

Fisheries Improvement Loans Act

lend the fishermen money, the fish companies did.

The hon. member's amendment shows the government how it may help west coast fishermen. If the government is really sincere in wanting to help the fishermen it will do all it can to resolve the problems resulting from vertical integration within the fishing industry. All hon. members from the west coast know that the number of fish companies operating on the Pacific coast has diminished markedly, with only three companies remaining in operation. They co-operate extremely well, controlling between them most of the market. This is not a myth, Mr. Speaker. This situation is very real.

The amendment of the hon. member for Skeena sought to help our fishermen by enabling them to refinance existing debts incurred for vessels and equipment through an independent and unbiased source of funds. In that way our fishermen would be less dependent on the fishing companies.

The minister told us in committee that he was aware of the problem but, since the matter rested in part with the Department of Finance, he could do very little. He also said, and I hope I am paraphrasing him fairly, that he was interested in seeing less company control of fishing vessels on the Pacific coast. The companies, too, have said they do not particularly want their money to be tied up in fishing vessels. I cannot accept completely the position of the companies. On the other hand, I think the minister is sincere in wishing to see the fishing or catching end of the business separated from the packing or canning end.

The minister announced to the committee that there is under way a new, experimental program which is designed to develop new kinds of fishing vessels of great efficiency.

As the hon. member for Comox-Alberni (Mr. Barnett) said, at the moment a large number of vessels owned by Indians are under complete company domination. These Indian fishermen, I think it is not unfair to say, have often been intimidated by the companies from which they secured loans. Often the outstanding indebtedness runs on and on. Having purchased their gear from the company these fishermen often are unable to pay back their loans owing to the small size of their catches. The situation continues in perpetuity, with the fishermen unable to extricate themselves from the clutches of the company. They owe their souls to the company store and every year, if they are not deeper in debt,

they are just as much in debt as they were the year before.

The situation I have alluded to has concerned many of us. The difficulty may even be aggravated by the introduction of the new licensing regulations. Let me explain it this way. It is well known that many gill-netters catching salmon in our rivers are operated and owned by our native peoples. It is possible for an individual or company to buy a licensed gill-netter and then to transfer the licence to a much larger fishing seiner which is capable of catching ten times the amount of fish the gill-netter is able to catch. While this matter may not be entirely germane to the point I am discussing it illustrates, I believe, another difficulty that faces the fishing industry. As Your Honour knows, the number of licences is limited in order to limit the amount of fish taken from our waters. What is the good of limiting licences if a gill-netter's licence can be transferred to a fishing seiner capable of ten times the gill-netter's catch? By limiting licences that way you are not limiting the total catch. I submit that our licensing regulations have not been examined thoroughly enough.

We are pleased to see that the government has increased the maximum amount which may be borrowed under certain circumstances to \$25,000. That figure is much more realistic. Some fishing vessel owners who want to buy larger and more efficient ships still feel that this figure is too low and that other kinds of financing ought to be introduced to take care of these bigger ships. The hon. member for South Shore who preceded me suggested that the \$25,000 limit was too low. However, I do not think we can quarrel with the fact that the increase is a step in the right direction. It should also be pointed out that the government itself is not lending the money but is merely guaranteeing the loans. The raising of its obligation from \$25,000 to \$40,000, I suggest, would not involve an additional responsibility of any great magnitude.

● (11:20 a.m.)

When we were on the west coast fishing tour one of the problems we noted was the difficulty of getting any money at all. Last fall we debated fisheries improvement loans legislation, the main provision of which was to raise the interest rate one per cent above the yield on government bonds. Many of the financial institutions, including credit unions, felt that this was too low considering their obligations to their membership. In spite of