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## **Standing Committee on Fisheries and Oceans**

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**EVIDENCE**

**Thursday, March 12, 2009**

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**Chair**

**Mr. Rodney Weston**

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Thursday, March 12, 2009

•(1115)

[English]

**The Chair (Mr. Rodney Weston (Saint John, CPC)):** We'd ready to begin, everyone.

I'd like to welcome the Fisheries Resource Conservation Council this morning. I'm going to turn the floor over to Mr. d'Entremont, who will make some opening comments.

Mr. d'Entremont, you could introduce your delegation as well.

Once again, thank you very much for coming here this morning.

**Mr. Jean-Guy d'Entremont (Chairman, Fisheries Resource Conservation Council):** Thank you very much.

I'd like to take the opportunity to thank the standing committee for inviting us and having some discussions over our report.

We've provided you with three items. I think you all have a copy of the report, which is the reason we're here. We have a short presentation, and then there are a few charts that I added on. Some of them are not in the report. I find them quite interesting. They may help you and help in the discussion.

[Translation]

I am going to take a few minutes to make my presentation and then we will try to answer your questions. I will make the presentation in English this morning.

[English]

With me, I have other members of the council.

By the way, I'm in the fish business in Nova Scotia. I'm an Acadian. We fish mainly haddock. I am not a lobster fisherman. I'm chairman of the council.

Go ahead.

**Mr. Donald Walker (Member, Fisheries Resource Conservation Council):** I'm from the Quebec region. I've been member of the FRCC for the last two and a half years. I'm an inshore fisherman, a lobster fisherman. I come from the Gaspé region.

**Mr. Gerard Chidley (Vice-Chairman, Fisheries Resource Conservation Council):** Good morning, everyone. I'm from Newfoundland and Labrador, from the Avalon riding. I own and co-operate a multi-species fishing vessel, the *Atlantic Champion*. It's a pleasure to be here.

**Mr. Arthur Willett (Executive Director, Fisheries Resource Conservation Council):** I'm the executive director of the FRCC's secretariat here in Ottawa.

**Mr. Jean-Guy d'Entremont:** I'll just tell you a little bit about the FRCC and what we are.

In 1993, following the collapse of the northern cod, the Minister of Fisheries and Oceans created the FRCC to provide advice. So we're an advisory council, and we were established to provide an opportunity for harvesters to have input into the management and science of fisheries.

We're an arm's-length advisory body for east coast fisheries. There's a PFRCC that's responsible for the west coast. We provide advice publicly to the Minister of Fisheries and Oceans.

We're comprised of 12 members. We have harvesters, scientists, processors, aboriginal people. We also have provincial representatives from each province of Atlantic Canada, who are ex officio members of the council.

The strength of the council is basically the diversity in the membership. Also we have the opportunity to go to the fishing communities and consult with them and learn what they have to say. We go directly to the fishermen themselves. Often they say, "It's great to see you guys, because we finally have an opportunity to provide input in the process." That doesn't often get done just through DFO.

Also, we provide a long-term strategic framework. So we provide advice that is basically the "what" that should be done—this is what should be done, and you, DFO and industry, determine how to do it. The "how to" we try to leave for DFO, because we don't implement the recommendations we provide. We simply provide the advice, and the report is stand-alone.

To touch on the 2007 lobster report, council was mandated by the minister to review the 1995 report. The FRCC wrote a 1995 report on lobster, a conservation framework, and then in 2007 we were asked to look at what has happened since 1995, give an update and then provide advice looking ahead to the future.

We consulted with the fishing industry. We had 20 public consultations throughout Atlantic Canada—all the provinces, in specific areas. We timed it according to their fisheries. It was set in two stages, because we wanted to ensure that fishermen had ample opportunity to come and talk to us. We also received over 85 written briefs. This is the most the council has ever seen. There was a lot of interest in giving us information, because it's so valuable. A \$600 million industry touches a lot of communities.

The consultations were very focused and constructive. We received information during these consultations that we weren't quite clear on, so we went for clarification. We set up a three-day workshop. We invited 35 or so fishermen from across Atlantic Canada and discussed those issues thoroughly to get a good opinion.

As far as the review of the 1995 framework is concerned, we found that very little had been done since 1995 in reducing capacity, reducing effort, and minimizing risk. So the 1995 report and the toolbox within are still very useful today.

There has been some carapace size increases, or minimum legal size increases, but they were slight in most areas. But there are some areas that did engage and did very well to improve their conservation situation. Some of those were in Newfoundland and in the Quebec region. The Quebec region is a leader when it comes to conservation frameworks in the Maggies and the Gaspé region. I'll talk a little bit about that.

Why did Quebec take on this challenge? It's mainly because of the strong leadership in the industry. They had a vision. DFO had that same vision and they worked together and made it happen. They didn't quit. They had a lot of push-back, but they kept to it, they kept on their vision and kept focused on the objectives, and they got it done.

• (1120)

The cooperation between DFO and industry was good. What they did was go gradually instead of having a huge shift. Roger Simon, who is the area manager in the Magdalen Islands, said that we would increase the minimum legal size by a credit-card thickness per year. He said that we had all kinds of trouble, but that we had it made. We increased six or seven millimetres. Now they're landing larger lobsters with more value, and they have reduced some of the effort by reducing traps. It's explained in the report.

They adopted and adapted the 1995 report. When we went to consult with them on the 2007 report, they raised the 1995 report. That was their bible. They followed that, and I think that's why they were so successful. They were successful enough that they have had two ten-year plans. Very few fishing areas have ten-year conservation plans, and they were able to do that.

The thrust of the 2000 report, this one here, which we passed out, is that it's all about managing risk. We found that the risks are higher and that the situation is more risky, I guess. We need more information. For a fishery that's worth over \$600 million, we do not even have correct landing information or true landing information. We need to increase egg production, factor in ecosystem considerations—the exploitation rate has to be reduced—and improve compliance. We heard a lot about non-compliance in this fishery. It's sad that it's still a big factor. It was in 1995 and it still is today, or it was two years ago.

In the fishery, as you'll see, if you're planning to go out and talk to fishermen, there's a large dependence on lobster. Lobster is the main fishery for many inshore fishermen. There used to be a groundfish fishery. There used to be others, but right now there's not a whole lot, and everybody is focusing on lobster.

Landings remain high, and I have a graph that talks about that, but the effort is increasing. Compliance is low and investment is high, so

economic sustainability could very well be at risk, and with the lack of good information, it's that much riskier.

On fishing effort, when we looked at fishing effort and saw what happened in 1995 and then in 2007, we asked ourselves why the effort was increasing. Why is that? We tried to look at the drivers. What is driving this effort up? The main reason is competition. The fishery system, the lobster fishery in Atlantic Canada, is set up as an input control, and competition is very fierce. There's overcapitalization. Employment insurance is also a factor keeping people in the fishery who otherwise might leave.

So we provided options to reduce effort. Again, this is the “what”. What should be done to reduce effort? How? Input controls are one way. Buyouts are another. Output control is another. There are territorial user rights fisheries, or TURF, and transferable effort allocations.

Each area is very diverse in Atlantic Canada. The fisheries are different, and therefore, one shoe doesn't always fit all, so it's important that DFO and industry work together to find the solution that fits best.

