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

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**EVIDENCE**

**Thursday, June 13, 2013**

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**Chair**

**Mr. Rodney Weston**



## Standing Committee on Fisheries and Oceans

Thursday, June 13, 2013

• (1105)

[English]

**The Chair (Mr. Rodney Weston (Saint John, CPC)):** I call this meeting to order.

I'd like to thank the Honourable David Ramsay for joining us today via video conference. Minister Ramsay, I have some bad news to share with you. The bells are going to start ringing here at about 20 after the hour for a vote that's imminent, so our proceedings will be interrupted.

I'm hopeful that you'll be able to stay with us, Minister Ramsay. I would propose that we give time for your presentation at the beginning. We'll probably be interrupted by the bells and then we'll come back here, I'm guessing, at about 12:15, and we could ask a few questions then, if that would work within your schedule.

**Hon. David Ramsay (Minister, Department of Industry, Tourism and Investment, Government of the Northwest Territories):** Thank you. We can check my schedule. This is on the fly, so if I'm not available, we'll make sure that we have staff available to answer any questions. I may have to go, Mr. Chairman, but we'll have somebody here.

**The Chair:** Certainly, I do understand. I really appreciate that and I apologize for the inconvenience. I'm sure you're well aware how some of these parliamentary procedures do affect other activities.

Minister Ramsay, I'll turn the floor over to you to begin. I want to welcome you and your colleagues, and I'll ask that in your opening remarks you introduce your colleagues who are here with you today. Certainly, whenever you're ready to go, we're prepared to entertain your presentation.

**Hon. David Ramsay:** Thank you, Mr. Chairman.

I do recognize a little bit of a Saint John accent there. My accent has gone a little bit, but I'm originally from Saint John, so it's good to know that the chair is from the great city of Saint John.

Mr. Chairman, my name is David Ramsay. I'm the Minister of Industry, Tourism and Investment with the Government of the Northwest Territories. With me is Peter Vician, the deputy minister of the department. Also here is Mr. John Colford, our director of investment and economic analysis.

As Minister of Industry, Tourism and Investment, I'm responsible for supporting the commercial fishery in the Northwest Territories, which is largely centred on Great Slave Lake. This is obviously the topic of discussion with your committee today.

For background and context, I will note that the economy of the Northwest Territories is resource based. Mining and oil and gas dominate the economy and provide substantial contributions towards our gross domestic product. Today these sectors are robust, and the future is certainly very promising.

The mining and oil and gas sectors are dependent on a number of factors that here in the Northwest Territories we are unable to influence and control. World prices, a healthy national and international investment community, and access to international markets are only a few of these influences that greatly affect whether or not one or all of these sectors can flourish in our territory.

When any one of these influences experiences a downturn, the opportunities and benefits to northerners and our economy quickly erode, and in some cases disappear. Our economy has been witness to examples of this over the past number of decades.

The Northwest Territories also have a number of smaller economic sectors that are also resource based. These include the traditional economy, such as fur trapping, an emerging agriculture sector, and of course the fishery. These industries are small relative to the rest of Canada, but very important to our people and our economy here in the Northwest Territories.

They are largely homegrown industries involving renewable resources, and they engage northerners in all 33 of our communities in the economy by providing benefits in the form of employment or income and offering tremendous social benefits to the small communities. These industries also offer employment to those who, for whatever reason, can't or choose not to participate in the larger non-renewable resource sectors, and they provide stable, reliable sources of income for their families.

In summary, when all else fails and all other options disappear, these small sectors are relied upon to provide northerners with an option for employment and income.

Now let me speak specifically to the fishery on Great Slave Lake. I'll first point out that the fishery in the Northwest Territories is competently and professionally managed and regulated by the Department of Fisheries and Oceans, and we have an exceptionally healthy, well-managed stock. In fact, our problems today, contrary to those elsewhere, have very little to do with the stock, but more with capacity and production.

Again for context, let me provide you with a bit of history. The commercial fishery on Great Slave Lake has been in existence since the 1940s, when it was largely unregulated and controlled by buyers serving growing markets in southern Canada and the United States. In those years, fishing was good, but the resource was overexploited. In about 1950, 4,500 metric tonnes were taken from Great Slave Lake. Lake trout as a population was almost wiped out entirely, and whitefish became and remains today the dominant species.

In the 1950s and 1960s, the Government of Canada, through DFO, stepped in to bring about regulation and control. A commercial quota approximating 1,650 metric tonnes was established, as well as a restricted entry regime regulated by vessel certificates that allowed for only a limited number of fishing vessels to be on the lake. All of these certificates were fully subscribed up until the early 2000s.

These vessel certificates are reissued each year. Holders of these certificates do not own these certificates, nor can they attach themselves through the certificates to a quota of fish. These certificates have no monetary value assigned to them, so offer fishers no support in securing bank financing.

●(1110)

In 1969 the Government of Canada introduced the Freshwater Fish Marketing Act. This act established a federal crown corporation, the Freshwater Fish Marketing Corporation, or FFMC. The purpose of the act and the FFMC was to regulate interprovincial and export marketing of fish in western and northern Canada. The fishers of the Northwest Territories support their ongoing relationship with FFMC.

In about 1970 the Government of Canada, through the FFMC, established a fully certified fish plant in Hay River and fish collection stations strategically situated around Great Slave Lake. The lake stations allowed fishers to deliver fish to FFMC without having to transport these back to Hay River. These lake stations enabled fishers to follow the fish around Great Slave Lake.

