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—
Chair

Mr. Gerald Keddy

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•(1110)

[Translation]

The Vice-Chair (Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ)): We are ready to start the meeting, that will be in two parts. First of all, a group will tell us about the crab fishery in Area 12. We have with us Paul Noël, Serge Savoie and Fernand Vienneau. You have a presentation to make. Following that, members will have an opportunity to ask questions and make comments. I will give you 10 minutes.

Go ahead, Mr. Savoie.

Mr. Serge Savoie (Chair, Acadian Peninsula Traditional Crab Fishermen's Coalition Committee): I want to thank the chairman, Gerald Keddy, and Mr. Blais, who is replacing Mr. Keddy.

Gentlemen, honourable members of the Bloc Québécois, the NDP and the Liberal Party, we want to sincerely thank you for inviting us to appear before this prestigious committee to express the concerns of the Acadian Peninsula Traditional Crab Fishermen's Coalition Committee, the CCCTPA.

I want to thank the chairman, Gerald Keddy, for welcoming us to his office on about April 18, 2007. I sensed that he had heard the heartfelt cry of alarm we shared with him, Aldo Noël, Louis Marie Haché and me, Serge Savoie.

Mr. Chairman, honourable members who also agreed to meet with us, on behalf of the CCCTPA, I want to thank you with all of my heart. Moreover, I would like to stress the work done by Ms. Burke throughout the process.

Above all, I want to highlight the presence of Conservative, New Democrat, and Liberal members of Parliament, as well as my brothers from the Bloc Québécois, as the traditional crabbers from the Gaspé peninsula and the Magdalen Islands are our blood brothers. Moreover, I will point out the presence of the NDP representative who, despite us, has represented the riding of Acadie—Bathurst for nine years. Of course you realize that that's a joke.

We are here to tell you things that have never been said nor heard by the Liberal Party for many years. Our concerns deal with three major points: area 12, under the Liberals, was divided up, torn apart—it was the traditional crabbers who built this great area 12 at the time when prices were at 10¢ a pound; non-sharing in this small area 12 until 2010, given the decline in the snow crab stocks that all scientists and biologists agree with; we also want to see a public inquiry into the way that DFO is managing our resources in Moncton.

I also want to thank the Honourable Minister Hearn for having met with me in his office, along with Senator Comeau, on April 6, 2006. He gave us an opportunity to express our concerns and share our views. Minister Hearn, and we want to congratulate him for his action, re-established the federal government's share that the previous government, under Paul Martin, had abolished. He overturned the Liberals' decision to charge fees for observers at sea.

I have attached to my document an e-mail from Louis-Philippe McGraw. The French version of the document dealing with the reversal of the previous federal government decision does not correspond to the English version. According to the French version, crabbers, this year, would pay no fees for Biorex observers. I have asked for a revised version, and I am expecting some news shortly.

•(1115)

The Vice-Chair (Mr. Raynald Blais): Could you send us a copy of the letter you are referring to, so that we can have it translated and distributed to all committee members?

Mr. Serge Savoie: Yes, may I put it here?

The Vice-Chair (Mr. Raynald Blais): Yes.

Mr. Serge Savoie: Moreover, the minister made a commitment to review the costs in various sectors of the industry and to make them fairer. I am talking about licences, and so on.

Finally, Minister Hearn increased the capital gains exemption which was \$250,000 under the Liberals to \$750,000, which is huge and which will help mainly crabbers.

After all of these congratulatory remarks to the minister, I would like to tell you that we intend to study Bill C-45, not with a view to demolishing it, but with a view to being constructive. The minister is quite right to amend a piece of legislation that is over 128 years old. In passing, we have received a letter from the minister asking us to provide our input by the end of October. If you want to invite us back, we could discuss the bill with you.

Now, that's enough compliments for the minister. He had promised to come and meet with us at home, on the Acadian Peninsula, where the fishery is under way. He did not keep his promise. At his request, Senator Comeau was to accompany him. He did not keep his promise. We understand that he is very busy. I want to highlight that his staff, at least the people with whom we have had discussions, are excellent people. However, I must add that there is a blatant lack of communication, because many of them are not bilingual. As a result, there is often a lack of communication on both sides.

I think that a good Acadian who knows the fishery could serve this minority Acadian community that has seen so much humiliation. Are we not a founding people, like our aboriginal and anglophone brothers? We have seen enough of the Justin Trudeau of this world.

The snow crab fishery is vital for the economy of New Brunswick and the Acadian Peninsula. The industry is the peninsula's economic driver. It creates a livelihood for thousands of people directly and thousands of others indirectly. The snow crab industry is threatened until 2010. Biologists and scientists alike are predicting a decline in stocks. Quotas will therefore suffer the consequences of that.

Under the Liberal government, even independent studies, that I have here and that I can share with the chairman, like the one conducted by Gardner Pinfold, stress the fact that political pressure was so strong that DFO was accused of mismanaging the fishery. What do you think about the scientific research given to the cod fishers and the fact that the crabber who appealed the decision in court won? I have a copy of that here and I can leave it for the chair.

Our proposals are as follows:

(1) That the remainder of the current area 12 be reserved exclusively for the traditional crabbers from the Acadian Peninsula, Aboriginals, our brothers in the Gaspé Peninsula and the Magdalen Islands, crabbers in Prince Edward Island and the two crabbers in Nova Scotia.

(2) That scientific research be given to traditional crabbers. I believe, given this court decision, that the minister will have to comply.

(3) That there be no sharing with other types of fishers, until 2010.

(4) That there be a public inquiry into resource management by DFO Moncton.

• (1120)

There are 140 traditional fishers. When you add our aboriginal brothers' 80 boats, that makes 240 traditional crabbers in area 12. Today there are more than 400 fishers. Of course, more than 160 of them are non traditional fishers. That cannot continue for 2008, 2009 and 2010. The Acadian Peninsula has paid a very high price...

Yes?

The Vice-Chair (Mr. Raynald Blais): You have two minutes left.

Mr. Serge Savoie: Okay. I will shorten my remarks and go directly to the request for an inquiry.

If we look at the Maritime Fishermen's Union approach to fishers, namely inshore fishers, we note that they have set up several companies. I have some of the companies names here, and I will give them to you. We want to know, since DFO is also financially committed in these companies, why were they created, where the profits are going, and who is funding them. The MFU has forced inshore fishers to pay \$300 to join a medical insurance plan, which is completely illegal, because that is not under its mandate. Moreover, the MFU returns a set amount to inshore fishers for crab. If the price of crab on the market goes up, the inshore fishers do not receive an increase. The MFU represents 1,200 fishers. DFO has signed agreements with the MFU for area 12, following the pressure that I mentioned earlier.

Mr. Chairman, I will conclude by saying that a public enquiry could help answer the questions of thousands of people who have signed a petition, which I will submit to you later.

Thank you, Mr. Chairman.

The Vice-Chair (Mr. Raynald Blais): Thank you very much.

Mr. Gérard Asselin (Manicouagan, BQ): I would like to make a suggestion, Mr. Chairman. The witnesses have travelled from far away, they went to great lengths to prepare their file and they want to give the committee as much information as possible. I will not be able to question the gentleman on the part of the brief that he did not have time to read. I would prefer allowing him to finish. Instead of going around the table twice, if we don't have time, we could just do one round, but at least we would know about this Acadian situation.

• (1125)

The Vice-Chair (Mr. Raynald Blais): Mr. Asselin, I simply want to point out that I have been quite generous with Mr. Savoie, because I did not count the time he spent thanking the committee. So it wasn't a 10-minute presentation that we had, but rather a 15- to 17-minute presentation. Witnesses choose how they present their issues. I feel that Mr. Savoie has delivered his message to us. I am sure that if Mr. Savoie feels that there are aspects that he could not mention, he will be able to do so in response to the questions that will be asked later. I acknowledge what you are saying, Mr. Asselin, I simply wanted to point out that I had already given the witness considerable leeway with respect to the presentation.

Mr. Simms.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Thank you, Mr. Chairman. Pardon my French, but I am a member from Newfoundland. This is difficult, but I will try. That was a good suggestion. I think that we need to continue the presentation for another five minutes.

The Vice-Chair (Mr. Raynald Blais): You want him to continue with his remarks.

