



House of Commons
CANADA

Standing Committee on Fisheries and Oceans

FOPO • NUMBER 030 • 1st SESSION • 39th PARLIAMENT

EVIDENCE

Tuesday, November 28, 2006

—
Chair

Mr. Gerald Keddy

Also available on the Parliament of Canada Web Site at the following address:

<http://www.parl.gc.ca>

Standing Committee on Fisheries and Oceans

Tuesday, November 28, 2006

•(1110)

[English]

The Chair (Mr. Gerald Keddy (South Shore—St. Margaret's, CPC)): I call the meeting to order pursuant to Standing Order 108 (2), the study on the expenditure plans and the effectiveness of their implementation by the Department of Fisheries and Oceans.

I'd like to welcome our witnesses from the Department of Fisheries and Oceans: Larry Murray, who is the deputy minister; George Da Pont, the Commissioner of the Canadian Coast Guard; David Bevan, the assistant deputy minister of fisheries and aquaculture management; and Cal Hegge, the acting deputy minister, human resources and corporate services.

And of course, I would like very much to welcome the Minister of Fisheries and Oceans, the Honourable Loyola Hearn, to the meeting today.

Welcome, Minister.

Hon. Loyola Hearn (Minister of Fisheries and Oceans): Thank you, sir.

The Chair: Our members are mostly here, so I'd ask the minister or the witnesses to proceed.

Hon. Loyola Hearn: Thank you very much, Mr. Chair. It's certainly a pleasure to be back to review my department's operations. As always, I'll keep my remarks very brief. Those of you who've known me over the years on this committee know I say very little.

You've already introduced my officials. We do have some other people here for the simple reason that usually at committee people have technical questions, questions pertinent to certain divisions of the department, and we try to have people here who can provide an answer. Any we can't provide, we certainly will get to you very quickly.

The last time we met we discussed in some detail a few of the concerns you had about supposed cutbacks in funding and personnel. I trust that between the meeting and the subsequent questions put to my officials last week, you now have the answers you require.

For the record, let me emphasize that overall funding for my department has increased, not decreased. You might have seen that I have had to clarify this fact with the media, since they had picked up particular similar reports, likely stemming from a misunderstanding on how the budgetary and planning cycles work.

This increase includes an additional \$99 million to improve critical services in science, fisheries and fish habitat management,

and coast guard programs, all of which we can touch on in more detail today.

In British Columbia, for instance, we have increased the number of fisheries enforcement staff from 162 to 176 and have added 12 new habitat monitors, allowing our fisheries officers to focus on their work on the Fraser and in the Pacific coastal areas. That in itself is significant, not only the increase in direct protection officers, but by providing the new habitat officers, our enforcement people can now do the job they were sent out to do rather than having to worry about other aspects.

We have further deployed 27 fishery officer recruits across the Atlantic provinces. This is the first significant recruitment of fishery officers since 2003, and additional recruitment and training is planned for 2007.

That said, there are still changes. How do we protect and promote the commercial fishery both from an ecological and an economic perspective? I don't believe the two to be mutually exclusive, but it is a tremendous balancing act to ensure that both our fish stocks and our stakeholders survive and prosper.

As much as we would like quick fixes, that's just not possible. But that does not mean the situation of the fishery isn't urgent. It is. The economic value of the fishery to Canada is considerable. With exports worth \$4.3 billion in 2005 and a recreational fishery—this might just open up eyes, I know it certainly did mine—valued at more than \$7 billion. The fishery employs over 100,000 people and remains crucial to the economic prosperity of coastal Canada. But the economic and ecological pressures on the resource also remain intense and challenging.

The fishery must change or it will not survive. It means getting good conservation right, getting governance right, and getting the economics and the infrastructure right.

That leads me to our fisheries renewal agenda. We continue to work hard to cooperate and consult with our provincial and territorial colleagues. As you may recall, last May I participated in the premiers summit in Newfoundland and Labrador, where we discussed a cross-section of complex fisheries issues. That consultation didn't end here. What has now become part of a fishing industry renewal initiative continues as we speak. It will focus on policy renewal and industry restructuring. A follow-up series of consultations will take place with harvesters, processors, and plant workers, and we anticipate their recommendations by year's end.

Incidentally, I also met with my other Atlantic counterparts last July in Charlottetown to discuss the plight of the Northumberland Strait fishers, and just last week I met with my colleagues in Quebec to discuss their unique concerns. The topics on the table included commercialization, processing, and harvesting. We committed at those meetings to identify and implement whatever short-term solutions are possible before the 2007 season.

•(1115)

Before I leave the matter of federal-provincial cooperation, let me share with you two initiatives we have undertaken, one dealing with conservation and the other with economics.

We are committed to conserving and restoring wild Atlantic salmon and its habitat on the Atlantic coast. To that end, we are moving forward on the Atlantic salmon endowment fund, as I announced earlier this month in Fredericton. The fund itself is a \$30 million conditional grant that will be invested, and the income earned will be used to support projects that contribute to salmon conservation and restoration.

On the economic side of the fisheries equation, in late October I and my Newfoundland and Labrador counterparts joined representatives of Cooke Aquaculture to announce more than \$155 million in funding to establish an aquaculture development project. The DFO share is \$4.5 million and comes by way of our aquaculture collaborative research and development program.

This project is expected to triple the province's salmon production and create over 2,000 full-time, year-round direct jobs as well as additional indirect jobs in the aquaculture processing, supply, and service sectors. I should mention it's in the riding of my colleague from Burin—Bourgeois along the coast, where they've been hit extremely hard over the last couple of years, and it could be turned around in that area. This investment is exactly the type of shot in the arm this area needs and will create the critical mass necessary to position the aquaculture industry in Newfoundland and Labrador.

Of course, cooperation and consultation are no less important on the international front. I was in Iceland and Norway two weeks ago to speak to the never-ending fight against illegal, unreported, and unregulated fishing in the North Atlantic. We also discussed how to ensure decisions are based on science and how NAFO might integrate precautionary- and ecosystem-based approaches into its decision-making. And we had lengthy conversations on the fishery we share, and that's the seal fishery.

Finally, Mr. Chairman, I would like to say a few words about science renewal, our oceans agenda, small craft harbours, and coast guard modernization.

The need for sound scientific advice is critical to my department and our government. We have invested an additional \$15.5 million in science to get a clearer picture of what's happening to fish and fish habitat. We believe in the role of sound science as a way to better inform our fisheries habitat and oceans management decisions.

DFO will continue to lead the implementation of the government-wide oceans action plan to advance integrated oceans management in Canada's Atlantic, Pacific, and Arctic oceans. To that end, the department established regional implementation committees in each of the OAP priority areas and I announced the smart bay

demonstration project to showcase Canada's oceans technology expertise.

We also recognize the importance of providing commercial fishers with solid infrastructure through the small craft harbours program. I will continue working to maintain this important program, while realizing there are many funding pressures.

Last, Mr. Chairman, I want to ensure that the people who work so hard in the coast guard to keep us safe have what they need to do their jobs. We have already increased funding by \$45 million per year, in addition to the more than \$270 million dedicated to fleet renewal. And we will proceed with the aids to navigation for the 21st century initiative to provide the right combination of conventional and electronic aids to help stakeholders and members of the public safely navigate our waters.

I mentioned a couple of hundred jobs, to start with, on the south coast, but we've been told estimates of anywhere from 2,000 to 5,000—even up to 8,000—in aquaculture in Atlantic Canada, and particularly on the south coast of Newfoundland. That's pretty positive stuff.

Thank you for listening, Mr. Chair. We would be pleased to take any questions.

•(1120)

The Chair: Thank you, Minister Hearn.

Before we start, I would like to thank you and your department for appearing here today. Thank you for your planned financial and human resources updates for 2006, 2007, 2008, and 2009.

I would also like to express our appreciation for the very short turnaround on our request of November 21 and the provision from your department of information for the detailed breakdown of funding for the national capital region, national programs, details on DFO's involvement in the environmental assessment and the construction of the bridge at Rivière-des-Prairies, and a detailed description of how science is funded, the role of science management committee, and the chart that DFO officials used during the hearing, which showed budget increases for the department from 1996 onward. That's a seven-day turnaround on that information, and it was needed by the committee to pursue this hearing today. We appreciate your prompt reply.

We'll go to our first questioner, Mr. Cuzner.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Thank you, Mr. Minister. I commented before when you appeared before the committee that it's always a pleasure to have you here, and certainly it's interesting to find out how things have changed. The view of the room has changed, from where you used to sit, in this chair, to where you're sitting in that chair. It's interesting to find out how your view of some issues may have changed over the last number of months.

I addressed this question about the Atlantic salmon endowment fund to Mr. Murray last week, trying to seek some clarification as to the difference between the announcement made in Fredericton last month, when you and regional minister Thompson and ACOA minister MacKay made the announcement of the investment in Atlantic salmon, and the announcement work-up that was made the year prior, when there was an agreement ready to be signed and then we were thrown into the election.

Is there a great difference between what was being done—what the eventual deal was linked with—and the initiative going forward? Could you maybe spell out the differences?

Hon. Loyola Hearn: I think there is just mainly one, Mr. Chair. The former government, if you want to look at the budgetary process, brought a promise; we brought the cheque.

Mr. Rodger Cuzner: Yes. And in the absence of a real answer, I guess that will do.

Is there any difference from what was being done, though, Minister? Is it essentially the same? You were part of this committee. The member for Sackville—Eastern Shore...Musquodoboit pushed hard, although he voted against the budget. We allocated the \$30 million, and he voted against that. Still, he has been a strong advocate in this committee.

In essence, is the program the same?

Hon. Loyola Hearn: Generally it is, and most of the players are the same; for instance, a number of the people who were nominated for the board.

The thing is, this was talked about in theory and no real money was put on the table, and we brought the money. I was serious when I said that.

Other than that, we didn't go in to try to change the world at all. We worked closely with people involved with salmon—people like Bill Taylor, as you know, on the east coast, and others who have led the fight in the different provinces. It's the people who met us.

