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•(1000)

[English]

The Acting Chair (Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.)): Welcome to Bonavista. This is the oldest fishing community in North America, and I'd like to say welcome to you all.

I'll put down my gavel before I hurt someone with it.

I'd like to thank all of the members here for allowing me this honour, to be the chair, being the MP for Bonavista. It's my first time as chair and my first time outside the confines of Ottawa, so please handle with care, gentlemen and ladies.

That being said, for the benefit of the people watching today, residents of Bonavista, I would also like to say welcome. This is the Standing Committee on Fisheries and Oceans, an extension of Parliament. I welcome you all.

The orders of the day are, pursuant to Standing Order 108(2), a study on the northern cod, including the events leading to the collapse of the fishery and the failure of the stock to re-establish itself since the moratorium. That is the reason why we are here. There was a motion passed on February 8, I think it was. A few times we've dealt with this.

We are on the road, taking this show outside of Ottawa, for reasons obvious. Today we want to hear from the citizens of Bonavista, and we want to hear from the people who fish these waters every day. So we're here in Bonavista. On Tuesday, tomorrow, we will be in Port Blandford—we'll be at the Terra Nova Lodge—and on Thursday and Friday we'll be having our hearings in St. John's.

I would like to introduce all the members right now. To my left we have Loyola Hearn, MP, Newfoundland and Labrador; we have Gerald Keddy; we have Randy Kamp from British Columbia.

[Translation]

Welcome to Bonavista, Mr. Blais. Mr. Blais's riding is Gaspésie—Îles-de-la-Madeleine.

[English]

And of course we have Peter Stoffer from Nova Scotia; on the government side Mr. Shawn Murphy, from Prince Edward Island; and a man many of you know, Mr. Bill Matthews, member of Parliament, Random—Burin—St. George's. I'm Scott Simms, your MP here in Bonavista.

Oh, Gerald Keddy is from Nova Scotia, incidentally. My apologies, sir. And he has a question, by the way, concerning the ship over here. What's the name of the sail on the very back of the ship? If anybody has an answer, please approach Mr. Keddy later this morning, after the break.

It is indeed an honour to have our first witness this morning. She is the esteemed Mayor of Bonavista. Even though today is election day, she doesn't have a lot to do, because she was recently acclaimed as Mayor of Bonavista. Forgive us if we all look at you with quite a bit of envy, Ms. Fitzgerald, for being acclaimed, and congratulations on once again becoming mayor.

You have up to 15 minutes for an opening speech. May I stress that we'd like you to speak slowly, simply because we have translation services, as you see here, and they are translating now from English to French. That gives them the opportunity to make a translation, so please help us out in that regard. Following that we'll have questions from the members you see around you.

So, Ms. Fitzgerald, 15 minutes.

•(1005)

Mrs. Betty Fitzgerald (Mayor, Municipality of Bonavista): First of all, Mr. Chairman, members of the standing committee, invited guests, ladies and gentlemen, I'd like to welcome everyone to the beautiful, historic town of Bonavista on behalf on myself, council, and the people who live here.

I'm here today to represent the people of the largest fishing town in North America that relies solely on the fishery for its living and to address the issues pertaining to our fishery. This area has experienced both bad and good years in our fishery. There were years when our fisher people had to take jobs on the land because they did not want to go out and catch a product that was scarce. There were other years when our fisher people had what they call a glut. There was so much fish in our bays that our plant could not process that product fast enough with over 700 people working at the plant at that time. Right now we have, I'd say, close to 250 people still working at our plant, which is a big decline.

Then there's the issue of licences that came about. There were more and more licences given out for plants in Newfoundland, and the more plants that opened, the less product the plants that were already in the system had to process, which affected our plant drastically. A few years ago we experienced a lot of problems in our town with the fishery. We've been talking to government on a regular basis.

I could read this, but I think I gave you people a copy of what I have in front of me.

In 1991 John Crosbie, the fishery minister at that time, closed the northern cod fishery, which affected not only the town of Bonavista but this province in such a big way that we're still hurting from the effect. A few years ago our inshore fishery closed. Again we were hit very hard. Now we want to see an inshore fishery turn into a commercial fishery that will give dignity, pride, and employment back to our people and get them back out in their boats so we can go forward into a future that will be of benefit to the people who live in our fishing communities.

I've seen people come with a culmination of stress that has affected their health due to not being able to fish. I've seen people in our plant come to us because they don't know where to go. The decline in the crab right now has given us more problems.

We need to bring back the inshore fishery, and why not our food fishery? I believe maybe 3,000 to 4,000 metric tonnes will not have a great impact on the cod stocks in our bays. At a round-table discussion earlier this year everyone there agreed, even DFO and the scientists, that we had large stocks in our bays and a fishery could be put in place.

Mr. Chair and committee members, I believe in justice for all people and in speaking on issues that affect those I represent. I also believe there are solutions for all problems, and now that we know what some of those problems are, we should act on them. The problems are too many countries with factory trawlers and large boats coming into our waters and some of them breaking laws and nothing being done—or we don't know what's being done, for maybe there is something being done but we're not being informed—allowing them out there 12 months a year but not giving time for reproduction of the species; overpopulation of one species over the other; too many licences issued, and it seems to continue; and two sets of laws and guidelines, one for the fisher people of this province and one for others.

I think we need to educate those countries on the importance of allowing our stocks to grow and of following the laws and guidelines to see this happen, or one day they too will not have a product to fish.

The processors have to find a better market for those species, such as cod. Tourists love cod and they eat it all the time. I should know. When they come to my town, the first thing they ask is, where can I buy a meal of cod? So I don't understand why there's not a market for cod; I think there could be. Could it be greed, because the price of crab is better than the price of cod? I do know cod is popular and I do know people want it, so what is the problem in that area?

• (1010)

Maybe the processors need a new approach and maybe people could help find the right approach to a market for cod if we had the opportunity to discuss this issue in the future.

There should be no more issuing of licences for any matter. We need to balance all species in our ocean. The reason is evident with the seal population issue. We know that when we had a heavy population of seals out there our cod declined. The seal fishery was brought back. Our cod is coming back but it's coming in our harbour,

jumping out of the water. We see it rolling on our beaches, we see it around our rocks. We know that there are big stocks on cod in our bays. Do you people know that cod eat baby crab and our crab fishery is now declining? If it continues to decline then we won't have a crab stock either.

So we need a balance in all species of the sea. We need to bring every species in an area that will benefit us all. I think balance is the key to our fishery. I think that the cod fishery on a small scale, an inshore fishery, could start that balance. I believe, as our MP has been saying, that an inshore fishery is needed desperately, especially in areas such as Bonavista and other areas of the province of Newfoundland and Labrador.

We believe that those major factors have to be dealt with. Those factors are the licencing issue, overfishing, foreign factory trawlers year round, two sets of guidelines and laws, overpopulation and finding the balance, finding a way to increase the market for cod, allow a commercial food fishery in areas where stocks are high and a commercial fishery as well. We believe this will bring about a well-balanced fishery once again and will please everyone. Listen to the fisher people who will not destroy the industry that they rely on in order to survive. Those people know what they're talking about.

Now I would like to thank our MP Mr. Scott Simms, and the committee members, for coming here to our town and allowing us to express our concerns and what we believe are solutions to the problems. I invite all of you back again maybe next time to visit and see first-hand the historic town of Bonavista I represent as mayor.

Once again, thank you. I would like to also add that I think the people who are going to be talking this afternoon, the fishing people themselves, will certainly give you a lot more information than I can. They are the people who are out in the boats. They are the people who are experiencing the fishery. They are the people who can give you the best information.

Thank you for coming once again.

• (1015)

The Acting Chair (Mr. Scott Simms): Thank you, Mayor Fitzgerald, thank you very much.

We're going to move on to the questions now. The questions vary in timing, but what we do is we divide the questions up among the parties. The Conservative Party asks you the first question, then the Bloc Québécois will ask. Then of course Mr. Stoffer from the NDP, and then we'll have one question from the government side.

Before I do that, I would like to recognize a few people here. I see we have a few councillors from Bonavista. Just for the sake of our members, we have Glen Little here, who is a councillor. We also have Hedley Butler here as well, also a councillor. I hope I didn't miss anybody. We also have our member of the House of Assembly, which is our provincial legislature, MHA Mr. Roger Fitzgerald, from Bonavista South, and he's the deputy speaker as well, I might add. The accolades keep coming. Welcome.

Let's move on to the questioning. Once again, thank you for speaking slowly for the sake of our interpretation. We're going to start with a ten-minute session of questions from Mr. Hearn.

Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC): Thank you very much, Mr. Chair. Congratulations on the job. It's great in your own area to be able to handle the chairing of the committee, particularly when the work of this committee could be so important to your area, as certainly it is to my own.

When Scott was speaking originally, he mentioned that our mandate, I believe, was given in February. Some people might ask why it took so long to get here. We were supposed to have these hearings around our province this past spring; however, because of the tight situation in Ottawa, none of the parties were given any leeway to travel. Consequently, we had to stay in Ottawa.

But it may have been a blessing in disguise, because the original intent was to ask the question that really we are asking at these hearings: why, after 13 years, hasn't the northern cod rebounded in any significant fashion, except perhaps in the inshore? We want to clarify, I guess, for the unbelievers that there seems to be a rebuilding of the inshore stocks.

However, during this past summer, we saw in this province the type of protests we're not used to and haven't seen in a long time, driven, I would suggest, by frustration.

Here, what we're trying to do is answer some of the questions that were being asked during the summer. Is the cod coming back? How significant are the bay stocks? Can they sustain a commercial fishery? Should there be a recreational fishery? Let's make sure that next summer we're not asking these questions and having people shrug, saying "I don't know."

We are going to be hearing from the people who know best—fishermen themselves on the water—but we'll also hear from independent people. We'll hear from scientists, we'll hear from biologists, we'll hear from people with expertise in migration. We'll hear from independent people and independent scientists who don't owe loyalties to anybody except pure science.

Coupling all these pieces or packets of information together, we should be able to come up with some solid, significant answers. Nobody has really done that, and that's why we asked the committee to come here to our province—to do just that.

Getting back to the question, Mayor Fitzgerald, certainly people like Bill, Scott, and I, representing Newfoundland and Labrador, know full well what you're talking about. We have relived it. I represented Trepassey when they went down, for instance. I live on the southern shore. We know full well what the fishery has done to our province.

You mentioned your plant, where about 250 people are now working. Just for the sake of the committee and those who are not aware of the effect, how many people used to work in Bonavista; how many weeks do you work now; and how many weeks did you work when the cod was plentiful?

• (1020)

Mrs. Betty Fitzgerald: I certainly can answer that, because I worked at our plant at one time, back in the sixties. I worked as much as 16 hours a day, and I could have worked more. Right now, the people have a job to get enough just to qualify for EI. If they get their 12 weeks, or 14 weeks, or whatever it is they need, they're very lucky. There are some who don't get that. We have people coming to our town hall right now who worked at our plant who don't know where to go, because they didn't qualify even enough weeks of insurable earnings this year. That's a big difference from when I worked at the plant.

Mr. Loyola Hearn: Which was what—almost year-round, or year-round?

Mrs. Betty Fitzgerald: Well, we worked seasonally, but it was longer. Right now, it's closed down early. Even when we didn't have the unrest in the fishery.... Last year, for instance, we still had a large number of people who did not get their full insurable earnings.

Mr. Loyola Hearn: How much dependence was put on offshore fishing—the draggers, for instance—when the plant was operating fully years ago? Was it mainly supplied by the inshore?

Mrs. Betty Fitzgerald: The inshore.... We didn't have a lot of draggers in those days; we only had a few draggers coming to our plant. The majority was inshore fisher people, yes.

Mr. Loyola Hearn: I ask that just to clarify that the rebuilding of the inshore fishery could keep many of the communities around our province alive. We think of offshore. We think of our battle with foreign overfishing, which is extremely important, as we know. There could be some connection there also; undoubtedly there is. But a lot of people think the inshore fishery is only a minuscule one.

The inshore kept many areas alive—maybe not year-round, as the draggers did, but it certainly accounted for a significant amount of the employment that will keep a lot of the people home, and a lot of families out of Ontario and Alberta. We can't at all ever underestimate the importance of rebuilding the inshore stocks, even if it's difficult to do it offshore. I think that's the point we're trying to press.

Mrs. Betty Fitzgerald: I agree with you, and I don't like the word "outmigration". I believe in keeping as many people as we can in our own towns and communities, and to rebuild those communities through our fishery and our tourism industry in such a way that we can keep people employed in their own communities. The inshore fishery is going to be a big factor in that.

•(1025)

Mr. Loyola Hearn: Thank you, Mayor Fitzgerald, and congratulations on your re-election.

Mrs. Betty Fitzgerald: Thank you.

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Hearn.

Ms. Fitzgerald, you may want to use your translation device at this point.

[Translation]

For the second question, you'll have seven minutes, Mr. Blais.

