House of Commons
CANADA

# Standing Committee on Fisheries and Oceans

FOPO • NUMBER 012 • 1st SESSION • 38th PARLIAMENT

**EVIDENCE**

## Thursday, December 2, 2004

## Chair

**Mr. Tom Wappel**

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● (0940)

[*English*]

**The Chair (Mr. Tom Wappel (Scarborough Southwest, Lib.)):** I call this meeting of the Standing Committee on Fisheries and Oceans to order.

Pursuant to Standing Order 108(2), we are undertaking a study on the 2004 Fraser River sockeye salmon harvest.

I just want to go over a few logistical things with members before we get started with our witnesses. I want to welcome our witnesses, but I'll do that more formally in a moment.

For those who are listening, who are interested, and for our witnesses, the reason we are here is that a motion was presented to the fisheries and oceans committee that we investigate the 2004 Fraser River sockeye salmon harvest and what happened and didn't happen. That motion was unanimously passed by the committee, and the House of Commons gave its approval for the fisheries committee to travel to Vancouver to hear evidence on this matter.

Members, if I could draw your attention to tab A of our briefing book, to page 2 in the English version, I just want to remind everybody that what we have tried to do up here is group the witnesses in some sort of logical fashion. At least, it's logical as far as I can see. This morning, for two and a half hours and with an appropriate break that I'll decide on, we have the auditing and historical backgrounds of this issue—and I'll introduce the witnesses in a moment. We then have lunch, and then panels 2 through 5 will deal with the commercial fishing aspect. Panel 6 is tacked on, if I can put it that way, and has nothing whatsoever to do with the sockeye salmon issue; it has to do with sablefish. The reason we did so is that this person requested that he present while we're here, and the committee agreed that it would be okay.

For each of the other days, that's how we're doing it. We are trying to keep the presenters in some sort of logical, methodical fashion. The crescendo of the meetings, if I can put it that way, will be on Saturday, because our last witnesses will be the witnesses from DFO, the thinking being that by that time we will have had an opportunity to hear from everybody and educate ourselves so that we can ask some pointed, pertinent, and educated questions. So that's how everything is set up.

In terms of recognizing members, we're on the road, we're not in the House of Commons. What I would like to do, unless I'm overruled—I hope I won't be—is be a little more flexible in terms of recognizing members, because I want to be sure every member has an opportunity to put whatever questions the member wants to put.

I'm not going to be strictly following the list that I would normally follow. I will always begin with the official opposition and then go to the Liberals, and then after that I'm just going to see hands. I'm going to ask you to signify to the clerk that you would like to ask questions, and then I will just be judicious in how that is. What we'll do is two ten-minute rounds, and then we'll go into five-minute rounds, and everybody will have five minutes from there on in until we're finished questions.

Mr. Blais.

[*Translation*]

**Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ):** How about the third party? You did not say anything about it.

[*English*]

**The Chair:** I didn't mention the parties by name, but each party and every member of each party will have an opportunity to ask questions. I won't, for example, be going to the Liberal side after each opposition member. I may go to another member of the Conservative Party, or I may go to a member of the Bloc.

Mr. Blais.

[*Translation*]

**Mr. Raynald Blais:** This will enable us to take advantage of the situation: we are twice as many as the Liberals.

[*English*]

**The Chair:** You can make whatever observations you wish, Monsieur Blais. I am the chair, and I will attempt to not take debate.

That's what I wanted to say about how we're going to handle the questioning, and I've mentioned the seating. As far as the witnesses are concerned, we do have two and a half hours, but what we would like to do is ask each of our presenters to limit their opening remarks to about ten minutes, with the exception of the Honourable John Fraser; we're going to allow him a little more time, and I'll be judicious about that. Just remember that there will be ample opportunity for you to expand on your opening remarks when you are answering the questions that undoubtedly will be put to you.

So we'll allow each of the panellists who are going to speak—I think there are three, and I'll introduce them in a moment—ten minutes and Mr. Fraser a little longer. You'll all present at once, and after all the presentations are over, then we will go to questions. And for the benefit of the witnesses, all the people on your left and right are members of Parliament.

Welcome to our witnesses. They are the Honourable John Fraser, former Speaker of the House of Commons and former Minister of Fisheries and Oceans, currently chairman of the Pacific Fisheries Resource Conservation Council; Ronald Thompson, Assistant Auditor General from the Office of the Auditor General; Eric Hellsten, principal, also from that office; Gerry Chu, director, from that office; Wayne Strelioff, Auditor General of British Columbia; and Morris Sydor, senior principal, health sector, with the Auditor General of British Columbia.

Without further ado, I'd like to go to John Fraser first for his presentation.

● (0945)

[*Translation*]

**Mr. John Fraser (Chairman, Pacific Fisheries Resource Conservation Council):** Thank you, Mr. Chairman.

We welcome all the members of Parliament and wish them a nice stay in Vancouver.

[*English*]

Mr. Chairman and colleagues, I know your prime concern at the hearings this morning is over the Fraser River and the sockeye situation. We're going to try to help in that, but we're also going to talk a bit about the department and the situation generally. I'm also going to make a few brief remarks about the aquaculture and wild fish controversy.

Before I get into that, I want to remind you that the Pacific Fisheries Resource Conservation Council was established some years ago. Its mandate is to report on the state of the salmon and steelhead stocks and the state of habitat to both levels of government. It is made up of a number of very effective council members. You see them set out in our presentation, and at the back of the presentation is the background on each one of them. I'm very proud to work with them. The council was created to assist the government to take a more comprehensive approach to conservation of Pacific salmon and steelhead, to foster a better understanding of the complex freshwater and marine ecosystems. The council endeavours to provide an overview perspective on long-term strategic priorities for the conservation of salmon and salmon habitat, and our annual reports summarize stock and habitat status and make recommendations to ministers. We also produce advisories, which have encompassed such diverse topics as the rationalization of DFO's habitat stewardship programs, geographically specific salmon issues, and the impending crisis in fisheries education. Our reports on these matters are listed in our handout, and you'll see that over the last number of years they've been extensive.

Do you have a copy of the handout?

**The Chair:** Yes. It's only in English, so the clerk is not mandated to hand it out unless there's unanimous consent of the committee.

Is there unanimous consent of the committee? No.

**Mr. John Fraser:** Thank you.

This is under the heading “The Value of Salmon”. In the council's appearance before the Standing Committee on Fisheries and Oceans in March 2003 we made a point of stressing how important salmon are to British Columbians. This point bears repeating. Salmon are an integral part of life for British Columbians. The spiritual value of salmon to first nations is incalculable. Salmon support is smaller, but it's still a viable commercial fishery. Salmon are also the basis for a very large, growing, and valuable recreational fishery that is one of the pillars of tourism and industry in the province. Salmon are important to even those who do not fish or eat them, as evidenced by the great public attendance at events such as the annual sockeye run. Salmon are an icon to British Columbians, and it's important to understand this.

With respect to the missing Fraser sockeye in 2004, by all accounts, the number of Fraser River sockeye that reached the spawning grounds was much smaller than both pre-season forecasts and the estimates of the run size made in the lower river admission. The very low numbers of spawners may have future consequences for these stocks and for the fisheries that depend on them. The council and British Columbians in general are concerned.

Our council, however, has not been mandated to review this issue, given DFO's decision to have a special inquiry into the cause of the low escapement of Fraser River sockeye to their spawning grounds. Nevertheless, the council has requested a presentation from DFO staff on spawning escapement in the various tributaries as compared to the run size estimates made in the lower river. In addition, we have requested any information available on environmental factors during the run. We have been told by DFO that it will have this information available for presentation in January 2005. While this information will assist our council in learning the facts, it may not allow us to determine the cause of the collapse, but it will, I hope, allow the council to make recommendations on what could be done to improve our collective ability.

There is a heading “Diminishing Capacity”. Council is increasingly concerned that the federal government is now failing to meet its obligations to conserve and scientifically manage the fisheries resource. Attention to wild salmon is diminishing, and it appears that the department as a whole is lacking in direction. As one prime example, delays in developing wild salmon policy and an issue first announced in 1998 suggest to council that there's no consensus within DFO about what its core values are. We are hearing again now that it's going to be released soon, but it's going to be a long time in consultation, and unless there's some clarity to it when it comes—it also was released some years ago—we may have more delay.

There are budget cuts, which are very serious out here, and they are not in the hundreds of millions of dollars, they are in the tens of millions. The consequence is that internal operations of the department are constantly being limited by the fact that there is no certainty as to what they can do and what they can't do. It is fundamental to the operation of the department that when we ask them what they could do before these cuts came that they can't do tomorrow, they are unable to give us any answers. Specifically on the Fraser River and the sockeye, these cuts and the difficulty the department is having within itself in being on top of all of what it has to anticipate, not just in the Fraser River, but everywhere else, is a serious and ongoing concern.

The Department of Fisheries and Oceans is everywhere unable to collect all the data we think it needs to do proper stock assessment, to adequately assess the numbers of fish coming back, to adequately assess the places where stocks are depleted or diminishing. This goes right to the capacity of the department to fulfil its functions.

I do want to say this, though. We know, because we work with them all the time, that we have a significant number of very dedicated personnel. Most of the people in DFO are trying to do a good job, but the department desperately needs the political support not just of this committee, but of all of the members of Parliament, from this province and other places, or these urgent issues are not going to be dealt with.

● (0950)

It is astonishing to us that decisions made on financial cuts many years ago have apparently been made without any real knowledge of what they were going to do to the capacity of the department to do its duties.

I also want to mention just in closing, Mr. Chairman, that we also have another issue here. While it doesn't relate directly to the Fraser River at the moment, it is the whole interrelationship between fish farms and wild fish. Our council has never come out and said there should not be fish farms, but we have said they should be done properly.

We recommended an aquaculture forum. This was supported by both levels of government in a public announcement a year ago by both levels of government that it would be established. We wrote to the federal government in May asking what happened to this, and we've never had a reply. We've heard via telephone conversation from a provincial official that it's not going ahead, and we are baffled by this. We understand that there may be discussions going on belatedly between the provincial government and the federal government to do something about this issue, but this is a matter of significant economic interest to the province and of course to the security of the wild fish.

I'm very conscious of time, Mr. Chairman, and I'm not going to read all of this. We'll have to find a way to get it translated and to you all, but those are the highlights of our remarks. I'd be very pleased to take any questions, because I can go into some of this in more detail.

You may remember that, some years ago, I was asked by then Minister Tobin to chair an inquiry into the missing sockeye salmon in the Fraser River, and now we seem to be doing it all over again. And remember that even before I was asked to do that, Dr. Peter Pearse was asked to do it in 1992. I would hope that with the attention all of you can give this, along with that of some of your colleagues who don't happen to be on this committee, we can make sure this time that we get the answers we have to have in order to make sure this doesn't keep repeating itself.

● (0955)

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

You don't have to worry about translating anything, as you know. Just give us the material and our clerk will arrange for it and distribute it to all the members. There's no problem there.

And I apologize. I introduced everybody except Mr. Ennis.

Would you like to introduce yourself, Mr. Ennis?

**Mr. Gordon Ennis (Secretariat Manager, Pacific Fisheries Resource Conservation Council):** I'm Gordon Ennis. I'm the director of the Pacific Fisheries Resource Conservation Council, and I'm here with Mr. Fraser.

**The Chair:** Mr. Ennis, did you want to add anything at this time?

**Mr. Gordon Ennis:** No, that's fine.

**The Chair:** All right. Thank you, and welcome.

We'll now go to Mr. Ron Thompson, Assistant Auditor General.

**Mr. Ronald Thompson (Assistant Auditor General, Office of the Auditor General of Canada):** Thank you very much, Mr. Chairman.

Thank you for inviting us here today. Joining me at the table is Eric Hellsten, the principal who runs our Vancouver office; and Mr. Gerry Chu, who is a director with Mr. Hellsten here in Vancouver.

Over the last seven years, our Vancouver regional office has completed four audits or chapters, as we call them, on salmon issues. In 1997 we reported on sustainability of the Pacific salmon resource base. This was followed by our report in 1999 on sustainability of the Pacific salmon fisheries. In 2000 we reported on the effects of salmon farming in British Columbia on the management of wild salmon stocks. Recently we concluded a report entitled “Fisheries and Oceans Canada—Salmon Stocks, Habitat, and Aquaculture”, in chapter 5 of the 2004 report of the Commissioner of the Environment and Sustainable Development. We certainly hope these four chapters will provide good background information to assist the committee in its hearings on the 2004 Fraser River sockeye salmon situation.

Chapter 5 is a follow-up to assess the action taken by the department on the key observations and recommendations in our 1997, 1999, and 2000 reports. In 1997 we reported that Pacific salmon stocks and habitat were under stress. In 1999 we reported that the Pacific salmon fisheries were in trouble and their long-term sustainability was also at risk because of overfishing, habitat loss, and other factors. In 2000 we reported that the department was not fully meeting its legislative obligations to protect wild Pacific salmon stocks from the effects of salmon aquaculture operations.

[*Translation*]

We undertook this follow-up in cooperation with the Auditors general of British Columbia and New Brunswick who both tabled separate reports on salmon issues in their respective legislatures. Their findings show similar gaps to those we found ourselves.

Salmon area integral part of people's lives on the East as well as the West coast of our country. They provide a wide array of economic, social and cultural benefits to Canadians. It is crucial to maintain the biological diversity and abundance of salmon stocks which make up such a distinctive part of our Canadian heritage.

The management of salmon stocks and of the fisheries is very complex due to many factors: salmon biology and behaviour; the great number of stocks; tension between the demands and interests of environmental groups, first nations, commercial fishers, recreational fishers and other interested parties; the treaty negotiation process under way with first nations; the change in climate and oceanic conditions and changes in fish habitat.

Furthermore, the Species at Risk Act established new obligations in terms of protection. We are not satisfied overall with the progress achieved by Fisheries and Oceans Canada in implementing observations and recommendations we made in 1997, 1999 and 2000.

Mr. Chairman, I understand the committee will deal with Chapter 5 in a future meeting. For the time being, I would like to focus on our findings relating to the Fraser River sockeye salmon. I would also like to emphasize that our audit did not deal with the situation that arose in 2004 in the Fraser River sockeye fisheries.

● (1000)

[*English*]

The department has not yet finalized its wild salmon policy, as Mr. Fraser has pointed out. This policy will provide clear objectives and guiding principles, and will bring together biological, economic, and social factors for fisheries and resource management, habitat protection, and salmon enhancement. This policy is long overdue. Stakeholders have called for the policy to be finalized to clarify how conservation should be implemented and how fisheries should be managed.

While many stocks are abundant, some Pacific salmon populations are in trouble. For example, the number of Sakinaw sockeye returning to spawn has declined from as high as 16,000 before 1987 to as low as three in 2003. Indeed the Sakinaw Lake and Cultus Lake sockeye populations are at a high risk of extinction and are vulnerable to poachers, predators, habitat loss, low water levels, and mixed-stock fisheries. Lack of prompt action may push these stocks even closer to extinction. The department has undertaken some measures to conserve weak stocks, mostly through limiting fishing opportunities or by reducing the catch rate.

In addition to the lack of a finalized wild salmon policy, issues on consultation and salmon allocation remain in the Pacific fisheries. Due to a variety of factors, including conservation measures and declining market prices, the commercial catch of Pacific salmon has decreased substantially from 1992 to 2002.

Our report identified numerous concerns about the management of the Fraser River sockeye salmon fishery. For example, there were no clear objectives for the conservation of wild salmon. There was no consensus over conservation units, goals for escapement, and acceptable risks for managing the fishery. There were also concerns about the transparency, participation, and timeliness of consultations on pre-season management plans and in-season decision-making.

Major gaps in information on Pacific salmon stocks and habitat continue to exist. There is a lack of comprehensive information, which prevents a complete assessment of the status of Pacific salmon stocks. For example, there are no formal assessments for the majority of Fraser River sockeye stocks. In addition, there were concerns about whether the in-season estimates of abundance, migration timing and route, stock composition, and catch reporting of Fraser River sockeye were timely, adequate, or accurate. Users were very critical of the data available to manage the Fraser River sockeye fishery.

Salmon hatcheries are a major activity on the west coast. These hatcheries release hundreds of millions of juvenile salmon into the streams each year, primarily to support sport and commercial fisheries. However, hatchery-bred salmon can have negative effects on wild salmon. They may, over time, erode the biological diversity of the wild salmon stocks. We believe there is a need to evaluate the role of salmon hatchery production and its consequences on managing and conserving wild Pacific salmon.

I turn now to managing and protecting salmon habitat. The objective of the department's 1986 policy for the management of fish habitat is to achieve an overall net gain or increase in the amount of habitat available to salmon. But departmental reviews have raised questions as to whether an overall net gain in the productive capacity of habitat is in fact being achieved. For example, a recent review of 52 development project authorizations found that many projects resulted in net losses in habitat. There are indications that habitat loss is continuing. We believe the department needs to re-examine the objectives of its habitat policy and make it work.

Finally, Mr. Chairman, our audit also looked at salmon aquaculture, which is not the focus of this hearing. At present, little is known about the potential effects of salmon aquaculture in aquatic ecosystems and on wild salmon stocks. We would be willing to discuss this issue with the committee now or at a future hearing.

● (1005)

In conclusion, Mr. Chairman, concerns about salmon are not new, and neither are attempts to improve the state of the resource and its habitat. But progress has been slow. Lack of prompt action may put weak salmon stocks and the long-term sustainability of fisheries at risk.

Mr. Chairman, that concludes my opening statement. We would be very pleased to answer any questions the committee may have. In doing so, I hope you'll agree, I will call on Mr. Hellsten and Mr. Chu to chip in.

Thank you, Mr. Chairman.

**The Chair:** Thank you very much, Mr. Thompson. I was auditing your time, and you were just slightly over.

Mr. Strelioff, I invite you to make a presentation if you'd like.

**Mr. Wayne Strelioff (Auditor General of British Columbia, Office of the Auditor General of British Columbia):** Thank you very much.

Good morning, and welcome to British Columbia. As stated, my name is Wayne Strelioff, and I am the Auditor General of British Columbia. I've been the Auditor General now for about four and a half years, and prior to that I had the same position in Saskatchewan for nearly ten years.

Our office serves the Legislative Assembly and the people of B.C. by providing independent assessments and advice on the accountability and performance of our government. This morning I will discuss the performance audit we recently reported on. The report is entitled *Salmon Forever: An Assessment of the Provincial Role in Sustaining Wild Salmon*. Our report has been provided to the clerk of this committee, as have my speaking notes.

With me is Morris Sydor. Mr. Sydor led our work on this important project.

Our report represents a departure from our usual practice. For this examination, three offices participated: the Auditor General of Canada, the Auditor General of New Brunswick, and our office, of course. We did this because management of wild salmon and salmon aquaculture is joint federal–provincial responsibility.

Each office examined similar issues related to each of our jurisdictions, and our field work was carried out from May 2003 to December 2003. Each office issued a report on the same day, October 26, 2004. Our report and that of the Auditor General of Canada addressed wild salmon issues, including the impacts of aquaculture. The New Brunswick report focused on aquaculture issues only.

The three reports each had the same summary. It is a common message signed by the three Auditors General and the Commissioner of the Environment and Sustainable Development. This common message identified several themes. First, we acknowledge that salmon stocks are under pressure on both coasts; that the federal government has been struggling since 2000 to finalize a wild salmon policy; and that in B.C., the government does not have a clear vision and overarching strategy for wild salmon sustainability.

We acknowledge that both levels of government have responsibilities related to wild salmon, with the federal government having the senior responsibility. Although many agreements and committees exist, we found problems with coordinating efforts.

Each of the three audits looked at aquaculture issues and found that there are major gaps in knowledge about the potential effects of salmon aquaculture.

As my colleague Mr. Thompson said, our concerns are not new and progress has been slow. The collaboration of a variety of agencies within each government and between governments is essential, and we urge the respective governments to take immediate action on these important issues.

As you know, B.C. is one of the few remaining locations in the world to support relatively large numbers of wild salmon, but the long-term sustainability of wild salmon in B.C. has come into question over the last several decades. Salmon habitat can be impacted by various human activities, such as forestry, water use, urbanization, and agriculture. Concerns have also been expressed about the potential impacts of salmon aquaculture.

When we started the audit, we recognized that the Department of Fisheries and Oceans, under the auspices of the Fisheries Act, has the senior responsibility for managing all wild salmon, including allocation, inventories, escapement, and habitat management. However, at the same time, the provincial government participates in the day-to-day management of wild salmon issues through legislation and regulation of government land use, water use, and resource development activities.

The province's role in managing the habitat is significant. They have a legal obligation under agreements with the federal government and obligations under provincial legislation. Salmon has an important economic value, both in a commercial sense and a recreational sense. The province is responsible for being a good steward of public land, so it needs to manage activities that can affect fish habitat. And increasingly, global markets are requiring some form of eco-certification of resource-based products. Certification of wild stocks for marketing will require being able to demonstrate the viability of wild stocks.

Finally, in B.C.—and elsewhere in Canada, I think—salmon are an important public symbol. Sustaining them is a demonstration of government delivering on its commitment to protect the public interest.

● (1010)

The purpose of our audit was to assess whether the province has effective programs in place to ensure the sustainability of wild salmon in British Columbia. We examined how the province protects and restores habitat, as well as how it mitigates the potential impact of salmon aquaculture on wild salmon stocks.

Overall, we concluded that the province needs to be much more aggressive if it is to ensure the future sustainability of wild salmon. Its role in managing habitat is significant, but the absence of a provincial provision and strategic plan has prevented establishment of a coordinated program.

Protecting habitat and restoring past programs are essential if our wild salmon are to be sustained. However, existing legislation in the province does not provide adequate protection. Some key provisions are either not in force or not being acted upon. Although aquaculture impacts are recognized and addressed, gaps exist. More research and studies are needed.

The first major issue we considered was the adequacy of vision, strategy, and leadership. Sustaining wild salmon requires a clear vision to reflect the province's intentions regarding wild salmon. We concluded that the province does not have a clear vision in place to protect and restore salmon habitat, or to guide and support policy and program development for maintaining wild salmon and their habitat.

Through a clear vision, we found that the province would describe the future it's working toward as a plan for the future to restore wild stocks and their genetic diversity to previous levels. Or is it the plan to maintain existing stocks and diversity? Or is it to allow for depletion of wild stocks and their genetic diversity? A clear vision would guide priority setting. As well, because of the significant federal influence around wild salmon, a common federal provincial strategy and approach needs to be developed to better coordinate efforts and achieve results.

The shared federal-provincial responsibility has led to a mosaic of agreements and protocols that have not substantially clarified roles. This has created awkward arrangements and awkward working relationships. Within B.C., we also found an absence of strong leadership. Several ministries and agencies have a role, but there is no one lead agency to give clear policy direction for setting provincial goals or objectives.

We concluded that the province can play a more active role in protecting habitat. Although there is no legislation outlining the provincial role in regulating wild salmon issues, provincial acts and regulations that include provisions beneficial to wild salmon exist, and can influence the extent to which fish habitat is affected. These, however, vary in their value for protecting wild salmon.

The provincial Fisheries Protection Act, for example, provides incomplete protection for wild salmon. The lack of implementation of several important provisions in that act significantly weakens its value.

The provincial Water Act also contains provisions beneficial to wild salmon, but this act has not been used as an effective tool for protecting fish habitat. The act does not require that water needs for fish be considered in a consistent or rigorous manner.

The Forest Practices Code and related guidebooks provide good direction on best practices. A key provision in the Forest Practices Code, and one continued in the Forest and Range Practices Act, is a requirement for the establishment of riparian reserves and riparian management zones.

We also noted that changing business processes are creating uncertainty in British Columbia. We're moving from a prescriptive approach to a results-based approach, which means government will not be in a position to identify and fix problems before they occur.

Compliance and enforcement regimes are being redesigned. Greater emphasis is being placed on the use of risk assessment to determine where and how infractions will be weighted and pursued.

Restoring habitat is another way that government can contribute to the sustainability of wild salmon. We found that the provincial government has reduced its involvement in habitat restoration. Major programs targeted at wild salmon no longer exist. As well, information on restoration needs is incomplete. There is no single inventory of the work previously completed or the ranking of watersheds and habitat requiring restoration. Effectiveness evaluations are necessary to ensure scarce resources are allocated properly. We found that limited evaluations have been carried out.

On the issue of managing information on wild salmon, we found that the province has collected a considerable amount of inventory information about fish and fish habitat. Historically, this information was collected by a number of ministries and agencies. The provincial government has now begun to centralize and consolidate this information in one agency. Although this information lacks a focus on salmon, it is useful.

● (1015)

In addition, we found that concerns were expressed about the accuracy of data collected because of third party involvement in data collection and uncertainty about standards and quality control confirmed by these third parties.

Our final findings are on the salmon aquaculture component of this audit. Salmon aquaculture started in B.C. about 30 years ago. Today the province is the fourth-largest producer in the world. Concerns exist about the industry's impact on the environment and wild salmon, and whether risks are completely understood.

An incomplete understanding of the risks has generated considerable and intense debate in British Columbia. The three main areas of risk in the salmon farming industry concern the marine environmental impacts of aquaculture operation, competition from escaped farm fish, and health effects from the transfer of parasites and disease.

We found that, through a policy framework and regulations, the province has put constructive measures for fish health, waste, escape prevention, best practices, and compliance with enforcement into place. However, important issues remain unsolved. Properly sited farms, for example, can reduce impact. We have 15 criteria now put in place, developed as guidelines, but outstanding disagreements persist between federal and provincial agencies concerning the criteria for siting net cages in close proximity to wild salmon streams, fish habitat buffers, seabed characterization, and the grandfathering of old fish farm sites. As a result, efforts to relocate poorly sited existing farms have been slow.

The province's ability to manage the risks associated with the interaction between wild salmon and salmon aquaculture is still hindered by gaps and an uncertainty in knowledge. We found that there is a strong need to address the priority knowledge gap associated with wild and farmed salmon interactions in several areas, particularly around issues of fish health and cumulative effects.

In our report, we made 14 recommendations for improvement. Three relate to the federal role.

The first recommendation is that the province, in conjunction with the federal department, develop a clear vision, with goals and objectives, for sustaining wild salmon, and provide public policy direction about what is an acceptable risk to salmon habitat and what is an acceptable loss of salmon runs. Again, is it the plan to maintain our salmon stocks and genetic diversity, is it to rebuild to previous levels, or is it to allow depletion? That vision, set out clearly, would then guide our actions, policies, and programs.

We also found that the province, in conjunction with the federal department, needs to develop an overarching strategy to manage for wild salmon sustainability, giving a clear vision of what is the strategy.

Third, we recommend that the province pool its resources with relevant federal knowledge to more efficiently address the priority knowledge gaps associated with wild and farmed salmon interaction. We found that they need to do that more aggressively.

That concludes my presentation. Both Mr. Sydor and I would be happy to answer your questions.

Our report has been referred to B.C.'s Select Standing Committee on Public Accounts. That committee has not yet met to address our report. I expect in January it will address each of our findings, conclusions, and recommendations.

Thank you very much.

● (1020)

**The Chair:** Thank you very much, Mr. Auditor General.

Just to make Mr. Thompson feel a little better, you went longer than he did, but it was very interesting. Thank you.

We're now going to questioning. We'll start with the official opposition critic for fisheries and oceans, Mr. Loyola Hearn, from the Conservative Party of Canada.

**Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC):** Mr. Chair, seeing that we're in British Columbia, and the issues are more localized than general, I would defer to Mr. Cummins, if he would like to start.

**The Chair:** Very good.

Mr. Cummins, please.

**Mr. John Cummins (Delta—Richmond East, CPC):** Thank you, Mr. Chair.

I want to thank the witnesses for their presentations this morning. We heard some interesting reports that I think look to the long term.

I want to thank especially the auditors general for their presentations. As I say, much of what they said looked to the future.

I certainly appreciate the frankness of Mr. Strelioff in his comments about the obligations, if you will, of the provincial government, and really their failure, in my view, to step up to the plate on this important issue.

I have one quick question for you, Mr. Thompson, just to start. This refers back to the 1999 report of the federal Auditor General on Pacific salmon and sustainability of the resource. At paragraph 20.60 of that report, it says:

> At the time of our audit the Science Branch had received catch data for 1997 from fewer than 15 percent of the bands that were required to collect it. In 1998, the regional office reported that some First Nations on the north coast submitted either no catch data or data that were unusable. The regional office told us that some bands refuse to provide catch reports on salmon because of complications in treaty negotiations. We also learned that the involvement of Fisheries Officers in obtaining data from bands and submitting them to the Science Branch is highly inconsistent across districts. The regional office is now working to update its reporting systems and to better delineate the responsibilities of everyone involved in the process

That quite clearly says that there's largely non-compliance with the bands in reporting catch data.

