

Government Orders

government was paying up until the introduction of this bill.

The federal government is going to pick up part of the administrative costs, which are very low. They are estimated to be in the 7 per cent range. The federal government is picking up part of the administrative costs but only subsidizing this program to 25 per cent. That is a very unfortunate situation when we look at what is happening in the farm community in general.

People in the farm community have also been hit with many bills because of the legislation that has come down in the last two budgets, particularly the budget before this one. They are still feeling those effects this year. We are seeing fuel cost rebates being taken back. The farmer is paying much more for the cost of gasoline and diesel fuel.

We have seen transportation subsidies reduced. We have seen many farm programs, where we have had subsidies in line to pay the farm community what it needed for support, taken away. At the same time I feel that this insurance program could eliminate the *ad hoc* programs that we come to from time to time. We have not basically taken hold of that crop insurance and really encouraged the farmer to get involved, but we have cut back our support in that area as well.

• (1850)

The major problem that the farm community was upset with was this reduction in federal support, the federal support in the crop insurance program. Another area in which help was asked for in this insurance program was the optional coverage going from the 80 per cent level, which is in most programs now, to a 90 per cent level, which would give the farmer an opportunity to more protect his crop and more protect his harvest. That is in place, in part.

For some programs like corn, farmers will be able to get a 90 per cent coverage, but there are many other crops that have quite a strong variation. One year they might have 50 bushels per acre, while another year they have much less and another year more. Because of those variations there is a very complicated formula that has been put out by the federal government resulting in crops such as soybeans only being allowed to have 86 per cent coverage. Crops such as spring wheat would only be allowed 83 per cent coverage. There are many other

crops that would not be allowed to come up to the 80 per cent.

I would like to look at comments that have come back about this crop insurance bill from people whom we all respect in the agricultural community. Roger George, the vice-president of the Ontario Federation of Agriculture, said that the changes are mere illusion. "There will be no break for farmers," he said. Don Drew, from the Ontario Corn Producers' Association said that any improvements are marginal at best. John Jacks said that improvements will either be marginal or non-existent.

What they are saying is that as this bill has been formulated, it has been formulated for a very specific reason by the Conservative government. Basically, the bill is reducing its commitment and its costs to the farm community. It is reducing its commitment and costs for, I think, very narrow reasons. It does not look at the farm community as a community that needs a great deal of help in this time period. It is looking mainly at the farm community which may be a group of people that represent 2 per cent to 3 per cent of our society today. Maybe because there is not a huge voting element in the farm community they are not being supported well with a higher-price food policy. We have a cheap food policy which is driving agricultural group after agricultural group to its knees.

This policy is being couched and covered in many different ways. We are being told that because of agreements that have been made between the United States and Canada, because of GATT rulings, because of all different kinds of agreements that have been entered into, that we cannot protect the farm community.

That is not necessarily the truth when it comes down to some of the statements that have been made. I would like to quote a comment which appeared in the corn producers' June 1989 newsletter. It states that federal spokesmen have claimed that their jurisdiction for a 25-25-50 split in premiums among the two levels of government and producers, respectively, will have to be followed because of an agreement that was made at the April Geneva GATT conference which froze agricultural subsidies. It goes on to state that federal trade negotiators have assured people in this House and all farm communities that the freeze involves the total effective level of support, that the statutory and *ad hoc* measures must be included.