

We will particularly continue to press for the legislation to allow for a one-third federal government, one-third provincial government, one-third producer cost sharing.

That just highlights the inadequacies of this particular piece of legislation.

It seems quite counterproductive and ironic to have a program which is supposed to protect farmers being itself placed in jeopardy by the government. Farmers are once again being denied the opportunity to participate fully in this program as many are not able to afford the high premiums. Furthermore, the problem will be exacerbated as the premiums increase as a result of Bill C-48. Producers who were unable to afford crop insurance last year will certainly not be able to do so in 1990. So much for crop insurance reform.

The government will, of course, say that the amendments contained in this bill will make crop insurance more attractive to farmers. This simply is not the case. The following should be obvious even to this government. If crop insurance premiums are so high that farmers cannot afford them, what benefit is there in improving particular aspects of the program when farmers will not be able to participate in it?

The changes in the cost sharing formula contained in Bill C-48 reduces the federal government's contributions to the crop insurance program from 50 per cent to 25 per cent. The government shifted the other 25 per cent to the provinces. While crop insurance is co-ordinated by the provincial governments, this move nonetheless reflects the recent federal government policy of dumping its responsibilities on the provinces as seen in the recent budget. Currently the provinces contribute 10 per cent to the cost of the program. Farmers will continue to pay the remaining 50 per cent. A tripartite arrangement would see the cost shared equally by all three parties.

• (1230)

According to the Ontario Agricultural Commodity Council this decision by the federal government on cost sharing represents no improvement for producers. The vice-chairman of the council is indeed correct in his assessment when he said:

The government's objective has been primarily cost savings for the federal treasury with only marginal improvements provided for

farmers. There would be little to show for all of the time, effort and finances that have been devoted to crop insurance since 1986-87.

Government Orders

The decrease in the government's support of this program will create higher premiums for crop insurance. For example, Bill C-48 will enable insurance coverage for corn producers to rise from 80 per cent to 90 per cent. This translates into an increase in premiums from \$5.71 per acre to \$10 per acre and almost doubles the current premium for only a 10 per cent increase in crop coverage. The rise in insurance premiums will simply increase the number of producers who cannot afford to take out crop insurance.

It is not unheard of in Canadian agriculture for the federal government to participate in tripartite arrangements with the provinces and producers. Such an arrangement already exists in the tripartite stabilization for beef and pork producers with all parties contributing one-third of the program costs. It is not unreasonable, then, to question why the federal government does not see fit to have a tripartite system for crop insurance. The answer of course is that the government does not want to do so. In fact, it is more interested in cutting its contribution in half than to have the three parties equally share the costs. This is simply not good enough. Canadian farmers and the national and provincial farm organizations will no doubt agree.

Organizations such as the Canadian Federation of Agriculture and the Ontario Pork Producers Marketing Board joined with farmers across Canada to try to convince the government that an equal cost sharing arrangement would be the most constructive course of action for crop insurance reform. A tripartite crop insurance program would indeed be very welcome. It is most unfortunate and unreasonable that the government chose to ignore these representations. The government has instead decided to do what it wants and not what would be best for either the viability of the program or for what is the most beneficial to producers.

In conclusion, the reasons behind the government's decision to limit its contribution to the crop insurance program is not based on any desire to support Canadian agriculture or to ensure that producers will be able to maintain and afford protection for crop loss. The decision is based on the government's over-all plan to reduce agricultural support programs in this country. It is indeed