

*Supply—Fisheries*

fishing vessels, so, that the person who proposes to be the owner and the builder of a commercial vessel or fishing trawler, on which a Canadian subsidy is paid, must agree to refit the ship annually in a Canadian shipyard according to regulations as laid down by the Canadian steamship inspection service. This may not bring these ships back continuously to operate in Canadian coastal waters or to land their catches in Canada, but it would ensure proper maintenance of them while providing some return in the form of refitting work to the Canadian taxpayers who initially subsidized the enterprise.

Before leaving that subject I would also like to know just how much this type of advertisement is costing the Canadian taxpayer. They have appeared in various newspapers and periodicals throughout the North American continent, and when the minister replies I hope he can give us some idea of their cost at least during the past year.

While speaking of subsidies I would also like to point out that we have a very confused set of regulations covering their payment. I have a list of them and the following subsidies are either in effect or, I believe, contemplated:

1. 25 per cent subsidy based on the gross cost of wooden boats with a length overall 35-55 feet;
2. 30 per cent subsidy based on the gross cost of wooden boats from 55 feet to 100 gross tons (a wooden boat reaches 100 gross tons at approximately 84 feet in length);

● (3:00 p.m.)

3. 40 per cent subsidy based on the gross cost of wooden boats over 100 gross tons;
4. 50 per cent subsidy based on the gross cost of steel fishing boats over 100 gross tons (a steel boat of approximately 80 feet in length will measure 100 gross tons);
5. 40 per cent subsidy based on the gross cost of steel boats under 100 gross tons.

I do not believe the department ever received an application for a steel boat under 100 gross tons. The minister may correct me if I am wrong.

6. A special 50 per cent subsidy based on the gross cost of wooden boats 35 to 55 feet in length.

I am not certain about the last item but I have heard that the department considers that a subsidy of perhaps 35 per cent could be paid by the Department of Industry for the construction of aluminum or fiberglass boats. I should like to have this matter clarified. I list these to point out the confusion which reigns among the minds of the fishermen and the fishing companies when considering the construction of a new ship. I

suggest that surely the minister could get together with his counterparts in the various provinces to work out a more equitable and administratively feasible set of regulations to cover this subsidy, which has proven to be a boon to maritime yards since its introduction for ships of any length by the Conservative administration when it was in office.

Finally, I should like to ask the minister what progress is being made toward lowering the continuing high United States tariff on cooked fish sticks. As the minister is aware, there is a 30 per cent duty imposed on this processed product which creates a marked distortion in North American production and marketing. As a result of this tariff it has been necessary for the great bulk of fish shipments to the United States from Canada's Atlantic provinces to be sent across the border in frozen fillet or block form at the lower duties prevailing. The world market situation calls for a move toward freer trade in all fish products. In most producing and consuming countries there now are no overhanging stocks, and it is surpluses, which usually are offered as the big excuse for not reducing tariffs.

I think a sound argument that could be put forward at this time for a reduction in the tariff on cooked fish sticks is the fact that we have a continuing deficit in trade with the United States. In the past we have been able to cover such gaps by surpluses achieved in dealing with overseas countries and through borrowing, but in view of present world economic conditions I do not think it wise for Canada to rely indefinitely on importing foreign capital to meet the deficit with the United States.

There are many more items I could raise, but we are desirous of expediting the minister's estimates and I hope he will give some consideration to the items to which I have referred.

[*Translation*]

**Mr. Caouette:** Mr. Chairman, I rise on a point of order.

Last night it was agreed that, when the hon. Minister of National Health and Welfare (Mr. MacEachen) came back from Queen's University at Kingston where he went to sell his medicare plan, we would resume the debate on Bill No. C-227, that is some time around two o'clock this afternoon.