**The Chair:** That was for what year?

**Mr. John Cummins:** That was the Auditor General's report in 1999.

**The Chair:** So in 1999 that's what was happening.

**Mr. John Cummins:** That's correct, yes.

**The Chair:** You're using the present tense. Just to be clear, you might want to ask if it's still—

**Mr. John Cummins:** I don't think I was. As I said, that was the situation when this report was written. That was the Auditor General's review. I know the Auditor General keeps an eye on circumstances related to reports they do, and I just want to know if he has any comment as to whether that situation has been rectified, whether it's been approved, or whether the reporting is still at a deplorable rate.

● (1025)

**Mr. Ronald Thompson:** We certainly look at all the recommendations when we're doing what we call a status report chapter, which was chapter 5 in 2004. Some we actually report on, some we don't.

Let me ask Mr. Hellsten, if I may, Mr. Chairman, to comment more directly on Mr. Cummins' question.

**The Chair:** Mr. Hellsten.

**Mr. Eric Hellsten (Principal, Office of the Auditor General of Canada):** Thank you for the question.

The audit we've just completed is a follow-up on three separate chapters. While all these issues are important, we do not have the space or time to follow up on every single one of them. It is important to know, however, that we do criticize very seriously the department's information gathering and analysis through this report. So while there may have been some improvement in this area, if you look at our general criticisms of information the department has, there probably are still some concerns in that area.

**Mr. John Cummins:** Thank you.

Mr. Fraser, you're here this morning as the chairman of the Pacific Fisheries Resource Conservation Council, and I guess, to a certain extent, your responses have to reflect that organization. But before the Pacific Fisheries Resource Conservation Council was formed, you had other obligations and other duties. In particular, I'm referring to the Fraser River sockeye report in 1994. Are you able to step outside your official role this morning and comment on those issues?

**Mr. John Fraser:** It depends what you ask me.

**Mr. John Cummins:** Mr. Fraser, you're in British Columbia, you're very highly regarded for the work you've done not only on the salmon, but on fish in general and the habitat on the west coast. You're probably one of our foremost experts and spokesmen on these issues. So I'm delighted that you're able to present again to the committee, and we looked forward to your comments.

In particular, you mentioned in your remarks that the proposed review by this committee is going to be the third one in the last dozen years. It seems to me that we're probably headed towards a disaster on the salmon stocks in this province unless some drastic action is taken. Do you think this third inquiry is any different from the inquiries that have gone on before? Do you think we can expect anything different?

**Mr. John Fraser:** Well, I'm not speaking now as chair of the conservation council, and I want it clearly understood that the council has taken no position on what form of inquiry should be put in place to examine the causes and consequences of the sockeye failure in the Fraser River this year. As I mentioned in my opening remarks, this is now the third time in not that many years that we have had serious difficulties with respect to the runs on the Fraser, and this would be the third inquiry.

A little history is important. In 1994 there were approximately one million sockeye that seemed to go missing. At that time the then Minister of Fsheries, Mr. Tobin, established immediately a small committee, which I think was going to work mostly in-house to find the answers. A little while later a further significant number of salmon, as I say, went missing, at which point Minister Tobin called me and said he thought we must have an outside inquiry. He wanted me to chair it, which I agreed to do. This would have been in the autumn of 1994, and he wanted a report by February 1995. We did that, and we got the report done under budget and on time. But we had a very small committee, and the people on it were, I think, a pretty confident bunch. I think this is a very important issue, and I'm just going to remind everybody that the number of the people involved were.... I'm trying to find it here.

● (1030)

**The Chair:** It's on page 127.

**Mr. John Fraser:** The board members were Dr. Lee Alverson, a very much respected American fishery scientist; Mr. David Brander-Smith, a Queen's Counsel here, who's been involved in many matters of ocean-going importance; Dr. Paul LeBlond, a Canadian who is one of the best oceanographers in the world; Dr. Richard Routledge at Simon Fraser University, who has really emerged in the last number of years as a great champion of wild salmon; and Dr. Joseph Scrimger, who is an expert in acoustic underwater testing. We had an executive director, Mrs. Sheila-Marie Cook.

That was our committee. We were not a judicial committee, which meant we had to do the very best we could to get information without having the authority to compel people to come in front of us and give evidence. The question I'm sure you're getting at, Mr. Cummins, is whether that hindered our investigation. Given the fact that we did not have that authority, we found out a great deal, but we knew perfectly well that there was a good deal we were not finding out. There were things we sort of knew about, but could not assert, because we did not have the evidence.

So there's no misunderstanding, one has to remember that the fishing community of this province is a very heterogeneous group, a lot of different people with different views. It is not just a complete divide between the aboriginal peoples and those who are not aboriginals, there are divisions within divisions. There are also divisions in the Department of Fisheries and Oceans. If anybody pretends there aren't, they don't know very much about the department. Some of those divisions are very hard to draw out as to facts, when the inquiry is completely dependent on the voluntary advancement of information. Let me put it this way. If an employee of the department is going to come in front of a commission on a volunteer basis, that employee has to live in the department. Whether that employee is going to be as frank as maybe the commission needs that employee to be is problematic when there is no compulsion to present the evidence. That, by the way, applies to a lot of other people who are not in the Department of Fisheries and Oceans. It applies with our aboriginal friends and fellow Canadians, it applies within the fishing community, it applies to non-governmental organizations.

This is, as I say, the third inquiry. We made it quite clear that despite the amount we found out and despite the fact that we found out enough to make some very sharp-edged recommendations, we didn't have the whole story. I'm speaking personally now. I'm not at all sure that unless witnesses are very forthcoming indeed, we're necessarily going to get the whole story this time. Let's not dance around this. There are difficult political issues and very difficult personality issues in this inquiry. It's fundamental to being able to find out what happened and to how to make sure it doesn't happen again, to get the facts that are necessary as a base for effective recommendations.

● (1035)

I understand this inquiry is headed by the former Chief Justice of the Province of British Columbia. Apparently, the former Chief Justice will have a very large number of people working on this commission. I find it a little hard at the moment, because perhaps I haven't seen all the terms, but I don't know how we would have handled 25 or 30 people on our commission.

Further, if an inquiry is going to take place that at least gives a significant number of Canadians a chance to come forward, the inquiry has to move around. It was expensive enough when we had our staff and four or five board members, so just imagine what it is going to be if we have several dozen people.

The next thing, of course, is how fast all this can be done. Minister Tobin said to us he had to have an answer by February, because he had to have some sense of what he was going to do in the coming season. It seems to me that every effort should be made to ensure that this inquiry start almost yesterday and start bringing forward facts, so that the commissioner can start to make recommendations.

I am deeply troubled that this is the third time we are looking at this. You're all in public life. One has to take into account how far the public is going to believe anybody when we have these recurring situations, we have recurring inquiries, we have recommendations, and then it all seems to happen again. I won't even go into the effect this has on the morale of the best of our people in the department.

I haven't commented on the provincial side, but let me say this to all of you who are federal members of Parliament, as I was for a good many years. I'm also a British Columbian. I can tell you that the Province of British Columbia has an intense interest in the wild salmon fishery. It is of extreme importance economically and spiritually, as I said before, and it is of intense importance to our aboriginal communities. This is not just a run to be sloughed off, this is very important, and what's more, we have to find out enough about it to be sure this isn't a precursor to something like this happening somewhere else.

Mr. Cummins, I've tried to give you a full response to your question. I think I understand your concerns. As I say, I'm speaking now as the former chair of an inquiry. I repeat, the committee I chair has not taken any position on what kind of inquiry it ought to be or how it should be formed, but in my earlier remarks I said that if we don't start to get some facts pretty rapidly, we aren't going to be able to form any opinion at all.

● (1040)

**The Chair:** Thank you, Mr. Fraser. That was a very interesting response. I let you go on at length because of that, but I'm going to have to ask panellists, in the interest of time and to give all of our colleagues an opportunity to ask questions, to keep their remarks as brief as possible.

We're going to go now to the parliamentary secretary to the Minister of Fisheries and Oceans, Mr. Shawn Murphy, for ten minutes.

**Hon. Shawn Murphy (Charlottetown, Lib.):** Thank you very much, Mr. Chairman.

Like Mr. Cummins, I want to thank all the witnesses for being here today on this issue.

I want to start by going back to Mr. Fraser. We have a situation here that has been studied to death. I think this is the third time there has been a committee investigation, a commission, you name it, in the last ten to twelve years. Recommendations have been made, but I'm not exactly sure whether or not these recommendations have been followed. As Mr. Fraser has pointed out, the issues are complex, and I don't think we can sit here and say there's one simple answer.

Mr. Fraser, you've spent a good part of your lifetime on these issues, and I certainly think you probably have a better appreciation of them than anyone in this room. You've lived in British Columbia, you've been involved in the Pacific Coast Conservation Council, and you're a former federal Minister of Fisheries. I'd just like to elicit some comments from you on the whole issue of fisheries management in Canada.

It seems that it's a tremendously complex system that I think is broken. It just doesn't seem to work. You've seen the problems. You're aware of the problems the salmon industry has experienced on the Pacific coast. From your past, you're aware of the problems we have on the east coast with the cod. Why these things happen, we don't always know.

My question to you, sir, is this: If you were the fisheries minister again, what would be the one or two or three fundamental changes you would make in the fisheries management regime in Canada to try to get a better handle on these problems?

**Mr. John Fraser:** Once upon a time, when I was fisheries minister, I was asked to leave the cabinet, so this is a very interesting invitation that you're giving me.

**Voices:** Oh, oh!

**Mr. John Fraser:** Mr. Murphy, I'll try to respond to that.

I was trained as an infantry officer many years ago, in another life, and we were taught something very fundamental. We were taught that in every 24 hours, there are three things you have to think about, and you have to think about them every minute. The first is what you must do, the second is what you should do, and the third is what you could do. The other thing was this. When you came upon a situation in which all was confusion—and the army had a more vulgar term for that—and you asked who was in charge and nobody knew, you knew what the problem was.

I don't want to be unfair to some conscientious people, but quite frankly, somebody has be in charge. There has to be a chain of command. People have to know not only who's in charge, but who's responsible. They can't keep constantly changing positions and being acting this and acting that.

There's another aspect to it, and it's this—and I'm now going to confine myself to salmon and steelhead, and on this coast. Where's the strategic plan? We know, because we're told, that there really is no strategic plan in place or in implementation. One of the reasons is that when well-meaning fisheries officers try to move in this direction, they are told internally not to come up with that because there's no money to do it.

I made reference to the fact that the department is going through cuts. Let's remember something. First of all, I'm a fiscal conservative. I do not believe in throwing the people's money around, and I think government departments should be run competently and efficiently and with financial probity and responsibility. But when you take something as complex, under all of the circumstances, as the salmon fishery here, surely somebody has to come up with a plan. Someone has to identify what the problems are—you heard some of them from our Auditor General colleagues—and say, all right, here is a list of the things that need to be done. Some of them are not necessarily in one priority very much over another, but they're all there. A strategic plan has to identify them and then look at how we are going to do something about them.

The second question is an important one, but it's the second question. Having determined what must be done—and I'm coming back to must do, should do, could do—you then determine how much money it is going to cost to do it. At that point, in governance —and that's the responsibility of those who govern—you have to try to decide where you're going to get the money to do it and whether you can do all of those things right away or some of them. But when you are trying to determine what the financial resources ought to be, they at least have to be linked to a plan that was made as a consequence of looking at the things that must be done, not the other way around. That's the single biggest problem right now in fisheries out here. It's all the other way around.

You heard me say a few minutes ago that we have asked again and again. These cuts are not in the hundreds of millions. They're a total set of cuts of maybe $25 million to $35 million, but they're affecting everything. They are creating a situation inside the department where nobody feels they can do anything.

● (1045)

It isn't just money, of course. But when people are working in an atmosphere where to even propose something is going to be shot down before you can even discuss it, then you get not just a malaise, but the whole thing becomes atrophied.

Coming back to your immediate question, somebody has to be in charge and they have to be clearly answerable. Secondly, there has to be a strategic plan, and that strategic plan has to be done on the basis of what must be done, what should be done, and what could be done. You then have to find out how much it's going to cost to do those things, and then you may have to—and you're all in politics—have arguments with colleagues and with Treasury Board and with the Department of Finance as to where the money comes from. But if you don't get this thing straight in terms of deciding what it is you must do, talking about the money just becomes an exasperating game.

And I'll tell you something else. I acted for the private sector for many years, and sometimes our clients did well and sometimes our clients had to economize. I've heard it said in government again and again, "Well, when you have to cut, everything is cut right across the board, the same percentage everywhere. That's what business does." That is not what business does. In any corporation that has to economize for whatever reason, if you take a look at the graph, it will be up and down. Some things they'll stop doing altogether for a while, but with other things, if they're making widgets, they need to have the wood to make them so they still have to keep buying it. So that approach is a disaster approach, because what you do is you leave things there that you could have done without and you chop things you can't do without.

The other thing is this. At the upper echelons of the Canadian public service, there are a number of people who are bright, and I'm sure they're good Canadians. They're economists, financial people. We have to have them because someone has to tell us how much money we have and what we can spend. But in the Department of Fisheries, those people should not be setting policy, because for the most part they do not know what they're doing down there.

Now, let me just be really blunt. Any fool with authority can make cuts. It takes a wise person to know where you can economize and where you have to maintain the resources.

The last thing I would say, Mr. Murphy, is that all of this comes under something else we were taught many years ago, and that is leadership. Since the beginning of recorded human history, much has been written and said about leadership. One can have discussions about good leadership and bad leadership and more leadership and competent leadership, etc., and you can have disagreements. But there is one thing that is blatantly obvious, about which there's no disagreement, and that is the absence of leadership.

● (1050)

**The Chair:** Thank you.

[*Translation*]

I now give the floor to the critic of the Bloc québécois for Fisheries and Oceans, Mr. Roy. You have five minutes, Mr. Roy.

**Mr. Jean-Yves Roy (Haute-Gaspésie—La Mitis—Matane—Matapédia, BQ):** Thank you, Mr. Chairman.

Mr. Fraser, you have military training. You spoke about three main principles that should govern our action. However, in the case you described, we are not dealing with a conventional conflict. It rather looks like guerilla warfare. You say there are so many stakeholders who do not agree among themselves that it is almost impossible to develop a vision that would be met, if not with unanimity, at least with a consensus.

Let me just make clear that I am not trying to defend the government. But when you are in government and are faced with this type of situation and you do not want to act, division is a very good excuse for doing nothing. When there are divisions and people are unable to agree among themselves, the government is pleased to do nothing, especially if it allows them to save money and when they do not want to become unpopular. This is just a comment and you may want to speak to it. It seems to be a problem, as you mentioned. There comes a time where the lack of leadership and political will means that the problem does not go away.

I would now like to direct a short question to Mr. Strelioff. Maybe the translation was wrong or I did not understand something you said, but I heard you say that governments cannot solve problems before they arise. If this is indeed what you said, I cannot agree with such a view, I would like your comments on this.

We elect governments precisely in order for them to anticipate problems. In the area of fisheries, we talk about the precautionary principle. This is a basic principle that is supposed to prevent problems. Implementing the precautionary principle should be the goal of the Department of Fisheries and Oceans.

We heard that in British Columbia, especially in the salmon fishery, the precautionary principle has not been applied in the past and is not applied now. I know that the province of British Columbia is making major efforts in habitat protection. You said that you relationship with the federal government is problematic. However, it seems clear that the precautionary principle is not implemented. It was not applied either on the East Coast to the cod situation. If the precautionary principle had been applied, or if we had at least tried, we would not be today in this mess.

I would like to hear the comments first of Mr. Fraser, then of Mr. Strelioff on this.

● (1055)

[*English*]

**The Chair:** Merci.

Mr. Strelioff, the Auditor General.

**Mr. Wayne Strelioff:** Thank you for the opportunity to speak again.

The question relates to the provincial practices. First, I do wish to express agreement to a large extent with what my colleague Mr. Fraser has said about leadership, clarity of vision, and having a plan that's focused on what we're trying to achieve. We've found that doesn't exist at the provincial level, and our colleagues found a similar circumstance at the federal level. Of course, when there are two jurisdictions involved, clarity on who is responsible is even more important.

To dwell a little bit further on that, clarity of vision would ask if we are planning to sustain our existing salmon stocks and genetic diversity or not. Are we trying to rebuild or not? Are we planning to let them deplete? Those are key decisions, but without clarity or a vision setting out explicitly what we're trying to achieve, it's very difficult for all those valuable officials and policy setters and program management people to decide what to do and what success looks like.

Well, a vision is what success looks like. If we don't have that, it's very difficult to sort out what programs to put in place and very difficult to determine whether those programs are successful. As I think Mr. Fraser pointed out, it's very difficult to decide who's responsible, and with the federal-provincial joint responsibility, it's particularly confusing and certainly concerns me deeply.

**The Chair:** Thank you.

We'll go to Mr. Kamp, for five minutes.

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

**The Chair:** I'm going to have to restrict the answers now so that we can get some people in. We have one hour left. I want to make sure everybody who wants an opportunity can ask some questions, and I have some questions.

If somebody wants to address another question to Mr. Fraser, then we can go.... Yes, Monsieur Blais.

[*Translation*]

**Mr. Raynald Blais:** Mr. Chairman, with all due respect, your generosity since the beginning allowed our presenters to go over the time allowed. I ask you to be as generous with everyone. It might be appropriate to give Mr. Fraser an opportunity to provide a brief answer.

[*English*]

**The Chair:** I'm doing my best, but when it takes five minutes to ask a question when you have a five-minute round, never mind get the answer, we're not going to have enough time for everybody. These are very important people, and I want to make sure everybody has an opportunity. I'm not going to debate it, because it will just take more time.

Mr. Fraser, do you have a short response for Monsieur Roy?

[*Translation*]

**Mr. John Fraser:** Thank you very much, Mr. Chairman.

First of all, you are right when you say it is sometimes very difficult to reconcile the interests of so many parties.

● (1100)

[*English*]

However, I'm not sure there has been any intention on the part of the Department of Fisheries and Oceans to sort of divide and conquer and avoid making decisions.

I think the real problem has been that instead of making a clear attempt to list those things in which there is agreement—and I think I can say from experience, there's more agreement out there than there is disagreement—and incorporate it into a strategic plan, the consequence has been that nobody knew where anybody really wanted to go, especially the precautionary principle that was raised.

We stressed the precautionary principle in this report in 1995. I want to say this in defence of the Department of Fisheries and Oceans: to quite a remarkable degree they have tried to apply it. Have they done it perfectly? No. Have there been some mistakes? Yes. But it is far more a factor in fisheries management today than it was ten years ago.

[*Translation*]

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

Mr. Kamp.

[*English*]

**Mr. Randy Kamp:** Just to return briefly to Mr. Strelioff, I've appreciated the comments made about vision and so on. Maybe I just have more of a comment than anything else at this point.

I understand that part of the vision needs to be whether we want to rebuild or maintain or allow wild stocks to deplete, but surely the vision needs to encompass considerably more than that. Is it just a sustainable resource? Is it a resource with a more economically productive...? How do we factor the recreational fishery into all of that? I think it's pretty easy, if we want to just rebuild the stocks, to have nobody fish them; that would be one way to do it.

I think our vision needs to be broader than just those three questions, but obviously they need to be part of it. Both you and I think everybody, pretty much, including Mr. Fraser, and all the reports I've read agree that there is a lack of data, which makes it difficult for those who need to make decisions to make them. I'm wondering what suggestions you have about how that should be fixed.

**The Chair:** Any particular panellist, Mr. Kamp, or all of them?

**Mr. Randy Kamp:** Mr. Fraser.

**The Chair:** We'll start from my left to right.

Mr. Fraser.

**Mr. John Fraser:** I'll try to be brief, Mr. Chairman.

On page 2 of our council advisory of February 2004 entitled "Advisory: Salmon Conservation Challenges in British Columbia with particular reference to Central and North Coast"—but this applies everywhere—it states:

> While budgets allocated to salmon assessment and data decrease, several important issues demand higher quality and consistent data, not less information. The demand for more extensive and higher quality of information is coming from several sources.

First of all, the 1999 Pacific Salmon Treaty agreement—we have to have that data in order to make the negotiations each year with the Americans. We also have our adherence to the International Convention on Biological Diversity of 1992, where we're supposed to be able to provide data.

Next, the process of identifying environmental conditions and local fisheries resources is of growing importance in negotiations with first nations, and we can't do that if we don't have data.

The recent passage of the Species at Risk Act—it can't be managed without data. We have the unhappy situation right now of two stocks that are going downhill very rapidly. They've been listed in SARA. One report available to DFO says we can salvage these stocks and still do some controlled fishing. Another report, which apparently the department has accepted, says that, no, we have to go right ahead and fish the stocks these diminished runs go with. And part of this, again, is a data problem.

Also, the Canadian fishing companies interested in receiving marine stewardship certification will have to demonstrate the sustainability of their fishing activities. This all means data.

Now, how do you get data? You have to go out there and you have to look at the streams. You have to do test fishing. You have to find out what is happening. You have to find out how many fish are returning and not depend on one or two indicator streams on the whole of the coast of British Columbia. There are dozens of places where we have fish runs, the Queen Charlotte Islands in the central coast, where nobody has even looked at them for years. Now that is a lack of data.

One of our problems in the sockeye runs on the Fraser River—and I'm not referring to the collapse this year, I'm referring to the fact that for a number of years we had late-run fish coming in—is they didn't hang around at the mouth of the river like they usually did. They came right into the river. A parasite started to work on them. They made it onto the spawning beds and died before they could spawn. That mortality was 80% to 90%. Trying to get money to do the data work so we could start to find out what's causing this and where it's all going was very difficult indeed, and it wasn't accurate.

We have an outstanding young scientist, Dr. Walsh, who is now embedding salmon and steelhead smolts with batteries and sending them out into the sea so we can find out what happens to them and why they don't come back. Most of that funding isn't even coming out of DFO, but that's data.

Now, without data you can't make decisions. It's awfully tough to just point the finger at DFO officials, who know perfectly well that there are real gaps in their database. The other thing about data is this. We have boxes of data floating around in old cupboards in British Columbia. It has been sitting there untabulated for decades, but some of it, even if you get it out, doesn't dovetail with recent data.

It's the old story. I'm lawyer, and you can't build a case without facts. Well, the fishery managers cannot manage the fishery if they don't have data. And if at the very moment when they need this data the relatively small amounts of money they need to make sure there are people out there collecting it is being cut, then they're not going to get it.

That's enough.

● (1105)

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

Mr. Strelioff, any further comments?

**Mr. Wayne Strelioff:** First, I'd like to agree with Mr. Kamp on the robust nature of our vision and plan. It's more than single statements. It also has to balance social, economic, and community values.

I'm going to ask my colleague Mr. Sydor to address the inventory data issue.

**The Chair:** Mr. Sydor.

**Mr. Morris Sydor (Senior Principal, Health Sector, Office of the Auditor General of British Columbia):** Yes, thank you.

I would echo Mr. Fraser's comments. Collecting data and making sure that it's accessible is important. When we looked at the situation in B.C., we found that in fact there are a lot of different databases available. Part of the problem is that in the past it's been collected by a number of different agencies, so there's never been any certainty as to the quality of the data, whether the standards were actually being met in terms of the expectations of the data users. And as well, the information is available in a number of systems, so it's always unclear how accessible or how useful that data may be to the decision-makers.

In B.C. now we have one ministry that's responsible for inventory systems. It's starting to look at some of the data that had been collected in the past and hadn't been put into a warehouse type of database. That is now being done. As well, it's looking at the data in terms of trying to identify errors and gaps and trying to make corrections.

But historically I think part of the problem in terms of data has been an inconsistency in terms of approach. When government has sufficient resources, there is an intensive effort to collect information; then, maybe before the opportunity to get to the final step of putting it on to an electronic database comes, the funds may dry up. So the data just sits there in various offices, in cardboard boxes and such, before it can be put together.

We agree that there have been problems. We see B.C. moving, but a lot of improvement can still be made.

**The Chair:** Thank you.

Mr. Thompson.

**Mr. Ronald Thompson:** I have just a very quick comment, Mr. Chairman.

In paragraph 5.54 of chapter 5 in 2004 we made a recommendation that the DFO strengthen the information that's being collected and made available. The department, in its response, indicated that it has some initiatives under way to do this. Whether they're adequate or not is a matter of some discussion, I suppose.

One thing I might suggest, perhaps, Mr. Chairman, is that this committee could encourage the department actually to take the steps it says it's going to take and then follow up with the department after a period of six months or whatever to be sure in fact that it has taken the steps.

It's along the line that Mr. Fraser was suggesting. Keeping the department's feet to the fire on issues that are critical is something that really needs to happen.

**The Chair:** Certainly, Mr. Thompson, our committee is not known as being reticent, so we'll keep that advice under advisement when we draft our report.

Thank you.

Mr. Hearn, for five minutes.

**Mr. Loyola Hearn:** Thank you very much, Mr. Chair, and let me thank all the witnesses for being here.

Let me just say that we're here simply because of what happened this past year. It didn't happen in a vacuum; it happened in 1992 and 1994, as has been mentioned, and again this year when a large portion of the stock suddenly disappeared. We saw the same thing happen with our cod stocks in Newfoundland on the east coast of Canada. There were signs; there were warnings; there were preliminary studies. Nothing much was done, and suddenly we had a major collapse, and the record shows what can happen to a people, to a province, when you lose such a resource. The loss of the salmon stock may not have the same devastating effect here, but it certainly would have a major effect on British Columbia, as has been mentioned.

We asked the committee to come here, even though the minister has announced the setting up of a committee to look at what happened during the summer. We're not saying the minister shouldn't do it, but perhaps we, or some of us at least, agree maybe with the sentiments Mr. Fraser put forth when he talked about his own committee in 1994 made up of only five or six people. But if you look at the people who were on the committee, they were very high profile, scientifically minded individuals who concentrated on getting the study done. I understand that with the committee the minister is setting up, we're talking about 30 people from all stakeholder groups. With the difference of views held by these different groups—and we're well aware of that from the communications we get—I think it's going to be very, very difficult in the short time to try to focus on the real reasons for what happened here and on some kind of a recommended cure by using such a large group.

I'd like some comment on that.

I would say again that our main reason for being here is that we know what can happen if we ignore the type of science we saw this year. We think that our committee can get the ball rolling in the interim; we're the ones who can carry the message directly to the minister, to the House, and to the government, more so than any committee report. By getting involved early, I think we can have a major effect on what will happen down the road.

Our party, but not the committee, has requested that a judicial inquiry be set up for the longer term, and we know that takes time. But again, as has been mentioned, to get to the truth and the real reason why our stocks are in bad shape and perhaps to get to the recommendations we need to deal with such a disaster, we perhaps need something like a judicial inquiry.

I'll just throw it open to anybody who would like to comment on that. Feel free to.

● (1110)

**The Chair:** For the information of the witnesses, it's approximately 30 people, under the chairmanship, as Mr. Fraser said, of the former chief justice. The terms of reference were issued in a press release of November 18, but have not been completely finalized, and the date of reporting is March 31, 2005.

Are there any comments from anyone about anything Mr. Hearn raised, including the judicial inquiry?

Mr. Thompson.

**Mr. Ronald Thompson:** Thank you, Mr. Chairman.

As to whether a judicial inquiry is perhaps the preferred way to go, I would respectfully not wish to comment on that. Thank you.

**The Chair:** Mr. Strelioff, do you have any comment on Mr. Hearn's comment?

**Mr. Wayne Strelioff:** No, I don't.

**The Chair:** All right.

Mr. Fraser.

**Mr. John Fraser:** I've given you my own views, not as chair of the committee of the Fisheries Resource Conservation Council. My view is that however it's done, if you don't get the facts you need, you're going to come up with less information than you need to find out what to actually do about it. I've made it quite clear to everybody here, and I'm a British Columbian, that there's nothing easy about wading into this; but this is the third time around, and the sooner we get at all the facts, the fairer it is going to be to everybody.

**The Chair:** Thank you.

Monsieur Blais.

[*Translation*]

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

My first question is for Mr. Fraser. If I am not mistaken, your organization has been in existence for seven years. This is what I understood from what you said earlier. How is it funded? Is it funded by the public sector or only by the private sector?