On the science, the advice we provide is to get better information, maintain the focus on increased egg production, assess stock structure, consider the connectivity of lobster fishing areas, set exploitation rate targets, and build upon organizations such as the FSRS in Nova Scotia, in which fishermen and scientists work together to find scientific information that's very necessary.

Under the topic management and compliance, as I said earlier, compliance, or lack of, was a dominant topic in the consultation. There are still a lot of illegal traps out there fishing. There are still people selling undersized lobsters, and penalties are just basically too low—this is what fishermen have been telling us. Harvesters are generally poorly organized. They don't speak in one voice. So the advice we provide to the minister is to please work together with industry and set up a shore-based monitoring program. If we can at least know what's coming out of the water—the size of the fish, the landings, the volumes—then we will have a better understanding of where things are going and how to assess in terms of change.

• (1125)

A change of attitude is required. There's a basic lack of understanding in the fishery that the fishermen have the most to gain and the most to lose by being responsible and accountable. This is something that needs to change. Harvesters need to get organized. It's not just having a group. It's speaking in one voice and having plans and moving toward that.

The other issue we raise in terms of advice is a sanctions tribunal. Going through the courts is a very slow, arduous process for both DFO and industry. We feel that if it were dealt with by a few people in the industry, with a swift and severe fine or sanction, it would be more powerful. And the industry asks us for this.

This concludes my brief overview of the report. We'd be very happy to respond to questions and comments. I'm sure we'll have some.

Thank you very much.

**The Chair:** Thank you, Mr. d'Entremont.

Mr. Byrne.

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

Thank you very much to our witnesses.

This is a very comprehensive report you've prepared. We're delighted that it's not collecting dust, not by any standard of the imagination. Of course, the issues in the industry are just as pertinent today as they were in 1995, and again in 2007. It's definitely an evolving file—one that will probably never have an end, and one that needs action now.

Carapace size is probably the most contentious issue in the gulf region. We're about to embark on site visits. As a committee, we will meet directly with fishermen on this particular issue. A ten-point plan has been developed. It enjoys the support of a significant number of lobster fishermen in certain areas of the maritime region, of the gulf region. It does not enjoy a certain amount of support in other areas.

Would you be able to enlighten the committee today on certain aspects of the ten-point plan that's currently before the minister, and also on the whole issue of carapace size?

•(1130)

**Mr. Jean-Guy d'Entremont:** To be clear, and just to reiterate what I said at the beginning, our role is to be an advisory council. Our role is to consult with the fishing industry, determine what is the best approach and way forward for 10 to 15 years down the road, and provide advice to the minister. Once we provide advice, the report is stand-alone. We don't debate or discuss or negotiate with the department or implement the report—not in any way, shape, or form.

Because we're involved in the fish business and the fishery, we understand that these plans are in place. The ones that you mean, the ones from the Maggies, I'll ask Donald to talk about.

Basically, when reports are provided to the minister publicly, then it's up to the department to implement them. We don't really have any attachment to the report other than discussing the report itself. We don't have any implementation power. We have lots of influence in how decisions...and how things continue, but we have zero decision power.

**Hon. Gerry Byrne:** Thank you very much for that. It's an important perspective for us to know and understand.

Perhaps I could reword the question, then. During the course of your consultations, and in the course of preparing your report, what

did the FRCC find with regard to the issue on carapace size, and what were your recommendations in that regard?

Maybe Mr. Walker can respond.

**Mr. Donald Walker:** I will respond on that, because in different areas they have different varieties of sizes. Different increases have been made over the past few years.

When it comes to an increase in carapace size, some reasons were economic, but most thrust was put forward on egg production. In some areas, it was very easy to increase egg production by going with a very small increase. In other areas, you had to go farther to get a carapace size that would double egg production.

In most instances, it's where the fisheries was developed around small-sized lobster that the problem became apparent in increasing carapace size, just because of the economics that had been built around that fishery. The sale of lobsters was developed for that type of lobster. So to change that model would take a lot longer than in areas that were not developed around that—in Prince Edward Island, say, where they have a canner, or in New Brunswick, where they have a canner fisheries.

In our area, where it was not processing—it was mostly live market—you'll notice, as in most areas that have a larger lobster, it's more curtailed toward the live market.

**Hon. Gerry Byrne:** Just for the sake of all of us, myself included, carapace is the size from the tail to the nose—

**Mr. Donald Walker:** No. The carapace size is measured from the eye to the back, where the tail starts.

**Hon. Gerry Byrne:** The tail to the eyes, okay.

In terms of the actual adjustments to carapace size, the fishermen of course use a gauge to determine this. From a management point of view, when you change the carapace size, how do you actually set that? Did you find during the course of your consultations that that was a significant issue, that it's difficult to enforce relatively minor changes to carapace size? Or is that sort of—pardon the expression—a red herring?

**Mr. Gerard Chidley:** I think this will probably get right to your question. The carapace size is related to trying to have at least 50% of the females spawn at least once before they enter the harvest. That is the main and ultimate goal, if you want to look at a progressive stage.

When you look at page 20 in our book, you will actually see a graph of how close each area is and how to determine what would be needed. It's economically crippling if you move in too-big increments. This is the whole idea, to try to move people along a gradualism.

In some areas where you may be farther apart, you may see other management measures that are in place, like protecting the large females, which certainly produce a hell of a lot more eggs. You may have a size measure that produces something that's five inches and up. Well, that group may not have the goal as tight to the 50% level as someone who doesn't have something in place to protect the....

• (1135)

**Hon. Gerry Byrne:** Is carapace size the most critical tool in the conservation basket? Is it relatively minor? Could you sort of weight that whole issue of carapace size in terms of scale?

Finally, can you engage in a discussion about whether this industry on a significant downward spiral throughout all regions or some regions, or is it sustainable? I know there are declines in some regions, stability in others. What was your forecast for the future in your 2007 report?

**Mr. Jean-Guy d'Entremont:** I don't want to drop the minimum legal size. I have distributed one that says "Percentage of lobsters which reproduce below the minimum legal size". You have that chart in front of you. The top number you'll see if you go up and across is that 83 millimetres is the legal size and 90 millimetres is the size at which 50% of the females are mature. If we catch the lobster at that carapace size, 10% to 15% of the females will have the chance to reproduce.

If we take another one, which is P.E.I. southern gulf, 68.5 millimetres was the size that was the minimum legal size, but 70.5 millimetres is the size at which 45% of the females that are caught at that size are mature.

If you look in the Bay of Fundy area down to Southwest Nova, 82.5 millimetres is the market size at which they land the lobsters, but 97 millimetres is the size at which 50% of the females are mature. So only 2% of the females that are caught at that size have actually reproduced or have had the chance to reproduce. It is very risky in the Bay of Fundy, as you see, compared to other areas in Atlantic Canada.

What the FRC proposes is that you should try to have 50% of the females having a chance to reproduce before you catch them. However, in areas such as southwest Nova Scotia and the Bay of Fundy, where it is so far off, then for God's sake, please protect the large females by leaving them in the water.

