

fishermen as best they could, in groups and study clubs, concerning the processing of fish, and also gave elementary education to some extent, should be used after the war to do this work. They have the interests of the fishermen at heart. They work with them and for them. Right along the shoreline a group has been developed, among the fishermen themselves. This group is most capable, in respect of both marketing and processing, and every endeavour connected with the fisheries. In my view that is the group which will solve the problems of the fishermen of the maritimes in the post-war period.

As has been pointed out in the brief, a great percentage of this good work begins with the children of the fishermen, by giving them the necessary educational opportunities, so that they may know something about their industry when they are ready to play their part in it. In my opinion that grant to the cooperatives in the field of education should be increased a thousandfold in the period of reconstruction after the war.

With respect to the use of trawlers, may I say I am not technically qualified to speak with authority on the subject. This has been a subject of controversy in Canada for some considerable time, as is indicated from a reading of the debates of the last parliament in which the hon. member for Queens-Lunenburg and one of the members from Halifax took part: There was a wide difference of opinion between those two members.

The writers of the brief, however, who should know something about the matter, have made a recommendation. This is what we find at page 7:

The royal commission investigating the fishery of the maritime provinces in 1928, as well as the Nova Scotia royal commission of economic inquiry, 1934, and the royal commission on price spreads, 1935, were unanimous in their advocacy of cooperative organization among the fishermen. Much progress has been made in the development of cooperative processing and marketing organizations and in the setting up of credit unions. To the extent that these organizations are increasing in numbers and in usefulness there is hope and confidence developing among fishermen. This movement should be encouraged and fostered for it is only by acquiring ownership and control of their own business through cooperative organizations that they can play their full part as good citizens of Canada.

They go on to point out with respect to beam trawlers, after careful inquiry:

Clearly, then, the unrestricted use of trawlers is inimical to the interests of the inshore fishermen, and on behalf of its members this association must continue its opposition to them.

They are definite and emphatic. They preface this statement with many reasons why the trawler should be discouraged.

100—278

I am not going to continue the discussion, because I know the minister wishes to have the item passed. I wish, however, to focus attention on the fact that the whole discussion here to-night is merely another indication of the failure of private enterprise in Canada in one of our basic industries. That is the sum and substance of the discussion, as I have heard it. The solution is ownership by the people themselves. That is advocated in this brief, referred to by practically every hon. member who has spoken on the subject to-night. The full utilization of the educational facilities provided by the cooperative workers among the maritime fishermen, along the lines suggested by the brief, is necessary to the problems faced by the fishermen in the maritime provinces. Otherwise, so far as I am concerned, there is no solution.

Mr. KINLEY: Apropos of what the hon. member has said I think I must object to any suggestion that private enterprise in my section of the country has failed, in respect of the fisheries. I do not call it private enterprise; I call it free enterprise. I might even go farther and say that cooperative enterprise as between capital and labour has been the way the fisheries of Lunenburg have been conducted for the last half century. I say, too, that Lunenburg is the greatest commercial fishing centre in Canada, so far as the deep sea fishing industry is concerned.

These companies are not so bad. I have a statement before me respecting one of the big fish companies of Nova Scotia in Halifax. According to their annual statement last year they had an operating profit of—

Mr. REID: Prince Rupert is away ahead as a fishing centre; keep the record straight.

Mr. KINLEY: This is one of the largest fishing companies in Nova Scotia. Last year they had an operating profit of \$671,687.89. They put away for reserves for depreciation on plant and vessels, \$54,961.68. After deducting salaries for executive officers and directors' remuneration, they had \$616,726.21, and income and excess profits taxes of \$526,025.59. It seems to me that when a company contributes over half a million dollars to excess profits and income taxes in war time it would appear to be a successful company.

Mr. GILLIS: What did the man who caught the fish get out of it?

Mr. KINLEY: I will come to that. I want first to deal with the brief of the united maritime fishermen. With regard to the trawler, they say:

This association is unalterably opposed to unrestricted operation of other trawlers or draggers. Trawlers and draggers are designed