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Chair

Mr. Gerald Keddy

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• (0930)

[English]

The Chair (Mr. Gerald Keddy (South Shore—St. Margaret's, CPC)): We'll call the meeting to order. Pursuant to Standing Order 108(2), we are studying the Canadian seal hunt.

Welcome to our witnesses. We have Mr. John Kearley, Mr. Rene Genge, Mr. Wilf Aylward, and Mr. Jean Richard Joncas, who has just joined us. We welcome you, gentlemen.

I'm Gerald Keddy. I'm the chair of the fisheries committee for the House of Commons. I'm the member of Parliament for South Shore—St. Margaret's in Nova Scotia.

I'm just going to go around the table. I'm going to go counter-clockwise this time, and we'll end up with Gerry Byrne, member of Parliament for this area, and then I'll give Gerry a chance to welcome people as well.

Do you want to go ahead?

Mr. Randy Kamp (Pitt Meadows—Maple Ridge—Mission, CPC): I'm Randy Kamp, member of Parliament for Pitt Meadows—Maple Ridge—Mission in British Columbia, and I'm also Parliamentary Secretary to the Minister of Fisheries and Oceans.

Mr. James Lunney (Nanaimo—Alberni, CPC): I'm James Lunney. I'm the member of Parliament for Nanaimo—Alberni, Vancouver Island. I'm a coastal person too. I have a lot of coastal communities in my riding and I'm part of the fisheries committee.

Mr. Fabian Manning (Avalon, CPC): Hi. I'm Fabian Manning, from the Rock—Newfoundland and Labrador—Avalon riding. I'm pleased to be in St. Anthony again.

[Translation]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Good morning. My name is Raynald Blais and I represent the riding of Gaspésie—Îles-de-la-Madeleine in Quebec.

[English]

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-
sor, Lib.):** I'm Scott Simms from down the highway, Bonavista—Gander—Grand Falls—Windsor.

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): My name is Gerry Byrne. I'm the member of Parliament for this riding, Humber—St. Barbe—Baie Verte.

I'm delighted to welcome my colleagues and our staff, the Standing Committee on Fisheries and Oceans, to St. Anthony and to Humber—St. Barbe—Baie Verte, specifically to the Northern Peninsula. I think we have a very adept and professional group of

witnesses who will provide a unique perspective on the issues the committee will be following in the next several weeks, as we write our report on issues that affect Canadian sealing.

Mr. Chair, I welcome each and every one of you to St. Anthony, and say a special thank you to the committee for coming here and hearing directly from witnesses—from fishermen, from company representatives—those who are involved directly in the issues that we'll be producing a very important report on to inform the government about where we see the direction of the Canadian sealing industry going, and additionally, vessel replacement and the safety rules affecting.... We're going to have two halves.

For those who are watching, I want to say a couple of quick words. This is exactly how a standing committee would operate in Ottawa. This is the nature and the process. For those who will be presenting, it's very informal. Don't feel as though you are under any specific rules or regulations. The standing committee does operate in this way. We hear witness testimony. There is a set process that's followed. Most importantly, I think each and every one of us want you to just say what's on your mind and give us good informed opinion as to exactly how to approach these important issues.

It's very relaxed, very informal, and that's the best way to proceed. If anyone's a little bit uptight or concerned about making a formal presentation, just take a cool-down, because we're all here just to listen. Don't be concerned about the process per se.

We're going to have some site visits afterwards. As I understand, Mr. Chair, we might have an opportunity to visit the shrimp plant. There's a multi-million-dollar shrimp plant that's been established here in St. Anthony. There's a cold storage facility and some other businesses that are here, including an iceberg water bottling plant, which we are benefiting from at the table—

The Chair: I thought that was vodka.

Hon. Gerry Byrne: Well, you should open up yours—you never know.

Mr. Scott Simms: It's like a loot bag—you don't know what's in there.

Hon. Gerry Byrne: I also want to say, Mr. Chair, a special thank you to Jerome Ward, who did a lot of the work in organizing some of this.

Some hon. members: Hear, hear.

Hon. Gerry Byrne: Thanks, everyone, for coming. I really appreciate it. Thank you to the witnesses for your preparation on these issues.

The Chair: Thank you, Gerry.

I have just one more housekeeping matter. There is simultaneous translation for anyone who requires this. There are more machines up front here if you want to get one. Part of the hearings will be in French, so if anyone requires simultaneous translation you can get it now.

Without any further ado, we will move along to our first witness.

• (0935)

Mr. John Kearley (General Manager, Carino Company Limited): I guess if I sound nervous, it's because I am.

I'll introduce myself. My name is John Kearley. I'm the general manager of Carino Company Limited. Carino operates a large sealskin processing facility in South Dildo, Trinity Bay, in Newfoundland and Labrador.

Carino Company was incorporated in Newfoundland in February of 1957, as the first overseas subsidiary of GC Rieber & Co of Bergen, Norway.

The name Carino is actually an acronym, and it's derived as follows: the CA comes from Canada, the RI comes Rieber, and the NO comes from Norway.

First I'd like to address a few DFO administrative habits that have led to difficulties in terms of quota overruns, in some instances, and quotas not being taken during the sealing season over the past few years.

As you are all aware, many sealers operate under a daily hail or daily count, which is DFO's main information source to ensure that quotas are enforced. Unfortunately, during the sealing season there are both weekends and holidays and in past years the DFO staff have not been available during those times. That, in turn, has led to quota overruns. The result has been that when the system is—

The Chair: Mr. Kearley—

Mr. John Kearley: Yes, I'm sorry.

The Chair: —because we're having simultaneous translation at the same time you're speaking, I'd request you to slow down a little bit.

Mr. John Kearley: I'm trying to get it all in, in quick time.

The Chair: We're going to try to give everyone time to speak here, but if you could slow down a little bit, it would be helpful.

Mr. John Kearley: Okay, fine.

Hon. Gerry Byrne: Mr. Chair, a quick point.

In terms of giving a chance to everyone to speak, I know, John, you have a fairly lengthy presentation, which we've received. I understand the clerk has.... Have you had a chance to receive it?

I don't know how you want handle it, Mr. Chair, in terms of time for overview of presentations versus questioning. Would you like to address that?

The Chair: I think most of the membership would agree it's important to hear what people have to say. At the same time, I know everyone will have questions.

Hon. Gerry Byrne: Yes.

The Chair: For the sake of people in the audience and our witnesses, our committee, in the past and presently, have been very supportive of the sealing industry and have worked hard, in a really proactive way, to help the industry. If you can keep your presentations to ten minutes—that means to hit the highlights—it would be helpful.

Mr. John Kearley: I don't have a summary. However, of course, as Mr. Byrne said, everybody has a copy. I guess I do not necessarily have to read it in its entirety.

The Chair: However you're comfortable.

Mr. John Kearley: Okay, thank you.

I'll start just down the page.

The result has been that when the system is operational and running again, sealers have already, through no fault of their own, overrun sector quotas, and that in turn has led to quota transfers.

These transfers have penalized some sealers while being advantageous to others. The 2006 season is a prime example of this, in which sealers from the front zone were penalized because of overruns in the gulf zone.

I note as well, from the minutes of your meeting of June 15, 2006, that Mr. David Bevan, Assistant Deputy Minister of Fisheries and Oceans, alluded to the problems with the hails. He said:

They may have 100 animals on board and we may be told there's 50; they only upgrade it later on. We have to deal with that so that we can have a better handle on the number of animals being killed on a daily basis.

One of the main ways that DFO deals with this issue is to expect processors to provide them with their best estimates of the number of animals that have been landed at various locations. At this time of the year, processors are extremely busy with their own work, such as procuring animals, arranging transportation from port of landing to their processing plants, processing of animals, and paying sealers in a prompt manner.

Processors have been required to provide DFO with this information no later than 10 a.m. daily. Failure to do so will result in warnings or prosecution under the act for failure to provide requested information. To tabulate this information requires considerable person-hours, to the point where it has become necessary to have at least one employee dedicated to providing this information to DFO.

We have seen in the past that this information is often misinterpreted by DFO staff, such that numbers are double-counted, etc. The harvest is shut down because the quota has been reached, yet when the numbers are re-checked, it becomes obvious that there are considerable numbers of animals remaining to be taken.

DFO prides itself on having a well-managed sealing program, and maintaining adherence to the established quotas is paramount. Yet our experience has been that at critical times during the harvest the DFO hail system is shut down.

During the 2006 sealing season, harvesting on the front opened on April 12 at 0600 Newfoundland daylight time and closed at 1930 hours Newfoundland daylight time that same day. The TAC was not taken during that period, so the harvest reopened on Thursday, April 13 at 0600 and closed at 12 noon that same day. Sealers were advised that DFO would compile catch information and advise further whether the harvest would reopen.

The next day was Good Friday, April 14. DFO did not operate that day; nor did it operate on Saturday, April 15, Sunday, April 16, or Monday, April 17. A significant portion of the 2006 sealing activity on the front took place well north of Newfoundland, off the east coast of Labrador in Groswater Bay. The majority of sealers were not prepared to wait out this time for the possibility of the harvest reopening. Many would have waited until Saturday, but not until Tuesday.

We would recommend that for the upcoming season and for future sealing seasons, DFO have sufficient staff on hand to cover weekend and holiday periods to ensure that this kind of thing doesn't happen again. Alternatively to this, DFO could consider contracting out the handling of the hails and the tabulating of the results from the hails to the private sector.

Aside from being costly to sealers and processors alike, these overruns are often misrepresented to the media by animal rights groups and have played a negative role in the ongoing battle to establish that the Canadian seal harvest is well run and well managed.

Another aspect that deserves DFO's attention is the fact that the present "first come, first served" approach to taking the quota leads to a "race" mentality, as each sealer tries to ensure he or she gets a fair share of seals. This race mentality can lead to less than careful attention being paid to proper killing procedures, and that in turn leads to misrepresentations of the humaneness of the harvest.

We need to consider ways in which we can eliminate or reduce the effects of the race mentality to ensure that all proper procedures are adhered to. One possible way would be to follow up on the veterinarians' suggestion, that following the killing of a seal by either rifle or hakapik, all sealers be required—and this is especially when the hakapik is used—to palpate the skull to ensure that the skull is completely crushed and that the animal is rendered irrevocably unconscious, and then to "bleed out" the animal. This procedure would have the effect of slowing things down; as well, it would vastly improve the quality of both the meat and the pelt.

Obviously, the concept of boat quotas could be a way to ensure that the race mentality would be eliminated, but there are a number of problems with this solution. Trying to implement boat quotas that are fair and equitable to all sealers would be very difficult.

● (0940)

With a TAC that would have to be subdivided among so many sealers or boats, the number of animals each sealer or boat would be permitted to take may be too small to make it economically viable to participate at all. Subdividing the TAC into many small components may very well lead to many seasons when the entire TAC will not be taken. Industry assumes and expects that the entire TAC is going to be taken during a particular harvest.

Sadly, I do not have the perfect solution to this problem, but we all know that the race mentality is a problem for the sealing industry, and we should all give serious thought to it with the goal of finding a solution that ensures that both the conservation goals and the humaneness of the harvest are maintained.

