

At this stage also, because of the extremely short position of world supplies, the intricacies of finance, the difficulties of transportation, and the necessity for all-over planning, the authorities in many importing countries replaced private trading with Government purchases.

It was decided that such arrangements as were necessary with other Allied Governments—particularly with the United Kingdom—for fulfilling Canada's commitments to supply fish products should become the responsibility of the Department of Fisheries, and that Department assumed the duty of assessing requirements and was charged with the responsibility for the maintenance of production suitable to the various needs. In addition, it became necessary to prevent the dislocation of any particular branch of the industry, due to the sudden loss of a traditional export market, where such dislocation was likely to hinder the war effort.

The methods used by the Department included: negotiation and administration of contracts between Canadian and other Governments; close consultation and co-operation with the industry towards the rendering of assistance in securing priorities for the replacement of goods and services; assistance in financing instruments of primary production where the risks and costs were too great for private capital; provision to fishermen of compensation for damage or loss of life occasioned by the hazards of fishing; prevention of disproportionate unbalancing of production due to big demands and high prices in the United States and other markets; and the direction of distribution into essential channels by means of export control.

Under these arrangements, and in spite of the great difficulties which beset the industry, production has been maintained in the aggregate of the pre-war level of 1,100,000,000 lb., as already stated, though in some cases it has been necessary to change the type of product to suit the needs of war. Between 1941 and 1943, Canada has supplied to other United Nations—principally the United Kingdom—under war-time plans and agreements, canned salmon, canned herring, canned sardines, frozen fish, and salted fish equivalent to more than 600,000,000 lb. of fish in the fresh state, far exceeding peace-time exports to the same markets.

Some adjustment of manufacture and sacrifice of domestic markets has been necessary to accomplish this. Ordinarily the Canadian public consumes annually 27,000,000 lb. of canned salmon. During 1942 none of this product was allowed for the domestic market, and in 1943 only 9,600,000 lb. was allowed for this purpose. The Western Canadian production of canned herring in 1939 was slightly over 11,000,000 lb. In 1942, it had risen to more than 73,000,000 lb., the increase being accomplished by a diversion of fish from the production of agricultural fish meals, for feeding, and from the production of salt herring for the Orient. Similarly, there has been a diversion of several species of fish to the production of frozen fillets in order to supply increased quantities to the United Kingdom.

A noteworthy development has been the great increase in the production of fish oils which are rich in vitamins. This has come about mainly because of increased demand from the United Kingdom, where, following the collapse of Denmark, the normal butter supply had to be replaced with vitamin-fortified margarine. In addition, the fact that medicinal cod-liver oil could no longer be imported from Norway placed a premium upon Canadian oils.

This demand for vitamin oils and concentrates has led to the utilization of materials that formerly were wasted and of some species of fish which, under former conditions, the fishermen did not seek to take. Examples are the livers of ling cod, black cod, salmon, grayfish, soupfin sharks, soles, halibut, swordfish, and tuna. Their value to fishermen is now measured in the hundreds of thousands of dollars and the need for the finished product has led to the establishment of the medicinal oil-refining branch of the industry.