

Fisheries Improvement Loans Act

heard this news, it naturally came as quite a shock, for the minister had indicated to the shipbuilders repeatedly that new permits and imports would be kept to a minimum pending the finalization of a Canadian fleet development policy.

The views of the Canadian shipbuilding industry were strongly supported by my leader when he was prime minister, for it was his intention to set out a policy which called for the building of fishing trawlers and freezer trawlers in Canada, rather than importing them. He stated at that time that he envisaged the expenditure of between \$500 million and \$800 million over a four-year period for a rebuilding of the Canadian fishing fleet in the Atlantic region. It is a matter of some regret, in our area in particular, that he was not given the time and the opportunity to carry out this worth-while policy which would have brought substantial economic benefits not just to Atlantic Canada but to Canadian industry in general.

As the minister is well aware, when a ship is built it is not unlike the building of a small town. Heat, light, and all the facilities required by a crew of 20 or more men are needed, depending on the size of the ship. Unlike any other industry, ship construction stimulates the entire economy not just in the immediate area where the ship is being built but halfway across the nation. I submit that there is very little this minister or this government can plan to undertake of a comparable nature to shipbuilding which would stimulate our entire economy, especially at this time.

When my leader was prime minister, he obviously believed firmly in rebuilding the fishing and shipbuilding industries, for in a speech to Toronto's Empire Club on April 19, 1979, he said: "It is foolish and it is wasteful for a coastal nation like Canada to let our shipbuilding capacity run down and then buy our fishing and ferry ships abroad". Since we are dealing with a bill which would provide only minimal aid to our fishing and shipbuilding industries, I commend the words of my leader when he was prime minister for consideration by the present government.

This leads me to ask what the government's present policies are as they apply today to new boat construction. Normally the fisheries department starts considering applications for assistance in April at the start of our fiscal year, and fishermen were well advised to do whatever they could to push their applications forward. It is my understanding, however, that for 1980-81 the government has in hand only something like \$2 million to pay carry-over costs on boats which were started last year.

I would like to have the minister tell us just what the actual budget for the 1980-81 program is, and what the guidelines for that program are, that is, if the government has a program. The provinces would also like to have an answer, not only to this question but to many others. I say this because the ministers of fisheries in the three maritime provinces who met recently in Montreal expressed their dissatisfaction at the lack of meaningful consultation over the issue of direct so-called over-the-sides sales of fish to the Soviets. In fact they have charged that this year's allocation was decided by the present Minister of Fisheries and Oceans prior to a meeting that he

held in Moncton, New Brunswick, to discuss this very matter. They also questioned whether the minister has the legal authority to allocate amounts of fish to foreign buyers without the approval of the provinces.

● (1630)

The over-the-side sales contract that was given by the minister to the Soviets was, in my opinion, not really a good deal for Canada. Basically, the minister gave certain maritime groups, as I understand the issue, permission to sell some 6,000 tonnes of mackerel and 950 tonnes of squid to foreign vessels. However, the catches, when the time came to deliver, fell far short of this level.

The buyer, which was called Joint Trawlers of Sweden, which makes deals for the east bloc vessels, paid maritime fishermen only about \$500,000 for some 2,300 tonnes of fish. As part of this deal, however, Joint Trawlers could then make use of what we call guarantee fish, namely, in this case, offshore squid.

Because inshore sales fell short, Joint Trawlers, on behalf of the Soviets, received permission to catch somewhere between 3,000 and 4,000 tonnes. The minister can give us the correct figure—because he was the one who lined up the contract—of offshore squid, which is worth somewhere in the vicinity \$2 million. Naturally, this guarantee clause outraged Canadian processors, who said that foreign countries could promise big inshore purchases and high inshore prices, secure in the knowledge that inshore catches would fall short, and they could then catch the profitable offshore squid.

Canadians claim that in some cases the guarantee fish caught by Joint Trawlers have been sold. Where were they sold? They were sold in western European markets, undercutting Canadian exporters, and causing a direct loss of sales for Canadians. This is the result of the present minister's fishery policy, a policy which brought about a shortfall for Canadians in the fishing industry, in excess of \$2 million, plus the loss of shore based employment.

The provincial fisheries ministers agreed, and I share their view, that there should be no direct sales involving guarantees—"Involving guarantees" are the two words that are basically important to what I am saying—unless prior consultation is had with the provinces. They have suggested that all conditions, including guarantees, be offered, as well, to Canadian firms. This gives the Canadian firm that little bit of leeway that has already been given away to the Soviets.

All we are asking for is the same opportunity for Canadian firms that the minister was so keen to give to east bloc countries; basically, to the Soviets. Just give us the same consideration that you gave to the Soviets when it comes to buying these quantities of mackerel, gaspergou and inshore fish. Do not leave the Canadian industry at a disadvantage. Treat us fairly, treat us squarely, and we will then be in a position—the minister waves his hand and says this is an unjust request.

An hon. Member: That is true.