

Fisheries Improvement Loans Act

was offered as security. The resale value of this boat and equipment, at a moderate estimate, would be \$5,000. Approaches were made by these two fishermen to two or three local banks in the constituency in which they lived, and in only one case was the bank manager interested. This particular bank manager made every effort to assist the fishermen and to provide the loan as required for \$3,500, for a term of six or seven years. When the bank manager passed the application along to head office the loan was turned down and, of course, when one reads the act one can understand why it was turned down—because it came under a three year time repayment period. Of course, at that time the fishermen were told that the loan could be made for a three year term. While the fishermen felt that the loan might be repaid in three years from the revenue derived from clam and quahog fishing, they did not wish to gamble on a three-year term in case adverse conditions might arise in this short period, and as good businessmen they desired a longer term of credit which would ensure their being able to live up to their financial commitments.

This type of loan for financing fishing equipment as such comes under a three year repayment regulation, and I desire to make a request to the minister that the time limit for the two types of loan that are restricted by the three year term which I have mentioned be extended to at least five or six years. An extension of the time limit for repayment of the two types of loans would provide a better service for those energetic fishermen who wish to secure credit under conditions which they feel they can meet, and who are prepared to stake their holdings, their boat and their equipment in the building up of the fishing industry.

It will be noted from the list of suggested maximum terms of repayment that certain loans in the amount of \$4,000 are repayable over an eight year period. Why is this same eight year period not extended to these two types which I mentioned are under the three year term? In closing, Mr. Chairman, I again request the minister to take this matter under consideration, and I trust that loans for superstructures, purchase of new engines or major repairs to engines, and loans to purchase equipment such as I have mentioned—a mechanical clam and quahog digger—will be extended to a period of five or six years.

Mr. Tucker: Mr. Chairman, I rise to support the amendment of the Fisheries Improvement Loans Act to extend the application of the act from December 12, 1958 to June 30, 1962, as explained by the Minister of Finance. Any worthwhile effort to give assistance to our fishermen and our fisheries

should receive the wholehearted support of all hon. members of the house. We have in our fishing industry a potential Klondike, a source of wealth for the national economy equivalent to any gold claim filed in northern Canada, Alaska, California or elsewhere.

In view of the general failure of the cod fishery in Newfoundland last year which has caused many fishermen to seek government relief because they did not have sufficient stamps to qualify for unemployment assistance, these men find it difficult to obtain the necessary funds to buy lines and twines to repair their nets and trawls and make essential repairs to their fishing boats. I strongly recommend, therefore, that officials of the Department of Fisheries be instructed to explain to those with whom they come in contact the provisions and application of the Fisheries Improvement Loans Act. I refer especially to the fish inspectors who move freely from settlement to settlement and who mix with the fishermen.

I am convinced that Newfoundlanders generally and the fishermen of that province in particular know too little about the act. I doubt, for instance, that many are aware that they may borrow up to 70 per cent of the purchase price or estimated cost of a project or equipment. Where the fisherman himself does any portion of the work involved in the project the amount of the loan must not exceed an amount equal to his cash outlay in respect thereof. I doubt if many fishermen are aware of this fact or of the fact that loans of this type must be repaid within a period of eight years.

In order for the act to fulfil the purpose for which it was instituted fishermen must know how to take proper advantage of it. I feel that in keeping with the spirit of the act some educational work among the fishermen should be done with a view to acquainting them with the advantages that could accrue to them under the provisions of this legislation.

I would also suggest that bank officials should familiarize themselves with the act. By so doing they would be in a position to be of great assistance to fishermen who are eligible for a loan and who might consult them in this regard. I would ask hon. members of this committee to give this amendment their wholehearted support.

Mr. McGrath: Mr. Chairman, in rising to support this resolution I should like to commend to the minister the suggestion advanced by the hon. member for Queens-Lunenburg. I believe the weakness of this legislation is evident because of the fact that the distribution of funds under the act down through the years has been far from equitable. For