From the 1970s through to the early 2000s, the fishery provided a reasonable income for fishers, who for the most part were made fairly secure in their circumstance largely due to a restrictive licensing regime put in place in the 1970s. Over 250 people, 90% of them aboriginal, were actively involved in the fishery.

The principal species for Great Slave Lake fishers is export-grade whitefish. This species represents 90% to 95% of the annual fish harvest. This species grade allows our whitefish to be exported from Canada to markets around the globe. Given the fat content of Great Slave Lake whitefish, it is often directed by FFMC to the smoked fish markets found in Canada, the United States, and abroad. Others species of fish harvested include trout, pickerel, cony, and northern jackfish, the latter being highly sought after in France and other countries in the European Union.

While the Government of Canada did play a significant role in the Great Slave Lake commercial fishery through the management regulation as well as initial capital investments, this has not been a one-sided effort by any means. The fishers, through their production, paid all the costs associated with the FFMC operation of the commercial fishery. The Government of the Northwest Territories

has also provided for freight support to transport fish from Great Slave Lake to the FFMC plant in Winnipeg.

This support allows fishers on Great Slave Lake to deliver their fish, gutted and gilled, to the fish plant in Hay River or to the lake stations, where it is packed on ice and shipped to FFMC's Transcona plant in Winnipeg for processing and sale through their national and international marketing network. This support also ensures that the fishers on Great Slave Lake receive the same price for their fish as the fishermen from Lake Winnipeg. This cost, from the mid-1980s to date, is in the millions of dollars. In addition, the Government of the Northwest Territories has also provided capital assistance to fishers looking to upgrade and modernize their equipment.

The most significant changes to this fishery occurred between 2003 and 2008, when costs of operations exploded and revenues declined. External influences took hold. The weakening U.S. dollar and economy and the unprecedented rise in the price of fuel resulted in a dramatic drop in production and participation. Production declined from almost 1,000 metric tonnes to less than 300 metric tonnes in a span of two years or less. Only 20% of the commercial quota is being harvested today.

All equity in this fishery was lost in a very few short years. Many fishers lost hope and simply put their vessels on shore. Vessel certificates, which always were oversubscribed since they were introduced in the 1970s, were now available to anyone who made application for them.

In response, the FFMC imposed dramatic cost-cutting measures to simply survive and meet its mandate of cost neutrality. The effect of these measures, combined with rising costs of production, brought our commercial fishery to near collapse. Production over the next several years dropped dramatically. The winter fishery was closed, the lake stations disposed of, and the FFMC on-site management diminished considerably.

Now, in 2013, the commercial fishery on Great Slave Lake is slowly rebounding. Deliveries of fish to the FFMC are marginally increasing, and new markets are emerging here in the NWT. This government has supported a number of fishers, who are now developing a domestic commercial market for fish fillets here in the NWT. Volumes are approximately 90 metric tonnes per year. This is very small relative to the overall quota. While small, almost all of the production is being sold in an added-value format, meaning more employment and income for this fishery. The local market is growing annually. We will continue to make investments directed not only at building capacity but also in branding our whitefish and other species to distinguish these products from others that are being imported regularly into the NWT.

●(1115)

While fishers' equity remains very weak, we do have a willing partner in the FFMC. But they find themselves hampered by economic burdens. The FFMC, by virtue of its own legislation, is neither nimble enough nor capable enough to affect the status quo. The FFMC must operate on a cost-neutral basis. They receive no subsidy from Canada. The FFMC lake stations are gone, and the main FFMC fish plant, established in the early 1970s, is literally falling down and too costly to repair and operate.

We now find ourselves in the dilemma of having a healthy, viable stock of fish, willing markets both in the NWT and elsewhere, but a rapidly declining capacity to deliver. If we fail to solve this dilemma, then the future of this fishery is not very bright. Canadian markets face the prospect of losing a valuable and, without question, sustainable food source harvested from clean, cold, pristine northern waters. These are not simply marketing attributes.

The Great Slave Lake today is one of the last great water bodies in North America not impacted by industrialization or urbanization. The water is clean and safe from contaminants. But we can't be complacent. Climate change is certainly a reality. Such invasive species as Asian carp and zebra mussels have wreaked havoc on other water bodies in North America. Downstream pollutants, regardless of the source, are always a threat. We need the support of the federal government to put in place the means and protections to ensure that the integrity of Great Slave Lake is safeguarded for future generations.

In terms of the commercial fishery, a small investment of approximately \$5 million over the next several years would make all the difference to this small industry. This investment would not only bring capital for a new plant but would also provide the means to reinvigorate a very tired and aged fleet. An investment of this size could very well result in attracting 200-plus northern residents back to the fishery, leading it to a new era of self-sufficiency and returning it to the status of a smarter, leaner, more nimble industry once again.

We here in the NWT would be happy to work with the federal government and look at building the business case for this type of investment. We firmly believe there is a future for this fishery and it will certainly be worth the effort in trying to save it.

Thank you very much, Mr. Chairman. I'd also like to thank your committee members for their indulgence this morning.

Thank you.

●(1120)

**The Chair:** Thank you very much, Minister. We do appreciate your giving us this presentation.

At this time, the bells are ringing for a vote in the House of Commons. I apologize once again for the inconvenience, but we will reconvene as soon as possible after the vote. I'm assuming that will be at around quarter after 12 eastern time.