The second area I would like to address is the continuing efforts of the animal rights groups to end the harvest through their campaigns of misinformation, misleading facts, and, equally important to most in the sealing community, the portrayal of us as a people who are somehow barbaric and subhuman because we kill seals.

For decades, the Government of Canada has waged a losing battle with these groups because it—the government—has consistently tried to fight using facts and logic to counter emotion, and has consistently taken the approach that it is the role of DFO and DFAIT to simply defend our management practices. They consistently emphasize that it is not their role to defend the sealers and sealing per se. The ban in the early 1980s showed us this tactic does not work. The recent ban passed by the German parliament only reinforces this truth. And you must realize that this ban was passed subsequent to an address to the German parliamentarians by one of DFO's very best experts in which he presented all the Government of Canada's arguments to no avail.

This ban has major implications for the Canadian sealing industry in two ways. It was passed despite the fact that the EU Commission has asked the member states not to pass unilateral bans, and therefore opens the doors for the Dutch, Belgian, British, and Italians, all of whom have ongoing ban discussions in their parliaments, to take their own unilateral actions. A series of bans like this only legitimizes the animal rights arguments and makes it easier for them to sell their viewpoint to others, including Canadians. In terms of business, these kinds of bans make the logistics of moving seal products to market more difficult and more expensive. Why? Because most of the major transportation lines go through various points in Europe, thus forcing us to find more expensive and more difficult ways to get the product to the buyers.

We in the industry have understood for years that European politicians and citizens are not interested in the facts. They do not care if we are right or wrong in terms of conservation and humane killing. Their politicians only care that they have been told there is a constituency in their ridings that will vote for them if they take action against the dastardly Canadians. Their citizens recoil in horror when presented with the falsehoods spread by the animal rights groups. These are emotional issues, and the only way to fight this kind of attack is to undertake an aggressive campaign, aimed at showing all those in the EU, U.S.A., and Canada that they are being misled, misinformed, and downright lied to. In other words, we must back up our facts with emotion.

Proposed bans being put forward by EU governments oppose a commercial harvest, yet do not condemn the harvesting of seals by aboriginal peoples. We should demand that the EU government not be racist in the seal issue. Instead of putting forward a ban on the importation of seal products, they should put forward what they would consider proper killing methods. After all, there are many animals being killed inside EU countries, as well.

In the past we have all seen films showing what may well be staged incidents of seals not being killed in proper ways. It is also worth noting, from the minutes of your meeting of June 15, that during Mr. David Bevan's presentation he indicated there were approximately 14,000 sealing licences, but only 50 charges for non-compliance to the regulations in 2005, and about 30 charges in 2006, with 37 warnings. He also stated:

In addition, we have seal hunt observation licences. There were 73 licences issued this year from 97 applications. We declined to offer licences to 24 applicants. There were 60 licences issued in 2005, and 42 in 2004, so the interest is obviously going up.

He went on to state:

In 2006, seven Humane Society of the United States members and a Reuters freelance photographer were arrested. The investigation on that is ongoing. Charges have not yet been laid. That remains an open investigation.

In 2005, 12 unlicensed observers were fined \$1,000 each after being charged and convicted. It is obvious that the main focus of such protesters is to bring attention to their cause by disrupting the harvest and being arrested and charged by Canadian authorities.

● (0945)

Protest groups and the media should not be issued permits to visit the annual seal harvest.

The animal rights movement is a huge, multi-million-dollar business on an international scale, and none of us should be naive enough to think that they are going to abandon the single biggest fundraiser they have—sealing. To think that we can win them over with facts is more than naive; it is tantamount to abandoning the Canadian seal industry and all Canadian sealers and leaving the sealing families of Quebec, Nunavut, and Newfoundland and Labrador with the epitaph that the animal rights movement has written for them—that sealers are subhuman barbarians.

The October 30, 2004, issue of the weekly magazine *Der Spiegel*, published in Hamburg, Germany, contained a story on Greenpeace written by Sebastian Knauer. This story goes into various facets of Greenpeace, from their finances, reported to be 170 million euros worldwide in 2004, to their proposed areas of protest.

One item of interest concerns Greenpeace Canada. The article states:

In the founding country of Greenpeace, a fundamental argument about the seal hunt is being held. According to Greenpeace campaigner Steven Guilbeault, these marine mammals are no longer a "threatened species". Therefore, up to 350,000 of them should be permitted to be clubbed annually. The international management ultimately demands, however, that for the coming season, massive protest campaigns on the ice are to be prepared. "This is using up our credit", German Greenpeace spokesman Fouad Hamdan, says, "We are becoming incredible if we watch the slaughter without acting. The seals may no longer be threatened, but the pet-like creatures are good for the image." In order to cajole the Canadians back into line, manager Leopold will be tough: "We cannot tolerate our principles not being adhered to."

To achieve their goals, the animal rights movement does not simply attack the sealing industry; they attack many different aspects of Canadian life, from fishing to tourism through boycott campaigns targeting purchases of Canadian fish products and the Canadian tourism industry in Canada, the United States, the U.K., and Europe. If the experience in these countries is anything to go by, their next goal will be to eliminate otter-trawling in Canadian waters through similar types of boycotts.

Animal rights, posing either as conservation-based or ecological-based actions, are the single biggest threat to the economic well-being of rural coastal communities in Canada. In forty years these people have gone from the lunatic fringe to being the centre of attention. They have successfully created a divide between rural and urban people. They have created the illusion that they are the greenies and we are the barbarians. The issue at its most fundamental is not about sealing; it's about the rights of Canadian citizens to act within the laws of Canada, and that is what the Canadian government and Canadian politicians should always remember.

Surely the Government of Canada and the provincial governments have seen that their tactics over the last forty years have been a dismal failure. Yet from the meetings we have attended we see that they are reinventing the wheel and simply doing new versions of what did not work and spending a lot of money doing it. The dignity of Canadian citizens in Quebec, Nunavut, and Newfoundland and Labrador deserves better.

During the Cuban crisis in the 1960s, Bobby Kennedy, then Attorney General of the United States—and I have to paraphrase here—said that you can count on Canadians for all possible support, short from actual help. If the Government of Canada and the provincial governments involved do not change their tactics, Canadian sealers and the Canadian sealing industry will, sadly, have to say the same thing.

Thank you, Mr. Chairman.

● (0950)

The Chair: Thank you, Mr. Kearley.

Gentlemen, that was just a little bit over 15 minutes. I know we have three other presenters at the table. I think that was fairly in depth, but if someone has something to add to that, you can just paraphrase your comments. We do need to keep it a bit briefer.

Jean Richard.

Hon. Gerry Byrne: What format did you want to follow? Did you want each presenter to give their presentation?

I know that Mr. Genge, Mr. Aylward, and Jean Richard have presentations.

The Chair: I just asked.

The other gentlemen have time to give their presentations, but I would like to keep it a bit briefer, less than 15 minutes, in order to have time to ask questions.

Hon. Gerry Byrne: Do you want to go ahead, Rene, and give your presentation?

Mr. Wilf Aylward (Independent Sealer, As an Individual): I don't have very much to say. I think John pretty well covered it off.

I'll go next, then. I'm going to get back to the management part of it. John covered a big part of it; I'm not going to repeat all of that.

I'm not going to read my notes. I'll tell you who I am.

I'm representing the small-boat group in area 5. Area 5 runs away up to Labrador, up to Hawke Harbour, to Harbour Deep. I'll be speaking on those guys.

We have a problem with management of small boats. We've got no identification on our boats. We don't have any identification, so if you've got a sealer fishing in area 6 or area 5, or sealing—whichever you want to say—you're not going to know. If area 5 is closed, you can get aboard your boat and go out; how are you going to know where he's from without going aboard the boat, stepping up, and asking to see his licence?

We have the problem that when the larger fleets get their quota in, they go ahead and take part in our quota as well. That's not fair; that's not right. We need some kind of management put in place so that when the larger boats get their quota in, they're finished for that season. If you go and kill your moose, you're finished for that season; your hunt is over. That's the way it had to be to be fair. That's why it was brought in in the first place.

We had problems a few years ago. Seals went up offshore; boats went out, and when they came in, all the seals were taken. There were no seals for small boats, so we were left with no seals. I think Gerry would remember that; we had a little go with DFO and stuff, so we ended up getting our own quota. What's the point of giving us our own quota if they're going to continue to take the seals? That's no good; that's not working.

We talked about it and had meetings on it, beating it around. It's a pretty hard one to enforce, but what we thought we might do or suggest is a colour code. If I'm out in a 34' 11", my licence is different from an offshore. I'll probably have a green or blue or whatever; the colour doesn't matter. When mine is in, I'm finished. When the small boats are finished, they can't go out. When our boat's quota is in, we're finished. We can't go out, but when the large boats' quotas are in, they can seal away. That's not fair. That's not right. That's got to be managed. That wasn't put there for that. That's double dipping. You're going to hear this again. If you're going around the island, you're going to hear this; this is the big one.

That's why I'm here today, pretty well. If there's any way, boys, we can get those regulations in, so we can.... There are all kinds of boats coming in under 34' 11" with no registration, no nothing. They don't need a thing. There are all kinds of boats coming in.

You want to stop the boats? Freeze, right away. We want to ask for a freeze on boats, but what's the good? You can't freeze the boats if there's no registration; if you've got to register your boat, then there's a limit. There's a cut-off point. You say no, you're not reaching any more boats for sealing. I can't see another way to do it. Everybody now...they're building boats for going sealing on a 34' 11". We've only got about 60,000 or 70,000 seals. There's only about a seal and a half each when we share it up. That's true. That's about what it is. With the licence as it is, if you count the licences and count the seals, it's about a seal and a half.

We need that. Our resources are pretty limited, boys. We don't have any big resources, I'll tell you that. It's pretty limited. There's a little bit of cod and a little bit of crab. They dealt with the seals a lot differently than they dealt with the crab, I can tell you that right now. The last fellow into the crab fishery never had a lot of crab; he only got a handful. But the last fellow into the seals got the same opportunity or better than a fellow who was in it all his life. There's something wrong there. That's not right. We were the ones who kept

it going in the first place. Now everybody jumped in when the prices went up. That's not right.

If there's any way at all to enforce this regulation so that the small boats have their quota and the big boats have theirs, it would be greatly appreciated. In terms of the management side of it, that's it.

We talked about the hakapik; you touched on the hakapik. I think there's a proposal, Johnny, to ban the hakapik. We in the small boats talked about that. We said it's not a good idea to ban the hakapik. We don't use the hakapik anyway; we never used it up here, pretty well. But if you ban the hakapik, what's going to happen? Next you're going to ban the gaff as well. If we're going to give in to animal rights like that, and you ban the gaff, that's a safety issue, boy.

• (0955)

The hakapik is a wonderful thing to have on the ice if you fall on the ice or if your buddy goes out loose on a pan or something. What better thing would there be to hook him with, to haul him in, or something like that than a hakapik or a gaff?

