we have made some comments during second reading of the bill and would just simply like to ask the minister further whether he has considered the suggestion that we made?

Previous to 1985, the government paid the full compensation for disease outbreaks with some poultry that had occurred, and after 1985, it was done on a 50-50 basis with the commodity group sharing in the cost.

What seems to be happening here is that the minister is requiring the commodity group to pay the full cost of compensation. He says that they are fully in agreement with this, and we do not see them here at the committee objecting, so we cannot prove otherwise at this point in time. Naturally, it -(interjection)- Well, we would have to discuss it with them and we have not, at least I have not at this point.

I would just ask the minister though, in terms of the previous practice, whether he feels there is a responsibility here of the government to be involved in any way in supporting either the payment of compensation under these circumstances or the research that would be undertaken by commodity groups which they now will have provision for in this act?

Mr. Findlay: There were two cases back in '85 and '86 where compensation was paid, and it was done on a 50-50 basis by the producer organization, the producer board and the government.

I would like to read into the record that in a November 3, 1987 letter to Ms. Penny Kelly, the general manager of the Manitoba Egg Producers Marketing Board, signed by Leonard Harapiak, then Minister of Agriculture—and I will read from the letter: I must reiterate the position of Mr. Uruski that the department is unable to provide financial compensation to poultry producers affected by

disease outbreaks. I see the issue of financial compensation being a responsibility of the producers and the industry.

It was the position of the previous government, after those two outbreaks, that the compensation should be paid by the producers, by the industry, and that in subsequent cases, after those two cases, smaller claims were completely paid by the industry, by the producers board. The government was not involved in the joint relationship on that compensation, but it was the position of the previous government. The boards have accepted that responsibility and obviously have done it in at least, I think it is three cases, small cases, since those first two were done on the 50-50 basis.

We as government will continue to give support to the diagnostic lab and require that if there is an outbreak, that the vets involved make the determination that it is that particular disease, and that determination will determine when the boards will make the compensation payment.

* (1150)

Mr. Plohman: That is fair enough. Our major concern was with the research issue. The major concern we had was with the research dollars and, again, there was a difficulty there, as we pointed out during second reading, that there were more and more areas of concern by producers about government and the scientific community, about government withdrawal of research funds, and I and my colleagues felt that it was an incentive. It would be an incentive if the government would endeavour to provide some degree of matching dollars to research by making some commitment to those commodity groups.

I can understand if they have agreed to the area of compensation and have accepted that, that is fine. Insofar as research though, surely the commodity groups would want the government to assist in this. There is no way that they would say that this is not a positive thing as far as research is concerned.

Has the minister any response to that in terms of his commitment to research in other areas, and has he considered whether he would be prepared to look at some matching funds to a limit on the research side of this bill?

Mr. Findlay: In terms of what is happening now, the hog board is contributing on an annual basis \$135,000 toward research, the milk board about

\$35,000 and poultry boards lesser amounts in the vicinity of maybe \$2,000 being contributed toward research.

The government, through the Department of Agriculture, is contributing some \$875,000 a year to the University of Manitoba, and there are a number of additional contracts that have been done under Agri-Food that has gone toward research support. The degree of research support the government is committing is far in excess of what the commodity boards are in their level of participation at this time. They have not requested, in my knowledge, any matching to their grants, but we are already having a significant grant to the university.

Mr. Plohman: The Minister of Environment (Mr. Cummings), the MLA for Ste. Rose, says it is called accepting responsibility. Since when have the producers of any jurisdiction been solely responsible for research? I mean, this is getting a little bit carried away in terms of responsibility.

The government has an \$875,000 grant that, of course, has not been increased for a couple of years. I think in '88, it was increased by the government and has not been increased in subsequent years, and the Agri-Food Agreement, I understand, has run its course now, has it not? Can the minister clarify that?

He says that he has a number of special projects in research there, but what is replacing that? If there is nothing replacing it, then there is even more reason why the minister should be putting some funds away to assist in special research projects, perhaps through mechanisms such as this bill.

Mr. Findlay: Certainly there is a need for research, and we know the value in agriculture of research. The various commodity groups in western Canada particularly have been requesting a national checkoff for research on a variety of commodities, and that is in the process of discussion at the national level. As far as I know, most provinces do support a national checkoff if producer organizations believe it is the way to raise funds for research on their commodities.

Mr. Chairman: Does the Liberal critic have an opening statement on Bill 53?

Mrs. Sharon Carstairs (Leader of the Second Opposition): Well, first of all, I did not waive my right to have an opening statement, and the opening statement should have been given immediately following Mr. Plohman's opening statement.

Since I was not allowed to give it at that particular point in time—

Mr. Plohma: We apologize. I do, from my point of view.

Mrs. Carstairs: The situation with regard to Bill 53 is that it is clear that it is putting into legal effect what has been done by practice for a number of years.

The only thing that I was surprised at was that the minister in his opening statement did not address the question which I raised in the House, which was the funding. He did it later on. It would seem to me that the purpose of opening statements of a minister is not only to indicate what is in the bill, but also to deal with any criticisms of the bill as they have been raised in the second reading process. That is what I expected from the minister, and I would suggest to him and to other ministers present that this is what we expect as opposition critics.

If they want bills to proceed through rapidly, if they would address our concerns when they give their introductory remarks, we could perhaps pass things with greater dispatch.

Mr. Chairman: Thank you. Before we go into clause-by-clause consideration, there is a technical difficulty that has to be corrected behind us. We will just have a short two-minute recess.

* * *

The committee took recess at 11:56 a.m.

After Recess

The committee resumed at 11:58 a.m.

Mr. Chairman: The bill will now be considered clause by clause. During the consideration of the bill, the Title and the Preamble are postponed until all other clauses have been considered in their proper order by the committee.

Clause 1—pass.

Mr. Findlay: On Clause 2, I would like to propose a small amendment, on the second page of the bill, in the last section there:

THAT subclause 29(o)(ii), as set out in section 2 of the Bill, be amended by striking out "production in quality" and substituting "production, quality".

(French version)

Il est proposé que le sous-alinéa 29o)(ii) énoncé à l'article 2 du projet de loi soit amendé par substitution, à "l'amélioration de", de "l'amélioration,".

(English)

The effect is that "in" is replaced by a comma.

Motion agreed to.

Mr. Chairman: Clause 2, as amended—pass; Clause 3—pass; Preamble—pass; Title—pass; Bill, as amended, be reported—pass.

Is it the will of the committee that we report the bill? Agreed.

The time is now twelve o'clock. This is the will of the committee. Committee rise.

COMMITTEE ROSE AT: 12 p.m.