Thank you very much, Minister, for being here today and for taking the time to make this presentation to us. We look forward to the opportunity to question you or officials, whatever the time allows.

The meeting stands suspended.

●(1120)

\_\_\_\_\_ (Pause) \_\_\_\_\_

●(1215)

**The Chair:** I'll call this meeting back to order.

Gentlemen, I want to thank you very much for your patience. We certainly appreciate the opportunity to ask some questions.

Minister, thank you for bearing with us.

We're going to start off with our seven-minute rounds of questions. Just as a point of interest, please don't be offended if I interrupt at some point in time. Members are constrained by certain time limits on questions and answers in the interest of fairness. If I do interrupt, I apologize in advance.

We're going to start off with Mr. Sopuck.

**Mr. Robert Sopuck (Dauphin—Swan River—Marquette, CPC):** Thank you to our guests.

Thank you, Minister, for so generously giving us your time. You live in one of the most beautiful parts of the world. As a young fisheries biologist back in the seventies, I had the pleasure of working in the Mackenzie Valley for a number of years. I lived in Fort Simpson for a while and did some of the early work during the Mackenzie Valley environmental assessment days. It's a terrific part of the world, and from what I hear you say, it's as unspoiled as ever.

The other thing is that my colleague Mr. Weston, who is our caucus leader in the fitness area, wanted us to congratulate you for being the first city to declare National Health and Fitness Day. There are all kinds of great things going on in Yellowknife.

Regarding the commercial fishery, what is the potential for expanding the commercial fishery beyond Great Slave Lake?

**Hon. David Ramsay:** Thanks, Mr. Sopuck.

It would be limited. We have Great Bear Lake a little further north, but because of the cold, fish take a long time to grow in that lake. There might be some opportunity in the Mackenzie River, but it would be limited.

We believe Great Slave Lake is the most viable of our options here in the NWT. It's obviously a lot closer to market. We have the railhead at Hay River. We have the highway system and air transport out of Yellowknife and Hay River. Great Slave Lake is the primary objective here for our future in the commercial fishery.

**Mr. Robert Sopuck:** Given the development of the mining industry and the growth in the NWT—and of course a lot of these mines have camps where lots of workers live, and they all have to be fed, obviously—what's the potential to market Great Slave Lake whitefish into those mining camps and indeed the other communities in the NWT?

**Hon. David Ramsay:** We think it's really good. We've made some strides trying to get local take-up of the fish. I hear in Yellowknife it's easy; the fishermen are able to sell it here in Yellowknife. We're looking to expand that operation. We've also put some mobile fish and meat processing units into the communities at Deline and Fort Good Hope. That's under way and that is going to enable people there to process fish and meat and make sure it gets onto the tables in those communities.

We're looking at opportunities to do a lot more of that. There are ample opportunities here; we just need to go after them. We're doing that and making some strides in that regard.

**Mr. Robert Sopuck:** You mentioned the Freshwater Fish Marketing Corporation and the overall support of fishermen—and, I gather, your government—for the FFMC, but you were also a little bit critical about some of the things that FFMC does. That, at least, is what I thought. In terms of change in the FFMC and how they would operate in the NWT, what would you want to see changed at the FFMC so your fishery could be more viable?

• (1220)

**Hon. David Ramsay:** First and foremost we'd like to see more investment here in the Northwest Territories. As I mentioned in my opening comments, the plant in Hay River is in desperate need of repair or even a new replacement facility. We've met with the FFMC. We believe there is a way forward and that we can work with the FFMC. I believe the fisherman on Great Slave Lake want us to work with the FFMC. We need to find a way forward. We need to get some capital here so we can put those fish plants in the locations around the lake the way we used to have and also look at modernizing the fleet that is on Great Slave Lake. That's going to take some effort and some money. We are interested in talking to any partner we can find to help us to do that and get that work carried out.

My belief is we have a great resource there. It's underutilized and we need to be doing much more than we're currently doing.

**Mr. Robert Sopuck:** From some of the research material that was given to us, it looks like the recreational fishery is worth almost \$7 million a year, or at least it was in 2010. The total value of the freshwater catch in 2011 was \$381,000. That's quite an imbalance there.

In terms of the recreational fishery, what potential is there to expand the recreational fishery primarily from the standpoint of non-resident tourists coming up to fish and providing an economic resource for the NWT?

**Hon. David Ramsay:** Thanks. That's a great question, Mr. Sopuck.

Just yesterday I had dinner with the head of NWT Tourism. We talked about a new marketing campaign that NWT Tourism is going to initiate on fishing. We used to get many more tourists into the Northwest Territories to fish. We've seen that go on a sharp decline.

We believe with the right type of marketing we can get people back here to fish in the Northwest Territories. We have a world-class fishery here of jackfish, lake trout, grayling, pickerel. We need to be marketing that and to put more of a concerted effort into marketing.

With our marketing arm, NWT Tourism, we're going to do that. Plans are under way for us to really be aggressive and try to get people back here fishing.

**Mr. Robert Sopuck:** I can personally attest to that. One of the most sublime fly-fishing experiences is dry fly-fishing for grayling on the Mackenzie. I think you have a real winner there.

Have you explored the aquaculture potential in the NWT? When you think of the Icy Waters facility in Yukon, are you looking at perhaps recreating that in the NWT?

