

*Supply—Fisheries and Forestry*

**Mr. McGrath:** Has the minister seen the reply of the Minister of Fisheries to the fish trades association? Has he read it and does he agree with it?

**Mr. Jamieson:** If my hon. friend will let me continue I hope that in the course of my remarks I can answer that question. I am simply chronologically stating the nature of the negotiations and the meetings held. It is simply a matter of record that the submission of the fish trade arrived here on November 13. Incidentally prior to that the subsidy program, the so-called deficiency payment program, exhausted its funds a good month ahead of what had been expected, 30 days at least ahead of what the trade itself had expected, because of higher landings and more production. If there were time it would be interesting to speculate why production was higher, but the simple truth is that the fund ran out of money that much earlier.

We immediately introduced a supplementary amount to ensure that this deficiency payment program continued until the end of October, but I repeat that it was not possible to continue that program in that form beyond the end of October and, as I have said before, I know hon. members will know the reason why.

The situation developed as of November 13 with this comprehensive report being given to us containing recommendations which, by the trade's own admission—and any who were present at that time can confirm this fact—they did not feel were wholly suitable, but they said in effect, "This is the best we can come up with."

Now, one week afterwards, just a single week after that report was submitted, long before there was time to read it even in detail let alone act on it, one seasonal fish plant in Newfoundland closed, and the story circulated was that it had closed because of the withdrawal of, if one wishes to call it that, or the ending or cancellation of the so-called subsidy payment. In that particular case the subsidy was only a relatively small part of the reason for the closing of that plant. It was a seasonal operation and the amount of fish being received was limited. As the hon. member for Bonavista-Trinity-Conception will appreciate, these were net fish in the water for several days due to stormy conditions, and the operator was in difficult circumstances with the plant anyway. I simply mention that to point out that there is also a normal kind of slow-down in fishing activity at this time of year.

[Mr. Jamieson.]

So the suggestion or the possibility that these plants will be obliged to close as a result of the minister's wire, or any statements he has made, is I recognize true in essence, and yet there are certain overtones of exaggeration about it. Let me deal first with the comments of the hon. member for Bonavista-Trinity-Conception with regard to the financial state of the plants in Newfoundland. It is quite correct, if one takes the homogeneous plants, those owned locally, that their financial straits are extremely difficult. Two of which I am aware are at the end of their line of credit so far as banks are concerned, and it is going to be literally impossible for them to continue without some kind of assistance.

On the other hand, as my hon. friend is well aware, there are plants in Newfoundland owned by large national and international companies, and with these it is not a matter of the companies themselves being distressed. Indeed were one to mention names such as B.C. Packers, Booth Fisheries, Unilever or whatever the name is, it is scarcely necessary to add that they do not have their backs to the wall in terms of national and international operations.

The question here is a difficult one relating to some of the recommendations made by the hon. member for Bonavista-Trinity-Conception as to whether or not in the long run it is wise for the Newfoundland ground fishing industry—and I have no personal knowledge of the Atlantic provinces other than Newfoundland—to have all its operations consolidated as part of very large corporate organizations, because a decision can be made in Chicago, or Vancouver, or indeed away down in the southern states, to close an operation in Newfoundland simply because one unit of a large organization is not profitable at any given moment.

I make this distinction because members should be aware of it—and I am sure Newfoundland members recognize this fact—that it is the home owned plants which have the immediate financial difficulty. The other plants can continue if they wish to do so, but there is no argument whatever about the fact that all plants, home owned, nationally and internationally owned, are losing money. So the question is, what is the alternative? This is the real crunch of this matter, because with the very comprehensive assessment made by the hon. member for Bonavista-Trinity-Conception most of the emphasis was on the whole, long range.

I quite agree that this is the way we should be thinking, but of course I add, as he does,