

it does not mean British. To carry it to its logical conclusion, let us say that a Norwegian fishing boat comes over here and is chartered to a fishing firm in this country. Under the ruling of the Department of Justice she would be equally entitled to land her fish duty free. Now how can she be a Canadian fishing vessel when under the Merchant Shipping Act and in accordance with international law she is still a Norwegian boat? But even assuming that the Justice department were right when they ruled her to be a Canadian fishing boat, there is another consideration.

The officials of the Department of Marine and Fisheries know, or they ought to have known, that those boats are not chartered at all. What is done is this, that the corporation—there were three, and two have latterly been concerned in the province of Nova Scotia—does not enter into a charter in the ordinary sense of the word, but it enters into an agreement to purchase the fish which that trawler may land at a certain pre-determined price. For instance, during the month of October they may agree to pay two cents a pound for the fish landed at a certain port. The trawler goes where she will, she comes and goes as she will, she is complete mistress of her own destiny, except that she knows when she lands her fish she is going to get a certain price for them. So there is no charter in the sense in which the word charter is understood legally. There is subterfuge and evasion. All the fish landed by these trawlers should have been subject to duty. They have been taking bread out of the mouths of Nova Scotia fishermen for years to the knowledge—at all events the department ought to have had that knowledge—of the Department of Marine and Fisheries and the Department of Customs.

Mr. STEWART (Edmonton): Are these chartered Canadian companies in Nova Scotia, that is, the companies that purchase the fish?

Mr. ERNST: I believe that two hold Nova Scotia charters, and as to the third, I do not know whether it has a Dominion or a Nova Scotia charter. But I do know this, that in their relationship with these trawlers there is no charter party in the sense in which a charter is understood. Those trawlers are controlled entirely by the foreign agent who resides in Nova Scotia and pays the men. They have no connection with the company whatsoever. Sometimes it is true the English company, or the company which sends the trawler to this country, sets up a man of straw, a Canadian, to whom they charter the vessel, and the Canadian then enters into an agreement with the fish com-

[Mr. Ernst.]

pany, but that is all done for the purpose of evasion of the Customs Act, and amounts in substance to defrauding the people of Nova Scotia, particularly the fishermen, of the living which is coming to them. These six trawlers catch the equivalent of what roughly twenty-five hundred fishermen would do, so practically twenty-five hundred fishermen have been deprived of their living year in and year out through the illegal action of these trawlers which have been landing their fish duty free.

I wish to say to the Minister of Finance that the first thing which the fishermen of the province of Nova Scotia are interested in is this: They are interested in having that abuse righted. This was a year of tariff reclassification, and they may very properly have expected the Minister of Finance in his broad reclassification to include this item 9 under the customs tariff, so as to compel these trawlers which come here for a season and then go to pay the duty which they ought to pay when they land their fish in Nova Scotia.

Mr. RALSTON: Do I understand my hon. friend suggests there are some companies which have merely a nominal charter or an arrangement which is not a charter? Will he kindly give the names of those companies?

Mr. ERNST: I shall not divulge the names of those companies on the floor, but I will say to the hon. member that if he will look up the evidence of Mr. Wilson given at the hearing of the fisheries commission held in Halifax he will find there evidence which will substantiate everything I am saying:

Mr. RALSTON: That is S. Y. Wilson?

Mr. ERNST: Yes; the hon. gentleman knows to whom I refer. I say further to the Minister of Finance that there will be disappointment over the whole coast line of Nova Scotia that the government apparently has not had the courage to grapple with this problem. The inference will be drawn, rightly or wrongly, that it has not had the courage because the officials of these companies support this government. That may be a wrong inference; I hope it is, but I do hope for the sake of the fishermen of Nova Scotia that some redress will be given during the present session.

I fear that it is going to be too late to have an adequate discussion of the report of the fisheries commission when it is tabled, but I do urge upon the government that immediate action is necessary. We are going to lose large numbers of our men to the United States during the coming summer unless something is done. Something must be done,