regard a few oyster beds on the Atlantic or a few salmon on the Pacific coast as the only fisheries in Canada. I represent a constituency with 250 miles of large lake shoreline and I say that from one small lake in that area we produce every year 250 carloads of the highest grade fish produced in Canada. About ten or twelve years ago a hatchery located on an island in lake Winnipegosis was producing annually about 35,000,000 fry, and the annual catch at that time was about thirtyfive carloads of fish. Last year and the year before the same lake produced about 250 carloads of fish, principally of what are known as yellow pike and whitefish. This hatchery, which is a government institution, has been for several years producing an average of 100,000,000 fry annually. The same success has been obtained at all the other hatcheries connected with our Manitoba lakes. The annual production of fish in Manitoba has almost doubled within recent years. This, I think, is entirely attributable to the consideration and attention given to that industry by the Department of Marine and Fisheries. It is only fair that I should make that statement and it was unfair for hon, members from the maritime provinces who are finding some difficulty with their oyster beds or western members who are finding some difficulty with their Yankee friends in protecting the salmon on the Pacific coast, to go off at a tangent and think the only fish in Canada are the few that may be produced on the Atlantic or the Pacific coast.

Item agreed to.

To provide for the expenses of the British Columbia fisheries reference to the Privy Council, \$15,000.

Mr. McRAE: Will the minister give the committee a little outline of what this item refers to?

Mr. CARDIN: This is to cover the expenses of the reference to the Privy Council of the difficulty which arose in British Columbia. A company requested the department to issue a license to operate a cannery in British Columbia, and the department would not agree to do so, because they were not satisfied that such a cannery should be permitted to operate. The company started to operate without a license. Prosecution was instituted against them and we lost the case before the court in British Columbia, the decision being practically that they could operate a cannery without obtaining a license from the federal government. The court held that it was not within our authority to regulate or to issue licenses to canneries or to refuse them permission to operate without such licenses. The matter was referred to the Supreme Court of Canada, and I regret to say that our contention was not sustained there. It was held that the decision of the court in British Columbia was correct, and that the federal authorities had no right to regulate these canneries by the issuance or refusal of licenses.

One other point which is raised in the reference is the power of the minister to discriminate between applicants asking for fishing licenses in British Columbia and elsewhere. This is a very important issue, because if it is established that we have not power to regulate in this matter; that the power to regulate in British Columbia rests with the provincial authorities, it means as a result that the whole administration of the fisheries in that province will probably pass under the control of the provincial authorities, because they can block all the operations of the Department of Fisheries if they have the right to regulate the canneries.

Mr. McRAE: Who is representing the department before the Privy Council?

Mr. CARDIN: Mr. Eugene Lafleur of Montreal.

Mr. SPENCER: Does the Department of Marine and Fisheries control canneries located on interprovincial streams or on lakes within a province?

Mr. CARDIN: Yes.

Mr. SPENCER: Everywhere?

Mr. CARDIN: Yes.

Mr. McRAE: I would suggest to the minister, inasmuch as this is a controversy of long standing on the coast, that it might be well to have associated with Mr. Lafleur, for whom I have the highest regard, some counsel who is familiar with the controversy.

Mr. CARDIN: Mr. A. B. MacDonald is associated with him.

Item agreed to.

Marine Biological Board of Canada—(a) purely scientific work, \$100,775; (b) practical and experimental work, \$200,960; (c) fish culture investigations, \$47,150.—Total, \$348,885.

Mr. McRAE: The amount which it is proposed to vote for this year, \$348,885, represents a very large increase over last year's appropriation of \$200,100, an increase of 74 per cent in one year. I think the committee would be interested in knowing how this increase is accounted for.