If they get away with banning the hakapik, the gaff is going to go as well. You're not going to be able to gaff a seal. If you don't gaff the seal.... You won't be allowed to have it on the boat. It would be like a .22 magnum. You could bring a .22 magnum, and all of a sudden now you can't have one on your boat. You won't be able to have a hakapik or a gaff on your boat. What about if a fellow falls overboard, or if you get down on the ice? I wouldn't be on the ice without a gaff, and I'm a sealer. I've done a fair bit of it. I was sealing when I was throwing away the pelt and bringing in the meat. I was at it back that far.

This hunt has been pretty safe, I must say. We've been successful with regard to not having many deaths on the ice. Keep your fingers crossed. But with all the bullets that were fired and all the people running around the ice with gaffs and hakapiks and everything else, by God, boy, we pulled her off good the last few years, I've got to say. We had one little incident last year, I believe, down in the gulf, where a fellow hurt his hand, but that was because of a bad bullet in the gun, wasn't it?

Well, geez, boy, you know, that's pretty good. There were over 300,000 animals killed. Don't go fixing something that's not wrong. Don't try to fix it. Leave the gaff there. Leave the hakapik there. You know, there's a safety issue. It's not for killing seals. I wouldn't have it aboard for killing seals. I don't use it for seals. I use the rifle. Most people use the rifle because it's late now when it opens anyways, so you mostly have a rifle if you want to get them. I might go on the ice, but a lot of them get off, and some of them go like a fox, so you're better off. It's a lot easier to shoot the seals and hook them with a gaff. Don't ban the gaff, and don't ban the hakapik. Please, keep it in mind before any regulations draw down—because I know this proposal has gone in to ban it.

Now, that's our point of view on the small boats. I know there could be different views on it, but I think most people support the gaff and the hakapik. Yes, that's my greatest fear.

And one more thing too I want to say before I get off is about the processing. I don't know if it's federal, but I'm just going to touch on it—exporting pelts to be processed. Now, that sounds good for a few jobs, but by God, it's not going to sound good for a sealer, I don't think. The sealer is going to have to pay. The sealer is going to have to pay for processing those seals. He's not going to get the price. I think what they've been doing till now is shipping them out and getting them processed. That happened with the crab. You're going to see that; it's what happened with the crab, sure. You couldn't sell the crab off the island, and all of a sudden the price went down.

I think we'd better watch that one. I know legislation is probably coming through now for, I think it's 2008, is it? It's going to be, I think. So we're not too happy about that one either. We had a meeting to talk about that.

• (1000)

The Chair: Excuse me, sir. Can I just ask for a point of clarification here on the processing? Can you not sell your pelts on the open market the same way you sell fur?

Mr. Wilf Aylward: You're not going to be able to sell them. You'll have to sell them on the island to be processed. That's my understanding of it. Is that true? Will that be in 2008, or am I misled there?

The Chair: Do you have a point of clarification?

Hon. Gerry Byrne: Mr. Chair, I understand the provincial government has passed or has enacted a policy using their section 92 right under the Constitution that indicates that all seals landed in Newfoundland and Labrador must be processed—I should be careful about “all” seals—a significant proportion of the seal landings, if not all, must be processed in Newfoundland and Labrador.

So I think that's the point, Wilf, that you're making. Yes, okay. And what Wilf is suggesting, I think, is that this will lower the price to sealers. Is that what you're suggesting, Wilf?

Mr. Wilf Aylward: Yes, there will be only about two buyers here: Rieber and Bill Barry.

I've got nothing against you, John, but I just had to break it up here. It's sad that I had to say this, but our committee had a meeting, and I was asked to bring it up, and I think I should. I can't change it now, just because John is sitting next to me. We thought that the competition would go right out of it. There would be only two buyers. John and Bill would get together and say let's pay \$50 a seal this year. We've got to give them. We can't go anywhere. We can't go to New Brunswick. We can't go to P.E.I. We can't go to the Magdalen Islands. The Magdalen Islands processed some seals for us a few years ago, not last year, but the year before they did some. We can't go.

The Chair: I'm going to ask you to wrap up, because we do have another witness to hear—or two more, if they want an opportunity—and I know the group will want questions.

Mr. Wilf Aylward: Okay. Thank you.

The Chair: You're welcome. Thank you.

Mr. Genge.

Mr. Rene Genge (Professional Sealer, As an Individual): Most of it has been covered, but I will go through what I've got here. I might overlap some of it, but I'll go through it.

The seal hunt off the coast of Newfoundland and Labrador is a very profitable hunt for all, not only for the value but also to help protect other species in our waters by keeping the seals from overpopulating. The seals reproduce at a rapid rate and they also eat three times their weight every day. If this species is not controlled, it will take over and help to destroy the food chain, which would not only be devastating to the people but to all the other species that live in our oceans.

The protesters in the southern gulf, where I do most of my sealing, are one of our major concerns. Protesters are a major concern for the people who are involved in the seal hunt in any way.

In the spring, as sealers are gathering their things to participate in one of the most dangerous fisheries in the world, the protesters are out taking videos of the seal hunt to help them to entice the rich and get money to come to the seal hunt. They show films, and falsely inform people who do not have any idea of how this hunt works. They tell them how barbaric we are, which is not true.

You'll meet them on the ice. They'll come at you—and I've had experience with this—with goggles on, eyes covered, and long sticks with sharp ends shouting vulgar language and putting video cameras in your face for footage that they will later show to other people who were not there. They'll get the name of your boat, then they'll find your phone number and find out where you live, post your name on the Internet, and get people to call and threaten your family, threaten to kill your family, to skin them alive, and so on.

I think those are the barbaric people. Do you think such people should be allowed either on the ice or in a helicopter flying over while sealers are at work? No, they should not. Anyone caught doing so should be prosecuted.

Once last year I was listening to an open-line show, and this caught me off guard. Our federal fisheries minister, at that time, got on the open-line show. He said that we should ignore those protesters. Ignore—I think that's a cowardly way for any federal minister to try to get around this. How do you ignore someone who's coming at you with sticks and pointing video cameras in your face? I think it's the easy way out, but it's not going to help. Ignore—no, we can't ignore those people. We've got to face those people front on. Even the safety of the families is involved here. When you get caught in it, it's like I've been caught into—

The pupping of the gulf seals happens in the Gulf of St. Lawrence, close to the Magdalen Islands and close to P.E.I., in the Northumberland Straits. This is the place those protesters—P.E.I. mainly, because they're probably scared to go anywhere else—are using for a base. They've got the motels there and they've got their helicopters there. I don't think they'd dare try it anywhere else. P.E.I. is probably used more as a tourist attraction than for business. I don't know, really, if they've got any sealers in P.E.I., or it's a very small amount. That's some of our problems right there, with those protesters.

The Magdalen Islands hunters have an earlier opening date than that of the Newfoundland and Labrador sealers. Therefore, they have to go and pick their seals, because they can't have the whitecoats on. So they go and pick their seals. They still kill mostly beaters. But there are more white seals around.

If they had a later opening date, an opening date similar to that of the Newfoundland fleet, then you wouldn't have as big a problem with those protesters. If the opening date was later, the ice heats up and you wouldn't have those big sheets of ice where you can go around with a Ski-Doo and have somewhere where they can pitch their helicopters. By that time, most of the seals are black anyway, or beaters. So you wouldn't have quite the same problem with the protesters if you had a later opening date, the same as we do. What I'm saying is that you wouldn't have those big sheets of ice that they could go out and run around on and put your helicopters on.

• (1005)

You know, you have a bunch of people there, going around with high-powered rifles, water hunting and stuff like that. Then you have this crazy bunch of people running around, lying down in front of seals, coming and shaking cameras in your face and shaking sticks at you. If someone doesn't soon do something, you know, something's going to happen. I hope there's something done before it's too late. Because it's serious, you know. You have people out there. I've been running without incident. Here on the front, we don't have it so much. But when you get up with a rifle, and you're far from the seal, probably you won't see that guy.

I'll touch on the hakapik, although Wilf touched on it too. But I will touch on it.

The hakapik was introduced to the sealers partly to replace the gaff. The gaff didn't have this knob on the end of it for killing the seals. So they pretty well came up with this new idea with the hakapik. This is mainly used on the larger sheets of ice in the southern gulf, close to P.E.I. This weapon would not commonly be used for sealers if there were a later opening date, as Newfoundland and Labrador sealers have.

In the hunt by the Newfoundland and Labrador fleet, I would say probably 95% is with rifles. The only thing we use the hakapik for is to sometimes make sure you finish killing the seal if it's not killed, or to retrieve the seals if there's a seal beyond the pan. At least you can get out there and retrieve one. By banning the hakapik, you're only giving those protesters more fuel and taking the safety away from the sealers. Please do not ban the hakapik, because it's used more as a safety feature in retrieving the seals, not for killing the seals. That's in the Newfoundland and Labrador seal hunt, even in the northern gulf, where I'm from, although our hunt is a little bit earlier than the front hunt.

On overcapacity, we have a problem with overcapacity. I remember years ago that there were probably only 10 or 15 large boats in the seal hunt, when the seals weren't of any value. There weren't that many under-35-foot boats when they weren't of any value. Now there are 200 larger vessels plus, probably. I don't know what it is. Right now, to me, DFO cannot control it any longer. They don't know how to control it, because there are too many of us.

I think the hunt should be open only to people that have fishing licences and a CFV number, not to people who do not rely on the fishery for a living, because we all know that it's very valuable to those people. Probably, with help from the fishermen staying back home, we'd never have quite so much out-migration. I don't know. I think it should be strictly for the people that rely on our fishery for a living.

Now to HST and EI. How did it come about that the sealers have to collect the HST from buyers, when we all know that it is the place of the buyers to retrieve any HST that has to be collected? If it was to happen that we started doing this, it would be an added expense that would have to come from the sealers' pockets, because who will ever get the money from those small companies? No one.

I'll touch on EI for a bit. Is the seal hunt a job? When you are on the ice floes from daylight until dark and return only to have an hour or two of sleep, to punch in a couple of hours at rest, and start again, it sounds like a job to me. So why is it that any income made from the seal hunt is not insurable? I don't know the answer, but I would like to get a reply from someone who can inform me of what's happening during those days. Maybe if we were counting this as insurable earnings it would prevent some of our out-migration if it would help people to qualify for EI.

These issues are some that we all need to think about, get answers to, and not have put on the back burner. Because we have a really good fishery here for everyone involved, and we do not wish to see such a good thing come to an end.

• (1010)

Thank you.

The Chair: Thank you.

Mr. Jean Richard Joncas.

Mr. Jean Richard Joncas (President, Multi Species Fishermen Oldfort-Blanc-Salbon): Good day.

I wasn't aware of this committee until late Friday. I see that the next place you are going to sit in Quebec is in the Maggies, and for me to go to the Maggies is \$3,000, plus a four-day trip. So I will try to do some kind of presentation now.

I've been sitting on the Quebec and Newfoundland and Magdalen and P.E.I. committee, that sharing committee—quota committee, sharing committee. Before last year there were no original shares, but late last year—let's say two weeks before the hunt—the minister decided to give regional shares. As we see, we're four to five months from the next hunt and we still don't have this issue solved. What's going to happen next year?

