

Deep Sea Fisheries Act

The Deep Sea Fisheries Act which we are discussing today on third reading of this bill set up a fishing bounty in 1882. For 88 years thousands of fishermen in the Maritime provinces and Quebec have received an average of \$13 a year. They received \$13 each spring if they filled out the necessary forms. If they knew about the act, they received the \$13; if not, they did not receive anything.

They had to apply for this money to receive it. They got it because of an ancient treaty signed in the time of their fathers, their grandfathers, and now their great-grandfathers, and they got it as recently as 1968 despite the fact that the treaty was scrapped four years after the bounty began to be paid to fishermen in the Maritime provinces and Quebec. Year in and year out from 1882 onwards \$150,000, which was raised to \$160,000, has been paid to those fishermen who knew about the bounty and took the trouble to write to Ottawa. Those who did not know about the fishing bounty of course did not write in and did not get their \$13.

What happened to these bounty payments? The Halifax award, the settlement of approximately \$4½ million mentioned by hon. members, has been paid to individuals who did not necessarily put the \$13 they received back into the fishing industry. Those people generally bought food, shelter or some other service with it. The \$150,000 did not necessarily go back into the fishery; instead, it went back into the community and the economy in which they lived.

I began by saying that subsidies do not solve anything and, certainly, they do not solve anything in the long run. Indeed, they become a bad habit if we rely on them too long. Subsidies like the fishing bounty do not do much to solve problems in our present day fishery. These days \$13 does not go very far, in any case. Also, it is doubtful whether all or even a large part of these payments go back into the fishery.

Because subsidies tend to give our commercial fishery a black-eye, I have been trying to get rid of them. We got rid of the salt subsidy to Newfoundland inshore fishermen in 1969. We dropped the deficiency payment scheme for fresh and frozen groundfish producers. We have introduced a self-liquidating price stabilization scheme in its place. We have put our government-supported fishing vessel insurance scheme on a self-paying basis and set up a freshwater fish marketing corporation which will operate in the black.

[Mr. Davis.]

Our new saltfish corporation will also have to operate in a businesslike way. Our loans program for plant modernization will operate on a self-liquidating basis. In other words our fishermen, under our new programs, really do not owe anything to anybody. They will not be a burden on the Canadian taxpayer. The image of the industry will improve. It will certainly improve if we eliminate such ancient anomalies as the fishing bounty.

Once we have reached the stage where the fishery is a self-sustaining, commercial enterprise, we will be able to bargain more effectively in our export markets and say to our friends in the United States that our fishing industry is fully competitive, not supported by the Canadian taxpayer, not propped up by artificial measures and that it should not be discriminated against by buyers in the United States. Those of my department, of the Department of Industry, Trade and Commerce and of the External Affairs Department who have gone abroad and endeavoured to negotiate agreements which would permit our fishery products to enter foreign markets with a minimum of tariff interference, have continually been met by the charge that our fishery is heavily subsidized. This is no longer the truth, Mr. Speaker. It will be more obvious when we eliminate props, crutches and anomalies like the fishing bounty.

● (4:00 p.m.)

Why hang on to old subsidies like the fishing bounty? Why continue to give our commercial fisheries a bad name? The bounty is a hangover from the dim and distant past. It costs money to administer—at least \$25,000 each year. It involves a lot of red tape. It discriminates between people because those who knew about it and wrote in got the \$13 and those who were not aware of it did not receive any payment.

Mr. Bigg: Then why are you paying it?

Mr. Davis: We are not; we discontinued it last year. Hon. members may recall that the MacLean Royal Commission proposed the elimination of the fishing bounty in 1928. Here we are, 42 years later, finally getting around to the elimination of a bounty that should not have been paid in the first place. It has been a long, long time in force. On balance, I think it has been a liability. It is now long out of date.

To repeat, it applied only to fishermen who knew that the bounty existed. It was paid only to fishermen who wrote in and applied