Do you need another five minutes to wrap up? He's asking you to continue for another five minutes, that will be subtracted from the 10 minutes allocated to him. Go ahead.

Mr. Serge Savoie: Okay. Thank you, Mr. Simms.

That will enable me to tell you about the need for a public enquiry at DFO Moncton.

The Vice-Chair (Mr. Raynald Blais): Okay. Go ahead, Mr. Savoie.

Mr. Serge Savoie: I will give you a petition. All categories of fishers are calling for this inquiry. The Île Miscou lobster fishers association is one of them. It is true that we don't have the support of the four other traditional crabbers associations, but there again, we must be very careful. The leaders are the ones who are not supporting us, and not the crabbers themselves. Perhaps they have spent too much time under the reign of Brigitte Sivret, who was a liberal organizer in the 2006 election campaign, when I was a candidate for another party. Moreover, she has recently been appointed a judge.

Under the liberals, the temporary sharing arrangement in area 12 with the MFU, among others, became permanent.

None of the fishers associations trust DFO Moncton, because of the arrogance of the director, Mr. Robert Alain, who in June 2004 stated to a local newspaper *L'Acadie nouvelle*, that he would remember crabbers next season. How can such a senior official utter such threatening comments to a category of fishers of our importance? As far as we are concerned, we would clearly be very happy with Mr. Alain's resignation.

The election of Jean Chrétien's liberals in south-east in New Brunswick has been beneficial to the people of that region. Since then, we have seen our plants, our industries move to south-east New Brunswick, and close their doors in the north-east and on the peninsula. That did not happen by accident, in our opinion. Certain people are to be thanked for that.

We would like to know more about the contracts awarded by the former liberal prime minister, Paul Martin, to Biorex and that entailed expenses for crabbers. There are also the contracts for the black boxes, a system that means crabbers must pay, not for each day worked, but beginning at the start of the month, even if the fishery begins on the 20th day of the month, and right to the end of the month, even if the fishery finishes on the second.

Are the returns Biorex is required to pay fair? Was the bid that unable Biorex to win the contract fair? What about the agreements between DFO and the MFU under which inshore fishers receive a certain amount of the price of crab and another amount goes to the MFU? What is the MFU doing with that money? The MFU had made a commitment to invest in our communities. We have seen nothing to date.

That more or less covers the additional five minutes I have been given.

• (1130)

The Vice-Chair (Mr. Raynald Blais): Mr. Simms.

[English]

Mr. Scott Simms: You mentioned something about a medical plan.

Mr. Serge Savoie: Yes.

[Translation]

Mr. Scott Simms: Who is this insurance for?

Mr. Serge Savoie: The inshore fishers. The MFU charges each inshore fisher \$300 for a medical insurance plan. But that is absolutely not part of its mandate. A very high percentage of inshore fishers are opposed to that.

Mr. Scott Simms: Why?

Mr. Serge Savoie: People wonder where the money is going. It is \$300. Does it really cost that much? No one gets a direct answer. Apparently, the money is put into an account. Where is the money held? I have discovered that it is in some of the companies that belong to the MFU and the DFO looks after as well. These are the questions that we never get answers to.

[English]

Mr. Scott Simms: On Bill C-45, you said your response is going to be in October. Is that correct?

[Translation]

Mr. Serge Savoie: The minister has asked us to respond by October.

[English]

Mr. Scott Simms: Haven't you already done it?

Mr. Serge Savoie: No, we only received it last week.

Mr. Scott Simms: You know the bill was tabled in early December.

Mr. Serge Savoie: Yes.

Mr. Scott Simms: It will come up for debate soon.

Mr. Serge Savoie: Yes.

Mr. Scott Simms: We are to say yes or no in principle. So far, what are your thoughts on Bill C-45?

[Translation]

Mr. Serge Savoie: There are good and bad points, but I do not want to dwell on that. We want to propose constructive solutions, and that is why we are going to respond to the minister's document as quickly as possible.

[English]

Mr. Scott Simms: For the allocation you have in area 12, are you proposing that it be exclusive to traditional crabbers?

Mr. Serge Savoie: It would be exclusive to the traditional crabbers until 2010.

Mr. Scott Simms: It's until 2010.

Mr. Serge Savoie: It's because of the decline of the snow crab.

Mr. Scott Simms: What was the response from DFO, when you first asked?

[Translation]

Mr. Serge Savoie: DFO replied that the plan for the fishery had not determined that. In other words that 15 or 16% of the quota went to inshore fishers. Did it not, sir? They are two crabbers.

Mr. Scott Simms: How severe is the decline in snow crab for traditional fishers?

Mr. Serge Savoie: We would like to know if the quantity of crab is really decreasing or if the stock is maintaining itself, etc. But we never get any answers. At present, we only know one thing: for 2008, 2009 and 2010, scientists and biologists are saying that quotas should decrease by 20%. If there is a 20% decrease each year, fishers will only be fishing for two days.

• (1135)

Mr. Scott Simms: I see. That's all.

The Vice-Chair (Mr. Raynald Blais): Thank you.

Mr. Asselin.

Mr. Gérard Asselin: Thank you, Mr. Chairman.

I understand that it must be very frustrating for crabbers to pay for deckhands to study the biomass and at the end of the day, to not get the results of the studies they have paid for.

I would like to gain a better understanding of a point you made at the start of your presentation. According to the French translation, the people on board would not be paid. I didn't really understand. The English and French version are not the same.

Mr. Serge Savoie: Biorex is charging crabbers about \$3,300 to put observers on their boats. In the past, the federal government paid a certain percentage of the fees. The Paul Martin government eliminated that funding. Crabbers now pay all of the fees. The current conservative government has changed the legislation, but the wording is unclear. In French, it says that the government will pick up all of the costs, but apparently, it is simply re-establishing the 33% that the previous government had eliminated.

Mr. Gérard Asselin: According to the French version, the government would pay for all of the costs, whereas in English, that is not the case.

Mr. Serge Savoie: In English—

Mr. Gérard Asselin: That should obviously be clarified.

I am the member for Manicouagan, which is the north part of the St. Lawrence. Our crabbers are in area 16, which includes the Moyenne-Côte-Nord and the Basse-Côte-Nord. There are traditional crabbers and ground fishers in the area. The ground fishers are faced with a moratorium. They struggling to make a living. These people want to work honourably and earn their living without having to go on welfare or collect employment insurance.

They have successfully obtained temporary allocations for crab from Fisheries and Oceans for the duration of the moratorium. Of course, that has given rise to some frustration for our traditional crabbers, because they oppose sharing the resource. The part of the resource given to fishers who were not traditional crabbers was approximately 10,000 pounds per year, which penalized the crabbers. Since then, the number of traditional crabbers and market prices have increased. There seems to be some kind of a common organization so that everyone in Moyenne-Côte-Nord and Basse-Côte-Nord can get by.

I would like to know if in your area, principally in area 12, there are traditional crabbers—yes, I am convinced there are—and fishers who have temporary crab licences, as is the case in my area. You said that you did not agree with sharing the resource prior to 2010.

Mr. Serge Savoie: Yes, that is correct.

Mr. Gérard Asselin: Do you also have fishers back home who, although they are not traditional crabbers, receive temporary allocations for crab?

Mr. Serge Savoie: Yes, there are some, the inshore fishers, among others. The inshore fishers also fish scallops, lobster, herring and other species of fish. They can have virtually unlimited licences.

The lobster fishers are complaining because lobster is also somewhat in decline. On the other hand, they don't have weigh stations and are not limited to a given quota. There has been no legislation nor having any quotas been announced. Even they themselves say there are too many of them.

Ground fishers also have quotas. They 40 MFU inshore fishers no longer have temporary licences; they now have permanent licences.

Mr. Gérard Asselin: They are not temporary allocations for the duration of the moratorium?

Mr. Serge Savoie: No.

Mr. Gérard Asselin: You seem to be in favour of updating the Fisheries Act. In my view, the only problem with the Act is that it is over a hundred year's old. Aren't you afraid that Bill C-45 will contain all of the decisions that went against DFO? I am referring to the decision brought down in the Larocque case, where service and research were being funded with crabbers' money.