[English]

Also, I'd like to remind people to turn off their cell phones or BlackBerry's.

[Translation]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Thank you very much, Mr. Chairman. Congratulations on your appointment.

The Acting Chair (Mr. Scott Simms): Thank you very much.

Mr. Raynald Blais: Ms. Fitzgerald, you were re-elected, congratulations.

If I understood correctly, you have been mayor of the Municipality of Bonavista for several years, since 1997. I'd like to know in what way the federal government as a whole, but specifically the Department of Fisheries and Oceans, cooperated with you, either by asking for your cooperation, by sending you information, or otherwise. In other words, what kind of relationship has there been between the municipality and the Department of Fisheries and Oceans during this crisis? We will then move on to the situation as it stands today and as it could be in the future.

[English]

Mrs. Betty Fitzgerald: Our contact was through our MP. Our MP was the only person I've talked to, as mayor, and with whatever MP was there at the time we discussed issues of concern and put them forward, and our MP brought them back to Ottawa. Our fishery people conversed through both the provincial and federal governments on the issues of the fishery. Myself, I've talked to almost everybody I could get in contact with on the fishery issue. We have written letters back and forth to the fishery minister. We had meetings with the fishery ministers in the past and we have meetings right now, at this time.

[Translation]

Mr. Raynald Blais: What would you have liked to have seen in terms of cooperation? I know that you have exchanged information with MPs during the crisis, but I'd imagine you would have liked to have gotten more information, been kept up to date on what was going on and been consulted with more frequently.

Would you have liked that, or were you completely satisfied with the exchange of information that took place?

[English]

Mrs. Betty Fitzgerald: I would have liked to have had more contact with Ottawa at that time and to have been informed on all of what was going on, after I was elected at least. I don't know what happened prior to that because our previous mayor was the person in charge, but after I became mayor, I certainly would have liked more information and more contact with the members in Ottawa on the fishery issues. I would have liked to have spoken with some of those people about our concerns and to have informed them as to what was happening here in our community.

Since our MP, Mr. Scott Simms, has come on the scene, he has listened to us on all issues of concern and he's bringing them forward to Ottawa for us, and I thank him very much for that. I hope we can continue to have a relationship that will be more open between ourselves and the members of Parliament in Ottawa and that we can converse in a way so we will all know what's really going on with the fishery issues through our MP. I look forward to that.

[Translation]

Mr. Raynald Blais: According to the information we have—specifically from Fisheries and Oceans—the cod stock is having a great deal of difficulty recovering. On a short-term basis, it would seem they no longer believe it can.

You're telling us that it would be possible to harvest 3,000 to 4,000 tons of cod. You're also saying that there is cod in your bays. It would seem to go against the information provided by Fisheries and Oceans.

Could you expand a bit on the information you have?

•(1030)

[English]

Mrs. Betty Fitzgerald: DFO and the scientists met with us at a round-table discussion here in Bonavista a while back, and informed us that we did have large stocks in our bays, and that a food fishery and a commercial fishery could be viable. So I don't know what's going on here. They're giving us one message, but they're giving you people another message. They are the ones who are telling us this, and we agree that we have stocks in our bays.

Our fisher people are out on the water, and they know what's out there. They told DFO and everybody who was out there that there was trouble in our fishery in the past when the cod stocks went very low, and nobody listened. Right now they're telling us and whoever wants to listen that we have high stocks in our bays, and nobody's listening again. DFO is telling us one thing and they're telling you people something else, so I think they should get their priorities straight.

The Acting Chair (Mr. Scott Simms): Mr. Blais, I'll stop your time right there for just a second. You still have a minute left, but I just want to understand the question. You want to know what the connection is between the communication between the people here, including the mayor and the fishermen, and the bureaucracy itself, say DFO. Is that the essence of the question?

Mrs. Betty Fitzgerald: There's no communication.

[Translation]

Mr. Raynald Blais: My last question had to do with the recovery. I would like to know whether the cod stocks have recovered or not. I'd like to hear what Ms. Fitzgerald has to say on this.

At first, I did indeed refer to communications. Basically, I believe that those who are left to deal with the consequences of decisions made by Fisheries and Oceans are the people. Who represents the people, apart from members of Parliament? Mayors and city councillors. This is why they should be better informed of the situation; they're on the front lines in all of this. It is important to have a much closer communication between both levels. People in municipalities contribute to economic diversification. They will contribute to lessening the blow. It is important for communication to be enhanced.

Aside from that, I wanted Mr. Fitzgerald to explain to us why she's saying the stocks are high again.

Mr. Chairman, you said that your comment... Do I still have a minute?

[English]

The Acting Chair (Mr. Scott Simms): It's not that at all. My apologies. As I said—

Mrs. Betty Fitzgerald: If I may answer, I tend to believe our fishermen. They have never gone out there and intentionally done any damage to our stock. In the past, the fisher people have gone to work on the land rather than gone out in fishing boats to fish when the stocks were low. But when the stocks become high again they expect to fish. Right now they're saying—and I think they really know what they're talking about—that when they go out there with sounders and all the modern technology, there's an increase in stocks in our bays. I tend to believe them.

As I said, DFO and the scientists agreed at that round table discussion that there was a recovery in our stocks in a way that there could be a commercial fishery.

If they are agreeing with the fisher people at a round table discussion, I'd like them to get their priorities straight and let us all know, including you people, what's really happening in our bays.

•(1035)

[Translation]

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Blais.

[English]

Next, we have Mr. Stoffer. Mr. Stoffer, you have five minutes.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Thank you, Mr. Chairman. It's a pleasure to be in your federal riding.

Congratulations again, Madam Mayor, for your re-election, and to your council as well.

There are roughly 4,200 people living in the Bonavista area. What is the average age of that population?

Mrs. Betty Fitzgerald: The average age is, I would say, in the mid-forties.

Mr. Peter Stoffer: Mid-forties—so it's an aging population?

Mrs. Betty Fitzgerald: It is.

Mr. Peter Stoffer: One of the concerns, of course, would be that if the fishery were to be enhanced and there were more opportunities for the plant, where would those workers eventually come from, in the long term? In addition to quota opportunities and fishing opportunities, is there concern over employment as well?

Mrs. Betty Fitzgerald: We have a large employment base in the town of Bonavista. When we are doing our community projects, rebuilding our community to our tourist initiative, quite a number of applications come to our table. We do have a large workforce in the town of Bonavista. We did have a large workforce in our fishery, which, as I stated earlier, has declined because there is no work.

Mr. Peter Stoffer: You indicated that this is the oldest and most historic community relying on the fishery, and the largest one. How many DFO officials actually live in the town, or work in the community on a year-round basis?

Mrs. Betty Fitzgerald: I don't know of any. There hasn't been anybody living here from DFO.

Mr. Peter Stoffer: Excuse my ignorance—there's not a DFO office in the community at all?

Mrs. Betty Fitzgerald: We have a harbour authority that works through DFO, and we have one person employed there working for the harbour authority.

Mr. Peter Stoffer: If you want information from DFO, aside from going to your member of Parliament for it, do you have to go to St. John's?

Mrs. Betty Fitzgerald: We have to contact St. John's, yes.

Mr. Peter Stoffer: One of the concerns we've heard in terms of the cod stocks—and of course you hear it through the media as well—is the inshore versus the offshore. We've heard from the fishermen before, and this is not news, that the inshore stocks along the bays and coasts are plentiful; there's a lot of cod there. Once you get into the middle and offshore areas, the cod are virtually gone. Of course, we're trying to find out why that is. There are many theories as to why that is.

In your opinion, from what you've heard from your fishermen, you're saying that according to their information and according to what information you have from DFO, there is a possibility of a limited commercial or food fishery in this area. Is that correct?

Mrs. Betty Fitzgerald: Yes.

Mr. Peter Stoffer: Again, to reiterate for the record, how many tonnes, from your information, would you estimate are available without harming the stocks?

Mrs. Betty Fitzgerald: I've been talking to some of the fisher people; they're looking at 3,000 to 4,000 metric tonnes, and they don't think that amount of fish will hurt the stock.

Mr. Peter Stoffer: Earlier in your statement, you also mentioned a concern about licences given out to more plants and other plants, thus diluting opportunities. Licences are given by the province for the plants. Is that correct?

Mrs. Betty Fitzgerald: Yes. There were a lot of licences given out. I think there was another licence given out only last year. If we're going to continue seeing licences being given out like that, more and more people are going to lose jobs in the existing plants because of that.

Mr. Peter Stoffer: Have you raised your issue on a provincial level about the number of licences given out? Obviously, the current plant owners and the current licence holders would have concerns about whatever opportunities they have being watered down or reduced, because there's more effort going out there in terms of the processing.

Mrs. Betty Fitzgerald: When we had a good fishery and plants were in high production, there was another plant with a licence, and it would take the overflow from our plant. That plant, right now, is taking half the product. That leaves us with a lot less than we should be having in our plant. FPI is sharing the product right now with the other plants that they have out there, in order to keep them in operation.

Mr. Peter Stoffer: Recently in the House of Assembly, there was a vote taken on the FPI Act, and there are some proposed changes to the act. What changes to that act will have that effect on Bonavista, in your community? In the long term, will it benefit the community, do you think, or will it have an effect similar to what Harbour Breton had gone through?

Mrs. Betty Fitzgerald: I said to the news media when this happened that I had a gut feeling that this could go either way, and I have major concerns with it. We were promised a new plant and we will hold them to it, but I still have major concerns on that issue.

• (1040)

Mr. Peter Stoffer: Thank you.

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Stoffer.

For ten minutes we'll go to the government side, Mr. Matthews. You're splitting your time with Mr. Murphy?

Mr. Bill Matthews (Random—Burin—St. George's, Lib.): I am, sir.

Thank you, Mr. Chairman. And congratulations on being chair.

The Acting Chair (Mr. Scott Simms): Thank you very much.

Mr. Bill Mathews: The way this committee works is that once you're appointed chair, you know the job will be taken away. So you're only chair for the day.

Anyway, congratulations. It's nice to be here in Bonavista with you and with my colleagues from the standing committee. Many of us on this committee have been together for a long time. We go to different parts of the country to try to understand the difficulties and problems in the various regions. Sometimes we get criticized for travel, but I'm a strong believer, because when we go to the west coast, or to parts of Quebec, or wherever, we learn about their problems the same as they learn about ours today when they're here.

Mayor, I want to congratulate you again on being acclaimed mayor, and to tell you it's very nice to be here in Bonavista.

You've mentioned, I believe, there are approximately 250 workers employed at your plant when it's working. Would they now be processing strictly crab?

Mrs. Betty Fitzgerald: We have 250 workers on the list. Those 250 workers do not get full employment at our plant. They don't get their insurable earnings; some of them do and some don't.

Mr. Bill Matthews: Is the work they get now at crab?

Mrs. Betty Fitzgerald: It's crab and some turbot because it is a multi-species plant.

Mr. Bill Matthews: Years ago, before the moratorium, you were predominately a cod plant?

Mrs. Betty Fitzgerald: We did cod, redfish, crab, capelin, squid. We had a lot of species at that time. You name it and we did it at that plant.

Mr. Bill Matthews: Is it fair to say, for the information of the committee, that cod created most of your work and was mostly what went to your plant?

Mrs. Betty Fitzgerald: Yes, the main source was cod.

Mr. Bill Matthews: If you take that out, then we know the difficulty you're in today.

I found it quite interesting, Mayor, to hear you talk about the round table that was held recently. You said there were representatives of DFO and the scientific community. I certainly had the impression from what you said that they left you and others in the community with the distinct impression that there's enough cod around to sustain a limited commercial fishery and a recreational fishery. That's what you said?

Mrs. Betty Fitzgerald: Yes.

Mr. Bill Matthews: Who was there from DFO at the round table?

Mrs. Betty Fitzgerald: I haven't got the names in front of me. I don't know if you remember, Mr. MP.

The Acting Chair (Mr. Scott Simms): We can supply them. You need the particular individuals who were here from science?

Mr. Bill Matthews: If there were representatives here from DFO and the scientific community, Mr. Chairman, and as a result of that round table the conclusion or deduction was that there's enough cod around here to sustain a limited commercial fishery and maybe a recreational cod fishery, then I'd like to know who participated in the round table. I think the committee should know that. If indeed that is the conclusion of the group, then we should know which individuals participated in reaching that conclusion. It gets back to what you said to Mr. Blais: we're being told one thing, and you're being told something else.

I have an advantage because I live here. I understand the debate about there is cod and there isn't cod, and there's more cod in the bays and very little offshore. Because I'm a Newfoundlander and Labradorian, I deal with this every day. But for my colleagues from other parts of the country, I'm sure many of them came here today not thinking that you'd find a cod anywhere. That's the advantage of having them here.

I would appreciate if someone would get the information from the round table and share it with the committee. That's not a question, that's a suggestion.

I'll pass my time over to Mr. Murphy now.