● (1115)

[*English*]

**Mr. John Fraser:** Our conservation council came out of a recommendation made by the inquiry into the missing sockeye salmon back in 1995. Originally it was to be established by both the provincial and the federal governments and to be funded by both levels of government. A long time went by, and there was resistance in the department to establishing it. Eventually, Minister Anderson, the Minister of Fisheries, established a unilateral.... I don't think that was his preference, but there were disagreements between him and the then responsible minister in the provincial government. I wasn't involved in any of that, so I have no comment.

When we were established, we were to have an initial budget from the federal government; the provincial government was not contributing. We were also told that, in addition to that, we could establish our committee as a not-for-profit corporation, which would have enabled us to go out into the private sector and raise money. We even engaged a lawyer to do that. We were then told by the department that we couldn't possibly do that, so we were completely dependent from then on for funds from the government.

Our budget has been roughly $800,000; out of that, our science adviser from DFO must be paid, our director must be paid, and our staff. In addition, out of that budget we have to travel, we have to retain consultants, and we have to do all of the things that we have to do to operate, including paying a lot of rent, by the way, to the federal government. That's all federal money; there is no outside money at all.

At the moment we do not even know what our budget is going to be, and we have been uncertain about that for months. Because the region out here is so taken up with trying to make do with less and less, they can't make up their minds. I could give you a longer story about all of these problems, but I'm trying to be fairly exact.

**The Chair:** Thank you.

Mr. Blais.

[*Translation*]

**Mr. Raynald Blais:** Mr. Strelioff, you talked about the need for a vision. I agree with what Mr. Hearn said earlier about the salmon issue on both coasts. There is a lot one could say about it.

In terms of the vision, I would like to understand the difference between aquaculture and the commercial fishery. Since they seem to be at odds with each other, what sort of vision for the salmon fishery could be developed? Somebody talked earlier about guerilla warfare or problems between aquaculture and the commercial fishery. How can a vision be put into place in such a climate, following the review that you did?

[*English*]

**The Chair:** Mr. Strelioff.

**Mr. Wayne Strelioff:** Members, thank you for the opportunity to speak once again.

Establishing clear direction through a vision does require leadership, and leadership does require making tough decisions, getting groups of people together. And yes, there are disparate views of what the future should look like. That circumstance, of course, requires strong leaders to step forward, have clarity on their position, and take the heat when they establish a clear vision, because people will disagree. But that's the responsibility of leaders.

Once they set the course, define what success looks like—defining success also involves balancing economic, environmental, and social dimensions of making a decision—then they need to make sure the actions are consistent with that direction. And make it clear in a public way so those many people across British Columbia and Canada can assess whether what is being said is actually being done.

Thank you.

● (1120)

**The Chair:** Thank you, sir.

We'll go to one of the vice-chairmen of our committee now, Mr. Keddy, for five minutes. Then I'm going to take five minutes, and then we'll go back for the second round starting with Mr. Cummins.

**Mr. Gerald Keddy (South Shore—St. Margaret's, CPC):** Thank you, Mr. Chairman.

Like my colleagues, I'd like to thank all of our witnesses for appearing here today, and I'd especially like to thank you for the straightforward answers and the understanding of the situation before us.

My first question is for Mr. Thompson. You commented on the report of the Commissioner of the Environment and Sustainable Development and the failure—maybe that language is too strong—of the department to fulfill its mandate to protect salmon stock. Certainly it's the same case on the east coast or the west coast; however, there still is a salmon fishery on the west coast and we still have something to protect out here.

You specifically mentioned a couple of issues. One was the hatchery program, which we no longer have on the east coast, but we still have on the west coast. I was wondering if you could give us some idea of how many dollars are involved in that hatchery program. That's one question.

The other issue is you stated there wasn't enough being done to protect salmon stock, and you talked a little bit, I believe, about riparian strips and the formal assessments done on I think you said 50 different locations—or maybe that was your colleague from British Columbia. There were 50 rivers where there was a formal assessment done.... Here, I've found it: 52 development program applications resulted in net habitat loss.

Can you tell us a little bit more about that? If you had 52 formal programs done to increase habitat, how could that result in net habitat loss?

**Mr. Ronald Thompson:** Thank you, Mr. Chairman and Mr. Keddy.

I don't have the numbers in terms of the dollars on hatcheries and the details on this other issue. I wonder if I might call on my colleagues, Eric Hellsten and perhaps Gerry Chu, to come in here and help answer these questions.

Eric, do we know the dollars that were spent on the fish hatchery program out west?

**Mr. Eric Hellsten:** Yes, I believe the salmonid enhancement program on the west coast is in the order of about $25 million. Again, you can check with the department on that one.

**The Chair:** Mr. Chu, do you have any comments?

**Mr. Gerry Chu (Director, Office of the Auditor General of Canada):** Yes, Mr. Chair, we mentioned that in paragraph 5.58.The department spent approximately $25 million here on the salmonid enhancement program, and $17 million of that $25 million is on the hatchery.

With respect to the other question you raised, I think we talked about 52 authorization projects. They're not programs themselves. They are development projects that were approved by the department in terms of making authorization that habitat is being replaced by those projects. This is based on their own review of the results of those authorization projects, and they found that most of the projects resulted in a net loss.

This is in paragraph 5.58.

**The Chair:** Thank you, sir.

Mr. Keddy.

**Mr. Gerald Keddy:** I'lll be brief, and perhaps we could keep our answers brief.

One of the other comments brought up was the worry about diluting the gene pool, that the hatchery program somehow was resulting in inferior fish being put into the water and returning to spawn. That was certainly an issue on the east coast for many years, and it was dealt with at least a decade ago by simply using river-specific salmon to put in as smolt. Is that not being done on the west coast?

● (1125)

**Mr. Ronald Thompson:** Maybe Mr. Chu will help us on that.

**The Chair:** Mr. Chu.

**Mr. Gerry Chu:** Mr. Chair, we haven't done a lot of work on that, but we believe there is a recent study by the PFRCC on hatcheries. It touches a lot on hatcheries and what is being done there.

**The Chair:** Do you have anything else?

**Mr. Gerald Keddy:** I will just make a comment. In Nova Scotia we've gone from approximately 60 or 70 rivers that supported a return of wild salmon, Atlantic salmon, down to about 15 rivers that actually still have a recreational fishery. All the rest of the rivers are closed, a few of them are dead. Even with the amount of acid rain that we had, most of them still support some fish. There are simply no government dollars to put into the hatchery program. It's been shut down. Some of the hatcheries are privately run strictly for aquaculture, and a few more put a few fish back into the water.

The whole principle of river-specific fish is extremely important to the success of any hatchery program anywhere in the world. For years we took fish out of the Lehave River or the Mersey River and put them into other rivers in Nova Scotia, until we finally figured out that if you simply take the salmon from that river and breed them, they return, and you don't dilute the gene pool. It worked well.

I guess my final comment—

**The Chair:** I'll have to leave you with that. You're out of time. It's my turn.

**Mr. Gerald Keddy:** Thank you, Mr. Chairman

**The Chair:** Thank you, gentlemen, for coming. I appreciate it very much.

I tend to be a person who asks brief questions, but this just drives me crazy. I want to refer, for the record, to Mr. Fraser's Fraser River sockeye report of 1994, in particular Roman numeral XII in the executive summary. I want to read this paragraph into the record.

> What brought us so close to disaster's door? The scenario has its root in the 1992/93 DFO Pacific Region reorganization. Cutbacks and budget reductions were made to the extent that the Department was left in charge without the clear lines of accountability or necessary tools to enforce its regulations with any credibility. In the midst of this confusion, the Aboriginal Fisheries Strategy was beginning to take hold and the early evidence suggests that it too was not working as intended. Once again, there was confusion as to who was in charge, obviating effective enforcement.

He goes on on the following page to say:

> The Board makes a number of recommendations for improving the system. In the area of management, we urge DFO to exercise its constitutional conservation responsibilities and not abrogate its stewardship of resources under federal jurisdiction. We recommend that DFO implement better analytical and planning systems and, along with PSC, develop a system for risk-aversion management, particularly given the uncertainties inherent to the various estimation techniques.

We've talked about all of this. The point I'm making is that this was nine years ago, and from what I hear, nothing has changed, or very little has changed. The problem was identified by Mr. Fraser with crystal clarity nine years ago, and today he identified it again in very frank and candid terms, for which I thank him. He mentioned a couple of things, and I just want to reiterate them, because this is where I'm coming from on this question. I think I'm saying it the way you wanted it to be said, Mr. Fraser; correct me if I'm wrong.

He mentioned that economists and people who aren't knowledgeable about the fishery are making life and death decisions about the fishery on a daily basis. We have too many people who are “acting this” and “acting that”, and I guess we're going to see that on Saturday when we hear from the “acting” director. One of my questions is going to be is, why aren't you the director, and why was the previous person an acting director, etc.?

What frustrates me is that the problems were identified long ago, and nothing has been done about them, or very little. Mr. Thompson and Mr. Strelioff, very diplomatic in their auditor general's language, use the word slow, and I would say glacial would be a better description of some of the things that have been happening.

So I want to ask the representative of the Auditor General of Canada, Mr. Thompson, when you go back time and again to the department and say, why aren't you doing something about this, what do they say to you?

● (1130)

**Mr. Ronald Thompson:** Thank you, Mr. Chairman, for that question.

You're right on. This drives us a little crazy, believe me, as well. When we've done audits, and now we've done three, 1997, 1999, and 2000, and made, I think, useful recommendations, by and large the answer has been from the department, we're going to get at that. The fact is that they haven't yet got at it. I don't know why. It's frustrating to us too. That's the whole point of doing the kind of chapter we did in 2004, to take stock of actions promised in the past to see whether in fact delivery has taken place. It hasn't.

In direct answer to your question, I don't know why things haven't happened this way. I know the people we deal with in the department at the very senior levels are good people. They're hard-working, well-meaning people. I would like to get at that issue myself a little more. The purpose of this chapter was to say, has anything happened? The answer has been, very little. The next question though is why and what can be done to fix that. I would respectfully suggest—and I'm so delighted that this committee is looking at this set of issues—that possibly, by working with the committee, an answer can be had to that and a way forward charted, perhaps along the lines Mr. Fraser suggested, where some of these really important issues can be addressed and the salmon fishery move forward.

Thank you, Mr. Chairman.

**The Chair:** Thank you. My time is up.

Mr. Fraser, have I misstated anything you said? Would you like to correct me on anything or add anything?

**Mr. John Fraser:** No, Mr. Chairman.

I want to say, on behalf of our council, thank you very much for inviting us. Are you going to have a second round?

**The Chair:** Absolutely.

**Mr. John Fraser:** All right. We'll do the best we can.

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

Mr. Cummins, away you go.

**Mr. John Cummins:** Thank you, Mr. Chairman.

Mr. Fraser, in your 1994 report, on page 38, you wrote, "While the issues confronted by this Board are similar to those faced by Dr. Pearse, we had to bear in mind that our mandate extends well beyond in-rivers issues. In 1992, managers could not account for a significant number of fish above Mission."

**The Chair:** Just a little slower, Mr. Cummins, as it's being interpreted.

**Mr. John Cummins:** In 1992, managers could not account for a significant number of fish above Mission. The 1994 situation involved an inability to account for an even larger number of fish above Mission.

You go on to say:

> In many respects the frustration of 1994 lies in the fact that no one, including the authorities, the experts, and this Board, knows precisely or exactly what happened or exactly how it happened.

Mr. Fraser, without an ability to subpoena witnesses and take testimony under oath, is it likely that anybody is going to find anything out with another inquiry?

**Mr. John Fraser:** It goes without saying that if those who know the answers to questions you're asking won't come in front of you, you're not going to get their answers in any event. Whether they will or whether they won't, we'll have to see.That's not for me to predict.

Going back to what we said in 1995, we knew there was a lot of information we didn't have, and I don't see how a commission today can do very much better, unless they get information. It's not for me to set out what probable or potential questions should be put to the commissioner and this large committee to try to answer, but certainly among them has to be what happened from Mission upstream? Why didn't the fish get there? What possible reasons were there for them not to get there?

Doing a careful analysis of temperature, you have to figure out the days in which the fish were at the different stages in the river past Mission, find out what the temperatures were at those times. At the same time, you have to know how many fish were being taken in nets along the way and what was the condition of those fish as they were caught.

We've mentioned in our report, which you'll all have once it gets translated and is at least in our address today, that maybe we need another tracking station farther up the river. But if you can't get the facts, if you don't know how many fish got into the mouth of the river, how many fish got to Mission, how many fish didn't get farther up the river, and if you have no idea at all what happened to them, you're not going to be much wiser than you are now. You'll have to draw some inferences from what limited information you have.

As I say, this is the third time around, and surely this time it behoves the department, it behoves the Government of Canada, and it behoves the entire fishing community to make sure that enough information comes forward so that somebody can draw some kind of an intelligent inference as to what happened. If you don't know what happened, it's almost impossible, even if the resources are there and even if you have a management plan and a strategy and everything else, to come up with an effective response.

I don't know how I can be more frank than that, Mr. Cummins.

● (1135)

**Mr. John Cummins:** I appreciate that. I guess the issue is that in a sense, as you said in your report, you weren't able to determine precisely what happened. I think the issue here is that to subpoena witnesses and get their testimony under oath will give you a better opportunity to find that out.

In your report as well, as an example, you commented on the effect that temperature could have. You said the estimate of 15% mortality proposed by the working group—this is at page 24 of your report, and this was your own working group—is merely an educated guess, largely based on an extrapolation from Dr. Peter Larkin's 1992 mortality estimate at 10%. Furthermore, you go on to say the working group estimate is likely overstated, in that it fails to adjust for fish caught in the river above Mission.

Again, this brings to the forefront the fact that there has been a suggestion out there from the department that the problem largely stems from temperatures. Yet you're talking about 15% mortality from temperatures and suggesting that may be exaggerated, because there are fish caught in the river. To really get to the bottom of some of this stuff, it seems to me, is going to require not only a skilled board.... Your board was excellent in that regard; those people were skilled investigators—

**The Chair:** John, can you wrap it up, please?

**Mr. John Cummins:** Again, the question I keep coming back to —and I guess you've said as much—is that we need the ability to subpoena these witnesses and take their testimony under oath. It would certainly add to the knowledge you were able to acquire, through whatever means, in your report.

**Mr. John Fraser:** Despite everything, we did hear a great deal.

While we couldn't pin it all on temperature, we also said, as you know, Mr. Cummins, that there was an aggressive fishery policy by the department; the idea was to catch all the fish before they got caught by the Americans. The fish came down Johnstone Strait, where there was an enormous congregation of fishing vessels, both native and non-native. To what degree there was significant under-reporting of catches, we could never be absolutely sure, but it was talked about again and again. So even before the fish got into the river, there had already been a free-for-all run on the available fish.

While we could not be exact about what the loss of fish was above Mission, we knew enough about the chronology of events from the start of the season right through to make some pretty sound observations about what needed to be done—and one of them, of course, was the precautionary principle.

I'm not saying for a minute that we didn't learn something. We did. But on this whole issue of what is happening to the fish once they get into the river, I don't see how anyone is going to find the answer to that, unless those people who know are willing or encouraged to come forward and tell what they know. I'm not just referring to people outside the department; I'm referring also to people inside the department.

● (1140)

**The Chair:** Thank you.

Monsieur Roy.

[*Translation*]

**Mr. Jean-Yves Roy:** Thank you, Mr. Chairman.

In his reply to the 1995 report of the review board, Minister Tobin identified several major points: a more prudent approach to management, which is similar to the precautionary principle; increased enforcement and compliance actions; better integration of scientific and managerial priorities, meaning that scientists should talk to managers; greater emphasis on the content of agreements, meaning a review of Aboriginal fisheries agreements; measures to enhance the fisheries of the future based on recommendations from the industry about fleet capacity, in other words a reduced fleet.

But the Chairman said earlier that there has been no change since. I would like you to comment on the response of the minister to the 1995 report. For example, has there been better enforcement and compliance? Do scientists and managers talk to each other? Do they do so today? In your view, were the minister's recommendations implemented by the Department of Fisheries and Oceans? Once you tell us, we will know the answer to the Chairman's question as to whether there has been real change.

[*English*]

**The Chair:** Mr. Fraser.

**Mr. John Fraser:** I was in courtrooms long enough to be very reluctant to guess, and I was in public life long enough to be very careful about speculating. To be completely frank with you, I don't know for sure. I thought at the time that the then minister—and you're referring to Minister Tobin—was responding very emphatically to the recommendations we had made. How much of that was put in effect and kept in effect, I don't know.

But I do know that there have been times in the recent past when the department seemed to be really making some headway. Under Minister Anderson, the department made great efforts to conserve the threatened coho stocks, to get a working agreement on the Skeena River, and to set aside places where there would be no commercial fishing, in order to let endangered stocks get through. The precautionary principle very much became a regular part of the approach. So some of what Minister Tobin was talking about did happen, and was encouraged by subsequent ministers.

How much of that is taking place at the moment or how much of it is in default, I can't give you an overall answer. We know that in places it would seem that communication isn't all it should be, and we know that in other places DFO does not have enough people or resources to do things that, in our view, the better DFO people know ought to be done. I keep insisting there are still some very good people there.

That's not a completely satisfactory answer, but I'm trying not to speculate or point fingers.

● (1145)

**The Chair:** Mr. Hearn.

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

Mr. Fraser, getting back to the statement I made originally, this is an extremely serious matter. We know it's gone on and on. Our intent was to come here and get something moving, to cause action to avoid a disaster similar to the ones we've seen in the past.

Over the past year or so we've heard about actions being taken to alleviate pressures on the stocks of Atlantic Canada—shrimp, cod, etc.—and we're told by government our negotiations are working. There are fewer boats. Certain countries like Denmark have agreed to live within the rules.

Look at the *Globe and Mail* today, and listen to the reports. The Danes have now been banned from Canadian ports. They figure they've caught six times the allotted quota—six times! It goes on and on. Last week a Spanish trawler was caught fishing redfish with liners in their net. Again, there was no action.

We are starting to identify some of the causes of the decimation of our resource, but you just can't ask people to be good. There has to be an enforcement policy, because people involved in the fishery are human. If one sees the other getting away with it, he or she is going to do the same thing. We can't point a finger at individuals; some are worse than others. But unless there is leadership, unless there's direction, unless there's a plan and solid enforcement, nothing is going to happen. That's the reason we're here. The time has come to finally identify what is wrong here and get action done. We think we can start the ball rolling, but a lot more has to be done.

Isn't it about time we used some common sense? If salmon come to the mouth of a river and they don't get to the spawning grounds, it shouldn't be overly difficult to identify why, if every player involved comes forth with the truth and makes the proper recommendation. I'd like you to comment on that.

The other thing is we hear a lot about sea lice, and you talked about parasites affecting some of the stocks whereby few get to the spawning grounds or they die on the spawning grounds. Were you referring to sea lice at the time, or were you referring to something else, and where do you see that as part of the equation?

**Mr. John Fraser:** First, the sea lice attach to the smolts after they have hatched and moved from the fry stage to the small smolt stage. They come down the rivers to get into the salt water where the fish farms are. Then the whole question is to what degree they're infected by sea lice that are growing on the captive fish in the fish bins. That's one issue.

What I was referring to with the sockeye coming into the mouth of the Fraser River is that unlike in past experience, they're hanging around there for a period of time while they mature—if I can put it in layman's terms—and they have been going right into the river and going up the river. As soon as they get in the river, a parasite starts to work on them. That's a perfectly natural thing. The only thing is that when they come into the river when they're still not mature, by the time they get up to the spawning ground, the parasite is killing them.

It is pre-spawning mortality that has been knocking them off. In some of those runs for a number of years it was as much as 80% to 90%.

That has caused very great anguish to fisheries managers, as everyone can understand. When the big run came back on the Adams River two years ago, the fisheries officials, terrified that there would be another 80% to 90% mortality, held off. They were very careful about the number of fish they allowed the fishing industry to take. The run turned out to be a lot bigger than they thought, and there was a lot of controversy over this. They finally increased the quota, and as it turned out, the run up into the Adams River was a very large run. There was some pre-spawning mortality, but it was not a disaster.

Of course, this is something that no intelligent fisheries officer can ignore. When is it going to happen again? I haven't seen anything in the public domain that indicates this might have caused some of the problem after the Mission counting station, but it's something the fisheries managers have to deal with.

We're also talking about late spawners. It wouldn't affect to the same degree the early summer ones.

● (1150)

**Mr. Loyola Hearn:** Is there a way we can control the—

**The Chair:** I'm sorry, I talked over you. Was that a clarifying question?

**Mr. Loyola Hearn:** Is this a known parasite that can be controlled? I know it's a natural parasite, but is there a way we can control it?

**Mr. John Fraser:** I don't think we know that. I don't want to get into all of this, but as I mentioned earlier, certainly there's some division of opinion within DFO as to whether or not they're prepared to spend enough money to find the answer to that.

**The Chair:** Thank you.

We will have a scientific panel. You might want to keep that question in your back pocket.

Mr. Keddy.

**Mr. Gerald Keddy:** I'd just like to take one more opportunity to thank our witnesses here this morning.

Certainly, the information you've provided on the past history of the Fraser River will be extremely important for the rest of our deliberations.

To you specifically, Mr. Fraser, you mentioned—actually, all of our witnesses have mentioned this—that you can't make good decisions on bad information. I have listened to those around the table and I have written down “poor information”, “bad information”, “misinformation”, “lack of ability” for witnesses to actually tell what they know, especially on behalf of departmental officials of the Department of Fisheries and Oceans, and a really serious disconnect between federal and provincial cooperation and responsibility.

A part of the problem at least is the lack of funding. I also understand this is greater than a lack of funding. But how far would funding go in solving this problem?

**Mr. John Fraser:** Very briefly, we've never said the issue is just funding. What we're saying is that the funding is decreasing—and I'm talking about the federal funding. While that is happening, our friends in the department are trying to just make do on a daily basis. They're spending so much time and energy just trying to find out how to keep the thing functioning when they have fewer resources that you could hardly expect them to have very much imaginative strategic planning left. So it isn't just funding.

With respect to the federal–provincial relationship, the provincial government has all the constitutional authority to look after all of the habitat above the tidewater—forestry, highways, mines, energy, hydro, the Water Act, municipalities, you name it. I've said this so many times over so many years that there's nothing new in this. The provincial government has a very real interest in the wild fishery. It's an acute economic interest, and an acute interest because this forms such an important part of not just the aboriginal fishery thing but the aboriginal social side.

There is no reason the provincial government cannot work closely with the federal government, not on the basis of a transfer of authority but by working agreements. I suppose to some degree this new federal–provincial Canadian Council of Fisheries and Aquaculture Ministers is supposed to do that. Well, you can set up a council, but whether anything happens is something else again.

There is no constitutional reason why there cannot be agreements between the feds and the province on the wild fish population. Furthermore, there are discussions taking place right now between the federal government and the provincial government. I don't know where they're going to go. They're on the sea lice–wild fish thing, and the attempt is to try to form some sort of joint approach.

The other thing, of course, is that the provincial government is showing signs of concerning itself more with wild pristine rivers, the habitat that goes with them, and the fish stocks, but it's too early at the moment to give anything more than a hint in that direction.

● (1155)

**Mr. Gerald Keddy:** Thank you.

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

Monsieur Blais.

[*Translation*]

**Mr. Raynald Blais:** Thank you, Mr. Chairman. Thank you for your flexibility.

My question is on chapter 5 of the report of the Commissioner of the environment and sustainable development. There is one sentence in particular which raises many questions in my mind. It is on page 5, unless I am mistaken. It says, about wild salmon and their habitat: “At the provincial level, British Columbia does not have a clear vision and an overarching strategy for wild salmon sustainability.“ I would like an explanation as to what this means. When I read this document, I get the impression that this is your way of saying that British Columbia took a turn in support of aquaculture and that wild salmon are not necessarily part of its priorities. It sounds as if you were saying that British Columbia is more interested in aquaculture than in wild salmon. This is my reading of it and I would like you to explain what it means.

**The Chair:** Mr. Blais, do you have the paragraph number?

**Mr. Raynald Blais:** The heading is: "Wild salmon and their habitat". It is the last sentence in the first paragraph.

**Mr. Jean-Yves Roy:** It is on page 2 of the introduction.

[*English*]

**The Chair:** Have you found it, Mr. Thompson?

**Mr. Ronald Thompson:** Might I ask the member, Mr. Chairman, for the paragraph number?

**The Chair:** That's what I asked.

Each paragraph, Monsieur Blais, is numbered.

[*Translation*]

Is there no numbering in French?

**Mr. Jean-Yves Roy:** No, there is no number.

**The Chair:** In English, each paragraph is numbered.

**Mr. Raynald Blais:** It is in the Foreword. It is at the end of the first paragraph on page 2.

[*English*]

**Mr. Ronald Thompson:** Mr. Chairman, I think I have it. I believe it's in what we call the preface.

Incidentally, this was the set of words that we pulled together with our provincial colleagues. We had a little trouble putting the words together, but then realized that what we were after was federal-provincial cooperation, so we'd better be able to write these fairly promptly. As it turns out, I think the wording you're looking at is wording Mr. Strelioff put in. Might I ask Mr. Strelioff to comment on that?

**The Chair:** Certainly.

Go ahead.

**Mr. Wayne Strelioff:** Thank you once again for the opportunity.

It relates to the foreword that's signed by all three auditors general and the commissioner. The sentence reads: "At the provincial level British Columbia does not have a clear vision and an overarching strategy for wild salmon sustainability." That's certainly consistent with what I've been saying all this morning, that we need a clear picture of the future to actually marshal the resources and make sure whoever is responsible for action can be held accountable and knows what they're trying to achieve. Certainly, that's the essence of that sentence, and it is consistent with our overall report and what I have said earlier this morning.

By the way, I do think part of the answer you're searching for as a committee will move you into federal-provincial responsibilities and trying to ensure that it's clear who is responsible for what dimensions of the future of our wild salmon. That's just something I think you should explore and think about.

● (1200)

**The Chair:** Again for the record, I'm sorry, what I was looking at was our briefing notes, which didn't include the foreword. You're absolutely correct, there's no numbering in the foreword in either the English or the French.

Also for the record, I just want to read a sentence from this document you don't have. This is the Auditor General of British Columbia's report, October 1994, and he says in the foreword, "The findings of the audit concern me. British Columbia's ability to ensure sustainability of wild salmon is handicapped by the lack of a clear vision." This is what he's been saying all day and in his response to you as well, Mr. Blais.

[*Translation*]

**Mr. Raynald Blais:** I would like to better understand your answer. This sentence that your office wrote in French and in English, Mr. Thompson, makes a fundamental point, in my view. Therefore, I would like you to explain further the meaning of this sentence, unless you disown it, but I do not think so.

[*English*]

**Mr. Ronald Thompson:** Mr. Chairman, perhaps I'll just offer a comment.

This is a collection of words that the three auditors general of our respective offices pulled together; we each contributed to that. We wanted to be sure there weren't words in here that would relate to either the federal government or the two provinces. None of us were comfortable with it; it didn't seem to reverberate well with us. This was a particular sentence that Mr. Strelioff put in. We looked at it and said, yes, that seems to make sense, based on all we know about the issues we were examining in chapter 5 and, as we understand, the issues Mr. Strelioff was examining in his report in British Columbia. So that's how we came to agree that the sentence should be in the overarching preface that each of the three governments signs.

Is that helpful to you at all?

[*Translation*]

**Mr. Raynald Blais:** Yes.

[*English*]

**The Chair:** Thank you.

Allow me to finish off, if you don't mind. We've gone slightly over. I hope you don't mind if we stay a couple more minutes.

Speaking of words, I'd like to refer to the report of the Commissioner of the Environment and Sustainable Development, specifically, in the English version, paragraph 5.44. In there, you say, and I quote:

> In our 1999 Report, we recommended that the Department act on its proposal to establish an independent allocation board as soon as possible.

And in the next paragraph:

> In 1999, the Department issued an allocation policy, which called for establishing an impartial board to deal with salmon allocation issues in an open and transparent manner. However, the Department did not establish an independent allocation board.

Does that mean they did establish an impartial allocation board? If so, what's the difference between an impartial allocation board and an independent allocation board? If they established neither, did you ask them why not?

**Mr. Ronald Thompson:** A very good question, Mr. Chairman.

Perhaps Mr. Chu could help us with this.

**The Chair:** Mr. Chu.

**Mr. Gerry Chu:** Mr. Chair, I think they're talking about one board. They would like to have established an impartial or independent allocation board. That is how they responded to our recommendation at that time. To date, they have not established such a board.

**The Chair:** In your follow-up reports have they offered any explanation other than that they were getting to it?

● (1205)

**Mr. Gerry Chu:** That's what we were trying to explain in the same paragraph. We did ask that question, and they said they would consider all these things, and in the overall scope of things, including their so-called EA side that we talked about earlier.

