

CANADA'S COMMERCIAL FISHERIES

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increase in catch levels, principally in the prairie fisheries and in the coarser species, i. e., species other than whitefish, pike-perch, and trout, but an improvement in transportation facilities in those areas would be indicated. No forecast is made of possible improvements in the catch of trout, for instance, in the Great Lakes, as a result of measures for the control of the sea lamprey and other projects being developed under the International Great Lakes Fisheries Convention.

PROSPECTS FOR DEVELOPMENT

A growing Canadian population and the increasing industrialization and urbanization of that population have important implications for the development of the fishing industry. Secondary and service industries can only grow by recruiting a part of their labour force from the farms and fishing villages. Thus, as industrialization proceeds, fishermen and their sons and daughters leave the fishing industry as other employment opportunities become available to them, and the number of fishermen declines either absolutely or as a proportion of the total population. At the same time, increasing demand for fisheries products and improvements in boats and gear may increase the productivity and incomes of those remaining in the industry, making alternative opportunities less attractive and thus setting limits to the exodus from the industry. An increasing demand for fish and rising labour-costs would tend to stimulate capital investment for the improvement of fishing and processing equipment, to increase output per man and keep the unit cost of production from rising with the general wage-level. Changes of this nature have been taking place with accelerated pace in Canada during the past decade.

There are nearly 30,000 primary fishing enterprises in Canada. The amount of capital invested per fisherman varies widely according to the nature of the enterprise from as little as \$500 in a primitive inshore operation to as much as \$15,000 in a modern deep-sea dragger. Capital investment in the primary fishing industry in Canada has been increasing rapidly in post-war years, and the projection of recent rates of investment indicates capital requirements of \$6 to \$7 million a year, or a capital expansion by 1980 of some \$100 million, after allowance for depreciation, above the estimated \$150 million of capital investment in 1955.

In the secondary industry, there were in 1955 some 800 processing enterprises, with a total fixed capital value of \$90 million and

working capital of \$60 million. Estimated requirements for capital expansion approximate a rate of 3.3 per cent in the Pacific area and five per cent or more in the Atlantic provinces, but it is considered unlikely that a five per cent rate can be maintained for the whole Atlantic region over the 25-year period.

Capital value figures, whatever the method of valuation or depreciation used, give very imperfect indications of changes in actual productive capacity. New fishing or processing units are likely to be much more efficient, dollar for dollar of capital valuation, than the units they replace. The recent heavy capital investment in boats and processing plants may have increased productivity in the industry (in spite of the creation of some over-capacity of at least a temporary nature) to a greater extent than is suggested by an estimated 50 per cent increase in primary fishing investment, in real terms, from 1943 to 1954.

The primary industry's labour force totals about 75,000 fishermen, of whom not more than 50,000 are dependent upon fishing as a major source of income. The number has been decreasing, and a continued decline is expected, but at a less rapid rate than that of the past eight years. A more moderate rate of decline, based on changes from 1937 to 1940 and 1947 to 1954, indicates a 16 per cent decrease in the number of fishermen between 1954 and 1980.

About 16,000 workers are now employed in the fish processing industry at peak production periods, a great many in small plants with an average of 20 workers each. Here, too, the concentration and mechanization of operations has led to the progressive reduction of the number of persons employed, and this process is expected to continue.

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AIR AGREEMENT

The Secretary of State for External Affairs and the Minister of Transport have announced the signature in Berne of an agreement on air services between Canada and Switzerland.

The agreement provides for the reciprocal exchange of routes between the two countries. It will permit a designated carrier of each country to serve one traffic point in a territory of the other country and to carry in transit, traffic to agreed points in third countries. The Swiss Airline will be authorized to carry traffic between Switzerland and Montreal while the carrier to be designated by the Canadian Government will be authorized to carry traffic between Canada and a point in Switzerland to be selected by Canada.