Mrs. Betty Fitzgerald: I'm sure that one of the fisherpeople who was at the round table can have that information this evening, when they speak.

Mr. Bill Matthews: Sure, and if they could, I'd like them to provide it to our committee so that we can see who participated and what they really said.

Mr. Murphy.

• (1045)

The Acting Chair (Mr. Scott Simms): Mr. Matthews, one moment, please. I'm not taking away from your time here.

Regarding the round table, in the next little while I can supply you with the names of the people who were there. One of the things we discussed at the time, or the crux of the discussion, was the stock assessment that we had, the latest we had from DFO science. They discussed some of the rising numbers in the inshore stock around some of the bays—Newman Sound and these areas. Trying to establish a direct link between offshore and inshore stocks was one of the issues.

But I will get more information for you very shortly as to who was there and who made the presentation. I can't remember their names offhand, but I do know their titles. I'll be with you in just a minute.

Mr. Bill Matthews: Thank you.

The Acting Chair (Mr. Scott Simms): Mr. Murphy.

Hon. Shawn Murphy (Charlottetown, Lib.): Thank you very much, Mr. Chairman and Madame Mayor. It's certainly my pleasure to be here. It's my first time in Bonavista. Congratulations on your re-election.

I want to follow up on a point that Mr. Matthews made. This is your recommendation here today, that there be a food fishery and a limited commercial fishery. I want to try to square the circle, because Mr. Matthews is quite right; I don't understand the whole cod industry and the affinity with cod and Newfoundland. I know the only reason this town was built and the only reason it has existed over the last 300 or 400 years is because of cod, and right now you're the mayor of a town in which there isn't any cod being caught—although there's an issue as to whether or not there is cod out there.

But the fact we get, whether it's right or not, is that the northern cod biomass out there is estimated at around 19,000 tonnes. They used a 20% factor, and that has basically been discounted now by all scientists. They felt that it was way too high.

On this food fishery—again, I don't understand it and I'm looking to you for direction—it's my understanding, from other witnesses we heard on the committee earlier and information I'm getting from DFO, that they use a tag system. A couple of years ago they had it, and there were 90,000 licences issued. This would all have to be controlled, and then you'd have, on top of that, a limited commercial fishery. When I look at all the figures, with the original biomass that they estimate, if you put a food fishery in, which is fairly large because it would be open to everyone, if you put a limited commercial fishery in, wouldn't that be over-exploitation of the stock?

Mrs. Betty Fitzgerald: If our government would sit down with all those concerned, I believe they could certainly go about this in a way that will benefit everybody, and they would be the ones to control how much was taken from our sea. I think the fisher people you will be talking to this afternoon will certainly be able to fill you in on what's really going on with our fishery. They will also be able to tell you about the commercial fishery and the food fishery, because they are the people who are telling us what's happening out there. I think you should ask those people, because they are the more informed people about what's going on in our fishery.

Hon. Shawn Murphy: But for this situation, there were 90,000 tags or licences issued to the food fishery. How could any government, provincial or federal, control what is being caught? One in every six Newfoundlanders would have a licence to fish cod. On a food fishery basis, how could it possibly? I have difficulty visualizing how any government, with the resources that they have available to them, could control that type of fishery.

Mrs. Betty Fitzgerald: Couldn't government control that with how many licences they would issue? Government is in control of how many licences would be issued for a food fishery. They would know how to go about doing those things.

Hon. Shawn Murphy: But isn't the concept of food fishery basically that it's open to anyone who wants it?

Mrs. Betty Fitzgerald: The concept, I think, is there right now, but there could be things done in a way that the people of the province would agree to with the government.

Hon. Shawn Murphy: But these are the statistics. Again, I don't—

• (1050)

Mrs. Betty Fitzgerald: I really believe that governments could sit down with the unions, with the fisher people and with people of the communities such as myself, to discuss how this could come about. If you do it the right way, nothing is going to happen to our stocks—they're going to be protected. As well, we will have a fishery in place that will benefit those people who need to make a living.

Hon. Shawn Murphy: So you're saying that the food fisheries could be controlled to a certain number of people.

Mrs. Betty Fitzgerald: I don't really know which way the people...with the food fishery, because I didn't participate in food fishery. I just know that there were licences given out in our province for a food fishery to those who needed it at the time. But I think that the food fishery is something that can be controlled, yes.

Hon. Shawn Murphy: To change topics briefly, I understand that the seal industry here now is growing and is more stable than it was ten years ago, with the plant in Catalina.

Mrs. Betty Fitzgerald: Yes. With the seal fishery back and with our people going out to the seal fishery, it's keeping the population down more than it did in the past. There was a larger population out there until recent years. I think there was a bit of an increase in the seal fishery in recent years, and that's why our cod is coming back. The seals do destroy cod. We have seen evidence of cod on the beach with the stomach torn out. They do destroy our cod.

The Acting Chair (Mr. Scott Simms): Thank you very much, Mr. Murphy.

We're running a little bit short. If I get the consent of the committee, for the next round of questioning we can have three minutes each so that we can fit everybody in. Do I have the consent of all? I see a lot of nodding heads.

Mr. Gerald Keddy (South Shore—St. Margaret's, CPC): I hate to lose my five minutes.

The Acting Chair (Mr. Scott Simms): He hates to lose his five minutes. Does anyone want to contest his five minutes?

Hon. Shawn Murphy: Give Gerald his five minutes.

The Acting Chair (Mr. Scott Simms): Can we have three minutes for everyone? Is that okay? Consent received.

That being said, Mr. Keddy, you're up first with your three minutes. Again, I thank you for your generosity on cutting down by two minutes.

Mr. Gerald Keddy: Thank you, Mr. Simms. Congratulations on your role as chair.

Welcome, Mayor Fitzgerald.

A lot has been said here. With three minutes, there's not a lot of time to ask questions, but I have a couple of questions.

I'll just give you a little bit of background. I have one question. You made a comment that the fishermen never hurt the fishery. I represent a big fishery riding in South Shore—St. Margaret's in Nova Scotia. We have about 1,700 boats fishing still. There's an inshore and an offshore fishery. The scallop fishery is based out of the south shore. The bulk of it is the offshore lobster fishery and the big inshore lobster fishery. We still have some groundfish on Georges Bank and a few offshore trawlers. So although my background was as a farmer and a logger, I've had to learn the fishery and I think I've done that. The fishermen I talk to freely admit they were part of the problem, the same as government of all political stripes have been part of the problem. I don't think we can point the finger at any one identifiable group. But there are a few things, Mayor Fitzgerald, that I think we need to zone in on. We can do things to control where our boats are fishing.

I know I don't have much time, but I'm going to use this reference. I saw the same thing happen in the forest industry. We moved to

mechanization. Individuals, myself included, got into the forest industry. You had to buy more equipment. You had to buy bigger equipment. It cost you more to run it. You had more overhead. You had to cut more timber in order to make a living, in order to survive. I think, to a degree, that same thing happened in the fishery.

You talk about sitting down with government, but I think you have to have scientists, that larger component, at the table. There may be an inshore fishery that's viable to a limited degree here in Bonavista, but I would be very hesitant, knowing what I know about the fishery, to have any size of an inshore fishery reinstated.

We know that after five years, there's a better recruitment with the cod. They produce more eggs. More of those eggs survive and most of those cod out there today, I suspect, are just getting to the five- and the six-year class. I don't know that, but I'd like to see the science on it.

I hear the same thing from the fishermen in Nova Scotia; it's not any different. There are species, there are fish to be caught, but we have to have a very limited focus on our capacity to catch them. We can't overfish what limited resource we have left.

• (1055)

The Acting Chair (Mr. Scott Simms): Sorry, I feel almost bad now because I asked you to give up your time.

Mr. Gerald Keddy: Almost bad.

The Acting Chair (Mr. Scott Simms): Mayor Fitzgerald, we're out of time on this question, but, please, a very quick response.

Mrs. Betty Fitzgerald: Sir, you said you had both an inshore and an offshore fishery, so I guess you're not affected like we are here in Newfoundland, because you still have both fisheries, and that's keeping your communities alive.

I do believe that we can have a commercial fishery and I will believe my fisher people, as I said before, and I think it can be done on a scale as we stated. I do believe that the inshore fisher people don't intend to and will not hurt our fishery. The inshore fishery has always protected the fishery. When they know there are no fish, they will not fish.

The Acting Chair (Mr. Scott Simms): Sorry, we're way over time on that one. I apologize.

[Translation]

Mr. Blais, you have three minutes.

Mr. Raynald Blais: Thank you, Mr. Simms.

I'd like to know what you think of a word which is very "in" these days and is much used in government. I'm referring to economic "diversification". It seems to be the magic bullet, given the problems faced by communities such as yours today, in the past, and in the future.

Do you believe in economic diversification? I come from a coastal region, from the Gaspé and Magdalen Islands, and I would have liked to have heard governments referring to economic support rather than diversification.

I'd like to hear your opinion on this subject, because I get the impression that it is practically impossible to diversify an economy such as yours, such as ours, over a short period, although it could be done over a very long period.

What do you think of this increasingly prevalent theme in government?

[English]

Mrs. Betty Fitzgerald: I think what you just said makes sense. The long term is something we have to look at. I think economic development is another big key to areas such as Bonavista. If that were combined with our fishery, working hand in hand with an inshore fishery and the tourism industry, and with a rebuilding of our communities and the bringing of other types of employment to those areas, I think our towns could survive.

It's very hard to do when you're trying so hard and you can't seem to get people to listen to what you're telling them.

[Translation]

Mr. Raynald Blais: Thank you.

The Acting Chair (Mr. Scott Simms): Thank you very much, Mr. Blais.

[English]

Mr. Stoffer, three minutes.

Mr. Peter Stoffer: Thank you, Mr. Chair.

I have a couple of questions. Did DFO ever have an office in this town before?

Mrs. Betty Fitzgerald: We had a fisheries office in our town. Right now there's an office here but it's only the people going out there in the boats and checking on things or going on our wharf and checking on the fisher people.

At one time, we had a full staff here in the town of Bonavista, but it was moved to Clarendville.

Mr. Peter Stoffer: The reason I ask that is, as you may be aware, in 1999 this committee did an east coast report on the fisheries, and one of the recommendations we made was to diversify the central offices in Ottawa at 200 Kent Street and move some of those people and departments into where the fish are.

The bureaucracy in Ottawa has increased since 1990. I don't know the exact percentage, but we always had the feeling that they were

taking the positions and the resources away from the communities that could use that consistent dialogue and information. As my colleague Mr. Matthews has said, you're getting one group saying this view and a little while later you're getting different information. It would be helpful if somebody were here on the ground on a more permanent basis to interact with yourself and the fishing groups in that regard. That's just a comment.

One of the concerns I have is the method of fishing. If a small commercial fishery were allowed to reopen for the inshore for this community—as you know, there are many different types of fishing methods, and we hear the minister constantly say that every method of fishing has an effect on the stocks—what are the fishermen telling you would be the best way and the most sustainable method of catching those three to four metric tonnes of fish for the long-term future? Which would they prefer to see? Would it be longlining, handlining? Would it be seining? Would it be gillnetting? What would you recommend?

• (1100)

Mrs. Betty Fitzgerald: It would be hook and line fishery.

Mr. Peter Stoffer: Would the fishermen here agree with that statement?

Mrs. Betty Fitzgerald: That's what I'm being told. The hook and line fishery is the way they want to have to the inshore commercial fishery.

Regarding the office space, I wrote letters to Ottawa and to our MP as well, asking about this relocation of offices and asking if we could get some of those offices relocated to the town of Bonavista. I have had one letter back about an ACOA office. I haven't had anything else back yet.

Mr. Peter Stoffer: My last very quick question—to sneak one in here—is the concern of the licensing by the provinces...?

Sorry, is that it?

The Acting Chair (Mr. Scott Simms): We're out of time, yes. Sorry, three minutes flies.

We don't have any questions from this side.

It's Christmas morning, Mr. Keddy or Mr. Kamp. We're going to provide you with approximately one minute.

We have other witnesses here as well.

Mr. Gerald Keddy: Then Randy should take it. He's not been up yet.

The Acting Chair (Mr. Scott Simms): That's fine. Mr. Kamp, we'll give you up to about two minutes.

Mr. Randy Kamp (Pitt Meadows—Maple Ridge—Mission, CPC): Mayor Fitzgerald, it's good to have you here.

As you know, I'm from British Columbia, so that's about as far away as you can get. There may not be anybody here who knows less about northern cod than I do, so I appreciate learning, especially this afternoon.

In your comments when you were talking about the problems as you understood them, you referred to two things, which I would just ask for a bit of clarification on. You mentioned "overpopulation". I wasn't quite sure what you were referring to there, and also a couple of times you said something like "two sets of guidelines or laws", "one for other people and one for us". Could you clarify those?

Mrs. Betty Fitzgerald: The overpopulation thing is that you know that our seals at one time had a heavy population and our cod fishery declined. Right now the cod is coming back and our crab is declining, and we all know that cod eat baby crab. It could cause problems in the crab fishery.

