

Crop Insurance Act

In my view, the previous bill was not perfect and I would go as far as saying that it was merely a rather rough sketch of a measure intended to really help the Canadian farmer.

It was better than nothing, Mr. Speaker. The legislation we had in the past required the farmer to be the co-insurer of a portion of the loss of his crop. I think the principle involved is wrong.

The amendment it is sought to bring about through Bill C-185 specifically indicates that subparagraph (ii) of paragraph (b) of subsection (3) of section 5A is to be replaced by the following:

"(ii) in the case of a loss described in paragraph (b) of subsection (1), eighty per cent of the average cost of such of the following operations as have been carried out, namely:

(A) summer-fallowing of the land, (B) cultivating the land, (C) fertilizing the land, (D) purchasing plants for transplanting, and (E) other preparation for seeding or planting a crop;"

This joint insurance is tantamount to penalizing the farmer by a minimum of 20 per cent of his crop by way of payment due or accepted by the government. Furthermore, in view of the complexity of loss assessment, the farmer can even lose up to 40 or 50 per cent of potential reimbursements provided by the act under the crop insurance plan.

Mr. Speaker, when an inspector visits a potential plantation or a piece of land for potential crop seeding, that, I believe is when application of the whole act becomes complex. Whether or not the new bill covers excess ground moisture, will possible irrigation be taken into account? Will it take into consideration the state of the farmer in name only or that of the man who really works his land and expects a maximum yield?

● (12:50 p.m.)

I also suggest there are several important weaknesses in the bill as it is now stands concerning crop insurance.

For example, if a farmer gives his farm good care in order to get the maximum yield per acre, if he practices irrigation in a well planned and satisfactory manner, if he uses chemical fertilizers or other organic matter in sufficient quantities to increase his production per acre, all these factors should be covered by the legislation.

Unfortunately, I must say in support of the member for Saskatoon-Biggar (Mr. Gleave) that the former act was not precise enough with regard to these conditions. No mention was made, any more than in the present one, of the production of the land owned by the farmer and cultivated by him, in the last three, four or five years. Yet, that is decidedly the determining factor in establishing the possibility of a loss, or evaluating the loss the act should cover.

And so, that farmer will receive the same indemnity as his neighbor who has lost everything because he manages his farm haphazardly, who has a hard time getting even a meagre crop, compared to the other who manages for instance, to get two crops of hay a year, or even three.

[Mr. Beaudoin.]

I feel we should assess the amount of the loss, not according to what is seeded, but by evaluating the annual profit per acre of the land insured, and this on the basis of the average for the last three, four or five years.

I also feel that Bill C-185, which is meant to be a forerunner of notable advances in the crop insurance plan, by paying indemnities to victims of crop losses before planting if the weather is not favourable and the soil not adequate for good production due to factors beyond the farmer's control, is not profitable to the latter because it places him in the position of co-insurer of his own crop.

I do not like to see the farmer penalized at the start by at least 20 per cent of his possible crop returns on account of bad weather which is beyond his control. I understand that in the case of automobile and public liability insurance or any other type of insurance, the insured becomes co-insurer in certain cases of his eventual loss because he has probably a share of responsibility and this is often due to negligence on his part or to factors which can generally be controlled by the insured.

The farmer is in no way responsible for the weather or the damage done to his crop. I think that is why section 5A(3)(b)(ii) of the present legislation reads as follows:

—eighty per cent of the average cost of summer-fallowing the land;

Besides, Section 5A(1)(b) states:

—loss arising when the seeding of summer-fallowed land intended to be used to grow an insured crop is prevented by excess ground moisture, weather or other agricultural hazards.

It is always 80 per cent to start.

To conclude, I must say that Bill C-185 is far from perfect for the reasons explained above, but I admit it is a step forward and an improvement for the Canadian farmer.

I therefore support the bill but with great reservations.

[English]

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I welcome this opportunity to make a few remarks about the amendment introduced in respect of crop insurance. This is not a contentious matter. The need for this amendment is apparent as a result of our experience earlier this spring when many areas of western Canada were flooded and it was doubtful that crops could be put in at various locations. As a result, the government initiated the Lift Program. There was some concern about the reduction of wheat acreage.

Much of this land which had been in summer fallow and normally would have been sown was under water. Because of the shortened season, it was unreasonable to expect farmers to put in crops. Had they done so they would have run the risk of not being able to harvest their crops before frost set in. The government was particularly concerned at that time with insurance coverage because of the knowledge that many farmers would not