

*Fisheries Improvement Loans Act*

Halibut is an example. We have an agreement with the United States involving halibut caught in Alaskan waters. That led to the closing of an area of the fishery in which a number of investors were just embarking. The federal government was caught in the ludicrous position of buying back gear and buying fishermen out of that industry, perhaps financed with funds that had originally been loaned under the Fisheries Improvement Loans Act. The minister shakes his head, and I would be pleased to get information to the contrary.

I have a secondary problem consequential to that halibut agreement which might be of interest to the minister and to the House. As a consequence of the gear buy-back program, a lot of gear is being sold through Crown Assets Disposal at less than half the market value. Small manufacturing enterprises engaged in the business of building gear—drums, power winches, net handling gear and the like—in British Columbia are frustrated because gear is now being dumped on the market by this government which is supposed to be interested in their welfare. The government's decision to restrict the halibut fishery results from what I believe was a rather hastily conceived and poor agreement with the Americans regarding northern halibut. It frustrates the entrepreneurs who service the fishing industry.

There is also a problem with black cod and other forms of bottom fish which are presumably available to west coast fishermen as a result of the 200-mile limit. The information on stock levels is inadequate. No projection of future yields is available as a basis on which to predicate investment—investment which might well be funded under this program.

We also have the very serious problem of the depletion of herring stocks. The hon. member for Capilano (Mr. Huntington) has a deep and personal interest in this problem. The consequence of the depletion of the herring stocks was the closing of the herring roe fishery this spring. I wonder how many of those powerful herring seine boats were financed with moneys obtained under the Fisheries Improvement Loans Act.

**An hon. Member:** It was a strike.

**Mr. Siddon:** It was not entirely a strike, it was a question of quotas and stock levels resulting from overfishing in bonanza years which the department permitted in years gone by, and which built up expectations. Now those people who may have mortgaged their homes or incurred commitments under this act are hard pressed to make the payments against those loans.

I now come to a very important problem, Mr. Speaker, that relating to Chinook salmon. A decision was taken just last week by the department, in the name of the minister, to close the Chinook salmon fishery in the Fraser River. That decision will impose tremendous hardship on the small boat owners who gillnet fish in the Fraser River. No similar sanctions have been imposed on the seine boat owners, the trollers or the sport fishing community. The squeeze is being put on one sector of the industry. I should like to know how many of their vessels have been financed through loans made under the Fisheries Improvement Loans Act. The squeeze is not being applied against the larger vessels nor indeed against the American

vessels which intercept the Chinook salmon beyond the boundaries of our territorial control. We have not found an acceptable solution to this because the department have not resolved the Canada-U.S. fisheries treaty question on the west coast.

There are a variety of paradoxes here, Mr. Speaker. They all point to the very important need for loans, for financial incentive and initiatives relating to the development of the fishery to be properly and carefully integrated with the management objectives of the department. I would welcome any information the minister could offer which would clarify the genuine concern that I have. There is a definite need to complete the white paper policy review initiated by his predecessor in the Conservative government. This would have led to a fisheries development policy for the 1980s. Many of his departmental officials put much effort into this, and the people of Canada made a considerable contribution to it. The problems we have heard of this afternoon point to the need for a policy paper which addresses these very important questions.

There must be more effective consultation. The Sinclair and Levelton reports on licensing have been circulating for almost two years. They deal with difficult conservation questions which we should consider at the standing committee level. I submit that is where members who represent fishing industries can make a contribution and assist the minister in resolving this important paradox which comes from taking a development oriented approach to the industry on the one hand and, on the other hand, talking about restricting, conserving and restraining the natural initiatives of fishermen.

● (1720)

I hope the minister will consent to allow the Standing Committee on Fisheries and Forestry to review the Sinclair and Levelton reports. We are not too far along with that initiative so far, but I believe the members of that committee could be of great help to the minister in getting out to the regions and listening in detail to the fishermen.

In closing, from surface impressions at least, I see a rather haphazard approach being taken to the disbursement of funds under the Fisheries Improvement Loans Act. I think the Department of Fisheries and Oceans must be held accountable for rationalizing their management initiatives against their desire to provide capital for the building and development of our fishing industry.

I believe that we must have some type of review process and some reporting method so that the fishermen of Canada and members of Parliament can view the ways in which these moneys are being disbursed and the way in which they integrate with the management policies of the department. I would hope that the minister will comment on that recommendation this afternoon. In any event, we certainly look forward to pursuing it at greater length when this bill reaches committee stage, which I am sure it will.