The first time I heard about this was when you, I guess, and the chair and others were touring Atlantic Canada, and we had presentations on the need to do something for wild salmon. Out of that, it was the push of the committee, undoubtedly, that got this idea moving. There was the fact that we had done it on the west coast, and it's just as important on the east coast. We followed through on that. We picked it up immediately after we came in and got it through the process so that the work can now begin.

Other than that, we haven't really made any changes or asked the committee or those involved to do anything different, except do the work they want to do. We're just here to help them.

• (1125)

Mr. Rodger Cuzner: As my closing comment on it, I understand that the cheque had been cut, but we just didn't know who to make it out to. The Atlantic Salmon Conservation Foundation has stepped forward, so we're really happy—and I know the committee is happy—that the program is up and running.

If I could get a couple of comments—

Oh, I'm sorry, Mr. Minister.

Hon. Loyola Hearn: No, that's okay, except that the cheque wasn't really cut.

Some hon. members: Oh, oh!

Mr. Rodger Cuzner: Had the money been booked? Maybe Mr. Murray can...because he was there for both announcements. I think he was present for both announcements.

Mr. Larry Murray (Deputy Minister, Department of Fisheries and Oceans): I can't get into whether the money was booked or not. In fact, I usually don't know whether it's booked or not, quite frankly.

Some hon. members: Oh, oh!

Mr. Rodger Cuzner: Mr. Minister, in the allocation there seems to be more money for the coast guard, or there is an appearance of it anyway. I know you've long advocated a stronger presence on the Nose and Tail of the Grand Banks and on the Flemish Cap, and greater resources to be applied there. What we're seeing now with acquisition of vessels is that there is some concern now, and there may be some unforeseen delays.

Can we attribute any of this to the fact that now we're trying to exert some additional presence in the Arctic with new vessels that are going to be armed? Is there a conflict with what we're trying to do in the Fleming Cap and in the Arctic?

Hon. Loyola Hearn: No, Mr. Chair, but that's a very good topic to discuss.

First, you started by saying that we're seeing an increased presence and extra attention being paid to the coast guard. I give the credit for that to this committee and some of the people around this table. I believe it was the major study that was done. There are people here today from both sides of the coast guard. We have the commissioner, and we have the head of one of the major unions in the audience. These people realize that it was a collective effort. We had very good cooperation as we went around. People came forth and laid their cards on the table. Our report to the government and the push we made collectively got the ball rolling, and we've been able to keep it rolling.

As we said then, the coast guard in this country is an icon, one that has tremendous potential. We have actually increased our presence on the Nose and Tail and the Flemish Cap. In the meantime, we are increasing our presence generally. Right now, we have eight smaller boats that are going to be built. Some are in Canada. We have some larger boats being built.

When we talk about armed presence, this is not from our shop or from coast guard; we're hearing that from DND. Let me just say that all of us collectively—and I'm not just talking about government members, I think I speak for everybody here—realize we need to strengthen our presence in the north. But we don't need to reinvent the wheel about what's needed. We can actually pull out a map that shows, as we speak today, seven or eight icebreakers in the north that are doing the job in relation to the communications challenge, the search and rescue, and scientific work. The coast guard is called upon to do an awful lot. We can do a lot more.

I don't see any plan of attack from the north, certainly not in the near future. But if we need a presence at any one time, working with DND to coordinate activities and maybe using some of the coast guard boats can easily be done.

Basically I'm saying yes, we need a presence, and we will have an increased presence. If the north is going to be opened up and developed, I believe the coast guard has a major part to play. But this is an add-on. Some of the money you see here, such as \$275 million-plus for repairing the fleet and moving forward, is not to replace or substitute anything; it's to enhance. Certainly as long as I'm around anyway, the attention being paid to the Nose and Tail and the Flemish Cap and offshore Atlantic Canada won't be lessened.

• (1130)

Mr. Rodger Cuzner: Do I have one more question?

The Chair: Yes, you do.

Mr. Rodger Cuzner: I have a fellow Cape Bretoner in the audience today, who is the chairman of the North of Smokey Fishermen's Association. I think he'd be interested to know.... You, being a former educator, will be able to walk me through this. You've indicated that you put additional resources in small craft harbours, but it clearly states in the revised plan spending that for 2006-07 we're looking at \$96.6 million; going forward to 2007-08, \$76.8 million; and then down to \$73.7 million.

I wasn't the greatest math student at StFX, but explain to me how \$96 million down to \$73 million is an increase.

Hon. Loyola Hearn: Mr. Chair, he mentioned that I was an educator. The one thing about educating is that you can only work with what you have. However, his math is good.

I'm sure you realize that with budgets, your projections are based upon what you have today. On my very first day at the Standing Committee on Fisheries and Oceans, I introduced the topic of the need for infrastructure. That led to the committee deciding to do a report, which it did. Our small craft harbours director quite openly laid on the table that we would need \$400 million to bring our wharves up to par. Our solely owned wharves were 21% or 23% or something unsafe.

All of us put on a push. We had a good report again, and we got \$100 million into the budget. So for the last five years, we have had \$20 million a year. That now ends. In this past year, we got extra money on top of that. Our hope of course is to be able to build on that as we move forward in our overall fisheries plan.

Mr. Rodger Cuzner: What department—

The Chair: I am going to cut you off because you're out of time.

Mr. Rodger Cuzner: What's the magic number? What can we expect?

The Chair: We appreciate the question, Mr. Cuzner, and we appreciate the minister's attempt to answer, but you're going to have to wait until the next round because you're a minute over and everyone wants a turn to ask a question here.

[Translation]

Mr. Blais.

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

You may not have to wait because I'm going to follow up on this issue myself.

I'm part of the new generation, so to speak, involved with the small craft harbours file. There are two issues I would like to raise with you, first, the small craft harbours situation and, second, your disappointing performance at the Forum québécois des partenaires des pêches in Quebec City last Friday.

A motion dealing with the small craft harbours budget was unanimously passed by the House of Commons. The motion acknowledged the necessity of substantially increasing the budget for small craft harbours. I thought you would catch the ball running and that the supplementary estimates that were recently announced would include that yearly minimum of \$35 million passed by the House of Commons. I would say that I was surprised but not really. Regardless, you could have seized this opportunity. Those kinds of opportunities do not occur very often, to my knowledge.

Could you begin by telling me why you did not catch that ball running and then tell me what your intentions are with respect to this file?

[English]

Hon. Loyola Hearn: I am well aware of Mr. Blais' interest in the small craft harbours program from being on the committee with him. Certainly from every meeting I attended, whether we're talking about small craft harbours, whether we're talking about fish generally, or whether we're talking about chicken farming, Mr. Blais will bring in the wharf, as he should, because he represents a fishing area.

In relation to Quebec, I would say to him that the meetings were set up in Quebec by the minister of fisheries from Quebec. He did a tremendous job, Mr. Chair, and we had a great meeting.

The meeting was not set up for me or for the provincial minister to go and give out a pile of information to solve all the problems. The meeting was called so that industry, everybody involved, would come to discuss openly the concern, the challenges that we have to face, and to go forward so we would have input into what needs to be done to outlying areas where expenditure will be needed, to outlying areas where we can consolidate, where we can improve, where we can collectively come up with an ocean-to-plate strategy. So it wasn't the time to go in to make any announcements.

Let me say in relation to the funding—and I might come back to Mr. Cuzner's answer—we are well aware, and nobody is more aware than I am, of the need for investment in small craft harbours. We are, like every other department, working on putting our requests forward for funding. Are we going to consider looking for more money for small craft harbours? Absolutely. Yes, we are. Will we get it? We're quite confident that we'll get more money; we have to. We can talk about the fishery, we can talk about the market, we can talk about harvesting, we can talk about processing, but you're not going to get out to catch a fish if you don't have a wharf to leave from. So we have to be sensible there.

Consequently, Mr. Chair, yes, we are not at all forgetting the fact that the small craft harbours program is an important section. Nor are we forgetting the fact that not only does it have to be maintained... If we're going to just maintain what we have, enhance, and if we're going to be able to set a framework to operate what we see as a solid base for a solid industry, then infrastructure has to be looked upon as a key component, and that is generally where we're headed.

• (1135)

[Translation]

Mr. Raynald Blais: Minister, what amount do you intend on requesting for small craft harbours?

[English]

Hon. Loyola Hearn: I think I will ask the officials to talk about the budgetary process. As the estimates and the budget unfold, certainly that answer will be quite clear, but somebody might want to explain the technical side of going forth on this.

Mr. Larry Murray: We would need to prepare a submission. The submission would express estimates. The estimates that were given last week are the department's estimates of what is required to run a program of 750 core fishing harbours, plus seven new harbours in Nunavut, and to effect divestiture of the harbours that need to be divested within a five-year period of time, a reasonable period of time.

As I said last week, the overall number there—and I'll try not to confuse numbers—is the \$20 million continuation. It would be \$35 million on top of the \$20 million, so that's \$55 million a year ongoing; and \$82 million is our estimate of the money required to do a divestiture within a five-year period. In the joint study we did with Nunavut, I think the number was about \$40.8 million for seven critical ports in Nunavut. These numbers may be changing somewhat, because the construction costs and so on are escalating, but the departmental estimate of what's required would be the same numbers as last week.

[Translation]

Mr. Raynald Blais: I don't want to start an argument over numbers; however, the situation has to be clarified. Minister, I would like you to tell me out loud whether or not you agree with the financial goal that was set for small craft harbours, that is, \$470 million, and that was based on 2005 estimates.

[English]

Hon. Loyola Hearn: The estimates are put forth, Mr. Chair, simply because we figure this is what it will take, as the deputy just mentioned, to do the job that has to be done—to keep what we have and to enhance that in accordance with the resolution passed in the

House, while also looking at the fact that we have a number of wharves that have to be divested. We also have the Nunavut aspect.

That's the kind of money we need; that's the kind of money we're going after. It'll be a government decision as to within what timeframe we can achieve that, realizing not only within government but also within our own department that there are other requirements and that we have to balance it within the total budget.

I mentioned we need the wharves to go fishing, but it's not much good having a wharf if you can't properly harvest, process, or sell your product, so we have to look at it all in a total mix.

• (1140)

The Chair: Thank you, Minister Hearn.