On the other issue that you put forward, the two sets of laws and guidelines, we've heard about the foreign trawlers that overfish and we haven't heard if those people have been fined or what's happened to those people. Do they go back to their communities? Are they fined there? What is going on with them?

First, if the people of our province catch one fish, they could stand to lose everything they own. If a child picks up a codfish on the beach, their family could be fined up to \$1,000. That's the two sets of guidelines and laws I'm talking about.

Mr. Randy Kamp: Thank you very much.

The Acting Chair (Mr. Scott Simms): Thank you very much, Mr. Kamp.

Mayor Fitzgerald, thank you so very much for joining us this morning. It was very informative. I appreciate that. As well, I speak on behalf of the whole committee that we do appreciate your time this morning and your insights.

Again, congratulations on your re-acclamation, if that is the word.

Mrs. Betty Fitzgerald: Thank you, and thank you, gentlemen.

The Acting Chair (Mr. Scott Simms): In our next hour we have our panel of plant workers. I would like to call upon two individuals, Neville Sampson and Harry Stagg, to step up to the microphone or come on down to speak on whatever it is you want to say.

We're going to suspend for a few minutes while everybody gets set up.

Thank you.

•(1100) _____ (Pause) _____

•(1104)

•(1105)

The Acting Chair (Mr. Scott Simms): I'll call the meeting to order, please.

[*Translation*]

Ladies and gentlemen, please return to your seats.

[*English*]

Up next we have a segment of the fishing industry that is by no means last on the pecking order. We have invited representation from the plant workers from the Bonavista area. I'd like to welcome Mr. Neville Samson, who informs me that there is no "p" in his name, so our apologies, Mr. Samson. Also, we have Mr. Harry Stagg.

Just to outline how this works, you have 15 minutes each to do your speech. You don't necessarily have to take up all 15 minutes.

Mr. Samson, you're going first. Is that correct?

•(1110)

Mr. Neville Samson (Panel of Plant Workers): I will present our statement.

The Acting Chair (Mr. Scott Simms): You're going to present the statement.

Mr. Neville Samson: There's one statement between us, together.

The Acting Chair (Mr. Scott Simms): Together, so are we allowed to give leeway on that, then?

Mr. Neville Samson: The plant workers from Port Union and Bonavista. We've agreed on—

The Acting Chair (Mr. Scott Simms): You have a 15-minutes presentation, so we'll hold you to 15 minutes, and then we'll start with our round of questioning.

Over to you, sir.

Mr. Neville Samson: I would like to say good morning to the committee, and welcome you here to Bonavista before we get started. Bonavista is one of the most historical fishing towns in eastern Canada, probably the largest small-boat fishery in the province.

I'll get right to my statement. First, I would like to state that there were several factors that led to the demise of the northern cod stock. In 1969 Romeo LeBlanc, Minister of Fisheries, said the northern cod stock was such an abundant stock that it would never be caught. Fishery Products International began a trawler-building program to take advantage of the quotas of the northern cod. Port Union had a fleet of 13 wetfish trawlers and one frozen-at-sea trawler. The plant had an enormous appetite for northern cod, our raw material, with two shifts of 65 hand cutters and three cutting machines. The plant could process or use up to 300,000 pounds of fish per shift, and produce in excess of 120,000 pounds of fillets.

It was common to come to work on a Monday morning and have a million pounds of northern cod at the wharf. Fishery Products International increased its freezing capacity to handle the large volume of fish that was being landed from January to May each year. The companies also used this freezing capacity in the flatfish season to freeze the large amounts of pelagics. The pelagic fisheries also increased. Fishery Products International and other companies, including Icelandic seiners, landed at Port Union with large catches of female capelin. The capelin roe was removed, frozen—

The Acting Chair (Mr. Scott Simms): Mr. Samson, I apologize for interrupting, but it's just been requested that you slow down just a little bit for our translator. I apologize, I should have—

Mr. Neville Samson: I've got 15 minutes, and I'm wondering about questioning.

The Acting Chair (Mr. Scott Simms): I should have mentioned this off the top, and I apologize, but for the sake of the interpreters, please slow down a little bit.

Thank you.

Mr. Neville Samson: Okay.

The capelin roe was removed, frozen, and shipped out at a rate of 20 tonnes per day during the month of July.

During the increased pelagic fishery, there was a lack of space to process. The FFAW made arrangements with factory freezer trawlers from Russia, Poland, and other Eastern Bloc countries, at various ports around the province. The trawlers were processing herring, mackerel, and squid. This was the baitfish food for the cod and also the main diet for the seals.

The small quotas on seals allowed an explosion in the size of the seal herds. With the reduction of the pelagic biomass, the seals became the chief predator of the cod. The seals often only took the liver and roe from each cod. The small quota of 400,000 seals is still allowing the seal population to increase and impact on the ability of the northern cod stocks to rebound.

The fishermen who fished the northern cod repeatedly told the Department of Fisheries and Oceans that the cod fishery was in trouble, but the advice was being ignored and quotas were being increased based on scientific data. The plant workers saw a change in the fishery. Individual counts of fish to make 75 pounds per pan was increasing and the yield was dropping.

During this period the federal government decided to divide the ocean into zones—for example, 2J, 3K, and 3L—with individual quotas for each zone. The problem with the zones was that the northern cod was a migratory stock and moved through the larger part of each zone. The quotas being recommended by the scientists were often increased by the government to appease the large multinational companies, or quotas were being given to other countries to conclude deals for wheat and other items out for export.

The water temperature was certainly a factor in the demise of the northern cod. For seven years the water grew progressively colder. The trawler captains reported that the biomass of northern cod was continuing to go into deeper water and swimming eastward. The cod had gone into very deep waters, and the trawlers could not carry enough warps to reach them. In July 1992 a two-year moratorium was called on the northern cod; this was the last year northern cod was fished by the multinational companies.

The rebuilding process must first look at the food supply available, such as capelin, herring, and other pelagic foods—not only for the cod, but for the large seal population. There's still a large foreign fishing effort outside the 200-mile limit; therefore, the 200-mile limit should be extended to include all of the continental shelf. The seal herds also ought to be reduced to a manageable level.

Although the Canadian government has placed a moratorium on northern cod stocks within its 200-mile limit, these stocks are prime targets for foreign fishing fleets outside the 200-mile limit. The government has yet to increase the scientific capacity to provide

more data on northern cod stocks. The government has to show leadership and find solutions to help increase the cod stocks. A number of options, such as cod hatcheries, could provide a sustainable fishery; a review of the work being done in Norway could be done in Newfoundland.

As plant workers, we have resigned ourselves to the fact that the fishery will never be as we knew it. However, we must remember not to let either the government or large companies depend on one stock, as in the past.

● (1115)

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Samson. Thank you very much.

We're going to start with our questioning. We're going to go to the Conservatives. Our first questioner is Mr. Hearn.

Are you splitting your time?

Mr. Loyola Hearn: Thank you very much.

Yes, I'll split with Mr. Keddy.

First of all, let me thank the witnesses, Mr. Samson and Mr. Stagg, for being here.

The stories are common. In any part of the province, it's the same thing. Growing up, you're walking on the sand on the beach, bouncing on the capelin roe. We don't see it. We don't even see capelin in most of our harbours any more, and if you don't get dinner on the table when you keep going home day after day, you're going to go to the restaurant or somewhere else. A lot of things have happened, and you can't look just at bringing the cod back. There are a lot of associated issues, and that's what we want to hear.

What was it like, so that people who make the decisions can understand? Second, give us some ideas from the people on the ground, from history, from what we've heard from our ancestors, from what they've seen. They can probably recommend some things, at least, that could work in bringing it back again—and you've hit the nail on the head, I think, with the food supplies. You mentioned foreign overfishing, which this committee has been into in a fairly heavy way, as you know, not making any great headway with government. They have done a few cosmetic things, but not enough to stop it.

Then there are ideas like rebuilding with cod hatcheries, and so on. If they can do it in other parts of the world, we certainly should be able to do it here. Again, I think many of the decisions made in our fishery were made because the people who sit around influencing ministers and people in high positions are not fishermen; they're not some of us. They're the big companies. A lot of decisions are made as to what would suit them, and not what would suit the people.

That having been said, more or less we'd like to make it clear that this committee is made up of all parties, and I challenge anybody to look at some of the work we have done. I think it's important for people to understand that, so they have a little bit of confidence in our committee. In most cases you would have no idea, if the chair didn't mention it, which party we belong to, because all our reports, I believe, have been unanimous these last three or four years that most of us have been together. You don't get this political bickering. We get on the issues, we stick on them, and we have done some great work.

Our reports are not given to a minister to put away; they're tabled in the House publicly. They have to be responded to by the minister. The recommendations we will make, based upon what you tell us, will be presented in the House. The minister has to respond. That opens it up for full debate. We've taken the overfishing issue from a committee meeting four years ago to international concern, so we can get moving on this, but it depends on the feedback we get from people like yourselves; the people who present have to have some faith that this is not just another set of hearings that will be covered up, as these won't.

I have one short question; then I'll let Mr. Keddy and the others go. From a person who has been involved in the fishery efforts—and both of you have been for all your lives, or pretty close to it—what is the difference between what it is like living in Bonavista-Catalina today and being involved in the fishery, and what it was like 25 years ago?

• (1120)

Mr. Neville Samson: The difference is the employment levels. I worked year-round for 20 years. The biggest problem we had was getting vacation time. I worked for 20 years—got up every day and went to work.

I was invited to an IAS committee meeting one time here, and they wanted to know why people in Port Union weren't doing like the people in Trinity were doing, which was diversifying into tourism. I told them it was because I got up for 20 continuous years and went to work every day and I didn't have any need for tourism; I had a job.

Right now, I gave up a week's work this week to let somebody else go to work, so that hopefully this winter he will qualify for EI. I could have been working this week. I think a lot of our people who have managed to hang on here in Port Union at the plant are having a very difficult time when I look at where we were with the seniority list, with 996 workers. We also had another 235 trawler men, along with a workforce that was basically a casual workforce, which had the best of both worlds, as far as I was concerned. They got the best weeks, took their leisure time in the summer—as far as I was concerned—and got the best EI.

But right now it's a survival of 150 workers. I guess instead of saying good morning from Port Union, most of them would be saying good morning from Alberta or B.C. I'll tell you, it's a pretty sore point with the few people...those of us who are trying to survive in our communities.

When you're 50 years old and you have your own home and you own it, you don't want to be getting up in the morning finding yourself out in Alberta, trying to get enough weeks of work to qualify for EI, and I can tell you that's basically what's happening to a large number of this seniority list.

Mr. Peter Stoffer: I have a point of order, Mr. Chair.

The Acting Chair (Mr. Scott Simms): Yes, go ahead.

Mr. Peter Stoffer: He mentioned the IAS committee. Can you elaborate on what that means?

Mr. Neville Samson: It was industrial strategy—industrial adjustment strategy, IAS.

The Acting Chair (Mr. Scott Simms): The adjustment strategy. Okay.

Mr. Stoffer? We've stopped your time. Carry on.

Okay, Gerald.

Mr. Gerald Keddy: Thank you, Mr. Chairman, and welcome to our witnesses.

You made a couple of points I absolutely concur with, certainly, but I hadn't really heard them in relation to seal.

The fact is we did overexploit our entire school of pelagic, all of them. We started with the herring, the capelin, everything, and in a very dangerous way, as well, when we started a roe fishery...period. It's the same across Atlantic Canada, apparently.

The fact that the seals changed to cod because of the lack of capelin and the lack of herring is not something I've heard before. I always thought they were mainly predatory on cod, but that's very interesting.

I have two points, and I'd like to get an answer here if I could.

I'd like you to explain to our committee members a little bit on what happened to the actual size of the cod in the inshore fishery, the size of fish that the fishermen were actually bringing in, as someone working on the line in the plant over the years, especially in the last years leading up to the moratorium in 1992 and since, and the opening in 1996 and 1997. I'm referring to the fact that we were catching smaller and smaller cod until we almost had to give up.

You mentioned foreign overfishing. I'd like to hear your reaction to some type of black box system and where we'd put it. It's cheap technology. It's easily available. A black box on every boat at least would prevent the misreporting.

• (1125)

Mr. Neville Samson: The misreporting in which way? To what areas are being fished?

Mr. Gerald Keddy: Well, there's lots of fish—and I'm sure they're brought into your plant as well as others—that were caught in one area and reported in another.

Mr. Neville Samson: Yes, that may be possible also.

On the fish size, generally, when it started off, the northern cod was basically what was referred to here in this province as trap fish. You're going to hear that from the fishermen this afternoon. Basically all the fish were consistent in size; there were very few large fish amongst them. They were consistent in size, which made an ideal product—raw material—to put through a cutting machine. Very little had to be graded for oversize. The larger fish were picked out and cut on separate hand-cutting lines.