**The Chair:** And in the meantime, five years goes by.

**Mr. Gerry Chu:** That's right.

**The Chair:** Gentlemen, it's been very enlightening. On behalf of the committee members, you've gotten us off to a great start—frustrating as it is—to the study of this issue. I want to thank you all for coming and staying. I'm sorry I didn't give a break, and I hope that didn't inconvenience anyone. We very much appreciate the candour and frankness with which you answered our questions. Thank you so much.

We will adjourn, colleagues, until 1:30, at which time we'll start with panel two. There is a table reserved at Manhattan's if anyone wishes to eat in a collegial manner, but you're on your own until 1:30.

The meeting is adjourned.

● _____ (Pause) _____

●

● (1340)

**The Chair:** I call the meeting back to order.

This afternoon we're going to be dealing with the commercial sector. Our first witness is from the Area H Gulf Trollers Association, and he is Mr. Mr. Michael Griswold. As you will see, he's not on our list. He's appearing instead of Rick Nordstrom, president, and he is a director of the association.

Welcome, sir.

You have up to 10 minutes for an opening statement, but that's entirely up to you, and then we'll go to questions.

I apologize for not starting on time. Something came up.

**Mr. Micheal Griswold:** If I take my 10 minutes I'm going to be speaking really slowly.

**The Chair:** Away you go.

**Mr. Micheal Griswold:** Thank you, Mr. Chairman and committee members. Thank you very much for coming to the west coast and taking the opportunity to delve into some of our problems here.

My name is Mr. Michael Griswold. I am a director from the Area H Gulf Trollers Association, and I am its representative on the Commercial Salmon Advisory Board. I also sit on the Fraser River panel. I'm not representing the Fraser River panel at this hearing, but I will represent some of my experiences that have occurred there that I experienced this past summer.

The Area H Gulf Trollers Association represents approximately 135 of the 146 licensed vessels in that area. We fish by hook and line in waters that are bounded between Vancouver Island and the mainland of British Columbia. Although we catch all species of salmon, the predominant species happens to be Fraser River sockeye. It provides somewhere in the neighbourhood of 75% to 80% of our income and as such is very integral to our livelihoods.

We are especially concerned and affected by the events of this past fishing season because they are going to have an effect on our ability to make our livelihood there in the future. We anticipate that the low spawning escapement may result in no fishing harvest in 2008. The only thing that can change this is a wonderful marine production that could possibly allow us to fish, but as it stands, on the usual returns to spawners, it doesn't look like a very bright future in 2008.

We in the GTA, our board and directors, have worked with DFO in crafting fishing plans over time and we've worked around stocks of concern. I'm sure we will be able to respond to the concerns that will arise in 2008 and other years. We have been responsive in crafting fishing plans to try to avoid stocks of concern. We have managed our fisheries in salmon area closures to avoid stocks of concern and we will continue to do so. It's a part of being a responsible fisherman.

We are also in the midst of a very important agenda that's happening in British Columbia right now, and that's the settlement of treaty claims. We will work with the department to try to make an orderly transition from harvest rights from commercial to aboriginal groups that are seeking fishing rights.

The 2004 Fraser sockeye season was constrained in the beginning of the season by harvest limitations on Sakinaw and Cultus Lake sockeye. It was constrained in the front end by Sakinaw and at the back end it was constrained by Cultus Lake sockeye. The commercial marine area fishing window consisted of a total of nine days. This compares to 1997 when we fished 45 days, so it was a very small window indeed. It was constrained to a 10% harvest rate all around these stocks of concern. It gave us rather minimal opportunities and it did cost us a lot of fish.

As there's a myriad of fishing interests, each group—that would be all the commercial groups, recreational, and the aboriginal, food fishermen—was modelled...they all had a portion of this stock of concern. Without delving into the minutiae, the Fraser River panel did its best job in managing around these stocks in season. I want to stress “in season”. It kept the fisheries it controls, Canadian and U.S. fisheries, very close to the harvest limitations that were set out in the pre-season. It could not, however, control fisheries that it does not have a mandate for. The mandate is still within the purview of the Department of Fisheries. Those fisheries—I'll spell them out. There are basically aboriginal fisheries in Canada and there are also unauthorized fisheries.

● (1345)

Unfortunately, though some people would like to say so, we were powerless to control the weather, and the weather did have a very significant effect on what happened in 2004.

There's no doubt that some of the sockeye were adversely affected by the warm water and reduced flows of the Fraser River. The Pacific Salmon Commission staff and the Fraser River panel used an environmental management adjustment to buffer those effects by increasing the spawning escapement goals, and when those goals were increased, any upward adjustment there basically came out of the commercial catch.

The adjustment for 2004 was 40%. We had a spawning escapement goal, and because of the adverse weather effect, the warm water, and the reduced flows in the river, we increased our spawning escapement target by 40% on summer-run fish. This EMA, the environmental management adjustment, is a predictive model that attempts to quantify the en route loss of spawners. It has been accepted as a working model within the scientific community in the management of Fraser River sockeye.

Some have complained that it's unable to differentiate between actual biological loss of the fish there—pre-spawn mortality—and the harvest loss. That is a significant problem here. What is clear is that in 2004 its predictions came up incredibly short, judging by the shortfall, the differentiation between the spawning count at Mission, which was 2.6 billion, and what actually got to the ground, which is somewhere in the neighbour of 650,000.

In order to manage fisheries, one has to manage harvests, and I don't think that really happened in entirety this year. It certainly happened in the commercial fisheries, but there were other harvests that were not managed. There cannot be a vacuum of marine management authority for one group or subset while others toe the line. DFO has shown an ability to limit sectors that are willing to obey the rule of law while shying away from confronting those who do not. The reports of those unauthorized fisheries incidents in 2004 were compelling. I've witnessed, through time—and I've been on the Fraser River panel in the management of Fraser River sockeye fisheries since 1985, since the signing of the treaty—a gradual but steady erosion of this management on certain fisheries.

The high price of sockeye in 2004 was an inducement by some to poach. If there was no enforcement there and there was a lot of money going past, you saw a lot of people taking the opportunity to dip into that.

There was no respite for those stocks of concern that constrained the commercial fisheries, and that is really sad too, because we will only pay in spades for that in the future.

The most significant aspect to this activity is that it is a criminal act that falsely uses and abuses the rights of aboriginal Canadians, because I believe, in terms of the true rights of aboriginal Canadians, they are just as affected as the commercial fleet, because the future was impinged on by activities that happened there this year.

I have heard from an aboriginal spokesman. I won't say the name, but a senior spokesman in the community who lives on the lower river said, “If they don't control it, all hell's going to break loose next year.”

It's absolutely necessary to determine the extent of the losses of the Fraser River escapement in this unregulated fishery and to remedy these causes. We can't live with it again. We certainly can't. To that end, we believe an independent and unbiased inquiry should be conducted. It is absolutely necessary to ascertain and quantify the impacts of the unauthorized harvest on these stocks. Our members' livelihoods are very vulnerable, basically because we rely for almost 75% to 80% of our income on Fraser River sockeye stocks and we cannot withstand further elimination of another year. We've lost one year; we can't see another year disappear like we have in the 2004 cycle.

For an unbiased inquiry to determine all the causes that were in play, industry must have complete confidence in this process. The appointment of Bryan Williams as chair undermines the confidence that the GTA or the fishing industry might have had in this review. Our primary concern around Bryan Williams is that he has affiliations that might be or seem to be in conflict of interest with providing a neutral base from which to conduct the inquiry.

● (1350)

At this time our group will find it difficult, if not impossible, to participate in the review. The lack of authority to require witnesses to testify under oath, coupled with the appointment of a chair that does not have the confidence of industry, leads us to fear that this review will lead to a whitewash. This would be the worst possible outcome for both the resource and the men and women who depend upon it.

Lastly, I would like to talk about the Species at Risk Act, because it has had negative effects on our fisheries in the past and will in the future.

We in the Gulf Trollers Association are working with DFO in attempting to effect an orderly exchange of fishing rights through the treaty-making process. It is a tough and agonizing process that will only succeed if there is a willingness to protect the resource base itself. We fully expect that there are going to be transfers of harvests to new treaty-based commercial fisheries. The unauthorized fisheries this year should not be confused with this process.

Those who seek to expropriate commercial harvest rights through the use of species at risk legislation must not end-run the treaty process. Cultus and Sakinaw Lake stocks were both submitted to SARA for emergency listing by people who had interests there in harvest further upriver. The specific person who submitted those listings had another agenda at play there. DFO responded, at Minister Anderson's guidance, by imposing a 10% to 12% exploitation cap on these stocks. Some in the environmental community thought this cap was excessive.

These people wanted an immediate listing that would have invoked a multitude of prohibitions, including the complete closure of marine area Fraser River sockeye harvests. The catch that was previously allocated to the commercial fishery would then proceed to a point up the river beyond our ability and licence to catch it. Basically, it would have been fish that was given away free of charge. There would have been no compensation. It would have been, in essence, an expropriation with no compensation.

**The Chair:** Mr. Griswold, believe it or not, over 10 minutes have gone by. Can you wrap it up?

**Mr. Micheal Griswold:** Sorry. Yes, really quickly.

The GTA would like to commend the Minister of the Environment for not listing these stocks of concern.

Last but not least, I once again would like to thank the committee for being here, and I will wrap it up there.

● (1355)

**The Chair:** Thank you, sir.

Mr. Hearn, for 10 minutes.

**Mr. Loyola Hearn:** Thank you very much, Mr. Chair, and Mr. Griswold, thanks very much for coming in.

Just to make it clear while we are here, I will say what I said this morning to the others.

When it was brought to our attention by several groups, the concerns about what happened in the Fraser this summer, we moved immediately. At the first meeting of our committee, the committee took a request to come here to have hearings. There is a process, of course. We have to apply for permission for funding and what have you, and we got here as quickly as we could, because we fully understand how important this is to you.

You said you don't want it to happen again. Of course, if it happens next year and the year after, eventually you're not going to have the salmon fishery at all. We saw what happened with the groundfish on the east coast. It isn't pretty. It has done damage that I guess will never be replaced. We have probably wiped out the ground fishery, and we have also wiped out many settlements that depended on that resource. Our concern generally is that we have to move, and we have to move immediately.

I have two questions. First, from your own point of view, what went wrong?

Secondly, you mentioned that we need an independent, unbiased study into this. We have expressed some concerns ourselves. Forget the chairperson; I know that is an issue of controversy, but in terms of a 30-person committee, 30 stakeholders of varying degrees and varying interests trying to settle any issue around the table in a short time, I personally cannot say it's workable. I would certainly like your comments on that.

So there are two things: from your own perspective, what went wrong, because we have to make sure it does not go wrong again; and secondly, do you think the other committee can work, or do we have to get to the point where we need to get the evidence—the truth, the whole truth, and nothing but the truth—in a manner such that we can guarantee that the facts we get are the facts?

**Mr. Micheal Griswold:** I will give you my prejudices there.

What went wrong? This year, very simply, yes, there were some very adverse weather conditions, and yes, there was damage that occurred there by the very hot water and the very low flows. Somewhere along the line there's going to be a scientific analysis that will come up with some kind of prediction of what it was.

There was also some unauthorized harvest there. I think it is absolutely necessary to peg a number on that, because it's speculative. We don't know what it was. Was it a million fish? Was it 200,000 fish? There was a lot of evidence that it was a lot of fish. I think we need to know what that number is there and deal with it.

Now, about the independent inquiry, I am prejudiced. I think putting it before the group, the integrated harvest planning committee, the group of which you speak...I think it's going to be a dogfight, because all sectors are involved. I think we all come in with our own agendas. I think by the time we're done scrapping over a piece of information and how that's interpreted, we're going to lose sight of the big picture.

I'd like to see a judicial inquiry there with a singular focus that is not going to get bogged down in the petty politics that we all tend to get into.

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

I will defer to Mr. Cummins at this stage.

**The Chair:** You have five minutes, Mr. Cummins.

**Mr. John Cummins:** I found your last comments interesting, that it is going to be a dogfight. We all come with our own agendas.

It just seems to me as well that such a large committee is unworkable. I don't know how you expect an investigation with a committee of that size.

I have a couple of issues here related to your fleet itself. How much poaching would you think would be ongoing within your own fleet? Is there a problem there?

● (1400)

**Mr. Micheal Griswold:** John, with our fleet, as with all fleets, there are good apples and there are bad apples. But when you are relegated down to nine days of fishing a year, you just don't have the opportunity to do it.

So I'm not going to say there's none, but it's very little, basically because we're just not out on the water any more.

**Mr. John Cummins:** What type of enforcement do you see on the grounds?

**Mr. Micheal Griswold:** Well, it's very little. I think that speaks to some significant problems with the running of DFO. They just don't have the resources to undertake some of their core mandate, which is enforcement and protecting the resource there.

It's gone down. We used to see four or five enforcement vessels there all the time. Now you're lucky if you see one through the season.

**Mr. John Cummins:** With DFO, one of the issues that has come up is their ability to count the spawners on the gravel. Do you have any comments on their ability to make those counts?

**Mr. Micheal Griswold:** Well, I'd like to look for the future, and that's part of my job on the advisory.... That is a core mandate of the DFO, to look after spawning escapements.

Now, spawning escapements provide the wherewithal to make predictions for the subsequent cycle of fish, and if you can't comfortably, reliably come up with a prediction of what's happening there, then the department runs the resource, manages the resource in a riskless way, and basically says “Well, I'm sorry, you're going to have to forego fish until we're certain there are enough fish to actually fish.”

That sounds all right on the face of it, but for us the fish in the marine community...it basically means lost opportunity. So it's all linked together. We just need to make sure the department is able to undertake its core mandate and do spawning grounds assessment data, because that basically springloads the fisheries that happen, the marine fisheries.

**Mr. John Cummins:** In your presentation you mentioned water flows and suggested they were low. In 1994 the water flows were high. That means that fish going up the river have to fight against a very strong current. The flows this summer weren't that low. I don't believe they would have caused a problem for fish to access the fish ladders and so on.

So it's my understanding that water flows shouldn't have been a big problem this summer as such. What's your comment on that?

**Mr. Micheal Griswold:** Well, it's more scientific than that. The water flows, coupled with the temperature.... Basically, the water can't carry oxygen very well there, so they're very prone, and they'll be on the surface—that's the problem. As far as passage goes, low water is actually better than high water.

**Mr. John Cummins:** This committee you sit on to investigate is essentially fairly new. I think it was formed a couple of years ago.

I understand the terms of reference for the committee are now being discussed. In fact, I have a copy of an e-mail. It was sent out by Bert Ionson, regional salmon coordinator for the department, and he noted in this e-mail to yourself and others that Mr. Williams does not have much in the way of flexibility; however, he would like to meet with you on December 7. In order to facilitate those who are unable to make it to the meeting he has suggested the option of calling in be provided.

This was sent out, as I understand, on Thursday, November 25, at 3:01 p.m. That's hardly rushing things...Thursday, November 25...a meeting on December 7. What is the status of the organization of this committee and what do you understand is the status of the terms of reference for the committee?

● (1405)

**Mr. Micheal Griswold:** Quite frankly, John, I think you have a better understanding of it than I do. Does that help?

**Mr. John Cummins:** That says a lot, Mr. Chairman. I think it says a lot.

This—

**The Chair:** I am sorry, Mr. Cummins, your time is up.

**Mr. John Cummins:** Thank you, Mr. Chairman.

**The Chair:** You ended on a good note, though, from your perspective, I think.

Mr. Murphy.

**Hon. Shawn Murphy:** Thank you very much.

Mr. Griswold, I want to explore this whole area of the aboriginal harvest, where it takes place, the alleged lack of enforcement, and the unauthorized harvest that has taken place.

We all have a map in front of us here. Where, particularly, is the main aboriginal harvest? Where does it take place?

**Mr. Micheal Griswold:** Well, there are aboriginal harvests throughout British Columbia, and there have been some significant problems there. You're talking in the river now.

I don't fish in the Fraser River. I have been told by fishermen who do fish in the Fraser River that the aboriginal harvest basically occurs from the mouth of the river throughout the watershed. The majority is there, and the places where the biggest problems occur, to my understanding, are in the lower river, I believe, from Mission to the Fraser Canyon.

**Hon. Shawn Murphy:** On that map you have in front of you, I can see Mission. It's Mission to where?

**Mr. Micheal Griswold:** Well, Mission to Sawmill Creek, I would say.

**Mr. John Cummins:** Perhaps I could interject.

**The Chair:** Mr. Cummins, yes.

**Mr. John Cummins:** The fishing we're referring to actually goes on from Mission, but it goes beyond the map we have here. There is the one map that shows Lytton on there, and there is active fishing right beyond Lytton as well, and that's problematic.

**Hon. Shawn Murphy:** My next question is this. s the aboriginal fishery conducted mainly by net?

**Mr. Micheal Griswold:** Yes, there is something of a fishery there, but it's primarily by net, set net and drift net.

**Hon. Shawn Murphy:** And is it mainly for resale?

**Mr. Micheal Griswold:** The aboriginal fishery is intended primarily for food, social, and ceremonial fishing.

**Hon. Shawn Murphy:** I realize that, but does it make its way into the commercial...?

**Mr. Micheal Griswold:** I would say there are aboriginals that do sell their fish into commercial markets.

**Hon. Shawn Murphy:** If there were an unauthorized harvest, which there obviously seems to be, would there be fish processors or fish retailers complicit in this unauthorized harvest?

**Mr. Micheal Griswold:** Yes.

**Hon. Shawn Murphy:** And would they be native retailers or processors or would they be non-native retailers or processors?

**Mr. Micheal Griswold:** Both.

**Hon. Shawn Murphy:** Are they mainly non-native or mainly native?

**Mr. Micheal Griswold:** I don't know that.

**Hon. Shawn Murphy:** And the unauthorized harvest of the salmon that is sold, what market does it make its way into?

**Mr. Micheal Griswold:** I think it's primarily the domestic market. But you're touching on some questions that I have very little knowledge of. What I do know is that... I'd like to dispel some of what you're saying. It is unauthorized harvest. It's not all aboriginal unauthorized harvest, but there is unauthorized harvest and there are a lot of aboriginals who participate in this unauthorized harvest. But it's unauthorized harvest, wherever and by whomever, too.

● (1410)

**Hon. Shawn Murphy:** That certainly was some of the comment made by Mr. Fraser and Dr. Pearse. From your knowledge—and I know you've been involved in the industry for at least 20 years and you're on the committee—what is the state of enforcement in these areas that the aboriginals primarily fish?

**Mr. Micheal Griswold:** The state of enforcement throughout British Columbia is abysmal. Now, in those areas I can only speculate, because from what I see in the areas that I fish, I would say that enforcement has gone down to about 10% of the level it was 10 years previously. There were problems in 1994 that ended up causing an inquiry, which the Honourable John Fraser led.

These problems have been recurring every year since then. It's a crisis again in 2004 and we're seeing less enforcement. We're seeing, I'll bet you, close to 10% of the enforcement that we had in 1994, so it's worse.

**Hon. Shawn Murphy:** From your experience, should a commercial licensed salmon fisher get caught and convicted of an unauthorized harvest—poaching, I guess we'd call it—and the person is charged, what is the fine or sanction that such a person receives? Second, is there any further sanction vis-à-vis his or her licence? What does he get? Is it a slap on the wrist or does he get a $10,000 fine?

**Mr. Micheal Griswold:** The maximum fine is, I think, $100,000. I'm not sure if there's loss of licensed privilege there or confiscation of the licence. I think in the maximum sense that can be.... Generally, I think what happens if they get caught poaching is that there is confiscation of the catch and a pretty hefty fine right now.

**Hon. Shawn Murphy:** So they are being fined heavily.

**Mr. Micheal Griswold:** Yes.

**Hon. Shawn Murphy:** But they're still poaching.

**Mr. Micheal Griswold:** No. This is a commercial fisherman who was fishing in the marine area or within the existing commercial fishery. Is that what you asked?

**Hon. Shawn Murphy:** Yes.

**Mr. Micheal Griswold:** They could be, or there could be prohibition from fishing, depending upon the severity of the crime.

**Hon. Shawn Murphy:** But the point I'm making is...I know more about the east coast fishery than I know about the west coast fishery, but on the east coast there isn't any sanction if a person is caught poaching lobsters. He or she gets a $1,000 fine. They might get their traps confiscated, and then they're out fishing the next day.

Does that happen on the west coast?

**Mr. Micheal Griswold:** I believe, you know, if he has a good lawyer he could probably manage to avoid paying the penalty for a time.

**Hon. Shawn Murphy:** Yes.

I have nothing further, Mr. Chairman.

**The Chair:** Thank you.

Monsieur Roy.

[*Translation*]

**Mr. Jean-Yves Roy:** My questions are along the same line as those of Mr. Cummins and Mr. Murphy. Throughout your presentation, you talked about illegal fishing. You said that enforcement is down to about 10 percent of what is was in 1994. Mr. Cummins asked you a question about your group. He asked how much poaching is happening in your fleet. I have some difficulty understanding this. You also said that, basically, first nations are not prone to more poaching than other groups.

I would like to know first of all how many fishers you represent. I have no idea. What is the value of your annual catch? Who is doing the poaching you talk about? Do you cooperate with the department on enforcement of regulations? As a leader of an association, what would you suggest the department should do in order to enforce regulations, besides increasing surveillance? Are there no other means to enforce the law than investing heavily in surveillance? You talk about resellers, processors making use of the resource, etc. Are there no other ways to control fishing in your area at the present time?

● (1415)

[*English*]

**The Chair:** Did you get all those questions down, Mr. Griswold?

**Mr. Micheal Griswold:** I think I have most of them. If I haven't answered them all, you can remind me, please.

First of all, in your introduction, I'm unclear on what you mean about the level of poaching. We have fishermen in our group, and we have some dishonest fishermen, but the opportunities for them to poach fish are very slight. I would say that they probably took advantage of it in times past, but now they don't. There isn't any opportunity.

You can ask the supplementary questions afterwards.

I basically represent 135 fishermen out of 146 licence holders in our area. On the approximate estimated value of our catch, this year income from salmon probably averaged around $25,000 per licence holder, up and down.

Do we cooperate with the department? Yes, we most certainly cooperate. Basically, it's a term of our licence that we have to. We're monitored during the fishing. We have to phone in our daily catches every day. As I say, it's a term of the licence and a condition of the licence that we cooperate. There are not really many times that we find ourselves in a position where we think about not cooperating. It's not in our interests to do so.

What do we propose to make it better? I guess that is the question. As I said before, there has been a significant erosion in the budget of DFO. There has been an erosion in the ability of the DFO to actually enforce the existing fishing clause because of that.

I don't want to get hung up on the word “poaching”, because enforcement is part of it. There are other valuable duties that the DFO should be doing but, because of a lack of resources, it's not doing. The problem is that if you have an unregulated catch, it basically affects the future of the resource, the members' livelihood, and their investments in the industry. They buy licences, something that gives you an expectation of a livelihood in the future. When you don't have that livelihood....

What do we propose? We propose that this committee ask for more in the budget for the DFO. I note that the government has asked them to further reduce their budgets by another 10% to 15%.

[*Translation*]

**Mr. Jean-Yves Roy:** Sorry to interrupt. If there were an increased budget and if you worked in the department, how would you use the additional funding to solve the problem?

[*English*]

**Mr. Micheal Griswold:** My own priority is that they have to do spawning ground enumeration work, and I think they should hire enforcement officers to uphold the laws that are there. You cannot shy from confrontation. That's a problem. We have seen, in instances on the lower Fraser River, a shying from confrontation. Unfortunately, sometimes when somebody does something wrong, you have to tell them they're doing something wrong and take them away. I think that's the biggest problem right now. This department is shying from that confrontation.

**The Chair:** Thank you.

Mr. Kamp.

**Mr. Randy Kamp:** I'll be brief.

In your opening comments, I think you referred again to the unauthorized harvest. I think you made a comment that the evidence is very clear or incontrovertible or something like that. What is this evidence that you're referring to?

● (1420)

**Mr. Micheal Griswold:** It's the testimony of friends and fishermen who have observed the occurrences of these illegal fisheries.

**Mr. Randy Kamp:** Up and down the Fraser?

**Mr. Micheal Griswold:** Up and down the Fraser.

**Mr. Randy Kamp:** Okay, I think we've heard from some of those. We're going to hear from all of the stakeholder groups involved. Like you, I wonder whether they're all going to tell us that they're not the ones.

**The Chair:** To be fair, he did say there are some people in his group who might do this.

**Mr. Randy Kamp:** But very little of it.

Your group is responsible for very little of the unauthorized harvest, am I clear on that?

**Mr. Micheal Griswold:** I don't want to call myself Pollyanna and represent the Pollyannas of the world, but the opportunities for us to do it are not there.

**Mr. Randy Kamp:** Is that because of the few days that you have?

**Mr. Micheal Griswold:** Yes, because of the few days there. We basically do not live on our fishing grounds. We have to travel to our fishing grounds and we use different gears, as opposed to the unauthorized harvests that occur adjacent to the communities in which the bad guys live, or whoever is taking the fish. Whoever it is that is illegally harvesting, they live in those communities.

**Mr. Randy Kamp:** We'll look forward to talking to them as well.

On the enforcement issue that you were talking about, we're going to have a panel to talk about that in more detail. If the reduction of enforcement is going on in terms of DFO's officers, is that just a budget thing, in your opinion, or was there a philosophical change that now the industries are expected to be self-regulating, with monitors and guardians or whatever they're called?

**Mr. Micheal Griswold:** The department would like it to be self-regulating, and by and large the commercial fishery is relatively self-regulating. The primary problem is that there's a lack of overall budget for the department right now. It is going down, and there's a corresponding rise in infractions and in unauthorized fishing. Basically, if nobody is looking after the cash register in the candy store, it looks like the candy is all free. That's the rationalization, I guess.

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

**The Chair:** Mr. Griswold, I have a couple of questions arising out of your testimony. I have them written down here, and I just want to make sure I understand what you're saying exactly.

You said you're not happy with Bryan Williamsas chair because he isn't seen as impartial. I think that was your wording. When you say “I”, do you mean Mr. Griswold or do you mean your association.

**Mr. Micheal Griswold:** I'm speaking on behalf of our association.

**The Chair:** You also said, “He does not have the confidence of industry”. Are you talking about your association, or are you talking about the entire commercial industry?

**Mr. Micheal Griswold:** There has been a great deal of commentary there.

**The Chair:** What were you saying?

**Mr. Micheal Griswold:** I cannot purport to speak on behalf of all of industry, I can only purport to speak for the Gulf Trollers Association. Maybe the choice of words was injudicious. I should have said that we have heard from many in industry that they have similar views to ours, in that with Mr. Williams there are affiliations that give us uneasy feelings.

**The Chair:** Thank you.

One of the questions I was going to ask was asked by Mr. Kamp, but I'll just follow up on it.

You've heard anecdotal evidence from your friends and fishermen who have observed the illegal fishery. Do you know whether those observations have been reported to “the authorities”, and if so, what authorities?

**Mr. Micheal Griswold:** I know specifically that many of these reports have been reported directly to the Minister of Fisheries. They have been reported to authorities. I can't say specifically, but you will hear testimony from one of these fellows who has been making these reports throughout the summer. He basically forwarded those observations on to me and to others. Those are the experiences of which I speak.

● (1425)

**The Chair:** Great. Thank you.

Could I just turn your attention so that you're wearing another hat? Could you just help me with something? In our briefing book, we have at tab F—you won't have this in front of you, but you won't need it—the final tabulation of the 2004 Fraser River Panel Sockeye Review. Under the heading "Commercial Catch Canada", there are a number of alphabetical letters. I'm assuming that the two Hs stand for where you fish. Am I right on that?

**Mr. Micheal Griswold:** Yes, you are.

**The Chair:** What are the areas within that? What are those numbers?

**Mr. Micheal Griswold:** The numbers are the fishing statistical areas on the coast. Areas 1 to 10 basically are in northern British Columbia, and from 11 to 16 and 20—

**The Chair:** Let's take area H—

**Mr. Micheal Griswold:** Those are all southern areas. Those are all areas that are licensed to fish Fraser River sockeye.

**The Chair:** As I'm reading this thing, in area H, in areas 12 through 16, trolling has brought in 133,000 fish, is that right?

**Mr. Micheal Griswold:** Yes, that's right.

**The Chair:** That's what was taken this year. In area H, in areas 18 through 29, there was zero. Where would that be?

**Mr. Micheal Griswold:** That would be basically in the southern approaches to the Fraser River. The reason that all the fish were taken in the other areas is that it's where the fish were. They migrated through the northern areas, they didn't come through the south.

