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Chair

Mr. Gerald Keddy

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•(1150)

[English]

The Chair (Mr. Gerald Keddy (South Shore—St. Margaret's, CPC)): I'll call the meeting back to order.

Welcome to our new witnesses on boat stability, Mr. Normand Cull, Mr. Hubert Randell, and Mr. Dwight Spence, who I'm assuming is coming. There's a name tag, but there is no one sitting behind it.

Could we move along fairly briskly here, gentlemen? I'll ask you folks to start. And if you could keep your presentations to within ten minutes, it would be helpful. If it's going to take longer than that to read, maybe I'd ask you to just paraphrase it, if that's possible. We did come here to hear what you have to say, so we want to take time to do that.

I will remind you that we have simultaneous translation. Most of us talk faster than our interpreters can translate, so we'd ask you to try to keep it at a reasonable pace.

Go ahead, gentlemen.

Mr. Normand Cull (Fisherman, As an Individual): Thank you, Mr. Chairman.

Mr. Chairman, honourable members of the committee, my name is Normand Cull, and I've been owner and operator of an enterprise since 1984. I first started fishing with my dad at an early age of nine years, and I can well remember.... I don't know whether some of you around the table know that we used to buy flour at that time by the 100-pound bag. I remember very clearly, when I was nine years old, my mom making a suit of oil clothes out of flour bags. It was cured with linseed oil, and the smell of the stuff is still in my nostrils now.

I won't take up too much of your time going through the details of my life as a fisherman, because that would take all day.

I've seen a lot of changes in my 50 years of being involved. I've gone from the boat to the mainland and from the mainland back again. My roots are in a fishing boat, and I guess I'll retire at that right now.

I've served on several committees. I was chair of the 3K north committee from 1997 to 2003, and I am now serving as vice-chair. I was a member of the northern shrimp advisory committee from 1997 to 2003, chair of the local fishermen's committee, and most recently a member of the Great Northern Peninsula Fisheries Task Force in the northern peninsula. I was vice-chair on the board of SABRI—that's St. Anthony Basin Resources Incorporated—and was nomi-

nated to serve another term at the 3K north shrimp committee chair but declined and took on the position of vice-chair.

Back in 1992, when a moratorium was called on cod, I and a lot of other fishermen diversified into crab, with which we did well for a few years. There were only very short seasons because of the small amount of quota. Most of us fished in boats ranging from 35 feet to 45 feet, because it wasn't necessary to have a bigger boat to fish and land the amount of crab we had to catch. Prices were very good in some years and not so good in others.

In 1997, after some lobbying by fishermen, me included, we were successful in getting a shrimp allocation known as northern shrimp. There were several meetings and seminars held throughout the province, in which some of you probably were involved, asking fishermen to gear up for what we called, or what was called then, the gold mine of the north. I can well remember—because I had no intentions, and probably a lot of other fishermen out there didn't have any intentions of ever gearing up for shrimp or anything like that—that we were approached by processors saying, "Boys, you're going to have to gear up for the shrimp because it's out there by the scores." They said the same thing about that as they had with the cod fish, that there's hardly any way of ever catching it.

Fish allocation was harvested by boats from 34' 11" to 64' 11", and the ruling still stands. Since we became involved, we have seen huge increases in quotas and allocations, and this is why today we have a very nasty problem of over-supply and very low prices. As we all know, right now we're in a situation where it's hardly viable to even be at it, with the cost of fuel and everything else and the exchange in the dollar rates. Right now, I'm telling you, it's very difficult to even come out on top.

•(1155)

Ever since we've been involved in this industry—in shrimp, especially—processors have been telling us that our boats aren't big enough and that there are too many of us involved. We are fishing at the wrong time of year, when the markets are at their worst. This is why I think we need change, but I don't know if bigger boats are the answer.

I've talked to some fishermen, and they have said they cannot afford the boats they are in now, so how are they going to move to bigger boats and double the expenses, or sometimes triple the expenses? The most fearsome thing in the harvesters' minds on the issue of moving to bigger boats is putting the harvesting into the hands of the processors. This, gentlemen and ladies, is a very worrisome part in the harvesters' minds. I'll go into that in a little more detail as I go through.

Speaking from a personal point of view, and most of what I'm saying here now, gentlemen, is.... Although I've been involved in committees, I haven't had a chance to go around and meet with fishermen that I represent. I have only chatted with a few fishermen on the wharves and stuff like that, and this is why what I'm doing here, mostly, is from a personal point of view—

The Chair: Mr. Cull, there are a number of issues that you are discussing, all of which are important, but I would like you to focus most of your discussion, if you can, on boat stability, the test that's being requested through Transport Canada, the cost that will put on fishermen, and the stability of the boats you're using right now.

Most fishermen feel that they are running pretty good gear and that they're very stable and very seaworthy. There are some difficulties with the shrimp boats and the shape of them. If we could focus on that part of it, that would be helpful.

Mr. Normand Cull: Okay.

Speaking from a personal point of view, if we move into bigger boats, how do we finance them? Most of the enterprise owners are now at the age of retiring and getting out, hoping to get a good return for the money they've invested. It's going to be very difficult to get young people involved if they cannot get the financial help they need. What I mean by that is if we're going into bigger boats, it's fine to say we move from smaller boats to 65' 11" or 64' 11", and that didn't help...so although there are factors when it comes to the safety part of it and such, where do we go to get the dollars and all of this stuff?

Maybe we should look at operating the boats we have now. If we need to freeze at sea to have a better quality product, then I think we should look at something like that. We could put the fish in cold storage and produce when the time is right. This way our plant workers will still get the work needed.

Millions of dollars have been invested into the harvesting sector since 1997, when fishermen went from small boats to super 65-footers, and now we are being told we should go bigger again. The cost of operation has doubled or tripled, and we have been regulated to the point where we do not know which way to turn. If we are going to lift a freeze on the 65-foot regulations, then I think we have to make sure there are safeguards put in place so that it stays in the hands of the harvesters. Put the option in place and let the fishermen decide for themselves what they want to do.