Basically the size of fish decreased from a 20-inch fish in 1972 to a fish of less than 16 inches in 1992. Not only did the size of the fish decrease, but a 20-inch fish in 1992 did not have the body weight it had in 1972. There was less yield. This moratorium was not caused for the plant workers; this moratorium was caused because of the shareholders of multinational companies. It was getting more difficult for them to make money.

On foreign overfishing, you're talking about the black boxes. Certainly, yes, it would show where those foreign fleets are, and what areas they are fishing. If they were on the nose and tail of the bank, it could be monitored—but as to what they're catching, we saw evidence of that when the *Estai* was towed into St. John's.

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Samson and Mr. Keddy.

[Translation]

Mr. Blais, you have the floor.

[English]

Again, do you have your translation, Mr. Samson, Mr. Stagg? Okay, good.

Monsieur Blais.

[Translation]

Mr. Raynald Blais: Thank you, Mr. Chairman.

Good morning, Mr. Samson and Mr. Stagg. I'd like you to tell me about the future, the coming months and years.

You stated, specifically during your presentation, that it will be important for the federal government to show more leadership. Moreover, you mentioned hatcheries, aquaculture, etc. I'd like you to tell us a bit more about what is lacking in terms of leadership, what should be done exactly. Basically, I'd like you to tell us what you mean by that.

[English]

Mr. Neville Samson: Basically the voice for the Canadian government internationally has been NAFO. NAFO, as far as we're concerned, I might as well say, is useless to us. It's basically a useless organization. NAFO puts me in mind of someone who is patrolling a river and gives up the first couple of hundred yards to the poachers,

saying “You can do what they like on this river; we'll take what comes through”. That's what NAFO is to us in Newfoundland. We have no more regard for NAFO. Nobody speaks highly of NAFO here in Newfoundland, I can assure you of that.

The federal government's role should...do a campaign head, like Greenpeace. They've got no resources. With the resources they have, compared to what the federal government has, there's no reason the Canadian government should not have counteracted Greenpeace with a stronger message. Right now the seal population is out of control. There are seals in our rivers. You've got concentration of seals here in Trinity Bay from the month of December until...well, in the crab fishery this year, the seals were numerous.

If you talk to the fishermen, they'll tell you that herds and herds of seals are still destroying whatever new growth of cod there is. It's in a position now where the number of seals have control.

Does that answer your question?

• (1130)

[Translation]

Mr. Raynald Blais: Yes.

With respect to hatcheries, etc., you were referring to an experience in Norway, in particular.

[English]

Mr. Neville Samson: There were hatcheries here in Trinity Bay years ago. There was a hatchery over on the south side of Trinity Bay and it was done by a Norwegian. The cod were reared from the eggs but the cod were allowed to incubate and the small cod fry were set free in Trinity Bay. This was approximately a hundred years ago. I'm not certain on the dates, but I know it was a Norwegian who did it.

What you could do is, if you had cod hatcheries, you could enhance the wild stock. I think the ratio of cod that becomes a reproducing cod again is one in a million.

[Translation]

Mr. Raynald Blais: Mr. Samson, given your experience, what you've lived through and what you've seen over the last few years, do you think we can still trust Fisheries and Oceans?

[English]

Mr. Neville Samson: All we've seen locally here from DFO is enforcement. Basically, DFO is out here to catch somebody with undersize fish or to catch a kid on the rocks with a fishing rod who's been catching tomcod, which I've done for more years than I care to remember fishing around the coast. Basically, that's what DFO does here—issues licences and does some enforcement. We don't see any positive things from DFO other than a small amount of enforcement around the coast. There aren't enough DFO people to police the fishery—only maybe small fisheries like the lobster fishery or something of that size, right?

[*Translation*]

The Acting Chair (Mr. Scott Simms): Is that it, Mr. Blais? Thank you very much.

[*English*]

Mr. Stoffer, we have five minutes.

Mr. Peter Stoffer: Thank you, Mr. Chairman.

Thank you for your presentations, gentlemen. If indeed DFO did allow a recreational or food or slight commercial fishery on the inshore stocks—I asked the mayor this question, and I'd like to ask you—what method of fishing would you surmise would be the most sustainable method in order not to put any damage on those stocks?

Mr. Neville Samson: Hook and line fishery.

Mr. Peter Stoffer: Hook and line. Thank you.

In Alaska, as you know, they have a system called ocean ranching, where the hatcheries pump out millions and millions of salmon and then the commercial fleet goes out there years later and catches it. I know we've heard about cod growout here, where they'll catch cod and then put them in the pens and grow them. Are you recommending more of a cod growout thing or more of a hatchery program?

Mr. Neville Samson: Hatchery program to enhance the wild stocks.

Mr. Peter Stoffer: How many hatcheries are there now in Newfoundland and Labrador with cod?

Mr. Neville Samson: I'm not certain what there is. There was one over in Winterton area, but I'm not sure if they're still operating.

Mr. Peter Stoffer: We're not sure if there are any.

Mr. Neville Samson: I'm not sure if there are any.

Mr. Peter Stoffer: As you know, this committee, I believe last year—you can correct me, Mr. Keddy, if I'm wrong—recommended unanimously custodial management, taking over of the nose and tail in the Flemish Cap, as you're aware. We did that because we were very upset and had little, I guess, hope for the future of NAFO in terms of what they're doing. Just recently, the World Wildlife Federation issued a report about the ineptitude of NAFO. Do you support our committee recommendation on custodial management, which basically means we take over the nose and tail in the Flemish Cap? We don't kick the foreigners out, but since we're paying 50% of the NAFO cost now, we generally would monitor them a lot closer than they're being monitored now. Would you agree with that method?

Mr. Neville Samson: You'd have to be crazy not to.

•(1135)

Mr. Peter Stoffer: Thank you.

My last question for you is about the sentinel fishery, which I think is a very good cooperative effort on information for scientists, fishermen, and the department. How is it working in the Bonavista area? Is it on the increase in terms of a more cooperative nature, or is it declining through DFO's inaction in terms of resource capability?

Mr. Neville Samson: I think that question should be asked to the fishermen who have taken part in the sentinel fishery.

Mr. Peter Stoffer: Thank you, sir, and thank you for your presentation.

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Stoffer.

Yes, indeed, this afternoon we're going to have a couple of harvesters in here to talk about the situation, and they can talk more about the sentinel fishery. I can also try to get you an answer on the number of hatcheries. I'll try to get that for you just after the lunch break.

Now we're going to this side, where you're splitting your time?

A hon. member: Yes, I guess so.

The Acting Chair (Mr. Scott Simms): Okay, so we'll split the time. Mr. Matthews, you're first.

Mr. Bill Matthews: Thank you, Mr. Chairman.

Welcome to the witnesses. It's been interesting to hear your presentations and pointed responses to the questions of committee members, which I certainly appreciate and I'm sure committee members do as well.

My own observation is that we try to do only half the remedy. We don't fully deal with it all. There are any number of factors that have caused the situation we're in today. We'll have to take a number of initiatives if we are going to see a meaningful return of the northern cod, offshore particularly. We have to deal with the seals, with the gear types, and with other things—that's my view anyway. Unless we deal with the full package, then I don't think.... That's why we floundered along so long without seeing results, and that's why we're here today—or at least, that's why I'm here.

I was quite interested to hear you make some reference to migratory patterns, if I recall correctly. It suggested to me that you were saying that the migratory pattern of the northern cod has changed. That tweaked my interest, because I come from the south coast, where we had a deep-sea fishery for years and years. A trawler fleet went north in January and February, caught northern cod, and came in loaded down sometimes on deck. So much was on deck when they'd report in.... How much do you have, skipper? So much in the holds, and 50,000 on deck. They took aboard so much, they had to put it on deck.

Mr. Gerald Keddy: There'd be no freeboard left.

Mr. Bill Matthews: Yes, that's just the way it was. Of course that was not a good thing either, because they were congregating to spawn at the time of the year when they were being caught. So that was one problem.

What some of those captains told me was that with the sophisticated methods of fishing today, with their logs and so on, they had detected a change in the migratory pattern of northern cod. As a matter of fact, a number of them told me that what they had logged over the years was a movement of northern cod out towards that place we keep talking about when we're talking about foreign overfishing. Indeed, the northern cod were going out to the edges of the banks and being scooped up by our friends. That really interested me when you said that. Is that what you meant?

Mr. Neville Samson: Yes.

Basically, the northern cod congregates on the Hamilton Bank. It comes up along the Labrador coast. Some go in through the Straits of Belle Isle and the remainder come along the east coast into some of the bays following the pelagics and whatever. The migratory route is then up and out over the nose and tail of the Grand Banks, which is so crucial to the northern cod. The Portuguese and Spaniards knew almost to the day when the northern cod was going to arrive on the nose and tail of the Grand Banks because of their fishing experience. We all remember the Portuguese White Fleet from the time when there was dory fishing on the Grand Banks. I think they had more knowledge then than what we do now about the migratory routes of the northern cod.

Mr. Bill Matthews: Thank you for that. It's an interesting observation.

When I look at our reference of the events leading to the collapse of the fishery and the failure of the stock to re-establish itself, as a committee I guess we're almost asking where did the northern cod go, to a large degree, and why hasn't it rebounded over those years?

I talked about our trawlers going up in January and February and bringing back all of that spawning cod, really what it was—

• (1140)

Mr. Neville Samson: Roe-laden.

Mr. Bill Matthews: Yes. And then if you indeed had a change of migratory patterns, where what was left or some time thereafter it went out to the edge of the shelf and was taken by the foreigners, then I guess what we didn't catch, the rest is somewhere in Europe.

I raise that for the committee, because I think it's important that you understand that all we hear about this issue is not real. As I said, there are a number of factors that have led to the decline, and there are still a number of factors that have diminished the regeneration or rejuvenation of the stocks, I guess. But your migratory reference twigged me, because I've heard that so many times from people who I think know, and knew, and logged it.

I thank you. That's all I want to say about it.

Mr. Neville Samson: Trawler skippers certainly knew where the fish would be. One thing that was found was that the fish, year after year, moved farther south in the month of January. The biomass was concentrated farther south than it had been in the previous years.

Mr. Bill Matthews: Of course, another observation that might be made is that perhaps at some point in time it migrated south and didn't go back, not because it was caught but because of some conditions, whether behavioural of the species itself or environmental. You know, that has been known to happen in other parts of the world, that different fish species have left an area and gone

somewhere else. Then, in a cycle some 20, 30, or 40 years after, there has been a return. So I don't think it's beyond the realm of possibility that this may have happened to some degree with northern cod.

I'll shut up there.

The Acting Chair (Mr. Scott Simms): Mr. Murphy.

Hon. Shawn Murphy: Thank you very much, Mr. Chairman.

I thank the witnesses for appearing.

It may have been touched on before, but the plant here in Bonavista is owned by FPI, is that right?

Mr. Neville Samson: It's an FPI plant.

Hon. Shawn Murphy: It's an FPI plant, and in good condition, is it? What's the state of the condition of the plant?

Mr. Neville Samson: I think, Harry, you should answer that one.

Mr. Harry Stagg (Panel of Plant Workers): No, not really in good condition. They haven't invested very much in it over the last 20 years, pretty much since they took over.

Hon. Shawn Murphy: It's an older plant.

Mr. Harry Stagg: The plant has been there for a while, yes. There have been add-ons over the years, you know.

Hon. Shawn Murphy: And right now it's mostly crab, is it, Harry?

Mr. Harry Stagg: Pretty much all. I would say we probably did maybe 500,000 pound of turbot this year. The rest was all crab. It's the only reason we've survived since the moratorium.

Hon. Shawn Murphy: And the crab is down this year, I understand. The quantity of crab that's being processed in the plant, is it down or up?

Mr. Harry Stagg: I'd say it's down, because the TSE was the cause of it and we have more plants coming into the system.

Hon. Shawn Murphy: Going back to the seals issue, does your group recommend a cull?

Mr. Neville Samson: Anything that would reduce the numbers down to a manageable level.

Hon. Shawn Murphy: What would the manageable level be? They're suggesting maybe three to four million.

Mr. Neville Samson: Well, that would take probably five to six million out of circulation.

Hon. Shawn Murphy: It's always a contentious issue as to how many seals are out there. I get different figures. You think there must be eight or nine or ten million seals out there.

Mr. Neville Samson: Yes.

Hon. Shawn Murphy: I haven't heard that figure before.

Mr. Harry Stagg: When you have them in your yard, you just—

Hon. Shawn Murphy: They're not even out there, they're in your backyard.

An hon. member: Like the cod, they've gone elsewhere.

Mr. Neville Samson: In Port Union, I live on one side of the river and my mother lives on the other side. She's an elderly lady. When her mat gets wet on her bridge, she hangs it on her rail.

I called her one night and said, "Your mat has blown off your rail". She said, "I'll get it in the morning, whatever". I looked over about 20 minutes after, and I called her again, I said, "Your mat is gone". About 20 minutes after, she called back and she said, "Come over and see what's on the bridge, on the front veranda". I said, "I'll be over shortly". I went over and there was a seal on the front veranda. They're in the rivers.