**The Chair:** What does PS stand for?

**Mr. Micheal Griswold:** Purse seine.

**The Chair:** Purse seine. Thank you.

How does 133,000 compare to last year?

**Mr. Micheal Griswold:** It is very close to what we had last year.

**The Chair:** Can you offer any evidence on what the non-commercial catch is, compared to last year? You'll see there that it's 714,100.

**Mr. Micheal Griswold:** On the non-commercial catch there, that is pretty well standard. The Fraser River is managed...there is the share that goes to the U.S. and there is the test fishing at the top. That's a standard cost of doing business. The Fraser River aboriginal catch and the marine area aboriginal catches, which are the next two headings, are catches that occur at that level regardless of run size. The numbers that you see in "Canada and all the areas" are numbers that all float. They are percentages of TAC.The other two numbers you were speaking about are fixed numbers regardless of run size.

**The Chair:** So regardless of conditions, regardless of anything, that's what they get, and that's more or less what they got in 2003 and previous years.

**Mr. Micheal Griswold:** Yes, that's what they got in 2002 and 2001.

**The Chair:** I'm guessing, but I'm presuming that comment doesn't apply to the recreational fishery.

**Mr. Micheal Griswold:** No, it doesn't. As I said, it only applies to the Fraser River aboriginal FSC and area 12 to 124 aboriginal.

**The Chair:** Thanks for that help.

Does anybody else have any questions?

Mr. Keddy.

**Mr. Gerald Keddy:** Thank you, Mr. Chairman.

I'd like to thank you, Mr. Griswold, for appearing today. I very much appreciate your straightforwardness and your candour on this difficult issue.

I listened very closely to what you were saying about your support for settling the aboriginal treaty claims and the fact that you felt it was important to work with the department and to try to have some finality to those. You then went on to state that you felt that this year escapement was increased at the commercial fleet's loss, which I would tend to agree with. Obviously, the commercial fleet quota was changed or more escapement was allowed and there were fewer fish caught by the commercial fleet. Was this a deliberate departmental order, or was it something that changed in mid-season?

● (1430)

**Mr. Micheal Griswold:** We manage Fraser River stocks flexibly, and we respond to conditions as they arise. Because the environmental management adjustment predicted that there was going to be an en route loss, we made that adjustment in season.

**Mr. Gerald Keddy:** You made an adjustment based upon water temperature, based upon water flow, thinking that you would need to have more escapement in order to have more salmon spawn.

**Mr. Micheal Griswold:** Yes.

**Mr. Gerald Keddy:** However, at least it appears to be that you released more fish or you allowed more escapement at the mouth of the river to have them caught upstream.

**Mr. Micheal Griswold:** Yes, I think you could draw the conclusion that it's an unauthorized harvest. There were the fish that the commercial fleet let go by.

**Mr. Gerald Keddy:** Just as one other question, there has been a lot of talk about unauthorized harvests. We had witnesses appear from DFO, blaming the harvest on peculiar water temperatures, on low water. Either from your own experience or by hearsay, were there more dead fish on the river? Were they floating downstream?

**Mr. Micheal Griswold:** Let me take you through one of the experiences. In 1998, the conditions were remarkably similar to what happened here in 2004. In 1998, there was real, tangible evidence of a lot of carcasses coming down the river. One of the concerns we had was that we could see that. Well, we didn't see that in 2004.

Secondly, I subscribe to the regular updates of spawning escapement reports that are put out by the Department of Fisheries. Based on these reports, it looks as if, of the fish that actually made it to the spawning grounds, basically there was a 98.5% spawning success on average. Now, that is very good. It says that the fish that actually got there were incredibly healthy.

From what the department has said about the en route losses and the terrible plight the fish have had there because of the warm water and the water flows, you would think a bunch of fish would have gotten up there and not spawned. Basically, odds tell you that's going to happen. Common sense tells you that there are going to be some unviable fish that actually make it to the spawning grounds. Well, that isn't what ended up happening, because all the fish that made it to the spawning grounds basically spawned successfully.

**Mr. Gerald Keddy:** As a final question, did spawning ground monitoring occur?

**Mr. Micheal Griswold:** In most of the major systems there, yes, but not in all.

**Mr. Gerald Keddy:** So if the fish were relatively healthy, if there had been a big interception in the fishery, you would expect to see a fair amount of fish there with net marks on them, as well.

**Mr. Micheal Griswold:** Yes, but there's some collateral damage that happens when they're net fishing. There's a pretty big drop-out rate there, too. They'll go down to the bottom, too. They don't necessarily all float in that case. But in 1998, I must say that a lot of fish died in the river, and there was tangible evidence. We just didn't see the tangible evidence of floating carcasses this year.

**Mr. Gerald Keddy:** In very similar conditions?

**Mr. Micheal Griswold:** In very similar conditions. I don't know about the water temperature, but the average of the water was very close.

**Mr. Gerald Keddy:** Thank you.

**The Chair:** Mr. Griswold, the year that you were referring to was 1998, correct?

**Mr. Micheal Griswold:** Yes, it was.

**The Chair:** All right. Thank you very much for your testimony. We very much appreciate it.

Yes.

**Mr. John Cummins:** Can I ask one clarifying question?

**The Chair:** I'm trying to keep us on track, so please be quick.

**Mr. John Cummins:** Just for clarification, Mike, because I think there might be some confusion in the committee here, would you describe the area that you fish? Area H is areas 18 to 29. Just for the benefit of the committee, could you just give a brief description of where that is, so that we understand that?

● (1435)

**Mr. Micheal Griswold:** The primary area where we actually catch our fish is Johnstone Strait, which is areas 12 and 13. All our licensed area is there. We are able to fish off the mouth of the Fraser River and out to the mouth of Juan de Fuca Strait, but predominantly the area where we catch most of our fish is in Johnstone Strait.

**Mr. John Cummins:** The other point is that you're not a net fisherman, you're a troller. You fish during the daylight hours and you're very visible in your fishing operation.

**Mr. Micheal Griswold:** Yes, we are definitely working during the daytime, until I figure out how to get them to bite at night.

**Mr. John Cummins:** I think it's important to note that, Chairman, because poaching with a commercial trawler is not something you can do very easily. It's obvious to one and all on the water or on the shore just what it is that you're up to. I think it's important to make that distinction.

I have one other question, and that is, what happens if you're charged under the Fisheries Act? What's the process?

**Mr. Micheal Griswold:** Basically, you get a summons and you go to court, and you put your fate in the hands of the judge. If you want to fight it, you hire a lawyer, but if you don't have a really good defence, save your money and take your licks.

**Mr. John Cummins:** So you get a ticket and it advises you of a court date.

**Mr. Micheal Griswold:** Yes.

**Mr. John Cummins:** To that end, Mr. Chairman, I want to provide you with this document, an access document. It just shows there's a difference between the way people like Mr. Griswold are treated and the way people who are fishing under food, social, and ceremonial licences are treated.

If you're caught fishing under a food, social, and ceremonial licence and you're not obeying the law.... In the year 2003 approval for 53 charges was sought. One of those was approved by the regional headquarters coordinator; 49 were sent to the Department of Justice for approval before the charges could proceed. Of those 49, 15 files were approved for prosecution by the Department of Justice, four were denied approval by the Department of Justice, six were withdrawn for various reasons, one file went to court without approval and the accused pled guilty, and 27 files are outstanding and awaiting decisions from the Department of Justice as of April 19, 2004.

That's very different from what would happen if someone like Mr. Griswold was caught poaching.

I'll make this document available to the committee, Mr. Chairman.

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

Just so I understand, are you saying there's never a referral to the Department of Justice for an opinion on, let's say, somebody in area H? If there's a violation, it's an automatic ticket issue?

**Mr. John Cummins:** You're ticketed on the grounds and given a court appearance date on that ticket. I have an example of that I can show you as well, Mr. Chairman.

**The Chair:** This will be something you can press with the enforcement panel.

Thanks you very much, Mr. Griswold. We very much appreciate it.

Could we have the next panel, please? It is the Area E Gillnetters Association, Fraser River, with Mr. Bob McKamey, director, and Mr. Mike Forrest, director. There's also the Area D Salmon Gillnet Association, Johnstone Strait—which you were just talking about—with Les Rombough and Ken Martin. Welcome, gentlemen.

Just so you understand how we're going to handle this, I'll explain that each of the groups will have 10 minutes to make a presentation, so that's 20 minutes total, not 40 minutes. Then we will go to questioning by the members of our panel who are here, and you can expand on anything you said in your opening remarks, or if you forgot to say something, you can obviously expand on that as you're answering questions.

Maybe I could ask whoever is going to speak on behalf of the Area E Gillnetters Association to start.

**Mr. Bob McKamey (Director, Area E (Fraser River) Gillnetter's Association):** Mike and I are going to speak on behalf of area E.

Just so I can clarify it, do I have five minutes or 10 minutes?

**The Chair:** Your association has 10 minutes. If you want to divide it up as nine and one, that's up to you.

● (1440)

**Mr. Bob McKamey:** I'll make this quick and see if I can get it in within five minutes.

Mike and I are here to represent the Area E Gillnetters Association. Our association is 10 years old and represents the majority of the fishermen on the Fraser River. For the record, we endorse the position of the survival coalition and anything Phil Eidsvik has to say about our current problem. Mike and I will talk as the association directors but we'll also talk as long-time river people. We're third-generation fisherman and river people. We have families living on the river and we're here so hopefully we'll have four generations of fishermen in our family.

I'd like to offer a little bit of a personal perspective, if I could. This summer in the middle of the sockeye season I rode in a helicopter for two hours from Sawmill Creek in the Fraser Canyon to the Vedder River, which is just above the Mission Bridge. We were there to count nets, but I spent my time thinking about where we and B.C. have come as caretakers of the fish.

When I was a kid the management scheme was simple. There was a fishery in the river every Monday. For one day we fished. For six days the fish had a chance to escape. Once they were above the Mission Bridge, they had a damn good chance of making it to the spawning grounds. It was a fishing plan so simple that it had to be changed for no other reason than it didn't take many people to run it and it didn't accommodate the changes that were to come, changes not for the fish but in spite of the fish.

There were fisheries above the rivers in those days, and as kids we played up there, we worked up there, and we knew the people in the upper river. There were a few places where 10-fathom set nets were used to satisfy a food fishery and possibly a small sale fishery, but they were nothing like what I saw from the helicopter that day. From Sawmill Creek down, every back eddy had nets up to 30 fathoms long. At some point somebody is going to tell you that a set net is only 10 fathoms long, but if you tie three of them together, now it's significantly longer. Every eddy had a net in it; unfortunately, that's where the fish go to rest, and many of the nets were sunk with fish.

More alarming to me was that for the first time in my life I watched a native fisherman fishing with a 50-fathom drift net above the Mission Bridge, something unheard of pre-1992. If somebody had told us in those days that eventually that would happen, we wouldn't have believed you.

At one point we went down the river and there were no boats drift fishing. We turned around and came back up the river, and there was one native fellow who had his net out. We hadn't been going for more than 10 minutes when he got uncomfortable with the helicopter hovering over him. He pulled it in and there were over 30 fish in it. If one drift fisherman, fishing illegally, can catch 30 fish in 10 minutes, I'll let you do the math on how many fish can disappear when the fishery is opened legally.

If we're here to decide whether we need an inquiry, the natives aren't the people to head up that inquiry. They're not innocent; don't ask them to assign guilt.

On that same day, miles of beach were crowded with hundreds of sport fishermen—and I say hundreds, but it could have been close to a thousand. Many of them were snagging sockeye for food. Many were just doing it for sport. Bear in mind that the fishery was open seven days a week, and the first sockeye was caught in the Fraser River on a rod and reel less than 10 years ago. There was no such thing as the fishery that was going on that day, which involved hundreds and hundreds of people.

I've fished in that fishery. It's not uncommon for a fisherman to catch and release many fish in one day. Sport fishermen are not innocent; don't ask them to establish guilt.

Commercial fishermen on the river are no different from the natives or the sport fishermen. Given the chance, there are those who would fish every day until the last fish was caught. We screamed for opening without stopping to think if there was enough fish. We wanted one simply because everybody else was fishing. We are not innocent; don't ask us to establish guilt.

What I'm trying to say is that before 1992, some fish would travel from the Bering Sea to the spawning grounds without even seeing a net. Now there are no days during the sockeye season when somebody isn't trying to kill those fish. Only three days this year there wasn't a fishery going on above the bridge during sockeye season.

So 2004 isn't the problem; it's just an ugly reminder of what will happen if we don't change the system. Whatever changes we make, there won't be any real inquiry if the commercial fishermen, sport fishermen, natives, or the government are doing it. At the end of the day, we'll all do whatever is necessary to protect our asses.

In one of the openings we had this year, one of the three openings, I had a long conversation with an enforcement officer. Most of us get along very well with the enforcement office on the river. One of the things he said was that he couldn't enforce closures in the upper river this year, because the native fisherman he approached was so upset and hostile, somebody was going to get hurt. Just think about it: that fisherman could fish seven days a week because he was upset and hostile.

Do you think that kind of information will come out in a DFO-led inquiry? The only way that officer can tell the truth publicly, without losing his job, is if he is under oath.

I don't know if two million fish disappeared. Nobody does. That's not the issue. Maybe it was only a million, maybe it was only half a million. I do know that I fished 39 hours this year. I do know that the fish we need on the spawning grounds are gone forever.

Those who would oppose the judicial inquiry say it is too expensive and would take too long. It's taken us 12 years to design a system that just about ruined the cycle of sockeye and desecrated a fishery worth millions of dollars. What can be too expensive or take too long to reverse the direction we're going in?

Our association works actively to develop new fishing techniques and management schemes. We recommended the new decision-making process that DFO is committed to. We support programs that increase native participation in the commercial fishery. We don't support the concept of quotas in the river, but we acknowledge the fact that some kind of fundamental changes are needed. Hopefully, by the time we find all the answers, there will be some fish left to try them out on.

The only hope to solve the problem in time is if we have an impartial body in place to identify the problems. If I had to make a list of people who can't be impartial, it would be headed by Bryan Williams. Do you need proof that he cannot be impartial? Just ask, I'll send it to you.

Next would be a bunch of DFO types protecting their asses. Next would be all the folks trying to protect their place in the fishery. The integrated fish planning committee that Williams is supposed to work through has met three times as a body. They are not functional, and if they were, they would have too much baggage.

We need a judicial inquiry that looks into the entire management scheme, not just 2004. Anything else is a gutless compromise and an attempt to protect people, not fish.

Thank you.

● (1445)

**The Chair:** Thank you.

Two and a half minutes, Mr. Forrest.

**Mr. Mike Forrest (Director, Area E (Fraser River) Gillnetter's Association):** Mr. Chair, there's something about area H that I need to tell you about in terms of allocation.

My name is Mike Forrest. I am a director of Area E Gillnetters Association. I've had a history of involvement in this process. I was a commissioner for Canada for five years, and on the PSC Fraser panel for 15 years.

We're river people. Most of what we are, who we are, and what we have derives from the Fraser River. We have presented to you our concerns many times, but 2001 was the year I thought we'd been heard. Your ten recommendations, very astute, should have helped us.

I'll just remind you of some of those: recommendation four, to ensure that food fishery access was not being abused; five, to restore funding to science and enforcement programs; seven, to take a more flexible approach to the management, such as that proposed by the Area E Gillnetters Association; and ten, to do an annual report on progress dealing with the Fraser River salmon fishery.

Sadly, DFO did not follow your instructions.

Frankly, I need some direction and reassurance. I thought this fisheries standing committee of the House was as high as we could go for a working group of government to deliver the wishes of government. It was an all-party committee, with a government majority on the committee. I believed your committee recommendations would have been received as direction by DFO. But they weren't.

For me, the DFO's disregard for the direction of the standing committee is contemptuous. DFO's response to your 10 recommendations, stated as a government response, was full of half-truths and misinformation, was a glaring indication of the intransigence of DFO, and needed to be rebutted and challenged. Indeed, if DFO had followed your recommendations, we may not have needed to be here.

This leaves us with a very pessimistic feeling. Why bother to come and present to you? But here we are again, because we are gravely concerned. The year 2004 was dismal for us but worse for the fish. We had 39 hours of fishing. We stopped and started based on the Fraser panel openings and closures. To hear, by September, that we were millions of fish short on the grounds was shocking. It is absolutely demoralizing to allow fish to pass as part of an escapement goal regime and to have DFO blindly allow fisheries to target those same stocks ushered past Mission.

Canada also shirked its international responsibility under the PSC to protect the spawners that had passed through the U.S. fishery, and yet time after time, when illegal fisheries were reported to DFO, and directly to the minister, even when all fisheries were closed, such as Early Stuart, nothing was done to enforce the closure.

I'll go back to recommendation four of 2001—to ensure that the food fishery is not abused. To have DFO make excuses, such as Mother Nature and hot water, and to have people believe, like gospel, that this was the truth, was exasperating at best. I'm on the river every day in the season, and I have been for 40 years. I have seen die-offs in the millions. When it happens, you know about it. You've heard about it before and you'll hear about it again.

You didn't see it this year, in this season. It did not happen. This year's many stocks were already upriver by the time the hot water came as an issue. But the escapement results were still dismal. As an example, there were 187,000 early Stuart past Mission, with 9,000 on the grounds. There were whole groups of early summer, 977,000 of them, past Mission, with 100,000 on the grounds. Of course, that's an approximation.

The next excuse: Mission echo soundings and number crunching. We've all heard it before, and we've been through it. Past inquiries have proven them to be generally correct. We believe large numbers of these fish were caught, mostly due to the lack of DFO protection, along their journey. Again, I refer you to your fifth recommendation from 2001, on funding for enforcement programs.

DFO's excuse of no money to pay for these things is very shallow when one looks at the millions spent on aboriginal contribution agreements in fisheries issues, with no accountability or reporting on outcomes. I hope the Auditor General gets to that soon.

We must have a judicial inquiry into DFO management for 2004. The management of the fishery, and more specifically protection of the resource, must be investigated. We need the force and authority of a judicial inquiry to get DFO's attention. Your committee's direction to them in 2001 was received with disdain and a patronizing pat on the head. We need to go one step further.

On the present post-season review proposed by Minister Regan, it's the wrong person and the wrong process. Mr. Bryan Williams carries, at best, the perception of bias in past involvement with the fish and aboriginal issues. We believe it is much worse than that. One only has to read recent questions by John Cummins in your committee's proceedings to see how inappropriate Mr. Williams is for the job.

● (1450)

The proposed process does not have enough independent authority to get at the problem of how and why DFO is not protecting the resource and our collective future. We need to force—

**The Chair:** Okay, Mr. Forrest, I think that would suffice.

**Mr. Mike Forrest:** I have half a page left, sir.

**The Chair:** I can't let you go any longer, as it'll then take time off the other gentlemen. If somebody who's asking a question wants to cede their time to let you finish your page, that's up to them. I have to stop you now.

I'll go to the Area D Salmon Gillnet Association, for 10 minutes.

**Mr. Les Rombough (Area D (Johnstone Straits) Salmon Gillnetter's Association):** Thank you, Mr. Chairman.

My name is Les Rombough. I'm the president of the Area D Salmon Gillnet Association. We represent the interests of 286 gillnet fishermen who fish for Fraser River sockeye in Johnstone Strait.

We're very concerned about the consequences of the 2004 season. The Fraser River sockeye represent a major component of an area D fisherman's income. With very little hope for any sockeye fishing for anyone in 2008, there will be financial difficulties for all.

I'm also a member of the Canadian section of the Fraser panel. As members of that Pacific Salmon Commission panel, we are responsible for the management of the Fraser River sockeye. We manage Canadian and U.S. commercial fisheries. We do not manage economic opportunity fisheries for first nations; we do not manage food, social, and ceremonial fisheries; and we do not manage unauthorized fisheries. Our main job is to put enough fish into the river to meet escapement goals and provide enough fish for authorized first nations fisheries, both FSC and commercial. We also manage and restrict commercial fisheries in the marine areas to ensure that there is adequate fish and opportunity to meet marine native FSC allocations.

In 2004 we successfully managed commercial fisheries under extremely difficult conditions, when the stocks of concern were co-migrating with stocks having harvestable surpluses. We did put 2.9 million sockeye past Mission to provide for a net escapement of 2.1 million. In the end, approximately 400,000 made it to the spawning grounds. Where are the rest?

● (1455)

My sixth year on the panel was 2004. I am impressed with the ability of the PSC staff to accurately assess run sizes and provide the panel with the tools needed to ensure escapement goals are met. In terms of the management of the 2004 sockeye return, we did our job.

We did have environmental problems in the Fraser River in 2004; there is absolutely no question about it. We have adopted an environmental management adjustment model in the panel to try to deal with that. As the water temperatures increase—and we anticipate that we're going to lose fish—we put more fish past Mission in order to take care of what could possibly arise from deaths by that warm water. We put 29,000 extra early Stuart past Mission; we put 330,000 extra fish on the early summer run past Mission; and we put 570,000 extra fish past Mission on the summer run when we normally don't have an EMA.

There were no dead carcasses in the river in 1998. The temps were very similar. In 1998, the temperature reached 21.3 degrees centigrade. In 2004, the temperature reached 21.5 degrees centigrade. It was hot, the hottest ever, but it was very similar to 1998.

In 1998, as you have heard, we didn't see any dead fish. We did see dead fish in 2004; in 1998 we did not. The quality of the fish on the spawning grounds was good enough that they spawned extremely successfully. I find it very difficult to believe that only the fish that made it to the spawning grounds were in good shape, yet we lost 1.5 million to 2 million fish due to problems with the water condition.

We were aware on the Fraser panel of unauthorized fishing in the Fraser River. We had no idea to what extent. We understood that enforcement was not dealing with it. We understood it was for political reasons.

Weak stock management, which is a new concept for management, is putting huge quantities of fish into the river. With no enforcement, poaching is rampant and it's lucrative. A person can put a hunk of net in the river and catch 200 or 300 fish and make himself a few thousand dollars in an evening—and this goes native and non-native.

We heard concern expressed on the Fraser panel from first nations representatives whose bands were complying with fishing regulations that if the department did not respond to blatant violations, they could expect a war on the river among the natives.

I would like to bring your attention to the food, social and ceremonial fishery in Johnstone Strait and a lack of monitoring in rules that are evolving. There is a new fishery evolving there in which first nations are hiring commercial fishermen to go out in their boats and help them catch the fish. They share the fish fifty-fifty. To me, this is providing a very poor example, and an example of an expanding problem with lack of monitoring and rules around this food fishery.

This is a valuable resource that can't and won't survive without an immediate visible commitment by the federal government to ensure that there is adequate enforcement and catch monitoring that is consistent across all fisheries. It is impossible to manage a fishery successfully when you don't know exactly what's being caught and there are no consequences for unauthorized fishing.

We have to know what happened in 2004. There is an opportunity to find out through subpoenaed witnesses, and we believe a judicial inquiry is the only way that can happen. We do not expect we will get the full truth from this review the minister has recommended. We support the judicial inquiry.

Thank you.

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

Do you have anything to add, Mr. Martin?

**Mr. Ken Martin (Area D (Johnstone Straits) Salmon Gillnetter's Association):** Yes, I think a little bit.

I'll be brief. I'm Ken Martin, area director for area D. I fished in Barclay Sound this year. We ran into a few problems there as well. We ended up fishing three days in Barclay Sound. We normally fish six or seven.

They closed the fishery a little bit before the end of June. I believed it was closed for conservation, but unbeknownst to us, there was a tremendous aboriginal fishery going on in the Somass River, where they fished seven days a week, 20 skiffs, beach seines, three gillnets that remain above the bridge in Port Alberni 24 hours a day.

During one opportunity I had to talk to one of the aboriginal gentlemen who owned three skiffs in the river, I said, “What's going on?” I and four other gentlemen were there. “Well, we don't talk to DFO anymore. We will not negotiate with them. We told them to go to hell. It's our fish, bottom line”. That is what he said.

So we went back to DFO. I personally was there in the office and I said “What's going on here? I thought you were supposed to negotiate”. “No, no,” he says, “we've been told to leave them alone”.

Consequently, that's what happened over there. We were very, very lucky to make an escapement. The fish harboured up. They were not showing up on the ground, and seven days a week they're at this. I can show you how they took 200,000 fish out of that system when the fisheries are reporting 100,000, because they do not know the number. They don't know.

I personally asked one of the representatives in that office, “How do you manage a fishery based on this?” He replied, “We cannot manage it”. And if there is no judicial inquiry into this, you'll be back here next year and the year after. This has to end, but nobody seems to want to step up to the plate. It's time for a judicial inquiry, big time, or this is going to happen and we will have no fish.

That's basically all I have to say.

● (1500)

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

Mr. Forrest, you have three minutes. Can you finish in three minutes?

**Mr. Mike Forrest:** Yes, sir.

**The Chair:** Go ahead.

**Mr. Mike Forrest:** The 2004 disaster yet again points out the problem of multi-jurisdictional management of the fish. Our organization and others have for years been adamant about the requirement for one commercial fishery—again, your recommendation number one, 2001.

We need one inclusive management plan with all users, ownership, and buy-in to protect escapement goals for our collective future. It's obvious to us that if DFO cannot protect the fish under the present fleet quota, it will be impossible with multi individual quotas, with perceived or actual priorities under co-management harvest agreements and separate special status management boards contemplated in the present treaty negotiations.

The year 2004 was only a glimpse of what is to come if we do not move forward aggressively to change the system to protect the fish. A judicial inquiry is required. It would be a positive step to understand what went wrong and to work together toward some solutions.

Thank you.

**The Chair:** Thank you.

Yes, Mr. Martin.

**Mr. Ken Martin:** Very recently, two days ago on Tuesday, we had a directors meeting in the Campbell River area, attended by the DFO, to talk about transfer of licences to the aboriginals. I stood up and asked the chairman, “This is all very convenient, but how is this going to be enforced after all this happens?” The comment back was, “As you all are aware in this room, enforcement is very low, especially after five o'clock in the afternoon”. That is the comment we had back.

**The Chair:** From whom?

**Mr. Ken Martin:** From the chairman of the meeting.

**The Chair:** Who was that?

**Mr. Ken Martin:** Mr. Kadowaki, south coast director.

**The Chair:** Thank you.

Ten minutes, Mr. Hearn.

**Mr. Loyola Hearn:** Thank you very much, Mr. Chair. I'd like to thank the witnesses for coming.

I'd like to move to a comment made by Mr. Forrest. He talked about the committee's report and why we are here again. He knows that we're here for the same reason he's here, that you can't give up. However, in 2001 and culminating with a unanimous report in 2003, we made some very pointed recommendations saying the same things as the ministers basically are saying to us now.

At that time, however...I guess it had been a number of years, 1992 to 1994 when there were major concerns. I think this past summer highlighted the need to do something about those recommendations. We shouldn't have gotten to that, as you know, but the seriousness of what happened this summer gave us the same kick you-know-where as it gave you. We have made suggestions to the minister that would have solved some of the problems that we're facing right now.

However, having said that, the proof is now in the pudding. You're back here saying “We told you so”, and we could easily say to the minister and the government, “We told you so”. That's one of the reasons we're here. I guess the main reason we're here and why we came so quickly is that at the very first meeting we had of our committee the request was made to come here to deal with this issue, because we know how important it is in light of what happened here before, and certainly on the east coast, when warnings were ignored.

We don't have time to fool around. We don't have time for committees to sit around with 30 people around the table, all from different stakeholding positions, all with different ideas, to try to find answers to this. We need hard and fast answers coming from hard and true facts. We hope to get some of them. I think you've recommended another way, and we've called for that.

However, because we're going to need to know this, if you were to list three reasons why we had the failure this year...and I've heard about 15 from people when we've raised this, and usually the first one was water temperatures, environmental conditions. From the witnesses we've heard so far, it doesn't seem in any way, shape or form that the river temperature had anything to do with the declining fish numbers. If you had to list the three main reasons why we lost 1.5 million to 2 million salmon this summer, what would they be?

I'll throw it open to anybody. Mr. Forrest.

● (1505)

**Mr. Mike Forrest:** The first one is lack of DFO control over fisheries above Mission.

I would like to correct Mr. Hearn regarding the issue of hot water. The hot water and environmental conditions that have been spoken of by Les and other folks were real; however, it was not the reason. In fact, the place you need to look for the proof of that is in the early summer stocks that went upriver prior to there being any hot water. Those got caught somewhere. They disappeared and they didn't come downriver.

The lack of control by DFO, the lack of interest by DFO in responding to direct information by all kinds of sports fisheries and other people up the river is the singular most important reason why we don't have fish up the river.

