

Hon. Mr. EULER: They did get some benefit then?

Mr. HYLAND: Yes, although the duty was 10 per cent less than it should have been.

Hon. Mr. CRERAR: At the present rate of increase in the population of the United States, as that population expands and shows every evidence of expanding steadily, what effect is it going to have on the demand in the United States for fisheries products and other products that they will be short of themselves?

Mr. HYLAND: I believe that unquestionably that is going to be the case, and responsible thinking in government circles in the United States concerned with fishery matters, and the trade itself, takes a long term outlook, that they will be depending on imports for a greater percentage of their fish needs.

Hon. Mr. CRERAR: In other words, the consumer in the United States will increase his influence in these matters and get as cheap food as possible.

Mr. HYLAND: Yes. It is our opinion, too, as an industry, that our industry is at the cross-roads of marketing practice. We, admittedly, over the past ten to twelve years have enjoyed relatively simple marketing. There was a ready demand for our product in this country and in the export countries which were available to us. Meat prices, the prices of competitive products—protein foods, were larger, and in many cases these products were very short. In the circumstances, fish commended a ready sale. That is not the case, in general now. This has been the subject of discussion in our meeting at Washington, and here in Ottawa, in the past few days, that we would have to bring an entirely new type of thinking to our product. We must merchandise it more, and we are convinced that with sales promotion and advertising we can increase the per capita consumption of fish as a food; and that is the soundest and best long term approach to our marketing problem.

Hon. Mr. McDONALD: I think, Mr. President, that is very important. I do not wish to be critical, but I want to pass on what I hear from our consumers a great deal, and that is that there seems to be too great a spread between what the fisheries receive and what the consumer has to pay for his product.

Mr. HYLAND: That is a common criticism, and we have been subjected to it from various sources. It is difficult, and in fact I think it is very dangerous to generalize on it, because as you will all appreciate there are many costs to be covered from the time the fisherman takes the fish from his line or net.

Now, the record of fish production and distributing in this country, and, I think in any country, shows that it is not a large margin industry by any means. Anyone touching fish at any level does not make a large margin of earning or profit on it; and it is true that some of our cheaper species of fish expressed in cents per pound do appear unusually low.

Another factor which I believe contributes to this point which you mentioned, is the fact that changes in the basic cost of fish are not quickly or immediately reflected in retail prices. I think the reason for that is that fish is not in active enough demand. Retailers do not look upon it as something they always have to be competitive in in order to obtain their share of the fish business. We know that as soon as beef goes down, retailers announce low prices of beef and pork. There are seasonal fluctuations in the prices of fish. We know that as producers and distributors. But very often a retailer handling fish, cod fillets or haddock fillets won't change his price on haddock fillets all the year around, no matter what happens to his costs. That is not so true on canned salmon particularly. It is an active item in the grocery trade, and it is greatly advertised, and the chain stores merchandise it actively. It is very competitive at the retail level. There were very substantial reductions in canned salmon prices last year, and within a day or two of a new price schedule being announced the retail prices were dropped.