We were supposed to discuss it through the winter. I see this year even the seal forum is not until late January or February. It's a late date to have a forum just before a hunt. We have many issues. As other people said here today, we have the hakapik issue, the small-boat registry, and some people talk about EI. There is EI there in the Maggies; seal is insurable. On the upper north shore of Quebec, seal is insurable. They found a way to get around it. We're trying on the lower north shore, like the province of Newfoundland, to get it insurable. The same office that represents me in Sept-Îles represents the upper north shore. They found a solution for them...I think it's 50% of the seal earning is insurable, the other 50% is not.

These are all issues that we have to discuss together. What I find is that we discuss the fishery just prior to the fishery opening, and then everybody is in a rush to go either fishing, hunting, or things like that. Can we discuss the fishery maybe a month or two months after the fishery is over, to see what the problem is? We had a problem with the overrun of quotas last year. I know in my area, if the cellphone doesn't work I don't have a cellphone, so I have to get a cellphone from Newfoundland. But I can't call the 800 number in Quebec because they don't accept the 709 area. So I can't register my seal.

I call the coast guard, but the coast guard can't call Fisheries and Oceans to give them my number, so there were overruns maybe in my quota last year. Who is to blame? Maybe the fishermen, maybe the system. I live in Quebec. I have a minority English-speaking area and the answering machine is only in French. So when I have 20 questions to answer...the questions are too long. What is your boat number? How many crew members? What date did you want? This message should be read every day, so if you read a message every day, do I have to report which date? That is one question you could take off.

Last year we had a weekend hunt, so who keeps track of what happens on weekends, the answering machine? In my area there is an 8,000 seal quota, 400 hunters, and the machine can take maybe 20 messages. So what happens to the rest?

These are all things that I think we should discuss, maybe, after the hunt and try to solve it through the forum. Last year, for the regional share that we tried to do to solve a later opening date, as Mr. Genge was saying, the big problem we had in the the gulf all along was that the Maggies want the opening date on March 28 and we in Newfoundland want it on April 8. That was the issue. Last year we got a regional share and the Maggies opened, maybe March 30, which may still be too early. But with regional shares, at least we went ahead with something. We had less raggedy jack killed last year in the hunt. The price was better.

•(1015)

I think the more time goes by, the more the Maggies will realize that if they go at a later date, they'll get a better price.

The only way to solve it is the regional share. Boat quotas would be the ideal situation. I have 200 core fishermen in my area, and there are maybe 600 sealers licences. Everybody over the age of 14 or 15 has a seal licence. Wives have licences too.

How do we deal with the seal licence? Do we freeze this licence? If I'm 90 years old and I die tomorrow morning, and my kids want

my licence, I have no way to transfer the licence. Now we have a freeze on the licence, but what happens? Is it only the dire situation that...? This is the fishery with the least consistent rules. You can't find a good rule to follow. We all live in Canada, and we all should have the same rules, all of Canada.

People are talking about small boats and big boats. I represent both groups. In our area there is no small-boat quota and there is no big-boat quota. The problem we're having is that when a hunter goes around in what's called a big boat, but he goes around with four outboards, is he hunting from the big boat or is he hunting from the small boat? That's what we're having to solve. If you're hunting from a big boat, and your boat is 65 feet, don't put an 18-foot boat aboard. Are you a hunting boat or a collecting boat?

On this issue, it might take a year to discuss it, but we have to sit down and decide: do my four small boats have the same number as my big boat? All the crew members are aboard this boat, because I can have four permanent sealers aboard my boat with one guy who registers. The day the hunt is finished, the other three can take me aboard his small boat. I can take all the hunt myself, 8,000 seals on the lower north shore. If I have a good boat, I can take 8,000 seals myself.

Thank you.

•(1020)

The Chair: Thank you, gentlemen. I think you've given forth some very pertinent information.

Before we start our line of questions, I just want to say to members that we do have another group on boat stability. They are supposed to be in here at 11 o'clock, and it's now 20 minutes past 10. I know that everyone has questions. I'm trying to give an opportunity to everyone, especially while we're travelling, to ask questions. We can go over our time a little bit, I believe, or maybe the boat stability will take a little less time.

So I'm wondering if we want to try a round of five-minute questions for each member, and go right around the table. That way everyone would get to ask some questions. Are we agreed on that?

Some hon. members: Agreed.

The Chair: Okay. We'll start with Gerry.

Hon. Gerry Byrne: Thanks.

On behalf of all committee members, I want to thank all four of you gentlemen for your very sound presentations.

You've touched on what seems to be a common thread. We're all saying that we want a viable sealing industry, that we want seals taken out of the water. I think this committee would agree that sealing is a viable, renewable natural resource that can sustain healthy harvests, and we can do so ethically and sustainably. One thing that seems to be common throughout all the presentations is that we're not helping ourselves actually achieve all of that.

A number of issues have been raised here. For instance, because of regulation, we have confusion on opening dates, which is leading to problems on the ice. We have DFO failing to actually act on sharing principles within provincial shares in the gulf. DFO has actually created the potential for quota overruns, because they don't appear to be adhering to the official language law. As well, the information provided here about the answering machine is just incredible, as far as I'm concerned. There's also the issue raised about the HST. Revenue Canada now, I understand, after years of this not being an issue, is going after sealers to collect HST from sales dating back, I think, to over five or six years ago.

It seems to me that to actually make the sealing industry viable, in addition to our international issues we have to tackle our domestic issues. We have to make it whole lot easier.

Rene, you mentioned the harassment that sometimes comes to sealers, and that you had some personal experience in that regard. You spoke about the Internet, and about telephone calls. Can you tell this committee about some of the things you went through personally?

Mr. Rene Genge: I had an incident on the ice with those protesters. The next day, they had my name posted on the Internet, phone numbers, and whatever, and it went on for about a month, probably—phone calls, phoning my home, phoning my wife. They kept on coming, saying “Kill the grandkids” and “Skin you alive”, and things like that.

Hon. Gerry Byrne: Could you say that again? What did they say as to your wife?

Mr. Rene Genge: They were going to kill the grandkids and were going to come and skin her alive, terrible language. That continued for probably a month or so, until I got back home, anyway. When I got back home, I got on a couple of times and things changed.

The RCMP came and tapped our phones and got all the messages and things. They put an investigation into it for probably close to a year. They couldn't charge any of those people because they could not identify their voices, although they had their numbers.

Then they took eleven of them to court, I think, in P.E.I. They got a measly \$1,000 fine each.

•(1025)

Hon. Gerry Byrne: Should protesters be allowed on the ice, and if not, why not?

Mr. Rene Genge: Protesters? No, they should not be allowed on the ice. What other thing can you go at and have someone interfering in your livelihood, stopping you from doing it? They're out there trying to stop you, and you're going around with a high-powered rifle on your back, or whatever. No, they should not be there.

Why are they there? Why do they have permits to go there? What's the reason for it?

They shouldn't even be allowed in our airspace with helicopters, with those big high-powered videocameras they have. That shouldn't be allowed.

Hon. Gerry Byrne: As you actually seal, how close can they come, under law, right now?

Mr. Rene Genge: Thirty metres.

Hon. Gerry Byrne: Thirty metres.

Thanks, Mr. Chair.

The Chair: Thank you very much, Gerry.

Mr. Simms.

Mr. Scott Simms: Thank you very much.

I have a couple of quick questions, right at the start, because I want to clarify a few facts. I'll get into that situation later, about the protest.

Let me talk about something that you brought up, John, the contracting out to the private sector. Are you talking about observers here, in this situation?

Mr. John Kearley: No, I'm talking about having a call centre or something to handle the hails from the sealers to DFO.

Mr. Scott Simms: Okay. Can you touch on what you need, and what has created the situation we're in now and why we need to contract out more services?

Mr. John Kearley: Down through the years, of course, from the beginning, the vessels over 35 feet in length, 35 feet to 64 feet 11 inches, were required to hail. These vessels are registered. Right now, a lot of the hunt or a lot of the harvest takes place with smaller vessels, those under 34 feet 11 inches. These people are not required to hail.

As I said in my presentation, the processors are required every day, by 10 o'clock, to prepare a report for DFO to tell them what we think is out in the field. We have people around the province and on the Magdalen Islands who are picking up our seals for us. We are required to tell them what's out there. So they use these numbers to come up with the animals that have been taken on a daily basis.

However, of course, there seem to be some problems, in that their staff will sometimes double-count the numbers that we present to them, and as I said, they will close down the harvest when there are still animals to be taken.

Mr. Scott Simms: Essentially, that's what it comes down to, that you close down the harvest prematurely, and then that's going to affect people like Wilf and Rene in this situation.

Mr. John Kearley: Yes, but it affects us as well, because we make decisions as a company on how much we're going to pay for seal pelts, based on the entire TAC being taken. We know what the TAC is to be. For instance, last year we knew the TAC would be 325,000 animals. So we make a financial decision based on getting the entire TAC, that it be taken, and we compete with other processors to get all this TAC.

If the TAC in a certain area—as happened this year on the front—is not taken, then the decisions that we make may be bogus, in that we would not be able to procure sufficient animals to go to our buyers. Then we have buyers who are not pleased because we couldn't fill their order, so then it affects us in the future as to what they would probably pay for seal pelts.

Mr. Scott Simms: So given the fact that the price of a seal pelt now is over \$100—which we haven't seen, I think, ever—in this case what you're seeing is a mad dash for the quota that's out there. Is that what you're seeing?

Mr. John Kearley: It's a mad dash for the quota that's out there, certainly.

Mr. Scott Simms: And these are the problems being created by it. Is that correct?

Mr. John Kearley: There's no doubt about it.

Mr. Scott Simms: And I don't mean to put words in your mouth, but the administration is just not keeping up, as Jean Richard pointed out.

Mr. John Kearley: That's right. They're not keeping up with the number of sealers and the number of boats that are out there on any given day.

Mr. Scott Simms: I just want to touch on something else, but I'll wait until we come around again. Hopefully we will.

The Chair: If you don't go over your five minutes, we're going to try.

• (1030)

Mr. Scott Simms: I was in Europe a short time back, and I went toe to toe with some of the politicians on the hunt issue itself. Some of the MPs from Great Britain were actually sympathetic, yet they would never say they were sympathetic to our cause because they know their constituents feel we're being cruel barbarians and what not.

One of the things that catches their ear and actually sort of changes their minds was not going fact for fact, as Rene pointed out. Rene had a good point about doing what we have done before and using logic to overcome emotion. What worked on them was using emotion.

They had this long explanation about how, for first nations, it was a part of their history, yet we don't tell them the story about how it's our history as well. Yes, okay, we're settlers. At the same time, we have well over a hundred years of tradition in this. The fact is that we say to them that we are culturally linked to this, that we're not out there to harvest these animals and to kill whatever's in sight. We respect nature and we respect the fact that the animal is at this level.

They've said we're killing seals at this level. Their biggest argument is that we're killing seals at the level we did back in the fifties, when the population was down. What they don't say is that the population back then was two million, but now we're close to six million. It's a different story entirely when you point this stuff out, but we tie in the emotional aspect of it.

The Chair: Were you looking for an answer on that?

Mr. Scott Simms: I'm just looking to go on and on until someone stops me.