If you're talking about the safety aspect of it, I realize that if you're going 200 miles or 150 miles offshore, then you need something that's going to be stable and you don't have worry that your boat is not capable of taking care of the storms you're going to get into. I think the boats we have now can...if we fish at the right time of the year. But if you're talking about getting into the months of December, January, or February, then you're going to have to go into a much larger boat than you are now. I doubt if a 100-footer can fish in the waters that we have to fish in, in January and February.

What I'm trying to point out is that I don't know if going bigger is going to fix the problem. The biggest problem we have right now in our industry is whether we can afford to fish for the price we get. That's our biggest problem right now. By moving from the 65-footer to an 80-footer or a 90-footer, I don't know if that's going to fix the

problem or not. This is why I say, does bigger mean better? It might mean better for the safety part of it, but I don't know if it's going to be better for the economics of it. That's why I'm trying to point out what I've said here.

I don't know if you want me to touch on the sealing industry. That's already been talked about. I just have a short paragraph on that, but I think the panel did a fairly good job.

I don't know if you want me to continue.

● (1200)

The Chair: Could you focus on the boat stability, Mr. Cull? Transport Canada has looked at a number of the issues, of course, including overall boat length, but they're talking about stability tests for every boat length, and this would be paid for by the fishermen. In southwest Nova Scotia, where I live, we can reduce some of that by simply testing hulls. There may be 50, 60, or 70 boats made from each hull type, and some of them would have hundreds made from a particular hull type.

The issue becomes that there's going to be one factor for the gear type you use. If you're a multi-species fisherman, you may have different gear types on board in different seasons, and they're talking about a test for each of those gear types. There may be a different issue if you have ballast control, and I understand a number of 64' 11" shrimp boats do. If you're moving ballast water around, if you fish herring or capelin, which have more liquidity to them and move around on board, that's another factor. If you're fishing in icy conditions, it's another factor.

What we're trying to get is a feel from fishermen of how they look at these new rules in stability testing, because it's certainly something, I can tell you, the fishermen in my area are very concerned about.

● (1205)

Mr. Normand Cull: I talked to a fisherman last night—he was supposed to be here today—and he had talked to fishermen that have already moved from 65-footers to larger boats. They've had to tie them up because they can't afford to keep them. They can't afford the operational part of it. So I don't know if it would make economic sense.

On the safety aspect of it, yes, if you're fishing in weather where you'll be in icing conditions and all of that stuff—

But I'm trying to point out where we are now. If we continue to fish in the months that we are fishing, I don't think there's any need to go beyond the 65-foot limit. It's fine to put some fluctuation there, if I want to put 8 feet or 10 feet in the boat that I've already got, to make it better for me to fish shrimp or any other fish I'm taking. If I want to make that decision myself, then leave it to me as the business person to make that decision. I don't think it should be forced on anyone to say that they have to go into an 85-foot or a 100-foot vessel. Put the option in place and let the fishermen decide themselves what they want to do, because bigger means a bigger appetite.

What I have to remember is that if I move from a 65-footer to an 80-footer, for instance, I have to have a certified engineer, I have to have a certified mate, I must have a certified skipper. So all of those are going to cost. You're not going to get a skipper to go on that boat, probably, for the money you're paying a person on a 65-footer. If you're a certified captain with a class 1 ticket, you're going to be looking for more money than people on the 65-footers right now.

These are all the things you have to look at. You're getting into a much more costly boat than the 65-footer.

The Chair: Thank you, Mr. Cull.

Mr. Randell.

Mr. Hubert Randell (Boat Builder, As an Individual): Yes, sir.

The Chair: Part of the issue of the stability test, so everybody is clear here, is that all boats over 15 tonnes will require a stability test. Some of your 34' 11" class would fall into that, but the majority of them wouldn't.

Anyway, go ahead, sir.

Mr. Hubert Randell: Thank you.

I will read through my notes, and as you will notice, my opinion differs from that of Mr. Cull, being that I'm not a fisherman, as Mr. Cull is. I'm involved in the shipbuilding industry, and that's where my point of view is going to come from.

Newfoundland and Labrador's very existence is founded on the fishery. Everyone can picture our forefathers leaving in the dark and rowing their small dories out to the fishing grounds in order to get there before daylight. Much has changed since that time. With advanced knowledge and technology, we have seen major developments in both the fishing industry and the vessels that are used in this industry.

Over the past fifty years, fishermen have progressed from the dory, to the trap skiff, to the 35-footer, to today's most prominent vessel, the 65-footer. Gone are the days when the ordinary fisherman could fashion together some timbers in his shed to build a vessel that would meet the needs of his fishery. Thus began the development of the Newfoundland and Labrador boatyard and the shipbuilding industry in order to meet the growing demand for bigger and better fishing vessels.

Today, many boatyards have expanded into other areas of construction, such as building sailboats, yachts, and pleasure cruisers, but most shipbuilders in Newfoundland and Labrador still heavily depend on the fishing industry for the vast majority of their work. These boat builders have to abide by the rules governing that industry.

For the most part, as the vessels and the industry evolved over the years, so did the rules governing them. However, it is generally felt by most builders that over the past twelve to fifteen years, rules have remained stagnant while the industry and vessel requirements have changed dramatically. Mr. Cull mentioned that when he talked about the change in the fishery from the cod fishery to the gearing up of the shrimp fishery.

The most notable change in the fishing industry came after the cod moratorium in 1992. The fishery of Newfoundland and Labrador

changed, as I said earlier, from a groundfish fishery to a shellfish fishery. This meant that boats had to go further offshore to get to the fishing grounds. Boats now required greater fuel capacity, better crew accommodations, bigger holding compartments, massive A-frames and gear-hauling equipment, and so on. In most cases, the boats were just not equipped for the new fishery. Therefore, along came a flurry of activity at the boatyards.

