

Saltfish Act

should be taken lightly, I did indicate to the corporation that if the board approved its getting involved at the request of a few small processors, until such time as there was a mechanism to create the sort of organization for marketing that the hon.

member for St. John's East mentioned, then I would "tolerate" it—and I use that word in quotation marks.

Now, it may have been that in doing this I trespassed somewhat, but I think that the board, acting upon its responsibilities, did agree that in this case the corporation could act as an adviser without exposure to itself, therefore helping the income of the fishermen. I do not see this as a long-lasting precedent. I think that the orderly marketing approach is now generally accepted. I might say that I had some excellent discussions on this issue with representatives of the Newfoundland processors at lunchtime this very day. Orderly marketing would, in fact, help to avoid this sort of situation and this appears to me to be highly desirable. But again having seen in the past that the corporation did act a little outside its mandate in the purchase of char and herring, I thought there could be a certain amount of tolerance in this case.

Mr. Chairman, in commenting on some of the points made by the critic for the New Democratic Party, I might indicate to him that one of the reasons there has been a drop in the Jamaican and Trinidad markets is the scarcity of hard currency in those countries, especially Jamaica, which has led to dramatic cuts in their purchases from Canada. This is certainly part of the explanation.

As for the drop in the amount of fish marketed by the corporation, I might say that the corporation to a certain extent plays a passive role in the sense that if a fisherman wants to sell to the frozen industry, which in 1978 was extremely vigorous and because of our dollar was selling everything it could get its hands on, then the corporation does not go out and compete directly with the preference of the fisherman.

The hon. member also talked about quality. I agree with him. I think the new president of the corporation has undertaken something of a crusade to improve quality, although I would not want this to be seen at all as a reflection on the previous authorities of the corporation. But the corporation does recognize that if it is going to invade what I call the high luxury market, that is, a market where high prices can be demanded, it must deliver the sort of product the client wants. Considerable efforts are being made in this area.

I might say, Mr. Chairman, that saltfish prices held very well during the 1974 crisis when frozen fish was in trouble. That indicates that even when the frozen fish market is very good it is wise for Canada to have the Saltfish Corporation in good health, able to provide an alternative for fishermen and also able to maintain a window on markets which have stood up well over the years. I have already indicated that the size of fish is important and that some incentives are being offered this year.

● (1620)

I think, Mr. Chairman, that I will stop there and try to answer questions.

Mr. McGrath: Mr. Chairman, I do not want to prolong the debate, but the minister did make reference in his reply to my question to the powers of the corporation and the fact that these powers were being exceeded by any attempt to market products other than cured fish. The minister said that I did not define what I meant by cured fish.

It so happens that the act clearly defines what it means by cured fish, and it might be worth entering this into the record. The interpretation section of the act, section 2, states that cured fish means fish that has received curing. Curing means processing with salt or with salt and drying. So clearly the act is quite specific. It is quite confining in terms of what the corporation may do, and the minister uses as a precedent the fact that, acting on the request of the government of Newfoundland, the corporation is involved in marketing certain products which are caught by fishermen on the coast of Labrador, namely, char and herring.

Some of that char is cured, and so is some of the herring. Some of it is also marketed in the fresh frozen state; but that is a relatively small amount of fish we are talking about from individual fishermen. Here we are talking about entering into an agreement with small processor companies which are able, quite frankly, to stand on their own feet in terms either of entering into agreements with larger companies for marketing purposes or banding together and forming a marketing co-operative which, I suggest, they should look seriously at. Or perhaps the minister may want, as I suggested in my remarks at second reading, to bring in an amendment to this act or a measure providing for marketing in certain cases for fresh frozen fish. We would certainly be prepared to deal with that.

The minister referred to the fact that this corporation will not be coming before the standing committee, and the reason it is not coming before the standing committee is that the committee anticipated this bill's coming before the House and, hence, the only chance we will have in this session to deal with the corporation is in the course of the debate on this particular bill.

I have no further comments to make other than to say that my party supports the bill. It is a housekeeping bill. We wish the corporation well, and we are so supportive of the corporation in what it is doing and we are so confident about the future of the corporation in terms of the potential for good salted fish that we see no reason why the minister should expose the corporation to criticism from those who are ready to criticize it by entering into such an agreement. Believe me, sir, I have great sympathy for the small processors. I happen to know them. I know the problem they have, and I am supportive of any measures the government may want to take to