

Freshwater Fish Marketing Corporation

for the corporation. And in the hands of that one man rests the price paid to fishermen based upon some \$34 million of sales each year. This one man and his assistants concentrate their selling effort in certain countries, through certain connections and acquaintances.

How does the poor fisherman ever know he is getting fair value for his catch when there is no standard for comparison? It was my understanding that Crown corporations must operate at arm's length from the government. This means that the board side, the policy-making side, those who are appointed at pleasure by the governor in council, should operate independently of day to day administrative decision-making. I think it is clear in the case of this corporation that they have a chairman of the board, or did so until recently, who is also paid as a consultant to secure markets for the product. I think it is also well known that, in the eyes of individuals and fishermen's groups, there is a lack of dialogue between the corporation and its administrative structure and the fishermen. The policy of the Freshwater Fish Marketing Corporation has not been open to scrutiny and to criticism. I think this is unacceptable.

In my estimation, the notion of orderly marketing is somewhat different from that held by certain individuals within the department of fisheries. My notion of orderly marketing is that you smooth out the bad years of operation by skimming off the good years. This implies holding a reserve account; earnings are retained over the years so that in the poor years prices can be maintained to the fishermen by drawing from the fund. But we have no way of knowing whether the last fiscal year was a bad year or a good year for the corporation. It is a fact of history that the corporation has continually gone back to the federal public purse and to the provincial public purse to subsidize its operations so as to maintain price levels to fishermen. So what happens is that in the good years they pay the best possible price and in the poor years they go to the public trough and pull more out.

The consequence is that the corporation presently carries some \$5,600,000 worth of operating loans from the federal government and some \$4.5 million worth of direct equity loans which the taxpayers of Canada are underwriting. This is not orderly marketing by my concept. Why is there no reserve account held by the FFMC? It brags about payments to fishermen, even if they are only 50 per cent of the selling price, but it is easy to brag if those payments are subsidized by the people of Canada generally.

The corporation pays interest charges on its indebtedness amounting to a million dollars a year. Why should it? If it were a properly run private corporation it would be holding some reserves to tide it over bad years. We have to ask ourselves whether the corporation has not, perhaps, become an instrument of social welfare and unemployment relief. If that is part of the role of the corporation, so be it, but let the government and the corporation admit it and not do as an hon. member from the other side did this morning, and that is try to blame the provinces for forcing this form of social relief upon them, suggesting the federal government was dragged into this

situation so as to provide a social benefit which the provinces desire. After all, it is the federal government that calls the shots in this case. This is a federal Crown corporation and this government cannot weasel out of the situation easily.

There is one further important question which needs to be addressed. Last year, in late 1978 and through the 1978-79 fiscal year, the corporation bragged about the sale of some five million pounds, or \$3.9 million worth, of old white fish which had been held in inventory for a considerable time. They bragged about that sale to Poland, eliminating their inventory and being able to balance their books for that particular year. But in so doing, Mr. Speaker, they threw in an access quota to the Polish fishing fleet allowing them to fish for squid off the Atlantic coast. This represented a direct transfer of income from the fishermen of Atlantic Canada into the pockets of the fishermen being served by the Freshwater Fish Marketing Corporation. I think the fishermen of Atlantic Canada might well want to ask some questions about the propriety of what was done on that occasion.

I see my time is drawing to a close. I believe there are a number of options to be considered for the restructuring of the corporation. The former minister had been considering these options, ranging as they do from the retention of the status quo to the complete disbandment of the corporation, which would involve selling its assets to the province or reverting to the private sector.

● (1720)

I believe the studies which were undertaken and the joint discussions of provincial and federal officials would have led to a compromise which would have allowed some competition to return to the freshwater areas and which would have created a situation in which the corporation would have reverted to its original function, which would have been to provide a marketing board service and nothing more.

I believe that that report should be filed soon. I would like to see the documentation relating to the review tabled. That is the thrust of the motion before the House. This action, this information and the report should have been presented in April and decisions should have been taken to restructure the Freshwater Fish Marketing Corporation in time for the current fishing season, which would resolve many of the problems to which I have referred.

Thank you for your indulgence, Mr. Speaker. I commend to all hon. members the importance of making these overdue changes in the corporation and, as a first step, having this documentation placed before this House.

Mr. Flis: Mr. Speaker, I rise on a point of order. The hon. member came very close to accusing this government of communism.

An hon. Member: He did.

Mr. Flis: I suggest that the hon. member go and live for a year in the Soviet Union; then he would know the difference between a democratic form of government and a communistic