There was a great call for new vessels and vessel modifications of all shapes and styles, with one major limitation, of course. The vessel must not exceed 65 feet. Thus began the dangerous movement of modifying hulls and heightening vessels in order to gain volume and carrying capacity, while still remaining within the allowable cubic number as regulated by the Department of Fisheries and Oceans. This movement may have made the vessel legal, but it also made it less stable, and this instability seems to have contributed to some tragic circumstances at sea. The increasing of vessel length beyond 65 feet would solve many of these safety issues that plague the boat building industry today.

The changing of these vessels' length regulation would also have a major economic impact on the boat building industry. In the past eight to twelve months, the boatyards have experienced a major downturn. This is because of the low price for the shellfish, the strong Canadian dollar, high fuel costs, and the industry being on a downward cycle after experiencing a boom for the past decade, which saw many fishing vessel owners investing in new vessels.

• (1210)

This slow period causes major concerns for shipbuilders, one concern being the inability to hold on to skilled personnel, and another being the lack of young people entering the boat building trade. It is very difficult to draw new workers and keep skilled workers when you cannot provide full-time employment and cannot offer them a wage that is competitive with booming industries, such as those in Alberta.

We do know there are regulation changes coming, some of which may even adversely affect the shipbuilding industry. For example, the combining of multiple licences for use on a single fishing vessel means a reduced number of needed fishing boats and therefore a reduced number of clients. However, a change in the 65-foot rule for the shipbuilding industry in Newfoundland and Labrador overall would be a positive one. Immediately, there would be an increase in vessel modifications, refits, and repairs and an increase in new construction. For years to come, the upgrade and consequent upkeep of the larger vessels in the fleet would create much employment in the shipbuilding industry. This activity would allow us to keep a core group of skilled workers from leaving the province and entice new tradesmen to the industry.

In summary, I would recommend that the Department of Fisheries and Oceans lift the 65-foot length restriction. This would bring with it many benefits. It would mean that boat builders would be confident that the product they were creating was a safe and dependable one. It would mean that fishermen would have a much better designed boat for stability; better crew accommodations; better fish handling; and better processing and refrigeration equipment. At the same time, it would provide a much needed boost to the shipbuilding industry in Newfoundland and Labrador.

Thank you.

•(1215)

The Chair: Thank you.

We'll start our first round of questions with Mr. Byrne.

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Mr. Chairman, the witnesses who provided testimony today seemed to capture what I think is the predominant issue in Newfoundland and Labrador. Our committee is charged with the responsibility of looking at Transport Canada's new rules for boat stability, but it's also in reference to DFO's vessel replacement or vessel length requirements.

One of the first questions I'd like to ask would be for Norm Cull.

Norm, how aware are you of Transport Canada's proposed regulations on vessel stability and possible modifications that they are suggesting in terms of a one-size-fits-all policy on hull design? Are you aware of that issue at all?

Mr. Normand Cull: I haven't had any correspondence on that, Gerry.

Hon. Gerry Byrne: Has Transport Canada contacted you? Has the union contacted you? Has anybody contacted you about that particular issue?

Mr. Normand Cull: No one in any way whatsoever.

Hon. Gerry Byrne: That is a relevant point, Mr. Chair. This is a huge issue that I don't think has really caught the fore at all.

The issue here in Newfoundland and Labrador, in terms of what people talk about, what fishermen are more interested in and what boat builders are more interested in, is on the rule that you can go to 34' 11", you can go to the 45' 11", and you can go the 64' 11", but you have to stop there.

One of the issues that has been raised in this province is a really strong concern about the fleet separation policy and the intrusion of plant owners who are, through trust arrangements, buying out fishing enterprises or effectively controlling fishing enterprises, thereby preventing independent operators of fishing enterprises and circumventing the fleet separation policy.

The issue that Mr. Randell has contended is that in order to provide safety to fishermen at sea, it's not so much of a hull requirement, it's more of vessel length or size requirement.

Hubert, am I capturing how you feel?

Mr. Hubert Randell: Pretty much, yes. Because DFO has a regulation in place concerning the cubic number, and that is, of course, that the boat cannot be any longer than 64' 11". So what they do, even with new construction and refit, is they take their length—64' 11"—and they are assigned the cubic number from DFO. It may be 11,000; it may be 13,000. They are limited in their length, and they go to 64' 11".

Now, they look at the width that would give them something reasonably stable. In the meantime, they keep in mind that they want a certain size of fish hold so that when they go 150 to 200 miles offshore, if they can bring back 60,000 pounds of shrimp, they'd rather do that than bring back 40,000 pounds in the one trip. Because DFO has assigned them a cubic number of 11,000 or 13,000, or

whatever it might be, they know the length. Keeping in mind, again, the breadth that they're going to need, if it's 20 feet, well then, with the balance of the equation they know what the height of the fish hold is going to be.

There was one case in the boatyard where the boat was 60 feet long. He wanted to increase his carrying capacity, so he wanted 10 feet put in the midship. What we had to do, because of DFO's regulations, was cut five feet off the front of the boat so we could put that in the midship, which gave him a better carrying capacity.

I think I heard Mr. Manning mention he'd heard stupid things before he went to Ottawa, and he's heard them since he went to Ottawa, and I'm sure he's going to hear them again.

Since we're on that, I'd like to mention the 34' 11" as well. DFO has a regulation in place where they cannot go any longer than 34' 11". However, they also have a regulation in place where they can upgrade to 39' 11". They can buy a boat that's already 39' 11", and they can upgrade to that. However, they cannot build a boat to upgrade to 39' 11". And they cannot buy a boat at 39' 11" if she was modified.

Again, the regulations in place are just mind boggling.

•(1220)

The Chair: We're going to get a round in here.