Mr. Stoffer is next.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Thank you very much, Mr. Chairman, and thank you, Minister and staff, for appearing before us today.

The other day this committee moved a report that was then passed by the House of Commons. It was to the effect that marine service fees for north of 60 degrees north latitude should be immediately removed. Mr. Minister or Mr. Da Pont, has your department instructed Transport or whoever to remove those fees immediately?

Hon. Loyola Hearn: The instruction hasn't been given at this stage. The resolution passed in the House and undoubtedly is moving through the system; sooner or later it will come to us to be dealt with.

Mr. Da Pont might want to add to that.

Mr. George Da Pont (Commissioner, Canadian Coast Guard, Department of Fisheries and Oceans): Thank you, Minister.

As I think the committee is aware, we're engaged in discussions with industry throughout the country, including the north, on the future of marine service fees. Those discussions are going quite well. We're hopeful we can get an option that'll be acceptable to all concerned. That, at the moment, is the vehicle we're using to address the concerns of the northerners as well as those in other parts of the country.

Mr. Peter Stoffer: Thank you.

Could you please, Mr. Da Pont or Mr. Minister, comment regarding the status of the recapitalization of the fleet? We've understood there are x dollars going into it.

Mr. Da Pont, when you were before us last time, you indicated that the vessels for the coast guard replacement—which the previous minister, Mr. Regan, had talked about—would be built in Canada. We're just wondering if you could tell us the status of the process now. In other words, where are we at this stage?

Hon. Loyola Hearn: George.

Mr. George Da Pont: There are two separate projects. One is to procure eight midshore patrol vessels. The request for proposals for those vessels was in fact issued, I believe, two or three weeks ago, and if the process unfolds as anticipated, I expect that we'll enter into a contract relatively early in the new year. And we're still hopeful that the delivery of the first vessel will be in late 2008 or early 2009.

The other project is for the replacement of the two offshore science vessels. That one is getting close to the request for proposals being issued. I'm hopeful that will happen in the first few months of next year, with a contract before the end of the year. Again, we're still very hopeful for delivery of the first of those vessels in late 2011 or early 2012, as we had anticipated.

Mr. Peter Stoffer: Thank you.

Hon. Loyola Hearn: Mr. Stoffer, just to add to that response to your question, anything we build will be built in Canada unless the people who build boats say to us they can't build it.

Mr. Peter Stoffer: That's very good to hear.

Minister, as you know, the Prime Minister in a previous discussion indicated that there would be an inquiry on the 2004 season on the Fraser River. This would obviously involve your department quite extensively. I'm wondering, when could the people of B.C. expect that inquiry to take place?

Hon. Loyola Hearn: Again, it was a call by the government more so than our department, as you know. What shall I say? The initiatives that have to be taken to put it together have already started. The wheels are turning within government. I understand they're looking for an independent judge or chair—I'm not saying that all judges are not independent—a judge who could do the job.

From our own perspective, we will be involved, and heavily. We have a lot of other things on our plate, so if you ask if we're sorry it's dragging a bit, not with all the other issues we're on, because it would take of course a lot of time and attention.

We have had two studies since that was first talked about also, our own on the standing committee and the Williams study. But it was a commitment by government. It has been put into action, and when the announcement will be made I really can't say.

• (1145)

Mr. Peter Stoffer: Thank you, sir.

And when—

The Chair: Quickly, Mr. Stoffer.

Mr. Peter Stoffer: Mr. Sprout was before us before and we showed him estimates that showed a reduction over two years of 45 habitat enforcement officers on the west coast. He indicated that indeed this was going to happen.

I'm wondering, your overall budgetary process shows a \$200 million decrease overall in DFO spending. Can you explain to me why, in the advent of more critical information and everything else, that even Mr. Sprout agreed there will be a reduction of 45 habitat officers on the west coast? I'm wondering how DFO can justify a reduction of that many people, plus the appropriate budget reduction, when in essence we need more enforcement and habitat protection in order to protect the vital resources of the west coast.

Hon. Loyola Hearn: I think you will see—and again I'll ask one of the officials to give you the breakdown and the numbers—that if you look at actually what has been happening, it's been the complete reverse of that. We added a number of new enforcement officers this year, as well as adding a number of new habitat enforcement officers.

Mr. Bevan, is it that—

The Chair: Minister, perhaps Mr. Stoffer could pick up on that in his next round of questioning.

Mr. Lunney.

Mr. James Lunney (Nanaimo—Alberni, CPC): Thank you, Mr. Chair.

And again, welcome to the minister and officials to the committee. We certainly all appreciate your being here to address the concerns of the committee and the community, which is very much engaged in our oceans and fisheries issues.

I am glad personally, Minister, to hear that we're investing more money in science. There is a desperate need in that area, and I understand there is about a \$15.5 million increase in investment in that area, and there is an increased investment in habitat and enforcement, which we feel is extremely important.

I personally like to see the habitat improvements that we've had in our area. Some salmon enhancement programs we've been having have been very good in improving returns to local rivers and streams, so we appreciate the participation of DFO in those projects.

And also the investment in small craft harbours is appreciated, because we certainly have big needs in that area after 30 years of infrastructure being let go.

In the science area, a question that has come up recently involves marine protected areas. I and someone from the Canadian Parks and Wilderness Society who was visiting the Hill recently had a meeting in my office with a Dr. Manfred Krautter concerning a rather interesting discovery of a type of glass sponge that is unique to the west coast of Vancouver Island and the coast of British Columbia. I wonder, in the discussions about marine protected areas, is the department looking at the glass sponges and the uniqueness to the coastal area and how that might impact our programs regarding both the fishing activities and the marine protected areas that are under discussion?

Hon. Loyola Hearn: Mr. Chair, again through you to Mr. Lunney, I thank you for the question.

Habitat is extremely important and becoming much more important. I think with the new bill, when it's tabled, you will see that a lot of attention is being paid to habitat and the ability to be able to work with many others or have much more freedom to work with others.

I've been meeting with most of the provincial governments throughout the country and the ministers involved—the ministers of environment, fisheries, water, stewardship, etc. Everyone has major concerns about habitat. We have been working with our own Department of the Environment federally, with Natural Resources, etc., but also with the provinces to talk about coordination—eliminating duplication, eliminating costs, eliminating timeframe, i. e., waiting for somebody else to do what you would probably be doing yourself again afterwards. We are talking about proper coordination to bring people around the table to save time, effort, money, and get a lot more done.

In relation to the marine protected areas, again, with the ones we have been involved in, response has been phenomenal. However, it can't be done with the heavy hand of government just coming in and drawing circles, as might have been tried sometimes in the past where we got a lot of push-back from the local people and fishermen, etc. These have to be done in consultation with the local areas and based on good scientific advice.

We are all for protecting the habitat. We talked about that even at the international level. However, we also must remember that we have people who make a living from the marine environment, and there has to be a balance. It's great to say that the easiest way to protect the ocean habitat is to close everything down, but that would certainly affect an awful lot of people and an awful lot of communities and the economic future of the country. What we try to do is work with the groups, the agencies, the communities of interest involved.

On the one on the west coast, the glass sponge reef has certainly come up, and maybe somebody can give us more specifics. Mr. Murray has some more specific information on that.

• (1150)

Mr. Larry Murray: I met with the same group. The video is wonderful, and we're working with them to actually provide it more broadly. In terms of the actual protection, we did provide fisheries restrictions in the area in 2002. We expanded it in 2006. We're working with them and others. A marine protected area is one vehicle. There may be other vehicles. The Government of B.C. is involved as well. We agree entirely, and the minister has been clear on the need to protect vulnerable marine areas. We are dealing with that with urgency.

One bit of information that group did provide as well is that there are a number of much smaller coral reefs in the Georgia Strait as well. At the moment we need, with some urgency, to look at those and see if we need to put in some additional protection and do a footprint of what's actually happening in that area in terms of the nature of the activity.

Mr. James Lunney: Thank you very much. I'm sure there will be many people interested in our looking at it, especially unique habitat and species. We all have an interest in seeing unique areas protected while we go on with our other activities.

We don't have our regional director for British Columbia, Mr. Sprout, with us here today. Mr. Bevan, perhaps you would be able to help us with this.

I note some concerns specific to my riding—a big run on the Alberni Inlet, both sockeye and chinook. The sports sector is particularly important to this community of Port Alberni. It is one of the salmon capitals of the world, you know. We do have a competing community on the east side of the island, Campbell River, that claims that title as well. The sporties in particular are concerned about the chinook.

This past year we had this big salmon derby, which is a very big economic driver in the community, but the commercial chinook fishery opened prior to the sports one. Frankly, the fishermen were out in those boats with high hopes, and the catch wasn't very good. Even though conservation methods, our targets, were hit, the sporties actually missed their targets by 50% in the last two years, and that does have quite an economic impact. I just wanted you to take note of that. I wonder whether you could look into that at Parliament, whether or not you're taking consideration of that.

Also, they're asking for a multi-sectoral sockeye committee to review the catchments there, because again I think there is a need to look at the escapement targets, which were way beyond what was anticipated.

Mr. David Bevan (Assistant Deputy Minister, Fisheries and Aquaculture Management, Department of Fisheries and Oceans): On the chinook and coho, we have a policy that provides the sports fishery sector the priority access on that. We'll have to look into the timing of the fisheries and whether that had a bearing on their ability to access appropriate amounts of fish that are there for the priority of the sports fishery, the recreational fishing sector.

On the sockeye, I'll have to look into that one and get back to you.

Mr. James Lunney: Just to let you know on behalf of the constituents, there's a big concern in that particular area. It seems odd that the commercial sector, which gets the lowest value for their fish, would have priority access, as it turned out in this particular case, to scoop so much of the resource when the high-value sector was under-represented.

I just want to put that on the record for consideration.

Mr. David Bevan: We'll certainly look into it. It may have been a timing issue. The timing of the commercial sector fishery may have been done in a way that ended up removing the opportunity for the sports sector, and we'll have to take a look at that for future seasons.

Mr. James Lunney: I appreciate that, recognizing that the fish aren't always arriving in the time schedules that they used to, and water temperatures influence these things. But it's certainly a factor when the fish aren't where the fishermen are. And they are very restricted in where they can go.

