

Government Orders

available last crop year, the federal government is projecting that it will mean higher premiums being paid by the farmers. Between them the federal government and the provincial governments have to match those premiums.

Since the federal government is proposing to save some \$90 million last year and \$110 million in the coming fiscal year, that means the provincial governments will have to pick up the same amount that the federal government saves. The provinces will be having to raise approximately an extra \$100 million as a result of this initiative by the federal government.

Farmers will be paying slightly higher fees if they opt for the higher coverage levels which I think they will be forced to do given the change in the production economics at the farm level whereby close to 90 per cent of the gross sales of a farm go out directly for cash costs.

If the farmer wants to stay in business after having a crop loss he will need crop insurance that will cover at least 90 per cent of his cost. Therefore, premiums will rise at the farm level, and coverage will be up. The main problem for provincial governments will be that they will have to raise quite a bit more money to make up the deficit of the \$90 million last year and \$110 million this year.

• (1710)

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, will the vegetable growers, fruit growers and non-grain growers be affected in the same way?

Mr. Althouse: Mr. Speaker, we did not get to see all the contracts which exist, but my understanding is that increased coverage will be available to vegetable and fruit growers as well.

The premiums will be somewhat higher. I believe I mentioned tomato growers in southern Ontario having to pay an extra \$35 per acre for premiums for that extra 10 per cent coverage. It is a fairly high rate, but given the kind of cost-price squeeze that is affecting farmers now, some of them may be forced by their creditors and their lending institutions to take the higher coverage levels,

just for the mutual protection of the farmer and the banker.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Debate, the hon. member for Broadview—Greenwood.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I feel privileged to have the opportunity to speak to Bill C-48. As I was listening to some of my colleagues speak to this issue, I started to reflect on what has caused this lack of pride that we, as Canadians, seem to have in our agricultural community.

I want to go back to an experience I had in 1986. I was flying to Cuba with our former Minister of Agriculture, the Hon. Eugene Whelan. The Liberals were not in power then and Mr. Whelan was long gone as a minister. I remember, as he was walking to the back of the plane, everyone gave him a friendly greeting, saying that it was nice to have him back. We went on to Cuba where we received a very warm welcome from officials.

One evening I asked the Cuban officials why they had such respect for this man who had been away for so long. One of them said that when they were in need the minister made sure that they had Holstein cattle to help feed the people and when they had fever break out from time to time, Canadian veterinarians would go to Cuba. There seemed to be a sense around the world that Canadian agriculture had a place of pride.

About two months ago, I was in Moscow to speak on an environmental issue. I was amazed by the lineups for food that I saw every morning on my way to the conference. There were lineups of 200 people or 300 people at every food store in the city. These people were afraid that if they did not get to the food stores early in the morning they would not have lunch or dinner. The food that was in these stores made me feel ashamed.

When I returned home I was struck by the fact that I do not think we really give the farmers of this country enough respect or enough time. We have seen a government that has been retreating from its national responsibility over the last five or six years. I am afraid that situation has now reached the farmers.

Mr. Blais: You are always away. You don't know what is going on here.