Some hon. members: Oh, oh!

The Chair: We're at five minutes.

Mr. Scott Simms: I might as well tell it like it is.

The Chair: How honest of you.

Mr. Scott Simms: Do I have time for a quick question?

The Chair: Make it a very quick question.

Mr. Scott Simms: There's one other aspect, and that is the recreational aspect, of course. I want to ask you a question. I just want to get your thoughts on the coexistence, as it were, between

what you do and what people in the recreational seal fishery do—or seal hunt, rather.

Mr. Wilf Aylward: That's a difficult one, because—

Mr. Scott Simms: Sorry. I didn't mean to put you on the spot.

Mr. Wilf Aylward: No, I'm not on the spot. I don't mind. I'll deal with that quite well.

Mr. Scott Simms: Yes, because I noticed you were honest with John. I figured you would. That's why I'm picking on you.

Mr. Wilf Aylward: I think the fishermen should get the best first opportunity at the harvest, but I don't think the recreational should be eliminated altogether. They should be in a different category from the full-time fisherman. There should probably be a certain amount for recreation, separate from the commercial. That's the way I would see it. That would probably eliminate a lot of the overruns that we're getting too. If you have probably 5,000 or 8,000 seals for an area for recreation—

I think some of those recreational sealers that we're talking about have been sealing just as long as me or Rene or anybody else. But they are recreational. They have other jobs, which is why they're called recreational hunters. But if you look on their licence, they're full-time sealers, they're certified sealers, the same as anybody else.

So they shouldn't be eliminated, but they should be put in another category. If they're making a living from the sea, it's a seal fishery and a seal hunt.

Now, there's something, too. That's another thing, Scott. Some say “seal fishery” and some say “seal hunt”.

Mr. Scott Simms: Maybe if we said “seal fishery”, we'd get EI.

Mr. Wilf Aylward: Yes, maybe we would.

So that's my opinion on it.

The Chair: Thank you.

Monsieur Blais.

[*Translation*]

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

Good morning. First of all, I want to get a clarification from Mr. Genge. I may have misunderstood but I heard you say that, in the Magdalen islands—

[*English*]

The Chair: Can we just wait a second while we try to get our translation working?

[*Translation*]

Mr. Raynald Blais: As far as I know, Mr. Genge, what you said is not true. You said that the vast majority of hunters in the islands hunt with rifles.

Is that what you said?

[*English*]

Mr. Rene Genge: No, I did not say most people in the Magdalen Islands use rifles. In the Magdalen Islands, most people use a hakapik.

•(1035)

[Translation]

Mr. Reynald Blais: This corrects the facts. I'm in full agreement with you.

I'd like to understand two things. When you talk about big boats and small boats, how do you make the difference? What are the problems caused by the bigger boats? I understand that a big boat can go further but what kind of problems are created by the use of bigger boats, in comparison to smaller boats?

Mr. Joncas.

Mr. Jean Richard Joncas: There are no problems caused by the use of big boats because, in most zones, except on the Quebec North Shore, quotas are assigned to each category of boats. Big boats are those that are more than 35 feet in length. Small boats are those that are shorter than 35 feet.

The problem is that someone can hunt on a big boat and, after having reached his quota on that big boat, continue hunting on a smaller boat. That's what may cause problems.

Mr. Reynald Blais: Mr. Kearley, you mentioned in your statement that we should start a very aggressive and a strong campaign in Europe based on facts but delivered with emotion.

I understand that, over the past 30 years, Brigitte Bardot has caused lots of damages to the sealing industry. She's been very successful, unfortunately.

How do you think an aggressive campaign of information could be delivered with emotion? What do you mean exactly? What type of campaign should be started in Europe and who should start it?

[English]

Mr. John Kearley: Down through the years, too many times we've gone with facts and numbers, and as I said, these people are not interested in facts; it's an emotional issue. It's the biggest fundraising for these protest groups. They have used and still are using the pictures of the whitecoats being killed, with the tears running out of their eyes. Of course, we haven't hunted whitecoat since 1982. That was stopped because of the protest groups. It had nothing to do with the market for whitecoats, or anything else; it was a perception thing.

I think we should be more aggressive. People are being lied to; the facts distributed by the protest groups are not the actual facts. I think the Canadian government should be more in the forefront in dealing with these protest groups.

For instance, in the United States we've had the Marine Mammal Protection Act now for a number of years, which put a ban on the importation of seal products into the United States; yet the Canadian government has done little if anything over the years to work on this issue. There's a huge market of 300 million people on our doorstep, and we are unable to access that market.

Also, there are the problems of logistics that it creates. As a company, we have lost product that was accidentally trans-shipped through the United States and seized by U.S. Customs. We have to be very careful when we're shipping product now, so that the shipping line or whatever does not transship to the United States.

For instance, the main hub of all courier companies in North America is most likely in the United States. When we ship samples of our product to our parent, we have to disguise the description of what it is, because it may be seized by U.S. Customs. We have to disguise what we are shipping. Just recently I shipped samples of our seal oil for analysis and I termed it marine oil so that people looking at the document would not know whether it was lube oil or whatever. You have to do these things. It's unfortunate that we're selling a legal product, yet have to disguise it as something else.

We haven't presented the "good side" stories of the Canadian seal harvest; for instance, about seal oil. We haven't put out to the public the benefits to cardiovascular health and cholesterol levels, and things like this. You can use facts until the cows come home, as they say, but let's start telling the good side stories of the seal harvest, and not go just with facts, but go with the emotion that these people work on as well.

It's a very emotional issue for me. I've been involved with the sealing industry in Newfoundland now for almost 30 years and I'm very proud of what I do, very proud of my company, and very proud of the sealers who participate in this harvest. It's an emotional issue for me and emotional for people like Rene and Wilf. Rene was personally attacked last year. It's time that as a government we start to stand up for the citizens of Canada.

If you talk to sealers and ask them what this harvest means to them, they go back to the days of their father, when they were children and the seal hunt taking place in the spring of the year meant a lot to these people in terms of a livelihood. In, as we say, the long, cold, hungry month of March, when supplies were running low, all of a sudden there was an opportunity to put extra dollars in their pockets and meat on their tables. It's an emotional issue and it should be treated as such.

•(1040)

The Chair: Thank you, Mr. Kearley.

Mr. Manning.

Mr. Fabian Manning: Thank you, Mr. Chair.

I want to thank our guests for appearing here today.

As usual with the fishery in this province, there are a lot of issues and very little time to try to hammer out some of those issues. But in listening to the presentations this morning, I sense a major amount of frustration with a lot of the rules and regulations we have in place and I also sense a deep feeling that we have a lot of things to straighten up in our own backyard before we try to straighten up what's over in Europe's backyard, the European community.

I have many questions, and one of them has to do with the race mentality and having a fair share to go around in relation to the quota itself. Maybe, John, you can touch on your numbers. The sealing numbers are well up with regard to population. Their quota has increased somewhat over the past year, over 300,000 pelts.

Can we maintain a larger hunt? And with regard to race mentality, is an IQ system the way to go with it? A lot of our fisheries are now IQ, and it's probably working very well in a lot of places. I know in my own area down in southern Avalon with regard to crab and those things, that works very well. Perhaps you and maybe someone else can touch on the sealing aspect. I'm just trying to find out how you address that race mentality. It seems to be a problem with the opening and the closing, and so on.

Mr. John Kearley: With the race mentality, when we're into a competitive fishery, as the seal harvest is, it will exist no matter what we do. It would be almost impossible to totally remove it. The veterinarians we met in Halifax last year talked about the use of the hakapik. One thing was to palpate the skull to ensure that the animal was rendered what they termed irrevocably unconscious.

If you go into an abattoir where they slaughter cows, these animals are not dead when they are rendered irrevocably unconscious with the use of a bolt. By palpating the skull, you would then ensure that the brain is destroyed. To do this and then bleed out the animal would benefit our side of the industry as far as quality is concerned. An important factor in killing an animal is the bleeding. Seals that are not bled properly develop what we call ice burn; some of the older sealers refer to it as blood burn.

Once the animal is dead and the heart has stopped beating, the blood collects in the lower parts, and this reacts negatively with the pelt. For instance, a seal that is ice burned has a pelt like tissue paper. This happens within minutes on certain days, depending on the sun and things like that. Bleeding out the animal certainly will help to stop this problem from developing. It will also slow down the harvest. Sealers would not be able to just go around and kill, kill, kill. They would have to bleed out the animals as they go. So that may slow it down somewhat.

With regard to boat quotas, as I said in my presentation, there are many sealers and boats. There are 14,000 licences and hundreds of vessels out there every spring. If you start distributing it, it may become uneconomical. If the skipper has to gear up for 150 pelts, it's hardly worth his while. Insurance is so expensive for sealers, it's my understanding, that to go out in these conditions and to only be able to take 100 animals, or even fewer, may not be economically viable for them.

When you start subdividing the quota, you run the risk of not taking all the quota. A vessel could be out there, but can only take 100 or 200 animals, then it has to leave. Another vessel may be stuck in ice and may not be able to get to the animals. The animals are only easy to get for a short period of time. Once they take to the water, when they become full-fledged beaters, then it becomes very difficult to take them. It becomes very expensive to move around in the ice and pick up these animals.

Breaking it down into ever smaller components makes it more and more possible that if we have a TAC of 325,000 animals then maybe only 250,000 or fewer will be taken. If you look back through the statistics, I'm not sure, but in the last 20 years there've probably only been two or three years in those 20-odd years that the entire TAC has been taken, for various reasons. Sometimes it's ice conditions or sometimes it could be that it was shut down too early. I think subdividing it is certainly very problematic.

● (1045)

The Chair: Mr. Manning, a very quick question and a very quick answer.

Mr. Fabian Manning: On the hail system, I heard a lot of stupid things before I went down there, and I've heard a few stupid ones since I went up there, but I'm telling you, when you have fishermen on the water for four days and can't call in their catches, to expect the fishermen to wait on the water for 96 hours to make a phone call to tell what they have on board.... I guess the only answer to that is there has to be a way, 24 hours a day, however long your season is, to be able to call in the catch. That shouldn't be a very difficult thing to straighten out as to how many people are in the system.

Mr. John Kearley: It's unfortunate. This year, for instance, the harvest started on Wednesday. Good Friday was two days later. Not every year, but frequently, Easter runs into the main part of the sealing season on the front, especially. The gulf is usually finished by then. Of course, for federal bureaucrats, Good Friday and Easter Monday are holidays. The majority of sealers understand that Good Friday is a holiday. They expect nobody to be around. And if Saturday morning.... I mean, they're willing to wait one day, but to expect sealers to stay for all this time in northern Newfoundland off Labrador in the ice conditions that may or may not be there shouldn't be expected.

I'm not sure that it wasn't done intentionally. The gulf zone was far over. Was it done intentionally to slow down the front sealers to not allow the animals to be taken? I'm not sure.

It's not that there are no people at DFO. There are people there, certainly. It is false to say there isn't anybody there. There are people. However, the people who are needed to make a decision are not available, so they have to wait until Tuesday for that decision.

● (1050)

The Chair: Thank you very much.