Go ahead, Mr. Simms.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Thank you very much for coming in. It's nice to get the two sides—I won't say opposing sides, because I know you're all working for the common good.

We had hearings, this same committee, some time ago, and Mr. David Bevan, the deputy minister, was in. He mentioned the fact that one of the biggest obstacles to expanding the size of the boat is that it's too hard on the individual harvesters because of the economy of it. In other words, they were worried about your spending money, that you couldn't afford to upgrade your boat.

Now, listening to you leads me to believe that there's a disconnect there, because you already realize what he's saying. So in your opinion, to forego those rules, you're saying there'll be very few boats, much fewer than Ottawa realizes, that are actually going to go through with this.

Mr. Normand Cull: Yes.

You see, what Hubert is saying is fine from Hubert's—

Mr. Scott Simms: That's understood.

Mr. Normand Cull: And it's fine from my perspective too. If you have someone in a 34' 11" boat who wants to move into a 65-footer, then I think he should be allowed to do that, the same as if he wants to move from a 65-footer to a 100-footer. Leave it to me to make that decision. But because you're going from a 65-footer to a 100-footer, don't come out and say you need another million pounds of fish to take care of that 100-footer.

Do you see what'll happen? If we move the regulation from 65 feet to 80 feet or 100 feet, then the cost of operation becomes higher and higher. And the higher the cost of operation, the more you want more fish, and in order to get more fish, who knows what's going to happen then. I don't think because I move from a 65-footer to a 100-footer I should have any more fish to catch than the fellow who's staying in the 65-footer.

Do you understand what I'm saying? It's when you're talking about IQs and stuff like this. If I go from 65 feet to 100 feet, then I'm going to probably say, "Well, I need another 500,000 pounds of fish or a million pounds of fish, because now my boat is much more expensive to operate and I cannot operate on the quota I have."

The safety aspect of it is one concern, and the part about being hungry for more fish and the over-capacity.... We're talking now about being over capacity when we're talking about the fleet we're already in and needing a lot of fish to operate it and keep things going. I'm afraid if we move bigger, then the appetite will become stronger. From the few fishermen that I've talked to, I hear that this is the worrisome part of it.

Mr. Scott Simms: In essence, you would say to someone like Mr. Bevan that we already realize what you're saying. Would you say that his fear is you're going to come back with this larger IQ, and there's going to be a massive influx and demand for a larger IQ?

Mr. Normand Cull: That's what I think, yes.

Reasoning...it doesn't add up. What we're saying now is we've got the boats that we've already got. I'm in a 65-footer and I find it tough enough as it is to make ends meet in what I got. If I jump from the 65, first of all it's going to cost me probably \$2.5 million to go from where I am into something bigger. With the price of the material that we're getting, if I go into that, then how am I going to justify going from there into that? The safety aspect of it is one concern, but being able to pay for it is another.

I don't know if I'm in a position to be able to say that Hubert or anybody else can't afford that. Do you understand what I mean?

• (1225)

Mr. Scott Simms: No, no, I said in your own position. It seems to me that the attitude I got from DFO was that they're not certain if you're certain what position you're in. Does that make sense? To me, you've just proved a point that I'd like to take back with me.

The Chair: You have thirty seconds.

Mr. Scott Simms: Mr. Randell, do you export outside of the country?

Mr. Hubert Randell: No, but I'd like to.

Mr. Scott Simms: To do that, obviously, a lot of your modifications would have to change. It's really not worth it for you to export, because your costs would substantially increase to reorganize.

Mr. Hubert Randell: Most definitely, yes.

Mr. Scott Simms: So exporting is really not an option for you?

Mr. Hubert Randell: Not right now.

Mr. Scott Simms: Okay.

The Chair: Mr. Blais, *s'il vous plait*.

[*Translation*]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): First off, Mr. Cull, I'd like to get a clearer picture of the situation you face, in terms of the safety aspect of boats.

To your knowledge, are fishing boats less safe than in the past? Are they less stable today, in light of the changes that have been made in recent years?

[*English*]

Mr. Normand Cull: Some of the boats probably are not safe to go out in, and that's probably due to the design of the boat. As Hubert pointed out, in order to get what the fishermen need sometimes, they have to build the boat in an unsafe way in order to satisfy that need. I think this is what's happening in some of the cases we've seen around the island of boats being capsized. It happened here a few days ago; one overturned. I think that's because the boats have gone beyond the stage where they should be.

You've got some 65-foot boats out there now that are very capable of fishing in the conditions they fish in, but if you go beyond.... At this time of the year, my boat right now is out fishing. This is our last trip, and I doubt if she's capable of fishing beyond this time of the year. In fact, I know she's not. You've probably got more boats here that are quite capable of going out and fishing beyond. It depends. I'm at no virtue to say whether those boats should be on the water or not. I don't know.

It's a question you should leave to the individual fishermen. If they feel safe to be out there in a boat of 65 feet, then that's fine. If they think they need to go into a bigger boat because of safety aspects, then leave that to the fishermen too—but if they do that, then don't come back and say, well, I need another million pounds of fish. That's going to come from me, you know what I mean? It comes from the overall IQ. In order for the person going into the 100-footer to get an extra million pounds of fish, it's going to come from me as an individual who wants to stay in the boat that I'm already in.

[*Translation*]

Mr. Raynald Blais: You are a shrimper. Correct?

[*English*]

Mr. Normand Cull: Yes.

[*Translation*]

Mr. Raynald Blais: I've observed that in Quebec, to deal with the increase in fuel prices, many shrimpers have installed at the front of their boats a device — I don't know what it's called in French — to reduce resistance.

Do you also use that device here?

Mr. Randell, if you have anything you'd like to say, please feel free to jump in.

•(1230)

[English]

Mr. Hubert Randell: I'm not sure if you're referring to the bulbous bow. I think that's what you're referring to. Yes, you're right. It is used by some of the fishermen here in Newfoundland as well, to give better fuel efficiency. Again, it's supposed to increase the stability of the boat as well. It prevents the bobbing up and down in the front of the boat. It seems to be one of the newer things in the boat-building industry that's happening right now.

