

Mr. ROBICHAUD: This is the assistance that is being provided directly by the Department of Fisheries. That covers the construction of fishing vessels from 35 feet up to and including 100 gross tons which is in the vicinity of 70 feet in over-all length. Now, the subsidies applicable to the construction of fishing vessels over 70 feet in length, or over 100 gross tons from 100 tons up come under the Maritime Commission. This is the difference, and that is why it reads "pursuant to any other federal authorization." This covers the assistance given by the Department of Fisheries in subsidies on the construction of certain types of fishing vessels.

● (1.30 p.m.)

Mr. CROUSE: I thank the Minister for that explanation.

At this time I will not burden the Committee with any comment on the ship *Golden Scarab*. I believe this was adequately aired on previous occasions. But, when I refer to the *Golden Scarab*, I would like the Committee to be aware of the regulations under which that ship was constructed, and I would ask the Minister if, in view of this horrible example of mal-administration of funds, his department is now going to give any thought to tightening up the regulations under which assistance would be provided to ships up to 100 tons. For example, I have in front of me the regulations that deal with this matter as put out by the Maritime Commission. Under the terms "agreement", for example, it states that the ship owner undertakes:

1. To retain the vessel on Canadian registry for a period of five years.
2. Not to sell or transfer the vessel during that period without the consent of the commission and the approval of the Treasury Board.

Would the Minister give some thought, for example, to putting in there a clause to refit the ship annually in conformity with Board of Steamship Rules and Regulations? If this was done, it would tighten up the regulations in so far as maintaining the ship in good condition is concerned because this is of prime importance to the government during the five year period as well as to the ship owner.

Mr. ROBICHAUD: Mr. Chairman, I cannot make a commitment just now but, we are certainly prepared to look into this suggestion. I want to correct my first statement. When I said this was applicable to subsidies on vessels up to 100 tons, I should have added that we also subsidize wooden vessels over 100 tons but not steel hulls under this particular subsidy.

So far as the *Golden Scarab* is concerned, I must admit that this was a subsidy by the Maritime Commission, not under the Department of Fisheries regular subsidy program. I agree there should be some tightening in the regulations affecting those subsidies and for that very purpose we had a meeting in Montreal about a month ago with the representatives of the Fishermen's Loan Board of the Atlantic provinces and Quebec and we are now in the process of drafting new regulations that will cover specifically the purpose of the subsidy and, also, to do away with the practice or the situation with which we have been faced in the past, when we had applications from certain provinces on certain vessels or fishing boats that had been built four or