**Hon. David Ramsay:** We've done some work on that, Mr. Sopuck.

Mr. Colford has more of a history with the department when it comes to aquaculture, so perhaps I'll turn to him on that.

**Mr. John Colford (Director, Investment and Economic Analysis, Department of Industry, Tourism and Investment, Government of the Northwest Territories):** We looked at the aquaculture industry a couple of years ago with a variety of stakeholders, and there was just no appeal to it. There was just no appetite for getting into that industry at all. The preference was to stay with the open-water fishery.

**Mr. Robert Sopuck:** Thank you.

**The Chair:** Thank you very much, Mr. Sopuck.

Mr. Chisholm.

**Mr. Robert Chisholm (Dartmouth—Cole Harbour, NDP):** Thank you, Mr. Chairman.

Minister, I'd like to thank you and your colleagues for taking time to come and talk with us today. As you know, we hope to be visiting you sometime within the next while, hopefully before the end of 2013, if we can ever get down to making some decisions.

I appreciated your presentation, and I have a couple of things I want to ask you.

One is with regard to the change in governance. The final devolution agreement that has been negotiated—the legislation passed here, and I believe it passed there—provides that inland fisheries management will be transferred from DFO over this next year. Could you comment in terms of how you see those negotiations going? What do you think are a couple of the key points to ensure that this transfer happens smoothly and effectively?

**Hon. David Ramsay:** Thank you for the question, Mr. Chisholm.

Our focus is to continue moving toward implementation of the devolution deal. That should happen by April of next year. We have a lot of things in the works right now in preparation for getting us ready for April of next year. We've had numerous cabinet meetings. We're talking about organizational design.

Really, our government for the next nine months will be in a state of flux. We'll be receiving a number of federal employees over to the GNWT. We may be setting up a couple of new departments.

All of this is in the works, and it's a very exciting time for us here in the NWT. All of these things have to be managed effectively and put in place so that come April of next year, the Government of the Northwest Territories will be able to manage that responsibility effectively. We're hopeful that we can do that.

We're appreciative of the federal government working with us on the devolution agreement. We've seen the success that's taken place in the Yukon Territory. We certainly believe that once we have control over the management of our resources, we'll be able to maximize the opportunities for businesses and people who live here in the NWT, and grow our economy accordingly.

We have a very bright future ahead of us.

• (1225)

**Mr. Robert Chisholm:** Thank you for that, Mr. Ramsay. I'm sure that members of this committee over the next year, whoever those members will be, would be happy to provide any assistance to you as you go forward, to make sure that the transition happens smoothly.

I want to also ask you about the traditional economy, the fishery. Could you talk to us a bit about the impact of climate change on that economy, on the fishery, both in terms of fish and sea mammals?

**Hon. David Ramsay:** Thanks for the question, Mr. Chisholm.

We have a very robust traditional economy division within the department, focusing on fur. We also have programs such as Take a Kid Trapping and Take a Kid Harvesting.

We spend a lot of money promoting the traditional economy here in the NWT. We've seen prices rise for fur. Just recently in Seattle we sold \$800,000 worth of fur at auction. That money goes directly back into communities, small communities where unemployment levels are high. We've had a great deal of success in trying to grow that traditional economy here.

We see fishing as part of that. Again, in response to Mr. Sopuck's questions, we have a way to go. We're looking at putting those mobile processing units into smaller communities so people can process meat and fish at the local level and get it on tables. That food security issue is a big issue here. We need to ensure that we're giving people the tools that are going to enable them to take advantage of the resources that are abundantly available. That's our focus. We're moving forward.

We have a tremendous amount of resources. You talk about minerals and oil and gas, but really, the fundamental problem in this is providing that economy at the community level and in the smaller communities. We've done a great deal, and we'll continue to work on growing the traditional economy here in the NWT. Certainly, fishing will figure prominently in that.

**Mr. Robert Chisholm:** Thank you, Minister Ramsay.

I was thinking when I raised the issue of climate change that we've certainly heard and read a lot about impacts and perceived impacts. One of the things we're looking at in our study, of course, is the challenges that are facing the north.

One of those issues has to do with the impact of climate change in terms of how much of the year ice is present, the whole question of permafrost, your ability to transport goods and services, and the

ability of communities to continue to carry out those traditional activities. That's what I wanted to get your response on.

**Hon. David Ramsay:** That's good, Mr. Chisholm.

As you probably already know, I'm the Minister of Transportation as well, so I know what it costs us, what impact climate change has on our transportation infrastructure in the NWT, and what are the repairs needed on an annual basis to our roads because of permafrost.

I think what we're seeing here with climate change is that where we put in ice roads, we're not able to maintain them as long. The season is not as long.

We've had some years.... As an example, I think it was in 2008 that the mining companies north of Yellowknife, which are dependent on the ice road for resupply, saw the season shortened by I think three or four weeks. It cost them \$100 million to bring goods into the mines north of Yellowknife.

We also see some impact in the northern part of the territory, with beluga getting trapped in the Husky Lakes. We could probably attribute that to climate change as well.

I wanted to mention this specifically as well. On Great Slave Lake, we've seen the return of lake trout and inconnu into Yellowknife Bay. According to the aboriginal people, they had been in abundance in Yellowknife Bay prior to the mines coming to Yellowknife in the 1930s. The fish disappeared for basically 70 years, and those fish are coming back.

