

Crop Insurance Act

approximately \$1 or \$1.25 per acre, many reduced their coverage to 50 cents an acre. This was done for several reasons. The first and foremost was to cut down on the premium, and perhaps this was the deciding factor. The second reason was that many of them would have liked to continue the insurance program but elected to stay in it only at the lowest possible rate in order to avoid paying into the PFAA program. As any farmer in western Canada knows, this was a deduction that might be levied as part of any future elevator charge. While many farmers are searching for a group insurance scheme, I think they would like to get out of the PFAA program.

As I look at the map indicating the areas in which Saskatchewan has participated, I am sorry to see that to this date Saskatchewan has been slow in promoting the idea of crop insurance. There may be several reasons for this with which I would like to deal briefly. On looking at the map, one finds that the eastern half of the province, outside of certain pockets that may be excluded, is by and large included in any kind of plan, but the number of participants in this particular area may be very small. This is a sad fact because out of a total of about 180,000 to 190,000 farmers in the three provinces only about 35,000 farmers are participating. This is a sad state of affairs, particularly in view of the fact that Manitoba has joined in the scheme quite substantially. There is another very valid reason for this low level of participation. Perhaps this is the fault of the provincial administration. On looking back, I see that the 1961 report indicates that at least 118 municipalities wished an analysis of some kind to be carried out regarding the need for crop insurance.

According to the latest available report, I find that only 60 agencies exist in the whole province of Saskatchewan. This is ridiculous because everybody knows that insurance is not usually bought without a push to sell it. Anyone who has had any experience in buying insurance knows full well that there have been times when he has been talked into buying insurance and been happy about it simply because somebody made the effort to sell it to him, perhaps for a reward or on a commission. However, the point is that the fine details have been explained. This is one of the reasons there was such limited participation in Saskatchewan.

If one looks at the map and draws a straight line down from Prince Albert to Moose Jaw, one sees that the eastern half of the province can be said to have participated in general, but the western half, outside of the Saskatchewan River area around Rosetown, is participating only in a very limited way. Although the area may be shaded on the map, this does not necessarily mean that there are very many farmers who participate. In fact there may be only half a dozen farmers participating. The reason is that there are not sufficient agents. The provincial government administration in our part of the country is at fault by not allowing many of the other areas to participate if they wish.

• (2:20 p.m.)

When I look at some areas, I find that one agent may have to cover six municipalities. Unless he does a lot of

[Mr. Korchinski.]

travelling he cannot do a good job of selling crop insurance in the area. I realize what happens in these cases. Somebody applies for the job, and the usual kind of thing takes place. They pick out an applicant and see if he is the right political shade. But even though he may be the right political shade, if he is gainfully occupied in some other activity, in business or farming, this cuts down on the time he has available for selling crop insurance. Usually, the agent will select a particular day to try to sell crop insurance coverage. It may be the day when an auction sale is taking place, or a community picnic. Then, he will try to see how many farmers he can convince to take out crop insurance. That is a sorry attempt to sell coverage.

The minute disaster strikes, the provincial government is under the gun. The farmers are under financial pressure. They do not have the resources to fend for themselves. What is required is a full-time agent, although I do not suggest he should have no other source of income. However, Mr. Speaker, this is one area in which we are at fault.

As pointed out by the hon. member for Saskatoon-Biggar (Mr. Gleave), the rates of average yield established for many locations are away out of reason. All practising farmers know that the use of the long-term average is wrong, and after paying high premiums for several years they find that unless they have had a complete crop failure they do not qualify, so they stop thinking about participating in the plan. Generally speaking, the farmer who participates in the plan can be the best salesman for it. If it works to his advantage he will sell it to his neighbours. Farmers are willing to share their experiences with each other, and their experiences to date indicate that the method of calculation is all wrong. It is not advantageous to many farmers.

As I understand it, the Saskatchewan provincial scheme works on a 25 year average. Mr. Speaker, in 1945 we did not have some of the varieties of grain that we have today. How many farmers were using fertilizers in 1945? Some portions of my area were not even opened up in 1945. Consequently, there is no just way of basing accurate averages over 25 years. Take 1961 as a good example. Even in that year we did not have a total crop failure despite drought. We took off a crop because of the practices the farmers had followed, the fertilizers they had used, the new varieties of grain they had sown, and the modern machinery which was available. Thus, there is no reason for calculating the average on a 25 year basis. We would be better off if this were reduced to ten or 15 years, to something nearer reality.

Another reason many farmers do not participate in the crop insurance program is that they cannot raise enough money for the premium. If the premium is \$200, a farmer may be hard pressed to raise the cash to take advantage of the program. Farmers realize the danger of being without crop insurance, but sometimes they do not see how they can spare \$200 to participate. Thus, they will take a chance on doing without insurance rather than putting out money that they badly need for other things.

There is an element of compulsion in the 1 per cent deduction which is made at the elevators when a farmer