

and went overseas. It is reasonable to expect that many of them, when they left, would leave unpaid loan balances in our credit unions. Since many of them did not come back, the credit unions, being the type of institution they are, decided to write them off out of their reserves rather than to go out and collect from widows, mothers, and people like that. That accounts to a large extent for the actual amount of money written off as against the reserves in our credit unions.

From the point of view of stability, business soundness, and actuarial competency, we can say from experience that our credit unions qualify in all those different aspects. The other important thing I want to point out is something that we do not want to repeat too much, but our credit unions have been located in areas where other credit facilities were not available. Even in those areas, where other credit facilities might have been available, the credit unions pioneered and took on the risk of financing our fishermen with little more than character as a security, when no other financial institution could see fit to advance credit to them.

Their success has justified the faith which they placed in the fishermen along our shores. I do not think there is much more I need to add in my remarks, because it is all here in this brief. I think it is self-explanatory; but I would just like to say that we commend the government for its initiative in introducing legislation which is going to help fishermen, and wherein credit unions are included. We can assure you that we will continue as credit unions and provide the same type of service to our fishermen as we have done in the past, whether there are government guarantees or not. If these are, then so much the better. It will encourage us and it will give our fishermen more encouragement to get further into debt in order to get the tools whereby they can increase their production and living standards and general livelihood. We will continue to do that. But with your assistance, by giving us legislation which we feel we deserve—which the credit union movement is deserving of—we can do a better job as credit unions along with the banks in long measure, with regard to the production of the fishing industry in our Maritime provinces and in Canada.

Mr. TUCKER: I wonder if the witness would care to comment on the last sentence in his brief, which reads as follows:

Our contribution, along with that of the banks, should go a long way to rehabilitating the fishing industry, especially in Nova Scotia.

What do you envision as the necessity in the way of rehabilitating the industry?

Mr. MACMULLIN: There are those who can speak with more authority on this particular topic than I can. I think we all recognize that in the Maritime provinces especially—and I speak for the Maritimes, because I know it better—the fishing industry there is undergoing what might be called an industrial revolution. The necessity is that of bigger boats, small draggers, long liners, and more mechanization. These are necessities which they will have to get if they are going to make a livelihood in fishing. That means money, and it means the kind of money that the average fisherman has not got. We are assuming, in this last statement, that this legislation is definitely going to apply to the banks, and that the banks will make contributions towards financing the fishermen. If we can also come under this legislation, we can make a contribution too, and that contribution should be significant enough to help our fishermen in large measure in obtaining the gear and equipment which they need in order to get into this bigger operation which they must have if they are going to make a decent livelihood.