Con Mine shut down a number of years ago. For the Giant Mine, as you know, we're still looking at a significant investment by the federal government to clean up the mine site. But there's no blasting there, and there's no mining taking place near Yellowknife, and the fish are back in Yellowknife Bay. We believe that's a result of the mines closing down a number of years ago. The fish are back, so I wanted to mention that as well.

Thank you.

• (1230)

**Mr. Robert Chisholm:** Thank you very much.

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

Mr. Woodworth.

**Mr. Stephen Woodworth (Kitchener Centre, CPC):** Thank you very much, Mr. Chair.

Thanks, Minister Ramsay, Mr. Colford, and Mr. Vician. We appreciate your taking the time to speak with us today as we work out the scope of our interest in studying fisheries in the northwest of Canada. And that's where I'd like to begin.

In relation to the devolution of powers and the ongoing work on that, Minister Ramsay, could you tell me what you perceive to be the most important contribution the Government of Canada could make to fisheries in the Northwest Territories in the context of the new arrangement of powers?

**Hon. David Ramsay:** Thank you, Mr. Woodworth. That's a very good question.

Going forward, we see the path is working with FFMC and the fishermen who are on Great Slave Lake.

We've had a great deal of success with Growing Forward. I'm not sure if your committee is familiar with Growing Forward. Late last year we signed another agreement, Growing Forward 2, on agriculture.

If the federal government had a program for us that was similar in nature to the Growing Forward fund, we could cost-share dollars with the federal government to put infrastructure in. I talked about a new fish plant in Hay River and the possibility of having fish processing stations around Great Slave Lake. Doing that is going to take some capital.

Our government is certainly looking at getting the fishery back to where it used to be, employing people, and getting our fish to market. We've had a great deal of success working with the federal government on the agricultural front. Perhaps a program could be developed that would enable us to look at cost-share dollars for the fishery as well. The most important thing for us right now is to find a way and a means to get a new plant in Hay River and to fix up and modernize an aging fleet on Great Slave Lake.

**Mr. Stephen Woodworth:** Perhaps I will put that in my own terms just to make sure I have it. The way you see it, with the devolution of power, the most important role for the Government of Canada remains in the marketing and processing of fish, at least when it comes to fisheries. Is that the drift?

**Hon. David Ramsay:** Yes. That's correct.

Even after devolution, Mr. Woodworth, we won't have the financial flexibility as a government to.... If you look at the building Canada plan, a great deal of our success recently has rested on federal programs. After devolution, that situation will continue.

We're in the process now of looking at a big deal on infrastructure and infrastructure development here in the NWT, working in partnership with the federal government. So post-devolution, we see that continuing.

•(1235)

**Mr. Stephen Woodworth:** What about the science and the monitoring of fish stocks to ensure a controlled and sustainable harvest in the Northwest Territories? Do you see that becoming a Northwest Territories responsibility? How would you gauge the role of the Government of Canada in that?

**Hon. David Ramsay:** Thanks, Mr. Woodworth.

As that's more of a technical question, I'm going to go to Mr. Colford for a response.

Thank you.

**Mr. John Colford:** We would see the Department of Fisheries and Oceans maintaining their presence in terms of science and monitoring. They've played a key role in the history of the Northwest Territories in terms of our fisheries, and we hope they will continue to do so.

**Mr. Stephen Woodworth:** Do you perceive any particular challenge in that area, or are things operating pretty well right now?

**Mr. John Colford:** It all comes down to capacity and what you're faced with. Mr. Chisholm spoke before about climate change and its impacts on fisheries.

The big threat to our fishery is invasive species. We're seeing new species coming into the lake now. We're seeing new species coming into our rivers. We actually caught salmon a couple of years ago up on the Mackenzie River. That is completely foreign to this area, but, mind you, welcome. We don't mind salmon; it's the other species we really don't want. We don't want to see zebra mussels. We don't want to see the carp.

**Mr. Stephen Woodworth:** The federal government recently made a regulatory proposal regarding aquatic invasive species. I wondered if you were aware of it and how you would assess it.

Is it going to be helpful or not to you—if you're aware of it?

**Mr. John Colford:** We are aware of it as a government, through our Department of Environment and Natural Resources. They would be overseeing those regulations.

**Mr. Stephen Woodworth:** The idea, as I understand it, is to provide a full suite of enabling regulatory tools under the Fisheries Act to deal with the introduction of invasive species into Canadian waters, to complement provincial and territorial authorities, and to bridge gaps.

Has your department done any analysis to see if that's how it will work out?

**Mr. John Colford:** My department, the Department of Industry, Tourism and Investment, isn't actually involved with that. That's vested with the Department of Environment and Natural Resources. As with species at risk, we're working very closely with the Government of Canada, and it is a high priority.

**Mr. Stephen Woodworth:** I want to ask a bit more about how the federal government establishes its presence in the Northwest Territories. I'm familiar with the Freshwater Fish Marketing Corporation. Are there any other management boards or co-management boards that are operating in your territory that you can tell me about—that is, regarding the federal government's role in fisheries?

**Mr. John Colford:** The representative body for the commercial fishers up here in the Northwest Territories is the Northwest Territories Fishermen's Federation. They are based out of Hay River.

DFO has offices in Hay River as well as Yellowknife. There are a number of co-management boards as well in terms of the fisheries across the NWT, where the federal government and us are both involved.

