

Mr. McARTHUR: The four units being built this year will have a temperature of zero and we could not use them for freezing squid. But we have talked to the manufacturers and to our own technicological people, and there is no problem in stepping up the freezing capacity so that the units could be used for freezing if it should become necessary.

Mr. CROUSE: What will be the capacity of these units?

Mr. McARTHUR: The units we are building at the moment are based on 587 cubic feet, which is roughly 20,000 pounds at 40 pounds per cubic foot. But they are quite expandable and they could be doubled in size; you could step up your freezing mechanism.

Mr. CROUSE: Were the arrangements to build these bait depots part of the agreement entered into between Canada and Newfoundland at the time of confederation, or are they being built under a new agreement which was decided upon this last year?

Mr. MACLEAN (*Queens*): No. This is one of the obligations that Canada administers through its Department of Fisheries upon Newfoundland's entry into confederation. We are trying to improve the service in the sense of modernizing it so that it will cope with the problems which we are obliged to meet with a minimum of expense.

We are trying to evolve these smaller units which would be less costly and more flexible so that they can be made available in certain areas.

We have bait depots in areas where there is very little business because of the change in the pattern of the fishing industry in that province.

Mr. CROUSE: Could these bait freezers be moved to new areas?

Mr. MACLEAN (*Queens*): Not the old type of bait freezers because they are permanent.

Mr. CROUSE: What limitation would be placed on the federal government with respect to building these things? My point is this: that the fishing industry, as everyone in this committee is aware, is gradually changing; there is a transition and there is a change from fishing where the operation requires bait, to trawling where there are no bait requirements.

Whether this is destructive or is not destructive of the fishing industry, the fact remains that a trawler will catch a larger quantity of fish using a smaller number of men. Today there are no men going into the fishing industry if they can find any other industry to enter.

I wonder about the establishment of what could turn out to be—from the questions asked by some of the members from Newfoundland—small plants in the initial aspect of this operation which would operate in competition with privately established plants throughout Newfoundland and in other sections of the maritimes.

I wonder about the forces we are setting up by the provision of these plants. What will be the ultimate end of these bait depots and the end economy of establishing so many of them in view of the fact that the needs for bait will be constantly decreasing?

Mr. PICKERSGILL: Before the minister answers that question, might I be permitted to say a word about this matter.

I can understand Mr. Crouse's concern about any additional public expenditure—if there is going to be additional public expenditure. I do know quite a bit about the background of these circumstances going back to the days when the terms of union with Newfoundland were negotiated.

I am happy to see that the view taken by the previous government is being adopted by the present government.