

to me that year after year, problem after problem, we hear of *ad hoc* policies that are brought out by the government in order to stop difficulties that exist.

Let me give an example of that. In 1988 a drought hit across Canada and destroyed much of the agricultural community. Weather conditions cannot be easily controlled. As a result, a drought is devastating to an enormous part of agriculture in Canada.

Just last year in my area we had a tremendous flood. No one expected 12 inches of rain in a very short time period. That devastation came down upon the farmers in my area and literally destroyed hundreds of acres of production. The result is that we scramble here and there in *ad hoc* committees, hoping that we will set up programs which will answer the difficulties the Canadian farmer faces.

I get a little tired when I hear that the answer to many of these problems is a payment of this or a payment of that. The Canadian farmer deserves better. He is a very hard working, very good businessman and does produce to the best of his ability with the circumstances he is in. Of all businesses I think about in Canada, the agricultural community is more subject to weather conditions which produce droughts, floods, frosts which cause a tremendous amount of damage, and hail storms that knock out a tremendous amount of crop production from time to time.

As we start considering those in the agricultural community, we see that they really do need a very strong, stable insurance program. That stable insurance program needs to have two qualities. The two qualities are affordability and flexibility.

When I stop and think about the aspect of insurance being affordable, all I have to do is relate it to any consumer who is buying auto insurance, house insurance or any other type of insurance. If the cost of that insurance exceeds its ability to support that family, or if it exceeds the ability of the family to buy a car and have it properly insured, then the insurance policy is not meeting the need of the consumer.

If this crop insurance program which is being produced is going to have rates that are extremely high, and if those rates are not being somehow supported by both levels of government, federal and provincial, the effectiveness of the insurance is strongly affected by its affordability. If a farmer in my area decides that the cost of insuring his acreage of corn, soybeans, tomatoes or

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whatever is too high, he is going to stop and start thinking about what the odds are of getting around this insurance policy this year. His input costs and all his other costs are so high, he may not be able to participate in the plan.

What I am seeing and hearing is that the number of dollars available to farmers in this area and farmers right across Canada are not plentiful. They are not there for him just to go out and buy insurance easily.

I see articles with headlines suggesting that if you thought you could afford crop insurance last year, you may not be able to afford crop insurance this year. They are suggesting that the rates of this crop insurance program are not being alleviated at all by the introduction of this crop insurance bill.

As a matter of fact, we all know that the federal government in its generosity did support crop insurance at a rate of 50 per cent of the premium in many provinces across Canada. Particularly here in Ontario the 50 per cent rate was covered by the federal government up to a maximum of 80 per cent of historic crop value. At the same time the provincial government carried the administrative costs and the farm community carried the other 50 per cent.

To make this insurance more affordable to the farmer, the recommendation came from almost every farm group across this country that we set up a tripartite payment plan which would give the federal government, the provincial government and the farmer or the producer each one-third of the payment responsibility.

This would affect the farmer in two separate ways. First, it would make the program more affordable. Second, it would give the opportunity to many of those who did not have the financial resources to participate in the insurance program the ability to get into the program and to participate in a reasonable way.

The recommendation was very strongly put forward. One of the greatest disappointments I have read from almost every producer area across Canada was with respect to the fact that the federal government, rather than following through with reducing from 50 per cent input to 33 per cent input decided to go right down to 25 per cent, which it passed on to the provincial governments. In other words, our federal government changed its method of support to the farm community, reducing its costs by approximately \$100 million a year. Now the provincial government has to pick up what the federal