

of the competing countries to support their fisheries by artificial aids or bounties and in other ways.

In the face of these facts, I cannot understand why the specific recommendation of policy made by the commission states that it would be unwise to institute policies of artificial aids and bounties such as prevail in other producing countries, but that Canada should take every opportunity for negotiations which could lead to the removal or reduction of barriers to international trade in fish. One can thus see an industry perish while those concerned are waiting with patience and lofty thoughts on the realization of the ideal of freedom of international trade. I am surprised that in these circumstances, and while the resources of the sea are not being used by our people to anything like the extent that they should be, the commission would piously deny what may be an inevitable course, at all events for the time being, if progress is to be made. It is, I admit, a course which is theoretically incorrect, but it may be in the competitive circumstances the only practical and effective one.

Direct subsidies in one form and another apply to commodities right across Canada, and some of these commodities may not be as vital to the livelihood of the people as fish is to fishermen. It may be in the minds of the commission to let the Government pay fishermen to move elsewhere to other jobs. Surely no recommendation could be more defeating.

Subsidies to industry take many forms besides what are called direct aids. Are not protective tariffs, excise taxes and so forth just as much a subsidy and a charge on the people's resources as a direct payment to encourage industrial promotion and production? There is hardly a manufacturing industry in Canada which is not protected, and that protection is provided through the payment by every Canadian family of a higher price for the products which are made here than it would have to pay if similar products could be brought duty-free into this country. I am not saying that entire abandonment of duties is a practical course. I am sure it is not. The dangers are only in the excesses; but a direct subsidy to an industry to produce a product which can be exported to other countries, and create earning power which can be used to extend the scope of local manufactures and production, does not call for any more condemnation than a reasonable application of customs tariffs.

I mentioned just now that the sea is the greatest natural resource of my province, and I genuinely believe that it is and will

continue to be beyond the period of 1980, which comes under review. On the other hand, and to emphasize the particular problems of Newfoundland, I should say that the sea is the greatest deterrent to a natural integration of the life on the island with that on the mainland. Arising out of that comes the problem, as I have said, of transportation and a hundred other matters which are not common in the same degree to many parts of Canada. This means that Newfoundland, by its need for a more developed economy, requires support in the provision of more adequate public services. The provision of these facilities sets up assets valuable to all of Canada. Newfoundland is off there by itself, shipping its fish and the products of its forests and mines to scores of far-away markets in four continents of the world, thereby earning the funds required for the purchase of its consumer needs from the other provinces of Canada, and this fact calls for special consideration.

As I have said in this chamber before, there is no province that buys such a large proportion of its requirements from other provinces and supplies so little of its production in competition with the producers in the other provinces. Our close neighbour Prince Edward Island sends three to four million dollars' worth of its production each year into Newfoundland, but buys practically nothing whatever from our island.

Hon. Mr. McIntyre: We do buy some cement from Newfoundland.

Hon. Mr. Pratt: That is fine, and I hope you keep on using more and more of our cement. I do not attach any blame to Prince Edward Island because a two-way trade up to the present time at all events has not been a natural condition. I am just pointing out that it is not right to condemn out of hand a policy which may set up more earning power, and which in turn would be of general help to the whole economy of Canada.

There are many other subjects in the Gordon Commission report on which I would like to express some views, but I feel, honourable senators, that I have taken up as much of your time as I should just now. In the course of the session, when business having relation to the many matters of national interest comes before us, the facts of the report and the commission's later submissions will, I am sure, be used extensively and profitably in parliamentary deliberations.

Hon. Senators: Hear, hear.

Hon. T. D'Arcy Leonard: Honourable senators, in rising to speak in this distinguished chamber my first words must be to acknowledge the courtesy and kindness that have been shown me by members of this august body