We have a graph as well that shows how many eggs a female produces. As you go to your bottom access, if you go right you get to 100 millimetres, you'll see 20,000 eggs are produced, but if you have a female that's 150 millimetres, 160 millimetres, you're up to 80,000 eggs produced. Not only are there more of those eggs, but they are healthier. They're larger and there's a better chance they will survive.

The other reason why minimum legal size is very important is that it's measurable and it's enforceable.

You try to keep as many females as possible, because egg production in the lobster fishery is very important.

The other question pertained to the risk. The major difference between 2007 and 1995 is that there are no fewer vessels in the fishery. There are more of them. They're larger and more powerful. They cover more of the fishing grounds. They start fishing at night,

not only in the day, because they're limited by season and by trap limits.

We heard in spades at consultation that a lot of fishermen are fishing beyond their limit because it's very hard to enforce trap limits. If you're in some areas like the south shore of Nova Scotia and southwest Nova Scotia, just for example, if you go out 50 miles and you have 200 miles of coastline, to have a patrol boat haul every buoy out there is virtually impossible.

• (1140)

What we state in the report is that most of the cheating that is going on is by commercial harvesters using illegal traps. The lobsters they land are legal, but how they caught them is not. And it's difficult to pinpoint how and who is doing that.

**The Chair:** Thank you, Mr. d'Entremont.

Monsieur Blais.

[*Translation*]

**Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ):** Thank you, Mr. Chair.

Good morning, gentlemen. Thank you very much for coming before us and helping us to get started on our study of the lobster industry.

If I may, I would first like to turn to Mr. Walker, whom I know quite well. First of all, Mr. Walker, welcome. Could I hear your views about the option that has been recommended or put forward by the Regroupement des pêcheurs professionnels du sud de la Gaspésie in response to all the happenings in the lobster industry. Both in Gaspésie and the Iles-de-la-Madeleine, this has been occupying people's attention for some time, though they may have chosen different approaches. They have been experiencing difficulties in Gaspésie for some time. I would specifically like to hear you talk about the buyout of licences, since that has been recommended as an approach. In the report, you are very apprehensive about the licence buyout option, but it is not necessarily an option for everyone. I also understand, I think, that, depending on the region, or part of a region, there can be completely different approaches that can be very helpful. I would like to hear you comment on that.

**Mr. Donald Walker:** I will answer in French.

We put a plan in place very early because of the crises that our fishing sector was going through. We know that the option changes over time and that it has evolved into its present form. It has changed recently. It started with the licence buyout just because we knew that the fishing effort needed to be reduced. To start with, we went with a percentage, which we tried to reach by measures like reducing the number of traps per fisherman, the maximum size of the traps, and we started to use a standard trap. Then, as to the buyout option, we started using our funds to buy out businesses 100%. That has changed over the years. We now get the fishermen to participate. It is not just the government that invests, there is also an investment from the fishing industry. This means that the fishermen have a stake in protecting their resource and in investing in the future.

We know that that the fishing industry has to be restructured everywhere in the Gulf and in the Atlantic. If we want to face the future, and the declines, we must accept that it is too big; there are too many players for the amount of the resource. There is no long-term stability in the fishing industry. The entire industry has to be able to make it through lean years. For that to happen, the fishery has to be viable, and to be able to prepare for the worst. If there is a huge decrease in the price of lobster this year, say if the price fell to \$2 per pound all over the Atlantic, there will be an economic crisis that will be out of our control. We are trying to avoid that in the long term, but the problem is that it takes an enormous investment from government and from the fishermen to restructure the fishing fleet. It is big; this is no small structure that we are trying to reduce. There are places where it is completely different. There are different methods of reducing the fishing effort. We are reducing the effort ourselves, but, in other places, different plans are needed to meet the same goal.

Second, buying licences has evolved. In the future, it is possible that two businesses may buy licences together in order to reduce fishing effort. We always come back to the same thing: in the present economic crisis, it is not easy for fishermen to make investments. It is not clear where the money will come from.

• (1145)

**Mr. Raynald Blais:** Unless I am mistaken—and Mr. d'Entremont can comment on this—depending on your background, the economics, the fishing area, there are different...For example, we all know that the boats used to fish for lobster in the Îles-de-la-Madeleine are different from those in Gaspésie. In Gaspésie, in places like Cannes-de-Roches and elsewhere along the Gaspé coastline, the boats are a lot smaller than in the Îles-de-la-Madeleine. It is an in-shore fishery, in fact. In the Îles-de-la-Madeleine, they have go much further out to sea. That is why the boats are much bigger.

So the fishing effort is not at all the same for all businesses and in all places. There can be differences in the lobster situation as such. While your committee says that licence buyout is an option that you are moving away from, it could still be an option that would be interesting and appreciated in other places.

Is my understanding correct?

**Mr. Jean-Guy d'Entremont:** Yes, it is correct.

Donald explained what happens in his area, and it works well for him and his group. One of the situations where licence buyout works is in small groups. His region is divided into little zones, “zonettes” if you like. That is one of the reasons it works.

As well, it is not just a question of the government buying back the licences and then leaving the fishermen on their own. The licence will be reimbursed, the government will be paid back by the fisherman, who then reduces his effort. That is what we need to do now.

For example, a comparison of buyouts has been done for groundfish, a fishery where licences have been bought back. Everyone came from all around and caught the fish that would have been caught by those who had sold their licences. So the fishery

filled up again. For us, licence buyout is the quickest way to reduce the effort.

But it has to be understood that we cannot stop there. Later on, we are going to be forced to reduce the fishing effort again, because it will come back. In effect, the system is set up for people to land as many lobster as they can throughout the season, depending on how many traps they have.

**Mr. Raynald Blais:** Thank you.

[English]

**The Chair:** Thank you.

Go ahead, Mr. Stoffer.

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP):** Mr. Chairman, thank you very much, and I thank you gentlemen for coming before us today.

As I read the four elements in your vision statement on page 10 of your report, am I correct in suspecting that you base this report and the previous reports on the fact that lobster, like other species, is a common property resource?

• (1150)

**Mr. Jean-Guy d'Entremont:** What we say in the vision statement is that the lobster fishery belongs to Canada. The lobsters belong to Canada.

**Mr. Peter Stoffer:** Thank you. That's perfect.

On page 41 you make recommendations. As long as I've been here, we've always heard this continuous discussion over quotas in lobster. As you rightfully point out, there's not much of an appetite for that, but as times change maybe attitudes will change.

I remember years ago, when I went around asking if lobster fishermen wanted to have something similar to the Freshwater Fish Marketing Corporation in Manitoba, or the Canadian Wheat Board—did they want to develop a lobster marketing board—and almost unanimously they said, “Get lost with that idea”. But now they're talking about it, that maybe this is something they're looking at. So attitudes and times change.

On page 41, bullet 3, you talk about “the implementation of quotas with a transferable component”. As you know, Mr. d'Entremont, I don't mind individual quotas, my concern is the *t* in the middle, or the *v* in the middle—either individual vessel or individual transferable quotas. What that would do, in my own personal view—and you can correct me if I'm wrong—is that would concentrate the lobsters into fewer and fewer hands, which basically means that if you had the money... For example, I take it a company like Clearwater, through trust agreements, can buy up all these licences, and thus they would guarantee themselves the resource coming into their hands, but they would effectively control the lobster fishery.