**Mr. Stephen Woodworth:** Would any of these involve first nations, or are they non-specific in that way?

**Mr. John Colford:** They all deal with first nations.

**Mr. Stephen Woodworth:** Okay.

I think, Mr. Chair, that's as far as I'm going to go today.

Thank you very much, gentlemen.

**The Chair:** Thank you very much, Mr. Woodworth.

Mr. MacAulay.



**Hon. Lawrence MacAulay (Cardigan, Lib.):** Thank you very much, Mr. Chair. I appreciate you recognizing me.

Welcome, Minister Ramsay, and your backup team.

First of all, the fair price for your fur impressed me. I'm pleased to hear that, I want to tell you.

That's a traditional industry that I would expect is doing quite well. Am I correct?

**Hon. David Ramsay:** Yes.

**Hon. Lawrence MacAulay:** Now that's great.

You also indicated that the fish are returning to Yellowknife Bay and Great Slave Lake. About 40 years ago, you had an excellent fishery there and it was overfished.

What is the major reason for the decline in stocks there? Was it overfishing? Was it environmental issues? What happened? Was it just overfishing or was it not handled properly?

• (1240)

**Hon. David Ramsay:** No, it was before regulations were put in place. I spoke specifically about Yellowknife Bay. We had two producing gold mines within city limits of Yellowknife. We're on the northern shore of Great Slave Lake, and there's Yellowknife Bay.

When I'm talking about fish, the lake trout and the inconnu disappeared for the time the mines were in operation. The mines haven't been operating now for over ten years. The fish have come back.

We've always had a healthy stock of fish in Great Slave Lake itself. It was overfished for a period of time, but we have fishermen out there now, and we're not getting anywhere close to the quota that we have in place today.

We believe there's a lot of room for advancement in trying to get more fish out of our lake, more people employed, and our fish to market. It's something we're very intent on pursuing.

**Hon. Lawrence MacAulay:** Thank you very much.

I also expect that you'd be very strong, just looking at what happened over the years, on a very intensive environmental review before mining operations were put in place. Am I correct?

**Hon. David Ramsay:** Yes, that's correct. Yes. We won't see another Giant mine here in the NWT, or anywhere else in Canada for that matter. It won't happen again.

**Hon. Lawrence MacAulay:** We hope not.

You mentioned the Freshwater Fish Marketing Corporation. How is that viewed in your community? Does it have good rapport? What's the situation with this marketing corporation?

**Hon. David Ramsay:** Thank you, Mr. MacAulay.

The fishermen's federation here in the NWT has had a long-standing relationship with the Freshwater Fish Marketing Corporation. From time to time, they've wanted us to stay in, they've wanted us to go out.... It's all about support and politics and....

When you see a decline in the amount of fishermen who are out there, and the fact that the plant in Hay River is so old and needs to

be replaced, and that the supports, as far the fishermen see it, aren't what they require, then they start to ask questions. Those questions come to us as a government. They go to the FFMC. That's why it was important for me that one of the first things I did when I became minister was to meet with the FFMC to try to find a way forward.

We need to work with them on getting a new plant and on looking after the requirements the fishermen are asking us to have for them—the supports—and we believe we can get there. Yes, it has been a tumultuous relationship between the fishermen on Great Slave Lake and the FFMC. As the government, we've kind of been the middleman in all of that over the years.

Today, it's okay, though. Today, it's fine.

**Voices:** Oh, oh!

**Hon. Lawrence MacAulay:** That's a good political answer. I appreciate it.

I'd like to ask you a couple of things first. My time is short.

I'd like you to speak first on your rapport with the first nations.

Another thing that interests me a lot, not knowing a lot about your area, is that you talk about fishing lodges and outdoor experiences. To me, it would be a great marketing tool for your area. You told me, if I understood correctly, that it has declined somewhat.

I would wonder why. Is it because of the promotion? You would think that people worldwide, for the likes of an experience that you can provide, like Mr. Sopuck had when he was up there, would pay a lot of money just to experience what you take for granted.

Thank you.

**Hon. David Ramsay:** Thank you, Mr. MacAulay.

Yes, we have world-class fishing opportunities here in the NWT. We had the global downturn in 2008-09, and I think a lot of other jurisdictions did. The NWT wasn't alone. Other jurisdictions in Canada tried to attract U.S. fishermen, predominantly, to Canada to catch fish. We were no different from anywhere else in this country. It declined because of the rise in the Canadian dollar compared to the American dollar. Americans weren't getting the value out of coming to Canada because of the rise in the Canadian dollar. It's just something that we have to grapple with.

As I've mentioned previously in answering another question, we are putting together an aggressive marketing campaign. We've contributed another \$1.2 million in marketing for our NWT Tourism. They're our marketing agency.

We will be aggressive. We believe we have a great resource here. We need to get people back to the Northwest Territories, fishing in our waters, and we believe we can do that.

• (1245)

**Hon. Lawrence MacAulay:** Well, I would believe you could too.

I'd also like you to.... It's interesting, of course, in that there are certain invasive species....

But before you answer that, on the first nations, what's the rapport?

**Hon. David Ramsay:** Thanks. I'll comment on that.

I think that of all the jurisdictions in Canada, our government has a great rapport with first nations, even though we have two unsettled land claims here in the Northwest Territories with the Akaitcho and Dehcho. Also, on our devolution agreement, we have five of the aboriginal governments outside with devolution.

