

*Fisheries Improvement Loans Act*

act. Although this may not seem to be a great cost to the Canadian treasury over 24 years, it does not show that of the \$857,573 paid to the banks during that period of time, \$700,000, or 81 per cent, was claimed in 1978-79. I think this is quite significant. Although I cannot confirm it, I would suggest that the claims in 1978-79 were most likely paid in British Columbia. The capitalization in that industry, and some of the failings in the salmon industry, have resulted in the Canadian government having to pay some of those loans.

It would be more appropriate if the minister would consult the Minister of Finance (Mr. MacEachen) and suggest that there should be some amendments to the Bank Act which would place some obligation on the banking community to small businessmen, farmers and fishermen, rather than the government always having to give ironclad guarantees to the banking community. It is time the banking community in this country saw some of its responsibility to small businesses and primary producers.

The Fisheries Improvement Loans Act has helped a large number of fishermen in the past, and I am sure it will continue to do so in the future. Although my party disagrees with a system which must bribe banks to aid in the development of our fishing and farming potential, we recognize that this act is necessary until a government is elected that will obligate, through banking legislation, a more responsible role for banks operating in Canada.

Now I should like to turn my attention to the essence of this bill—to encourage investment in the fishing industry. Exciting prospects on the east coast of Canada call for massive expenditure in the coming years which will further increase our export of Canadian fish to an ever-increasing number of countries. The need for new vessels and shore installations to meet the challenge of higher quality products from ship to shore to market will demand new equipment on the seas and on our shores. Already there is growing interest for a large fleet renewal which will stimulate shipyard construction and the demand for government and private investment in new modern vessels.

Fleet renewal in Atlantic Canada, whether through tax proposals in the previous Conservative budget, or through encouragement by provincial or federal government programs, must be done cautiously. The past Liberal minister of fisheries was a cautious man, as is the current one. He is able to wait long periods of time before he jumps into action. As a matter of fact sometimes he is so cautious that he does not act at all.

The minister will argue that a fleet development plan must be in place before his government will permit a large-scale renewal of the Atlantic fleet so our fishermen can better handle their catch—gut, bleed and ice their fish and handle them in a sanitary manner. Then they will receive a better price for the catch and Canada can sell to the more discerning consumers in Europe, Japan, and other importing nations. However, there is a need to act rapidly on a fleet development plan. I would encourage the minister to table in the House and make public a fleet development plan in the near future.

The industry in Atlantic Canada is in need of some direction as to the kind of fleet the minister will permit. They do not know whether it will continue to favour inshore fishermen, whether more offshore fleets should be established, including freezer trawlers, or whether in fact the minister has a plan at this time. Fishermen must be aware of the type of vessel mix the department sees developing, before a wholesale influx of unacceptable vessels takes place. They can only run into conflict with regulations and in allocation of stocks if the Minister of Fisheries and Oceans (Mr. LeBlanc) does not table a fleet development plan soon.

The greatest danger for the east coast fishery is a repetition of the errors of the salmon industry in British Columbia. The dilemma of the British Columbia industry is accurately demonstrated by the figures published in the annual report of the Fisheries Improvement Loans Act of 1978-79. In 1978-79 a total of \$28,317,786 was guaranteed under the provisions of this act. Of the total, \$23,515,041 went to British Columbia. This guarantee amounted to 81 per cent of the funds lent to British Columbia in 1978-79, while Quebec and the Atlantic provinces shared \$4.5 million.

The minister is aware of the need for fleet development in Atlantic Canada, as well as the need for fleet restriction in British Columbia. He has not acted through Parliament on either of these critical issues despite the urgency on both coasts. I urge the minister to consider what is happening on the west coast of Canada in terms of fleet development. Also I urge him not to make the same mistake in Atlantic Canada by allowing the same amount of overcapitalization to occur there as occurred in British Columbia.

The experiences of the late 1960s remain and are worsening despite the highly-touted licence limitation and buy-back program initiated by a former Liberal minister of fisheries. It was referred to as the "Davis" plan. The object was to reduce the number of fishermen and vessels in the salmon industry so that those remaining could expect a good economic return from his or her efforts. In fact many smaller fishermen and vessels were eliminated over the ten-year period of the plan, but the failure of the government to recognize growing technologies producing more effective gear, sophisticated electronic equipment and larger more powerful mobile vessels, has resulted in a far greater pressure on salmon stocks than before the buy-back program. Indeed the plan has made it questionable as to whether the managers can accurately and safely manage the stocks, faced with an ever-increasing fleet capacity.

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The most damaging evidence of the failure of the minister to initiate programs to protect and enhance Pacific salmon is his inability to curtail the rapid capital investment in the salmon fleet. The public of Canada will invest close to \$150 million in salmon enhancement between 1977 and 1984 during this first stage. The object of the program is to increase salmon production by 120 million pounds in the long term, over a period of approximately 30 years. Public support, both in dollars and in emotion, is great. The public in British Columbia feel that the