So if you're reducing the effort, I believe in the fact of a buy-back, but making sure it's a true buy-back, that they don't find a back-door way into the fishery. If you're going to have 40 fishermen in a harbour, then you have to make sure, if you're buying them back, that there are 30 left when you're done, and that's the effort. But under the ITQ system, it could be concentrated, and if you expand that thought process a little longer, there's nothing under the current rules that would stop Clearwater, for example, from selling their entire enterprise to a foreign entity—i.e., Iceland, the United States, or somewhere. What lobster fishermen are telling me is their greatest fear is having control or management of the lobster fishery by foreign hands. This is something they believe an ITQ would lead to. I'm just wondering if I can have your comments on that, please.

By the way, thank you very much for your report. Did the minister respond to the report thoroughly, as they do our reports? And if they did, is it possible to get a copy of that response?

Thank you.

**Mr. Jean-Guy d'Entremont:** Thank you very much.

That is a good question and a very pertinent one. The answer regarding the minister's response is that we did receive a "thank you very much for your report" type of answer, but we have not yet received a detailed explanation of what will be approved or not. We are aware....

Pardon me?

**Mr. Peter Stoffer:** Would you know if that's coming?

**Mr. Jean-Guy d'Entremont:** I am not sure where that is. I am not certain at this point, because it's not something we debate or discuss afterwards. We just provide the advice, and it's a stand-alone report. However, we're writing another report now on herring, so we did ask, because we'd like to know if there's somewhere or somehow we can improve our reporting and the manner in which we provide advice. We haven't received a formal piece of literature saying they are going to do this or that or the other thing. We haven't had that yet.

We are aware, however, that DFO has implemented or is in the process of implementing many of the points that we've raised. The three main points are reducing effort, monitoring, and organizing the industry. So that's that question.

Having quota systems throughout the world is probably the easiest way to balance capacity with the available resource. In order to do so, the first thing you need to establish is the number of lobsters out there, and that's very difficult, because we lack the scientific information to just spit out a number and say there are this many lobsters in the water, with this many here and that many there. I'm not saying you can't go down that road, but science would have to improve or find a way to establish how many lobsters are available, I think. That's rule number one.

Once you have an IQ, an individual quota, then you have to determine how to balance the capacity with the available resource. So your quotas are set so that if you catch that quota, the resource should be fine, thank you very much. If you establish that the quota is  $x$ , and you divide that among the fleet equally or by historical performance or however, then if the quota's well set, the fishery

should react accordingly. If you set quotas low, the fishery should increase. If you set quotas high, the fishery will probably reduce.

Now, in the idea of ITQ, the individual transferable quota, the "T", which you don't like, is what actually keeps balancing the capacity with the available resource. One buys the other one and combines and reduces an entity so that the enterprises are actually economically viable, and you leave that decision with the user. The fisherman decides how much quota he or she would need to make that enterprise work. That's how ITQs work. So the "T" in it is what keeps balancing the effort or the exploitation with the available resource, and that's why it's key. So with the "T" you have a self-rationalization process whereby the industry members themselves buy one another out or sell, and that balances the economics of the situation.

The other points you've raised are on the Canadian aspect of it and the percentages established to determine the concentration situation. Those are separate issues. The council did not deal with all those explanations, because they wanted industry to think about them, and if it works for them, they have to design the ITQ system in order to meet those criteria. If, for example, fishermen are concerned about the Canadian or the non-Canadian entities buying into the quota, then the framework has to be set up around that to ensure that doesn't happen.

● (1155)

The rules of the ITQ system that you would establish can be made to deal with that issue. It's the same thing if concentration is an issue and a concern. You set limits of concentration in your plan. Some fisheries, such as the mobile gear groundfish fishery, have a limit of 2% per licence. That means there's a minimum of 50 vessels or 50 licences that can be active in the fishery. Other fisheries have 5%, while other fisheries have—

**The Chair:** I'm sorry, but we're constrained for time here for questioning.

**Mr. Jean-Guy d'Entremont:** I'm sorry.

**The Chair:** I'd like to move to Mr. Calkins now, please.

**Mr. Blaine Calkins (Wetaskiwin, CPC):** Thank you, Mr. Chair. I certainly appreciate the testimony I'm hearing here.

Let me preface by letting you know that in a previous employment I worked as a fisheries technician for Alberta fish and wildlife division. We worked on walleye in Alberta, which are about as tasty as lobster, but that's about as close as they get. I worked on something called the minimum size limit experiment, which absolutely changed the entire fishing regulations in the province of Alberta as far as walleye is concerned.

The whole notion there was that a sport fisherman was allowed to catch three walleye at 15 inches. It was found out afterwards that a female walleye doesn't actually start spawning until about 17 inches in length. What we were doing was harvesting everything before it had an opportunity to reproduce. Lakes would be reduced to nothing but a few old walleye that managed to never get caught, and there was no healthy juvenile recruitment. I see the same thing happening here through your recommendations.



One of the things that we did was introduce something called “slot size”. That slot size protected fish that managed to get to that age when they were reproducing. They were protected in that slot, which meant that it was a non-harvestable fish. The equivalent could be said for a lobster. It's the same notion.

In your report you talk about raising the carapace length, which obviously protects a female. You go into quite a bit of detail in regard to the Bay of Fundy, and how different carapace lengths throughout the region result in different ages or different reproductive capacities or sizes at which females become reproductive.

The other difficulty we had with the walleyes was that we couldn't tell the sex. I understand that you can look at a lobster and tell if it's a female or a male, so I'm wondering why you seem to make no recommendations on whether there should be a moratorium on the harvesting of females or on whether there should be different sizes for females versus males, and why there aren't any references to a slot.

Also, while it was hinted at here, there was no actual recommendation to designate some areas as off limits. If you take a look at the lobster fishing areas, they basically cover every fishable area. There isn't a single place where a lobster can hide without the risk of having a trap set within ten feet of it.

I'm wondering why there are some of those absences, given the knowledge of other fisheries that we have around the province. I was somewhat surprised not to see some recommendations along that line.

• (1200)

**Mr. Jean-Guy d'Entremont:** Thank you very much for that question.

You can tell the difference between a male and a female lobster, but you have to flip it upside down. You have to physically see it, so the lobster has to come up in the trap first in order for you to determine the sex. You have to flip it upside down. You can easily see if it's male or female.

What we refer to in our report, and I'm not sure which page—

**Mr. Blaine Calkins:** I don't mean to interrupt, but if you trap a lobster that's not the right size, it's simply returned overboard.

**Mr. Jean-Guy d'Entremont:** Yes, and it's alive.

**Mr. Blaine Calkins:** Each one of those lobsters, if my knowledge of the fishery is correct, is measured, because it has to comply with the length, so simply flipping it over and taking a look at the swimmerets would be the second step in the process. On the deck of a boat it would be technically feasible, would it not, to make that determination and decide whether or not to return a lobster? Is that not true?

**Mr. Jean-Guy d'Entremont:** Yes. Every lobster has to be handled—

**Mr. Blaine Calkins:** Individually.

**Mr. Jean-Guy d'Entremont:** —individually. You're right. It's easy to tell the difference between male and female, number one, but we recommend a window. You call it—

**Mr. Blaine Calkins:** It's a slot or a window, whichever.

**Mr. Jean-Guy d'Entremont:** —a slot. We call it the window. If a lobster doesn't reach a certain size, then you throw it back over, and it survives. They use that in various places in Atlantic Canada.