Aren't you afraid that Bill C-45 might allow DFO to demand quotas to fund research and development?

• (1140)

Mr. Serge Savoie: Mr. Asselin, we will take an in-depth look at the bill. I can ensure you that we will share all of our concerns. We want to make proposals to the minister to amend the act. Between now and October, our association will still study that directly, because we cannot miss this opportunity.

Mr. Gérard Asselin: I invite crabbers from New Brunswick, the Acadian Peninsula or elsewhere to share their concerns with us, as our committee will study the issue for Bill C-45. We will also demand that the minister meet with the people affected by the bill. At present, crabbers are not experiencing stormy seas, there are experiencing problems on shore.

Mr. Serge Savoie: That is accurate, sir.

Mr. Gérard Asselin: When we think about the Department of Fisheries and Oceans and the problems with communication, the storm is not out at sea, it is on shore, from one I can see.

The season is often very short. More and more, the price of fuel and labour are increasing, quotas are maintained or are lower, and there are new demands. I am afraid that Bill C-45 may even legalize the decision that went against you. I urge you to pay careful attention to this.

Mr. Serge Savoie: Mr. Asselin, I would greatly appreciate being inviting back here.

Mr. Chairman, I am making a request. Once we have finalized our position on the bill, we will be more than pleased to come and present our very clear position on the topic.

The Vice-Chair (Mr. Raynald Blais): Thank you, Mr. Asselin.

We will go to Mr. Stoffer, but before we do, I would just like to point out that in terms of procedure, when witnesses or groups want to appear before the committee, it is much wiser to put in a written request. That forces us to write back to you, and enables us to take a detailed look at the requests that we receive.

On that, I give the floor to Mr. Stoffer.

[English]

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Merci, Mr. Chairman.

Thank you, gentlemen, very much for your presentation.

Sir, prior to December 13, 2006, the tabling of Bill C-45, were you or your associates—or anybody in your organization—asked for your input prior to the tabling of that bill?

Mr. Serge Savoie: No, sir, because our organization is a young one.

Mr. Peter Stoffer: No, but the question is quite clear. Before the bill was tabled, were you asked for your input on the new legislation?

Mr. Serge Savoie: No.

Mr. James Lunney (Nanaimo—Alberni, CPC): It's a red herring. We're talking about crab today.

Mr. Peter Stoffer: I realize that, sir, but he also brought up Bill C-45, which will affect their lives very seriously. The reality is, he's asked his input now. He should have been asked that input before the tabling of the bill. And that's as simple as that.

Sir, on the Maritime Fishermen's Union, you had asked some certain questions. Have you been able to sit down with the executive of the MFU to get some of your questions answered?

Mr. Serge Savoie: With the MFU, no.

Mr. Peter Stoffer: Okay. You say you have some questions about the MFU, on how they allocate the health care expenditures they have. I'm wondering why you haven't been able to sit down with them. Have you asked for a formal meeting to get some of the answers to your questions?

[Translation]

Mr. Serge Savoie: The inshore fishers are the ones that must do that, and they have asked for a meeting. However, they have never received an answer. We are primarily responsible for crabbers.

• (1145)

[English]

Mr. Peter Stoffer: And you're aware of the Larocque decision, right?

Mr. Serge Savoie: Yes.

Mr. Peter Stoffer: How did that affect your industry?

[Translation]

Mr. Serge Savoie: It had a huge impact on the industry, because traditional crabbers lost approximately one million pounds.

[English]

Mr. Peter Stoffer: Sir, in 2006 the decision was made in March for the crab fishing, for just a single year, instead of three years. And that was for the southern Gulf of St. Lawrence—actually, the 2006 snow crab management plan for snow crab fishing areas 12, 18, 25, and 26, and in the southern gulf. In that decision they elected to make the plan for only one year instead of normally three years. Have they made a formal decision for 2007 yet? Has the minister announced the plan for 2007?

Mr. Serge Savoie: For 2007, we have proposed that, the same thing that I have read. But the fishing plan for 2007 is still giving quotas, TAC, to other ones.

Mr. Peter Stoffer: Okay, but has that been officially announced yet?

Mr. Serge Savoie: Yes. The fishing plan for 2007 has been out for a few weeks and crab fishermen are fishing now.

[Translation]

Mr. Peter Stoffer: That's fine. Thank you very much.

The Vice-Chair (Mr. Raynald Blais): Thank you very much.

Mr. Kamp, you have the floor.

[English]

Mr. Randy Kamp (Pitt Meadows—Maple Ridge—Mission, CPC): Thank you, Mr. Chair.

Thank you, gentlemen, for appearing.

In the past years, did you participate in any of the activities related to the Atlantic fisheries renewal? Did you have any input into that process or attend any meetings? It was a multi-year renewal that the Atlantic fisheries went through—multi-sectoral and so on. Were you part of that at all?

Mr. Serge Savoie: Okay, sir, there's one thing I should have told you right away: the CCCTPA has only existed for eight months. So we are not an association that is 10 or 12 or 15 years old. We have been built by fishermen who were unsatisfied with what was going on at the DFO and the UPM. So it's a coalition of snow crab fishermen who have built the CCCTPA, and it's a young, young association.

Mr. Randy Kamp: I think some of you belong to other associations, as well as the coalition—at least that's my understanding. It's also my understanding—just to respond to some of the other questions that have been raised—that those associations certainly participated in that broad Atlantic fisheries renewal, which was one of the foundations of the new Fisheries Act.

Do you believe that fisheries resources are a common property resource?

Mr. Serge Savoie: Do I believe what, sir?

Mr. Randy Kamp: Do you believe that the fisheries resources in Canada are a common property resource, as the Supreme Court has said?

[Translation]

Mr. Serge Savoie: We do believe that the fishery belongs to everyone. However, one industry has developed it from top to bottom, starting in 1975. One industry has financed it, protected it, imposed quotas on itself to ensure the resource was protected, invested millions of dollars in the fishery and in aircraft having to go to port, and so on. I believe that the traditional fishers, who built this industry, have priority, and I am referring here to the snow crab fishery.

• (1150)

[English]

Mr. Randy Kamp: What's the average income of a snow crab fisher?

[Translation]

Mr. Serge Savoie: That depends on prices and the fleet, among other things.

[English]

Mr. Randy Kamp: Give me some numbers, some ballpark figures. You're a traditional fisherman, a crab fisherman....

Mr. Serge Savoie: I am not, but I can ask.

Mr. Randy Kamp: Perhaps they can tell us what their income was.

[*Translation*]

Mr. Serge Savoie: What is the average income of a crabber?

Mr. Aldo Noël (member, Captain, Traditional Crab Boat, Acadian Peninsula Traditional Crab Fishermen's Coalition Committee): I don't know if he is talking about gross or net income, but as you just said, it depends on the price we are being offered. We can gross \$400,000, \$500,000 or \$600,000 a year, but there are expenses and debts. The debt on boats can total \$2 or \$3 million. Some have boats that are already paid for. The situation is never the same from one boat to the next. It is difficult to establish a figure. There are good years, and there are bad years. And when the bad years hit, people who have not put money aside for a rainy day, have problems. Do you understand?

[*English*]

Mr. Randy Kamp: Okay. Thank you for that.

I have just one final question, and then if there's any time, I'll pass it over to Mr. Lunney.

During your presentation, Mr. Savoie, I didn't hear much, if any, of the rationale for wanting to restrict it to zone 12, traditional crabbers. I didn't hear you refer much to conservation. Is part of your rationale that the stock is threatened? Is that the reason you don't think it should be expanded to others who are in difficult straits, as Mr. Asselin has said?

Mr. Serge Savoie: The stock will be threatened until 2010. There's a map here showing where the snow crab fishermen fish in zone 12. We can see that all around where the

[*Translation*]

inshore fishers go, the crab has practically disappeared. There is none left, or there is less and less. These fishers are going more and more into areas where traditional crabbers normally have their base, their fishing area. Yes, the industry is threatened. The traditional crab industry will be threatened until 2010. We cannot allow 600 fishers to invest in this area without imposing limits. Under the Marshall plan, licences were granted to our brothers, which was accepted since they are traditional fishers, like we are. But there are limits, and we must now close the door until 2010 to protect this resource and allow it to recover.

