

Newfoundland

Mr. Hazen: Will the laws, and regulations made thereunder by the dominion government, which affect trawlers and drifters, apply to the trawlers and drifters owned by the citizens of Newfoundland when Newfoundland becomes a tenth province, or will these laws not be applicable until five years have passed?

Mr. Mayhew: If the hon. member will refer to page 8 of the statement of questions he will find the answer to his question. At the present time the Newfoundland trawlers are not allowed to fish within a twelve-mile radius of the shores along the maritime provinces, but they may fish within three miles of Newfoundland. The Newfoundland fishermen will be allowed to fish in the same way as Canadian trawlers. We shall have to change the regulations to bring that into effect. If the hon. member will read the top of the page dealing with trawling he will get the answer.

Mr. Hazen: I notice that in subsection 2 of section 22 the words used are: "For a period of five years from the date of union". That is a definite period. I presume it was put in at the request of the Newfoundland delegation. Was any consideration given to the fact that Newfoundland might apply prior to the end of five years, or within five years, for a change? In other words, were the words "from the date of union" the governing factor? Could these words not have been inserted, "unless the province of Newfoundland requests that they or any of them be terminated at an earlier date? Why is it so definite, a period of five years?

Mr. Mayhew: My understanding is that this can be changed at the request of the Newfoundland government. That is what they wanted.

Mr. Knowles: I should like to ask a question on subsection 4. Half way through the subsection we find the following words, "... may be revoked or altered by the body or person that made them." Am I to take it that that body or person may refer to NAFEL? Has NAFEL the authority to change the regulations that they have made? Our concern is that the fisheries board set up by the state apparently has not much power left; most of the power is in the hands of this \$10,000 per person private club.

Mr. Mayhew: NAFEL itself has no authority to make regulations. The regulations will be made by the board. The board was set up by the commission form of government and is now under the direction of the federal government.

Mr. Knowles: Do I understand that the board, which will now become a creature of the federal government—

An hon. Member: Agency.

Mr. Knowles: All right, an agency—directs and controls the affairs of NAFEL?

Mr. Mayhew: That is right. We have what we call an eastern division and a western division, and now this will be the Newfoundland division. This board will be the agent for the Newfoundland division of the Department of Fisheries.

Mr. Knowles: We wish to be sure that the board controls NAFEL, and not NAFEL the board.

Mr. Mayhew: That is right.

Mr. Nicholson: The minister has indicated that this is a most important industry in Newfoundland. Did any discussions take place with the Newfoundland delegation regarding the future of the industry? I understand a large volume of fish was sold in the British market, and that at the present time Great Britain is finding difficulty in getting the dollars to pay for Canadian products. With Newfoundland becoming part of Canada there will be tariff barriers which will prevent the importation into Newfoundland of goods which previously came from Great Britain. Thereby a problem will be created which may make it difficult for Great Britain to accept and pay for the quantity of fish which formerly came from Newfoundland. Will the minister say whether there was any discussion of that problem, and whether any assurance is being given to the Newfoundland fishing industry that they might expect to sell as much fish under the new arrangement as they did under the earlier one?

Mr. Abbott: I did not hear everything the hon. member said, but I understood his remarks related to what arrangements could be made with respect to the sale of fish by Newfoundland in European countries either for sterling or for other European currencies.

Last year an arrangement was made by the British government whereby it took over from Newfoundland the currency proceeds of sales of fish in those areas—escudos in Portugal, or lira in Italy—and gave to Newfoundland blocked sterling for those other currencies. The Newfoundland government gave to the fishermen equivalent amounts in dollars to pay for the fish.

The blocked sterling thus acquired was held in a special account available, and available only, for the reduction and the servicing of the sterling debt of Newfoundland held in the United Kingdom. The Newfoundland government approached the United Kingdom