

Crop Insurance Act

that the basic philosophy behind any approach to agriculture—and I say this because crop insurance is certainly a part of it—must be that the total expansion of our agricultural output here in Canada should be directed toward three areas. The first would be exports. What can we do to increase our exports above what they have been to the present time? Markets which are given to us are easy to secure, but markets which one must search for and hold through aggressive marketing, are another thing.

The second area is secondary processing. I think it has become an accepted fact that the number of Canadian farmers on the Prairies will not increase by any significant amount. If we want to have rural areas—and there is not one member in this House or a person anywhere who does not wish to have viable rural areas—we can only have them if we have a secondary processing industry linked closely with agriculture. This can be done. There also must be greater producer incentive. I do not believe the Minister of Agriculture has given any incentive to producers. The government itself has done little in this area.

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There will also have to be a drastic reorganization of the Department of Agriculture. We have found over the past few years that the department should become more producer oriented, less bureaucratic, and less rigid. It must be able to co-operate more effectively both with the provinces and with private business, to seek out and expand new markets, and also to prepare legislation such as the bill now before us. I think the Department of Agriculture headed by the minister, along with other government departments, should be aware of the fact that a balance must be achieved between primary producers and secondary processing industry in the rural areas of the country.

I have made these comments because I think it is time that they were made in the House of Commons. Many people assume, probably rightly so, that the federal government is still using the psychology of LIFT, in other words, withdrawing productive areas in times of over supply. It is time that this idea was expelled from the Department of Agriculture, and this can only be done if the minister decides to give direction and to do more than just talk to farmers to soothe them or to pour oil on troubled waters. In fact, this is all that he is really doing and that is why there has not been any leadership from him.

So far as crop insurance is concerned, we in the Conservative party find no insurmountable objection to the legislation that has been presented, but when the bill goes to committee we certainly intend to put questions and make suggestions with regard to the general objective of the legislation. It is significant that the number of farmers participating in crop insurance has actually dropped over the past year. In 1970-71 there were 55,000 but in 1971-72 the number went down to 46,000. The question that must be asked is why only 20 per cent of the total farming population is making use of this kind of insurance. There must be some glaring faults in the program. The question that must be asked is whether the 25 per cent increase in the federal government's contribution to this program will overcome the faults in it. Frankly I do not believe so.

I think that one of the faults which can be found with the crop insurance program is that until this time at

[Mr. Murta.]

least—I hope this will change, and once again it is up to the Minister of Agriculture to provide the necessary stimulus—the Department of Agriculture has not promoted the program sufficiently in various provinces. This is part of the job of the federal government. If it wishes to sell the insurance, it must do so on a businesslike basis and it must be done more efficiently and knowledgeably. Also, I believe that insurance legislation must be tailored more to managerial ability. A few years ago this may not have been necessary, but at present farming can no longer be called a way of life; it is a highly complex business involving a great amount of money.

The ability to manage a farm, demonstrated through records or through some other device over a period of time, should be seriously considered by the government in assessing crop insurance. I also think the over-all administration of the program should be improved so that a larger number of farmers can gain a greater degree of confidence in it. This is another aspect that has not been referred to. The federal government is deeply involved in the program, but its administration is left up to the ten individual provinces. At times this becomes very confusing, not only from the federal point of view but also from the provincial point of view. Once again this is where the minister should provide the necessary impetus to improve the administration of this program, at least at the federal level. It is my opinion that if this program is to be acceptable it should include hail insurance, fire insurance and also wildlife damage because we find that these three factors contribute to a large extent to the lowering of the yield and in some cases they virtually wipe out the yield in various parts of Canada. I certainly think that such additional insurance would make the plan much more acceptable to the entire farming community.

It was mentioned by the hon. member for Assiniboia that a disaster or emergency plan should be included in the legislation. Judging from what happened in the Peace River area this year, this request is justified. I am referring to a disaster or emergency plan being administered in such areas as the Peace River area. I have had some discussions with the Minister of Agriculture on this, and I think that what the government has been doing until now has at times been totally unacceptable. The farmers in the Peace River area have experienced crop failures because of the location and because of the climate more often than any other areas in the country.

The crop insurance program as proposed at present, even with the amendment which the government has brought in, I do not believe will allay the fears that farmers have. Special compensation for crops that are damaged under snow, for example, should be given serious consideration. Perhaps as much as 50 per cent of the value of the crop should be payable when it is under snow. The minister is aware, I am sure, that even if a crop is damaged by snow and the farmer is able to recoup some of it in the spring, its quality and weight as well as its market value have deteriorated. There is a definite justification for the setting up of some kind of disaster or emergency plan in these cases. I think such a plan could be worked out, and I do not think it would have any significant effect on crop insurance. I think that if the emergency plan were worked out properly, crop insurance would still remain the