For 30 years, traditional fishers paid everything to build this resource, but since about 2003, other fishers who have never been required to do anything or pay anything are coming in and benefiting from the fishery. I think that is unfair. Given that in addition, the resource is threatened, as traditional crabbers, we must protect the resource and take charge of it. If reinvestments are required, we will make them.

[*English*]

Mr. Randy Kamp: Thank you very much.

The Vice-Chair (Mr. Raynald Blais): Mr. Lunney.

Mr. James Lunney: Thank you.

I just wanted to ask a quick question concerning the factors that were identified by the task force assembled back in 2005 by the Canadian Council of Fisheries and Aquaculture Ministers.

In their report, they commented on some of the challenges facing your industry. They're talking about cyclical weakening of the primary markets in the U.S. and Japan, the cost price squeeze because of the appreciation of the Canadian dollar, and sharp fuel cost increases. So your industry is bearing those costs as well.

Would you care to comment on whether you agree with these factors, or other factors that are stressing fishermen? Are you saying income is down because of some of these factors? I think I heard you say that the cost had currently gone back up, so could you comment on the relevance of those factors in the current fishery?

Mr. Serge Savoie: I can say a few things.

The Japanese buy their crab here too, but they buy a lot from the Russians, who have absolutely no....

• (1155)

Mr. James Lunney: Regulation?

Mr. Serge Savoie: Yes, that's it. The United States Alaskan crab threatens us too.

The dollar, the diesel, the ice that you have to put on boats—

[*Translation*]

Mr. James Lunney: Everything is going up.

Mr. Serge Savoie: Indeed.

[*English*]

Everything is going up. And last year the snow crab fishermen had \$1 a pound, but the diesel was up, the ice was up, and they still had to pay everything that I mentioned to you. Those prices don't go down; they still go up.

So we completely agree that the industry is in danger because of the resources and because of the globalization too.

Mr. James Lunney: Mr. Savoie, what is the current price then of crab? Is it still around \$1, or is it more now?

Mr. Serge Savoie: This year....

[*Translation*]

Mr. Aldo Noël: It is about \$2. It ranges between \$2 and \$2.25. It goes up and it goes down. There are price wars, and we don't know how long that will last.

Mr. James Lunney: Thank you.

Mr. Serge Savoie: Thank you, sir.

The Vice-Chair (Mr. Raynald Blais): I have no other names on my list, but if someone wants to speak, I invite him to let me know right away. Otherwise, I will give the last word to Mr. Savoie's group.

Mr. Savoie, I will give you a few minutes to wrap up.

Mr. Serge Savoie: Fine. I will stand up.

Mr. Gérard Asselin: You would have made a good member in the House.

Some hon. members: Oh, oh!

Mr. Serge Savoie: Thank you, Mr. Asselin.

I would like to thank you all very sincerely for having invited us, having listened to us and having heard us. We hope that you will consider our case and that we will receive some encouraging responses in the not too distant future. I also want to thank each of the members present here, as well as Mr. Blais and Ms. Burke, who helped me a great deal.

Gentlemen, on behalf of the CCCTPA, thank you very much.

The Vice-Chair (Mr. Raynald Blais): Thank you very much.

We are going to take a short break.

•(1155) _____ (Pause) _____

•(1200)

The Vice-Chair (Mr. Raynald Blais): Ladies and gentlemen, we are going to resume our proceedings.

[English]

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

[Translation]

The Vice-Chair (Mr. Raynald Blais): Yes, Mr. Stoffer?

[English]

Mr. Peter Stoffer: Monsieur Chairman, I asked a question that I got from the research department regarding the management plan for the crab season. The question was asked whether it had been released yet, and the individual said that it was. When I asked the researcher, he said he hadn't seen it yet. I'd just like François to be able to clarify that question that was on our sheet for the crab.

Mr. François Côté (Committee Researcher): Monsieur Savoie just handed me a management plan dated April 25, 2007, so obviously he has a copy of the management plan, but we were not able to access this information where it should be, online on the website of the department.

Mr. Peter Stoffer: Okay.

Mr. François Côté: That's why the question was formulated the way you read it from the briefing note, but we'll discuss it with the parliamentary liaison officer at DFO and we'll try to clarify the situation.

[Translation]

Mr. Peter Stoffer: Thank you.

The Vice-Chair (Mr. Raynald Blais): Mr. MacAulay, you wanted to raise a point of order.

[English]

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

We've now heard one side of this issue. There are other people in the snow crab fishery, and I hope this committee makes sure we hear from the other side too. I think it's vitally important.

[Translation]

The Vice-Chair (Mr. Raynald Blais): Thank you, Mr. MacAulay. I imagine that we will have an opportunity to discuss that in the next few hours or in the days to come.

From what I understand, Mr. Murray is now available.

Mr. MacAulay.

[English]

Hon. Lawrence MacAulay: I just want to make sure that this point is dealt with when we have the first management meeting of this committee. I think it's only fair and proper that this committee hears from other people involved in the snow crab fishery.

[Translation]

The Vice-Chair (Mr. Raynald Blais): Thank you very much.

Mr. Murray, you do not have a presentation as such, but you wanted to give the floor to committee members. Is that correct?

Mr. Larry Murray (Deputy Minister, Department of Fisheries and Oceans): Mr. Chairman, we are prepared to answer questions from committee members.

•(1205)

[English]

Perhaps I'll introduce the players, although I think most members of the committee know them.

With me are Michaela Huard, ADM policy; Dr. Wendy Watson-Wright, ADM science; David Bevan, ADM fisheries and aquaculture management; George Da Pont, Commissioner, Canadian Coast Guard; Alain Corriveau, our director general finance; and Sue Kirby, ADM oceans and habitat.

[Translation]

We are ready, Mr. Chairman.

The Vice-Chair (Mr. Raynald Blais): Thank you very much.

Who wants the floor on the Liberal side? Mr. Simms.

[English]

Mr. Scott Simms: Thank you all for coming.

I would like to pick up on an issue that came up recently.

Mr. Da Pont, there were rumblings about the purchasing of vessels again. Could you explain again to me what you plan to buy in the next ten years? In general, you could start out with the midshore and offshore fleet.

Commissioner George Da Pont (Commissioner, Canadian Coast Guard, Department of Fisheries and Oceans): We have authorization to acquire a total of 17 new vessels. One is an air cushion vehicle for Quebec that will replace the existing air cushion vehicle in Quebec. That is an item we have been working on for some time, and it's now in the actual construction stage. We expect to have that one next year. We have funded it out of our regular capital funding.

In the last two budgets, we have received authority to purchase 16 new vessels in total. There will be eight midshore patrol vessels, plus another four midshore patrol vessels for security purposes on the Great Lakes and the St. Lawrence. Of the total of twelve vessels, five are new ones, additions to the fleet, and the others are replacements for existing vessels.

On top of that, we've been authorized to replace the three main science research vessels and the one oceanographic research vessel. All of those four are replacements for existing science vessels.

The total there is sixteen, five of which are additions to the fleet and eleven replacements for existing vessels, if you want the numbers writ large.

In terms of the processes, we have put out a request for proposals for a number of the midshore patrol vessels and are in the process of evaluating the bids. For those, I'm hopeful we will be able to issue a contract over the summer, and we're hoping to have the first of these midshore patrol vessels sometime by late 2009, and a new one every few months afterwards.

For two of the science vessels we hope to go to that stage early next year and to issue a contract next year. That would lead, we hope, to getting the first of those vessels in late 2011 or early 2012.

For the vessels that were approved in this last budget, we haven't yet finalized the procurement strategy. We would have to follow the normal process of going forward with suggestions of possible options for procurement, and we're working on that.

Mr. Scott Simms: Which of these vessels are primarily in charge of Arctic deployment?

Commr George Da Pont: None of those vessels would be utilized in the Arctic because they are not icebreakers.

Mr. Scott Simms: This is somewhat political, but when it comes to the issue of Arctic sovereignty and the heavy icebreakers, it is strictly under DND. Is that correct?

• (1210)

Commr George Da Pont: We have developed a proposal of fleet renewal for almost all of our coast guard fleet, including the icebreakers, over a 25-year period. So we would like to get relatively early decisions on replacing the two heavy ice breakers, the *Louis S. St. Laurent* and the *Terry Fox*. We anticipate those vessels will continue to have a useful life until close to 2020, but we anticipate about a ten-year process to replace them. So we hope to get a relatively early decision.

