

of 1926-27, the weather was very mild and huge quantities of fish were caught by the inshore fishermen, the schooner fishermen, and the twelve trawlers. There was a glut on the market and prices slumped. The natural result followed, and the claim was made that there was no profit in fishing. The hook and line fishermen blamed the trawlers for the predicament they were in, and so the government of the day appointed a commission of five members, headed by Mr. Justice Maclean, to study the problem. On this trawler question the commission divided, four reporting that the trawlers should be abolished, and Mr. Justice Maclean filing a minority report that the use of the trawlers should be restricted and regulated. The government, as a consequence, decided to regulate the use of trawlers. The then Minister of Fisheries, now Minister of Public Works (Mr. Cardin), went down to the Nova Scotia coast, and upon his report regulations were made whereby the use of trawlers was limited and a tax was imposed on fish caught by trawlers to compensate the inshore fishermen for the loss of revenue in their vocation. Two years afterwards, the courts declared these regulations *ultra vires*, and the situation reverted to practically what it was before 1929.

Parliament in the session of 1931 went fully into the question again and referred it to the fisheries committee, which investigated and made a report, and on that report are based the regulations which have since governed the licensing of trawlers up to this date. I might as well put on the record the regulations of 1931. Section 56 of the Fisheries Act is the one which applies to trawlers. It reads:

56. (1) Every person shall be guilty of an offence, and shall incur therefor a penalty of not less than one hundred dollars and not more than two thousand dollars, recoverable with costs upon summary conviction, who at any time, except under licence from the minister—

(a) with intent to fish or to cause any other person to fish with a vessel that uses an "otter" or other trawl of a similar nature . . .

That is a positive enactment in the fisheries act. Subsection 2 reads:

(2) No such vessel shall carry on fishing operations from or to any Canadian port or ports, unless such vessel is registered as a British ship in Canada and is owned by a Canadian or by a body corporate incorporated under the laws of the Dominion of Canada or of one of the provinces thereof, and having its principal place of business in Canada.

I can skip subsection 3, which has no bearing on the discussion. Subsection 4 reads:

(4) The minister may determine the number of such vessels that shall be eligible to be licensed.

Since 1931, the number of vessels has been limited by the minister by virtue of the power conferred upon him by this subsection, and the number has remained the same until the present date. Subsection 5 reads:

(5) Regulations may be made under the provisions of section thirty-four of this act—

- (a) prescribing the form of licence;
- (b) specifying the evidence to be submitted with an application for a licence;
- (c) fixing the conditions under which a licence shall be issued;
- (d) making any other provisions respecting licences.

This is the legislation that authorizes the minister and imposes upon him the obligation of issuing licences when those who apply for them comply with the provisions of the law. Under subsection 4 of section 56 of the Fisheries Act regulations were made from time to time and revised. There were some regulations in 1929. In 1930 and finally in 1931 regulations were formulated providing:

1. A licence for a fishing vessel using an otter or other trawl of a similar nature, other than a small dragger operated by inshore fishermen, will not be granted, except under the following conditions:

(a) That the applicant for such licence shall furnish the Minister of Fisheries with evidence that will satisfy the said minister, that he cannot obtain an adequate supply of suitable fish to enable him properly to conduct and develop his business from the hook and line fishermen, and that if the licence is granted, the extent of his purchase of fresh fish from the said fishermen will not be adversely affected.

These are the main provisions of the regulations that must be complied with by those who are applying for licences. The minister is being placed in the position of an arbiter or a judge in the matter, and if he is satisfied that the evidence which is submitted to him shows that the person applying for the licence is entitled to receive it, he acts accordingly. I have felt, ever since I have been in office that there was no alternative to issuing the licence, and I have done so for the last three years. True, it puts the minister in an awkward position to have this responsibility placed upon him, but each of us must face his responsibilities and discharge them, and I have tried to discharge my duty as best I could in the last three years.

Mr. WOODSWORTH: Will the minister indicate the type of evidence that satisfies him?

Mr. MICHAUD: The type of evidence I have required is evidence under oath showing that the applicant cannot obtain from the hook-and-line fishermen an adequate supply of suitable fish—it must be adequate and suitable—to enable him properly to conduct