

Crop Insurance Act

There is another aspect to which more attention should be given. As was so ably explained by the Parliamentary Secretary, the basic principle of crop insurance is to return to farmers at least 65 per cent of their normal expected earnings in cases where disaster strikes. This is confined strictly to weather conditions, or things legally termed acts of God. However, there is another large field which must be examined. In my area during the last few years we have experienced situations where a crop was produced by a farmer in good faith, delivered to a food processor, and due to business malpractice on the part of the processor, or to bankruptcy, the farmer not only lost the value of the crop but all the expenses he had incurred in planting and harvesting it. Here, Mr. Speaker, I am not speaking of small amounts of money. Thousands of dollars were involved in the case of some farmers.

Farmers, farm organizations and parliamentary representatives have been very much aware of the serious nature of this problem. Many attempts have been made to see if something could be done about it. A prime example was the private bill introduced by our colleague from Essex, I believe in 1963, the purpose of which was to place the farmer in a preferred position whenever a canner or food processor became bankrupt. That was a good attempt to protect the primary producer. Although the bill's intent was sound, unfortunately it did not protect the farmer and it seems it could not protect him under certain circumstances. Now, we find once again that the farmer must seek legal redress, with little hope of reclaiming the grievous losses he has suffered.

I suggest that the government should give serious consideration to the possibility of extending crop insurance to cover losses suffered by farmers in such circumstances. Inasmuch as the Parliamentary Secretary has pointed out that the actual loss suffered by the government to date in the funding of crop insurance has been minimal, I suggest here is an opportunity for us to provide, through legislation, a more complete crop insurance service to farmers. What I am suggesting may be complicated, and there may be valid reasons why it cannot be put into operation at this time, but I do encourage hon. members, and especially those who support the government, to see when the bill goes to committee if it is feasible to propose yet another amendment making it possible for farmers to obtain redress when their crops are lost in this fashion.

There are other circumstances under which farmers can lose. Here, I am not dealing with mismanagement or malpractice, but with conditions over which they have no control, weather conditions and the actions of other sections of agribusiness which cause grievous loss. What I am suggesting is not out of line, because very definite steps have been taken by various governments to protect the agribusiness in this fashion. I am speaking now of bills that have been passed by the House to protect primary producers when there is loss of crop through government seizure because of the presence of residue chemicals which make the crop unfit for human consumption.

• (12:20 p.m.)

Another prime example is that of reimbursement by the government in cases where animals are destroyed as a result of contagious diseases. So, we have taken steps in this direction, and I propose that we continue taking them, because farmers today are faced with the necessity of making tremendous investments, not to expand their businesses necessarily, but just to keep them operating. Having read the history of farming in this great land, I have learned that, not too long ago, farmers paid for their implements and residences less than farmers of today pay in interest on their chemicals and seed. That shows how necessary it is to make available large sums of money for crop protection. Like others engaged in industry, farmers, if they so desire, may now obtain insurance protection which will compensate them against loss. Certainly, anyone engaged in the industry of agriculture is as much entitled to this protection as others who wish to protect their business investment.

So, I support wholeheartedly this measure as well as the amendment brought in by the government. If I have any criticism at all, it is that we are not moving fast enough in this direction. During the committee stage discussions, we ought to consider other means, which are similar to this measure, of helping farmers directly. I appreciate the opportunity I have had this morning of discussing briefly some of the ramifications of the bill. My colleagues will deal with it in more detail. May I take this opportunity of congratulating the Parliamentary Secretary and the minister upon this measure.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, in speaking to this measure may I say that I think the government is quite right in proposing the extensions in coverage proposed in this bill. I regret that the Minister of Agriculture (Mr. Olson) is not in the House to pilot the bill through and hear what is said. It is an important measure. I mean no disrespect to the Parliamentary Secretary to the Minister of Agriculture (Mr. Lessard) who, as we all know from our experience in the standing committee, is a most competent and able man. I hope that the minister's absence does not in any way indicate the importance the minister may attach to crop insurance.

The particular changes with regard to the flooding of land are important for many areas of Canada. They are important for western Canada and, in particular, for Saskatchewan. Normally, Saskatchewan is considered a dry province; yet there have been years when significant areas of a farmer's land were under water, and stayed under water until it was too late for him to plant a crop. None the less, even in those cases, the farmer has had to cultivate that land when it has dried. He has had to control the weeds. In short, quite apart from the expense of seed and fertilizer, he has been saddled with the total expense of managing that land, because his capital costs continue, as do his cultivation costs. Indeed, in those cases they might be greater.

I must say that the part of the bill referring to the further protection of those engaged in fruit growing is