

grant loans to fishermen unless they have a 35 per cent equity. In previous years this has been no problem because of the subsidy.

• (1250)

Mr. Breau: Because of the good, Liberal program.

Mr. Sargeant: Yes, it was, but unfortunately it has gone down the drain. In Manitoba this not only affects fishermen but boat works in the province. In my riding of Selkirk-Interlake, two particular companies, Gimli and Lake Winnipeg Boatworks, are suffering considerably from it. They are both small businesses which rely on getting the boat business from local fishermen. When a subsidy such as this is suspended, these boat works feel the pinch. Right now these two companies are facing a bleak winter. In fact, it is very likely that they will have to lay off some of their employees and shut down completely for the winter.

Two other boat works in Manitoba, Lakeside Boatworks and Lake Winnipegosis Boatworks, both of which are in the neighbouring riding of Dauphin, have suffered more than the Gimli company because both have had to shut down their operations. The four Manitoba boat companies estimate that they have lost some \$500,000 in business this year, which is a sizeable sum for small companies. It is interesting that 35 per cent of \$500,000 come very close to the amount of the grants that have not been approved this year in Manitoba.

I should like to direct a question to the minister on this subject and ask him what, if anything, has been done to reinstate this program. If nothing has been done, can he foresee this program being reinstated in the very near future? May I ask whether it is normal procedure for him to answer now, or should I carry on and have my question answered later?

The Chairman: It is the hon. member's choice. If the hon. member takes his full time, he can use it to make his comments now, or, if he wants to obtain answers to his questions right away, the time which the minister takes up is counted in the hon. member's 20 minutes. So it is up to the hon. member.

Mr. Sargeant: I have another matter to raise and it will not take me too long to pose the question. First I will give a little background on it, following which I will put my second question, and perhaps the minister will answer them both afterwards.

The second matter regards the Freshwater Fish Marketing Corporation. In recent weeks, the Manitoba resource minister, Brian Ransom, has stated he may possibly allow commercial fishermen to opt out of the corporation. As the minister is well aware and, as I am sure, most members concerned are, FFMC was set up originally in 1968-69 in order to provide an orderly marketing of fish in the Northwest Territories, the prairie provinces and parts of northwest Ontario. It is somewhat ironic that another disciple of neo-conservatism, Sterling Lyon, has been the prime force in establishing this corporation. The need for this corporation became evident in the mid-1960s

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when only a few American firms had the monopoly in buying and processing. This resulted in poor prices for fishermen.

The fear right now experienced by members of this party and by most fishermen in Manitoba is that without FFMC fishermen might gain some very short-term benefits, but in the long run the large U.S. firms will undoubtedly take over and again dominate the market and dictate prices. I understand that the minister's parliamentary secretary has been assigned the job of looking into FFMC and deciding its future.

I should like to ask whether the report has come back and what is the minister going to recommend. Will he recommend the dismantling of FFMC, or will he allow FFMC to stay in place but private interests to compete against the marketing corporation? My fear and the fear of many fishermen in Manitoba is that the cards would likely be stacked against the marketing corporation. Fishermen in Manitoba have generally expressed the desire to see the marketing corporation stay as it is. When private companies dominated the situation until the late 1960s, fishermen were often quoted a price at the beginning of the season, but come the end of the season the price would change and the fishermen would get the short end of the stick. They like the situation right now which works the opposite way. They are quoted a price by the marketing corporation at the beginning of the season, and at the end of the season the corporation has a higher price than anticipated, which is to the benefit of Manitoba fishermen.

To sum up, my two questions relate to boat subsidies for inland fishermen and the future status of the marketing corporation.

Mr. McGrath: Mr. Chairman, first of all I should apologize to the hon. member for interrupting him. I did not realize it was his maiden speech. I would be even prepared to listen to him on neo-conservatism.

The hon. member had two concerns with which I can deal now, although it was my intention to wait until all hon. members had made an initial submission, following which I would reply. The hon. member has raised two specific questions: one dealing with the vessel subsidy program, and one dealing with FFMC.

With respect to the former, it is our intention to restore the vessel subsidy program for the balance of this year and to bring in a modified form of the program for next year. But I should tell the hon. member, as we indicated to the provincial ministers of the Atlantic provinces in Quebec, that it is also our intention to phase out of that program. This is not to suggest there is no need for it, but merely to suggest that we do not see it as our role that vessel subsidies should be administered by my colleagues, the Minister of Industry, Trade and Commerce or the Minister of DREE. We think that primarily it should be a provincial program supported by some program other than one administered by this department. There will be times, however, when it will be necessary to use various incentives to encourage the opening of new fisheries. That may be one of the means we would adopt to encourage people into a new fishery.