small representative group of key farm figures from farm organizations to immediately, not in five years as the report suggests, make a close study of the present crop insurance plan and report back to the minister or the Standing Committee on Agriculture with recommendations for a better piece of legislation.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, for years I have been interested in the aims and objectives of crop insurance. I should like to take this opportunity to speak briefly on the amendments which are before us in Bill C-185. A number of members from various parts of Canada have spoken in this debate. A number of rather interesting suggestions have been made. It is not my intention to repeat these. However, there are one or two points I wish to re-emphasize so far as crop insurance is concerned.

I might point out that the first crop insurance act was enacted in 1959 It provided for federal government financial assistance to provincial crop insurance programs, with the proviso that these programs meet certain standards. In this first act, the criterion was that production remain below 60 per cent of the average long-term production for the crop insured in that particular region. We find that a re-insurance provision whereby the province pays a premium to the federal government in return for which the federal government assumes 75 per cent of the losses incurred by the province was added in 1964. This was an incentive to other provinces to join the plan. In 1966, an amendment to the act increased this coverage to 80 per cent and thus provided the farmer with substantially better protection.

Today, the Crop Insurance Act provides, to those provinces which have instituted a crop insurance program, a guarantee which will cover losses up to 80 per cent. Assistance from the federal government comes to 50 per cent of the administration costs, plus a contribution equal to 25 per cent of the total premiums paid. This program is costing the federal administration about $5 million a year and, according to the minister, this is expected to increase to $7,500,000 within the next three years.

• (4:40 p.m.)

According to the statistics, the plan is increasingly being used by farmers throughout Canada. In 1968-69 some 64,376 farmers purchased crop insurance coverage totalling almost $175 million. The premiums paid for crop insurance came to just over $13 million, and the claims against the various plans totalled over $15 million. Again according to the minister, the plan is actuarily sound, and to date for every dollar paid into the program by the farmers, the federal government, and in some cases the provincial governments, 97 cents have been paid out in indemnities to those farmers suffering crop losses. I believe this indicates that the vast majority of the money in the plan is actually going to the farmers who need it.

We find that eight out of ten provinces have crop insurance programs. I understand that only Newfoundland and New Brunswick are not participating. The province of Manitoba, which was the first province to introduce a program for crop insurance, still has the largest number of farmers taking advantage of the plan. Last year some 14,200 farmers in Manitoba took out insurance. In my own province of British Columbia, only 810 farmers took out insurance last year and the total amount of their insurance was $8 million. There is no doubt that to date only a small percentage of farmers in Canada avail themselves of this protection against crop loss.

The amending bill before us will provide for contributions to insurance programs which will cover losses of preplanting costs. This is a good amendment and will cover another major hazard in crop production. There is not doubt that very substantial costs are involved before the seed is ever planted. A long period of wet weather, for example, could prevent planting. The losses involved, of course, would be as the cost of getting the land ready for seeding, the application of fertilizer, and in some instances the loss of plants for transplanting, etc. To have these crop costs covered under the plan seems a logical extension of the act.

There is further protection to those engaged in fruit growing along the lines I have already mentioned. This aspect will prove of interest to the fruit growing areas of Canada. In my riding, particularly in the Creston district, we have a small but excellent fruit producing area. However, to date I believe very few growers have availed themselves of crop insurance.

It seems to me that one of the chief drawbacks of the programs set up by the provinces is the fact that the crop insurance rate is too high. This has been a common complaint across Canada. Perhaps rates could be reduced if there were more farmers participating in the plan. In this connection, I would urge the minister to examine the possibility of extending the coverage to other products not now covered under the act. The fact that only 64,000 farmers in Canada out of almost 500,000 have opted for crop insurance is an indication that in many cases the cost is beyond their financial means. They are prepared to take the chance of getting through the growing season without substantial loss.

Another reason farmers have not been participating in the plan is the fact that a large number of them still do not know the details of the crop insurance program. Again, I would suggest to the department that the full terms of the plan be made available to all farm organizations and farmers' groups throughout Canada. I think it is essential that they know what is available for them in the line of crop insurance, and I think this would add substantially to the number of farmers participating in the plan.

In conclusion, I would say that any review of legislation is always good, and our Department of Agriculture should review this legislation to see if some of the provisions are preventing farmers from using the plan. I, personally, feel that the legislation is needed. Let us make it as reasonable and as comprehensive as possible.

Mr. William Knowles (Norfolk-Haldimand): I rise to say a few words at the conclusion of this debate. I