What we're saying is that in areas where you're not close to your 50% mature, we strongly advise that you allow for those larger females to stay in the water. You return them to the water. We do have that.

We do have a recommendation on refugia, which are closed areas. The refugium is in Browns Bank. In southwest Nova Scotia there's an area 40. If you look at the last page in the back of your book, you can see area 40, which is a place where no fishing of lobster takes place at all, by any fleet. We feel this is where larvae are spawned. They drift and they settle in area 34. That could be why southwest Nova Scotia is doing so well, but we don't have the proof.

**Mr. Blaine Calkins:** So what we have, then, is that this refugia is actually doing its job, but it's the only one in the entire area. If we were to take a look at the entire fishing area, whether it's up by the Gaspé, the îles-de-la-Madeleine, or wherever the case may be, one refuge or one place certainly wouldn't be indicative. If you take a look at any type of conservation plan or preservation plan, you're usually looking at anywhere from 12% to 20% of an area that should be left as a refuge in order to allow an opportunity for healthy stocks.

In the context of this report, then, and I guess necessity being the mother of invention, the reports submitted in 1995 and 2007 were under different economic times and different economic conditions. We're now in 2009. In these different economic conditions, do you feel that the recommendations in the reports are still just as valid today, considering the economic times, as they were in 2007 and 1995?

**Mr. Jean-Guy d'Entremont:** The risk is higher, even from 2007. Today what's scary is that what we predicted was that if the costs of doing business, like the cost of fuel, etc., were higher, and if the exchange rate came to almost par with the U.S.... It's a perfect storm of what happened to the fishery. The prices going down and the economic situation globally all make the situation graver than what we said in 2007. The situation is grave.

• (1205)

**Mr. Blaine Calkins:** Knowing what you know for the recommendations you had in 2007, are there any other recommendations that you now wish you would have included? Are there areas that you wish you would have explored? Because as our committee goes through this, as we travel through Atlantic Canada studying this issue, it doesn't make sense for us to redo the work you've already done.

Could you point out, for the benefit of this committee, areas that you wish you would have covered and areas that you'd like to see more focus on, so that we as a committee can hone our future committee hearings, our future questioning, and our future witnesses to take up any of the areas where you feel that some new examination maybe should be looked at?

**Mr. Jean-Guy d'Entremont:** Not to pat ourselves on the back, but I think we've covered most or all of the issues. We didn't put enough emphasis, I think, on the economic sustainability pillar. When we looked at sustainability in lobster fisheries, we identified four pillars of sustainability. The ecology or biology part is number one, plus the social, economics, and institutional parts.

I think the economics pillar is one that we touched on and mentioned, but now it's really coming to the point where it's a graver situation. It's quicker. If anything, we should have sounded the alarm harder. If I were to say something like we're sounding the alarm here, we're in trouble, and something's going to happen; it's not a matter of if, but when.... And now it's sooner rather than later. That's how I would respond.

**Mr. Blaine Calkins:** Thank you, Mr. Chair.

If I have any time left, one of my colleagues may wish to use it.

**The Chair:** Mr. Van Kesteren.

**Mr. Dave Van Kesteren (Chatham-Kent—Essex, CPC):** Thank you, Mr. Chair.

Thank you to the witnesses for coming here today.

I remember serving on the ethics committee last year. We were studying access to information. Hidden in some of the reports and hidden in some of the facts, oftentimes, are things that nobody wants to talk about.

I say that because we found that we were struggling with access to information. We didn't have the people in place to handle all the claims that were coming forward, so when I asked the probing questions, like where the claims were coming from, I found out that the majority of them were coming from our institutions, from the prisons, and nobody wanted to deal with that.

I guess that's the question I'm asking you. We know we have a crisis or are bordering on a crisis. What's looming in the future doesn't look that good. Are there areas that are just sensitive and that you don't want to talk about? I know that quota areas.... People are cheating on their quotas.

For instance, we saw on the news that with the natives.... There were some problems with the natives. Is that possibly an area? Or is that a small part of the problem?

**Mr. Jean-Guy d'Entremont:** I think we've covered every part that should have been covered. I don't think we avoided discussing the tough issues. I think the quota situation is one that is a quick rationalization plan that involves industry buyout, and it's one that fishermen don't want to talk about, but we talked about it. We felt it was important to discuss it as an option.

The native issue is more polarized in certain areas, but for the most part natives have been integrated in the fishery commercially and share fishing grounds with other commercial fishermen, non-native fishermen, and that's not an issue. I don't think it's a huge issue except for a few areas.

I'll ask my colleagues if there's any issue that we didn't touch.

The only one that is prevalent now that wasn't as important back then is eco-labelling. Something that wasn't really in the forefront is

MSE approval and access to markets. Because of a lack of information and proper monitoring, I don't think we'll pass MSE approval very well, or eco-labelling standards. And that will force changes, as well. But that's not something we heard a lot about while we were in consultation in 2007. It happened more in the last couple of years.

**The Chair:** Anybody else?

Gerard.

**Mr. Gerard Chidley:** Mr. Chair, I'll just expand on it slightly.

The difference between 1995 and 2007 was that in 1995 the room wasn't full, there was still room for expansion. If you look at the difference in some of the graphs that we've shown, like the vessel size changes, technology changes, horsepower curves versus landings, you will realize that there's no substrate left, to add to your point, where the lobster has to hide. Now we have the table full, and the only way things can change is if people start dropping off the edge.

Two of the things we talked about in predictions were the change in the economics, whether it be into currency or market availability, and fuel prices. We had 83 briefs and we did 20 consultations, and I don't think there were too many rocks that weren't unturned. The consultations were very well attended and very well focused and the reports that we put together certainly reflected what we saw and what we heard.

It wasn't our job to follow the report through. This was presented to the minister and the public. Under the cooperative management scheme, that's how you proceed. The minister then has to take it and move forward, like with consultations with the respective LFAs, lobster fishing areas, and see what pile of the tool box they're going to pick apart and what wrenches they'll use.

I hope that helps.

•(1210)

**The Chair:** Thank you, Mr. Chidley.

**Mr. Jean-Guy d'Entremont:** May I just add something?

**The Chair:** Very quickly.

**Mr. Jean-Guy d'Entremont:** Everything that we have received is on the website, our FRCC website, all the briefs. All the information is open and transparent, and anything we've heard you can find there.

If you need information or before you go to consult, if you'd like some help I'm sure the secretariat would be quick to help you find where to go and how to go about setting them up to get good consultations.

**The Chair:** Thank you, Mr. d'Entremont.

Mr. Andrews.

**Mr. Scott Andrews (Avalon, Lib.):** Thank you.

Thank you, guys, for appearing before us today.

Obviously we've heard much today about the size of the female lobster and how important it is. My question is with regard to V-notching, and the practice of that.

