

seem to put two and two together and make four on why they cannot pay the same price as they do in Nova Scotia for that cod.

Mr. CARTER: There is a good explanation; because the people in Nova Scotia have the benefit of a special freight rate from the Nova Scotia market down to the Cuban market which amounts to around \$1.50 or more quintal of fish.

Mr. CROUSE: They have, Mr. Carter, and they have not. Today in Nova Scotia—to leave the fresh fish industry and go to the salt fish industry—these very factors that we are talking about, the low return to the fishermen over the years and the fact that none of the benefits of the research has found its way back to him, have taken away a large number,—as I said before and say again,—of men from the industry. Now this applies to Nova Scotia apparently for you stated it is not true in Newfoundland. I can only speak in this regard regionally. But today in Nova Scotia 75 per cent of the salt codfish that is exported to the British West Indies is first imported or bought from Newfoundland.

The Nova Scotia industry depends for its base product on the green or wet codfish of the Newfoundland producers so I would say the Nova Scotia salted fish industry is living on borrowed time, they are skating on very thin ice today because once Newfoundland decides it is in a position to dry its own wet salt codfish and decides they will not sell to Nova Scotia those exporters will not have a product to ship to the West Indies.

They must, before they ship that product, go to Newfoundland and purchase it and so the cost of bringing in salt cod in its wet state offsets any advantage that they may have in the short freight from Halifax to the British West Indies.

Mr. CARTER: Oh no, Mr. Crouse, you evidently have not a clear picture of the situation.

The CHAIRMAN: Gentlemen—

Mr. CARTER: Might I just say a word.

The CHAIRMAN: One minute please. I do not think it is appropriate to question one another; you should address your questions to the chair.

Mr. CARTER: Well, Mr. Chairman, I am sorry. In reply to what Mr. Crouse has said, for the benefit of the committee, the salted fishing processors in Newfoundland have to collect fish from all around the coast from the fisheries at the Grand Banks continuously all around the coast to Labrador. And it costs as much to bring that to the plant on the Grand Banks as it does to bring it to Nova Scotia, so the cost of bringing fish to the plant in both cases is about the same.

Mr. CROUSE: It may be the same to bring but the Nova Scotia buyer has to purchase a schooner and equip it with a crew and go to Newfoundland and then return with a cargo, all of which adds to these expensive costs a very great deal.

Mr. CARTER: The Newfoundland man has to do that too.

Mr. CROUSE: You mean the Newfoundland fishermen, Mr. Chairman, do not bring their fish to the Newfoundland plants?

Mr. CARTER: Oh no.

Mr. ROBICHAUD: There are too many outposts.

Mr. CARTER: That is what I wanted to clear up.

Mr. CROUSE: That might apply in some areas but I would not think it would apply in all.