[Translation]

Mr. Raynald Blais: When you modify a boat, what steps do you take to ensure that the vessel is more or less safe? Who determines the safety of the vessel? Are some kind of tests done?

I suppose there is some scientific basis used to determine that change x , y or z is safer. What procedure is currently followed?

[English]

Mr. Hubert Randell: It's designed by a naval architect. They will forward the blueprints or the plans to the boat builder. During the process, there are inspections by Transport Canada, because the blueprints do go to Transport Canada. Even before the start of the project, those blueprints are supposedly being approved by Transport Canada first. So we have Transport Canada's blessing. As the project gets completed, Transport Canada does another inspection, and they also do what we call a roll test or an incline test. Then of course they do a stability look as well. They determine, based on the tests they do, if the boat is fit to fish or is stable to fish.

So from start to finish it's always inspected by Transport Canada. And they have the last say on whether that boat is suitable for fishing or not.

The Chair: Thank you.

Gentlemen?

Mr. Randy Kamp (Pitt Meadows—Maple Ridge—Mission, CPC): Are you saying that you think vessel length rules are no longer relevant under the current conditions, and so on?

Mr. Normand Cull: No. The length of the vessel right now—again, this is a personal point of view—if we're not going to ask for any more quota—

If I have an individual quota to catch—right now we're on a 650,000-pound cap with shrimp and I have x number of pounds of crab—and I want to go to an 80-footer or a 100-footer to catch that quota, then they should leave it up to me as a business person to decide. And if I can meet the economics of that, then that's my decision. But because I'm going to a 100-footer, don't come out and say that I need another million pounds of fish in order to operate that 100-footer.

What I'm saying—and I have it there in my notes—is that if the Government of Canada puts the option in place of saying you can go from a 65-footer to your 100-footer if you want to, don't come back and ask me for any more fish to pay for that. If they give me an extra million pounds because I went into a 100-footer, then I think they should give the fellow who's in the 65-footer the same amount, if it's going to be shared equally.

Do you understand where I'm coming from?

Mr. Randy Kamp: If the individual fisherman or the fleet is overcapitalized, which I think are the words that Mr. Bevan used, I think we would all agree with you that this can't lead to a request for an increase in quota. Do you think some fishermen might be tempted to bypass some rules to help pay off this additional expense without getting quota, in other words, fishing illegally in some way?

•(1235)

Mr. Normand Cull: No, I can't see that happening, because then you would be getting into another part of it, taking the chance of losing what you've got or whatever. I can't see that happening.

Mr. Randy Kamp: In your view, that's not likely to happen. Fishermen always keep to the rules, and if they have to pay for this boat.... It's really too big for what they need. They won't try to push the boundaries of the rules, at least, to get more fish than they have quota to catch?

Mr. Normand Cull: Well, it's not only me who's worried about this, and I'm sure they will. Once you get into a bigger boat, then your appetite will get larger, there's no doubt about that. That's been proven over the years. But I can't see anybody...because you're not talking about going out and fishing the salmon illegally, or one fish or something like that; you're talking about putting your whole livelihood into jeopardy when you're talking about going out and doing things wrong in the industry we're in. With the technology that you have now—which will probably get even more technical—you have the black boxes and everything like this on your boat, so you can hardly go out and do things illegally, because there are too many eyes on you right now.

Mr. Randy Kamp: Yes, and we, of course, hope that doesn't happen.

Good. Thank you.

Mr. Hubert Randell: I'd like to respond to your earlier question, if I may.

First of all, I agree with Mr. Cull that there should be no increase in the quota, dependent on the size of your boat or the length of your boat.

Your question I think was along the lines of whether the 65-foot length is adequate. In my mind, no. The boats are not built to meet the requirements of the fishermen to fish 150, 200 miles offshore; they're built to meet DFO's regulations as they are today. They're built with the cubic number in mind; they've got to be less than 65 feet. To me, they're built within the regulations for DFO and not for the needs of the fishermen.

Mr. James Lunney (Nanaimo—Alberni, CPC): Maybe a quick one?

The Chair: Yes, Mr. Lunney.

Mr. James Lunney: Thank you.

Maybe you can clarify this for me. Are we talking about individual quotas here, our total allowable catch currently? Do we have a total allowable catch for shrimp out there that all the boats share, or are you talking about individual quotas right now for individual vessel owners?

Mr. Normand Cull: You're talking about total allowable catch, but out of that allocation, I will call it, you have a 3K north allocation of shrimp, which is up in the millions of pounds. I don't exactly know what the number is. But out of that allocation, it's split up between different regions: 3K north has 11% of that total allowable catch, and then it goes on down the line. But each region—you have 3K north, you have 3L, 3K south, 2J, and 4R involved—has a separate allocation.

Out of that separate allocation—and I'll use 3K north as an example because that's the area I'm involved in—that allocation is split up into...right now, it's not IQs, but we're on caps, and that's been done by the committees and our organization, the FFAW. That's been done through the fishermen and the FFAW, so we're set on a cap for the season.

Mr. James Lunney: Okay. When the northern shrimp fishery started, they called it the gold mine of the north, and you were encouraged to gear up for it.

I have two questions, then. First, it appears that it maybe hasn't turned out to be quite the gold mine of the north. Second, you mentioned that you're not allowed to fish at the right time, or you're fishing at a time when the markets are at their worst. Could you clarify that or comment on that? I mean, what is it? Is it that the shrimp are most plentiful or you're allowed to fish at the time or in the life cycle of the shrimp, that that's the right time to fish? How is that out of sync with market conditions?

