

Government Orders

such rates are affordable. Since coverage levels are now at 80 per cent, improvements in many crops will be either marginal or non-existent under the proposed formula.

In other words, he is saying that the process by which the government has done this and the formula which the government will use mean that the return for the farmer will not be improved at all under this particular act. The formula is a complex one and will not particularly help in increasing the pay-outs to farmers in cases of disaster.

The farmers also asked for extended coverage. I have to say that that is good if it works. I want to talk about how it is going to work a little later.

There is a clause in this bill which suggests that water fowl damage will be paid for. The Parliamentary Secretary to the Minister of Agriculture made the statement that another special provision compensates producers more fairly for crops lost to protect migratory water fowl. Producers would receive 80 per cent of the value of lost crops. This compensation is cost shared equally between the two levels of government and producers do not pay any premiums.

That is all very nice, except that it is not in the bill. This statement was made by the parliamentary secretary, but all the bill says is that the federal government will share with the provincial governments whatever the provincial governments will share. There is no guarantee in this bill that the provincial government will pay anything. That needs to be looked at very closely in committee before this bill is moved on.

There is a cost sharing concern. Farmers believe that the cost sharing should be improved. They were paying 50 per cent, the federal government was paying 50 per cent, and the provincial governments were paying administration. I did not see too many of the 64 briefs that were presented, but the ones I did see all recognized that there needed to be a change in cost sharing and the logical change was the tripartite system which has been developed and put in place in most of the stabilization programs that we have been working on in the last few years.

We have established that as a basis, but if we had gone to the tripartite system the federal government would have had to pay a little more and, as I said before, the aim of this bill was to reduce the amount of money that the government would have to pay. Instead of a tripartite

system we have a system which actually increases the amount that the farmer will have to pay. He paid 45 per cent before. Now he is to pay 50 per cent of the total bill.

Much of the legislation that we pass in this House depends on regulations. It works only if the regulations are properly put in place and are aimed properly for allowing the bill to work. The parliamentary secretary suggested that these regulations were already in place and that we could look at them, but they are not. They are not necessarily available and will not be available when we take this to committee.

In committee we will want to know very specifically what those regulations are intended to do and whether or not they are going to improve the situation and allow the farmer's situation to be improved. The people who work on those regulations should be farmers, not the bureaucrats whose aim is to have the bill work smoothly and not to allow farmers to have a little better deal in the pay-outs from the insurance plan.

As I said before, these changes were started to get rid of the *ad hoc* programs. Again I want to quote from Tom Button's article in *Farm and Country*. He makes this statement:

Ottawa started its crop insurance review by saying that if crop insurance were more affordable and flexible it could stop making emergency *ad hoc* programs such as the recent \$850 million drought relief bail-out.

"Farm groups supported that goal", LeDrew says.

LeDrew is the manager of the Ontario Corn Producers Association. The article goes on to say:

"But what Ottawa is doing doesn't coincide with what it is saying," he asserts. "Crop insurance isn't going to be significantly more affordable or flexible".

George, who is the vice-president of the Ontario Federation of Agriculture, adds this:

"If we get hit with another drought, Ottawa will argue that the crop insurance reforms let it off the hook". He predicts: "In truth, crop insurance really hasn't been reformed, and I am afraid we are going to have a real fight on our hands."

The government has dealt with the shortcomings of the Crop Insurance Act but in the process has reduced the security on which farmers depended in that act. I could talk about the ups and downs and the values and the shortcomings of the act. Those have been dealt with to a great extent, but the net result is something which is difficult for the farmers to understand and to deal with if