Mr. Lunney.

Mr. James Lunney: Thank you, Mr. Chair.

I want to thank the witnesses. You have brought us a lot of interesting information about some practical concerns related to the hunt that are perhaps news and will be useful to us.

I want to make a few comments.

On the hakapiks, I noticed when we had the veterinarians at the committee that science supports the use of the hakapik. I think you're on good grounds. I don't think that's going to be a problem as far as the committee is concerned. We want to make sure you have the tools to do the job safely and effectively.

The things you mentioned about cellphone range, reporting in, the hailing requirements, and answering machine capacities could obviously be addressed a little more effectively. We appreciate your good comments related to that. As far as DFO providing coverage throughout the period of the hunt, these are obviously things that need to be addressed.

I had a question for you about the bleeding out and the quality. Mr. Manning answered that; you've already answered it. I had some other questions that Mr. Byrne addressed earlier.

I know that Mr. Manning has many questions on his mind. So, Mr. Chair, if it's acceptable, I'm going to pass my time to Mr. Manning to move on with his questions.

The Chair: You know, guys, I'm more than happy to allow our Newfoundlanders at the table to ask questions, but we are going to stay within our time limit.

You have three and a half minutes.

Mr. Fabian Manning: There's lots of time.

I want to get back to the opening dates. There was some question, and maybe Wilf or somebody touched on those. In the past couple of years, have the opening dates been efficient? Would you like to see them later, or earlier? A lot of concerns in the fishery in Newfoundland have to do with the opening dates. I just wonder about your point of view on the opening dates.

Mr. Wilf Aylward: On the opening dates, from our point of view in area 5, we would probably along with the fifth or the sixth or something like that—a little earlier. Last year, it seems to me, there was not so much ice as there normally is. The last two years have been pretty mild.

I think all sealers would agree that we just barely made it last year to get our seals. We had that gale and northeast wind. The ice went into the straits, and there was nothing caught after. We just barely made it. The twelfth is pushing it. Most of our boat sector would probably go along with the sixth or something like that.

In different years the seals mature differently. Last year they matured early. That has a lot to do with the seals getting in the water earlier. A bit earlier would be nice.

The gulf opened up last year on the fifth or sixth, and they had good seals, didn't they, John? They came in good, didn't they?

Mr. John Kearley: Yes. Certainly by delaying the opening date somewhat, you allow the animals to mature. With a quota of x number of animals, by delaying the opening date to the appropriate date, whatever that should be—as Wilfred mentioned, it changes from year to year as the animals mature differently—you maximize your take, and that is important. Rather than taking ragged jackets, you are taking prime beaters, which is a lot better for the sealers and the companies.

Mr. Wilf Aylward: I wouldn't push it to the twelfth. The twelfth seems to be a bit late in our area now.

Mr. Jean Richard Joncas: For us, the opening date was a problem from 1995 to 2005. We were almost excluded from the hunt at this time because with the early opening date in the Maggies—we're part of the gulf—we couldn't participate in the hunt. When the seals were in front of my home, I was either iced in or the quota was caught.

I think last year the four or five regions that participated in the hunt decided to try to go to a regional quota where the region should decide. If there is a problem in the region, the regions can solve the problem. I don't think it's the government that should decide what time my region should decide to hunt. I should decide by the ice conditions and what price I will get for my seals.

I think mostly what we have to clearly define is the regional quotas. We have to define that one and we have to solve it. For us in

Quebec, it's the nearest species yet that we've seen five provinces participating in the species and one province getting more than 90% of the species. In the seal hunt, no plans have more than 90% of the seals. That's where we're asking again, if we want to have a good seal hunt—no overrun, everybody participates on legal things—have some basic disagreements between us solved before the hunt comes.

• (1055)

Mr. Fabian Manning: Then some people in Quebec can get EI, and Newfoundlanders can't.

Mr. Jean Richard Joncas: This is government.

Mr. Fabian Manning: There are a lot of things that need to be straightened out here, by the sound of things here this morning.

The Chair: I appreciate that, and I know that's important, but we're going to go to our next questioner.

Mr. Kamp.

Mr. Randy Kamp: Thank you, Mr. Chair, and thank you, gentlemen, for your good presentations.

Mr. Genge, I think you referred to the seal hunt being profitable, even though it's very few days. I know it's difficult to answer this, because there are different sized boats and so on. How profitable is it? How big of a percentage of a fisherman's income is it?

Mr. Rene Genge: Last year in particular, for my crew it worked out to about 20% of their overall income for the fishing season.

Mr. Randy Kamp: So it's a significant amount.

Mr. Kearley, you talked about quota overruns and the quota not being taken. Probably quota isn't the right word here. It's TAC that we're talking about, right? We don't really have quotas as such in seals. Have the last few years in your estimation been ones that we haven't taken all we could have? That's one question. Related to that is the number that DFO thinks, let's say for this last season, were taken. Given Mr. Bevan's comment about the difficulties of the hail system and inaccurate information from time to time, which may or may not get corrected along the way, how far out do you think DFO's information is in terms of what they think were actually harvested and what you think were actually harvested?

Mr. John Kearley: I think the information they would give today would be very accurate, as a matter of fact, because all processors are required to send DFO copies of our purchase receipts, the documents that we provide to sealers to show what we purchase from them. These numbers, I would think, are extremely accurate. I would assume their statistics department would scan all this information into their system. So I think the numbers they would have today are fairly accurate; however, during the season the numbers could be somewhat suspect.

In the last five years, I believe, this past year would probably have been the only year that we exceeded the TAC. Previous to this, we had a three-year TAC of 975,000 animals. The first year, I think we sealers had decided we'd go for 350,000. We didn't go near 350,000 that year. The second year we went a little over into the third year. Overall, if my memory serves me correctly, I think we were about 940,000, 950,000, out of the 975,000. This past year, 325,000 was the number that was decided on at the meetings in St. John's last November, and it's my understanding that we exceeded that by a few thousand animals.

I think the numbers DFO would provide today are extremely accurate; however, during the season, as I said, the numbers could be somewhat suspect.

Mr. Randy Kamp: Okay, good.

With respect to the hakapik, you're all opposed to banning it. We support that—I think. When we write our report, we'll actually see if we do. I understand most are not harvested that way.

Mr. Genge, I think your words were that it would “give fuel to the protesters”, and I understand that perspective. But wouldn't it also encourage them, in the sense that they think it's more humane to use a rifle? Would we maybe not have better PR if we took that step, do you think?

•(1100)

Mr. Rene Genge: You mean ban the hakapik?

Mr. Randy Kamp: Yes. Would the protesters consider it a more humane step?

Mr. Rene Genge: Well, probably they would, but you know, they're only looking for reasons. Whatever reason they can get... They're still out there showing a picture of the whitecoat, which haven't been killed since 1982. So if you stopped using the hakapik, they'd still show a video of you killing them with the hakapik. They attacked me on the ice two years ago. I mean, they were supposed to stay 30 metres away. They came close enough that I had to hit them with my fist to defend myself. And they tried to protest that in court and say they didn't do it. So you know, these people are going to find a way anyway.

Mr. Randy Kamp: Yes, I think I understand that.

Mr. John Kearley: I think by coming down and saying that the hakapik is not an appropriate tool to use, these groups then will say, “Well look, we've been telling you for years that it's not an appropriate tool to use.” So we're only adding fuel to their fire.

I think the veterinarians have expressed that it's a very good tool for dispatching the animal. It's very efficient, very humane, and there's a safety issue as well. So I think we're making a mistake to even consider banning the hakapik at this particular time.

The Chair: Thank you.

My job is to consider how much more time we have for questioning here. We certainly have travelled a long way, as a committee, so we want to give our members as much opportunity as we can to ask questions and hear what you gentlemen have to say, but we do have another group here. So why don't we try to do another round—I think we'd all agree—for another five minutes each, and stick to our five minutes, if we can, gentlemen.

I'm not worried about our witnesses as much as about our members. That seems to be the difficulty.

Mr. Byrne.

Hon. Gerry Byrne: Thank you, Mr. Chair.

To the witnesses, one of the things you've done here today is you've opened up all these issues, provided testimony to the committee on opening dates, the HST issue, the hail-in system. It's now on record, so the committee has an opportunity now to further investigate. While we may not be able to be as fulsome in our

presentations as you'd like, it's now on record. We can use that in terms of our committee reporting. That's why this is all valuable.

I'd like to spend a lot more time on a whole bunch of different issues, but I wanted to zero in on something that really concerns me.

John, I'll quote directly from your presentation. It says, “...the DFO 'daily hail' system is shut down.”

You go on to say:

Sealers were advised that DFO would compile catch information and advise further if the harvest would reopen. The next day was Good Friday, April 14. DFO did not operate that day, nor did they operate on Saturday, April 15, Sunday, April 16, or Monday, April 17.

That leads to catch overruns in certain instances, doesn't it?

Mr. John Kearley: Well, it could, if they didn't shut it down. But that was the reason they shut it down, to avoid—

Hon. Gerry Byrne: They just didn't offer it.

Mr. John Kearley: Well, they advised sealers that as of noon on Thursday, the hunt was discontinued. It opened at six o'clock on Thursday morning for a six-hour period, based on the fact that the day before, the first day, between six o'clock in the morning and five o'clock in the afternoon a certain number had been taken. That night they assessed the take for that day. They opened it for six hours on Thursday and then said, “Now we're going to reassess.”

Hon. Gerry Byrne: Now, in fact, on the front, we had 9,000 animals left in the water last year; wasn't that it?

•(1105)

Mr. John Kearley: That's my understanding, yes.

Hon. Gerry Byrne: In other words, because of this shutdown, 9,000 animals were left in the water.

Now, on the gulf side, Jean Richard, we had a different circumstance. You described a situation in which there was a very poor hail-in and hail-out system. You couldn't actually make contact with DFO in many instances, and there were real problems there.

In fact in the gulf, if I understand correctly, there was a quota overrun. The Quebec north shore was assigned 8% of the global quota in the gulf of approximately 100,000 animals, and 20% was assigned to the Magdalen Islands. When you didn't get 7,000 animals, as you were allotted, the Quebec north shore, I understand, got about 18,000 animals or 25,000 animals; I'm not sure what it was. So there was a huge quota overrun, which I think you may ascribe to the fact that you had little ability to actually report accurately your catches.

One of the things you mentioned is that there was supposed to be a quota-sharing forum, which was to be established by DFO this summer and fall, which has not occurred. Technically speaking, if DFO were to comply with the three-year management plan they set out in 2006, given the fact that you took three times the number of animals you were allotted, technically speaking the Quebec north shore should be out of the fishery in 2007 and 2008.

Would you blame that, Jean Richard, on the hail-in and the hail-out system that's established?

Mr. Jean Richard Joncas: The allocation that was given last year was a temporary regional quota. Is 8% the real number for the lower north shore of Quebec? This is a case where, through the working group, we have decided that if we didn't come to an agreement, we were going to an arbitrator.

