

provide the facilities and give leadership, in terms of processing and fishing to meet quality standards, something which the minister and his department have been establishing over the last few years.

What is needed in the maritimes and Atlantic provinces is leadership from the minister and an indication of where he is going. We would like an elaboration of where he is going so that processors, fishermen and people who are involved in the marketing aspect know precisely what this minister intends to do with regard to fleet development, processing, quality standards and inspection, so that we can have a determined effort on the part of the federal and provincial governments in conjunction with the federal government, processors and fishermen. We will be anxiously awaiting further announcements from the minister as well as some elaboration from the minister on these points when we go into Committee of the Whole.

[Translation]

**Hon. Roméo LeBlanc (Minister of Fisheries and Oceans)** moved that Bill C-7, to amend the Saltfish Act, be now read the second time and, with unanimous consent, referred to Committee of the Whole.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Ethier in the chair.

● (1610)

[English]

On clause 1—*Limitation*.

**Mr. LeBlanc:** Mr. Chairman, it might help our discussion if I were to answer some of the points made. Of course, hon. members may wish to ask further questions.

I certainly share the support expressed by my predecessor for the Saltfish Corporation. In fact, if I have one slight regret it is that it does not seem to have been scheduled as one of the items to be considered by the Standing Committee on Fisheries and Forestry. I know that the Freshwater Fish Marketing Corporation will be before the committee this week and I expect that the question of the report which the former minister raised will be addressed there. The fact is, however, that the corporation has been doing the job assigned by two provinces—Newfoundland, the leading province, and Quebec, whose part of the fishery is within the limits of the corporation. They have consistently appointed good board members; with the other appointments which, I might say, have traditionally been quite free of partisanship, the corporation has done a good job.

The former minister asked me to comment on the penetration of the European Economic Community frozen and saltfish markets. We have had some success in penetrating the European Common Market with saltfish. In the area of the negotiations which are taking place I can tell the committee that the last group which went to Europe was there some ten days ago. Since I was in British Columbia until last week I have not had a full report, but today I had a conversation with some of the industry advisers who attended the meetings and it is obvious

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that the desire of Canada to sell fish to the Common Market countries is very strong.

The question really will boil down to what price the community will want us to pay for access to their markets, and what price we will be willing to pay in relation to their access to the Canadian fishing zones. That is the type of trade-off which will have to be fully discussed with representatives of the industry.

I might say that on the Canadian side, especially on the part of the fishermen and processors, there is a little bit less enthusiasm about the sort of trade-offs that are being talked about because the Canadian industry feels it can process most of the fish available. I have pointed out, however, that we may catch every fish in the zone but we may also need some very large warehouses. That is where there may well be honest differences of opinion and I hope to hold further discussions with the industry in the weeks to come.

One of the difficulties we face—and I think this applies to comments made by the critic for the New Democratic Party and, of course, by the former minister—is in relation to quality. I would not want to be misunderstood and indicate that we are not selling good quality fish. We are. The fact is that very often quality tends to be defined in certain markets in terms of size, the sort of product which is very attractive to consumers, especially in what I would call the luxury markets. Of course, much of this fish is caught by large trawlers and is processed immediately through the frozen fish plants. The corporation this year offered an incentive price for larger fish and has been having good results from this offer. I think this tendency will increase since these high quality, premium products tend to act as leaders into the markets we hope to penetrate. The corporation, of course, is not at liberty to be all that selective as to size, since by law it must buy all the fish offered to it by fishermen if it is of acceptable quality.

The previous minister raised the question of a few small, independent processors of frozen fish who approached the corporation and asked it to help them in marketing their product. I was immediately advised of this and pondered at some length whether, in reacting to this sort of request, I should allow this to take place. I might say to the committee that I agreed, taking into account the precedent of the province of Newfoundland. For some years the Saltfish Corporation has been acting as the seller of northern-caught char and some herring, and since the government of Newfoundland is one of the principal partners in the corporation, it did not seem to object too strenuously. Also, this was not a direct approach by the corporation, and there would be no financial exposure of the corporation, which means that this could reflect on the income of fishermen who are served by the corporation. I might say, though, that my predecessor forgot to point out that one of the aims of the corporation was to increase the income of fishermen. Recognizing that this was not a precedent which