Mr. Scott Simms: That's for the vessels.

Commr George Da Pont: That's right—the two heavy icebreakers. The remaining medium icebreakers we have are among the vessels in the fleet that are in better condition, so we won't be looking to replace them until subsequent phases.

Mr. Scott Simms: Those are not generally in the Arctic area, are they?

Commr George Da Pont: Yes. Every year we have at least six and sometimes seven vessels in the Arctic—the two heavy icebreakers, and four or five of the medium icebreakers.

Mr. Larry Murray: Certainly on one of the science vessels, the oceanographic vessel, the last thing is a replacement for the *Hudson*. It will have some ice capability, and the fisheries research vessels will as well. The *Hudson* has operated in the far north in season—the kind of September-October timeframe. Clearly there is science work to be done in the Davis Strait, and so on.

I just want to be clear that these science vessels could work in the north, but not in the way you've asked the question. I don't want to

leave the impression that they have no capability to do science work in the north. They will when seasonal conditions permit. The oceanographic ship would certainly have the ice capability of the *Hudson*, so it could operate in modest ice conditions.

Mr. Scott Simms: Which vessels are primarily in charge of monitoring foreign vessels off the nose and the tail of the Grand Banks?

Commr George Da Pont: Right now we have three vessels, the *Cygnus*, the *Cape Roger*, and a third, the *Leonard J. Cowley*. We always have two of those three on the nose and tail of the Grand Banks at any one time.

Mr. Scott Simms: What is the involvement of DND in monitoring of the nose and tail?

Commr George Da Pont: DND receives some funding support to give us assistance at particular times, on request, and to have a DND vessel available from time to time.

Mr. Larry Murray: We have an MOU with DND that specifies the number of days—I think it's 155—for both coasts. On the west coast we have traditionally used some of that time for search-and-rescue support, but in general terms they provide support to ensure that we can try to maintain a two- to three-ship presence out there. So we do have frigates occasionally, and sometimes we have coastal patrol vessels. The main work has been done in the last few years by moving *Cygnus* and having three offshore patrol vessels available stationed in St. John's.

I would also say the Aurora aircraft from the military augment and support the provincial airways for aircraft.

Mr. Scott Simms: True. So that's a significance presence out there, in your opinion.

Mr. Larry Murray: I would say that Canada has a significant presence out there most of the time—

Mr. Scott Simms: But it's not exclusive. Who else is involved?

Mr. Larry Murray: The EU has a patrol vessel out there.

Mr. Scott Simms: Given our involvement out there, are we pretty much the custodial managers of the nose and tail of the Grand Banks?

Mr. Larry Murray: In the context of the recent reforms under way in NAFO and the changes in the compliance that came into effect in January this year, we do not have custodial management. But we certainly have a regime that has very effective compliance. That played out in the last 36 to 48 hours in events out there. The minister has said at this committee a few times that we haven't had incidents, but we did have one recently. We found a major infraction. The EU confirmed it, and the vessel has been returned to its home port. The reality is that the regime in place works.

By having two very capable patrol vessels out there doing boardings on an ongoing basis, great air patrol coverage by provincial airways usually so we know what's going on, coupled with VMS and a compliance regime now that works, I would say we are achieving very effective compliance, as the minister has said.

• (1215)

Mr. Scott Simms: Certainly we've achieved this over the last three or four years, haven't we?

Mr. Larry Murray: I would say that in terms of presence, certainly we have been out there for about three or four years, but in the absence of the kinds of changes that the minister managed to achieve with the NAFO regime. We had a presence and certainly we were boarding and doing all of that, but there wasn't a compliance regime that worked the way the current one, as of last January, is working. I don't know whether David Bevan wants to say some more on that.

Mr. David Bevan (Assistant Deputy Minister, Fisheries and Aquaculture Management, Department of Fisheries and Oceans): I think the difference now is that in NAFO conservation enforcement measures, the sections there don't give a choice. If you find certain types of infringements and they're confirmed, then what happens is the vessel shall be pulled back to port for further inspection. The vessel that went back over the course of the weekend was virtually empty. It only had 150 tonnes on board—

Mr. Scott Simms: Where do they go back?

Mr. David Bevan: It's going back to Vigo. It's going all the way back across the ocean without having had an opportunity to get the fish it needs for a profitable trip, and I think that in itself is a deterrent.

When it gets there, it will be subject to inspection. Our folks will be there to observe that inspection, and we have every indication that the Spanish government is going to take very significant action if it's confirmed.

[Translation]

The Vice-Chair (Mr. Raynald Blais): Thank you very much, Mr. Bevan.

I will now give the floor to Mr. Asselin.

Mr. Gérard Asselin: I'm almost ready.

The Vice-Chair (Mr. Raynald Blais): That's good.

Mr. Gérard Asselin: Mr. Chairman, I want to take advantage of the fact that representatives from the Department of Fisheries and Oceans are present. The committee is preparing to undertake a study of small craft harbours, to meet with witnesses, to travel across Canada, to visually inspect facilities and discuss matters with the people concerned. Like me, you are aware that some small craft harbours are in a very advanced state of deterioration, because very little money has been invested in them, and DFO seemed hardly or not at all concerned with maintaining and repairing its own equipment. The Small Craft Harbours Divestiture Grants Program does exist. In some places, they are like a house of cards, and you can understand that people aren't interested in buying a white elephant or a house of cards that is on the verge of collapse. Some places require an investment of several million dollars.

The budget that was adopted in the fall of 2006 contains \$104 million for that. It is now May 2007. I would like to know if that \$104 million is earmarked exclusively for maintenance and repair work. Are you confirming that you need at least \$100 million over the next five years, to upgrade the wharfs that belong to DFO, which are used for tourism, by fishers and primarily for the fishing industry? If not, I would like to know how much money is left in the Small Craft Harbours Divestiture Grants Program.

That completes my question. I will have some other ones if there is a second round. Does the minister have a list, by order of priority, of the wharfs belonging to DFO that will be repaired in 2007?

The Vice-Chair (Mr. Raynald Blais): Who wants to answer those questions?

Mr. Larry Murray: I will start, Mr. Chairman. Then I will give the floor to Mr. Corriveau, who will talk about the figures.

As regards the question on priorities, we have a plan for this year. The minister will certainly be happy to share this plan with the committee.

• (1220)

Mr. Gérard Asselin: We are preparing to go on the road. Before leaving, and before beginning our in-depth study on small craft harbours, would it be possible to submit to the clerk a list of the small craft harbours that will be repaired and maintained in 2007? That way we will at least know that there is an implementation plan, a timeframe, and that the \$104 million will be invested in 2007. That way, we would be able to focus our efforts on other small craft harbours.

Mr. Larry Murray: Mr. Chairman, the minister and the department are prepared to send the documents to the committee for the purpose of its travel or to make a presentation on the current situation.

The Vice-Chair (Mr. Raynald Blais): Regarding the other questions, does anyone else in the group want to comment?

Mr. Larry Murray: We have all kinds of figures on small craft harbours. The figures are always somewhat difficult to establish. We estimate requiring \$55 million per year to maintain and repair all small craft harbours.

In 2006, the government increased the budget for small craft harbours by \$11 million. This year, we have an increase of \$20 million, and the minister has asked us to use these funds as effectively as possible to meet the priorities of small craft harbours.

The discussions are ongoing as regards other requirements. Twenty million dollars for five years represents a total of \$100 million. That amount will help us make some improvements, but I do not believe that it will solve the problem completely.

As regards the \$104 million, I will give the floor to Alain.

The Vice-Chair (Mr. Raynald Blais): Mr. Corriveau.

Mr. Alain Corriveau (Acting Director General, Finance and Administration, Department of Fisheries and Oceans): The Small Craft Harbours Program does indeed have an operation and maintenance budget of about \$104 million. That is the normal operation and maintenance budget for conducting yearly activities. You talked about a figure of \$100 million over the next five years—

Mr. Gérard Asselin: Per year—

Mr. Alain Corriveau: —to repair the harbours. We need funding to repair the harbours. I cannot confirm the accuracy of the \$100 million amount per year for the next five years, but we can certainly provide you with information at a later date.