To go with environmental conditions as a second point is fine. I don't have a problem with that, but it was not the main reason. If I were putting percentages to it, I would put over 50%, as far as my own feelings go, for what went on above Mission, with the lack of control or number-crunching, and I would put maybe 25% towards the possibility that we did not know exactly the numbers that went up the river in total, and 25% towards the environmental conditions.

**Mr. Loyola Hearn:** Does anyone want to throw in a different scenario, or are you all in basic agreement?

It's basic agreement, I believe.

Mr. Kamp, do you want to comment?

**Mr. Randy Kamp:** I just wish to apologize for missing your presentation. I got called out to another call.

I have spoken to people in your industry who hold the same position. I guess, as we found when we asked the last panel, everyone has a sense of what went wrong, and there has so far been some unanimity on that, similar to what you've stated here.

What sort of evidence do you have that the problem was above Mission? Second—and I think this was asked before—if there were complaints, what was done with those complaints to turn them over to enforcement officials or DFO?

**Mr. Bob McKamey:** In terms of evidence, I guess the most driving evidence is that the fish disappeared above the bridge, not below. This would lead me to believe that is where the problem is.

The second evidence, which I gave when you weren't here, is an eye-witness helicopter ride I took on one day—and I believe it was a very typical day—when there were wall-to-wall nets. The number we saw that day was over 400. But 400 is a huge number when you think of how many places can be fished up there. The evidence I gave does not come just from a two-hour helicopter ride; it comes from 55 years of living on the river. I grew up in that area and I know how many fish those nets can catch.

My evidence also indicated that this wasn't the only problem, but in my mind it is the primary one. If I had to say what percentage it is, my percentage would be higher than Mike's. It is the major part of it.

In terms of evidence, it is what we have seen and what we know about where the fish disappeared.

**Mr. Randy Kamp:** Once that evidence was seen, what was done with it?

**Mr. Bob McKamey:** You could phone DFO until you were tired of it. There was no response from them—a yawn at best.

We went to BCTV in the hope that because of our going public with the information DFO would respond to it, but there were no changes. The same fishing was going on the next day.

● (1510)

**Mr. Randy Kamp:** Thanks, Tom.

**The Chair:** Mr. Forrest.

**Mr. Mike Forrest:** The fish were ushered above Mission through various fisheries along the coast, as per the Pacific Salmon Commission's Fraser River panel's direction. They did a good job, as they have done for years, in that regard.

Those fish did not come downriver. We have all, on the river, been there when millions of fish have died off. You'll hear this from every person who has any knowledge of the waterfront, who has been there. We didn't see those fish this year. Those fish don't anchor somehow to the bottom: when they die, they're in the ends of booms, they're on the beaches, they're all over the place, and seagulls are there, and what have you. It's obvious. It wasn't obvious this year.

The number-crunching, as I described before and others will probably comment on, the Mission echo-sounding, the test fishing, the process by which the tools that are used for management of the fishery in the river are 60 years old—there's a process they've tweaked and fixed, and they have come up under scrutiny in 1992, 1994, 1998, all of the times in the past—those are the best we can do, and they do us a good service.

I'm sure you're going to hear big time about the reporting situation I've commented on when Bill Otway gets here tomorrow to talk about it, from the B.C. Wildlife Federation: people standing on the Rosedale Bridge watching drift-netting going on underneath the bridge on early Stuart sockeye, when the whole river is closed—nobody is open; it's closed for conservation.

Those calls, made to the DFO on the reporting line, as Bob has said, people just...forget it. They're just fed up with it, because nobody is doing anything about it. Calls and e-mails to the minister's office with the same information at the time—"Please come out here and watch. These people are fishing. Do something. We have to do something about this. This is closed for conservation. Why aren't you doing something?"—went on and on ad nauseam, even to the minister's e-mail process, and he probably has somebody answer his e-mails.

The reality is that people have been proactive, and nothing has been happening, and the resource is in jeopardy.

**The Chair:** Thank you.

Mr. Murphy, do you have anything?

**Hon. Shawn Murphy:** Mr. Chairman, I want to thank the witnesses for appearing.

I just want to follow up a little, as I did with the previous witness, on the whole issue of the alleged unauthorized harvest taking place above the Mission station.

The allegation we've heard before us is about 1.5 million to 2 million missing salmon. I just want to pursue the area. Where does it go?

Obviously it was caught under the food, social, and ceremonial purposes provision. It's obviously not out there in domestic consumption. I know from the east coast fisheries, any time we see this, we see some very unscrupulous processes, unscrupulous retailers—a whole network of unscrupulous people involved in this area.

Can you people shed any light on where this—whatever number we're talking about...? It obviously didn't go to domestic consumption along the Fraser River. Where did it end up?

**Mr. Bob McKamey:** First of all, I'd like to point out that whatever distribution network is in place, it has had 10 or 12 years to develop. Somebody asks, "How do you get rid of a million fish overnight?" or "How do you put a distribution network in place in one year?"

I don't know the numbers, whether it's a million fish or half a million fish, but whatever the number is, the distribution of those fish happens without regulation. Anybody can tell you about the truckloads of fish leaving that parking lot underneath the Agassiz-Rosedale Bridge, and the number of landing sites is unlimited. You can land those fish anywhere within 40 or 50 miles of river we're talking about. I believe that number of fish can be distributed, given the amount of time we've had to establish a distribution network. And I don't believe it's one processor or two processors—I don't believe it's the major processors. I believe it's a whole bunch of small players who have figured out how to get rid of those fish.

You can't go into a small town in interior B.C. right now without hearing stories about fish being sold, to people who never had an opportunity to buy fish up until the last few years. Everywhere you go, you hear stories about fish going to Alberta.

I appreciate that the numbers are staggering to think about. How do you get rid of a million fish? I believe there isn't one way it can be done, but if you think there are 20 or 30 different people who can buy them and distribute them, you can get rid of a lot of fish.

**Hon. Shawn Murphy:** Are you saying a lot of this fish leaves the province?

**Mr. Bob McKamey:** Some of this fish obviously leaves the province. There are people in Edmonton or Calgary who would testify they've bought fish in those areas. They have for years; it's just that the extent of it that has changed.

● (1515)

**Hon. Shawn Murphy:** Does it also leave south of the border to the United States?

**Mr. Bob McKamey:** I don't know if it does, but I know that it can. There are people here who have evidence about following truckloads of those fish across the border.

**Hon. Shawn Murphy:** Take me through the enforcement process. The fish is obviously caught under a food, social, and ceremonial purpose. What would the enforcement process be if an enforcement officer were out there and somebody had a net? Is there a limit where you can catch 10 salmon a day? If the person had a net and there were 300 salmon, how would it work?

**Mr. Bob McKamey:** One of the things I said earlier was that there were three days when there wasn't some kind of fishery going on in the area we're talking about. The only limit is how many fish you can catch; there is no limit. If you have no time limit, then there is no limit on how many fish you can catch.

**Hon. Shawn Murphy:** So what you're telling me is, if there is a person who does not have a valid commercial salmon licence out there who catches two or three tonnes of salmon, and an enforcement officer's there on the beach watching that salmon being landed, there's nothing that can be done?

**Mr. Bob McKamey:** Well, no, I'm not talking about people with commercial salmon licences. I'm talking about the fishery that's going on above the bridge.

Our fishery has no limit on how many fish you can catch. There is no quota.

**Hon. Shawn Murphy:** I don't think you heard what my question was. I'm trying to get at the enforcement. Above the bridge there's a situation where someone has landed, let's say, two or three tonnes of salmon, and that person is not licensed under the food, social, and ceremonial purposes. Is there a limit? That's my question.

**Mr. Mike Forrest:** The limit would have to be what that person thinks he or she can handle. As these fishers have no enforcement against handling as many as they want, they then develop various infrastructures of their own to handle more fish, because there's obviously more money to be had. It's insatiable as long as they can find a market.

If there is no enforcement to cause it to stop, and this is more our concern at this time.... We're at a point now where it's getting to be very, very obvious, from the resource point of view, if not the allocation issue, that unless there is something very instructive done here with respect to DFO control of that, we won't have a resource in future. This can happen all the way up the river with hundreds and hundreds of boats, not just a few. And as you multiply a hundred times a hundred times a hundred, you end up with way more fish than arrive in the river in various years.

Now, if there aren't rules to stop this, and the people think they're doing just fine, thank you very much, because it's their fish, I'm sorry, we're going to lose the resource.

**Hon. Shawn Murphy:** With all due respect, my question hasn't been answered.

**Mr. Mike Forrest:** Then help me with what the question is.

**Hon. Shawn Murphy:** My question is this. Assuming there's an enforcement officer there, an enforcement officer is watching the river jammed right up and sees a person taking in two tonnes of salmon. Can he then charge that person, or can the person who's fishing the fish—if he has two tonnes or three tonnes—say, "No, no, this is for food, social, and ceremonial purposes"?

I would have thought there would be a limit, like 10 salmon—if you're a recreational fisher, you can go out and land so many salmon; you can't catch two tonnes of salmon. That's certainly true in the trout fishery on the east coast. Is there a daily limit to the number of salmon a person can take under food, social, and ceremonial purposes?

● (1520)

**Mr. Mike Forrest:** No.

**Hon. Shawn Murphy:** There's not.

My next question is, how could you enforce it if this is the case? They're going to say there's no rule.

**Mr. Mike Forrest:** You may have answered my question, too. There is no rule. They can't enforce it.

**Hon. Shawn Murphy:** If there's no rule, you can't blame the enforcement officers. They can stand there and watch them, but if they can't fine them, there's nothing they can do.

There's a real problem here. I'm not disagreeing with you; I'm just saying that one of the rules you've explained to me—

**Mr. Bob McKamey:** If I could comment here, the most obvious way to control that or to put some kind of restriction on how many are caught would be to restrict the amount of time, the number of days or hours of fishing. The kind of restriction you're talking about—a reasonable one for the food fishery, if it is a food fishery—would be, how many fish can the fisherman eat? If there's a reasonable number that can be eaten, you would open it long enough to catch that number of fish.

There is no limit to how many...the food fishery is not restricted by that.

**Hon. Shawn Murphy:** I just have another question here. Obviously they're not limiting the effort and they're not limiting the days. Are they limiting the gear type?

**Mr. Mike Forrest:** Yes, there are limits in the gear. The question is, then, whether or not any of the limits are enforced. There are limits in gear as far as the length of a set net goes. It's supposed to be, as Bob has said, 10 fathoms, 60 feet. If you have three of them tied together in a back eddy, you have a problem.

We need to be very careful about how we handle the words we're using. The food fishery, if it was for food and sustenance for people, would never be a problem for the resource or for allocation or anything else—if it was food and it was used for food, used for its intended purpose. It's when there's no control and it's allowed to be sold and the sale becomes an insatiable delight to some folks, that you get this situation.

But do not misunderstand. We're not in a position to be saying to you—and we're not saying to you—that the food fishery shouldn't be there or that it doesn't have limits. Some people in the food fishery in the aboriginal sense use their own sense regarding their limit. They take what they need. That's exactly as it should be.

When I was on the Fraser panel, for years and years we always sent 10,000 or so fish, passed them through the system, to the headwater people of the Carrier Sekani, who didn't have any other fish coming to their doorstep. That's expected. But that isn't a million fish; it's a couple of hundred thousand in the system. It will never be a problem if it's controlled. The lack of control is where we have trouble.

**Hon. Shawn Murphy:** Did DFO attempt in any way to limit the days for the food, social, and ceremonial fishery?

**Mr. Mike Forrest:** In some places, yes; in others, no. In some places it's open seven days a week. I think you've heard John Cummins comment on how the back eddies and places up the river where the fish are going to rest is exactly where the seven-day-a-week fishery is or a drift-net fishery, those kind of things going on and on and on.

It's the lack of control and DFO's perception that this fishery isn't a problem. It's entrenched in the belief that this fishery is not a problem. It's only through, hopefully, you folks coming forward and us coming forward to prove that, yes, there is a problem we need to investigate.

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

Just before I go to Monsieur Roy, I'm having a little trouble, along with Mr. Murphy, in trying to understand the answer you're giving to his question. I don't think he's really had an answer to it. We'll have other people from DFO and from enforcement; we can ask them.

But is it your belief that there is absolutely no limit in law or regulation on the number of salmon that can be taken under the rubric of food, social, and ceremonial purposes?

**Mr. Mike Forrest:** No.

**The Chair:** Well, what is your belief? What can be taken under food, social, and ceremonial purposes based on your interpretation of the laws as they exist today?

Mr. Rombough.

● (1525)

**Mr. Les Rombough:** I can try, Mr. Chairman.

There are food allocations permitted to the marine area first nations groups to the tune of 250,000 fish.

**The Chair:** Isn't that a limit?

**Mr. Les Rombough:** That is a limit.

**Mr. Mike Forrest:** But can it be enforced?

**The Chair:** Never mind the enforcement. First we try to figure out what the law is; then we try to figure out if it's being enforced. But if you're telling us there are no laws to enforce, that's entirely different from saying the law isn't being enforced.

Mr. Rombough.

**Mr. Les Rombough:** Just to clarify, there is a 250,000 allocation that we've tried to control in Johnstone Strait, in the marine areas, and 720,000 in the Fraser River. There is weekly monitoring of those numbers. There are weekly reporting stations within the Fraser River. There's a monitoring program of a sort in Johnstone Strait that I have some concern over. But it is so loose, and there are so few rules involved in it, that the ability to abuse it is there.

I'll try to express to you an example I see happening in the Johnstone Strait fishery. I think these two gentlemen who are in the Fraser River area have good testimony on what's going on in there. I can only offer you what I see happening in Johnstone Strait.

I have an example of a person living up in our area who has a trace of Stó:lõ blood in him, which we never knew about. He used to come down to the Fraser River and get 25 sockeye every year for his food. He then went in to the DFO office in Campbell River, where he applied for a food permit.

DFO said, that's fine, and gave him four days to catch his food. So he hired a professional gillnetter, one of our area D fishermen, to go out and catch fish for him for four days. There's no number. There's no limit. You are trying to monitor his fish, but there is no actual limit on that particular individual.

And the deal going on right now is that they're splitting that catch between the native and the commercial fisherman, so a commercial fisherman is now going out and getting 200 to 250 fish in a native food fishery. I'm saying, “I think this is getting out of control, you guys. What's he going to do with that fish?”

**The Chair:** But if there are no limits, then what is there to monitor?

**Mr. Les Rombough:** They go around keeping track, and when they think 250,000 have been taken, it's closed. It doesn't matter who gets them.

**The Chair:** So there is a limit.

**Mr. Les Rombough:** It's based on the reports, on the nature of the reporting, yes.

**The Chair:** There is a limit.

**Mr. Les Rombough:** Yes, and when that limit is reached by the reporters, then that fishery is closed.

**The Chair:** Okay, thank you, Mr. Rombough.

*Monsieur Roy, s'il vous plaît.*

[*Translation*]

**Mr. Jean-Yves Roy:** Thank you, Mr. Chairman.

I too have been trying to understand something for the last little bit. There is a definition of terms that is not clear to my mind. You have a food fishery, a social fishery and a ceremonial fishery. These are the three terms that have been used since you started. I understand them, but it is nevertheless a little bit much. Furthermore, you say that there is no limit, but then you say that there is one. You say that there are reports but, in fact, what you mean is that you do not trust the reports that are sent. This is just a comment I am making.

I do not know what share of the fish is processed by the processors, but you may be able to help me out. You say that there are one or two processors who accept to participate in what we might call the illegal fishery and who process the fish. If Fisheries and Oceans were to verify the origin of the fish going to processors, would part of the problem be resolved?

[*English*]

**The Chair:** Go ahead, Mr. McKamey.

**Mr. Bob McKamey:** In response to the first question, yes there is a limit set in our area as well, the Fraser River. There's an allowable catch allocated each year for natives to catch for food. It's based on run size.

Our position is that the amount of time given to catch that reasonable food number is excessive. There is no policing for regulation of that fishery when it's in progress and there is no monitoring of the number of fish caught in relation to what is reported. It's completely different.

Does that answer your question, Mr. Murphy, which I believe was the same question this gentleman asked?

In terms of provincial control over the processing, to the best of my knowledge there's very little. There is no limit on how many fish the processors can take. There are some processors who obviously don't get involved in this because they don't want to, but beyond that....

Mike, do you understand the question in relation to the processors?

● (1530)

[*Translation*]

**Mr. Jean-Yves Roy:** Mr. Chairman, I believe there is a jurisdictional problem. I know that processing plants are regulated by the provincial government, but the delivery of the fish to the plant falls under the jurisdiction of the Department of Fisheries and Oceans. It is not the same thing. Non-processed fish, in other words before it is delivered to the plant, comes under the Department of Fisheries and Oceans. When it is processed, it comes under provincial jurisdiction. It is very different.

It is not for the provincial government to supervise the provenance of the fish, but for the Department of Fisheries and Oceans. That is my question. It is the Department of Fisheries and Oceans that controls that, the way it does in my area. Indeed, back home, this is done for several species. If the Department of Fisheries and Oceans controls the arrival of the fish at the plant, chances are it controls a pretty good percentage of the processing, correct?

[*English*]

**The Chair:** Mr. Martin.

**Mr. Ken Martin:** It is my understanding that DFO is responsible on the ground while it does a federal inspection of the plants, and those fish are counted at the plants of the legal processors who abide by the rules.

Does that answer the question?

[*Translation*]

**Mr. Jean-Yves Roy:** Yes.

[*English*]

**The Chair:** Are there any other comments?

[*Translation*]

**Mr. Jean-Yves Roy:** If the department did that at your plants, would that solve the problem?

[*English*]

**Mr. Ken Martin:** No, I don't think so. It's a huge and complex network of what goes on.

A simple solution—maybe it's too simple—would be that all food fish is caught by seine boats and delivered to the band. Therefore, any net in the Fraser River is an illegal net unless an authorized commercial fishery is in place, and then you could fly the river by helicopter. It's so out of control. I don't know why no one's come up with that. It's only a simple format and would cut down on costs. Catch the fish with seine boats, deliver it to the band, and that's the food fish.

**The Chair:** Thank you.

We're almost finished.

By the way, I want to remind everybody, I've asked you to get the attention of the clerk. If I don't see your name, I'm not going to call your name.

Now I'm going to ask Mr. Forrest a question. He wanted to make a comment about area H.

I believe that's what you said. Was that for real? If so, go ahead.

**Mr. Mike Forrest:** Well, it's real, but it's only real if you've been part of allocation discussions in the area.

On trollers versus gillnetters, I was going to give you a quip regarding what we go through in allocation of time. You've experienced the same thing where, with a limited number of fish to be caught, you have a limited amount of time to hear. We have a limited number of fish, and Mike Griswold was all by himself in area H, catching fish all that time. We weren't, so there you go.

**The Chair:** All right. Thank you.

Mr. Keddy.

**Mr. Gerald Keddy:** Again, thank you to the witnesses for appearing.

I think we're getting a very clear message here. There are a couple of serious and fundamental problems that have been recognized in the past, and quite frankly, there has been little or nothing done about them.

First, we have a free-for-all fishery outside the commercial fishery. Obviously that can't be allowed to continue, and that's the responsibility of DFO. I'm not trying to speak for everyone else on the committee, but the evidence has been extremely compelling.

We're going to hear from other witnesses who may have some different opinions on that. But it doesn't matter if it's an aboriginal right, and it doesn't matter if it's a commercial licence, you can't catch fish that aren't there. If they don't spawn and come back in four to five years, the fishery will simply go away. You'll live the same life that we lived on the east coast after the collapse of the groundfishery.

The issue I wonder about is this. If the gillnetters were allowed 39 hours of fishing, and you had some gillnetters who fished with aboriginal bands, they'd have an extra four days outside of the 39 hours. You said there were four days and they took another two million fish.

● (1535)

**Mr. Les Rombough:** I'm sorry. Perhaps I could just straighten you out on that. These gentlemen are speaking about the in-river fishery. They represent the Area E Gillnetters Association that fishes in the river. I represent the area D association that fishes in Johnstone Strait.

I was giving you an example of what is starting to occur in Johnstone Strait that never happened before. It does not relate to the 39 hours or to the two days of commercial fishing that we actually had in area D.

**Mr. Gerald Keddy:** All right. Thank you.

I have two other questions. I think it was Mr. McKamey who mentioned earlier that years ago, in the way the fishery was set up, there would be one day of the fishery and six days during which the fish were allowed to go upstream. When was the last time there was a designated day, even one day, for the fish to continue without any interception fishery at all?

**The Chair:** Mr. Forrest.

**Mr. Mike Forrest:** I'm not sure we would be able to define it, but it would have to be pre-1992. My guess is that it was before then, because for the days that I sat on the Fraser panel through 1985 to 1992, we had that consideration of a concern even then. We had to have nine-day weeks in order to deliver fish after 1992. It was an impossibility to have a window of opportunity for the fish to actually pass through the system without having an impact.

**Mr. Gerald Keddy:** The message I'm continually hearing is there's a willingness among the commercial fishery, whether it's the gillnetters or the troll fishery, to recognize that aboriginal right, but there has to be some control on it. The same way there's control in the commercial fishery, there needs to be control in the aboriginal fishery. There has to be some limit on the amount of fish that can be taken for food, ceremonial, and cultural purposes.

Is that oversimplification?

**Mr. Mike Forrest:** There has to be control over it. There have to be limits, and from a conservation point of view, there has to be the same set of rules as a base for everyone operating in the fishery.

If we have fishing where it has already been decided by all the powers that be that there are not enough fish and they have to go to spawn—as in this year and many years with early Stuart sockeye—if you have people defying the rules and fishing on fish that we need for spawners, conservation fish, and if DFO is not doing anything about it, that can happen with any run of fish, and we will not have fish in the future.

**The Chair:** Mr. Cummins.

**Mr. John Cummins:** Thank you, Mr. Chair.

Before I ask my questions, I'll just remind you, Mr. Chairman and committee, that I am a member of the association that Mr. McKamey and Mr. Forrest represent.

Mr. McKamey, I think you talked about drift net fishing above the Agassiz Bridge, and I think that point is worth expanding on and clarifying for the committee. I'll just make a comment, and I'll ask you to correct me if I'm wrong.

I think for at least the last 100 years there has been no drift net fishing permitted above the Mission Bridge. Within the last five or six years the Cheam Band have begun drift net fishing above the Agassiz Bridge. DFO refused to enforce the prohibition against that drift net fishing, and in 2004 they made it legal for the Cheam to drift net fish above Agassiz Bridge.

In your understanding, is that correct?

● (1540)

**Mr. Bob McKamey:** Yes, that is exactly correct.

**Mr. John Cummins:** The other question...and again, it's more of an opinion. Mr. McKamey and Mr. Forrest, you both may want to comment on it.

It's my view that the set net fishery that is undertaken in the Fraser Canyon is probably the most lethal method of fishing in the Fraser system and the west coast of British Columbia. There's a high dropout rate, because it's impossible to attend the nets continuously, and we have a high mortality rate of fish that are not caught. It's also my opinion that if that fishery were one that was being undertaken by the public commercial fishery, it probably would be prohibited by now.

I wonder if you would agree with those comments, add to them, or reject them.

**Mr. Bob McKamey:** I agree that is a lethal way of fishing, as is ours, the drift fishery. Both of them are very lethal. That's the reason we fished only 39 hours this year. More important I think than how lethal that fishery is up there is the change that has taken place since 1992, when we first started pilot sales programs where some of those fish could be sold. There again, when I was a kid and we were up in that part of the world, you'd see some nets on days that it was open. There'd be a few set nets in a few of the eddies, but the number and the pressure they exert now is huge compared to that.

Mr. Cummins is right. It would probably be illegal now, because it's carried out in the part of the river where you'd hope the fish were on their way to the spawning ground.

**Mr. John Cummins:** Mr. Forrest, you mentioned that you were in fact on the international commission for a number of years. When Mr. Fraser did his report, Lee Alverson was one of the members of his panel. He was an American, the commissioner of the U.S. section of the International North Pacific Fisheries Commission, a well-respected academic who lectured not only at the University of Washington in Seattle but also at Memorial University in St. John's, Newfoundland, and at the University of British Columbia. He wasn't there to represent the American interests, in a sense, but he was an American on that panel.

You mentioned in your discussion that the Americans were entitled, I think, to 25% of the Fraser catch, and that with this mismanagement and the loss of fish, they're going to be impacted as well as Canadians. Do you think in some way that any investigation into what went wrong should include some American representation as well, given their interest in the Fraser catch?

**Mr. Mike Forrest:** I think they should be involved. The percentage of the Fraser catch for the U.S. at this point is 16.5%. It's come down from 20-odd percent over the last several years. Commensurate with their involvement and their expected catch total, I would expect them to be involved in any process that goes forward to investigate....

I would also hope that we take very seriously the folks who are on the Fraser panel and get those folks involved in this kind of process, because as fish managers, these people are meeting weekly and sometimes daily throughout the season to make their best effort to deliver stocks and allocations. So they need to be involved. As a result of that involvement, it would directly involve U.S. boats.

● (1545)

**The Chair:** Thank you.

Mr. Cummins, are you seriously suggesting that the committee now have 31 members?

**Voices:** Oh, oh!

**Mr. John Cummins:** No. What I am suggesting, Chairman, is that.... As you know, I don't believe the current committee is capable of functioning.

**The Chair:** I know. I'm just kidding.

**Mr. John Cummins:** Yes, I understand that, but I do believe that if a judicial inquiry were called for by the minister, there should at least be an American intervenor on that, because I think we could end up in some serious international difficulties because of what has gone on this summer. That's an issue, I guess, that hasn't been touched upon today.

**The Chair:** That's a good point.

Gentlemen, I have just a couple of technical questions, if I may.

From the printout we have from the Fraser River panel, our information indicates that the area D gillnetters landed 155,600 this year. How does that compare with last year?

**Mr. Les Rombough:** It's very similar to last year, and it's at the low end of our range. The high end of our range would be one million.

**The Chair:** And area E landed 246,200. How does that compare with last year, Mr. Forrest?

**Mr. Mike Forrest:** We're having problems with that number, as a matter of fact, because we thought it was significantly less than that. I would defer to the number cruncher here who's on the Fraser panel because they have the numbers printed out. My sense is that this year we were less than half of what we were last year.

**The Chair:** Finally, the Fraser River aboriginal food, social, and ceremonial catch was just about 332,000. How does that compare with last year?

**Mr. Mike Forrest:** Again, I believe that's not correct.

Is that below Mission or above Mission? My understanding is that it's 700,000 in total.

**The Chair:** No, that's just for the Fraser River, and then there are areas 12 through 124, which are also aboriginal.

**Mr. Mike Forrest:** Comparing last year with this year is maybe of interest to you. I would suggest to you that it may not be the comparison you would want to make, because this whole thing has been going on now for a few years. We've focused on it this year because we thought we didn't get fish to the gravel, but I would want you to look at something pre-1992 and decide how they compare, because the reality of the pilot sale is what changed the process.

To look at things in a recent light and say there is a major difference from one year to the next.... There will be major differences between runs and there will be different availability of stocks. People will do what they can with the fish that are available to them, which are not always there.

There is a regime change that has happened in this 12-year period, so we need to compare those regimes rather than do so individually. I don't know what interested you in comparing those years. We can make those comparisons; however, there are issues with that.

**The Chair:** Yes, I understand that. I know why I'm asking. So that's good. Thanks very much.

You might be interested in knowing that although our previous witness was there alone, he had less time than you. We gave you a lot more time; we're in fact over time. But we do have to give everybody a break; everybody has to get a drink of water.

Gentlemen, thank you very much for your candour. We appreciate your evidence, and we appreciate your not giving up on our committee and for coming out.

By the way, I think I can say to you on behalf of our committee that we stand by the unanimous report our committee issued. We think it was correct, and we are as frustrated as you that not every recommendation was taken. But we can only do what we can do and keep soldiering on, each in our own little way—and hopefully we'll make a difference.

We'll have a break of ten minutes and then we'll carry on.

Thanks again.

● _____ (Pause) _____

●

● (1600)

**The Chair:** I'll reconvene the meeting.

Members, we have panel 4, under the topic of “Seine”. From the Fishing Vessel Owners' Association of BritishColumbia, we have Mr. Glenn Budden, the vice-president, and Larry Wick, the director. From the Area B Harvest Committee, we have Chris Ashton. From the B.C. Vietnamese Fishermen's Association, we have Kim Nguyen, who is the spokesperson.

We have three organizations, so each of you will have ten minutes for your opening remarks. Then we'll go to questions.

Mr. Budden, go ahead.