I find that there's always this great debate between DFO scientists and the fishermen, and sometimes we don't use the fishermen as the greatest scientists we have. In speaking to some fishermen in my riding, and from a group of fishermen in one bay who practised V-notching, they swear by it. And then you go to the next bay, and they're not practising V-notching. And for the ones who are practising V-notching, keeping the bigger females there to spawn more eggs, it's phenomenal

Why aren't we doing more? Why don't we protect those animals that have been V-notched, make them illegal to sell? How widespread is the practice of V-notching? Is there any research there that could give us some more information, saying this is a good way of keeping the females spawning?

**Mr. Jean-Guy d'Entremont:** I'll ask Donald to answer.

**Mr. Donald Walker:** The V-notching process was big in Maine before it became apparent in the eastern Canada area. It's practised in many different areas in many different forms. We started it very early on. We've gone to a maximum size, because we felt that the possibility of injury to the lobster becomes greater every time you cut the pleopods or the tail flippers, depending on how it's done, and on whether it's done properly. How far in you make the incision, because you're causing an open wound, is something that some fishermen worry about.

Also, the control you have over whether it's a natural notch, whether it's a V-notch made by a fishermen, and whether it's on one side or the other, became problematic. So some areas went away from it and went to maximum size, for both female and male lobsters. With the V-notching, in most cases you're only protecting the females.

**Mr. Scott Andrews:** Is it a practice we should look at?

**Mr. Donald Walker:** It's a practice that's being done, and it has evolved. In areas that have evolved beyond it, they've moved closer to a maximum size, because you're protecting both the female and the male with a maximum size, whereas with the V-notching you're only protecting the females.

Doing nothing is no good; V-notching is better than doing nothing. Then you have an evolution to another level, in my belief, which is the maximum size.

**Mr. Jean-Guy d'Entremont:** Another point is that the Americans swear by V-notching in protecting larger females, and the Canadians for the most part swear at it rather than swear by it.

It's very difficult to enforce, because of neighbouring LFAs. As you mentioned, if one group has one style, such as protecting females by V-notching, and others release them, and others catch them and bring them in, who are we saving the lobsters for? Is it one bay saving it for the next bay? This causes problems between LFAs. We've mentioned the connectivity of LFAs or lobster fishing areas in our report.

• (1215)

**Mr. Scott Andrews:** But is it a good practice? If the Americans swear by it, is it a practice we should seriously look at doing on a widespread basis?

**Mr. Gerard Chidley:** From the standpoint of lobster production areas, if there were a lobster production area such that the larval drift

in the one area depended on the success in another area, then it might be worth looking at for the early stages. And then you would evolve to the maximum size limits for both male and female; that's quite apparent.

The problem with it is that the next step has to be taken: to take out the word "voluntary". That's one thing we have seen. Those who love it love it; those who don't like it just don't like it. But it's the voluntary thing: while you may V-notch and you know that what you're doing is really good, but I'm hauling gear alongside you and don't have the V-notch, then the only person you're saving it for is me.

Until there's a measure to put that kind of thing in place.... That's why it's offered for discussion in some cases; it's like part of a tool box for each area to discuss with the DFO management. Believe it or not, a lot of the local area committees work really well with DFO management. They just look for things seen to need doing. That's what we heard: there are areas that do really good work with DFO. I think that has to be expanded.

**The Chair:** Thank you.

**Mr. John Weston (West Vancouver—Sunshine Coast—Sea to Sky Country, CPC):** Mr. Chair, could I just clarify that V-notching is something that's done to the lobster, not to the fishermen?

**Some hon. members:** Oh, oh!

**Mr. Gerard Chidley:** There are some who may say it should be done to the fishermen too.

**The Chair:** That's definitely not a point of order.

Monsieur Lévesque.

[Translation]

**Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ):** Thank you for coming here, gentlemen.

Mr. d'Entremont, you mentioned earlier that the situation now is more serious than in 2007. Is that because stocks are disappearing, because boats are bigger, or because of the prices that are being offered for the catch?

**Mr. Jean-Guy d'Entremont:** The costs of doing business are higher, including the costs for the boat. The fisherman only has one choice: land more lobster in order to earn more money so that he can solve his economic problems. That puts more pressure on the resource, not the other way round. The balance between the four components I mentioned, ecology, economics, social systems and governance, must be maintained. At the moment, things are tight in the economics, so the ecology, meaning the lobster in this case, is going to bear the brunt. Fisherman have to put out more fishing effort in order to pay their bills.

**Mr. Yvon Lévesque:** The requirements of the business are increasing. To meet those requirements, the fisherman operating that business has to overfish.

**Mr. Jean-Guy d'Entremont:** Exactly. They push harder.

**Mr. Yvon Lévesque:** Have you thought of ways to control that? For example, when you buy back licences in the fishing zone that you cover, which varies from place to place, I believe, you still have no control over the number of lobsters landed. So if you buy back licences, but the remaining fishermen get bigger boats, there will be more fishing than when the licences were for smaller ones.

• (1220)

**Mr. Jean-Guy d'Entremont:** If you buy back a licence covering 250 traps, but keep using 200, that is a reduction of 50 traps. If you buy a licence for 250 traps, but you only want to use 200 of them, there are now 50 fewer traps. It is a way of reducing the fishing effort. But if a fisherman buys a licence and uses the same amount of traps, nothing changes in terms of fishing effort, but the boat will make more money because his catch will be greater.

**Mr. Yvon Lévesque:** So when a licence is bought back, the traps it covers must not be redistributed.

**Mr. Jean-Guy d'Entremont:** That is correct, yes. There are different ways of going about it. It is very complicated to decide how not to get back to the situation you were in before you bought the licences.

**Mr. Yvon Lévesque:** What is the difference between the lobster fishery in Maine and ours on the east coast?

**Mr. Jean-Guy d'Entremont:** We have looked at that. In the United States, they fish year round. They have no fishing season. The rules on the number of traps are different. The size of the lobsters they sell is also different; in general, they are bigger than ours. But the cycles that can be observed in the United States are very similar to those we see in south-east Nova Scotia. So the cycle is the same, but there are two different ways of managing the fishery.

**Mr. Yvon Lévesque:** Mr. Walker said earlier that, in your area, efforts were made in the rest of the zone and the landings of lobsters decreased. If you could make one specific request today, would you ask for government support? If so, what form would it take?

**Mr. Donald Walker:** I can not make a request personally, but I would say that, in the FRCC's view, it is up to each person to find a solution that works for the future, for sustainability, for the long term. We are not here to demand an ideal solution for each sector. Each location, each province, each small business, in fact, has different needs. As we said in our report, fishermen have options, but they are all going to have to find a way to use the ones that work for them. We talked about five possible options earlier.

**Mr. Yvon Lévesque:** The FRCC needs the government to help bring harmony to the entire lobster fishery. What would its main request be?

**Mr. Donald Walker:** It is not for me to say what the FRCC's request is. We have no requests, we just have advice.

**Mr. Yvon Lévesque:** And problems.

Thank you.

[*English*]

**The Chair:** Thank you, Monsieur Lévesque.

Mr. Stoffer.

**Mr. Peter Stoffer:** This sounds like the opinions and problems of politicians, like all of us.

Thank you.

Monsieur d'Entremont, on page 40 of your report you talk about EI benefits, and you say, "Although the FRCC has noted the negative effects that the EI program may have on resource sustainability, it is not making a value judgment on the program in the lobster fishery."