Their request would be that the commercial fishery be withheld till after Labour Day, when they have the big salmon derby. It's a big economic driver in the community.

Hon. Loyola Hearn: Mr. Chair, there are a couple of little points here that I think we have to be very conscious about. I fully understand that, and we can argue that when we look at the value of the fishery to the country, we look at the value of the recreational fishery. However, there are two things.

Number one, when we're concerned that there might be too many escapements, if we're going to have a fishery of the future, conservation has to come first. If it happens when we break down who got what.... Our first aim in the fishery is conservation. How many fish do we have to leave in the water to spawn in order to build our stocks? That's first. After that, then we have food, social, ceremonial, and then commercial, recreational, etc. However, conservation has to come first, and if we're going to make a mistake, let's make a mistake by leaving a little bit more rather than less, because we'll pay the price down the road.

In relation to commercial versus recreational fishing, this argument goes on. From a purely personal perspective, I come from a family and a boat where you either caught some fish or you didn't eat; it was as simple as that. So we have the commercial fishermen. You can throw names around of international corporations, etc., but generally for the person in the boat catching the fish, that is his only source of living. In terms of the person who comes in and maybe leaves more money in the local town to catch three salmon than this fisherman makes, that's a greater argument.

Until we can find some way for that fisherman in the boat to be able to sell each salmon for whatever value to somebody else...that's pretty hypothetical at this stage. Commercial fisheries exist because for 500 years people have fished in this country and have made a living. If we're going to take that living away from them, somebody had better come up with some good ideas as to what the fellows in the boat are going to do before we start making major shifts in any other direction.

• (1155)

Mr. James Lunney: Yes, Minister, I'd be certainly sympathetic to that perspective as well. In this case, we're talking about seiners that are taking large volumes—

The Chair: Thank you, Mr. Lunney.

Mr. James Lunney: I did have one more good question.

The Chair: Yes, and that's very good, but you'll have to save it till the next round.

I apologize to my committee members. I'm just trying to make it fair for everyone here today.

Mr. Byrne.

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Thank you, Mr. Chair.

Welcome to you, Minister, and to your esteemed officials. It's great to have you here. It's too bad that our friend and colleague Mr. Cummins, couldn't be here to liven things up a little bit as well, but I'm sure he'll be back.

But to try to liven things up a little bit, Mr. Minister, I will not direct this question to you, but to your deputy minister.

This committee has been engaged in a serious study on vessel safety and DFO's boat length requirements. We had expert witnesses appear from DFO as well as from Transport Canada on that topic. At the time, we heard testimony that basically there were two separate issues, and while there was some collaboration between Transport Canada and DFO, largely they were not necessarily linked or related and the two departments were acting independently. That was generally the consensus of the testimony that was given. Nine days later we understood, as a result of hearing expert testimony from industry stakeholders in Yarmouth, Nova Scotia, that the night before there had been a memorandum of understanding signed between Transport Canada and DFO to collaborate on vessel safety and boat length requirements.

Do you think it was appropriate, Mr. Murray, that this parliamentary committee was not informed that the memorandum of understanding was being drafted or being considered and that its draft contents were not divulged to parliamentary members?

Mr. Larry Murray: No, I don't think it was inappropriate. I don't know how many MOUs I've been involved with over a 43-year career, but I don't recollect bringing each and every one of them—in fact, I don't remember bringing any of them—to parliamentary committees for approval.

I think the initiative is very—

Hon. Gerry Byrne: No, I don't think that was the question. It was not about seeking approval; it was about informing the committee, which was conducting a very serious study on the very serious issues of vessel safety, boat replacement, vessel length. At the time that we were conducting a very serious study, obviously Transport Canada and DFO were both in collaboration and discussions in an effort to work together on this. That was contrary to the testimony we were hearing, or at the very least to the spirit of the testimony at the time.

Notwithstanding the fact that you have obviously been involved in many memorandums of understanding, you didn't feel, at the time when a standing committee of the House of Commons was conducting a very serious study on this issue, that you had an obligation or consideration to bring the information that was actually in play and in existence at the time?

Mr. Larry Murray: We had every intention of keeping the committee in the picture on vessel safety. The minister has been very clear on this. The minister's direction has been very clear to the department that we need to put a focus on this MOU as a direct result of that direction.

The committee's interest in this area has been extremely helpful, but certainly it was not in any way, shape, or form my intention or the department's intention to somehow not inform the committee. In fact, we welcome the inquiry. Every one of the forums that the minister has co-chaired with provincial colleagues for the most part have gotten into this issue of vessel size.

In that context, I think the question of vessel safety is very definitely a question for the minister. He's given very clear direction to the department to move on this, and the MOU is one result of that.

•(1200)

Hon. Loyola Hearn: Perhaps I can add to that.

This has been an issue coming out of this very committee over the years. We have always argued about restrictions put on boats. All of us have described the different boats going out and their lengths, and all of us have always questioned their safety. We've had a couple of incidents in Newfoundland where certainly the stability was in question.

Now, stability can be in question either because the operators don't know how to properly use it or because the design is wrong. You can argue that until the cows come home. The thing is that we probably have boats going to sea that I certainly wouldn't go across the harbour in, and that's a bit scary.

Having said that, we have been working on that right from day one. In fact, coming out of the summit meetings, we probably would have had something out publicly that we would be talking about today in relation to flexibility, etc. However, in summit meetings, where we're bringing all of industry to the table, it's much better to let them have their spin too than have the made-in-Ottawa solution, even though our solutions are usually made through committees and information that comes from the field.

The MOU you're talking about actually isn't something that was just slapped together because this became an issue. It's been on the go for quite some time. In fact, I had it for some time—

Hon. Gerry Byrne: I think that's the point, Minister, that it has been on the go for quite some time.

Hon. Loyola Hearn: —before we even signed off, to make sure that we could all live up to what we were talking about and that there would be cooperation.

Hon. Gerry Byrne: Minister, I appreciate your candour on the issue and the commitment to keep the committee informed of activities, especially since they've been under way for quite some time, as you say. We certainly appreciate the witnesses presenting us with this information, and with the actual signed memorandum of understanding, as opposed to DFO or Transport Canada bringing anything forward.

I'll go now to a question regarding science—

The Chair: We appreciate your getting that out, Mr. Byrne, but your time is up.

We're going to go on to Monsieur Asselin.

[*Translation*]

Mr. Gérard Asselin (Manicouagan, BQ): Thank you, Mr. Chairman.

Given that we have with us today the Minister and the Deputy Minister of Fisheries and Oceans, and the Canadian Coast Guard Commissioner, I would like to take this opportunity to come back to another issue. We spoke about this during your last appearance with us, Minister. You expressed your concern and your good intentions with respect to marine safety.

At the time, I told you that in Havre-Saint-Pierre, a file had been mounted at the request of the fishers' association and that of the administrators of the marina. Fishing vessels in the area of Sept-Îles,

Havre-Saint-Pierre and the Lower North Shore start their fishing season on April 1st. However, the coast guard only becomes operational by the third week of April. That doesn't make sense. The boats go out to sea, the fishermen get ready for their fishing season and yet, the coast guard, that has the infrastructure and the boat, does not have the necessary staff to intervene in cases of emergencies or catastrophes. They are completely absent.

Minister, I have the support of mayors of municipalities, organizations, fishermen, associations and marina people, everyone. There is unanimity. We all know that the road to hell is paved with good intentions and that is why we want you to put your words into action. All you have to do is come to an agreement with your Coast Guard Commissioner on that three-week period, in order to ensure the safety of our fishermen and to avoid a catastrophe. If something happens, the department or the coast guard will be responsible.

I put together this file towards the end of the previous government's last mandate. You were informed of this, as was the coast guard and the new commissioner. What we are asking, on behalf of fishermen, of those who can intervene out at sea, is simple. We're not asking for infrastructure, or for additional equipment, but simply that the coast guard be ready to intervene in cases of accident or catastrophes as of April 1st, that is, when the fishing vessels and fishermen go out to sea. This is simply a budget that would cover three additional weeks of operation.

The current situation reminds me of a municipality that would decide to open one of its public pools on July 1st but wouldn't hire any lifeguards, those responsible for safety, until July 22nd. That doesn't make sense.

Minister, you are the one responsible. You talked about safety. Your deputy ministers confirmed that this was one of your concerns. We are simply asking you to direct the people responsible for marine safety in Havre-Saint-Pierre to work from April 1st to December 1st in order to be available if necessary. I am asking this of you and I am raising it again at the request of fishermen. No one would want a catastrophe to happen and for the coast guard to be absent simply out of negligence or the lack of a minimal amount of funding.

Thank you.

•(1205)

Hon. Loyola Hearn: Thank you very much.

[*English*]

Let me thank Mr. Asselin for raising that question. Sometimes there are local issues that in the large scale might be overlooked, but to the people in the area they're extremely important. These are the things we should always look at. I presume there is some reason why this is happening. I'll ask Mr. Da Pont if he is aware of the situation.

You mentioned lifeguards at a swimming pool, and the simile is certainly very appropriate. Maybe arrangements can be made to have the parents there to supervise in the three-week interim period. I don't know if there's some other provision, but Mr. Da Pont can probably give us a direct answer. We'll certainly follow up on it.

[Translation]

Mr. George Da Pont: Thank you, minister.

I am very familiar with this situation. We are trying to find a short-term solution for the upcoming season. Furthermore, we are currently doing a study on search and rescue needs throughout the country. As I have stated a few weeks ago before this committee, I hope to have the results of this study in February. With this analysis and potential solutions in hand, we will examine all those situations that contain shortcomings. Thus, there will be a short-term solution followed by a long-term solution based on the current analysis.

[English]

The Chair: *Merci, monsieur Da Pont.*

Mr. Stoffer.

Hon. Loyola Hearn: Perhaps I could add to Mr. Asselin's—

The Chair: Very quickly.

Hon. Loyola Hearn: If he would follow up with me personally as we get into February, before the season, I'd be glad to talk to him about it.

The Chair: Mr. Stoffer.