● (1605)

**Mr. Glenn Budden (Vice-President, Fishing Vessel Owners' Association of British Columbia):** Hello, everyone. Welcome to the west coast of Vancouver.

My name is Glenn Budden. I'm a commercial seine fisherman, as my father was. I'm also an elected adviser for my seine area and vice-president of the Fishing Vessel Owners' Association, representing about 60% of the seine vessels.

I'm here before you today to ask for help. I'm becoming increasingly worried about our salmon resource. I spoke to some of you already. Actually, Mr. Kamp is probably the only one I spoke with that's actually here today. Thank you for—

**The Chair:** Mr. Budden, hold on one second. We just have to ensure that there are interpreters in the booth. I may have caught them by surprise. Let's find out.

Everything is okay now?

Okay, please, go ahead.

**Mr. Glenn Budden:** Thank you, Mr. Kamp, for returning my calls.

Since major changes started in our industry about the mid-nineties —AFS fishery, area licensing, buy-backs, and collective fishing—I supported all of the department's initiatives. Believing all the department's rhetoric, I even spread the word throughout the industry and convinced my peers and fellow vessel owner members that this was the right way to proceed.

The department over the last eight years has turned my thinking completely around. My income has dropped, my debt has risen, my access has been minimal, and some of the fish stocks have actually declined.

In 1992, 1994, and again in 2004 we have missing sockeye salmon spawners on the Fraser River. We have been rebuilding the Fraser River stocks for decades only to see disasters on the spawning grounds setting our rebuilding efforts back many cycles. The department has lost, as you're aware, all credibility in B.C., and it has lost all its credibility with all the users of the resource. As a commercial fisherman I am the salmon's best friend. I need to have a renewable resource if I am to continue fishing. I need to know what happened to the 1.9 million sockeye spawners. I need answers and I need action.

There is much rhetoric, and there are theories about the missing sockeye spawners. The department's first response for the missing sockeye is to have us believe, as they tried in 1992 and 1994, that the river's warm water killed most of the 1.9 million fish.

However the early Stuart sockeye also went missing. The early Stuart run has an earlier arrival timing. They had good travelling and spawning conditions, with the water temperature only slightly above normal, but they too went missing. As stated before by some of the other gear types, there were no large bodies of carcasses ever reported anywhere in the system.

The next thing the department would like us to believe is that the fish were not missing but they were actually never there to begin with, that somehow in 1992, 1994, and 2004 the Mission sonar station had some kind of counting problem. All other years they counted the fish just fine and verified those fish on the spawning grounds.

The conservation and protection branch of DFO is at an all-time low when they should be at an all-time high. We can't manage our fisheries without knowing how many fish are taken out of the water. Monitoring and catch reporting is a must. The current system for all fisheries is in need of review. There are reports of enforcement officers watching unloading and transporting of unreported fish throughout the lower mainland, but they've been told just to observe and report only.

Aboriginal catches are estimated from on-ground hails and are never actually counted. DFO verification of the hails against actual catches shows a discrepancy of 200% to 300%. I am not questioning the right of aboriginals to fish on the river. That is a different matter all together. However, any fishing that is to be done should be done under the same rules and regulations as all commercial fisheries. Invisible monofilament set nets are only used by aboriginal fishermen. They're outlawed in the regular commercial fisheries because of the fishing-induced mortalities. The lack of monitoring and accountability allows aboriginal catches to move in and out of legitimate storage facilities on a regular basis. Hot marketing conditions this year for sockeye made buyers readily available.

The department now has appointed Bryan Williams chair of the missing sockeye committee. His background and business affiliations immediately raise questions about his ability to conduct a fair and impartial inquiry. This is not the person we want looking after what happened to the missing sockeye.

It would be nice to have a quick answer and a solution to the missing sockeye spawners, but I am here for the long haul, as are most fishermen who remain in the industry. We need real solutions and not just politics. This committee really has no power over the government or the DFO to do anything, and you guys appear to be as frustrated as we are.

The Pearse report in 1992 and the Fraser report in 1994 both made powerful recommendations in their postdated review on the missing sockeye, but once again all the recommendations were ignored. Basically that is two strikes against the salmon. One more strike and we won't have any salmon. We need something with teeth.

Mr. John Reynolds, member of Parliament, spoke with me and told me that the situation is serious enough to merit a judicial inquiry. I believe that's what it will take. It might have some bite. You guys need to call one. The sockeye deserve it.

We are in desperate need of some help. The Liberal government's and DFO's track record speaks for itself, so I turn to the standing committee for help.

If anybody would like to come down and tour my vessel while you're in town, you're more than welcome to, and we can carry on discussions further.

Thank you.

● (1610)

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

Mr. Wick.

**Mr. Larry Wick (North Delta Seafoods):** I'm not sure if you all have this, perhaps you do, but it's just an outline. Basically I'm one of four generations in the industry. My sons are in it now.

I've been in the industry for 45 years, running boats. I became a processor. I've been sitting on the salmon commission for the past 17 years. I've supported the Mifflin plan, where we have reduced our fishing fleet by 70% in the stay-in sector, and we still don't fish. We've bought into the Mifflin plan, the idea of fewer boats, more fishing. We have fewer boats and no fishing now. That's one of the issues.

When I started with the salmon commission the treaty had an allotment of 400,000 pieces for native food fishing. We are now managing up to a million. We can no longer make a decent living for our crews and boat owners. Licence fees are too high. As a processor I'm unsure if I'm buying legal or illegal fish in the Fraser River when there's fish offered to us by truckloads, through phone calls. We refuse to buy it because we feel it's illegal, but we don't know.

On the recording and the tracking system with DFO, well, there is no system. It's just lax words.

We have our niche products, we have smoked salmon products, canned products, teien fillets going to Japan. We need the product; we need a consistent supply to maintain our little plant. But we can't get it. We've invested in marketing, we've invested in labels, but we have no fish if this carries on.

As a Fraser panel member for the past 17 years, I've spent days and days in meetings. I think we had 55 meetings last year—that's fairly much a day for each one. We had a fish plan for last year, 2004, because of endangered species—Sakinaw fish, Cultus fish. We worked hard to lay out a plan, and we actually pulled the plan off quite well. The fish got to the river. With the lack of control and monitoring upstream, the fishing was devastated. The early Stuart run was estimated at 180,000 pieces; we had 9,000 left on the ground at the last estimate.

While some of it could be attributed to warm water, some could be attributed perhaps to the echo-sounding, but we're not out that much. The fish have gone missing. There's been no commercial fishery on those fish other than the native fishery up the river. As I travelled through the interior this summer, every fruit stand was selling sockeye. There's no end to it. There's no recording, nothing going on. We need a judicial inquiry here to help bring some sort of control to this. It's completely out of hand.

In 2008 there will be no fishing. We've built up our products. We've built up our lines. We're not going to get any fish here; we have to turn to Alaska to try to get product now, the majority of our product. Our family has been in this business for 100 years, but the lack of enforcement and the lack of funding for the Pacific region, the department...it's a complete failure. We don't have a patrol boat, we don't have proper maintenance of streams, we don't have proper recording of spawning grounds, and we have no enforcement. There are times on the boat when we phone an area to find out if the area is open. They've asked us if we would please phone in and let them know how the fishing is, because they have no budget for patrol boats.

The native fishing issue is completely out of control. Even the natives have admitted that. I've sat in meetings with them and they maintain the same thing, that it's just gone too far. We cannot go on the way we are. We need a proper monitoring system to track catch. There's too much advantage.... Everybody can sell a fish. Any one of you could sell a fish to your neighbours, but if you take it from your boat across your own dock and sell it to your neighbours, it doesn't get recorded. It just does not get recorded. And there's double-dipping; you're beating income tax. You get to fish that fish again because your allocation doesn't go up and it gives us a poor estimate on run size when we're managing fish. We send the fleet out in the Fraser River expecting to perhaps get 100,000 pieces and we get 70,000; we downgrade the run size because we feel there should have been more fish in the river. There probably were 100,000, but 30,000 have gone over the dyke. And it's not just one sector doing it; all sectors are doing it.

● (1615)

We need to have a proper system. When you look at systems for catch monitoring in the United States, you bring in a fish, you swipe a card. If I give you a fish to take home, you have to have a photocopy of the delivery slip of where that fish came from. Nowadays they're finding truckloads of fish here, there, and all over the place, and nobody has any idea of where they came from. It's just out of control.

**The Chair:** Mr. Wick, can I ask you to wrap it up?

**Mr. Larry Wick:** In finishing, I don't think we need to worry about the McRae-Pearse report until we get a proper system of counting and a paper trail on the fish.

Thank you.

**The Chair:** Thank you.

I don't mean to be rude, but I have to make sure everybody has ten minutes, plus we give some questions.

Mr. Ashton.

**Mr. Chris Ashton (Chair, Area B Harvest Committee):** My name's Chris Ashton. I'm the chair of the Area B Harvest Committee.

By way of introduction, I began fishing in 1968 and have been the owner-operator of a purse seine, the *Pacific Skye*, since 1979. For 18 years prior to 2004, I was a member of the south coast advisory board. In 2004, DFO implemented and revised a multi-tiered advisory process that would see 12 representatives from each of the eight licence areas elected to the area harvest committees. I chair the Area B Harvest Committee. I'm one of the area B representatives on the commercial salmon advisory board.

Area B is the southern British Columbia purse seine licence area, with the Fraser River sockeye being the main target species, generating the largest income potential for our fleet. There are 161 active licensed purse seiners in area B.

In the last decade we have seen our opportunities to access Fraser sockeye continuously eroded because of real or perceived low-abundance, late-run mortalities, reallocations to other user groups, and conservation concerns over species such as the Thompson coho. Some of the problems restricting our access were mitigated by closely working with DFO to adopt new selective fishing practices and implement gear modifications.

In 2004 the potential SARA listing of Cultus and Sakinaw sockeye presented an almost insurmountable challenge. Former Minister of Environment David Anderson dictated that the incidental catch mortality of these two species could not exceed 12% for all commercial, sport, and FSC fisheries. The return to these two systems was estimated between 200 and 300 fish, with the expectation that only 50 would actually spawn in Cultus Lake.

The DFO and Pacific Salmon Commission migration modelling indicated that the area B seine fleet could possibly have a one-day fishery for part of our fleet at the end of July or early August. From mid-June through July, I and other area B representatives met with DFO managers in person or via phone conference as many as several times per week to try to craft a fishing plan that would not only include the entire fleet but would afford more than a one-day opportunity.

At the same time, DFO was negotiating with the first nations bands in the lower Fraser River to have them harvest their FSC allocations at the beginning of August, rather than later, to lessen the impact on Cultus and other late-run sockeye. With assurances that the bands would comply with this request, and a stronger than expected inside migration, the area B fleet managed to achieve two 15-hour days of fishing for Fraser River sockeye in 2004.

The perceived benefits of the early in-river FSC harvest quickly vanished, however, with the overturning of the Kapp decision. The minister announced that first nations could pursue commercial economic opportunities, formally called pilot sales. FSC harvests ceased, and legally sanctioned sales of fish began to take place.

The irony of this is that we had been hearing stories of widespread sales of fish prior to this date and that there was little or no enforcement action against the illegal sales. Coincidentally, this is consistent with reports from all over the coast of illegal harvest, illegal sales, laundering of fish into commercial fisheries, and little or no enforcement.

To highlight this, I'd like to bring attention to the other south coast sockeye run that we have commercial access to in Barkley Sound. The major component of this sockeye run, which is often in the 700,000 to one million fish range, spawns in Sproat Lake and migrates up the Sommas River that is adjacent to Port Alberni. During July and August, the sockeye is fished commercially in Alberni Inlet by gillnets and seines. It also affords a significant sport fishery, and coincidentally, it has been the site of one of the other controversial pilot sales agreements with the local first nations.

From early June, on our weekly south coast co-management conference calls with DFO, we were informed by advisers from the gillnet fleet of widespread illegal sales of sockeye on almost every street corner in Port Alberni, and reefer trucks heading out of town to points unknown. These reports and accusations were acknowledged by the area managers with the often repeated comment: “I do not have resources available to deal with this problem. I advise you to write letters to the appropriate people.”

● (1620)

The question of whether there are illegal harvests, illegal sales, or unreported catches is not one for debate. It has been highlighted repeatedly as a potential major cause of disappearing or unaccounted fish in the 1992 Pearse-Larkin report, the 1994 Fraser report, and the 2001 standing committee report. The question in 2004 is, could this problem account for two million missing fish above Mission? It is our opinion that it could be responsible for much of it, although there could also have been some loss due to unfavourable environmental conditions.

How are two million fish caught, and where does it go? Well-documented cases of underreporting of FSC harvests have surfaced over the past years. There is high-grading—just keeping the good ones, the marketable fish, and the rest are discarded. There are nets under log booms and strung off docks up and down the Fraser River, many of them owned by non-natives.

I recently spoke with a friend, a CN train engineer, who regularly travels up and down the Fraser Canyon. The rail tracks afford a superb view of the river. He told me that over the past three years he has seen a significant increase in fishing activity: nets strung on lines or cables across the river and an expansion of fishing camps taking on the appearance of a commercial operation, with fish totes stacked up waiting for transport.

FSC fish can legally put into cold storage, after which there is no follow-up. It goes in the door as FSC fish and out the door as a commercial sale. Fish is sold in pubs, on the side of the road, to local restaurants, and can be put in reefer trucks and sent to the interior, or back east, or south of the border.

We contend that with the magnitude of fishing in the river, both the FSC and the highly controversial economic opportunity fishery—as documented in the 2004 Fraser River sockeyeescapement crisis report prepared by John Cummins—along with the well-known laundering of FSC fish into the commercial fishery and the overall inadequate monitoring of all fisheries, not only could this account for much of the missing fish above Mission, but there could easily have been a significant amount of fish disappear before Mission.

It is our opinion that another review, as has been proposed by DFO, to be headed up by Bryan Williams, can and will hear the same stories about illegal sales, poor enforcement, and inadequate or non-existent catch reporting that have already been told before to similar reviews. Because the stories won't be told under sworn testimony, they will be regarded as anecdotal information and any resulting recommendations will again be ignored. The right people won't testify, because they won't be required to, and they won't come forward voluntarily because they have families to support. Only a proper and independent judicial inquiry will be able to expose the truth about the 2004 Fraser River sockeye disaster and force DFO to take the necessary action to ensure this does not occur again.

Thank you.

● (1625)

**The Chair:** Thank you, Mr. Ashton, and thank you for keeping it under ten minutes.

Ms. Nguyen.

**Ms. Kim Nguyen (Spokesperson, B.C. Vietnamese Fishermen's Association):** Thank you, Mr. Chairman.

Good evening, ladies and gentlemen. My name is Kim Nguyen. I am representing a Vietnamese fishermen's group in B.C.

I will try to keep my presentation under ten minutes in length, but if I go over, please accept my apology.

As you know, I came here in 1980. After the war in our country in 1975, we tried to come to Canada in order to have a better life here. Most of our fishermen have backgrounds as fishers. That's why they ended up here in B.C., hopefully to continue with their professions.

In the past 20 years I have raised four children. My husband is an area E gillnetter, and I have had the opportunity to work for a fishing company. Therefore, the fishing industry has supported us in raising our children. Now three of my children are lucky enough to go to university. One is in high school.

This year my husband went out fishing and he caught fewer than 500 fish. According to the statistics, area E gillnetters have caught 239,000 fish, and we have about 403 area E licences. If you take that average, and if each fisherman takes fewer than 600 fish from the water, at the price that fishermen get paid for fish, which is about $10 a fish, the average fisherman's income this year is only $6,000. That hardly pays the start-up costs. Now we have come to the end of the season, and everybody is saying we've lost the fish; we are losing the fish going to the spawning grounds.

Looking forward, four years from now, to 2008, what if we don't have the fishery? How are we going to survive? How is my family going to survive? How is my husband going to pay for the start-up costs?

When you tie up the boat at the docks, you pay up to $3,000 for insurance. The moorage alone is $1,000, and there are other costs involved. Before the boat even goes fishing, you pay $5,000 in upfront costs. Look further to 2008: if you don't have the fishery, where is the money going to come from to pay for those?

When Mr. David Anderson was Minister of Fisheries and Oceans, he said we would have a better and healthier fishery once the licences were reduced. We believed him and we hung on in the fishing industry.

I will repeat: most of our fishermen came here from Vietnam and are professional fishermen, because our country is along a coast. Most of them come from fishing villages and that is the only job they know. That is the only occupation they know how to do.

● (1630)

Our fishermen believed that. We all believed it, and we stayed in the fishing industry.

Now, look back eight years. Eight fishing seasons have gone by, and in the Fraser River we have had two seasons where we were shut down. In 1999 and 2001, there was no sockeye fishery in the Fraser. In that six-year period we've had only 14 openings, for a total of 224 hours. So the average each year we have had fishing has been 37 hours worth of fishing per year. But again, this year alone we've had fewer than 600 fish and an income of $6,000. How are we going to survive on that? There's no money in there to take home.

Looking back to before that area licensing went into effect, my husband brought home money that supported our family. I didn't have to go out to work. I stayed home to look after my kids. But for the last six years my husband has hardly brought home any money. I've had to go out and work. In 2008, if we don't have the fishery, how are we going to support our family?

In 1999, we had the Fraser River sockeye crisis. Our fishermen wrote a letter to the minister,Dennis Streifel at that time, asking him to support us because of the fishery being shut down. In response to that letter, he said Fisheries had put out $19.7 million supporting the industry to get back on its feet. Why do we have to spend $19.7 million of taxpayers' money to fix a problem that we know can be avoided? Why do we have to spend that money? That's taxpayers' money.

Also in 1999, it is my recollection—because I watch the news so often—that a fisherman in Port Hardy committed suicide because there was no money; there was no fishing. Therefore, he committed suicide. I have witnessed a lot of family breakdowns, divorce, and so on. Do we really want to see that happen again?

We are all educated people sitting here today. What are we going to do to our citizens, our children? They are paying us to sit here today to help them. So the taxpayer pays the fisheries management and fishermen pay the fee to DFO to manage their fish so they can fish. Do they do a good job of that? Do we need to see any more of those suicides or any more divorce cases going on in our community, in our fishing industry?

My husband did not make enough money. Therefore, he had to go out and lease another licence. Before he could go out fishing, he had to pay $10,000 up front to lease a licence. Why do we have to go these routes?

● (1635)

We are fishermen and we are abused by the system so much. We cannot afford to have it any more. Therefore I, on behalf of our group, our Vietnamese fishermen, would like to have a public hearing to know where we are going from here so we do not have these things happen to them and so we are guaranteed there is fishing time for us and there is income for us to take home to raise our kids and support our families.

Mr. Chairman, my husband caught 500 fish, but I am reluctant to eat any of this fish because it costs us $10. If we eat one of those fish, where's the money my husband is going to need to pay for the upfront fee? My son loves to eat smoked salmon. I cannot do the smoked salmon this year. I cannot afford to do that, Mr. Chairman.

This is from the bottom of my heart, and I would like to ask all the gentlemen here to bring it back to Ottawa and to discuss and define the problem and find a solution to it so it won't happen again and so our children, our next generation, won't have to face this crisis again.

I thank you, Mr. Chairman.

**The Chair:** Thank you, Ms. Nguyen.

We'll go to the questioning now. We'll start with Mr. Keddy for ten minutes.

**Mr. Gerald Keddy:** Thank you, Mr. Chairman.

I won't take all of my time. I have a couple of questions, and I will certainly defer to Mr. Kamp or Mr. Cummins, who are local on the coast here.

Most of us here represent coastal communities and fishery ridings, and the fishery has been under pressure and under abuse on both coasts, the west coast and the east coast. It doesn't make it any better and it doesn't justify it, I'm not trying to do that, but stories like the one from the last witness are found in every fishing community in the country because of the mismanagement of the fishery. It's incumbent upon us as committee members to try to deal with that and to try to help present something or push an agenda forward that will eliminate some of that. It doesn't solve that question, but it certainly is important that you know we're cognizant of it and it's our intention to do something about it.

I have a question for the first gentleman, Mr. Budden, I believe—a strong Newfoundland name where I come from. You mentioned earlier the aboriginal fishery—or illegal fishery, whether it's aboriginal or non-aboriginal—using monofilament nets, and those are outlawed in the rest of the fishery.

**Mr. Glenn Budden:** That's correct.

**Mr. Gerald Keddy:** I can understand the reluctance of DFO, because of cutbacks, because of orders, perhaps, from the regional directors to enforcement officers, and because of the lack of enforcement that's out there, but I can't understand that they've looked the other way on illegal gear. Certainly, on the east coast they've looked the other way in a whole bunch of other areas, but illegal gear is something they drop down on, so I'm just a little shocked to hear they would look the other way in this case.

**Mr. Glenn Budden:** That's just one example. We feel the same way you do. There have been many...recently, with the coho crisis and whatnot, we've changed our fishing styles in the seine sector considerably. We go from brailing fish now versus ramping fish, which is a lot more fish friendly. We sort fish and return non-target species back to the water, and so on.

So we have very strict time and area regulations as well as gear regulations that are a lot more fish friendly.

Those same regulations don't apply to the aboriginal fishery. They're suggested, but they're not written up that way. They do not have to have revival boxes; they do not have to brail their catches—that's in the seine sector. In the gillnet sector, the gillnetters are not allowed to use monofilament nets, but when it goes up river and the fishery takes place up there, they're allowed to use monofilament nets. We have length and depth restrictions. They don't have length and depth restrictions either.

So we're quite puzzled about that as well, considering that a lot of the efforts we're making are for conservation. Like I said before, we need fish for the future. The whole country needs fish for the future—not just the people in the industry, but the whole country. Every Canadian needs it.

And it's not happening. Disaster after disaster is going on here. Something needs to be done. The easiest way is for everybody to at least play by the same rules and count the fish. All the other details as to who gets what and that kind of thing, well, that can all be hammered out at the negotiating table. But the one thing that has to be done is we have to get the rules and regulations in play, and everybody has to play the game by the same rules.

It's gone too far.

● (1640)

**Mr. Gerald Keddy:** I appreciate that answer, and I'm going to defer to Mr. Kamp.

**The Chair:** Mr. Kamp.

**Mr. Randy Kamp:** Thank you for appearing.

I appreciate your frankness and your putting a personal view on it. That's important for us.

I think, Mr. Budden, you said...and I think we've been hearing this pretty much all day. Let me ask a question. Would you say that the main cause of the 2004 problem we're here to address is largely unauthorized harvest?

**Mr. Glenn Budden:** Yes.

**Mr. Randy Kamp:** Does everyone agree with that, or does someone think there's another main cause of the problem we're addressing here?

**The Chair:** Mr. Wick.

**Mr. Larry Wick:** I would agree with that also. But with my years on the salmon commission, I'd also have to give some thought to warm water. We've had it before, but we've never had anything happen like this. In the early Stuart run, for example, as Glen pointed out, conditions were normal, fish were in the system, but they didn't get there. If you look at the tabulations the salmon commission has done, we've estimated about 180,000 fish, of which 26,000 were designated possible loss due to environmental conditions in the river. But most of the fish were supposed to be up there, and they just didn't show. We had only 9,000, and there should have been 100,000 fish in the system somewhere. Now, whether it was the echo sounding...although I don't think it would be out that much, and warm water certainly wouldn't cause that. These fish are going missing. I believe they're being caught.

**Mr. Randy Kamp:** So based on your experience, that would be your opinion.

**The Chair:** Mr. Kamp, excuse me, just for the record, do we have unanimity on the panel that from your evidence, the main cause of the problem this year is unauthorized fishing?

**Mr. Chris Ashton:** Yes.

**Mr. Randy Kamp:** Thank you, Mr. Chair.

Mr. Budden, I think you also said something like all sectors are doing it, referring to this unauthorized catch. I wouldn't mind hearing more comment on that. You're representing a particular sector this afternoon. Can you tell me how much your own sector is part of the problem, let's say, in terms of this unauthorized harvest?

**Mr. Glenn Budden:** Oh, I guess it's one and the same thing, unauthorized harvest or lack of reporting the catch. We need to count the fish. There are loopholes in the system. Speaking for our sector, when I take fish home to my freezer—and that is one of the perks of being a fisherman; I eat a lot of fish. Being from Newfoundland, I like to fish—it's regulation to fill out a sales slip and fill in the little box that says “personal use”. We have roughly 200 boats in the fleet, and I would say, on average, every crew member and skipper has five boats. Each guy might take 20 fish home a year, something like that. We're not talking about a lot of fish, 4,000 pieces or something, but it's an example of... I would say only one or two of us ever fill out a fish slip. It's simply never done. It doesn't seem to be that much, but it happens. So the same fleet would probably take home 4,000 pieces and eat it.

My neighbour is a gillnetter and he tells me he got 400 or 500 fish. But on the sales slip it says maybe only 250 because the other 250 he is eating or giving it to his friends or family, and there's more unreported catch. So it's all catch that is legitimate, but it gets past the counters.

As Larry says when he comes to the panel, when they expect us to catch a certain amount of fish in the time allotted to us and we don't catch that fish, then they start to scratch their heads and wonder what's wrong with the run size estimate and where are those fish and so on and so forth. In reality, possibly, a good chunk of those fish were caught, but they just weren't counted.

In our sector there's the take-home fish that's a problem. I don't see a lot of poaching in our section at all. We're a large operation, we need big facilities, we need pumps to take our fish off, and so on. There's not a lot of room for poaching in there. Somehow, though, sometimes there is some food fish that is caught in the marine areas by seine boats. Very close to the same time we have commercial openings. I can't say for sure, I haven't really seen it, but some guys catch twice as much as other guys on a regular basis. It kind of makes you scratch your head and wonder how come that guy keeps getting twice as much and it happens to be the same guy who is catching FSC fish at the same time, so you can't really tell. It's all mixed up in the same tanks. They're not really made to unload prior to, or whatnot, so there's that as well. Again, more uncounted fish.

● (1645)

**Mr. Randy Kamp:** Mr. Budden, you referred—and I think others have as well—to recommendations that were ignored. If you were going to fix this, if you could somehow wiggle your nose and fix the fisheries problems, which of those recommendations—and can you outline them for us—need to be implemented that weren't? Which of those would have helped to at least alleviate the problem that we've seen this year?

Others are free to respond to that as well.

Mr. Wick seems to want to respond.

**Mr. Larry Wick:** I would say the recording of fish, and I would explain it this way. I've sat on the panel now for seventeen years, and through those years we've had three heads of the commercial department: Eric Crammer, Wayne Saito, and Frances Dixon. Eric Crammer stood in front of us on the panel one day and said, “I'm going to fix it. We're going to get proper counting.” I saw Eric yesterday. He has Alzheimer's. He's about 85 years old. He never got it done. Wayne Saito was with the department and has recently left. He never got it done. Frances Dixon, as vice-chair, was taken off the Fraser River panel, established a new department within DFO, and had her own staff to design a new counting system, but nothing has changed. She has since retired from the department.

The department seems to want to just wipe it out. You cannot manage anything, we all know, without numbers. There are no numbers there.

I sit in my little office on the side of the river, where I tie up my boat—and I'm not picking on gillnetters when I say this—and I see the fish going over the dikes. I see them going in wheelbarrows. I see them going into the backs of pickup trucks. I would say that I quite easily see 500 from my window. Now, the river goes a long way.

**Mr. Randy Kamp:** Where's your window?

**Mr. Larry Wick:** I have an office in our net shed.

**Mr. Randy Kamp:** And where is that?

**Mr. Larry Wick:** It's in North Delta. It's a tie-up area in the Annieville Slough, and I can watch them dress their fish and take them home. LIke I said, everybody can sell a fish. You could sell a fish to your neighbour, a relative, or whoever. It's not that hard.

**Mr. Randy Kamp:** How does that explain the numbers getting past the Mission counter and then not making it to the spawning ground, when they go missing in this way in the lower river? Isn't the number calculated from what we think we know made it past the Mission Bridge?

● (1650)

**Mr. Larry Wick:** That's right. The echo-sounding system and the side-scan sonars at Mission are some of the things that determine our run size. But when you expect to see 100,000 fish go by or to be in the river in the catch area and maybe 20,000 or 30,000 go over the dike, you get nervous about your run size. That's what we call “toilet seat up, toilet seat down”, and it applies to the run every week.

**The Chair:** Thank you.

Mr. Murphy.

**Hon. Shawn Murphy:** Thank you very much, Mr. Chairman.

I want to thank the witnesses for appearing here today.

There seems to be a consistent theme developing here this afternoon. This is the third panel we've heard, and everyone seems to be reading from the same songbook for some reason: blame the unauthorized aboriginal fishery above Mission for the problem, mainly; no confidence in the chairmanship of Bryan Williams; and calls for a judicial inquiry.

