

and set the aggregate principal amount of loans made during that two-year period, in respect of which the Minister would be liable for losses, at \$100 million for all designated lenders under the Act.

Some people may wonder why I am speaking on fisheries. I was Parliamentary Secretary for the Minister of Fisheries for two years and I understand fisheries. It is really a crop harvested from the sea. I come from an area which has the largest freshwater fishing industry in the Commonwealth in Lake Erie. By the way, those fish are free from any impurities. People may think they have impurities, but they are perfectly safe to eat by anybody anyplace in the world. I am very familiar with the fishing industry.

I would like to think that all Hon. Members of the House of Commons take a special interest in the fisheries because it is an important industry. They should be aware that the general question of financial assistance to fishermen was raised in the two major studies recently completed on Canada's commercial fisheries. Of course I am referring to the Atlantic fisheries task force report prepared under Michael Kirby and Professor Pearce's Pacific fisheries study. Without getting into the pros and cons of the recommendations in these two reports on the particular issue, it is entirely possible that at some point in the future, with the concurrence of the industry, we can come up with an improved financial assistance program for fishermen tailored to the prevailing economic situation. However, any such new scheme will need much careful planning and consultation and could take a number of years to implement. In the meantime we feel it is in the best interest of fishermen and the industry as a whole to continue with the present Fisheries Improvement Loans Act for at least another two years.

A further amendment to the Act which is being sought will make it mandatory for lenders to comply with the provisions of the regulations. By way of explanation, perhaps I should point out that the existing Act empowers the Governor in Council to make regulations concerning the administration of the program, but there is no provision in the legislation which makes it an offence to contravene the regulations. Under the proposed amendment, failure by lenders to comply with the regulations would void the Minister's liability under the Act. In effect, the amendment will firm up the program administration and require lenders to register with the Department of Fisheries and Oceans all loans made under the provisions of the Act within three months of the granting of such loans.

Loans made by chartered banks and other designated lenders under the Fisheries Improvement Loans Act have risen significantly over past years. I might point out that from the inception of the plan in 1955 to March 31, 1982, some 14,759 loans have been made, amounting in total to approximately \$184 million. The average size of the loan has increased from just over \$1,000 in 1955 to \$18,000 at the present time.

I am sure it will be recognized that the guaranteed loans program provides a solid credit base for fishermen through recognized credit institutions across the country. In the absence of this program, it is very likely that a large number of small independent fishermen would attempt to get financial

assistance from large operators, which would jeopardize their status as independent fishermen. The need to increase the independence of fishermen, rather than the reverse, was a constant preoccupation of the former Minister of Fisheries and Oceans, and it is an objective with which the present Minister is wholeheartedly in agreement.

In these times it is not easy for fishermen to maintain an independent status, particularly when it comes to paying out thousands of dollars to purchase a new boat or modify an existing one to keep up with technological advances. If fishermen cannot raise the necessary funds on their own and get locked into the position of having their boats mortgaged to a processing company, they are in a very poor position to bargain over prices for the fish they have to sell.

The Fisheries Improvement Loans Program is one avenue the fisherman can take when looking for financing to enable him to maintain his independence. It is also increasingly popular with fishermen, particularly on the West Coast where there is no provincial loan board. I might add that fishermen have proved themselves to be a good credit risk. The loss ratio of this program since its inception has been less than 1 per cent.

In conclusion, I would like to emphasize that this is a very worth-while program for which there is a great deal of support. The Provinces are familiar with it and have indicated their approval for its continued existence. I am sure Hon. Members will recognize its importance to the fishermen of the country. They have displayed this by their endorsement of the Bill, and I thank them on behalf of the Minister of Fisheries and Oceans (Mr. De Bané).

**Mr. J. M. Forrestall (Dartmouth-Halifax East):** Mr. Speaker, I will be very brief as well. I have two or three comments to make with respect to the program. It is the type of program which must be put in place. Any good government would put it in place as part of the social and structural needs of that section of Canadian society. One difficulty we continue to have with the program arises out of the fact that of all Government programs this one has had no publicity whatsoever. When a fisherman goes into a bank, the bank lends him money at prime plus four, when in fact it should be prime plus one. The bank does not tell the fisherman that he has another access.

**Mr. Whelan:** Shame on the banks.

**Mr. Forrestall:** I hear the Minister of Agriculture (Mr. Whelan). He introduced this measure and has responsibility for guiding it through the House of Commons. I am sure the fishermen of Canada will applaud him. I do not say, "Shame on the banks"; I say, "Shame on the Government for not having publicized it". If the banks and lending institutions are at fault, even at greater fault are the Government and the Department of Fisheries and Oceans because they will not tell fishermen. Approximately 26 organized fishermen's groups in Atlantic Canada were canvassed by Pete Marwick at the request of the Department of Fisheries. They were canvassed