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

Mr. Minister, I first of all want to thank publicly Faith Scattolon down on the east coast. I recently had a tour of BIO, my fourth tour in nine years, and it was extremely well done. The staff down there did a great job. One thing they impressed upon me was the fact that science, even though there was a slight increase this year, shows that it may not have the accelerated increases that we're all looking for. So if you are going to cabinet asking for more money for science, I know on behalf of the people at BIO, they would greatly appreciate it in that regard.

I have a couple of questions for you, sir. If you don't have the answers now, perhaps it would be possible to get them later. It would be interesting to know the number of habitat enforcement officers for the central Arctic region. Have they decreased over the last few years, or are they staying the same?

Also, on lighthouses, I know there's a divestiture of lighthouses ongoing. The lighthouse associations in Nova Scotia and British Columbia, for example, are looking to ensure, if at all possible, that their organizations would have first crack at maintaining a part of our history.

You talked about the preservation and conservation of wild salmon. I've spoken to mining companies, and in most cases around the country, when mining companies are in an area, they will build a separate tailings pond. It's basically a hole. They'll line it, they'll put water in it, and then they'll put the tailings in there.

As you know from a question I asked you earlier regarding a duck pond and lake near the Exploits River, which both flow into the river, there's quite a concern by environmental groups and fishing groups that the allowance of these lakes be turned into tailings ponds through schedule 2. Plus, there are lakes right across the country that are next in line, and there's a concern that we're allowing the mining companies a cheaper way of out it, instead of developing their own

tailings ponds, by using a natural water system for their tailings ponds.

Do you not think this may contradict what you said about conservation? If we are using the precautionary principle, shouldn't the mining companies do what they do in most cases and set up their own, instead of using a lake for their tailings systems?

• (1210)

Hon. Loyola Hearn: Mr. Chair, I certainly don't think I contradicted what I said at all. In fact, if we want to go back to some comments I made, we talked about our concern for habitat and protecting habitat and marine conservation areas, etc., but realizing that there is a resource in the ocean from which an awful lot of people benefit and make a living from, as well as the country that benefits from the economy. If we cannot as a country develop our resources, whether it be the private or public sector, and are not allowed to develop these resources to create employment to stimulate the economy, if we don't use our natural resources, where does a country like this get the money to move forward and provide the tremendous social programs that we have?

Can we have the best of both worlds? I think we can. Are we there in all cases? Probably not. That's why I think we're becoming much more habitat conscious. As we move forward, stronger and more stringent requirements will be placed on mines.

In the case of AUR Resources, that company went through an environmental assessment. A compensation plan was put in place to actually enhance the Exploits River, to provide a better enhancement in that very area to make sure any damage of loss of fish or fish habitat was offset. Sometimes you have to make those trade-offs to make sure you can have the best of both.

Mr. Chairman, whenever we make decisions, we have three acts governing us, the Fisheries Act, the Environmental Assessment Act, and the Species at Risk Act. We have legal obligations to make sure we do a good job and that we're not taking a quick cursory look at it, because it's a mining company or some big industry, to tell them to go ahead. No. We need to create jobs, but we also need to protect habitat. We try to do the best to balance both within the legislation under which we operate.

Mr. Peter Stoffer: Thank you, Minister.

Very quickly, can you please explain resource management this year showing \$105.9 million and in two years going down to \$64.7 million. Can you explain the decrease and what that actually means? Also, MTS Services, marine communication, showing \$107.1 million for this year and \$79.8 million in two years. If not now, can you possibly write to the committee and to our researcher explaining what those entail in terms of numbers of people and why the decreases in those two areas?

Hon. Loyola Hearn: Let me see if we can get three answers in for you, the first one being on habitat officers. We didn't finish on the west coast originally, and you raised central at that time. In relation to lighthouses, I'm a great lighthouse supporter, so anything done there will be done with care and caution and consideration and consultation.

On the habitat officers generally, and on the two budgetary requirements, we'll go to Sue.

The Chair: Be very brief, please.

Ms. Sue Kirby (Assistant Deputy Minister, Oceans and Habitat, Department of Fisheries and Oceans): On the two questions you asked relating to habitat, in terms of officers on the west coast, we have managed to increase the budget for the habitat program this year on the west coast as a result of the \$99 million in transformational funds, in total, that the minister was able to achieve for the department. And the portion of that for habitat on the west coast stays at \$1.3 million.

You asked about habitat enforcement officers in central and in the Arctic, and yes, there has been a reduction. There has been a smaller reduction than was originally planned. I thought I had the number with me in terms of our actual implementation as of today, and I don't. But we'll write to you on that.

The Chair: Thank you very much.

Mr. Manning.

Mr. Fabian Manning (Avalon, CPC): Thank you, Mr. Chair.

Welcome to the minister and officials from his department.

Just as a point of clarification, maybe to Mr. Murray, on the small craft harbours and the \$20 million that's due to sunset on March 31, is it correct to say that the department is requesting that \$20 million per year be reinstated, plus an additional \$35 million per year on top of the \$20 million, for a total of \$55 million?

•(1215)

Hon. Loyola Hearn: That is the requirement.

Mr. Fabian Manning: That's the request, is it? Okay.

Hon. Loyola Hearn: Well, that's the requirement. The request will be built along those lines. That's what we need.

Mr. Fabian Manning: Okay, so that's the requirement the department put forward.

Hon. Loyola Hearn: It's above and beyond the \$20 million we're talking about.

Mr. Fabian Manning: Minister, I have two questions, and I'll ask both of them now, in the interest of time, and you can answer them.

There are concerns in Newfoundland and Labrador, and I'm sure in Canada, in regard to overfishing. I know the government has taken some stands on that and some action on that, but I'd like to get an update on exactly where we're to with that at the present time.

With regard to the recreational food fishery this year, which was a major success in many parts of our province, could you elaborate on this summer's activities and on any proposals or plans? In a nutshell, can the people of Newfoundland and Labrador expect to be back on the water in 2007?

Hon. Loyola Hearn: Thank you very much, Mr. Chair, to Mr. Manning.

On the overfishing issue, again, when we talked about infrastructure, I guess, or the coast guard, habitat, and the Fraser River, all of these issues were dealt with, and a lot of push was put on by the former committee, and none more so than for overfishing. It was an issue introduced, I'm sure, over the years, but was certainly reinvigorated the very first day we sat on this committee. It went through debates, it went through motions in the House, it went through all kinds of discussion.

We said we would deal with overfishing. People say, you know, you say one thing on one side of the House, and you get on the other side and you say something different. I've made it clear. Anything I've said when I was a member of this committee—and you can dig out any Hansard that covered the committee, I haven't changed my mind one little bit. I'm saying the same thing today.

Have we done something about overfishing? Yes, we have. We have added to the resource, to the surveillance and so on, of the Nose and Tail and the Flemish Cap from an aerial surveillance point of view to an oceans point of view, something that had been started by the previous government. In fact, a fair amount of work had been done by the previous government in that area. What we did was something that we had always said could be done.

Hon. Gerry Byrne: What was that last comment? I missed that.

Hon. Loyola Hearn: It's in Hansard. I don't mind giving credit where credit is due, but again, thanks to the pressure of the committee—

The Chair: Go ahead with your answer, Mr. Hearn.

Hon. Loyola Hearn: In order to stop overfishing in international waters, we said that we need cooperation. We always said there were other countries that believed the same as we did, if somebody had the leadership and coordination to do it.

On the efforts by our people, when I say “our people”, I mean it's the people from our province who were at NAFO, our officials who were at NAFO, and our own political people who were at NAFO this year. We spent weeks, from the first day I became minister until the NAFO meeting, planning how we would turn around NAFO. We did, and I won't get into the spirit of NAFO. People think they were insignificant changes, but look at what's there and look at what happens on the first of January.

We carried it further, Mr. Chair.

We took all kinds of flack from environmental groups, during the last couple of months, about Canada's stand on bottom trawling. It's the same stand the former government had, because we realized that dealing with one little aspect of technology doesn't do anything, particularly when what people want you to do is completely unenforceable.

We were looking at a major sustainable fisheries resolution that solidified the gains we had made at NAFO. By taking the middle-of-the-road position, with the help of some others, including Australia, we brought those polarized around one little paragraph in an 80-paragraph resolution to the centre point. We now have a major sustainable fisheries resolution going to the UN that is supported by the 100-plus countries and commits to deal with the very things for which we have been asking for years.

Have we made a major headway in dealing with overfishing, misreporting, and all the other activities, and in dealing with those who step outside the line? Yes, Mr. Chair, we certainly have.

How do we know? Well, the proof of the pudding is in the eating. I think we'll very shortly see some of that.

• (1220)

The Chair: Thank you very much, Mr. Minister.

Thank you, Mr. Manning. You're going to have to wait for another round.

Mr. MacAulay.

Hon. Lawrence MacAulay (Cardigan, Lib.): Thank you very much, Mr. Chairman.

Welcome, Mr. Minister and officials.

I enjoyed your opening statement, and I'd like you to elaborate a little farther on it.

The fact is that you visited the federal riding of Cardigan. I hope you understand the strain on the fishermen who fish the Northumberland Strait in my district. You said there were some short-term solutions put in place in order to deal with the major problem of what I believe is too much strain on the fishery, too many traps in the water, and too many licences in the area. Does the minister have any thoughts on removing some of the licences?

I'm talking about a buyout program in order to make sure the fishermen in the Northumberland Strait who remain in the fishery have a chance to survive.

Hon. Loyola Hearn: It's a pretty good question, Mr. Chair.

In fact, I've visited P.E.I. several times since I've been minister. I would say I've met with representatives of all sectors of the fishery. I toured a lot of the fishing enterprises, looked at a lot of the small craft harbours in the area, and visited plants.

One thing that's evident in P.E.I., which is the same in Newfoundland and certainly in Quebec, is that we have areas in the province where people who are dependent on the fishery are having a rough time. We also have areas in P.E.I., like the north side, as you know, where they've done very well and are doing very well.

When there is a problem in the industry, we always go back to the old saying by Parzival Copes years ago of too many fishermen chasing too few fish. That again might be true.

We have three options, Mr. Chair. One, we can take more people out to suit a dwindling resource. The second thing we can do is deal with the dwindling resource to see why it is dwindling and try to improve the resource to suit the numbers of people who are trying to

make a living. The third is to let others get involved in doing just that, and it's what we've been doing.