As it is now, and it's what happens in a lot of fisheries in Canada, the minister has 100% discretion over all species. This is something we're having a problem with, if the minister has decided 100% which way the quota goes. When we got into this original sharing agreement, we agreed that if in January we didn't come to an agreement, we would go to an independent arbitrator. As we've seen, the minister took the decision to define quotas per region.

And as you know, Mr. Byrne, if we use the expressions of DFO, we didn't go three times over our quota. We went maybe xnumber of seals over our quota, because DFO didn't use, as they use in other species, the percentage of the landing per year; they used the total seals. If one region overruns its seal quota, as happened in let's say 2000 in the gulf... Newfoundland had killed 143,000 seals in the gulf in 2000. Part of that number were seals that were coming from the front, where we also had problems.

People are talking here about the front as being zones 1 to 5. Why, last year, was there a front hunt in zone 12? There are a lot of things in the sealing industry and a lot of things we have to discuss together as to which way we go.

As you know, the lower north shore wasn't pleased with the 8%. We say that 18% belongs to us. Did we make it that we got 18%, or didn't we make it? It's something between us, and it's something nobody can prove. You have 400 fishermen. Which one do you charge with overrunning the quota? And we were the last ones in the gulf to hunt.

Hon. Gerry Byrne: Thanks, Jean Richard.

The Chair: Thank you.

Mr. Simms.

Mr. Scott Simms: A quick comment. When we talk about banning the hakapik, I would urge all members to support the idea that we do not ban the hakapik. I'll give you two examples very quickly.

In the mid-1970s Brigitte Bardot came here, as we all know, and talked about banning the hunt of the seal pups. We banned the whitecoat hunt in 1987, and last year she was here again. Here's the issue.

The other issue is that when Monsieur Blais and I were over in Europe, they had a motion calling on all European nations to recognize the clubbing of seals as a cruel and inhumane practice—clubbing of seals. When we came back to Newfoundland, the issue came out that the minister would look into banning hakapiks. When we went back to Europe, they had revised the passage to include firearms. It doesn't matter; it's not going to stop. I hope the committee will take a unanimous approach on this.

Rene, I'm kind of stressed to hear about the situation you had with the protesters. What would you suggest to this committee and to the minister about how to combat that, besides banning them from the area? What do we need to do beyond that? What do we need to do

over the next couple of years to make sure that what happened to you doesn't happen again?

• (1110)

Mr. Rene Genge: Well, not give them any permits to go there would be a first start. If you haven't got a permit, once they're seen out there DFO can arrest them right away, before anything starts to happen. As long as they have permits, they have just as much right to be on the ice as I have.

Mr. Scott Simms: Oh, okay.

Now, you said there was a court case, is that correct? What was the resolution of that again? What happened? What was the result?

Mr. Rene Genge: Well, they were charged \$1,000 each for coming too close.

Mr. Scott Simms: Okay. But they'll return next year.

Mr. Rene Genge: Yes, they returned last year.

Mr. Scott Simms: Okay.

Let me change topic very quickly and get back to the HST issue. John, if you could address this, how do we get around this issue of HST?

Mr. John Kearley: For a number of years, or subsequent to the past couple of years, HST was not a concern. I guess in excess of 95% of seal product is exported out of Canada to Europe or Asia or whatever. Of course, there is no HST on our exports.

I know as a company, a few years ago we had an exemption permit from the Canada Revenue Agency not to pay HST because we were exporting our product. Of course, when you export your product, you don't charge HST to your buyers in a foreign country. If we would have had to pay HST, we would have paid it to the sealer, the sealer would have remitted it to the government, and we would have claimed it back on our input tax credit. It's simply money going around in circles.

Right now there have been many, many audits taking place on sealers who did not claim the HST, or did not collect the HST from the companies. They're saying now you must pay the HST that you failed to collect. I mean, it's a non-issue, in my opinion. It's just paperwork.

Mr. Scott Simms: So they're being fined for not paying money they would eventually get back.

Mr. John Kearley: They're being fined for not collecting the HST, so there are penalties and interest and things like that. The HST is not the issue, as I see it. Really, it's the interest and the penalties that is an issue for the sealers. Really, I suppose, in one way of speaking, if you look at it, I think the Canadian government is the net loser with HST because, as I mentioned to a Canada Revenue Agency person at one time, if we pay HST on seals, we would get back every penny we pay out. I mean, that's a guarantee.

I personally prepared HST claim forms. If we pay out \$1,000, I will collect back \$1,000. That's not to say the Government of Canada would get the \$1,000 that we pay out, because not everybody is honest and not everybody would remit it on the other end. So really, I suppose, in one way I think it's the Canadian government that would be the net loser.

Mr. Scott Simms: Am I done?

The Chair: You have 30 seconds left and I'm happy to give you your additional 30 seconds.

Mr. Scott Simms: That's very good of you.

Very quickly, you said the situation is that some offices get around EI insurance, insurable earnings on seals, on sealing.

Mr. Jean Richard Joncas: Yes. The way I understand it, if I have a company and my company sells seals, then I can put my employees under the EI system. The other thing is, I think this happens in the berry-picking industry and those things. I have to have a supervisor.

Honestly, I am looking at this issue for my fishermen from the lower north shore to see which way I can match the Maggies one and the upper north shore one to qualify my fishermen.

Mr. John Kearley: May I speak on that?

If you look at the EI Act, the term they use is a "catch": as long as their product is a catch, then it's EI insurable. But seals are excluded from the term "catch", so sealing income is not insurable.

However, if a skipper, as you said, creates what's termed an employee-employer relationship, then it can be or may be insurable. However, the crew members cannot take any risk; they have to be employees. He's paying them a salary, I suppose, as opposed to there being a joint venture such as would be the case in other fisheries. It's my understanding—and I'm not involved with other species—that with crab, for instance, in order for that to be insurable, the crew members must take part in the venture. They must share in the expenses of the trip, and then they share in the profits from the trip, and then that becomes insurable. The sealing industry, because it doesn't produce a catch, comes under a different regulation.

I was really surprised when somebody said that 50% is insurable and 50% not insurable. That was a new one for me. If the skipper on a vessel creates what's considered an employee-employer relationship with his crew members, then it can be insurable.

• (1115)

Hon. Gerry Byrne: The benefit, are you saying, is 50%?

The Chair: I am in a very generous mood today, and since this is the riding you represent, we're going to allow you ten seconds to ask another question.

Hon. Gerry Byrne: I appreciate it.

Are you saying 50% are insurable and 50% are not, because 50% are in an employee-employer relationship?

Mr. Jean Richard Joncas: At EI they told me that it's because of the expense. A catch of crab is 25% non-insurable because the expenses are low. In the seal hunt, the expenses are so high that they consider 50% of their trip to be expense and the other 50% to be work.

Hon. Gerry Byrne: Mr. Chair, under the EI regulations, there are two sets of EI: there's employer-employee EI—regular EI—and there's fishermen's EI. Fishermen's EI is structured towards self-employed fishermen. If, for example, Rene Genge were to hire somebody to go sealing with him, his employee would be eligible for EI while Rene collected revenue from his sale of seals. A fisherman

applying for fishermen's EI benefits would not. However, what I don't fathom at all is that an Irish moss fisherman in P.E.I. can actually collect fishermen's EI benefits from harvesting and selling plants—seaweed—but you can't from selling a seal because it's a mammal and not a fish. This is something I think this committee should.... It's crazy.

The Chair: Thank you for that, Mr. Byrne.

Now we're going to Monsieur Blais.

[*Translation*]

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

I'd like to come back to a basic issue. We have to face this campaign of disinformation and demagoguery that is going on in Europe. We can look in detail at how the Department of Fisheries and Oceans manages the seal hunt. However, I have to tell you that we're already 30 years late when one thinks of the damage caused in Europe. Furthermore, the seal hunt is becoming more and more of an issue in Europe. We have a lot of catching up to do.

I would like you to tell me what you've tried to do to counter this campaign in Europe, as an industry and as a hunter. Have you tried to do something?

I may add a brief comment to this: your Premier, Mr. Danny Williams, doesn't help you when he states publicly that the use of the hakapik should be prohibited. I have the feeling that he's a loose cannon. I don't know him personally but he's not helping at all when he makes such statements.

I would like you to tell us how we can counter that type of campaign. I understand that there may be some management issues but the major problem you have at this time is the propaganda campaign going on in Europe. If we don't face that quickly with significant resources, the seal hunt might disappear completely.

[*English*]

The Chair: Do you have a comment, gentlemen?

Mr. John Kearley: I shouldn't jump on the thing, because I know a couple of the people who are presenting tomorrow in Gander, and I think you'll get good information from these people. I sit on the sealing committee of the Fur Institute of Canada, and these people.... When I look at your list for tomorrow, Jim Winter, who is a person who is also on this committee, will be at your meeting tomorrow in Gander. So I think you'll get better information on what our committee thinks should be done.

To expect individuals and companies to fight these groups.... There are huge, huge sums of money. These people are professional PR people. As a company or as individual sealers, we do not have the money to run a campaign against these people. You'd need millions of dollars, and these people have hundreds of millions of dollars that they collect from people throughout the world.

So I think it's rather difficult—not difficult, it's impossible—for the industry itself to stand up against these people. I think we certainly need the support of the Government of Canada to be able to help with the statements and that.

●(1120)

[Translation]

Mr. Raynald Blais: Over the past 30 years, did any seal hunters go to Europe to meet with parliamentarians or various groups? Has there been this type of action in the past?

[English]

Mr. John Kearley: It's my understanding that certainly there were. Back in the early eighties there were a number of sealers, as well as aboriginal people, who travelled to Europe and met with the European parliamentarians and things like that. I think it was to no avail.

If I recall, back in the days when Frank Moores was Premier of Newfoundland, he and Morrissey Johnson had a thing on the go where a bunch of them got together and they travelled to Europe to try to counteract the whitecoat ban at that time, I guess. And really, you know, they ended up probably doing more damage than they did good, because they were not professionals; they were not media people, I suppose, in one way of speaking.

These protest people use the media free of charge. They are professional media people.

[Translation]

Mr. Raynald Blais: I don't necessarily agree with you. In fact, the recent efforts of some of us, like Mr. Simms and myself, who went to Paris... I was there in May and I went back in June. In May, the Council of Europe was looking at a recommendation aimed at banning seal products from Canada. We had the opportunity to meet with those people. I also met with them when they came here in Quebec. Some accepted it to go to the Magdalen Islands to meet with some hunters. I'm not saying that it's because of our action but that recommendation that was intended to ban seal products was withdrawn and we were left with a single major irritant, the proposed prohibition of the hakapik.

This shows that a limited effort has allowed us to achieve something even though it doesn't cancel all the effects of the campaign of demagoguery and doesn't change the minds of 800 million Europeans, of course. However, if we all pitch in, I believe that truth and logic will have a better chance to prevail. People don't say as much now in Europe that seals are an endangered species, even though they keep saying it on their web sites. There, they still say that it's endangered species. That's part of their arguments but when we talk to them and confront them, they become more reasonable. So, as far as I'm concerned, even small efforts may be productive. However, they have to be supported by very significant efforts from the government of Canada and from the Department of Fisheries and Oceans.

[English]

The Chair: Thank you very much for that statement, Monsieur Blais.

