

capital equipment. This program was introduced as a stimulus to modernize the methods of fishing, especially for ground fish on the east coast, to make it more possible for individual fishermen or groups of fishermen to acquire the capital investment necessary to use larger and more efficient units and to produce fish at a lower cost with the greatest return to themselves.

Mr. DRYSDALE: But is there no consideration given as to the number of fishermen involved? I think the trend, as predicted by the Gordon report, will be that the number of fishermen involved in the fishing industry, over the 25-year period, would tend to decline. I am wondering whether that has been considered at all by the government. In other words, if you are holding out the bait, shall we say, of subsidies all you are succeeding in doing is continuing to keep fishermen in the fishing business where the catch is increasing per boat and the prices apparently are going down. Has that fact been considered or is it just a case of where if anybody wants to get into the fishing business they go ahead?

Mr. MACLEAN (*Queens*): This is one of the basic problems. In a situation to help someone who has always been in the fishing industry and is anxious to have, and capable of having, higher production and therefore a greater return to himself and a better standard of living, you may also encourage other people in the industry who are less efficient and in the end you only change the boundary and still have a fringe element.

Mr. DRYSDALE: It appears that this type of subsidy would tend to perpetuate the difficulties. I am wondering whether or not the department is giving any consideration to the long-term effect?

Mr. MACLEAN (*Queens*): Yes; very much so.

Mr. ROBICHAUD: I think it should also be taken into consideration that even with the subsidy an individual fisherman has to build or purchase a boat which costs \$60 thousand and there are also other factors which are important. Even with the subsidy they have to get money through the local fishermen's loan boards and those boards keep a very good control over these loans. The fisherman has to qualify for the loan and he must have enough himself for the initial deposit. So, I think from the angle of having too many boats and the angle of retaining the balance which is required in the fishing industry, I do not think in the too near future we will reach that point for the reasons which I have just mentioned.

Mr. DRYSDALE: Is there any group which is interested in the figures and the matter of whether or not there are too many fishermen in the business?

Mr. ROBICHAUD: I think that also can be answered. We have been able to dispose of our catch year after year. When this program was instituted it was during the war and after the war it has been continued for the very reason that our fishermen in most of the areas on the Atlantic coast had outmoded fishing gear—they used the same type of equipment as their forefathers had used—and if we did not modernize our fleet we would not be able to compete in the world markets.

While perhaps 75 per cent of our fish today is in the fresh, frozen or filleted state, the reverse was the case about fifteen years ago when it was practically all going out in salt. There was a limit in the market, but we have not reached by far the limit of the market for fresh and frozen fish.

Mr. PICKERSGILL: Before I say what I intended to say, I would like to make an observation in respect of what Mr. Drysdale said. It is quite true that up until last summer there was a diminution in the number of people engaged in fishing because up to that time there were, for many people, more attractive opportunities elsewhere. But, since the middle of last year, there has been a trend back into the fisheries and I would think this would be a