It's why we had a major meeting in P.E.I. to deal with the Northumberland Strait, where most of the problems are occurring, for all kinds of reasons. We brought in the other provinces that are directly involved to collectively put our heads together, as we're doing in Newfoundland and as we are now doing in Quebec, getting the people who are directly involved to come up with some of the solutions.

Is government going to solve all the problems with government programs or buyouts? We tried that before. It didn't work, and industry and the people involved will tell you that. A lot of the solutions have to come from the people involved. It will be a consolidation and a cooperation that is coordinated with government leadership and help. There's no doubt about it; we are going to have to be involved.

Hon. Lawrence MacAulay: Thank you, Mr. Minister. Did I hear that you would not be in favour of a buyout program, more or less?

Hon. Loyola Hearn: No—

Hon. Lawrence MacAulay: I mean, it's okay to study the program, but the people who can't make their payments can't put up with studies too long. The fact is that they have bills to pay that they cannot pay and they need help.

Hon. Loyola Hearn: Let me say quite clearly that I'm not talking about studying. I have the same philosophy of studies as you do yourself, but I'm in a position to do something about it now.

I don't believe in lengthy royal commissions. Look, it has been studied to death. We—and I say “we” collectively—know what some of the solutions are, but most of them are in Cardigan, not here in Ottawa. That's why we brought the people around the table, not to have a study done but to get together themselves, which they have done in this process, to recommend collectively what part you play, what part the other person plays, and what part we play, to deal with these very programs.

Is a buyout part of it? We'll see when the results come in. Most of them figure some people will have to be taken out of the industry. As to what process will be used, that will be a collective call. Sometimes industry would like to self-rationalize. They'd be a lot better off doing that than having government do it for them.

The Chair: You have 30 seconds, Mr. MacAulay.

Hon. Lawrence MacAulay: Thank you, Mr. Chairman.

So there are really no short-term solutions. That's a problem for the fishermen.

I have to address small craft harbours for a moment, because I mightn't get a chance from my colleagues here to say another word.

Mr. Minister, you realize that in 2005 they felt, and you felt too, that they needed \$470 million to put the wharves that we are responsible for back in shape. Those are 2005 figures. It's my understanding that when you approach government, it's not going to be those kinds of figures that you're going to be looking for. I think it's vitally important. Looking at the financial situation of the day and looking at the financial situation when the \$100 million was put in over five years, those are two different days. So I urge you, please, on behalf of the fishermen, to make sure you ask for an adequate amount of money, when the money is there, in order to make sure the wharves are put back in proper shape.

Also, Mr. Minister, on the regulations—and I know it has been addressed here—I very much hope that you and Transport Canada will come before this committee and not have these new regulations put to us and the fishermen. I know we have to deal with safety issues, but we also have to have input from fishermen.

Sometimes—for example, throwing the big males back—it's a problem.

•(1225)

The Chair: I appreciate that, Mr. MacAulay, but we have to deal with time issues here, and you are way over time.

Perhaps we could give the minister a very quick opportunity to respond.

Hon. Loyola Hearn: I'll be very brief, Mr. Chairman.

In relation to transport regulations, it certainly is Transport Canada, and I would suggest you invite them here, because a lot of people are afraid there's more involvement for them than there actually might be, keeping in mind safety first.

In relation to two comments about no short-term solution, I certainly didn't say that. In fact, in relation to the P.E.I. summit, they are reporting early in the new year, and the Quebec summit reports February 1, for the very reason of having something put in place for the coming season. That is being done.

The \$400 million is certainly a problem, but in relation to the mess that we're trying to deal with and all these problems in the fishery and the amount of money that we're behind in small craft harbours, I would remind you that I didn't create that; I inherited it. So others have to take some of the blame for the position we're in.

The Chair: Thank you, Minister.

Mr. Blais.

[*Translation*]

Mr. Raynald Blais: But, Minister, you have the solution for small craft harbours. You may not have created the problem, somebody else did. However the point is not to find a guilty party. In any case, I think that there would be more than one.

At this point in time we're considering solutions, more specifically short-term solutions. In terms of the year 2007 in Quebec—and I imagine this question could also apply elsewhere—do you support the idea of assisting fishermen in order to decrease the costs of operating their vessels?

[*English*]

Hon. Loyola Hearn: One of the things that have been looked at in relation to this summit we have set up, Mr. Chair, is that it sounds like an easy way to slough off responsibilities. Actually, it's not. It's a way to bring an awful lot of extra work on yourselves, because people have now been brought to the table. Everybody in the industry has been brought to the table. They are all playing a part, including the committees that are following it. In fact, we left Quebec the other day with three committees being set up: one in harvesting, one in processing, and one in blanket marketing and commercialization generally. They have a short timeframe to come back to us with recommendations on how to deal with the crisis that we face. Undoubtedly they're going to be looking for a quick fix in a lot of cases, because they need it in order to get going for this coming spring, and then for more longer-term solutions.

Mr. Chair, the process we have set up is really a collective one in which the advice is coming right from an area. For those of you who are involved, who are representing ridings, and who can probably tell me what will work in your own riding, I just want to state that this is basically what we tried to narrow it down to. Instead of a blanket situation from Ottawa or from the province, each area has specific requirements. P.E.I. had a great lobster fishery in part of the island, but it was an abysmal failure in other parts. So different solutions are necessary here if we're going to put the fishery on a solid foundation.

I look forward to what comes out of these meetings so that we can zero in on trying to provide some of the solutions that are so necessary.

•(1230)

[*Translation*]

Mr. Raynald Blais: Mr. Hearn, I will repeat my question and I would like to have an answer: are you in favour of reducing operational costs for fishermen for the year 2007?

[*English*]

Hon. Loyola Hearn: That's what I meant to say when I started off, Mr. Chair.

In fact, it was discussed briefly. We have discussed it. We've been discussing it since last year. You and I have discussed it. As we move through there, what is the role of the federal department or the federal government? What can we do to make life a bit easier? That will certainly be one of the things that come up. What will we do about it? When we see it as it all comes out, we'll figure out what we can do about it then.

[*Translation*]

Mr. Raynald Blais: Are you considering reducing the cost of permits for fishermen in the year 2007? I'm thinking specifically about shrimpers.

[English]

Hon. Loyola Hearn: Again, we threw that out. In fact, we've even thrown a few things on the table that they should consider, including looking at setting fees, for instance, if these things are possible. Fees are generally set across the board. Unfortunately, some of the fees were set when the prices were very high, and when the prices dropped—the price of shrimp and the price of crab in particular—the fee structure didn't drop with them.

But there's a lot more to it than that in relation to who has it, how much, what the costs are, etc. Will we look at those things? Absolutely, because I think doing so is an integral part of solving the overall problem.

[Translation]

Mr. Raynald Blais: A decision was recently made, just after the forum, with respect to lobster fishing by Îles-de-la-Madeleine fishermen in the sector north of Prince Edward Island. Is it your intention to overturn that decision?

[English]

Hon. Loyola Hearn: Are you talking about McLeod's Ledge?

[Translation]

Mr. Raynald Blais: Yes.

[English]

Hon. Loyola Hearn: The McLeod's Ledge one was a decision just recently made. That's a fight that has been going on for quite some time. No agreement could be reached.

We try to solve many of our problems by bringing together the people who are involved and letting them work it out. It's always better than imposing a solution. In this case, it couldn't be done. We brought in somebody agreed to by all parties to do an independent study. The person came in with a solid report. We have accepted the report. That's exactly where it stands at this time, and we have no intention of changing that.

Are there other things we can do that are built around it? Absolutely. In fact, some things are already in motion. But that decision itself was made based upon an independent recommendation by a person accepted by both sides to settle a problem that they themselves wouldn't settle.

The Chair: Thank you, Minister Hearn.

Mr. Stoffer.

Mr. Peter Stoffer: Mr. Chairman, I just want to say that when it comes to trade-offs of having mining companies use natural lakes for tailing ponds instead of developing their own tailing ponds, it's similar to allowing a forestry company to log a national park and say, well, we'll plant trees in our backyard. I always have concerns about these trade-offs.

Minister, you just invited me, I think, to say that anything you said way back then can be used against you in the court of public opinion. I just happen to have the February 5, 2002, committee hearings. Here's what you said about trust agreements. It goes on, but you said:

Yet even though that's true, there are many people out there making fortunes and there's all kinds of manipulation within the system. ... Usually it's bought by some fish plant owner, some processor who accumulates all kinds of licences, and as Earle

—that's Mr. Earle McCurdy of the fisheries union—

has so clearly said, they get a fisherman to sign his name on a piece of paper and they own him for life.

You went on to say:

It's simply a matter of the Department of Fisheries and Oceans forgetting about the quick buck themselves, forgetting about looking after the corporate friends who sit around and drink cognac with them, and thinking about the people they're supposed to represent—the ordinary, average fisherman who should have a clear-cut licence if he qualifies, and whose licence should revert the minute he fails to be a fisherman, an owner-operator. We have too many sitting—and, again, it's in the report—at home, owning several licences. They're “slipper skippers” who sit with their feet up, monitor their two-way radios, and talk to the fellows out there making the fortune for them while getting very little out of it themselves. If this continues, the fishery is going to be a real joke in a few years' time.

Sir, on trust agreements, two of them were bought up yesterday in the Digby area by a company. I've asked this question before and I ask it again. Do you hold this view that you did in 2002, and what are you and your department doing about the corporatization of the lobster industry in terms of trust agreements?

• (1235)

Hon. Loyola Hearn: Thank you, Mr. Chair.

I said what I said before, that I stand by anything I said in the past. The only part of this that I would change slightly is the part about departmental people. I presume I was talking about politicians, because my officials work much too hard to have been drinking cognac. As I never had a drink in my life myself, I'm certainly not sitting around drinking cognac.

I still hold that view, Mr. Stoffer. That whole situation is in a mess. Again, it was one of the very first things we started to address when we came to the department. In fact, a tremendous amount of work had been done. Except perhaps for some of the other crisis situations that have developed over the last couple of months, this also would now be on the table, but we have moved a long way on that and very soon we'll be coming forth with suggestions to deal with it.