We'll go to Mr. Kamp.

Mr. Randy Kamp: I have just one quick question.

In your opinion, what is the most important thing the Government of Canada could do to help your industry?

●(1125)

Mr. John Kearley: It's rather difficult. I don't know if I can pin it down to just one thing: what will we do to help the industry?

I guess I keep coming back to seal oil. Right now what's needed is for the Canadian government to sponsor the proper clinical studies that will allow doctors to be able to say to their patients, "This is of benefit to you."

I was at a conference in Ottawa two years ago on seal oil. It was attended by scientists from throughout the world who have been doing a fair amount of work on seal oil. One of the presenters was a Dr. Bruce Holub, from the University of Guelph. Dr. Holub suggested that the Canadian government would save \$28 billion per year in health care costs if seal oil all of a sudden became used as a fighter against cholesterol. Most cholesterol-fighting drugs come in from the United States, such as Lipitor, Zocor, Crestor, and things like that. The Canadian government would save huge dollars in health care costs if Canadians were using seal oil as a cardiovascular medicine, I suppose.

So that's one thing that the Canadian government could do, sponsor these necessary clinical studies. The cost certainly would be, I guess, a few million dollars, but then the benefits would be far-reaching and would also certainly help the seal industry. As I say, it's a good-news story for the seal industry.

The Chair: Thank you.

Mr. Manning.

Mr. Fabian Manning: I think it was Mr. Genge, I'm not sure, who made a comment that only those relying on the fishery should be allowed to participate in it. I don't want to put words in your mouth, but one of you gentlemen made the comment.

I think Mr. Kearley mentioned 14,000 licences. Would that be correct?

Mr. John Kearley: That was the estimate that David Bevan gave at the June 15 meeting of the committee. That would be total, throughout Canada, I would assume. Over the years I've attended many, many DFO information sessions and things like that, and that's the number that seems to keep popping up—between 11,000 and 14,000 licences.

Mr. Fabian Manning: What I'm trying to get at is, out of that number, the people who are participating but not necessarily relying on it for part of their income. I know down in Placentia Bay, for example, we have a situation where we have a dentist in New Brunswick who holds a crab licence. These kinds of things frustrate our fishermen down there, and I'm sure in other areas it's probably the same way. I'm just trying to see whether you're looking at it from that point of view or from a recreational point of view when you say that people who participate in it should be relying on it.

Mr. Rene Genge: It's from a recreation point of view. In our fleet, vessels over 35 feet are not so big a problem. You have everyone who has a job and they're now in under-35-footers and speedboats that participate in the seal hunt. Some that are under 35 feet would be more recreational sealers than full-time sealers. Probably it is now.

Mr. Fabian Manning: Okay, on that issue, correct me if I'm wrong, but I think you said that 20% of the income of your boat came from sealing participation this year.

Mr. Rene Genge: Yes, that's right.

Mr. Fabian Manning: And that 20% cannot be included as part of your claim for EI.

• (1130)

Mr. Rene Genge: No, it's not supposed to be. The first thing they talk about is that if you have a company, you could probably get around it and do it, but you can't pay a labour stamp, not if you're taking a percentage, not really. It's supposed to be hourly. If you go out and have a two-day fishery and you pay a crew member \$5,000 or \$6,000, how much wage are you going to give him per hour? That's the fact. You can't put down and say you worked 20 hours and I'll give you \$6,000.

Mr. Fabian Manning: It has to be on value, like the other fisheries, right?

Mr. Rene Genge: Yes. If percentage-wise it's the same as your fishery and you take it as a part of income, although it was only involving one week's earnings, how can you put down hours?

Mr. Fabian Manning: And the value, like other fisheries, that's the only way you could. You could go out and spend three days on the water and not catch one animal, and therefore you have three days of work counting to no value.

A lot of these issues, if we had the time to get into more details, for us to.... I think the fact that you've highlighted them here today certainly opened my eyes and I'm sure members of the committee's eyes to a couple of issues that could be straightened out. You'd think they would be able to straighten it out.

If I could, I want to get back to the protesters. Protesters should not be interfering with your work, period, either in the air or on the ice. That's my personal opinion. That's one issue the government should be able to take care of. I don't know of any other industry in which people will interfere with people's work and not be charged for doing so.

Mr. Rene Genge: But you have the government giving them a permit to go out and do it.

Mr. Fabian Manning: Exactly. That's what I'm saying. These kinds of things need to be addressed. It's a safety issue also, along with interfering with your work.

On the competition factor that Mr. Aylward talked about, I realize that in some instances it falls under the province. And I'm a strong believer in making sure there's strong competition, especially when the person is in the boat. If these rules come in in 2008, how would you suggest that be addressed to make sure the fishermen have competition at the end of the wharf when they arrive with their load of seals, or whatever the case may be? If we're only going to be down in this case to maybe two buyers, how do you determine it?

The processor needs to make money, the fisherman needs to make money, and from the standpoint of the province, you're trying to get as much work in the communities in the provinces as we can. Everybody would like to do that too, but there's always this gap between the fisherman on the water trying to make a living and the expenses incurred and so on. I'd like you to address that. How do you suggest we deal with it before it becomes the issue it's going to become in 2008? Because if we eliminate the competition to a point

where there's going to be a problem, then everything else falls from that.

Mr. John Kearley: I fully understand what Wilf said, but I'm not sure that competition will be eliminated.

It's my understanding that certainly this stuff.... It has been suggested; it's a suggested policy. I don't think it's in their policy manual yet. But in April of 2008, it's my understanding that, as someone said, a significant number of the sealskins must be processed to the finished stage before they are exported out of the province. Certainly to smaller processors that then becomes a problem to start up a tannery for processing sealskins. If you're not taking in large numbers, it certainly is very problematic for a small processor.

However, there are ways out, in that they can have one of the larger processors process their seal pelts to that stage for them. That small processor can still purchase, but if he's not willing to build a finishing facility, he would then be required to go to another processor or the bigger processors and have his seal pelts finished by them. I'm not sure that it will make a difference in the marketplace. Everything is market driven; the price that is paid is reflective of what the market will bear.

I'm not really sure the competition will be any less as a result of that regulation. As Wilf said, it may be.

Mr. Wilf Aylward: It would be interesting to know what the value of a seal would be. That's what I'm getting at. How will we ever know what a seal will be worth any more? I can see a problem with competition.

You say you're getting feeder plants, so you set up feeder plants that go to the bigger plants. That's an extra cost to the sealer.

Mr. Fabian Manning: How many processors are there? How many buyers are buying seals right now?

Mr. John Kearley: Right now in Newfoundland, the major buyers are Carino Company, ourselves, the Barry Group with Atlantic Marine Products in Catalina, the Panian Group in Carbonear, and that's about it. Northeast Coast Sealers Cooperative and Fleur de Lys purchase sealskins; however, they have been on a contract with our company to do so in the past few years.

Then on Îles-de-la-Madeleine, the Tamasu company would buy sealskins there. I think that's about it.

• (1135)

Mr. Fabian Manning: I'd asked you a question already, and maybe you got it mixed up with some of the other ones I asked. With regard to the quota, the 2006 TAC on the 325,000, there were some left in the water due to the inconsistencies in the hailing system more than anything. Maybe more than one can answer. Can we sustain a larger hunt? I believe we can, but I don't know enough about the industry. This is based on the fact that our seal population seems to be climbing steadily. It's like everything else, supply and demand works in the marketplace. From both ends of the spectrum, what do you believe we can do with regard to the TAC?

Mr. John Kearley: Last November, in meetings in St. John's, when the request came from DFO as to what we thought the TAC should be for 2006, as a company, we suggested 400,000 animals. We felt the marketplace could stand 400,000 animals—not for a long period of time, but at least for a year or two. We would then reassess at the end of a year or two as to whether to continue with 400,000 animals.

I think the majority of sealers recommended a smaller number, again, because of supply and demand. If we keep everybody hungry, then certainly the expectation is that the prices will be higher. As a company, we thought that markets could stand 400,000 animals for a year or two.

If you listen to scientists, I think even the 300,000 is above what they would consider a sustainable yield, in that we would, over time, start to deplete the seal herd. I'm not a scientist; I have my own opinions on that. It hasn't been obvious for the last few years, anyhow. We've been taking numbers that are above what scientists say we can take, yet the population still seems to be increasing. You have to depend on the scientists to come up with a number that's appropriate. It's not to our advantage to deplete the seal herd down to a level where we can't harvest.

We're in business, and we want to stay in business for many, many years. I started back in the late 1970s, when the population was estimated to be two million. Boats would spend days and days trying to get their TAC. Now it happens in a few hours. That's a good thing.

The Chair: Thank you very much to our witnesses and to members of the panel. It was a very interesting and informative discussion.

I do have two points that I'd like to make, and maybe just one quick question.

There has been a lot of discussion on the hakapik. I just attended the meetings in Europe, as well. I think we have learned that this is one more domino in the line of dominoes. If you take away the hakapik, they're going to want to take away something else, and then they'll want to take away something else. It is interesting, though. We have some sealers who simply use the club or the hakapik, where the majority of our sealers use the rifle. Quite frankly, the rifle doesn't come under as much scrutiny by the Europeans. In Norway, where they have a mainly recreational hunt, they shoot all the seals. They use the hakapik on the seal that has been shot, and then they bleed it. Norway hasn't come under the same type of criticism that we have, although they have a much smaller hunt.

One of the challenges, obviously, is how the TAC is divided up. The comment was made earlier that there are about 600 sealing licences. I'm assuming that's in this area. And there are 200 core fishermen. Is that this area here? It would seem to me that there is probably some reason for DFO to look at that and maybe divide the licences up into sealing licences for industry participants who are core fishermen. I have no difficulty—and I come from a fishery riding—in giving the fishermen the first shot at it. We also have to consider that recreational aspect of it. There's a food fishery as well. Maybe they could be limited to a fewer number.

I'd like some quick feedback on that. The pelts would still be utilized, but if there is a food fishery and we limit that to five or six animals or something like that, would that reduce some of the pressure on the rest of the fishery?

● (1140)

Mr. John Kearley: It shouldn't be confused. There is a recreational food fishery. Personal use licences are referred to with DFO. I think there are 6,000 animals or 8,000 animals that are taken for personal use. That's six animals per licence. I think the limit is 8,000 or 6,000 animals. However, with these animals, the pelts are not allowed to be sold. Processors are not allowed to buy them. They can only utilize the meat for their personal use.

I think when people refer to recreational, they are mainly referring to people who are not fishermen, who do other trades, and over the years, when licences were more readily available, they would have had a professional sealer licence. Personally, I had a sealing licence probably 25 years ago. I didn't keep it, but I could have. I would be considered a professional sealer. However, I would not participate in any other fisheries other than the sealing industry.

There's a separation between recreation or personal use, I suppose, and fishermen or sealers who do other things for their main source of livelihood.

The Chair: Thank you very much for that clarification.

Thank you again, gentlemen, for appearing. It was very helpful to our study on the seal industry. I'm not going to prejudge the outcome of our study, but you can certainly rest assured that you have a very friendly audience here with this group of members of Parliament.

The meeting is adjourned.

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