

*Supply—Fisheries and Forestry*

deficiency payments that have just been discontinued or of an equivalent scheme under a different name. The industry must be here when the long term plan is implemented. If this is not ensured, I suggest to the minister that at the end of March in lieu of a formula he will have to consider the establishment of a fish industry because most of the present one will not be in existence in eastern Canada.

Now I should like to deal with some recommended solutions as I see them. The problems in the Newfoundland industry could be solved by massive injections of money, but then so could just about everybody else's. This would not in itself be the answer. The federal government would be neglecting its responsibility and doing very little good if it did not insist that the fishing industry in Newfoundland first put its own house in order before this long term plan is implemented. This must be done but it cannot be done overnight. In the interim, money should and must be found to allow the Newfoundland fishing industry to buy time until it can become viable in its own right.

This morning the minister mentioned that he was looking forward to hearing solutions from this side of the house. I would suggest to the minister that we should be able to expect that he, with the staff of experts that surround him, should be able to come up with solutions. However, I will make a few suggestions of my own.

My first suggestion is an open auction system for the selling of fish products from the primary producer to the companies. Eastern Canada is one of the few places still left in the world where the open auction system is not in effect. Through the open auction system one ensures quality and one also ensures the highest possible price to fishermen.

Second, ideally one firm should be established to operate the industry. This is, of course, impractical. However, it should be accepted that as few firms as possible should continue to operate, and in my opinion their number should be kept as small as possible. This would involve the merging of the smaller firms as well as some of the larger ones. The remaining much larger firms could afford to employ professional management for administrative, accounting, technical marketing and sales positions. This would be an extremely bitter pill for most of the present owners to swallow, but it must be appreciated that it is more lucrative to own a small

[Mr. Moores.]

percentage of a healthy and viable concern than 100 per cent of a bankrupt one.

The third recommendation is that a commission be appointed to study under the terms of reference suggested in my recommendations as well as those of the department and to propose the most effective manner by which to implement them.

The fourth recommendation is that the provincial government cease immediately giving assistance on an ad hoc basis. However, this same authority must establish a policy whereby assistance is uniformly applicable on an industry-wide basis. This can readily apply to the present structure of the industry as well as to any future changes. In this regard I might stress that I mentioned here the provincial government which in the past has granted money at the whim of an individual rather than on a well planned basis, and I am not talking about the type of ad hoc philosophy which was in effect this year.

The fifth recommendation is that the provincial government refrain from lending money for the purpose of either the expansion of present company facilities or the establishment of new companies. This policy would remain in effect until some semblance of order has been restored to the present situation.

The sixth recommendation is that the federal and provincial authorities set up machinery whereby funds are made available to an improved industry structure for the following purposes:

Upgrading skills among inshore and deep sea fishermen and plant employees. This would include the cost of acquiring management consultants, work study personnel and training personnel.

Acquiring approved plant and fleet equipment geared exclusively to increasing productivity of existing facilities.

Partially compensating owners of uneconomic units that would have to be closed.

Providing initial financing regarding working capital.

The seventh recommendation is that the federal and provincial governments, each or both, contribute to a major campaign to promote the sale of Canadian fish in the U.S. market.

The eighth recommendation is that a study be made to check the feasibility of the federal authorities buying distressed stocks of Canadian fish at cost price. With all the above, this may have to be part of the