

Crop Insurance Act

promise the minister I will not take more than five minutes, so that we can get through in the time allotted to this debate.

I feel that not too much has been said about the application of the act to the cash crop farmers in southern Ontario, and that is why I wish to draw to the attention of the minister some parts of the act which I feel contain defects. I think now is the time to draw them to his attention so that these provisions can be improved. I agree with the two previous speakers that the program has not been put into effect as widely as was intended. Generally speaking, farmers have been somewhat leery of the program. They have felt that it has not provided the coverage that they expected. I spoke to some of the people who sell insurance in our area, and also to some of the people who are involved in cultivating in Norfolk and Haldimand counties, and these are some of the criticisms that they have had with regard to the application of the act.

One reason that perhaps the program has not been applied too widely in our area—and this is no fault of the act—is that in the last number of years we have been favoured with very few serious crop failures. For that reason alone, not too many farmers have taken insurance.

The other provision that could be corrected is that the program is limited to small grains and, latterly, to orchard crops. Tobacco is one of the prime commodities produced in our area, and the terms under which the act is administered in Ontario do not apply too well to that commodity. Tobacco is a high revenue yielding crop, but it also requires a very high input. Farmers are not able to acquire enough insurance under the plan that is now set up to be of much value to them.

Another criticism that has come to my attention relates to the insuring of the fall wheat crop. In southern Ontario, fall wheat is often harvested at a time of very high humidity not experienced in western Canada. Over the last number of years, there has been a considerable amount of sprouting in wheat before it has been harvested. Farmers who have had crop insurance have found that the value of their crop decreased from \$1.50 to \$1.20 per bushel because of sprouting. They have not been able to collect anything at all under the crop insurance program because the administrators of the plan argued that they had, in fact, achieved a yield above the five year average on which payment is based. But at the same time, the value of the crop to these farmers was decreased because of the sprouting which took place. These farmers will not have anything more to do with crop insurance. Mr. Speaker, it seems to me that some of these minor details could be ironed out to the benefit of the farmers concerned.

• (4:50 p.m.)

Another abuse that has been taking place under the present administration of the act is that under wet conditions a farmer will put in his crop knowing full well he will not be able to harvest a proper yield. He will harvest

[Mr. Knowles (Norfolk-Haldimand).]

half his crop, but apply to the commission to be compensated for the loss of the whole crop. This is a definite abuse, but I think the amendment in Bill C-185 will certainly take care of that.

The other, and perhaps more important point I wish to make is that adequate coverage is not now available to farmers in cash crop areas where there is a very high cost input. This is a point I mentioned at the outset of my remarks, and it is in this vein that I wish to conclude. One example may illustrate what I am trying to point out. The tariff insurance companies, general insurance companies, will offer a certain type of crop insurance. Again, I refer to tobacco as an example. Hail damage is one of the great hazards experienced by tobacco growers. From the tariff companies, tobacco farmers are able to buy whatever amount of insurance they wish to purchase to cover their input costs, whereas under this program as it is now set up they are able to get back only 80 per cent of the five year average. This is not adequate to cover their costs of production. Therefore, it seems to me, essential that the federal government set guidelines for the provinces to follow, to obviate some of the glaring defects that I have tried to point out.

The thing that is most needed in the area from which I come is more adequate coverage. The farmer's risk is great. Therefore, he should be covered to a far greater extent. He is able and willing to pay for more coverage because now he certainly is paying the tariff companies. In many cases, the cost is excessive. I draw these defects to the attention of the minister and his departmental officials in the hope that, when they sit down with provincial officials to re-assess the whole program of crop insurance, some of these defects may be overcome.

Mr. Deputy Speaker: Order. I must point out to hon. members that if the minister speaks now he will close debate on this stage of the proceedings.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I see that there are only a few minutes left before the hour for private members' business, and perhaps if I give you notice that I shall take only a minute or two beyond that hour the House may agree not to see the clock.

Some hon. Members: Agreed.

Mr. Olson: Mr. Speaker, on rising to close the debate on second reading I wish to thank hon. members for the generally favourable comments which they have made with regard to the amendments that are proposed at this time. While there have been a number of suggestions made regarding other means of making crop insurance more useful to Canadian farmers, there seems to be general agreement with the contents of this bill and the extended coverage which it will be possible to provide in federal-provincial crop insurance agreements. Because there seems to be general agreement with the amendments proposed, I will direct my remarks to some of the other related comments made by those taking part in the debate. I did not hear any hon. member disagree with the amendments proposed in the bill. Suggestions were