Hon. Shawn Murphy: You recommend a major cull. Is that what you're saying?

•(1145)

Mr. Neville Samson: They released 40,000 salmon fry in Pipers Hole River three years ago. Guess what was up in the hole the next morning? Seals.

Hon. Shawn Murphy: I have nothing further, Mr. Chair.

The Acting Chair (Mr. Scott Simms): Thank you.

Someone may correct me, but I think the official count on the population was just over five million. Is that the official count?

Mr. Bill Matthews: It's 6.2 million.

The Acting Chair (Mr. Scott Simms): Sorry, 6.2 million. There you go.

Mr. Neville Samson: We just cut 1.2 million.

The Acting Chair (Mr. Scott Simms): We just increased it by one million, just like that.

But you're saying there are obviously more than that. Through your observations, what you're seeing, there are a lot more than the 6.2 million.

Mr. Neville Samson: Yes.

The Acting Chair (Mr. Scott Simms): Okay.

Now we're going to go over to Mr. Kamp for five minutes.

Mr. Randy Kamp: Thank you, Mr. Chair. I have just a couple of quick questions, and then if there's time left, I'll defer to one of my colleagues.

Do you share the mayor's opinion that there is enough stock for at least a food fishery and a limited commercial fishery inshore?

Mr. Neville Samson: There is a stock of fish in Trinity Bay—It's known as the Random Sound or Smith Sound stock of fish—and there is a stock of fish here in Bonavista Bay. Other than that, I'm not sure. I don't think I'm qualified to answer that question as to what the biomass is and whether it could sustain another fishery.

Mr. Randy Kamp: Okay, that's fair enough.

An hon. member: An honest answer.

Mr. Loyola Hearn: That's why we're here.

Mr. Randy Kamp: We'll ask those questions this afternoon as well.

Mr. Stagg, you mentioned to me personally and in your presentation as well that there are some who just don't get the weeks or hours to qualify for EI. I'm wondering how those people survive.

Mr. Harry Stagg: We qualified about 170 people this past summer with enough hours, not weeks, to qualify for EI. The rest of those people now have to scramble and find some make-work projects to make up the difference.

Mr. Randy Kamp: So they try to find hours elsewhere.

Mr. Harry Stagg: Wherever they can.

Mr. Randy Kamp: But many are existing on EI.

Mr. Harry Stagg: Well, with the short season, yes.

Mr. Randy Kamp: Do you have any other questions?

Mr. Loyola Hearn: I want to come back to the migration issue, because Bill mentioned some of the experiences he had.

I've had this discussion with a number of people, including scientists, and recently with some Norwegians. If you go back to ten years before the moratorium, up in Labrador—and I'm thinking of Black Tickle—there was one summer when they almost had a war trying to find a place to tie up; fish were that plentiful.

A voice: Yes.

Mr. Loyola Hearn: Then, over a period of time, we saw heavier concentrations along the northeast coast.

In the 1980s, when the Portuguese set up in the Fermeuse area, they started fishing the Virgin Rocks, with gillnets—load and go, the biggest kind of fish.

A voice: Huge fish.

Mr. Loyola Hearn: Then for a year or two, on the southern Grand Banks, there was a heavy concentration of big fish, and then nothing. There wasn't a gradual decline; it was almost a drop-off.

At the same time, those fish were moving, and according to what you're saying, and Bill from the skippers, there was this migration southward, eastward.

You have to remember, you have five or six million seals chasing you too.

If the water temperatures are changing—and apparently a change of half of a degree affects cod—and you're moving towards deeper water, it's like putting a dog in the pasture: he might not catch a sheep, but he'll certainly drive them. If you have five or six million seals.... At that time we were finding seals out on the banks, where we never saw them before, and all over our bays and harbours.

At the same time, in Norway they have had, also in moratorium, their stocks rebuilt, they will tell you, much more quickly than they ever expected, as ours were diminishing.

Mr. Neville Samson: Iceland also.

Mr. Loyola Hearn: Exactly.

If you place a ruler on a map and go from the southern Grand Banks to the Hamilton Bank and then switch from the southern Grand Banks to Norway, there's very little difference in the distance. So with temperature and with the pressure of seals—heaven knows....

• (1150)

Mr. Neville Samson: What you're trying to say is that our stock emerged in Norway.

Mr. Loyola Hearn: That could easily be. It would be a very interesting study.

Mr. Neville Samson: What I think really happened was that with the super-cold water coming down from the Arctic and the northern cod losing so much body weight in the search for warmer water, they went off the edge of the continental shelf and died.

Mr. Gerald Keddy: Do I have time for a quick question?

The Acting Chair (Mr. Scott Simms): You have fifteen seconds. Carry on.

Mr. Gerald Keddy: Perhaps some of them did, but I still think there's a huge culprit there, and it's called overfishing.

You talk about migratory patterns and everything else. We've seen a change in migratory patterns of all species in the eastern Atlantic—all species.

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Keddy.

We're going to come around again.

Mr. Gerald Keddy: But you can't catch the last ones.

Mr. Neville Samson: We have the technology to do it.

Mr. Gerald Keddy: We sure do.

[Translation]

The Acting Chair (Mr. Scott Simms): Mr. Blais, you have five minutes.

Mr. Raynald Blais: Thank you, Mr. Chairman.

Mr. Samson or Mr. Stagg, you referred to economic diversification at the beginning of your presentation. I had an opportunity to address this issue with Ms. Fitzgerald earlier on. I'd like you to expand a bit on this.

Can you still believe in economic diversification when a community such as yours is so directly linked to the fishing industry? I would imagine it would take a while to adapt and I get the impression that it can only be a success over the longer term. I'd like to hear your opinion on this.

[English]

Mr. Neville Samson: Diversification of the economy has begun, but it is basically in its infancy stages.

We are seeing some very good results from tourism. There has been an increase in tourism on the Bonavista Peninsula, particularly in the Trinity area, where they've had a major influx of capital money to build theatres. There is Mr. John Fisher, who has built B-and-Bs and is employing former fishery workers. They're doing quite well. Even though I know it's only seasonal, they have improved the

economy in Trinity through tourism. We've improved the economy here in Bonavista and Port Union through tourism.

Right now, our make-work projects, as many people call them, are an investment in the future.

[Translation]

Mr. Raynald Blais: Do you believe, as I do, that it would be important, or even essential to massively invest in infrastructure before even entertaining the idea of diversifying the economy? That could involve roads, wharves. It is very important to have quality infrastructure to pique the interest of investors who will create new jobs.

[English]

Mr. Neville Samson: Yes, you certainly do have to have the infrastructure. There's no question about that. If you don't have a road that's suitable to drive over, you aren't going to attract any tourism to your area. You have to have the infrastructure. If you're looking at the cruise ship industry, you certainly have to have wharves. Infrastructure right now is very lacking. I'm sure that if you drove here, you could see the condition of the highways. The highways certainly have to be repaired. If you're someone who's driving an expensive motor vehicle or a motorhome or whatever, you certainly don't want to subject it to those highway conditions. That is a deterrent to tourism here on this peninsula.

[Translation]

Mr. Raynald Blais: What about harbour infrastructure, wharves?

[English]

Mr. Neville Samson: Definitely, yes. Much of the infrastructure has gone without any capital investment probably for the past 20 years.

• (1155)

[Translation]

Mr. Raynald Blais: You can well imagine this isn't the first time I have had the opportunity to bring up the issue of small-craft harbours. Committee members are well aware of my concern for these harbours. I would like to state however, that it is very important to meet the challenge, because without this infrastructure, we will never be able to diversify our economies or create jobs.

[English]

Mr. Neville Samson: I agree with you 100%.

[Translation]

Mr. Raynald Blais: Thank you.

[English]

The Acting Chair (Mr. Scott Simms): Merci, Monsieur Blais.

Mr. Stoffer, five minutes.

Mr. Peter Stoffer: Thank you very much again, Mr. Chairman.

We have heard from fishermen from various communities, in Ottawa and in Newfoundland, that the inshore cod stocks are rebounding. They seem to be on the increase for the inshore. At the same time, we've heard that the seals are very plentiful and they're having an effect on our cod stocks, and we hear about them going up the rivers and so on. I'm just concerned about the fact that there may be a mixed message here. If the inshore stocks are rebounding and increasing, where there may be a limited recreational-commercial fishery, wouldn't the predation of the seals have an effect on that stock, and thus it shouldn't be rebounding?

Mr. Neville Samson: The seals certainly do have an effect on the predation on the stock.

Mr. Peter Stoffer: No question.

Mr. Neville Samson: Let me tell you this. I can tell you that anyone who's lived in outport Newfoundland will know that in the months of July and August 20 or 25 years ago, you could walk out on a wharf in the evening, after the wind died away, and all around the wharf, all around the shoreline, all you would have seen is tomcods. I've done it probably a dozen times this summer and fall; I've just walked out and had a look. I haven't seen one. So that will tell you what regeneration there is. And there are very few small fish. So I think you should direct those questions to the people who can give you the hands-on experience, who are the fishermen.

Mr. Peter Stoffer: Yes, we'll do that.

As you know, there was a conference here in St. John's on May 1. There were countries from around the world talking about the effort of fishing and the method of fishing in terms of the dragger fleet. The minister himself was at the United Nations a while back, and he was presented with a brief by Greenpeace to the UN about the possible timeframe to discuss the elimination of the dragger fleet from our oceans. The World Wildlife Fund, Ransom Myers, the professor in Halifax, and other environmental groups have been on this mantra for a while: one way to bring the stocks back, not just for cod but for other species, is to finally, once and for all, eliminate the dragger fleet or the huge trawlers that you had mentioned earlier in your presentation.

Is this something that your group or the people you correspond with on a daily basis would like to see done: a gradual reduction of the dragger fleet? Or is there a place for that fleet in the future of the fishery?

Mr. Neville Samson: With improved gear technology, I certainly think that yes, there is a place in the fishery for this technology. New dragging technology has been developed since the moratorium. It isn't as destructive on the bottom, tearing up the habitat, which we've been made to believe has been the cause of a lot of destruction to the habitat, to the breeding grounds of the northern cod. Certainly, yes, there's no question if you're towing a trawl door over the bottom, there's going to be some damage. I think it would be very difficult, the trawler fleet. Even if you look today at the shrimp industry, it's caught with basically the same type of trawl that is used in the cod fishery: two doors that keep the net open, with a caught end. We're still basically using the same type of gear that we used, only on a much smaller scale.

Mr. Peter Stoffer: Thank you, Mr. Chairman.

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Stoffer.

The Dr. Myers that you spoke of earlier, Ransom Myers, is appearing before us on Thursday, incidentally, just for your information.

Also, the food fishery, the recreational fishery, has come up a fair bit this morning. Just so you know, tomorrow morning Jacob Hunt, from the Rural Rights and Boat Owners Association, will be appearing, and that's going to be primarily about the food fishery, the recreational fishery. Again, that's just for your information.

Gentlemen, if I may, I'm going to, in my best time-will-tell manner.... I'll paint a picture for you, or I'll try to, and I'll try to ask the gentlemen here some questions that haven't really come up a lot but that certainly come up when I'm sitting in my office.

Explain to us how dependent plant workers are on the EI system and how the EI system has become the fabric of Bonavista.

• (1200)

Mr. Harry Stagg: When you see people's weeks of work cut in half—this year our plant workers had ten weeks, I'll say, or maybe had part of them, and some of the senior workers had part of another week—and that's all you're going to get, ten weeks' work, you haven't got much choice but to depend on EI. You just barely qualify with your hours, you know, with enough weeks.

The Acting Chair (Mr. Scott Simms): Your call-in list in the plant itself is also dependent upon who has what weeks and who doesn't. Is that correct?

Mr. Harry Stagg: Yes.

The Acting Chair (Mr. Scott Simms): Okay. I wanted you, as a witness, to describe how little work there is this year compared to last year or a decade ago in the plant itself and the situation with the number of weeks of work you get, and basically as well, your relationship with the union. I've always been fascinated by how the call-in list you use in the plant—

Mr. Harry Stagg: The seniority list.

The Acting Chair (Mr. Scott Simms): —the seniority list, is basically interwoven with the EI system to make sure that people are topped up or qualified or that sort of thing.

Mr. Neville Samson: In the plant in Port Union we are divided into three shifts: A shift, B shift, and C shift. A and B shifts are the first two shifts called in. Generally, the crab fishery is in process when fishermen start catching shrimp. So what basically happens is that you have enough raw material for two shifts. You can't bring in the third shift.

Later on, when the crab is caught, some of those crab fishermen will switch to the shrimp fishery. That allows you then to pick up enough raw material to bring in your third shift.

