

the other day, and which probably the minister has also received. I shall read it. It is dated May 3, and reads:

Newfoundland halibut being dumped in this country duty free is demoralizing our very limited Canadian market and has already driven prices to a point where our fishermen cannot operate and pay expenses. On behalf of our Atlantic coast halibutters, four of whom are tied up at our wharf this week, we vigorously protest this lack of protection for one of our primary industries, when practically all other Canadian industries are enjoying a large measure of protection by tariff and when we are virtually excluded from United States market by tariff and transportation charges. Can we not get some prompt action on this matter which is of such vital importance to our hard pressed fishing population.

That is signed by Ralph P. Bell of the Lockport company in Lockport, Nova Scotia. That is a case where the Newfoundland fish are completely demoralizing an industry in Nova Scotia, the halibut industry. These fish are now to be exempted from the three per cent excise tax instead of the one per cent, and I ask the minister to view this matter in the light of giving assistance to the fisheries. The fishermen are entitled at least to the preservation of the domestic markets regarding which the report of Cockfield, Brown and Company was supposed to be particularly concerned.

What is on the other side of the sheet? For the last two years there has been a consistent and persistent effort to tax those things used by the fishermen which were formerly free. I refer to food, clothing, gasoline, oiled clothing, and tin plate which I forgot to mention in connection with the sales tax. These things are being taxed and these taxes, as well as the sales tax on packages are being paid by the fishermen as well as by other members of the community. For the first time taxes are being put on these articles used by our primary producers and I submit that the minister, considering this matter in the light of what was supposed to be the purpose of the report of Cockfield, Brown and Company, should take off these taxes.

The mention of tin plate reminds me that when I was dealing with the sales tax I neglected to mention the lobster canning industry. A tax in connection with coverings means a tax on the tin plate and the cans used for packing lobsters. Many of these cans go outside of Canada and many are sold within Canada; those sold within Canada must pay the tax, while a rebate can be obtained on those sold outside of Canada. However, the rebate is obtained by the exporter and not by the man who actually supplies the can

[Mr. Ralston.]

in the first place. The cost comes out of the fisherman.

This whole fishing industry, the third largest in Nova Scotia so far as money is concerned, is in desperate straits at this time. If the minister had access to the budgets of these lobster fishermen he would realize the large contribution they make to the communities in which they live. Only allowing a small amount for depreciation on boat and engine, it costs a fisherman about six or seven hundred dollars per season for gasoline, help, rope, traps and so on. It is not as if the man could go out and use only his labour; he has got to do more than that, he has got to invest money, and they have to earn their expenses before they get anything for their families. These men are in such a position that the matter of taxation becomes vital to them. The taxes should be taken off those things which they use instead of new taxes being imposed.

The suggestion has been made that a bonus should be paid on fish. A strong delegation from the salt banker industry waited on the minister and urged that a bonus be paid. The shore fishermen of Nova Scotia are in need of assistance and the only practical way to meet their needs is by way of a bonus on all shore fish, not trawler fish. If this were done the industry would be given a chance to live and it would be doing only that which was done for the wheat farmer in the west and for other primary producers, such as coal producers. An opportunity would be given to these men to compete with trawler-caught fish and at least get back some of the domestic markets which they have lost.

I urge upon the minister, as I urged upon his predecessor, that he carry on negotiations of the most impressive character, if I may use that word, with the country to the south of us whereby its tariff regulations may be so adjusted as to give us proper access to that market. The minister knows that since 1923 there has been a provision on the statute books—this was put through by Mr. Fielding—with regard to reciprocal trade in natural products. I submit that the time has come when negotiations should be resumed to permit an opportunity of entry to that market. Let me remind the minister that at the present time the tendency in the country to the south is all the other way. The tendency has been to exclude our lobsters except above a certain size, and if this government does not change its present attitude with regard to high tariffs I fear that that market will be seriously endangered. I do not want to take up the time of the committee any further except to say