• (1225)

The Vice-Chair (Mr. Raynald Blais): Thank you very much, sir.

Mr. Gérard Asselin: Who will provide us with the list of repair work on the small craft harbours performed in 2007, by order of priority?

Mr. Larry Murray: It is the minister who must provide the list, and we intend to give him the best advice possible.

The Vice-Chair (Mr. Raynald Blais): Mr. Stoffer.

[*English*]

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

Thank you all for coming today.

Monsieur Da Pont, to a previous question by my colleague Mike Savage regarding the April 1 plan of coast guard, you had indicated that it was just a draft and that the transfer of the vessels from Maritime region into Newfoundland region would be incorporated in the final draft. When will the final draft be ready for our analysis?

Commr George Da Pont: The final draft is now in translation, and I anticipate being ready to send it to this committee for information by the end of this month.

Mr. Peter Stoffer: Thank you.

Mr. Murray, we had a group of people from the west coast here talking about some concerns over the Larocque decision. The transcripts—the blues—were sent to you, and you indicated you were going to give a written analysis of those comments. When would the committee be able to anticipate that written response to their questions?

Mr. Larry Murray: I think it's a fairly complex piece of work. We'll do it as soon as we can.

David, do you have a sense of timing, since you're working on it?

Mr. David Bevan: We could try for the end of the month or the first week of June.

Mr. Larry Murray: We'll do it as soon as we can, but obviously there are some real legal edges around all this stuff, and we have to be careful.

Mr. Peter Stoffer: Yes; that's understandable.

Madame Watson-Wright, my discussion with some folks at BIO and across the country is that, as in any public service department, there is a concern about retention and recruitment.

Put aside for a second the financial concerns the Larocque decision has placed on the department regarding science and

research funding. In terms of human capital, in terms of people, what is the department doing not only to retain the current scientists and researchers the department has, but for future scientists down the road—not just for BIO, but for the Lamontagne centre in Quebec, as well as for the west coast?

Dr. Wendy Watson-Wright (Assistant Deputy Minister, Science Sector, Department of Fisheries and Oceans): Thank you very much for the question.

In fact, the human resource strategy for the science sector within the Department of Fisheries and Oceans has been discussed most recently by the science management board. This is a small committee, chaired by the deputy, that includes the ADMs of the client sectors, some of our RDGs, and some of our senior scientists.

This was discussed about two weeks ago by the science management board. It will be coming to the departmental management committee the day after tomorrow. We're hoping to receive support for the plan there.

In terms of retention and recruitment, we initiated last year, for the first time in a few years, a modest recruitment of research scientists, and we were able to hire 13 across the country. We intend to proceed with hiring in those classification groups within which we have the largest gaps, and certainly now we recognize that we need to recruit in the technicians group—what's called the EG group, our largest group within the sector—as well as recruit biologists and some chemists.

Within our resource levels we intend to allocate toward recruitment. In terms of retention, there are a number of different initiatives that will be underway. Most importantly, we wish to retain the knowledge of some of our more senior scientists, who are eligible to retire in the near future.

Luckily for us, we have a very effective scientist emeritus program, and we're intending to expand it beyond the research scientists to other sorts of classifications. These people agree to stay on if we provide them with a computer and a place to sit without having to actually pay their salaries.

In fact, in two weeks I'll be going to BIO, where one of our hydrographers is moving from paid employment to emeritus status after 43 years of service. So we can retain some, but we recognize that we have to be more effective in retaining some of the younger ones. A lot of it has to do with resources, and I think the injection of resources in budget 2007 is helping us to proceed.

• (1230)

Mr. Peter Stoffer: Thank you.

My last question for you for this round is this. In Newfoundland, in New Brunswick, and in Nova Scotia now, especially.... Look at the future of Canso, one of the oldest fishing villages in North America; this year it will have no fish processed at all in its plants. It's the first time in its history, and it's really quite sad. But there are an awful lot of plant workers and fishermen, not just in the Maritimes region, but in Newfoundland and Labrador. They've been asking for a possible—and I know it's fiscally quite constraining—pension buy-out for older workers in the fishing industry.

Have there been any discussions at the federal level with the provinces and with other agencies, such as HRSDC or Service Canada, to assist those older plant workers and/or older fishermen to exit the industry with some form of financial dignity?

Mr. Larry Murray: Maybe I'll start and then ask Mr. Bevan to add to this.

In terms of plant workers, I think Parliament has been discussing this issue, to some extent, and the federal government does have a study under way on older workers. I may be wrong, but I believe that study is due to be completed this fall.

In terms of fishermen, certainly the minister's "Ocean to Plate" strategy and a number of the initiatives announced in Newfoundland—not only in relation to Newfoundland and Labrador, but also Atlantic-wide—focus on trying to put in play mechanisms that would allow some kind of self-rationalization, if I can say that. Certainly the combining initiative in Newfoundland and Labrador, which the minister is open to hearing about from other fleets around the Maritimes, is part of that, particularly when married with the capital gains tax measures in the last two budgets. Those measures mean that fishermen can either pass it on in the family, with no tax hit, or if they're selling outside the family, they have a \$750,000 capital gain, which could translate into \$180,000 in the pocket of a licence holder, so it's not loose change.

So there are a number of initiatives trying to assist the demographic shift that is going to happen in this industry, as will happen in a number of others, just given the age and the nature of the work.

David, do you want to continue?

[*Translation*]

The Vice-Chair (Mr. Raynald Blais): I would simply like to point out that we have gone well over time. Given the importance of the topic, I would ask that Mr. Bevan be allowed to conclude.

[*English*]

Mr. David Bevan: I think there are two issues. One is displaced workers and towns where there are no longer any fishing or fish processing activities; the other is the older worker issue, which the deputy has talked to.

There's actually a growing concern in the industry about labour shortages, both for crew as well as for processing jobs. You see advertisements now for foreign workers; that's been a practice in the past. So there is a need to really look at how we manage both the processing and the harvesting. The federal government looks after harvesting, and we are introducing measures to preserve the independence of the inshore fleet in Atlantic Canada, trying to make sure the enterprises rest with the inshore fishing fleet and at the

same time allowing combining, so that those who remain in the industry will be able to get the crew and make the livelihood necessary to attract and retain workers, both in harvesting and processing, where the same thing will have to be contemplated. We aren't getting younger workers into the fish processing business, and unless that happens, obviously there's going to be a labour shortage shortly.

So both of those are elements of the April 12 announcement.

[*Translation*]

The Vice-Chair (Mr. Raynald Blais): Thank you very much.

Mr. Calkins.

[*English*]

Mr. Blaine Calkins (Wetaskiwin, CPC): Thank you, Mr. Chairman.

I just have a few quick questions, and a number of them deal with aquaculture. I'm just very curious. I went through the estimates and I noticed that there's not a whole lot of spending or full-time equivalents on that; I think there are 29 full-time equivalents, if I remember correctly, and about \$3.8 million spent annually in aquaculture. I'm concerned about it from a food supply and food safety perspective.

I just want some clarification before I go any further, though. I get reports from the B.C. Ministry of Environment, and obviously Fisheries and Oceans Canada has a role to play in this, and so does the Canadian Food Inspection Agency. If I could get, as quickly as possible, some clarification on where the jurisdictional boundaries lie, I would appreciate that.

• (1235)

Mr. David Bevan: When you look at the main estimates, you're actually looking at the budget of the aquaculture management division. Those are the people who look at coordinating support for the industry, etc. There are a lot of other people, obviously, who are engaged in the regulation of the aquaculture industry. Habitat is involved. We also have CFIA, as you noted. There's a role for Transport Canada, in terms of the Navigable Waters Protection Act, and CEAA, etc. When you look at all of those pieces of other organizations, there are substantial resources. We just don't have them captured that way, because it's a matter of a piece of somebody in Transport Canada, CEAA, and so on.

So the people you're looking at, the FTEs, in the budget are the ones who are dedicated to helping deal with the issues, coordinating the work of the various departments and involved in managing aquaculture, etc. So they are catalysts, and their numbers don't reflect the actual amount of work done by the federal government or the provinces in managing the aquaculture industry.