•(1240)

Mr. Normand Cull: The processors are telling us they've been wanting to shut down in the summer months for the past two or three years. They don't want to see any summer fishery at all, but again, we feel that the boats that we are into are not safe to go out beyond October or November. The reason I'm saying that is the companies are telling us that we're fishing in the summer when the shrimp is at its worst state. We're not getting the dollar that we should be getting if we were fishing at a different time of the year. If we were fishing later on in the fall, for example, if we could fish in November and December, we probably might be able to get a better return for our shrimp, but I don't know if that would offset the cost of going into a 100-footer. Do you understand what I'm trying to point out?

Mr. James Lunney: Yes, that was very helpful.

Mr. Normand Cull: The reason why is because of the market. That's the time when the market is at its worse.

Mr. James Lunney: It's safer for the fishermen to go in the summertime when the seas are calm and they can see where they're going, because the days are longer.

Mr. Normand Cull: Yes, exactly. Everybody that's involved in this shrimp fishery is not in a 65-footer. You have boats out there that are 45-foot boats. You have more fishermen in 50-footers. I'd say that probably about only 50% of the fleet are 65-foot boats. You have them in much smaller boats. There are also fishermen involved in the shrimp fishery that are in 35-foot boats.

Mr. James Lunney: Thank you.

The Chair: Mr. Manning.

Mr. Fabian Manning (Avalon, CPC): Thank you, Mr. Chair. I want to thank our guests for their presentations.

I want to go back to a question Mr. Byrne asked in regard to the consultation process by the government in relation to the new fishing vessel safety regulations. Their plan is to try to come up with new clear regulations and standards for vessel safety.

I listened to you, Mr. Cull, as you mentioned, and you didn't have to tell me because I've known of your involvement in the fishery here for a number of years. You've been involved in many parts. Was I correct in hearing that you have not participated in this process in relation to the new regulations and the stability requirements that have come forward and the talk about stability booklets?

Mr. Normand Cull: I'm aware that you had to have a stability booklet, but I wasn't aware that there was an ongoing process from 65-foot boats to 100-footers. I know there's been a lot of lobbying—

Mr. Fabian Manning: No, no. There's a process in place now. It's my understanding that they're meeting with different fishery groups around Atlantic Canada and other places and discussing these new stability requirements for vessels of different lengths and they're going to build different regulations and things.

Mr. Normand Cull: I've never been involved in that.

The Chair: Just for clarification, the process was started in February 2004, nearly three years ago now, and it was supposed to be ready for the spring of 2008.

Mr. Fabian Manning: The new regulations are going to be presented next spring, some time in 2007, and then they're going to be looking for feedback.

I want to get at the point. We were told earlier on by officials that they're involved with all this consultation process. I had never heard tell of it down in my area. That's why I asked the question here, and it's come to light here this morning, from what I gather, that you people haven't been involved in the process either. Would that be correct?

Mr. Normand Cull: That's right. I haven't been involved in it. I have had no invitation to become involved in any talks.

Mr. Fabian Manning: If I look at your involvement in the fishery in this province, and you haven't been involved, this raises a major concern with me about who is involved.

From a shipbuilding point of view, Mr. Randell—

Mr. Hubert Randell: Some time in 2005 I did get an invite to participate. However, it was in New Brunswick, not in Newfoundland.

Mr. Fabian Manning: These are things I'm sure we can do some follow-up on. If they're going to bring in regulations to change vessel lengths and cause fishermen to have stability booklets that cost dollars, I think we should be involved in the process, before they come down with the hammer and say this has to be done.

To listen to you people, it should have been done a long time ago.

I guess Transport Canada's main concern is safety; DFO's main concern is preservation of stock. You know what I mean. We have two competing entities when it comes to the new regulations. I think safety is everybody's concern. We all shudder when we hear of an accident at sea, especially one that causes deaths.

As I listen to both you gentlemen this morning, I realize that everybody is on the same wavelength of safety. But if somebody is looking to increase their boat from 65 feet beyond or 45 feet beyond, whatever the case may be, they would agree today that they don't want more quota. You know, I just want to be safe on the water. I want my crew to be safe. I want to operate in a safe environment. Therefore, I'm not going to ask for additional quota.

The problem is when the boat is built and the cost of operating that boat goes through the roof—especially, as Mr. Cull touched on with the dollar and the cost of fuel—it becomes an issue after the fact.

On IQs in place now, I've heard the minister himself say it should be up to the fisherman what he wants to fish in, whether it's the *Queen Mary* or the 34-footer. It's up to him. The minister said that himself. But to address this from a safety point of view, somewhere along the line it's going to have to be agreed by the people in the industry that, yes, if government makes that step to go forward, they're not going to be back next year or the year after for quota.

Mr. Cull, we've been around the fishery discussions for many years. It's always the case of, "We'll get it first and then we'll try to get something after." Let's be real here. How do we address that from a government point of view? How do we address the safety issue, which is the increase of boat length and width, whatever the case may be, but also making sure that we don't have war on our hands a couple of years down the road because nobody can make the financial commitment that is needed with the size of a new boat? That seems to be the issue. Everything else aside, the issue seems to be that the government may somewhere down the road look favourably at allowing the fisherman to build a safe boat, if he desires to build one, but at the same time not get involved in the fact of looking for more quota afterwards. It's a sticky issue. It seems that there's no clear answer to it.

• (1245)

Mr. Normand Cull: There are two things we can probably do to fix it. One is combining. If there are two or three people who want to go into a bigger boat, they can combine the three lots of shrimp they have or whatever and put it into that one boat. That's one way not to issue more product, I would say.

The other is if I decide tomorrow that I'm going to go from a 65-foot to a 100-footer to catch my personal IQ or cap or whatever, then I should have to sign on the dotted line to say that I don't want any more product.

Those are the two ways I see that you would be able to move from a 65-foot boat to a bigger boat.

Mr. Fabian Manning: Okay, I—

The Chair: Thank you, Mr. Manning.

As chair, I keep finding myself in the very uncomfortable position of cutting our members off. But if I didn't, they would never stop. You have to bear with me.

