These days, however, many farmers are hurting. The stage was set a few years ago when Canada was caught in an inflation spiral that was pushed along by our Liberal predecessors. At the time, the psychology was that if you did not invest, inflation would kill you, but if you did invest, inflation was supposed to pull you out. Later, spiralling interest rates and low commodity prices brought Canada to the ground. Now the survivors as well are hurting from unfair competition both from outside and from inside Canada. The outside competition is most obvious. It comes from the European Economic Community. That community has a policy of self-sufficiency in food. The EEC has subsidized products without care for the amount produced.

We were hit when the EEC changed its policy. Instead of producing 150 per cent of the needs of the EEC, 125 per cent of its meat and dairy requirements were produced. This brought the EEC to the point where one-sixth of its dairy herd cattle was slaughtered, resulting in mountains of boned frozen meat, which created our problem. There was so much meat, the EEC had to rent facilities outside of the community for storage purposes. When one has high storage costs, it is not too hard to realize that the next step is subsdization of sales. Meat arrived at Canada's border with an export subsidy of 35 per cent. This was less than the original subsidy after appeals from the Government.

Last year, Canada's farmers had to compete with 50 million pounds of beef from the EEC that was subsidized well over 35 per cent, probably in the range of 60 per cent. Figures show that European farmers get about 39 per cent of their income from Governments while Canadian farmers get only 12 per cent.

I know that our Ontario farmers would not want to have subsidies. They can and will compete with farmers the world over, but they cannot compete with foreign treasuries, for instance, the EEC. One must hope that the EEC will come to its senses soon and decrease subsidies. But even then, Mr. Speaker, we will still be faced with the impact of the subsidies as we have in the dairy cut-backs.

Outside competition also exists in Canada. Farmers in one area compete with provincial treasuries in other provinces. This is why Bill C-25 is so important because it will open a path to a uniform subsidy plan across Canada.

Some regions of Canada are more suited to certain forms of agriculture than are others. I believe all will accept that western Canada is particularly suited to beef production because of its thousands of acres of grassland. As well, southwestern Ontario is blessed with good land and a favourable climate. Perhaps even more important, southwestern Ontario is close to the major population centres of Ontario and our export market. Other areas of Canada do not have the same advantage and agriculture there does not flourish as well.

However, few provincial Governments can accept that. Agriculture, when it is thriving, can make the rest of the country go. It is one of the most potent, perhaps the most potent, economic forces that exist. Therefore, provinces have established their own forms of subsidy. Even to speak about these subsidies is most difficult. Until very recently there was no compilation of support policies across Canada. There is now a report in this connection in the draft stage.

If we speak about swine, Mr. Speaker, perhaps the best source of information would be the U.S.A. where interest groups have studied our program to defend the imposition of countervailing duties.

We can accept in general that farmers in the EEC get 39 per cent of their income through their Governments, in the U.S.A. about 36 per cent, while Canadian farmers get only about 12 per cent. The support in Canada is not equal. It is an average of all the support. Ontario and Alberta, the have provinces which contribute to the equalization payments that help other provincial treasuries, have the lowest subsidies. Perhaps because of the natural advantages on which I have already touched, these farmers survive. These farmers are now competing with farmers who are more heavily subsidized in other provinces, subsidized perhaps with money sent in equalization payments.

Examples of provincial subsidies can best be shown in the hog industry. I would like to speak of the hog industry because Perth County produces more hogs than any other similar area in Canada.

In Prince Edward Island the subsidy can best be described as bipartite or coming from two parties, the provincial Government and the producer. The enrolled producers are supported to a level of 95 per cent of the total operational costs of an efficient producer. These costs include depreciation and interest charges. If the price of hogs goes up, the farmers begin to donate to the stabilization fund.

If one accepts that the costs in eastern Canada are higher and prices are set according to Ontario and to export prices, it is easy to see that this fund will nearly always be in a deficit position with the money coming continually from the provincial treasury. In 1984, this program cost Prince Edward Island nearly $1 million.

In Quebec, enrolled farmers have income stabilized to include their cost plus 70 per cent to 100 per cent of a specialized workers' income. Farmers do participate in this plan but the Government input is always twice that of the hog producer. I understand that in 1984, enrolled Quebec farmers received approximately $24 a hog. If the provincial treasury paid its two-thirds share, then each hog was subsidized to the tune of $16. Of course, all of these programs are based on good average producers. Farmers with better graded hogs, and the more efficient ones, received the subsidy and a profit.

If we get back to Ontario and Alberta farmers, we find only the subsidies that farmers get across Canada, for example, some relief in taxes, some assistance with drainage, and some interest relief for beginning farmers or farmers in difficulty. The Ontario hog farmer does get a stabilization payment under the Agricultural Stabilization Act if prices are low compared to a five-year average. This takes the bumps out of the rapidly changing hog prices, but it does not guarantee a profit. We are aiming to keep the farmers on the farm in times