Our Premier McLeod has done a great job on building the relationships. There are solid relationships now with aboriginal groups across the NWT.

We have to do things in partnership. We have to work with the aboriginal governments here. That's part of our mandate: to get out and build those relationships. When it comes to fishing lodges or development, and even tourism, a big part of our tourism plan includes cultural and aboriginal tourism. That's something we're very much interested in.

**Hon. Lawrence MacAulay:** I want to thank you very much. I hope we see you soon. You have a very interesting area.

**Hon. David Ramsay:** Yes. Thanks. I hope to cross the bridge there this summer.

**The Chair:** Thank you very much, Mr. MacAulay.

We now will go into an abbreviated round of three minutes per member. We'll start with Mr. Donnelly.

**Mr. Fin Donnelly (New Westminster—Coquitlam, NDP):** Thank you, Mr. Chair.

Thank you to our guests. We appreciate your testimony. It's been very good information, and it has been very helpful. Lot's of good questions have been asked. In my short time, I want to ask a few questions.

Minister Ramsay, in your opening remarks you mentioned that capacity and production were the limitations on the fishery.

Mr. Colford, you mentioned invasive species as an issue or challenge.

I wonder if you could put forward what you see as the future challenges for the fishery in NWT. We talked about climate change and fuel costs. Invasive species have been mentioned. Do you foresee other challenges in the future?

**Hon. David Ramsay:** Thanks, Mr. Donnelly. I'll take the first part, and then on the invasive species, I'll go to Mr. Colford.

One of the big challenges—and I've talked about it before—is getting the investment in capital required to get the fish to market. That includes a new plant in Hay River and stations around Great Slave Lake.

We're also seeing aging fishermen. Most of our fishermen are now in their 50s and 60s. They're close to retirement. We're not seeing young people being interested in that industry. I think we really need to try to attract more young people into the industry. Doing that is hugely important, because if these fishermen retire.... We've seen the number of fishermen on Great Slave Lake continue to dwindle. We need to attract more people.

Another thing I mentioned previously is that the fleet that's out on Great Slave Lake is in dire need of modernization and new equipment. That's a big challenge for us too.

Thank you very much for the question. I'll go to Mr. Colford for discussion on the invasive species.

**Mr. John Colford:** I'm not really sure there's much I can add to the discussion on invasive species. Right now we hope that Great Slave Lake will not be dealing with invasive species in the near or distant future. As long as we maintain...and work with the federal government to put in place those means to control the entry of invasive species, I think we'll do well. Great Slave Lake is a prime fishing environment, and we'd like to maintain it that way.

• (1250)

**Mr. Fin Donnelly:** Thanks.

I'm surprised you haven't made much mention of fuel costs being an issue into the future.

Could you give me an idea of your market? What percentage is domestic and what percentage is outside of NWT?

**Hon. David Ramsay:** Mr. Colford.

**Mr. John Colford:** The export market right now is much larger than the domestic market. We really haven't paid a whole lot of attention to the domestic market over the past number of years. We've started to focus on it now as a possible opportunity.

We've been led to that opportunity by fishermen who say, "Listen, if I'm selling fish that's going to Ontario or Europe, why can't we sell it in Yellowknife?" This government has supported that fisherman and a number of others as well.

Again, it comes down to capacity and it's the labour and the cost of fishing. You raised the point about the cost of fuel. Fuel exploded between 2003 and 2010. The cost of operating a fishing boat went up by almost 300%. Meanwhile the price declined. It went in the other direction. While we were dependent on the export market, the export market simply wasn't keeping up with the cost. I think we all assumed it would, but it didn't.

This is where the domestic market comes into play as an important market, especially if we sell a value-added product. People in the Northwest Territories are no different from people in southern Canada. We like convenience in terms of our foods. We like going into the grocery store and picking up a fillet of fish and taking it home, as opposed to a whole fish and doing all the work ourselves at home.

People here in the north value their products. I believe there's a high level of confidence in our fishery and a high level of confidence in the products that are being produced by our fishermen.

It's that simple means of organization, and I suppose capital investment is the big thing at play. There are so many small pieces and parts to put into play. It's a matter of making sure that all the ducks are lined up in the right order. Then I believe you'll have a well-served domestic market as well as a well-served export market.

But if we don't have capital investment, it's not going to be great.

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

Mr. Weston.

**Mr. John Weston (West Vancouver—Sunshine Coast—Sea to Sky Country, CPC):** Thank you, Mr. Chair.

I have one big thank you and three quick questions. If you don't have time we might get you to just send your note in, if you care to do so. A big thank you for being on the screen today, and I'll echo my colleague's comment for endorsing National Health and Fitness Day in Yellowknife and in Mayo. That was great and a boost to what I'm trying to do to promote health and fitness across the country. I look forward to meeting you in person.

Here are my questions. First, are there three or four locations you think would be the top places to visit if we proceed with our plans to go there?

Second, in the 2013 budget there's a commitment to creating partnerships. It's a \$10 million commitment to bring out recreational fishing. The idea is to get a small amount of government money sown in a community, which would then galvanize the community to do things. So we're wondering if that's going to find favour in your part of the world.

Third, in terms of asserting sovereignty up in the north, do you see wisdom in this idea of having a commercial fishery?

So there are three big questions, and I have only three minutes.