Those of us who are fortunate enough to have enough seniority, or unfortunate—probably if you didn't have the seniority you wouldn't be around here.... This year, with the high winds and bad weather and with much of the quota taken, we don't have the number of boats fishing, and what we've done is we are trying to qualify the third shift with 14 weeks' work. Some have moved into.... We have two operations: basically what we call the cooking part and the peeling and processing part of the industry, and the packaging and bagging, which is packing for any company that sends in an order. We now have two shifts, I think, with eight people on each shift, but most of those are from our C shift, because we are trying to qualify as many people as we can with a full week's work, with a 40-hour week. We do this through the union and the company.

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Samson.

Mr. Keddy, I believe you're up now for five minutes.

Mr. Gerald Keddy: Thank you, Mr. Chair.

You've brought a number of issues forth that are pretty logical, common sense, at least partial solutions, because I'm not sure there is one solution to this pretty diverse problem.

I want to revisit the foreign overfishing. We've seen the southern migration. We've seen the migration route change. We've seen it go more to the south, out towards the nose of the Grand Banks and certainly out on the Flemish Cap. We've had, really, a total lack of presence or any type of regulatory regime at NAFO. I mean, I was at a NAFO meeting; it's an embarrassment. And as Canadians and certainly as a government we should be embarrassed, whether we are members of government or of the opposition.

It would seem to me, and when I talked about black boxes earlier I really was talking about black boxes for everyone—

Mr. Neville Samson: Exactly.

•(1205)

Mr. Gerald Keddy: There should be black boxes for our commercial fleet, our Canadian fleet, and the foreign fleet. We have to have some type of regime that allows observers on board the foreign fleet. The only way we're going to get that is to have some type of an agreement set up where there's reciprocity. If you had an Icelandic boat, you would have a Norwegian observer, a Canadian observer, or an American observer.

There are some species outside the 200-mile limit and inside the 200-mile limit that we're seeing in some abundance. We're seeing yellowtail flounder. But I don't think there would be an argument from our fishermen—and I know it's difficult for you to speak to the fishery—if we were to present some type of a regime where we could actually know where our fishery was being conducted and had some assurance of where it was being conducted, if we were putting the same rules forth for everybody, especially the foreign fleet.

The cod went somewhere and didn't come back. I really don't believe they went into deep water and died. I think they went outside the 200-mile limit and were caught. I know that's difficult for you to speak on, but do you think there would be some cooperation?

Mr. Neville Samson: Basically, 95% of the 200-mile limit is very deep water, off the edge of the continental shelf. I'm not sure if the factor-freezer trawlers have the capability of fishing in that depth of

water. If they do, then why do they concentrate on the nose and tail of the Grand Banks? If they can catch cod in 1,000 fathoms, why do they prefer to catch fish in inshore waters?

Mr. Gerald Keddy: Mr. Samson, you mentioned before that obviously they don't have enough warp to go that deep. We understand that here. But it never stopped the foreign fleet from coming inside the 200-mile limit in the past.

Mr. Neville Samson: Exactly.

Mr. Gerald Keddy: If you don't have some type of regime in place where you have constant observation, they're going to come inside the 200-mile limit. They don't have to come inside far; they just have to come in to the Grand Banks.

Mr. Neville Samson: Most often the best fishing is on the edge of the Grand Banks.

Mr. Gerald Keddy: That's right. You can start your tow at 10 o'clock—after dark—tow inside 20 miles, and be back outside before anyone knows you were ever there. It's almost impossible to regulate. So we need to have a NAFO regime that has teeth, and the political will here in Canada—and I'm not blaming any political party—to enforce it.

Mr. Neville Samson: Definitely. Without the political will we don't have anything.

Mr. Gerald Keddy: No, and we're never going to rebuild. We talked about migration. We have the capacity to catch the last fish. I don't think we've caught it yet, but we absolutely have that capacity. If we don't do something about it immediately, someone will.

Mr. Neville Samson: Someone will.

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Keddy.

We discussed the round-table discussion that was held here in Bonavista back in November, and here's the attendance list of the people. One other person who I don't see on the list, but who was here, was a representative from the office of the Minister of Fisheries and Oceans. There you see the two people in question: Bruce Atkinson, from DFO science, as well as Roy Russell. They will be in front of the committee on Friday, in St. John's.

Mr. Atkinson may be there. Is that correct? We're not quite sure yet. People from DFO will be there.

[*Translation*]

I'm sorry, Mr. Blais, that this was only in English.

[*English*]

That was the gist of the meeting. We talked about the stock assessments, and that's what was presented by DFO at that time.

[*Translation*]

Mr. Blais, you have five minutes.

•(1210)

Mr. Raynald Blais: Thank you, Mr. Chairman.

I'd like to talk about employment insurance. I'd like to talk about the atmosphere, and what I mean by that is the level of involvement of people, those who are experiencing these problems and are on the receiving end of them. At one time, protests would happen quite readily, and people would come out in large numbers to get involved, be it for employment insurance, or as a result of a moratorium, etc. Nowadays, we get the feeling people are less interested, but I don't believe that.

Is it possible that the level of involvement is related to the level of trust people have in these solutions?

We, members of the committee, are relatively well aware of the issues. However, people within the federal government need to become more aware of them. I don't get the impression it will happen overnight, unless there are some demonstrations.

Do you still believe in these solutions? Do you think this type of mobilization will have to occur again, as was the case for the moratorium and for issues relating to employment insurance, for a change to come about?

[English]

Mr. Neville Samson: Basically, we did a lot of protesting during the moratorium. Right now, with regard to making changes to EI, we don't have the numbers here to protest; we don't have the number here. Like I told you, most of those on the seniority lists from the plant in Port Union are out of this province, or they are retired. A lot of our people took an early retirement package. The people who did not have an opportunity or did not see an opportunity to get back into the fishery, and who were low on the seniority lists, the majority of those people are now either in Ontario, Alberta, or British Columbia. It is not that the people have lost their will to fight for what they believe is right or best for the fisheries workers.

I'll just give you the example of Melrose, a little town just outside of Port Union. The daughter of a friend of mine is building a new home, so I went up to give them a hand in May, like we often do around here: if a guy wants a hand pouring cement or putting in forms, if you can do some carpentry work, or whatever, you go along and help out. Two young fellows in this little town, which has a population of about probably 300 people, came along to me, and I asked them what they were doing, and both of them said, "Well, both of us are leaving together Monday morning". One was going to Ontario and one was going to Alberta. The other guy standing next to them said, "That makes 37 gone out of Melrose since May month". So that will tell you where our numbers are going, and it is all the younger generation that is moving. You can't protest without people.

[Translation]

Mr. Raynald Blais: Exactly, there are fewer and fewer people, and I assume that in this region, demographic projections are the same as the ones in my area, the Gaspé and Magdalen Islands. People will always be inclined to leave the area, so long as the fundamental problem—lack of jobs—remains unresolved.

Despite all this, rather than wait for this to strike communities, do you think that there are different ways to get the provincial and

federal governments moving? What kind of action can be taken to change things and spur job creation?

[English]

Mr. Neville Samson: Basically what we're seeing here now, and it's known province-wide, is that many of our jobs here—I can just go to Marine Atlantic—are being relocated to Halifax. Our weather stations are being relocated.

Many of the jobs that could be put here in this province are being relocated to mainland centres.

•(1215)

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Samson.

Monsieur Blais, merci.

Mr. Stoffer, five minutes please.

Mr. Peter Stoffer: Thank you, Mr. Blais. That leads right into a line of questioning that I've had.

What is the average age of your plant workers now? Or I would say, who is the youngest person in your plant?

Mr. Neville Samson: Our average age is about 46 years old.

Mr. Peter Stoffer: Who would be your youngest employee?

Mr. Neville Samson: About 38 or 39.

Mr. Peter Stoffer: So conceivably, in 15 years, who would be processing the fish? You were just saying a lot of young people are leaving, right?

Mr. Neville Samson: Yes.

Mr. Peter Stoffer: So if you're thinking long-term picture, who would be doing the work, in your opinion?

Mr. Neville Samson: I think it will be done in China.

Mr. Peter Stoffer: Well, the Council of Professional Fish Harvesters came out with a report earlier this year—

Mr. Neville Samson: It's not funny. That is the truth. Ask those people there. They see it every time they go to work in the morning.

Mr. Peter Stoffer: The Council of Professional Fish Harvesters came up with a report earlier this year about concern over the average age of the captains of the fishing vessels in Atlantic Canada and who will be doing the fishing 10, 15 years down the road, in terms of individual captains and their crews and everything.

One of the debates going on in this country and in this committee as well is on the various systems of quota management. Some believe that an ITQ system, individual transferable quota, is the way we should go, similar to what New Zealand and Iceland have done. Others believe in an IVQ system, individual vessel quotas. In Nova Scotia, we have trust agreements that are being signed off between lobster buyers, people with deep pockets, and those individual fishermen. Others believe more in the common-property resource, you know, where it belongs to everybody and should be managed properly and equally for the benefit of all Canadians.

If you could just take a minute or two, in terms of managing the fish and managing the quotas, would you prefer to see more of a—as I argue—corporatization or privatization of the fish stocks, or would you prefer to see a more community-based cooperative, co-management, similar to what Fogo Island, Sambro, and other communities in this country have? Which system? Have you given it an opportunity for thought at this time?

Mr. Neville Samson: Right now, if you look around this province you will see huge prices being offered for crab licence—often a million dollars is not out of the question for a crab licence. That would be a full-time crab licence, which would be the maximum amount of quota that could be landed for what was set for that fishing season.

Some companies are buying up these crab licences and are more or less leasing them out to other boats to fish for them, right?

Mr. Peter Stoffer: Right, because one of the concerns on the west coast—sorry to interrupt—was what's termed “slipper skippers”—guys who own a licence but have never stepped foot on a boat.

Mr. Neville Samson: Exactly. We have that here too.

Mr. Peter Stoffer: Carry on.

Mr. Neville Samson: It has to be a quota system where there is input into the landings by more than one entity. Whether it's a company, a town, or whatever, it has to be more or less co-managed. I would not prefer and I don't think any of the fishermen would prefer to see the quota owned by a company.

Mr. Peter Stoffer: Thank you.

• (1220)

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Stoffer.

Mr. Samson, thank you.

We have enough time for three rounds of five minutes. We're all okay with that. So we're going to go with three rounds of five minutes.

Mr. Hearn.

Mr. Loyola Hearn: I think basically we've covered almost everything we can here. A lot of the stuff that's coming out just gives us a lot of the background of the effect, particularly on rural areas.

I agree totally that the concern for the future is that if the cod that migrated over the edge came back next year, where would we get the workers? We don't have them. I'm sure you haven't. They're not coming back from Alberta to go to work in the fish plant in Fermeuse or in Bonavista. We have a major problem there. However, the key is protecting people, people like yourselves for whom—and you said earlier—everything they ever had is here. And where do you go when you get to a certain age? It's okay for our young people; it's a whole new life and it's a competitive world. But I tell you, unless we protect and enhance somewhat, we're going to see complete devastation. That's unfortunate.

I think that's why we're here. This is when I'm concerned, when I hear we have a rapidly rebuilding bay stock. I believe you handled it very well when you said there is stock in Trinity Bay, there is stock in Bonavista Bay. We haven't seen that regeneration on the southern shore.

I live in Renews. I taught school in Trepassey. So I got the best of both worlds. I've got Fermeuse and Trepassey gone.

But one morning in driving to Trepassey, it would be around 1980, the fall fishing, and when we finished cod trapping.... I grew up in a boat, I fished all my life. When we finished cod trapping, we went hand-lining, jigging, and trawling. We were not allowed to trawl in the specific area, you moved farther up the coast, but within sight. I stopped at what we called Bear Cove Beach one morning in September, and I counted—these are 18- to 35-footers—127 boats fishing handline, longline, or trawl, just a few of them, or jigging in this one little area, and all of them doing okay, 127 boats. There is not a cod tail to be found in that area today. So it just shows the effect: that was 127 families gone, not counting the plant workers who depended on it.

So where do we go? If we can preserve the stocks.... And the crab is on the way out, by the look of it. Hopefully not, but when I hear, “I went further, used more pots and made more trips”, I heard that about gillnets 20 years ago. If the crab goes down—and I know for those caught this year the price is going down—if cod can come back enough at least to fill that gap, to hold the status quo, that's why we have to be sure before we go out and catch even a small amount, because it's not good holding what we have, we want to build a bit on it. It doesn't take long to regenerate once you get to the breeding stock. So hopefully we will get some information that collectively we can put together and make some half-decent decisions, rather than having them either made by people who don't know at all, or people sitting on Kent Street in Ottawa. But a lot of pressure has to come from the people on the ground to get the people on top to make these hard-and-fast decisions.

I think your input today has been basic, it's been factual, and it certainly hasn't been exaggerated.

The Acting Chair (Mr. Scott Simms): Mr. Samson, would you care to comment?