We are out of time. We do have dinner down the line—at least where I come from, the midday meal is still dinner.

If I could get some cooperation from my colleagues, if we all had one final question, we'd have another round.

Go ahead, Mr. Byrne.

Hon. Gerry Byrne: Thank you.

Mr. Normand Cull: I would like to apologize to the committee for not being up to date on the vessel replacement. I know there has been some ongoing lobbying by fishermen and different groups, but I've never been invited to those talks and I've never been sent any correspondence about what is going on. I'll have to apologize, because I'm not one hundred percent up on what's happening.

• (1250)

The Chair: That's not a difficulty. We appreciate your coming today.

Mr. Byrne.

Hon. Gerry Byrne: No, in fact, Norm, you've provided extremely valuable information. What you've both identified is that the consultations have been nothing but a sham. That's really the message that this committee has received: that there have been non-consultations. To actually to gazette any regulations based on input received from fishermen at any point in time in the future would be to participate in the sham. That's what I think the take-home message for this committee is.

So, yes, I think it's right on the money. What you've identified as the key issue here is boat length.

You said the reason you fish in summertime, in periods when it's not necessarily the most economical or best time to fish, is that of safety issues. Would changing the hull design allow you to fish in ice conditions or winter conditions? Would changing the vessel length allow you to fish in winter conditions and ice conditions?

Basically, that would be my question to both Hubert and Norm. What's the more relevant issue here? Is it hulls or is it vessel length?

Just as an add-on to that, in lieu of the fact that there has been a restriction on length, have vessels still capitalized very intentionally by going up instead of out in length? In other words, is there still that will or desire to look for more fish because they're highly capitalized? That's what I want to know.

Mr. Normand Cull: Gerry, I want to tell you something right now. I've been involved in the fishing industry for 50 years, but I'll cut that in half and say that in the past 25 years I've been involved in bigger boats. For my first 25 years of being a fisherman, I was only involved in the trap skiff, which Hubert pointed out earlier, and the smaller boats, such as the dories and this stuff. Just like I pointed out here, I started out with a 35-footer and went from that to a 65-footer.

In order to fish in the winter months, you would have to go into a much larger boat than a 100-footer. I can guarantee you that from the experience I've had out here on this ocean. I'm telling you that going to a 100-footer will not help you fish beyond November. This is the reason why I'm saying it's fine to say, yes, I'm going to a 100-footer, but my expense is going to double or triple. In order for me to offset that, then I'm going to need double the quota in order for me to operate that boat. I'll guarantee you that.

The Chair: Do you have a comment, Mr. Randell? Go ahead.

Mr. Hubert Randell: In response to your question, we are all concerned about stability. In my mind, there is an issue about instability in our boats today due to the hull design and due to trying to keep within DFO regulations, mainly to keep it down there.

The Chair: Thank you.

Mr. Simms.

Mr. Normand Cull: Excuse, Mr. Chairman, for jumping in, but that's a good point.

You don't have to go into a 100-footer to do that, Hubert. You can design a boat at 65 or 70 feet. If I had the flexibility of going from 65 to 70 feet, you could probably design that boat at a much safer aspect than just staying within the 65 feet. Do you know what I mean? You can go into the 70-footer by probably staying within the regulations that you have there. But when you're talking about going from 65 feet to 100 feet, then you're talking about a huge jump.

I don't know if I'm making that clear or not.

The Chair: I think you did.

Mr. Simms.

Mr. Scott Simms: Just very quickly, you mentioned earlier the lack of knowledge about these consultations, whether they're gazetted or not. Who do you blame for that? In other words, who would you expect most to keep you up to date on these issues? Are we talking about the union? Are we talking about anybody?

Mr. Normand Cull: Our union has a role to play in that, to inform us of what's going on. Being on a committee or being chair of a committee or whatever, I'm sure my name would have gone in to the offices of DFO. On any regulations or any ongoing consultations that are happening, I would expect to be notified, or, if not notified, be given an invitation to take part in those. How can I be part of something if I don't know it's going on?

• (1255)

The Chair: Thank you.

Monsieur Blais.

[Translation]

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

If I were the nasty sort, I would recount what happened in 2003-2004, when a Liberal government was in office, but it's not in my nature.

Seriously, though, as far as the stability of boats is concerned, if we increase the length of vessels, are we not running the risk of encountering the same problem, namely wanting to increase the height and size of the boats, but ultimately not being able to resolve every single problem?

[English]

Mr. Normand Cull: I think you're right. How far we go is the question. How big do we go? Where do we stop? If we get into a 100-footer and all of a sudden we say we have to fish in February, then that 100-footer is getting pretty well useless to me because I can't go out and fish for that period of time. So it continues to go on and on.

I agree with Hubert and where he's sitting. He's probably getting heat for building boats that are not capable or not stable enough to go on the water, but I think our problem can be fixed in a different way from moving into bigger boats. If there was some flexibility put in there so that I could talk to Hubert and say I need my boat designed this way, then I—

The rules and regulations need to be changed. Let me put it that way. There needs to be some flexibility so that we can design the boat that I think is right for me.

The Chair: Thank you, Mr. Cull.

Mr. Kamp, you have the last question.

Mr. Randy Kamp: Yes. It's just to say that not every member of this committee thinks the consultations are a sham. They're actually undertaken by Transport Canada. There are still consultations going on this fall and in the spring of 2007, with gazetted mid-2007 and new regulations to be put in place sometime in 2008. So they're not over yet, and you may still be involved.

My question is this. How much do you think training is a factor, rather than just design issues or intrinsic design? Are some of the accidents occurring because people don't know? It might be designed well enough, but maybe people just don't have the proper training. Do you think that should be a factor in the future?

Mr. Normand Cull: Back with the sinking of the *Ryan's Commander*, there was a lot going on. I don't know if you heard, but the fellow was on *Fisherman's Broadcast* one evening, doing an interview. He was a fellow who had his master mariner's ticket, and he was involved as a captain on ocean liners. He made a statement that 80% of the accidents that happen at sea are caused by human error.