Mr. Blaine Calkins: Given that, fish obviously are the jurisdiction of DFO when they're in the ocean, right? So we're talking about one of these aquaculture facilities, one of these floating ones that's out in a fjord or something like that, and I'm just trying to get a fair understanding of this. When does the salmon obviously fall under the jurisdiction of DFO? When does it become food? Obviously after it's been killed and is going to market. But how does that happen?

Mr. David Bevan: It's a fairly complex jurisdiction. When somebody comes forward looking for an aquaculture site, they come to Fisheries and Oceans relevant to the Fisheries Act and habitat provisions. The Navigable Waters Protection Act is administered by Transport Canada. That may trigger a CEA, which is administered by the agency. Once all those steps are gone through, in most provinces, with the exception of P.E.I., the sites are actually provided by the province. So all of the steps then lead you to the province, which approves the site based on all the criteria they have along with the criteria that we have, as a federal government. When the fish is in the water it's property, so that means it's joint federal and provincial jurisdiction. Once it starts to come out of the water, it's property. It goes into a processing plant, subject to registration by the Canadian Food Inspection Agency, and they apply standards set by Health Canada. So it's a fairly complex array of agencies and groups involved in the regulation of the industry.

Mr. Blaine Calkins: My concern here is—because it's very complicated, I'm sure that there are qualified, competent people looking after all of this—I've heard, as we're all aware, there's been some melamine found in wheat gluten that has found its way into pet food supplies and so on. There was a report in the media a little while ago out of the United States that farmed fish in the U.S. were fed a meal spiked with an industrial chemical linked to the ongoing recall of pet foods. I'm just wondering what role DFO have, if any, in deciding what these fish that are raised in aquaculture are fed.

Mr. Larry Murray: Thanks very much. I'll hand off to Wendy to answer that specific question, but I wouldn't mind picking up where we left off the last one.

The minister has been pushing hard, working closely with his provincial colleagues to bring forward something called an aquaculture framework agreement. It's a three-part thing, but the first element of it is around governance, which is code for sorting out all this regulatory stuff that David talked about, so that we and the provinces and everybody involved work very closely together so that, from the industry's end of this thing and from environment groups and others, it's clear who's doing what to whom. And we do it in the most effective manner possible. And there are timelines around it as well, so if that if you're thinking about investing in this industry, you have some confidence that you're going to get an answer of yes or no, as opposed to maybe for an extended period of time. The minister has been pushing this very hard, and he has total support from all his provincial colleagues that this does need to

move forward. It also has attached to it additional science and R and D.

We do additional development work in support of aquaculture from our science sector as well, and the elements of trying to give that industry some of the same kind of protection around crop-risk insurance that agriculture has.

So there is an initiative underway to try to come to grips with this kind of spaghetti mix of regulatory stuff. But in relation to the specifics of the most recent thing you raise, which was a really good question, Wendy, do you want talk to that?

• (1240)

Dr. Wendy Watson-Wright: Certainly. It is a CFIA lead on this, but we work very closely with CFIA. If it has an impact on the health of the animal, of course the national aquatic animal health program, which again is a CFIA lead with DFO support, is in there. Many of the same people are involved in all of these things.

In terms of the nutrition and feed for animals, we do work on the research side, in conjunction with industry, academics, and the National Research Council, for example. Currently, one of the initiatives is looking at alternatives to fish meal, for example, looking at vegetable products that go into the feed.

But when something like melamine happens, it's immediately a CFIA lead with support from DFO science and support from other scientists who we know would have the expertise necessary. Of course, on the human health side, Health Canada has a role to play there.

Mr. Blaine Calkins: Good.

How much time do I have left, Mr. Chair?

[Translation]

The Vice-Chair (Mr. Raynald Blais): Three minutes thirteen seconds, twelve seconds!

Some hon. members: Oh, oh!

[English]

Mr. Blaine Calkins: Thanks.

I want to go on, and hopefully you'll have some latitude with me, seeing as how you've had some latitude with some of the others here.

I want to talk from a cost-effectiveness point of view. I have a report here from the *Vancouver Sun* that came from the B.C. Ministry of Environment. It says that the total wild salmon harvest in 2005 was 26,300 tonnes—I believe that's accurate—and farmed salmon was 70,600 tonnes, so a little more than double. When you look at it and do the cost-out, the wholesale value to the province of captured wild salmon was \$212 million, while the farmed salmon was \$371 million. Wild salmon was worth about \$8 million a tonne, and farmed salmon was worth about \$5.2 million a tonne.

I'm wondering if there are any programs looking at that through the estimates here. Maybe we're going about it the wrong way. I'm also wondering if there is any money being spent to look at either adding value to the aquaculture or perhaps investing in the wild salmon, which seems to bear a better value on the open market.

Mr. David Bevan: Right now, the price for aquaculture products is fairly good compared to recent past numbers, and it's a very profitable process. The wild salmon is sockeye, and there are a lot of sockeye there, and there are other species in that mix that are very desirable on the market. There is a niche market for wild fish that provides more value.

So both sides of that equation are doing quite well, and it's difficult for us to add more value through government programs. On the aquaculture side, they're finding it quite profitable at the current prices.

Mr. Larry Murray: I think you've hit the nail on the head in terms of what we should be doing. That's why we're trying to look at this ocean-to-plate approach and bring value to the fishery.

There's no question that notwithstanding the challenges, the wild salmon fishery is kind of a derby-run fishery to some extent. That's what we're trying to have a look at, because troller-caught wild salmon is worth a lot of money, and salmon caught by seiners as well.

We need to figure out how to work with industry to enable them to catch the fish at the right time to get maximum market value. It's a question of how we manage the fishery to give those people the best possible living with high-quality wild salmon that is worth a lot of money.

Mr. Blaine Calkins: That was my point, and I'm hopeful and optimistic that maybe through some of the changes and evaluations you're talking about and going through, we'll take a look at that, because the sport-fishing industry also faces some challenges on B. C.'s west coast.

It's very lucrative when you look at the price per pound of wild salmon. So I'm certainly hopeful and optimistic that we'll make sure that everybody gets their fair share on the west coast.

Mr. Larry Murray: That has really been the focus of the minister's ocean-to-plate approach. How the hell do we tie all this thing together, ensure that we get the resources to market at the best price for everybody, and take maximum advantage of the existing resources?

Mr. Blaine Calkins: Thank you, Chair.

[*Translation*]

The Vice-Chair (Mr. Raynald Blais): Thank you, Mr. Calkins.

Mr. Matthews.

[*English*]

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

I want to welcome our witnesses again.

As I said to Scott, with all this jurisdictional overlap, the poor fish must be so confused. I wonder if it impacts their growth.

Some hon. members: Oh, oh!

• (1245)

Mr. Larry Murray: Look what it did to me.

Some hon. members: Oh, oh!

Mr. Larry Murray: Sometimes it impacts on our stories.

Mr. Bill Matthews: It stunted three old red fish.

Mr. Calkins put an idea in my mind. Is the feed for our farm fish Canadian-made, or is any of it imported? That's not what I really wanted to ask, but could someone answer that? I represent a fairly significant aquaculture area in the Connaigre Peninsula. It's going to get bigger, by all accounts, over the next five to ten years, so I was wondering if it's Canadian-made or coming in from somewhere else.

The last day you were here, I asked a question on the FPI groundfish quotas. At that time, Mr. Bevan was in Newfoundland and Labrador in intense meetings, negotiations, and discussions. Can you give me an update on that? Has it been resolved, or are we close to resolving it?

I understand that the province is now in possession of written proposals, and I'm wondering if you could please update us on that.

Mr. Larry Murray: I'll start and then I'll ask David to speak. I should tell you that David went to Newfoundland with carry-on luggage and he came back several days after his carry-on luggage ran out.

There's a very key vote tonight by labour, and I gather the results will be out at ten o'clock. That's really critical to this. I think the minister believes that we have the makings of something that will fly for everybody, but going beyond that at the moment is a bit challenging.

Dave, do you want to talk a bit about the process?

Mr. David Bevan: The process actually started last Sunday, with meetings here, and led to discussions in Newfoundland to come to ground on the issue of the kinds of controls that would be placed on the fishing of those groundfish quotas. That was essentially all the discussion that took place.

