

*Supply—Fisheries and Forestry*

period, but for a variety of reasons this did not happen.

In an effort to stabilize the industry, processors maintained prices to the fishermen using up working capital, bank credit and earnings from ancillary enterprises which they operate in connection with fisheries. However, many companies now find their resources depleted, and there is no easing of the pressure of supply on the U.S. market. I might add that prices would have been reduced this summer, but this last-ditch solution was avoided by the deficiency payment program authorized for the Atlantic frozen groundfish industry by the government. This program was in effect from May to October, 1968, and during this period the borrowing position of many processors was strengthened and a serious decline in the price paid to fishermen was averted.

For this program I am prepared to give the government full marks. However, the program has now terminated even though a substantial difference still exists between the costs of production of frozen groundfish products over the revenue received from their sale in the United States market. As I mentioned earlier, this difference ranges anywhere from four to six cents per pound, depending on the location of the processor and the distance between his plant and the U.S. market. With deficits of this size hanging over the industry, every fisherman on the Atlantic coast engaged in catching groundfish continuously faces the prospect of a 25 to 30 per cent drop in his earnings from this occupation. But while this threat hangs over him, every day brings him new evidence of substantial wage and salary increases approved by the government or granted to occupational groups in some other part of this country.

This government and this country have a responsibility to take action on behalf of our Canadian fishermen as long as the present depressed prices continue for their products. This government must show an interest in the economic well-being of thousands of our Canadian fishermen and their families, as well as in the processors upon whom they depend for the purchase of their catch. I say this because of the air of frustration and despair which hangs over hundreds of fishing communities where there are no alternative occupational opportunities. During the June election campaign the present Prime Minister stated that regional disparities were a greater threat to our national unity than differences in our languages. I say to this house that if

[Mr. Crouse.]

there is a decline in the prices which fishermen now receive for groundfish and this decline lasts for any period of time, the result will bring chaos to the economy of the whole Atlantic region at a time when regional disparity is supposed to receive top priority from the Liberal government now in power.

I do not wish to be critical of the Minister of Fisheries, for the problems with which he must deal were created for him in no small measure by the inaction of the former minister, assisted by the former secretary of state. However, I did read the minister's speech as delivered at the Canada Day banquet in Boston on October 19 with some misgivings. The minister made it quite clear that the government is going to adopt a very hard line toward the fishing industry. These are his words as quoted from his text:

Our commercial fishery, like any other industry, must make a profit for the Canadian community as a whole. It must generate more benefits than costs, it must pay taxes and not deduct too many tax dollars, it must pay its way and not constitute a new burden on the Canadian community as a whole.

Farther on he added:

• (12:40 p.m.)

We do not intend to go on propping up the fishing industry indefinitely.

These are harsh words, Mr. Chairman, harsh words spoken in another country about a people and an industry which has been a way of life for many thousands of Canadians and which has contributed many millions of dollars to our country's progress, to our country's foreign exchange reserves through the export of our fisheries products. However, today Canada's fishing industry, though still made up of wooden ships and iron men, is fighting literally with its back to the wall; it is fighting the bureaucracy that grants pay increases which alone are sometimes greater than the annual earnings of some of our fishermen. It is fighting increasing governmental aid in many parts of the world which permits the exporters of those countries to take away our traditional markets. It is fighting for its markets against state-owned vessels from behind the iron curtain, the operators of which seem to have little or no problem when it comes to balancing their books in relation to profit and loss on their operations. It is fighting to keep its ships in the water and provide a livelihood for Canadian fishermen and their families and Canadian shore workers and their families.