Well, as you're well aware, it's not just the lobster fishermen who access EI. It's people in agriculture, forestry, manufacturing—people right across the country. But as you're also aware, the Doha Round is going on now through the WTO, and the chairman of that particular fisheries committee has indicated that EI benefits may have a very negative effect on fishing in this regard.

My colleague from Prince Edward Island, Mr. MacAulay, raised this issue as well, the fact that the EI benefits were considered a subsidy to the fishing industry. We're not trying to eliminate it, but we're discussing the issue, and that's made an awful lot of people in Atlantic Canada very nervous.

I'm just wondering if you could elaborate on your viewpoint on this one. There is no question, everyone would love to have a full-time job, with full-time salaries and benefits, etc., but in many cases it's just not possible. So if possible, could you elaborate on that? If I were the chairman of that committee overseas and I saw this report, I would put it right in Canada's face and say, "You see, even your own FRCC said that it has a negative impact on the fishery."

I'd just like you to comment on that, please, elaborate and explain that more.

• (1225)

**Mr. Jean-Guy d'Entremont:** Thank you, Mr. Stoffer.

Mr. Van Kesteren asked if we had some tough questions, and this was one of them. But we need to say how it is. This is a driver in the fishery. When people are fishing and they don't quite get enough money from the fishery but they get enough stamps, that allows them to remain in the fishery even if they don't make any money—people who otherwise would be out.

There's a flip side to that. Because there's an EI system, the fishermen don't need to fish every last one. They may stop when they get enough lobsters. They don't have to continue. There's a flip side. There are two ways of looking at it.

But we certainly do not want to make a value judgment on the benefits of having an EI system. We've mentioned tourism as well. These are industries that use the system because they're seasonal. We have absolutely no problem with that, and we don't want to make a judgment. But we feel it's warranted to tell the minister that this is a reason that the effort could be driven more, or it could be less in some areas. There's a flip side to it.

**Mr. Peter Stoffer:** That's absolutely fair enough. Thank you.

The other concern I have is in regard to monitoring, especially dockside monitoring or vessel monitoring. A lot of fishermen fear that cost is going to be downloaded onto them. As you've rightly pointed out, with all the concerns affecting fishermen and their enterprises now, they're getting whacked over the head with all these charges and licence fees, etc., compounded on top of each other. Well, as a fisherman, you would know. If you throw on additional costs, that burden just may be unacceptable, especially this year when lobsters are going for \$3.00 or \$3.25 a pound in some areas. Fishermen were forced, in some cases, to sell their lobsters out of the backs of trucks in Fall River or Dartmouth and those areas.

I'm wondering how you would see an effective monitoring program, and who should bear the ultimate cost of that monitoring program. I agree with you that we need to have a much more effective system, not only to catch the cheaters, but also to protect the integrity and the conservation of the resource.

**Mr. Jean-Guy d'Entremont:** I think in answer to that, Mr. Stoffer, the risk that we currently have is like driving at night with your lights off. When you don't have the information in front of you to make decisions, it's very scary and dangerous.

We feel that the risks are too high. You need to have the monitoring. You can achieve that more efficiently if industry has a hand into it. We're talking about the government here. Government is usually not as effective and efficient as industry. So we're saying involve industry and ensure that effective monitoring gets done.

**Mr. Peter Stoffer:** Who should pay for it?

**Mr. Jean-Guy d'Entremont:** Who should pay for it? I don't recall exactly what we said here. I'd have to look back on that, I would have to guess. It has to be at least shared so that industry does have a say into it. I'm not sure exactly what I said on monitoring.

**Mr. Gerard Chidley:** I don't think we pointed out who should share it, but it depends on what you're using it for. If it's to create a scientific index for management to deal with, then DFO management or DFO science should have to share some of the burden.

When you look at the value of the lobster industry to the tune of \$600 million—not this year, say last year—it was around 110 million pounds of lobster. Two cents a pound brings you out to about \$2.2 million. For two cents a pound on probably, at most times, a \$5.50 to \$6 lobster, you can create a nice, effective monitoring system that actually can give you size frequencies, landing data of what's landed, plus a check on what traps are in the water. If you're going to maximize the value out of the fishery, you nearly have to know what you have in the water to start with.

We go through it and blacklist our species, like on the islands, as of course you know. We pay so much for shrimp, so much for crab, and so much for everything that comes out of the water. That's because we have a quota system. It's a quota system. We started that way, and we've evolved to the point that you're trying to fine-tune every year. It exactly depends on what you want the information for. To my mind, that's where it's due.

• (1230)

**The Chair:** Thank you very much.

Mr. Allen.

**Mr. Mike Allen (Tobique—Mactaquac, CPC):** Thank you, Mr. Chair.

Being an avid consumer of lobster—

**A voice:** Hear, hear.

**Mr. Mike Allen:** —in the last hour and 15 minutes I've come a long way from deciding which white wine to have with it. I'm in a whole different space here now.

I'd just like to ask a couple of questions on the economics. As you indicated, when you were previously doing the study, that was one area that you probably thought we could focus on, maybe. Mr. Walker, you talked about some of the things on the Quebec side, the buy-backs and fewer traps. Can you tell me—or do you have any indication based on those types of things—how that has impacted the price, and how that has impacted the return to the lobster fishermen, as opposed to elsewhere in other regions?

**Mr. Donald Walker:** The impact hasn't been as great on the price as it has been on the increase of viability to the fishermen who are left in the area. You also have to remember that any time you do a buy-back, you have to control effort. We are very proactive in controlling effort compared to other areas.

We have different scenarios where different buy-back systems are in place. But we are also always very strong on controlling effort to stop effort creep, because with today's technology and the type of fishing that's done, it's very hard if you don't put a control on your effort at the beginning. It hasn't really changed on pricing, but it has changed on volume, which is for viability reasons.

**Mr. Mike Allen:** You're in the second consecutive ten-year resource sustainability plan. Was the first one based on the 1995 study? Would you be midway through the second turn of this?

**Mr. Donald Walker:** Yes.

**Mr. Mike Allen:** What are the prospects that that will be able to continue? And what are some of the great lessons learned that could be applied to some of the other regions?

**Mr. Donald Walker:** The great lesson learned is that you have to get the industry involved. Once they put their own money into the resource they have a stake in it. There's a sense of ownership in what you're doing if you get a return on it.

We've gone through the process, and the first step has taken nine years. We haven't seen the results we were hoping for, but we've maintained a stability. That helps us want to continue forward. Our biggest problem with all we've done is it's taking longer than we expected. The hardest job we have right now is convincing fishermen to continue, when you know the process will take longer than they expect.

**Mr. Mike Allen:** So you're not 100% sure you're going to have a third mandate yet.

**Mr. Donald Walker:** We hope we will.

**Mr. Mike Allen:** I'm amazed we know so much. You talk about the percentage of lobsters that reproduce below the minimum legal size, and we have all these stats. It's fascinating, yet we don't know about the lobster landings, and we're speculating, as page 13 of your report talks about, on the amount of biomass that's actually out there. That's what I find amazing. In your chart, from 1890 to 2010 you can almost draw a straight line from 1890 and you're back to the same. So intuitively that kind of suggests that the stocks are down.