There was a position clarified and left with the province and we're waiting for the rest of the process to unfold in terms of the transfer from one company to another, the labour arrangements, the provincial role, and how all of that will work out. Hopefully, we'll see some resolution over the course of the next couple of days.

Mr. Bill Matthews: If the offer is accepted by the union, which I'm very optimistic it will be, that won't settle it, is what you're telling me. There are still other things to be done.

Mr. David Bevan: I think we have to hear from all the parties on all of the elements. One part is how the quotas will transfer, then there are all the arrangements between the province and companies involved. All of those have to come together. It may be settled in the next few days, but it may take longer in terms of all the details around the legal drafting, the contracts and all that kind of thing. But we're hopeful that the elements of the deal will be coming together in the next few days.

Mr. Bill Matthews: Does the province have all the information they requested from you people?

Mr. David Bevan: There are still discussions going on today, but I think we're getting to the point where they understand enough about what we're doing to ensure that they can make an informed decision.

The Vice-Chair (Mr. Raynald Blais): Monsieur Cuzner.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): I thank Mr. Matthews for allowing me this question.

Peter asked about this before, and I know, Mr. Murray, that you and Mr. Bevan are very much aware of the situation in Canso. You've seen this movie before, and the ending doesn't look any better than it has in past years.

A remote coastal community is really going to live or die at the whim of the processor that holds the quotas that are attached to that facility. There's desperation in the community. They're at wits' end.

What clubs does the minister have in his bag to help out the situation? What is the spectrum of response that could be within the realm of power for the minister to help that community?

Mr. David Bevan: That community traditionally was reliant on groundfish. Unfortunately, that area of the Scotian Shelf, 4VsW, is really not doing well in terms of groundfish. The cod quota in that area, when we put the moratoria on 15 years ago, was around 20,000 tonnes of spawning stock biomass. It's about 2,000 tonnes today, notwithstanding no fishing. So the stocks they were relying on are not recovering. There were arrangements made with other companies to move in, but again, that hasn't panned out.

The minister has the authority and the responsibility under the Fisheries Act, obviously, to allocate fish and to provide licences. That is a tool that can be used, but he doesn't have the authority to specify exact landing spots, like Canso, Burgeo, Ramea, Lunenburg, or any other place. He can't do that. He is in the situation now where there are simply not a lot of the species that were traditionally supporting that town available for allocation. It's a real tough issue for both the minister and, in particular, for the people of towns such as Canso.

• (1250)

[Translation]

The Vice-Chair (Mr. Raynald Blais): Thank you very much, Mr. Cuzner.

Mr. Asselin.

Mr. Gérard Asselin: Mr. Chairman, I would like to respond to a statement made by Mr. Bevan a little earlier. The problem with the federal government is that the right hand doesn't know what the left hand is doing.

You talked about a labour shortage. The problem with fisherman's helpers and processing plants has no impact in downtown Toronto or Montreal, but it does in the region, in regions where there is a fisheries industry, in the Gaspé Peninsula, on the North Shore, and in other regions of Canada where people fish.

People are interested in becoming fishermen's helpers, because one day they will become fishers. Men, women, young people, and older workers are interested in working in processing plants. You say that young people are not interested in taking over. The problem is with Human Resources and Social Development Canada. Young people who enter the workforce, or the woman who decides that her children are old enough and independents enough for her to re-enter the workforce, must work 910 hours to be eligible for employment insurance. In processing plants, or for fishermen's helpers, the season isn't long enough, quotas are not high enough, there are moratoria, etc. Young people are not interested in going off welfare. They have left the regions to work in large centres, or to try and survive in large centres, because they don't have work in the regions. There are many people in the regions who want to work.

You don't need a university degree to work in a processing plant or to work as a fisherman's helper; you just need a few hours of training. The young person or the woman whose children are old enough for her to decide to re-enter the workforce, the older worker who has retired and who decides that he is still physically able to do some kind of work for a portion of the year, would want to work there. Given that young people need 910 hours, it doesn't work. People who are already in the processing plants and those who are already working as fishers need 420 hours to be entitled to employment insurance. They continue in those jobs because they are guaranteed employment insurance.

With the support of the NDP, we are proposing to improve access to employment insurance. We are proposing 360 hours for everyone in agriculture and in the fisheries industry.

Don't bring Chinese people or Mexicans to the North Shore to take jobs from people who want to work. If they aren't working, it's not because there is no work or because they don't have the training, it's simply because they aren't entitled to employment insurance.

Talk to the people at the Department of Human Resources and Social Development and try to get them to understand. It's not up to politicians to do that. Officials must talk among themselves and realize that the bill to amend employment insurance make sense and will allow for replacement workers in the fishing and agricultural industries. At the very least, it would enable young people to enter the workforce in the fishing industry. Let's allow them to enter the workforce by guaranteeing that they will be eligible for employment insurance following the period where they have worked.

That is the problem. Look no farther: that is the problem. People don't want to work in these areas, because the season is not long enough and young people don't qualify for employment insurance.

•(1255)

Mr. David Bevan: You have described the problems facing the fishing industry and the fisheries. That is why we have undertaken discussions in the regions, with the provinces, to attempt to resolve these problems. An announcement will be made April 12. There are a considerable number of changes to fisheries policies. We clearly don't want foreigners to take jobs from Canadians, but many plants have problems, for example in Prince Edward Island or in other areas, where it is impossible to find staff. It was therefore necessary to find employees elsewhere.

We are in the process of changing policies so that fishers and people working in fish processing plants have better opportunities to earn a living, to earn more money. In fact, even with employment insurance, it is difficult in many areas to have a good salary working in the fishing industry. That is why the young people aren't there. They want a different life style, and they are continuing their education and moving to places where they can find better jobs. We have to change jobs in fish processing plants, increase the standard of living and improve opportunities for making money while working in the fishing industry.

The Vice-Chair (Mr. Raynald Blais): Thank you very much.

We are going to finish this round with Mr. Stoffer. You will have a lot less than five minutes.

[*English*]

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

First of all, congratulations to the minister and yourselves for continuing the recognition of the Rubber Boot Brigade. These are the people who do the recreational fishery enhancements across the country. I thought that ceremony was quite nice.

I have a couple of questions for you on the Pacific Salmon Treaty. Are negotiations going on with our American cousins in that regard? Also, the ballast exchange—I know a lot of that goes with Transport, but what role is DFO playing to ensure that we have some of the most stringent ballast concerns going? Especially in the Great Lakes and on our east and west coasts, there is still a growing concern out there about ballast exchange. I'm just wondering if you could discuss those two issues, if possible.

Mr. David Bevan: The PST—Pacific Salmon Treaty—is due for renegotiation in 2008. We need to determine with our American

friends whether or not we wish to roll over the provisions that we have now, or seek to reopen it. So that's the nature of the discussions we're in right now, and after we've gone through that process we'll determine what the next steps are.

[*Translation*]

The Vice-Chair (Mr. Raynald Blais): Thank you very much.

[*English*]

Mr. Larry Murray: On the ballast water, we have been involved, through the oceans action plan—both the last version and the most recent announcements—to get funding for Transport Canada to move forward with that.

I might ask Wendy to talk to our role in providing the science in support of it. It is moving forward.

Wendy, do you want to talk to that?

Dr. Wendy Watson-Wright: Yes, very briefly.

We had established a Canadian Aquatic Invasive Species Network. It's a research network led out of the University of Windsor. We continue to work with the academics across the country as well as with other government departments.

We are looking at projects in 2007-2008, looking at alternative ballast water exchange zones outside of Newfoundland, looking at real-time risk assessment systems for ballast water exchange on the Scotian Shelf and Gulf of Maine. We are looking to evaluate sea chests as potential vectors for invasives, and we are also analysing the domestic ship trade as secondary vectors of species invasions in the Great Lakes. Clearly invasives come up every year at the Great Lakes Fishery Commission. Those meetings are upcoming in about three weeks.

[*Translation*]

The Vice-Chair (Mr. Raynald Blais): Thank you very much.

That will be the last word for today, but of course, we will have an opportunity to meet again on Thursday, to continue our work.

Thank you very much.

The meeting is adjourned.

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