My word of warning, I guess, which I have gotten out to people who are out there buying up licences thinking the government will grandfather what happened, is that I'd be careful where I invested my money.

Mr. Peter Stoffer: Finally, I want to thank you and the department very much for the work going on regarding the mapping coordination with DND and others in the far north. I got a very good briefing about that at BIO. It's obvious this needs long-term commitment and funding, but I think the mapping of the continental shelves, especially in the far north with global warming, will go a long way in looking after not only our territory but proper resources, fisheries, and under the ground in the future. I thank you and your department for that.

Hon. Loyola Hearn: Thank you for that, Mr. Stoffer.

There are a couple of other areas of mapping also. In relation to the follow-up, besides what I mentioned we're doing to control overfishing on the Nose and Tail, we presently have a major contract under way to do the mapping in that area, comprehensive mapping of the continental shelf, and we are also working for our case of ownership or control of the continental shelf under the Law of the Sea. That is also well under way. So there are a number of initiatives being put together to deal with this major problem we have of protecting our territory and our resource.

Thank you for the comments.

The Chair: Very quickly, Mr. Stoffer.

Mr. Peter Stoffer: Very quickly, on the resource management, can Mr. Bevan explain for us the reduction it shows in the estimates?

Mr. David Bevan: That would reflect the sunseting of the Marshall program. That is the major component of the reduction for resource management.

Mr. Peter Stoffer: It's strictly the Marshall program.

The Chair: Thank you, Mr. Bevan.

Mr. Kamp.

Mr. Randy Kamp (Pitt Meadows—Maple Ridge—Mission, CPC): Thank you, Mr. Chair, and thank you, Minister, and officials for appearing today.

When we did our study of the northern cod last year, two of the issues that we wrestled with the most were whether we should recommend to the minister of the day recreational fishery for cod, and secondly, whether we should recommend the opening of a limited commercial fishery in the inshore. You and your department have proceeded with both of those, I think.

I wonder if you could give us an update on how you think those have gone, and in particular whether there's any sense that the commercial fishery is threatening the recovery of the cod stock in general.

Hon. Loyola Hearn: Thank you very much for that question. In answering it, I'll answer the part of the question Mr. Manning asked that I didn't get to.

Again it was a unanimous recommendation from the committee, because we believed it was the right and proper thing to do. To me, the summer was a tremendous success. It did a couple of things. It gave us a very good idea of the concentrations of inshore codfish after rebuilding the base stocks. It gave a tremendous amount of people a feeling they hadn't had for years. They could finally get on the water again, where they grew up, and experience what a lot of us have experienced over the years, from the older people—and I've heard from a lot of them—to the very young. Older people said they were so delighted to let their grandson or granddaughter experience what it was like to be on the water and catch fish. These things are very important. But we have to remind ourselves that this can only continue as long as the resource is stable.

We're in the process now of analyzing the information we got on concentrations, size, migratory patterns, etc., in order to see—to answer the other part of Mr. Manning's question—if we can have a similar type of fishery next year. If you asked the Newfoundland

members here, they would certainly agree that they got a lot more positive comments from people on this initiative than negative ones.

When we analyze the information we have, we'll know where we're going. We had 100% cooperation. Very few people abused the system. I think we came in under the amount we had allocated. If it turns out to be a failure, the amount was so small that even though it might have stymied growth, or whatever, it certainly wouldn't have done irreparable harm. So we really didn't have too many pangs of conscience over taking the chance on this initiative.

We'll know very shortly if the stocks are growing enough and have grown enough to be able to maintain this type of initiative on an annual basis.

• (1240)

Mr. Randy Kamp: From a more general perspective, looking at the estimates and the supplementary estimates, if there's anything that concerns me, it's the relatively small amount of money we're spending on the oceans agenda, where the department has the responsibility as one of the departments to proceed with that. There's sunseting money there as well, so in 2007 and 2008 it looks like a pretty small amount of money to make any kind of progress on the action plan.

I'm just curious about your response to that, and perhaps Sue Kirby's as well.

Hon. Loyola Hearn: I'll ask the officials to address that.

The Chair: Go ahead.

Mr. Larry Murray: I think that's an excellent question. It is a concern. We are trying to move forward with integrated oceans management. It is happening across the country, and there's buy-in from all levels of government, communities, and stakeholders. We have to maintain the momentum.

You correctly indicate that the current funding for phase one of the oceans action plan is terminating. It was \$14 million a year for two years. As per some other initiatives, the minister is seized of this one and will be trying to move forward with an initiative to continue the progress being made on integrated oceans management so we'll ultimately achieve it in all of Canada's oceans areas. It is essential, as part of the answer to some of the fisheries challenges and other challenges, as you're aware.

The Chair: Thank you, Mr. Murray.

Thank you, Mr. Kamp.

Mr. Matthews.

Mr. Bill Matthews (Random—Burin—St. George's, Lib.): Thank you, Mr. Chairman.

I want to welcome the minister and his officials.

In the minister's statement he alluded to the fact that there's been an increase in enforcement staff on the west coast from 162 to 176, and 12 new habitat monitors. So that's an extra 26 positions on the west coast. Then I look at the budgetary chart, at the FTEs, revised for 2006-07 to 2008-09. For 2006-07 you're showing 10,490, going down to 10,447 in 2007-08, and then down to 10,385 in 2008-09. So that's a decrease of 105 full-time equivalents, if I'm reading this correctly: 43 next year, and 62 the year after.

So even though the minister is saying you're increasing your numbers by 26 positions on the west coast, it looks as if you're in a decline across your departmental numbers for the next two years. How do you explain that?

• (1245)

Mr. Larry Murray: Part of the challenge the department has faced for the last few years is actually living within our means while addressing recommendations coming from various sources. Certainly this committee has been quite vocal in making known the needs of the coast guard, the need for fishery officers, the need for science and scientists, and so on. It's a bit of a balancing act to try to move forward in a manner that puts the resources where Canada and Canadians think they should be.

In terms of the specifics of those numbers, we could get back to you with an analysis, but certainly we are trying to increase, for example, fishery officers. That increase in B.C. still has to be followed up with boots on the ground. We've just graduated one class. There are two more groups of fishery officers going through. We would aim for 30 per class. The first element of those will go to B.C. I think the second tranche will go largely to Newfoundland and Labrador.

Very definitely, the transformational funding, the \$99 million, is focused on core delivery and not on administration. So an overall number like that could represent reductions in administrative support staff or whatever, but I can give a more detailed analysis of that.

I think we owe Mr. Stoffer an answer to an earlier question on the habitat program. I can tell you what we have increased in B.C. and so on. We have added some fishery officers over where we were going, and some additional habitat monitors in central and Arctic. I think the issue of where the habitat biologist will land, in light of these increases and decreases, is something that we owe you a detailed response on. So perhaps we could go away and come back with a detailed analysis of those numbers.

Certainly, to be clear, the minister's direction has been crystal clear. He wants to see more fishery officers, and he wants to see more science and more scientists, more money on the coast guard and more money on coast guard vessel time. But we have to live within our budget, so there would be some reductions. Actually, in the last three years we've reduced the department in overall terms by more than 300 FTEs to try to move money from salaries to actual service delivery.

Mr. Bill Matthews: Thank you for that, Mr. Murray.

To the minister, in your statement you alluded to the aquaculture infusion of funds in the south coast, to Cooke Aquaculture, by your department and the provincial government, which is tremendous

news. I want to thank your department and you for your interest in that.

I know you've been quite involved with Cooke Aquaculture, so I applaud your efforts for a region that is very economically depressed as a result of diminished cod stocks, particularly, but also other diminished fish resources as well. No doubt, this will have a big impact on that region of the south coast, with the closure of the Harbour Breton plant by Fishery Products International, the closure of the Fortune plant by Fishery Products International, ongoing negotiations between Fishery Products International and the FFAW regarding the reopening—hopefully—of the Marystown groundfish plant.

My question is—and I asked you this some time ago—even though we're going to see aquaculture farm fish there, which will make a difference, if indeed negotiations fail—which we hope they don't, we hope they resolve themselves quickly—between FPI and the union, there's a tremendous amount of groundfish resources that are allocated to FPI that have not been utilized for a significant period of time, and really that could complement the farm fish for the communities that have traditionally used this groundfish quota.

So would you share with the committee what your thoughts are on this in view of the length of time it's been since those groundfish quotas were harvested? There doesn't seem to be a resolution. I'm wondering if you could share with the committee your thoughts on this.

Hon. Loyola Hearn: Yes, to a point I certainly can. It is one of the major issues facing the province in relation to utilization of the resource. I personally have said—and rightly so, I believe, up until now—that we were not involved in what was going on. You had negotiations between the company and the union, and we would not interfere. We wouldn't meet or commit anything to either side to give anybody unfair advantage. We told them to get back to the table and work it out. You had the whole process being complicated by the fact that the company is governed by a special act, the FPI Act.

This has gone on for a long time. I will say to you two things. One is that I have been asked to attend some meetings in the next few days, which would bring us into this. I have had, earlier this morning, a lengthy meeting asking these very questions that you're asking. We can't see a resource just sitting there in the ocean.

The one thing I will commit to you is that this resource has been there, I guess for centuries, but certainly for many decades and has been utilized for the benefit of the people along the south coast. We have every intention of making sure they continue to enjoy that benefit, whether there's a deal worked out with FPI or through some other process. But I believe the time has come when we can no longer sit back and let the universe unfold when it's not unfolding; we either have to start creating some momentum or step into the picture.

The thing is that this probably has gone on long enough. I think other players feel the same way, and there are some things happening, but certainly the resource itself will be protected. I can assure you of that.

• (1250)

The Chair: Thank you, Minister Hearn.

Monsieur Blais.

[Translation]

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

Mr. Hearn, I would like to know what you plan to do with respect to three points related to the seal hunt: the quota, that is, the number of seals slaughtered; the abolitionists' current campaign; and the search for a seal-meat market. I think that the industry could absorb an increase in quotas, but the development of the seal-meat market must be examined. In my opinion, that market exists. In fact, when you come to the Magdalen Islands, I will be happy to give you an opportunity to taste this meat, as did members of this committee recently. Seal meat is served smoked as well as in rillettes. It is delicious.

