

whether it is a matter of confidence in the government or not. That issue is a really difficult one.

The question is, can we get new emergency funds to cover the shortfall, transitional funds for last year's crop, and can we get it to the farmers before many more of them go down the drain in their payments for their crops, supplies and taxes this fall?

**Mr. Mayer:** Madam Speaker, the hon. member is right. I think the concern we have and all of us have is over the immediate financial situation out there. Somebody used numbers here showing that the average farm family net income for living expenses is something like \$6,300. So that is obviously something that is going to cause and is causing some pretty significant difficulty right now, let alone what is going to happen as winter months get closer to us.

With regard to what we can do, the member knows that I cannot stand in the House here and talk about what in fact is likely to happen. We are aware of the problem. We are going to do, as I have been saying, the very best we can to address the problem. In the meantime, we have been encouraging some of the provinces and I would hope that the NDP here would be talking to their provincial counterparts in Ontario to put up the extra 1 per cent on NISA. We know that in terms of the overall amount of money that they need, it is not going to solve all their problems, but an additional 1 per cent by the provinces on NISA would trigger an additional .5 per cent by the federal government which would mean 5 per cent. Without getting into the technicalities of it, it would mean 5 per cent of your eligible income as opposed to 3.5. That would help. I think there are some other things we can do, but in the meantime we understand the problem quite well. Given the fact that it is a very difficult fiscal situation that the government finds itself in, and we all understand that, we are going to do the very best we can to address the problem.

**Mr. Stan J. Hovdebo (Saskatoon—Humboldt):** Madam Speaker, I just want to comment and ask a question of the minister.

He has given us a very reasoned approach and a very clear definition of the reason why we are in this situation. But that very reasonable approach has indicated that there is a shortage in income and he has accepted

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the fact that there is a shortage as far as income for farmers is concerned. The statement in the motion is correct.

By his very reasonable approach, he has told us rather indirectly that the government is unwilling to make the kind of commitment to Canadian farmers that the U.S. government and the EC are making to theirs. I guess the farmers in Canada are not expecting that kind of commitment, but they are expecting a commitment which would allow them to survive. That kind of a commitment would be very much less than the EC or the U.S. commitment.

I recognize also that the funds taken from GRIP and NISA for the 1991-92 crop are borrowing from the future. I recognize that money is being put forward that is new money, I suppose, to the farmers but the real problem is still last year's crop, where the billion dollar shortage is not being made up. Even if you take it from next year's crop, you have not solved the problem.

I guess what I am asking is: is the government at least studying the need for more money without taking it out of the 1991-92 crop income?

**Mr. Mayer:** Madam Speaker, just to comment on what the member said about not expecting us to do what the European Community does, I should give you a number.

It is estimated that this year the European Community is going to spend \$42.5 billion on its common agriculture policy. That is more than our deficit—\$42.5 billion the Europeans are going to spend on their common agriculture. That does not include some of the countries specific subsidies and some of the other things that go on. That is the kind of league that we are in.

Just to respond in the same fashion as I did to the member for Algoma, we understand the problem. It is there. You do not have to be a rocket scientist to figure out that a family cannot live on an average income of \$6,300. You cannot live on an income of 20 years ago with today's expenses.

We have looked at all the numbers and as I have said, we are going to do the very best we can to address the problem so that our farmers can stay in business until we get to some better international prices, which I believe we have a very good opportunity of seeing before spring comes.