

Fisheries Improvement Loans Act

under this act. I ask him how many of his people took out loans under the old maximum, not because these loans met their needs but because they were limited by statute to the smaller amount? How many men in British Columbia are fishing this summer with less adequate equipment than they might have owned had they been able to get more extensive credit in the first three months since February 27, when today's amendments would have received Royal Assent, had Bill C-151 included the amendments we are now considering?

I should like to now turn my attention to the factors which have forced the government to raise the ceiling on the loans it will guarantee. We all know the fundamental reason—inflation. Since 1960 prices have increased by 23 points. This is a crippling rate of price increase, and is especially so to those fishermen caught in the squeeze between higher cost equipment, higher cost money, and lower priced products. What is particularly striking, too, is the fact that 20 points of the 23 point increase have come into effect since this government took power. And more relevant to this measure, an increase of a full 15 points has taken effect since the ceiling on loans under this bill was introduced in 1965. Much of the necessity for this rise in the amounts the government will guarantee flows directly from the inadequate and ineffective action this government has taken with regard to inflation. Hiding behind the comparisons the Minister of Finance makes with other countries, hiding behind studies, hiding behind the platitudes and bleating of white papers, this government has done nothing effective to stem galloping price rises.

Having pointed out that the recent bad record of the government in controlling inflation will to a considerable degree eat away the increases we are being asked to authorize, it is only fair to say that the balance of the increases will be welcomed by fishermen wanting to raise the standards of their equipment.

We are all familiar with the changes and modernization which are going on in our fishing industry. On February 6 officials of the department provided the committee with extensive tables outlining current capital costs which fishermen must incur in order to establish themselves. And fishermen already in business are faced with ever increasing demands on their capital funds in order to modernize as quickly as they must.

In this house and in committee, I outlined the magnitude of the problems faced by east

coast fishermen moving into the offshore fisheries. A new vessel of up to 45 feet in length costs at least \$1,000 per foot; for vessels of greater length the per foot cost can escalate rapidly as the need for sophisticated electronic gear increases.

And where do these factors leave the proposal of the minister to increase the ceiling to \$25,000? Since February, when I proposed a ceiling of \$25,000, I have come to believe that these loans will be of less value than we would like to think they will be to the man wanting to become a fully equipped and competitive fisherman. When we are in committee I propose we study the possibility of raising the ceiling on the amount the government will guarantee to a more realistic level, perhaps in the order of \$50,000. I believe that the minister himself, judging by his statements in the committee today, is aware that the source of funds presently available to our fishermen for modernization and expansion is inadequate and that the high cost of modern equipment means that some alternative source such as direct federal loans must be made available if fishermen are to expand in this important primary industry.

I have one regret with regard to this bill. On February 6, one of the amendments I suggested was that loans be repayable in full in not more than 15 years. The minister concurred with our proposal that the ceiling on loans be raised; I am sorry he was unable to see his way clear to lengthening the repayment term as well.

I can see no reason for objecting to this modest proposal. The minister himself drew attention to the exemplary record of fishermen in repaying loans made to them under this act. My suggestion involved no actual or potential expenditure of government funds except in cases of the occasional default in repayment. As we know, such cases are very rare; it is quite exceptional for the government to be called upon to repay any of these debts owed by fishermen. The lengthening of the repayment term would in no way prevent fishermen repaying their loans in a shorter period than the proposed maximum of 15 years.

● (9:20 p.m.)

In addition, I feel there are several factors pointing to the need for a longer term of repayment. The returns from fishing, as we all know, vary from season to season. Allowing the longer term for repayment would give fishermen the margin of flexibility to enable