Mr. Neville Samson: That's basically what I've seen. My seniority date in Port Union is August 13, 1973. On that day, I was offered three jobs. Unfortunately, I took the one in the fishery. I was offered a job with a finance company, one with Newfoundland Light and Power, and one with Fishery Products International.

It's been a sad situation, I can tell you. When you look at the guys you grew up with, who you've worked with for 20 years, and they come by and tell you, boy, there's nothing left around here for me, I'm moving....

I can tell you of communities where you've taught—in Trepassey—where an 1100-square-foot-dwelling, a fairly new home, sold for as little as \$3,500. You tell me that the government has done what it could have done to manage the stocks?

What we've seen was that the companies had full control, and through their greed and our ignorance of how the ecosystem worked we allowed it to happen.

•(1225)

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Samson. I have to move on to the next questioner.

[Translation]

Mr. Blais, you have five minutes.

Mr. Raynald Blais: Your answer leads me to a subject I would like to discuss with you. What would you do if you were appointed Minister of Fisheries and Oceans tomorrow morning? You were saying that one of the things you would tackle relates to management. You said that you would not make the department's past mistake by handing over management to a large firm.

Are these the types of measures which would allow us to talk about a future for the fisheries industry?

[English]

Mr. Neville Samson: If we have any understanding of what has happened in the past, we certainly have to understand that in order to have cod we have to have food for cod to eat. We have to begin to rebuild the pelagic stocks, we have to manage them at a level that is commercially viable to provide jobs, and we have to provide food for the seals other than the northern cod.

[Translation]

Mr. Raynald Blais: Could one say that elsewhere on this planet, there have been problems relating to cod, specifically in Iceland, a country that has resolved the issue relatively well. In other words, can one still have faith on condition that the right measures are taken?

[English]

Mr. Neville Samson: The Icelandic fishery rebounded. Iceland took drastic steps to protect their stocks.

From what I've been seeing, this country doesn't have the political will to do what's required to protect the stocks. I'm looking at you and you. I'm telling you, this country does not have the political will, and because of the numbers in this province I don't think you're able to get the political will in Ottawa.

[Translation]

Mr. Raynald Blais: Could this political will manifest itself through actions taken to counter overfishing? Earlier, you talked about overfishing. What kind of other measures are there? There are other areas where we could intervene politically, that is by taking concrete action that would lead to concrete results for Bonavista.

[English]

Mr. Neville Samson: I think we've been at this so long—it's been 1992 since the fishery closed—we've talked to so many members. The last person I think I talked to, to get some information as to where we were going, was George Baker, and at that time they were

doing a paper that was going to be presented to the government in Ottawa. Mr. Stoffer was present at the time. It took place in Catalina, in the elementary school in Catalina. I told him what was going to happen to his paper, and I haven't seen anything different since.

[Translation]

Mr. Raynald Blais: Ultimately, the answer is that there must be a political will to act.

•(1230)

[English]

Mr. Neville Samson: We have political will. We can go out fishing every day. If there's nothing there to catch, we're not going to bring anything in. If we don't have the political will to increase the stocks to where they are commercially viable, then we might as well have no stock.

[Translation]

Mr. Raynald Blais: Political will could also be applied to employment insurance or the development of remote areas such as yours and mine. If there were true political will to help these areas, we wouldn't be here today discussing whether or not there is a future for Bonavista, the Gaspésie or the Magdalen Islands.

[English]

Mr. Neville Samson: I certainly agree with what you're saying. Yes, you are correct.

Basically, within the next ten years, without political will to do something in the fishery for the fishermen and for the young people who are trying to make a living from the fishery... Just the Bonavista Peninsula along with other areas in Newfoundland, particularly what I've seen from travelling the Northern Peninsula, the Trepassey area... Go up anywhere up on the southwest coast, Ramea, anywhere. Without the political will to do something with foreign overfishing in particular, you're looking at all the communities that once provided employment...

The plant where I worked, I worked in the office. For 20 years we put out a payroll of \$15 million; that's not including what was paid to the trawlermen. That was the plant workers' salary. We included people from Clarendville and a large number from here in Bonavista, both sides of this peninsula, the Bonavista Bay side and the Trinity Bay side. It was one of the wealthiest areas in this province.

The plant manager often made comments to me. I was union president there for 14 years. You'd have a day shift leaving at four o'clock in the afternoon and a night shift starting at five o'clock. You would have one person leaving the parking lot and another person pulling in. He'd say to me, "Just look at that: there's more new cars here than there at the Confederation Building." Now we don't have people to put in the parking lots.

The Acting Chair (Mr. Scott Simms): Thank you, Mr. Samson.

We have to move on now to the next five minutes.

Mr. Stoffer.

[*Translation*]

Thank you, Mr. Blais.

[*English*]

Mr. Peter Stoffer: Thank you very much again.

Historically, when you look at some of the reports that have been done.... And you're absolutely right, that was our east coast report; that was a unanimous report. We spent a lot of your tax dollars doing that report. The committee fought over every word in that report to get it unanimous, and we presented it to the House. Mr. Matthews knows as well; he was part of that at the time.

You know, the frustration and the desperation on the people and their families when they appear before us.... Mr. Matthews was reminding us this morning of the story of a fellow who showed us his bank book, and the clothes they were wearing and the desperation.... We heard stories of a volunteer fire department; there wasn't any because the guys had left. There was no fire department. The desperation was there.

What amazes me, and this is a credit to the people of Newfoundland and Labrador, is how they still show up at our committee hearings today. By rights, you would think you've done this; you have the T-shirt, we've done the report. And seven years later you're at it again; things have not gotten any better.

Mr. Neville Samson: Exactly.

Mr. Peter Stoffer: I thank you very much for still having faith in the system and what people are left, of course, for having that faith. I certainly cannot blame in any way, shape, or form people who have just said, "We're out of it. The arse is gone out of her, and we have to go somewhere else and look after our families." That's just what people would do.

One of the concerns I have is that some people over the years have mentioned that the downturn started not only with the advent of trawlers and draggers but in 1982, when the famous Kirby report came out. I see by your frustration you may or may not agree with me, but it created FPI and National Sea, and that protected a lot of small companies from going bankrupt. A lot of small companies that were on the verge of bankruptcy received a big helping hand from the taxpayer of Canada to produce these two large corporations, and I know Mr. Gus Etchegary will tell us more about it later.

I would like you, if possible, to briefly tell us or have Mr. Stagg tell us what effect you think the Kirby report had in terms of the downturn of the fishery. Or has it had a positive effect? There's a loaded question for you.

Mr. Harry Stagg: The Kirby report came out and basically told us that within the next couple of years we wouldn't have enough plants on the island to process the fish that was out there, and within a few years after that John Crosbie closed it down. But in the meantime they put more plants around, and that certainly didn't help.

•(1235)

The Acting Chair (Mr. Scott Simms): Mr. Stoffer, did you wish to continue?

Mr. Peter Stoffer: I just wanted to say, were you at the time in FRCC? Because you've been around since 1973. Were you and the union, for the record, in favour of that Kirby report and the recommendations when it came out, or did you have further questions? Did you think it was the right way to go or not the right way to go?

Mr. Neville Samson: Well, it depended, I guess, what company you worked for. If you worked for Fishery Products and saw they were going to be financially secure and you saw growth in that company even though you knew it was at the expense of some of the smaller companies around the province, then I'm not going to lie, I'm going to say our people and I were in favour of much of the Kirby report, because Fishery Products was on the verge of bankruptcy—to me, very similar to what it is today.

Mr. Peter Stoffer: Do you think, with hindsight, that in any way it affected, helped cause, or was a mitigating factor in the downturn of the fishery?

Mr. Neville Samson: Like I said in my report, and I'll go back to my report again, the downturn of the fishery began with a lack of respect for the information that was coming forth from the people who had hands-on experience, and those were the fishermen. Their information was totally thrown by the wayside. Those were the people who knew quotas should have been cut.

At one time there was an inshore quota and an offshore quota. I'll just tell you what it was like. If there was 25,000 tonnes of inshore fish that wasn't caught, it was given to the offshore. Do you know why the 25,000 tonnes of inshore fish wasn't caught? It wasn't there to catch, and this was from lack of management of the stocks.

They didn't divide up the ocean into zones to make it better for the companies. Eventually that is what did happen, but that wasn't the purpose, to be honest. The purpose was the beginning of some sort of conservation of the northern cod, but it didn't go far enough.

You remember Dr. Leslie Harris, who often made recommendations to the Department of Fisheries and Oceans as to what the quotas should be. The quota system when it was put in place was always based on the amount of fish landed. DFO would gather together all their receipts and say what had been caught out of the turbot quota and what had been caught out of the yellowtail flounder, whatever DFO controlled, and that was practically everything in the ocean, from a lobster, like you said, up to a smelt.

When the greed of the companies—that's basically what I call it—became so powerful you had fisheries ministers overrule the scientific data and refuse to take the advice of the people who had the hands-on experience, who were the fishermen who knew this stock was in dire straits, as far as I'm concerned...the moratorium or the quotas should have been lessened long before they were.

The Acting Chair (Mr. Scott Simms): Mr. Samson, thank you very much.

We're going to go now to Mr. Murphy for a final five minutes.

Hon. Shawn Murphy: This is just a follow-up on some of the points you made about the large companies, Mr. Samson. You raised the issue earlier, and I just want to follow up on it.

You work for FPI, and I understand you have done so for the last 32 years. I understand there's a lot of fish being processed by some of the major companies—not processed, but being shipped by them to China for processing, to be taken back. Is FPI at that also?

• (1240)

Mr. Neville Samson: Sure.

Hon. Shawn Murphy: And National Sea?

Mr. Neville Samson: Ask this man.

Hon. Shawn Murphy: What species are they shipping to China?

Mr. Neville Samson: Crab, basically.

Hon. Shawn Murphy: Mostly it's Newfoundland crab being shipped to China.

Mr. Neville Samson: Reprocessed.

Hon. Shawn Murphy: Would it be frozen and then thawed out, processed, and then shipped back to...?

Mr. Neville Samson: Partially processed. If you were working in the office, you'd call it the WIP, work in process, which is sections.

Hon. Shawn Murphy: Then it's sent to the European markets, Asian markets, or back to North America?

Mr. Harry Stagg: Back to the United States. It's sold cheaper.

Hon. Shawn Murphy: In large quantities?

Mr. Harry Stagg: I would say.

Hon. Shawn Murphy: We talk about the downturn in the fishery, and there's been a collapse of the cod fishery, but the fishery itself, when you look at the dollars from Atlantic Canada, is still doing very well. The crab and the shrimp and the lobster have basically replaced a lot of the groundfish. If that crab was processed in Canada instead of China, it would certainly help the workers you represent.

Mr. Neville Samson: Definitely.

Hon. Shawn Murphy: Have you ever discussed that with FPI, the people you work for? Has there been any discussion about that?

Mr. Neville Samson: Just remember, FPI has just gone through a change, with a new board of directors. My belief is that with this board of directors of FPI, their goal is now to bankrupt FPI and to sell it off piece by piece, mainly to give control to John Risley and Clearwater.

Hon. Shawn Murphy: Are other species besides crab being shipped to China?

Mr. Neville Samson: Yes, definitely.

Hon. Shawn Murphy: What other species?

Mr. Neville Samson: Our cod and our flounder is coming back in packages and we're buying it off supermarket shelves.

Hon. Shawn Murphy: So basically, if I'm hearing you correctly, if we just processed the Newfoundland fish being caught, it would add a lot more work for plant workers right across Newfoundland.

Mr. Neville Samson: Definitely. If we had what the foreign fleets are catching, we would probably run pretty close to the capacity we were at 20 years ago.

Hon. Shawn Murphy: Nothing further.

The Acting Chair (Mr. Scott Simms): You have two minutes left, Mr. Matthews. Did you want to split the time?

Mr. Bill Matthews: Only to clarify the flounder bit. They are shipping it out whole, iced. It goes to China is processed, and it comes back in and you pick it off the shelf. It's FPI product but packaged in China.

The Acting Chair (Mr. Scott Simms): Thank you.

Well, that concludes that. We had allotted 30 minutes, 15 minutes each, and you did 15 minutes. I thought we were going to finish early and it turns out we're seven minutes late, and I think that is a true testament of what you had to say.

Mr. Samson and Mr. Stagg, I don't know if I can speak on behalf of everyone, but probably I can, when I say I'm highly impressed with your knowledge of the industry beyond the plant you work in and with the history of it as you've lived it. The whole point of being here is to get history face to face, and you've provided that. I thank you very much.

Earlier I think a comment was made by Mr. Keddy, who said it was a good summation, and I think it was indeed a very good summation, so I wholeheartedly agree with that assessment.

Thank you for sharing your insights. Thank you for coming in and painting a picture for us that was, to say the least, crystal clear.

We are going to adjourn for now for lunch and we're coming back at two o'clock. We're going to be talking to harvesters.

Yes, and a round of applause.

Some hon. members: Hear, hear!

The Acting Chair (Mr. Scott Simms): We're adjourned.

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