What kinds of things have been recommended so we can get a better handle on that? One of the recommendations you made in your report was around improved indicators of stock size. What are the kinds of things that can be done to actually help us nail down what that stock size is and make the landings mean something?

• (1235)

**Mr. Jean-Guy d'Entremont:** The simplest thing is landings information, and it's hard to get. There are reasons. Remember I told you there was non-compliance in the fishery? We heard during the consultations that lots of lobsters are sold under the table on the black market, so they're not recorded. Once monitoring takes place at dockside, it could change what actually happens now. This is what we heard at the consultations.

In assessing a stock, the first thing you need to know is how much you're removing from it. There are biological references, such as when lobsters are mature. You can take a lobster and a scientist can study it and determine whether that lobster is mature or not. That's measurable. What we don't know are the simplest things, such as landings, and the size of the lobsters being landed. Those things aren't monitored because there's no quota. If there were a quota it would demand all this information.

**The Chair:** Thank you.

We have a couple more questions, and I'm going to ask for brevity in these next few questions. We have a few items of committee business to discuss after the delegation leaves this morning.

Mr. Andrews.

**Mr. Scott Andrews:** We got into dockside monitoring. I'd probably like to go a little further on that in the future, but I'll leave it for today.

Mr. Allen, I'd like to let you know that female lobsters taste way better than male lobsters, and Newfoundland lobsters taste better than P.E.I. lobsters. I thought I'd put that on the record.

Where do you see us going with market research and development in trying to market our lobsters? Was that part of your mandate? Do we need to look a little more at market research and development?

**Mr. Gerard Chidley:** I'll just touch briefly on it, and anyone else can jump in.

That's one of the big concerns, and that actually comes right back to Mr. Allen's question also on the lobster. When we were in the middle of the 2007 consultations, the thought of the Marine Stewardship Council was that food traceability was a large issue. It was starting to loom. We didn't know how it was going to play out, how it was going to end. For certain species they were applying for certification.

This was one of the big worries about not having landing data and a baseline. If you have a baseline or you can develop ways to have a baseline and say that for anything below this baseline we do this, and for anything above this baseline we can increase a little here, then you're halfway there. But without any documented information....

I am sure that a fisherman knows every pound of shrimp or every pound of crab or lobster he catches, and he knows he wants the value for that pound. It's not that the information is not there. It has not been documented under a program. The information's out there. It's just a matter, I think, of getting it onto the table. Therein lies the problem with certifications and where we're going on food traceability. As of right now, as a council, we only have to do the report and present it to the minister. We don't follow up. But because we're fishermen, we're always in tune with what's happening in the industry. We're all multi-species fishermen, and whether your council is made up to do herring or to do crab, you still have guys on it that are in the mix.

There are always discussions about what's going to happen here. That is one of the big concerns. Because of the food traceability in the future, we're concerned that the lobster fishery in Atlantic Canada could get shut out of some main markets. We may not even be able to control that unless some proactive stuff is done.

• (1240)

**The Chair:** Mr. Stoffer.

**Mr. Peter Stoffer:** I have one last question. On page 49 there is a recommendation for organizational capacity within the lobster industry. We have the FFAW, the Fish, Food and Allied Workers, representing the fishermen and plant workers in the north; the MFU, the Maritime Fishermen's Union; the PEIFA, the Prince Edward Island Fishermen's Association; the Eastern Shore Fishermen's Protective Association; etc.

I think that's actually a very good recommendation, but the one concern is you have cooperative fisheries and community-based things now like Fogo Island and Sambro, for example. If they are independent of these organizations, are you recommending that they be part of those organizations, or operate simultaneously?

**Mr. Jean-Guy d'Entremont:** All we're saying here is that if you have 100 fishermen in the room now, and DFO wants to consult with them, they have 100 different opinions.

**Mr. Peter Stoffer:** I know.

**Mr. Jean-Guy d'Entremont:** We're saying please organize yourselves; think about what your fundamental objectives are, and then determine that, and come back with one voice. Then we'll have movement, and we'll have leadership.

That's what we mean here more than anything. We're not trying to say one group is better than the other. It's just the fact that there's very little uniformity in moving forward. That diversity of opinions is one reason things don't move forward.

**Mr. Peter Stoffer:** Thank you very much.

**The Chair:** Thank you.

Mr. Kamp.

**Mr. Randy Kamp (Pitt Meadows—Maple Ridge—Mission, CPC):** I'll be very brief, Mr. Chair. Thanks very much.

Thank you, gentlemen, for appearing.

I read, I think in a newspaper article, that a lobster fisherman was quoted saying he needs at least \$5 a pound to pay his costs. If lobster prices are well below that, and look like they might stay below that for a while, given the recession that we're in, what advice do you have for us or for the government on how to deal with that situation?

Then I have a question on something I'm just curious about. Has there been any movement toward lobster aquaculture in Canada to sort of fill this gap perhaps?

**Mr. Jean-Guy d'Entremont:** On aquaculture and enhancement of lobsters, we do have a paragraph on that. Before you continue enhancement projects and setting stage IV lobsters into the ocean, what we've heard is that the returns are very poor economically. Before you go into large projects of that type thinking it's going to fix the problem, there should be an economic analysis of that.

There's a female lobster on the chart that I gave you. The chart is titled, "How many eggs does a female produce?" Regarding the cluster of eggs, there are more eggs there than were released in Atlantic Canada this year. So if we take care of the female, I think we're better off. We get more bang for our buck than lobster enhancement, which costs a lot. It is a matter of taking care of the females and taking care of the resource, which is critical. This is our opinion in the report, but we have a section that you can read if you want more information.

As to the first question you wanted advice on, concerning the price of \$5 a pound, the issue is that each fisherman has his own limits. In areas such as area 34 in southwest Nova Scotia, where they have very large vessels, they fish two or three days in a row. They stay out fishing. They have crews and lots of expensive bait and fuel. They need more money than the guy who has a little boat. So you almost have to look at it, if not individually, at least LFA by LFA, because they have more of a standard. It may only cost \$2.50 for one fisherman to survive, but the other one needs \$4.50 or \$5. So it's pretty much an individual situation.

I think you have a good opportunity to ask them directly.

• (1245)

**The Chair:** Thank you very much.

Once again, I'd like to thank the members for coming in today and providing us with—

**Mr. John Weston:** Mr. Chair, would it be possible for us to ask these very well-informed witnesses to give us some more guidance on what we should do on our trip? Every minute has been valuable. So I was just thinking, if they were us, what would they be doing out there? No one asked that question.

Maybe they could provide a memo, a couple of pages in length, on what we should accomplish from their perspective when we're there.

**The Chair:** It's certainly something that we could ask them to provide to the committee, some advice on the trip we are planning.

Certainly any and all advice would be much appreciated, if you would like to do that. Thank you.

Thank you very much for coming in today. Your comments and your patience with our questions are very much appreciated.

I thank all members for their patience as well today. I tend to be lenient in the times to ensure that we're able to get the most that we can out of the time we have with you. The exercise we go through is to garner the information, so we really do appreciate the time you spent with us here today.

Committee members, I'd like to have a brief in camera session to discuss some future business. If we could, we'll go in camera for the final ten minutes.

Thank you.

*[Proceedings continue in camera]*

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