A lot of the time when we get into situations where accidents happen, we sometimes tend to point fingers where they should not be pointed, putting the blame somewhere that it shouldn't be put. But it all comes back to this issue. Yes, there needs to be more training and there need to be people with more knowledge of the situations they get into. I won't elaborate on that anymore, but sometimes when we get into situations, we don't have the training and the knowledge to be able to deal with them.

• (1300)

The Chair: Thank you, Mr. Kamp.

If we could go to Mr. Lunney, he'll have the final question.

Mr. James Lunney: Thank you very much, Mr. Chairman. I just have a quick comment.

Perhaps it's a comment on the whole nature of the consultative process. It takes a little time. I did notice that when we started today's meetings, it was fall. Looking out the window here, it looks like we're finishing in winter, for the record.

Voices: Oh, oh!

Mr. Normand Cull: You have to move to the Northern Peninsula to be able to experience that.

Mr. James Lunney: I would just like to echo what was said earlier about the consultative process. I don't think it's fair to call the process a sham. But I think what's happened—and it's apparent from the witnesses testifying today—is that people who are going to be affected by new regulations in this area have not been consulted.

I think it's fair to say, as my colleague has pointed out, that perhaps it's still going to happen. I think it's our role to make sure it happens. I probably would just want to leave with that comment, that you've obviously shown us that there's something missing in this particular area that was deficient, and we want to make sure it's remedied.

I want also to thank the witnesses for coming today.

The Chair: I take that as a comment rather than a question.

We'll move on to a final question from Mr. Manning.

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

Regardless of who's in power in Ottawa, paramount is the safety of people on the water and making sure they come home. Regardless of who's sitting at the controls in Ottawa, it's the controls of the boat that are more important in this process. I don't know a whole lot about the process that's taking place in consultations, but there's definitely a void here, if people like you haven't been involved in the process. That's my own personal opinion.

My final question is, in respect to the rules—and I don't pretend to know things I don't—are there national rules right across the country? There seems to be some concern about boat building in Newfoundland versus boat building in some other provinces—things they're allowed to do or not allowed to do, whatever the case may be, maybe from Hubert's point of view.

I know there are national standards, but are there any differences that you're aware of in the provinces in relation to boat building?

The Chair: Atlantic Canada is separate. Our rules are different from those of the west coast. On the west coast, your boat length is not as important.

Mr. Fabian Manning: So Atlantic Canada has its own set of rules, does it?

A voice: It's because the oceans are different—supposedly.

Mr. Fabian Manning: Some fishermen have brought that up to me. What they say is in place and what is actually in place are always two different things anyway.

Mr. Hubert Randell: The reason I say that is that Transport Canada does inspections, obviously, in all of Atlantic Canada. Yet we see boats from other provinces that are getting inspected by different inspectors, who I suppose interpret the rules and regulations differently; I don't know. But it's not all the same, no.

The Chair: Thank you, Mr. Randell.

Thank you, Mr. Manning.

I'm just going to sum up quickly here, gentlemen, and not take too much time.

There is obviously some disconnect here, and it was certainly something that we recognized as a committee it was important to

discuss—boat stability throughout Atlantic Canada in particular—to make sure everyone was aware of what was going on.

I will tell you, I represent South Shore—St. Margaret's, which is a big fishery riding in southwest Nova Scotia. We probably have 1,000 boats fishing on the water everywhere from the high Arctic to the Grand Banks to the inshore. They were all aware of it. They had been going to the meetings. They thought it was moving too fast, they wanted to slow it down, they wanted to be able to have hull types tested, and they wanted more input when it was brought in.

For the record, I will tell you that there was a meeting—we just looked it up—in Gander on April 19, 2005. I understand that would have been a Transport Canada meeting. So there was a meeting in Newfoundland.

But that aside, part of the difficulty is that the fishery has changed. I understand Mr. Cull's comments, because they're the same comments I hear in southwest Nova Scotia, that you don't want boat length to change effort: the number of fishing days, the amount of catch. That's a great fear amongst a lot of fishermen.

At the same time, we have some licence holders on 34' 11" boats fishing out of southwest Nova Scotia on Georges Bank. They're out 150 miles offshore, and it's definitely not safe.

• (1305)

Mr. Normand Cull: And you have the same thing here.

The Chair: Absolutely.

Mr. Normand Cull: We have the exact same issues here. You have boats that are fishing 50 miles offshore, 35-foot boats. That issue in itself, Mr. Chairman, has to be changed. All I'm saying to you is, I don't think the 65-foot barrier needs to be lifted. But I think that within that 65-foot barrier, the fellow in the 35-footer, if he wants to, should be given some flexibility to move.

The Chair: I will tell you that we have an all-party committee. We have been very successful in making recommendations in the past without dissenting reports. We usually are like-minded when we put our report together, and one of the challenges we will face here is that whatever recommendation—I don't want to prejudge the recommendations of the committee—we put forth errs on the side of conservation and safety. After saying that, the other challenge we are faced with is if you have a certain amount of quota, and most of the fishery is either an IQ or ITQ system today with so much tack divided up among the fishermen, so if you have 40,000 pounds of groundfish and 275 trapped lobster licence, what difference is it what length your boat is when you fish that quota? That becomes the difficulty.

The old rules were put in place for reasons, for conservation reasons mainly. They don't necessarily apply, and that's what we've been trying to deal with and to educate the public, and to educate ourselves, quite frankly.

With that comment, I want to say thank you very much for appearing today. It has been very informative and helpful.

Just before I adjourn the meeting, those who have any further comments that they'd like to give to the committee in writing are

welcome to send them forward. If there are any fishermen groups or any other groups that have an interest, please send them forward. We're happy to hear from you.

The meeting is adjourned.

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