**Hon. David Ramsay:** Thank you, Mr. Weston.

If you did choose to visit the Northwest Territories, that would be fantastic. The summer months are obviously the best time of year to visit, any time from May until September. The top three places you would want to visit relative to the fishery would be Hay River on the south shore of Great Slave Lake—that's the hub of activity in the fishery—Yellowknife, and perhaps a smaller community like Deline located on Great Bear Lake. They have a lodge there. They have facilities there that you could put to good use. They also have the tourism angle with operations on Great Bear Lake for fishing. That would be great if you had the opportunity to come and visit for yourselves.

On the sovereignty question, we have done a great deal of work with the federal government. Again, I have to thank the federal government for all the money they've helped with so we could get infrastructure here in the Northwest Territories and we could grow and put that necessary infrastructure in place. I mentioned the Building Canada fund earlier. Just recently we had the announcement on the Inuvik to Tuktoyaktuk Highway project. Having a highway that's going to connect this country from coast to coast to coast speaks a great deal to Canadian sovereignty in the Arctic. Certainly if we had a flourishing commercial fishery here that would certainly be of benefit on a sovereignty front as well.

As I mentioned earlier, we've had success in partnering with the federal government on other programs through which we've seen cost-shared dollars come into the territory. For the fishery we welcome that as well.

• (1255)

**Mr. John Weston:** Mr. Ramsay, let me just interrupt. I'm sure my time is waning.

Those partnerships are to be with volunteer groups in the community. So maybe it's something worth exploring, and if you think there are some good ideas that can be cultivated you could let us know by memo or tell us when we meet you in person.

**Hon. David Ramsay:** That would be great, Mr. Weston. Thank you. We'll do that.

**The Chair:** Thank you very much, Mr. Weston.

We are going back to Mr. Donnelly.

**Mr. Fin Donnelly:** Thank you, Mr. Chair.

I have two quick questions, and then maybe you could spend the short time that I have just responding to those. The first one is on the recreation and sports sector. There's been some talk of that. I'm just wondering if you can elaborate on some of the trends, challenges, and opportunities in that sector for the Northwest Territories.

Second, I'm wondering if you have any comment about the recent changes to the Fisheries Act and how it affects the territory, and whether you were able to submit input on the changes to the regulations.

**Hon. David Ramsay:** Thanks, Mr. Donnelly.

On your first question, we have spent a great deal of time and effort on promoting healthy communities and activity amongst young people here in the Northwest Territories. It's not through this department but through the Department of Health and Social Services and also through our Department of Municipal and Community Affairs, who have responsibility for youth and sport here in the Northwest Territories. We have the Arctic Winter Games, and that's been a great success over the past number of decades. We continue to support that initiative.

We have to put programs in place that are going to get people active. We've had some issues with volunteer levels in the smaller communities. We're trying to make some strides there as well.

On the changes to the Fisheries Act, I wouldn't have any comments at this time. I believe that would be handled through our Department of Environment and Natural Resources. I'll certainly follow up with my colleague Minister Miltenberger on where his department is at in terms of any comments on the changes to the Fisheries Act.

Thank you.

**Mr. Fin Donnelly:** Thanks very much.

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

We'll wrap up with Mr. Kamp.

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

Thank you, gentlemen. I have a lot of questions, but hopefully I can ask many of them in person if we're up there in late summer or fall. So I'll just ask one today.

Minister Ramsay, you've said that from time to time the fisherman have changed their opinion on the value of the Freshwater Fish Marketing Corporation. Sometimes there's a commitment to staying; sometimes there's some interest in leaving.

At those times when they're thinking that perhaps they could be outside of the corporation, what are they thinking in terms of the fishery and how it's going to be processed, marketed, and so on if they're not inside the corporation?

• (1300)

**Hon. David Ramsay:** Thank you very much.

They'd look at taking that on themselves. We've had numerous discussions with them. They'd be looking to this government to be able to fill the backstop and provide the support to the industry. We would have to step in and try to fill that role.

We've been working with both FFMC and the NWT Fishermen's Federation, trying to keep the two of them together, to try to find a path forward. We believe there's a path forward, and that is with our government, FFMC, and the fishermen's federation all working together to try to get the reinvestment back into the fishery on Great Slave Lake so that we can have the robust fishery on that lake that we've had in the past. That's our goal.

**Mr. Randy Kamp:** Thank you very much.

**The Chair:** Thank you very much, Mr. Kamp.

Gentlemen, on behalf of the committee, thank you very much for taking the time to meet with us. I thank you for your patience today as well. We certainly do appreciate it.

I know this committee is very interested in pursuing some of the issues that we talked about here today. Hopefully we'll be able to do that in person at some point in the near future.

Minister Ramsay, if you're in Saint John this summer, before you cross the bridge to Mr. MacAulay's neck of the woods, please don't hesitate to stop in. I look forward to meeting you as well.

Thank you very much, gentlemen, on behalf of the committee.

**Hon. David Ramsay:** Thank you, Mr. Chairman. I will be in Saint John this summer. My mom and dad live in Moncton, so I go back to New Brunswick every summer. I'll probably take you up on your offer.

I certainly do look forward to your committee visiting the Northwest Territories. It's a beautiful part of the country. If your committee members haven't been here before, it's a great opportunity to see what's happening on the ground. We certainly look forward to hosting you here in the Northwest Territories in the near future.

Thank you.

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

On that note, there being no further business, this committee now stands adjourned.

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