What is your plan on those three points?

[English]

Hon. Loyola Hearn: I'm glad you raised that question, Mr. Blais, because I believe this is another area where our views and our concerns are similar.

In relation to the quotas, do you want me to tell you what I think myself or what is practical? As we speak, we are assessing what happened last year—the change in the climate, etc., and if it had any major effect on the seal herds. We have a long-term plan, which we've basically made public, of certain levels where we would do certain things. In fact, I'm informed there's a meeting in January with industry, and we talk about the quota, the TAC, and all that kind of stuff. So this is coming to the fore.

We have to be very conscious of what's happening. We have a declining fish stock in certain areas. I think the stocks overall have basically leveled off, but in certain areas it's up and down, depending on the statistics you talk about.

Where we see a diminishing groundfish stock in particular, and we see a ballooning predation group, seals in this case, all different types of seal.... There are different problems in P.E.I., where they're having some real problems—and Nova Scotia also—that are complicated by the fact that the seals are in areas where it's difficult to hunt them. I'm seeing seals at the mouths of rivers undoubtedly eating salmon, trout, and whatever.

In my own harbour, if you saw a seal, it was an oddity, and you were calling people to look at the seal. Last weekend, there were 62 sitting on rocks near the mouth of a salmon river, and then there's more. As Morrissey Johnson used to say, they're not eating turnips. We have to be very conscious of that and adjust our quotas to keep the herds in control and in check.

Regarding counterpropaganda, I was in Norway just a couple of weeks ago. Norway is also a major seal hunting country, as is Russia. We don't hear much about them. We're the ones who are centre

targeted, particularly in Newfoundland, Quebec, and the Maritimes. We have been working with them, as we have been with the provinces. We met with all the seal hunting provinces to try to coordinate push-back to get the right information out.

I have been in Belgium and talked to parliamentarians there. We had parliamentarians there last week to whom you people spoke. I understand that some people look at things differently. The ones I spoke to certainly did when we finished.

Norway is solidly onside. Iceland is, to a degree; they're more concerned with other mammals, but certainly they are supportive. As with our overfishing, we have to utilize our international friends. Norway is also a major market for some of our products.

In relation to the marketing of the product and research, I totally agree that we have to put more money into research for utilizing the whole animal. Certainly as it comes to the need in relation to the invitation to eat it, I would certainly say that many times in the past it was either that or cod, and sometimes you accept seal as an option.

Yes, we have potential there; it's a matter of zeroing in. But again, I believe you will see some of these recommendations coming out of the summits, because it certainly was an issue in Quebec and Newfoundland.

• (1255)

The Chair: Thank you, Minister Hearn.

Mr. Stoffer.

Mr. Peter Stoffer: Thank you very much.

Correct me if I'm wrong, but is it not possible in the future that when you get the estimates and a program is sunsetted, such as the Marshall decision, this could be asterisked on the bottom, so that we would know?

Mr. Larry Murray: My view is that the frustrations the committee experienced would really be welcomed in terms of improving the document, because the document is produced for your use. If it's not useful, it should be fixed so that it is. We should try to improve the document according to those kinds of comments and the discussions we had a few weeks ago, so that we have discussions about facts. I think that's excellent.

Mr. Peter Stoffer: On the previous question about the MCTS budget showing a fairly decent decrease over the next couple of years, I was wondering if you can explain why that is happening in the estimates.

Mr. George Da Pont: Yes, what you're seeing in the estimates is that we're in the middle of a major capital investment in the MCTS centres to upgrade the equipment and refurbish a number of the sites. What you see in the estimate is those planned capital expenditures, and of course the decrease goes to when those projects will be finished. I'll certainly verify that there are no other factors. My understanding is that it's just the distribution of capital expenditures.

Mr. Peter Stoffer: Thank you.

Minister, as you know, you weren't on our committee when we recommended before. You just came in 2000, but we had recommendations. The United States has something called the Marine Mammal Protection Act, which denies us the ability to sell seal products in the lower 48, yet Alaska has allowed their aboriginal people to sell their seal products into the U.S. I'm wondering, has DFO, through Foreign Affairs or through International Trade, had an opportunity to address that situation, which was in our report several years ago, so that we can have a fairer system in this regard?

Hon. Loyola Hearn: I'll let Mr. Bevan or whoever fill you in on something that might have been done, but you certainly reminded me of something.

Over the last few months.... Again, as you know, the House has been open basically since the election of the minority government, and with the challenges we've had in the department, we've been really busy. But we've done a fair amount of international stuff on overfishing in relation to NAFO and in relation to the UN, and on other issues, such as the shrimp tariff, etc., on which, as you know, we got some headway, a 40% increase or so just last week. But here is an avenue that might be well worth pursuing.

Mr. Bevan, you may want to add to that.

Mr. David Bevan: We have, in the past, pursued that with the United States in our bilateral sessions. Recently we haven't focused on that. We've had other bilateral issues with them around the Machias Seal Island, cooperative work in NAFO, and other agenda items. The other issue there was that the markets were very good for the pelts, so we had no trouble selling the pelts coming from the seal hunt. We've had hundreds of thousands of animals used and sold in other markets at a very good price. That hasn't been a major focus for us in the most recent meetings with the United States.

• (1300)

Mr. Peter Stoffer: My final question for you—

Hon. Loyola Hearn: Good.

Mr. Peter Stoffer: I heard that.

You know we battled about custodial management and now we talk about the bottom trawling on the high seas. Would it be possible to either get monthly reports or get them whenever these reports come up? I know you said you are in negotiations with other countries, but if there are certain goalposts and deadlines that need to be met in terms of the protection of the Nose and Tail and the Flemish Cap, if the committee can receive those as an update as we go along, that would probably prevent a lot of questions and misunderstandings about the procedures and what's happening. A lot of folks in Newfoundland and Labrador are still concerned about what's going on in the international high seas, and those updates would be very helpful for our committee.

I thank you for coming today.

Hon. Loyola Hearn: Thank you, Mr. Stoffer. That is a very good suggestion. We can certainly let the committee know, or have a report that I can make available to the committee members, about what is happening, where we see a decrease, or an increase, or whatever.

The thing is that part of the problem in Newfoundland is that we have some people who are completely and utterly irresponsible, one of them being a former minister and now a senator who continuously talks about the hundred Russian trawlers that are out off our coast and that type of thing. We see very little activity. If we could control the fishery inside our 200-mile limit today as well as we can control it on the Nose and Tail and Flemish Cap, we'd be in very good shape.

Things have come a long way. We see the cooperation we're getting, even from countries like Spain, now before the requirements kick in, but as of January 1, any countries that step out of line in relation to illegal, unregulated fishing, overfishing, or misreporting are going to pay an extremely heavy price. Added to that of course is the resolution at the UN. I believe we have gone a long way toward solving that problem.

However, we have to make sure that we are the ones who will continue to manage that by the presence of our coast guard. That's why, when we talk about losing jobs and so on, our aim is to enhance the coast guard to the point where we'll be adding rather than taking away. Our presence in the north will depend heavily on the coast guard, so I see an enhanced role for the coast guard rather than a diminished one.

If we talk about custodial management, a term that nobody has ever defined, we have a scenario now where we have the management regime outside basically the same as we have inside, and we can manage that with our forces if we keep them in place—our coast guard and our aerial surveillance. Basically, we have the tools now and we've made the progress to do the job, and it would be only fair to let people know how far we've come.

The Chair: Thank you.

Mr. Larry Murray: Mr. Chair, we'd be happy to work with the clerk to come up with some kind of reporting format and sequence or timing that would work for the committee. I think it's quite important.

The Chair: I think our committee members understand how difficult it is to negotiate in a public forum as well.

To the minister and to our witnesses, thank you for appearing today.

If we may, we have one final question from Mr. Shipley, who has sat very patiently through these two hours and would like to get his question in before we rise.

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): Thank you very much, Mr. Chairman, and you, Mr. Minister, for coming out. We appreciate the opportunity.

I want to go to one of the initiatives that have been announced, the Atlantic Salmon endowment fund. Then there was an initiative, I believe the Fraser Basin initiative, that had come out. I'm just not sure of the amount of money; it's somewhere around \$10 million.

Is there a linkage? Can you give a quick synopsis of the connection between what the Atlantic Salmon endowment fund is and what this one might be? Is it in terms of having one on the east coast and one on the west coast?

Hon. Loyola Hearn: Not really. We had already an endowment fund on the west coast. There is a Pacific coast endowment fund. We have been using that argument, I guess, to get one for the Atlantic coast, which we now have.

Concerning the initiative in the Fraser Valley, even though I said there was no connection, there is in the sense that it all goes to protecting our salmon, the wild salmon in particular. You have a lot of groups—and we've met them—on the west coast who pride themselves on protecting the salmon. I think for a while they were going, like all of us, in different directions, and now they're all coming together.

One of the players we've worked with fairly closely is a fellow by the name of Rick Hansen, the Man in Motion, who has done a great job in protecting and promoting the sturgeon and enhancing the

sturgeon stocks on the Fraser. I had the advantage a couple of weeks ago of spending some time on the Fraser with him and a number of others, including first nations people and our own official members of these various groups.

They have come together to bring everyone to the table to try to develop a proper procedure for managing the salmon in the area, protecting and enhancing, and getting everybody around, and cutting out these wars we saw every year on the Fraser River. I think we've come a long way. We put \$10 million into that initiative, and they will be raising a tremendous amount of money themselves; they have major commitments. I'm really pleased with what I see happening on the west coast.

● (1305)

The Chair: Thank you, Mr. Shipley, and thank you, Minister and witnesses.

Before our members rise, we have a request from the World Wildlife Fund to appear at our December 7 meeting. We could slot them in, so if we have agreement from our committee members, that would finish our study on seals.

Some hon. members: Agreed.

The Chair: Thanks again to the minister and our witnesses from the department for appearing today.

The meeting is adjourned.

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

**Also available on the Parliament of Canada Web Site at the following address:
Aussi disponible sur le site Web du Parlement du Canada à l'adresse suivante :
<http://www.parl.gc.ca>**

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.