I have a concern about this call for a judicial inquiry. A judicial inquiry would be a very complex, complicated, lengthy, expensive proceeding. There would be no assurance that they'd be able to get the right witnesses. There would be no assurance that witnesses, once they got before the judicial inquiry, would tell the truth, give facts. Worst of all, once the judicial inquiry filed its report there'd be no assurances that the DFO would follow the recommendations of the judicial inquiry. I'd like to get to why there's this insistence on a judicial inquiry. Where is this coming from?

I have another concern, too—and this one really concerns me. I think it's preposterous that this committee is being headed up—and I don't want to get into the chairman—according to my understanding, and I didn't realize it until today, by a group of thirty people. It's made up of very different and diverse stakeholders, and it would be my view that this committee would collapse under its own weight after two or three days. It would be dysfunctional right from the start. If Mr. Williams is able to handle that kind of a group, he certainly is a very capable person, because I know I couldn't. It would be very difficult. I just don't know how it would work.

What I would say, Mr. Chairman—and I know this is not a question, but more of an editorial comment—is that all you have to do is read the recommendations that this committee filed in 2003, and go no further.

Anyway, I'll get your comments on this judicial inquiry. I wouldn't have as much confidence, based on my experience with them. I'm not as confident in that process as you people are. And again, it's no reflection on the chairman—I don't want to get into that debate—but having a thirty-man panel is just totally preposterous, as far as I'm concerned.

I'll get your views on those.

**The Chair:** Mr. Budden.

**Mr. Glenn Budden:** As I made note of in my presentation, the stewards of the salmon aren't taking care of the fish. We've been through this process before, a number of times. You guys have made recommendations, a number of times. My back is against the wall and the fishes' backs are against the wall. We have to go somewhere, and we have to do something.

I understand the cost, the length, and so on and so forth, but it's quite obvious to everybody in this room that the process and the politics that go on around here aren't working. We have to go somewhere, so if you have a better suggestion, I'd like to hear it.

**The Chair:** Yes, but what Mr. Murphy said exactly should also be obvious to all the witnesses. There are no guarantees whatsoever that any recommendation of a judicial inquiry would be accepted by the government of the day—and I say government of the day advisedly, because it would probably take a year or two and $25 million to $30 million to have a judicial inquiry. Then, whoever the minister is and whoever the government is, they might reject all the recommendations for the variety of reasons they rejected the recommendations of the committee.

I'm not taking any time away, Mr. Murphy.

As long as the witnesses understand that, then, yes, you may get to the bottom of things, if I can put it that way, with under-oath cross-examination, etc., but it doesn't necessarily mean it will lead to a solution.

● (1655)

**Hon. Shawn Murphy:** On my second point, I wasn't involved in the post-harvest review commission that was done up, but I would have more confidence—and you can agree or disagree with me—in the chairman acting alone than in the chairman trying to steer a panel of thirty people. Is there any agreement with that?

**Mr. Glenn Budden:** We agree. It has been dysfunctional from the get-go.

**Hon. Shawn Murphy:** I'll just change topics here and turn to another area.

I've asked the previous panel about this whole unauthorized harvest going on above Mission, and how it's handled post-harvest. There has to be a whole infrastructure set up if we're talking about 1.5 million salmon that are not used domestically. There's a whole system out there that gets this salmon to market, and that market is not on the shores of the Fraser River.

I'll not get into that with this panel, but with today's technology, is there not a simple procedure by which, when a salmon is harvested by a legitimate harvester, it's tagged, and once it's tagged it goes into the legitimate system? I know they have the tags, so they could do it even with the finfish. Then, if a person in British Columbia or Alberta is caught in possession of an untagged salmon, there would be a very stiff penalty. Wouldn't that be simple? Wouldn't it end a lot of what's going on now?

I'm not making excuses for why DFO isn't monitoring the food, social, and ceremonial fishery of the aboriginals, and why they're not getting a hold on that. They obviously aren't, but wouldn't this way....?

It would be pretty simple, because I would suspect—and you're a processor, Mr. Wick—that probably 35% of the processors in British Columbia are implicated in this whole scam. That's the case on the east coast when you dig in. On the surface, it's the aboriginals, but when you dig down two feet, it's more the processors, the retailers, and the distributors who are quite prepared to get involved in this illegal fishery that's going on out there.

**Mr. Larry Wick:** I think the fish should have a paper trail, whether it's a tag, a piece of paper, or something to say where it was from. Just to have fish and run around with it.... You have limits, and then if you catch two fish, if your limit is two fish, you can take three and say you just bought them. There is no real control on it. There are too many ways around the system.

**Mr. Glenn Budden:** You're right. The people I talk to who buy salmon want to come to me and tell me what a great deal they got on purchasing salmon, and I have a hundred questions for them: where did you get it; what does it look like; what time of the year did you catch it; and so on and so forth. If the fish had some recording marks on them they wouldn't feel so good about it, because they'd basically plead ignorance, saying, “I don't know if it's legal or not legal. It was a good deal. The fish looked fine. The guy seemed reputable and I bought the fish. Actually I bought ten, and I bought twenty for my friend.”

Your assumption that not all that fish is sold on the riverbank may not be quite correct. Like I say, he buys five, and he buys ten more for his friend, and another five for his other friend, and he hauls out of there with a trunkload too. That's not to account for 1.9 million.

Yes, if there were some kind of paper trail or a mark on the fish at least that way it would be quite obvious if the fish were legal or not legal for sale.

**The Chair:** Thank you.

Mr. Cummins.

I'm sorry, it must be getting late in the day. Now is the time for the earpieces. We'll go to Monsieur Blais.

● (1700)

[*Translation*]

**Mr. Raynald Blais:** Welcome and thank you very much.

My question is for Ms. Nguyen in particular, but also for the other witnesses. Your statement was very moving. It shows us, once again, that beyond the given situation, there is always a very important social aspect. These problems are very stressful for human beings, be they men, women or children.

The region I come from, the Gaspé-Magdalen Islands region, has had and still has its share of problems. I can therefore tell you that the words you spoke were most appropriate and much appreciated. My colleagues are moved by such statements that bring home the social and human aspect of situations. We sometimes forget what else is there, beyond the reports, the enquiries or the X, Y or Z commissions we sit on. In this context, I can't but thank you for your participation.

Given all that you have faced and are still facing, how do you keep your hope alive? The fact that you are here with us today is proof that you still have hope. What message did you have for us with regard for the hope you still have, even if it is but a sliver?

[*English*]

**Ms. Kim Nguyen:** Thank you, Mr. Blais.

First, I said this before, and I will l repeat this: Mr. David Anderson, six years before the area licensing, said that with the reducing of the area licence and the area licensing, the fishermen will have better and healthier fisheries. Therefore, we believed in that. That's why we've stuck with the fishing industry. As I said, our fishermen don't know anything but fishing.

That was my hope. That was our community's hope, to look up to you, to the president and the directors, and have you represent us, the citizens, to Ottawa. We believed in you, in your work, and we were speaking there and that was our hope.

Now we have come to face the difficulty. Who are we blaming? There must be someone responsible for that. There is a responsibility.

I, on behalf of our group, our fishermen, would like to see who is accountable, who is responsible for this action so that our children can look up to us and learn a lesson from us and they can do better management. They can manage the fisheries better and they can be proud of our generation for good management and therefore they will have good resources for their future.

When I left my country to come to Canada I already saw this country as my own country. That's why, for the last 24 years, I have worked continuously with no stops. I never took any government assistance, and I have never taken any unemployment paycheque or anything, because I want my children to look up to me and learn from me how hard work pays. That's why my kids are nowadays in university because of the hardship of our work. As parents, we do it to teach our generation indirectly to look to us, to learn from us.

But we already have two closed fisheries. We never learned anything from those two fisheries. Mr. Chairman and Mr. Blais, why did we do that? Where is the management for our taxpayers, to manage our country and our resources? They trust you. They put their lives in your hands.

Now we have come to face that four years from now we may run out of fisheries. Why is that? In 1999, $19.7 million was spent to fix up the fishing industry. Four years from now, are we going to spend another $20 million to fix the problem we've already encountered and we've already studied and we already have the experience in?

I don't know where my hopes go any more, because we only had one hope in the fishing industry, to trust Mr. David Anderson to make better and help our fisheries. Now where is our trust? Now where is his word? He was transferred to the other department and then left us here, with what?

● (1705)

**The Chair:** Thank you, Ms. Nguyen.

**Ms. Kim Nguyen:** You're welcome.

[*Translation*]

**The Chair:** Mr. Blais, do you have another question?

**Mr. Raynald Blais:** No.

[*English*]

**The Chair:** Mr. Cummins.

**Mr. John Cummins:** Mr. Wick, I think there may be some confusion with some of the remarks that have been made here, and I'd like to clear them up.

You did state in your submission that the panel was successful in getting fish past Mission so that we did have a sufficient number of spawners. There was some discussion and you did allude to the fact that there were some fish caught in the seine, troll, and gillnet sector that weren't counted.

First, are the commercial fleet required or not to phone in within 24 hours the completion of their catch and report any fish they take over the stern rather than selling to a commercial buyer?

**Mr. Larry Wick:** Sorry, John, I don't quite understand your question. Are you asking about the unrecorded catch?

**Mr. John Cummins:** You mentioned unrecorded catch and seeing quantities of fish going up the dock. I believe that the gillnetters, and I assume for the troll and the seine it's the same, after the completion of a commercial opening are required within 24 hours to phone their catch in to Victoria and they must report the number of fish that were sold to commercial buyers as well as any fish they took home. Is that not correct?

**Mr. Larry Wick:** That's what they're supposed to do.

**Mr. John Cummins:** They are supposed to do that.

Does the panel account in any way for unreported catch when it's doing its estimates?

**Mr. Larry Wick:** Yes, at times it's been estimated in some years as high as.... I believe it was 69,000 one year that they expected.

**Mr. John Cummins:** Okay.

Are there any estimates made about unreported catch in these aboriginal fisheries?

**Mr. Larry Wick:** Not that I'm aware of.

One thing that should be pointed out is even though the panel is involved in managing the Fraser River and the Fraser River sockeye stocks, the aboriginal fishery does not come into that room. We don't do anything about the openings, closures. We just get told what's going on by DFO.

**Mr. John Cummins:** My point was that we're dealing with two million fish that went missing beyond Mission, so that some of those problems you alluded to that occurred below are problems. There's no doubt about that. What the size and the magnitude of those problems is we don't know, but there are estimates made, or provisions made in your estimates, and there is a process in place to account for those fish. Whether it's followed or not, we don't know. Again, it's an enforcement issue.

There is one other issue that needs to be clarified. You were asked by the chairman if the main cause of this problem this year was unauthorized fishing, and everybody concurred. There is a perception there that unauthorized fishing was a big problem. Certainly it is a large part of the problem, but we must remember that there was authorized fishing in the Fraser system by native groups every day in July and every day up to the middle of August. Isn't that correct?

● (1710)

**Mr. Larry Wick:** That's correct.

**Mr. John Cummins:** So again the catch reporting on those fisheries is suspect. The Auditor General reported that in 1999, and I think that's a big part of the problem we're talking about, is it not?

**Mr. Larry Wick:** That is correct, yes.

**Mr. John Cummins:** All right, I wanted to get that straight, because I think that with respect to the issue you raised about unauthorized fishing there's a little bit of a misperception about what is meant by that.

There's another point that was raised here, Mr. Wick. You mentioned that as a processor you were unsure of whether the fish you were buying were legal or illegal, and you suggested that you get calls frequently from people with fish to catch or to sell, but you're not disposed to purchase those fish because you're not sure if they're legal or not. I think it's important for the committee to try to understand how that system works and how you could launder fish, if you will, through a legitimate processor.

For example, and correct me if I'm wrong, someone could come to you with fish and say he's caught them in a legitimate native food fishery and ask if you will process them. You could say yes, you're prepared to do that, and then be asked to deliver them to cold storage. You could do that and then that would be it. You'd be paid a fee for processing for what you understood to be legitimate food fish and you wouldn't know any different. Is that the way it would work?

**Mr. Larry Wick:** That's right. First off, I wouldn't handle it.

**Mr. John Cummins:** No, I'm just saying hypothetically with a processor that's the way....

**Mr. Larry Wick:** Yes, that's the way it would be. There would just be a fee involved for processing. That's all there would be, and it would still retain their product's name in the cold storage.

**Mr. John Cummins:** Yes, and now what's happened is we could have fish caught under a legitimate food licence, and it very well could be, but it ends up in a cold storage facility just as fish belonging to individual A, and at some point now or later on this winter that fish could be taken out of cold storage and find its way into the marketplace.

**Mr. Larry Wick:** Yes, it could.

**Mr. John Cummins:** And that's the routing of fish.

Someone—

**The Chair:** Sorry, Mr. Cummins, your time is up. You made some good points there. Thank you for the clarifications.

Mr. Hearn.

**Mr. Loyola Hearn:** Thank you very much, Mr. Chair.

I'll be very brief. I have just one question and one comment.

The comment is for Ms. Nguyen. Do we understand what you're saying? Yes, we do. Do we appreciate it? Yes, we do. I come from this land. We saw 15 years ago what you're seeing today, dangerous times without a resource. Nobody paid any attention. We lost our resource. And 10% of our total population—50,000 young families or family people—left our province and went to work somewhere else, packing meat in a meat plant in Alberta—people who fished, were proud, made a living. And the resource was taken away because nobody listened, nobody paid attention.

I understand Mr. Budden's roots are from Newfoundland and I'm sure he is well aware. My question is to him. We always talk about the good old days. I was born, brought up, lived, and still live in a little fishing community on the southern shore. My family fished. I fished all of my younger days, even during my teaching career in the summer. I fished at times when we could catch whatever—I was going to say what we could handle. We often caught much more than we could handle, and we threw it away, unfortunately, because there were lots of fish. There was never any end.

You've been fishing a long time, Mr. Budden. You mentioned your father before you. Can you just give us, in a nutshell, what it was like in those good old days in relation to the amount of salmon you saw compared to what we see today?

● (1715)

**Mr. Glenn Budden:** We have more salmon now than we had before. I inevitably go back to look at my dad's logbooks. If you read his logbooks, you see he fished five days a week. He'd say in the logbook, “We had a great day today. We got a....”—and it's written, and he spells it “s-a-n-e”, coming from Newfoundland....

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

**Mr. Glenn Budden:** He would report a good day's catch of 150 chums and 500 pinks. That was a good day for him. It's not even a good set for us these days.

My experience is the gear is far more efficient, the boats are far more efficient, the skippers and electronics are far more efficient—and we have far more fish. We have some weaker stocks we have to deal with, mixed in with the stronger stocks. We have an allocation problem. But the department, once they got the management straightened away and keyed on major runs and what not.... The stocks are stronger now than they were when I started fishing.

**Mr. Loyola Hearn:** So if we live by the rules, we should be okay?

**Mr. Glenn Budden:** Yes. I have great faith in this Fraser River. We've done some terrible things to it—we've poured some terrible stuff into that river—and it has showed this resilience that is just astonishing. Yes, we can rebuild the stocks, and we should, with proper management. We have very few spawners this year—that's why we're here. We've seen it go from zero back up to millions—10 million, 15 million returns—on runs like this. The river is amazing. Mother Nature is way too good to us.

**The Chair:** Is that it, Mr. Hearn?

**Mr. Loyola Hearn:** Yes.

**The Chair:** Let me ask a couple of questions, again on catch. According to the stats I've been referring to, the area B seiners apparently caught 500,000 this year. Is that right?

**Mr. Chris Ashton:** Yes.

**Ms. Kim Nguyen:** It's 573,051 sockeye fish in area B.

**The Chair:** The statistics for the food and social and ceremonial catch are shown as approximately 332,000 and 256,000. That's the estimated catch for that.

Do I understand, from the answer to Mr. Cummins, that the allegation is that far more fish were caught than those numbers? Is that what you're testifying?

**Mr. Chris Ashton:** We believe so.

**The Chair:** And so say you all?

Just for the record, there are heads shaking in the affirmative.

Just so we can be clear on the terminology, there is “unauthorized” fishing, but there may be more authorized fishing than has been accounted for by the Fraser River panel. Is that right?

Is that correct?

**Mr. Chris Ashton:** That would be correct, yes.

**The Chair:** Okay.

Does anybody have any questions out of that?

Mr. Cummins.

**Mr. John Cummins:** I think you've hit the point, and your clarification is quite accurate.

There is one addition to that. That is that when you look at the time allocated—this day-a-week fishing every day—as was mentioned by the previous group, there is no window for the fish to swim unfettered up the river. That is a problem.

As well, simply by allowing that daily fishing you're going to ensure and guarantee that more fish are going to be caught than are required for food, social, and ceremonial purposes. It is just the way it is.

There was a challenge to the government that fishing would take place. Rather than drawing the line and saying, no, this is the amount of time you need to catch adequate fish for food, social, and ceremonial purposes, and saying they wouldn't allow any more, the government just caved in and allowed this weekly fishery.

● (1720)

**The Chair:** I'm just trying to ask some questions so that I can get my mind prepared for when we have the enforcement panel here, so that we have some reasonable, intelligent questions to ask them. That's why I'm going there.

Gentlemen, Madam, thank you very much for coming. Again, like everyone else, you've been very forthright. It is for you to ask for what you want, but be very careful what you ask for, because you may get it and you may regret it. I really don't think a judicial inquiry —and I'm not speaking for the committee at this point—is necessarily the way to go.

Mr. Fraser today talked about leadership. We're going to have to grapple with that, because without leadership nothing happens. The question is, what is leadership? I guess we have to talk about that.

**Mr. John Cummins:** Can I respond to you?

**The Chair:** Well, no, because I'm just saying goodbye to the panellists, just wrapping up. Believe me, I'm just a chair. I just look at the hands, so it's not a specific opinion of mine. I just echo what Mr. Murphy said in his comments, about looking at the nature of other ongoing federal inquiries that have happened and how they developed a life of their own, which was far beyond that which anyone ever anticipated when they were originally created, if I could put it this way. Sometimes they become truly Frankensteinian, if there's such a thing.

I want to thank you for coming. And we have a change in our schedule. I'm going to adjourn for ten minutes and I'm going to ask the members of the committee to come up here while the clerk gets ready for our next presenter.

So thanks again.

● _____ (Pause) _____

●

● (1730)

**The Chair:** I'm reconvening the meeting.

Colleagues, just for your information, if you will take a look at your list of witnesses you will see that we have panel 5, under the heading “Processing”. It turns out, for reasons that we don't know yet, that this panel has cancelled its appearance at 3 o'clock.

We were just advised. We asked Mr. Minkoff and his delegation if they could get here earlier and they've made superhuman efforts to do so, and we certainly appreciate them being here.

The point is, we do not have a panel 5, which means that we are finished with the inquiry on the Fraser River salmon for today. Now we are turning our attention to sablefish aquaculture. The reason we're doing this, just to remind you, is that you will remember that the committee heard from Mr. Eric Wickham prior to the last election, and I was instructed to write to the minister.

As a result, we called the DFO officials back to find out what had happened with that. Mr. Wickham came back, apparently this was in my absence, and he gave evidence.

Mr. Minkoff wrote to the committee and asked for an opportunity to be heard. The committee passed a motion that when we were here we would give him an opportunity to give his side of the story, or the industry's side of the story, or however you want to say it. He did write the committee a letter and that letter has been translated—and the documents attached to it. And that document has been distributed to all of you.

As we did with Mr. Wickham, Mr. Minkoff, we'll give you and your delegation ten minutes to make your presentation and then we will go into questioning. If you don't think ten minutes is long enough, then you'll have an opportunity when you're answering questions to continue to make points.

So please begin.

● (1735)

**Dr. Gidon Minkoff (President, Sablefin Hatcheries Ltd.):** Thank you very much for inviting me to make this presentation in front of the committee today.

As was stated, I have been very interested in coming here due to the fact that Mr. Wick has had a couple of opportunities to present the side of the fishery and I think it's important at this time that the perspective from the aquaculture side be heard.

I have a Ph.D. in aquaculture, specializing in marine fish larval biology. I've been working in the commercial sector since 1987. My work has mainly evolved around developing production methods for marine fish in hatcheries. During this time, I've seen a vast expansion of fish farming of a range of species in Europe and the Middle East.

I started working in Canada, in Newfoundland, for a company by the name of Sea Forest Plantation in 1996. This was after the moratorium was announced on the cod fishery. I assisted in developing methods for Atlantic cod production. I came to B.C. to develop sablefish in 1997 and I've been here since that time. I've also, since then, become a landed immigrant in Canada.

In 2002, I incorporated Sablefin Hatcheries, which is funded through a venture capital corporation. In 2004, this year, the hatchery started producing and selling sablefish to a number of farms.

Aquaculture has a significant role in providing seafood to the inhabitants of this planet. The FAO report from 2000 shows that over the last decade there has been no net growth in capture fisheries and that all additional available seafood has come from a net growth in aquaculture. The report shows that since the early 1990s, world capture fisheries have levelled off at around 90 million metric tonnes per year.

During the same time, aquaculture production increased at a rate of 10% per year, such that by 1999, 26.2% of all global fishery products, or 33 million metric tonnes, were supplied through aquaculture.

As in the rest of the world, Canada also has a vibrant and growing aquaculture sector. B.C. has a strong salmon farming industry, resulting in it being the single largest export sector of this province. But it needs to diversify.

Canada has a large fisheries exporting sector with a large trading partner to the south, the U.S., which imports close to $10 billion worth of seafood annually from around the world. According to Howard Johnson and Associates 2000, the increased amount for seafood in the U.S. is largely met through the aquaculture sector.

The American consumer is in fact targeted globally by the aquaculture producers. B.C. exports most of its farmed salmon into the U.S. market. B.C. could export farmed black cod into the U.S. market if the product were to become available.

The farming of sablefish in B.C. is not a new activity. In fact, it was initiated close to 30 years ago by researchers at the DFO who were experimenting with a culture of wild caught fish on the west coast of Vancouver Island. Over the last 30 years, studies by scientists, mainly at DFO and the NOAA in the U.S., have examined the biology of this fish, its reproduction, growth in cages, diet suitability, hatch reproduction, as well building up a database on its pathologies and susceptibilities to viruses, exterior and parasitical.

It is now time for the industry to take over the information generated through the DFO and launch into this new and promising sector. This is what our company is doing.

In 2000, research efforts culminated in the first hatchery-produced sablefish, which were out-planted by the DFO, as well as a private hatchery to farms. In that year, four farms received hatchery-reared fish. Since 2000, and including that year, at least six farms have received and produced sablefish from hatchery-raised juveniles. These farms have also sold their product and have received high prices for their product, with good acceptance in the marketplace.

The 2004 production from Sablefin Hatcheries was 25,000 fish. I'm pointing this out as the CSA, the Canadian Sablefish Association, might have left you with the impression that this year's production represents the first time that hatchery-raised sablefish have been put out onto the farms. That is certainly not the case.

There are two major areas of concern that have been expressed by the Canadian Sablefish Association with regard to sablefish farm impacts on the wild fishery. One is the economical issue and the other the environmental issue.

● (1740)

With regard to the economics, we are operating in a market-based economy, where we want the benefits of our activities to trickle down to the consumer level. What could be better than providing Canadian and other consumers with a healthy product at a reasonable price? Such enterprises should be encouraged by the Canadian government.

For the specific case of sablefish, the projected effect of sablefish farming on the market and price structure has been analyzed in a study sponsored by the Canadian Sablefish Association. The Huppert and Best study predicts a 19% to 25% drop in price if a further 20,000 metric tonnes of sablefish were to be sold to Japan, Japan being the main importer of sablefish, importing over 90% of the fishery. That is nearly doubling the current availability of wild sablefish, which totals around 28,000 metric tonnes.

The fact is that the foreseeable output from the emerging sector is far below these figures. Production goals for Sablefin Hatcheries are set at two million fish for the fifth year of operation, which will be 2008, with a step-wise increase in production between 2004 and 2008.

The 2008 production goal also represents the maximum projected capacity of the hatchery. With a possible addition of 350,000 fish from a second hatchery operating in B.C. by 2008, the expected production in B.C. will be 2.34 million juveniles. Once these fish attain three kilograms after two years of grow-out, this will be translated into just over 7,000 metric tonnes of fish in the round. After processing, this will translate into 4,230 tonnes of fish in the market. This is equivalent to the 2004 total allowable catch from the wild B.C. fishery and represents only 15% of the 2004 north Pacific sablefish landings, which are expected to reach 28,000 metric tonnes this year.

If we go back to Huppert and Best, who also point to the fact that the North American and European market can take up to 30,000 tonnes, then the impact of the farms on the sablefish market price is in fact zero.

Growth of the sablefish farming sector beyond 2008 will depend on a variety of factors, such as the success of the initial production years, business interests of the existing fish farming companies, and the development of technology. I contend that with complications in the hatchery production of black cod, the industry will follow a model of slow, gradual development, which might reach 20,000 to 30,000 tonnes in 20 years' time.

The concerns about the impacts on the wild fishery by fish farm activities usually relate to three possible effects: one, to genetic impacts from escaped farmed fish on the wild stocks; two, to the transfer of disease from caged fish to wild fish populations; and three, to the displacement of wild fish populations due to the occupation by farms of natural fish habitat. I'd like to go into the genetic factors first.

The likelihood that sablefish aquaculture will impact the genetics of the wild population is extremely low or even non-existent. This statement is supported by the following fact: sablefish are a single population throughout their range. As hatchery-produced fish are produced from wild-caught parents, they will be genetically similar to the wild fish. Unlike salmon, in which each species is subdivided into subpopulations related to the spawning streams and rivers, sablefish are considered by the scientists at DFO to be a single genetic population throughout their range. Canadian and U.S. tagging data implied that there is a sufficient movement between Canadian, Alaskan, and west coast U.S. waters in order for us to consider sablefish as a single biological population throughout its range in the northwest Pacific.

Moreover, at the Department of Fisheries and Oceans this information has consistently been applied in determining the annual catch allocation, that is, the total allowable catch by the managers of the fishery.

There has been some suggestion that subpopulations of sablefish do exist in deep holes within Georgia Strait and other inlets. The suggestion has been that these sablefish populations might be genetically distinct from other populations. For genetically distinct subpopulations to exist, they have to be able to reproduce amongst themselves and their offspring have to be viable. However, due to the following reasons, this is not a possibility within the Georgia Strait basin. Sablefish spawn at depths of 300 to 500 metres over bathymetric depths greater than 1,000 meters. There are no areas within the Georgia Strait basin and associated inlets with depths greater than 900 metres.

● (1745)

Furthermore, sablefish eggs sink after fertilization to ocean depths of around 1,000 metres. The main reason the eggs sink to these great depths is that their buoyancy is only neutral in high-density sea water at salinities of around 34 parts per 1,000 in lower water temperatures, around 45 degrees Celsius. These conditions are—

**The Chair:** Excuse me. We've now hit ten minutes, and I note that the information you're currently giving us is, for the most part, if not entirely, contained in the attachment you sent to us with your letter, which we've had an opportunity to review. So I wonder if you would do two things for us. Perhaps you could wrap up your opening remarks, and when you've concluded that, could you please introduce to us the people you've brought with you?

**Dr. Gidon Minkoff:** Certainly, Mr. Chairman.

If you've read the attachment I forwarded to the committee, then I suppose you've read the fact that we have sound reasons to assume that pathogens would not be exposed from hatcheries that would infect wild stocks, and neither would the habitat encroachment by fish farms affect the wild stocks.

I think that concludes my opening comments.

I'd like to introduce to you Greg Vance and Bruce Morton—both are directors of Sablefin Hatcheries, and both have invested in the company—and my wife, Sharon Minkoff.

**The Chair:** It's very nice to have you all here.

In your letter, you were mentioning a Mr. G. Angus. You wanted us to hear from him.

**Dr. Gidon Minkoff:** Due to the short notice, he wasn't able to come. He is busy working on his farm.

**The Chair:** All right. We just didn't want to give the impression that we weren't interested in having him come.

We'll go to questions, starting with Mr. Hearn.

**Mr. Loyola Hearn:** Thank you very much, Mr. Chair.

I would like to thank the witnesses for coming here this afternoon. When you're dealing with any issue, it's good to hear both sides. Otherwise, you'll never get all the information.

A couple of issues have been brought before us in relation to sablefish. The market at present, I understand, is mainly a Japanese market. It's a niche market. If we add significantly to the amount of product available, and you've addressed this to some extent, is there market enough, or can you see the development of a market, to still hold the price sufficiently high to make it a viable entity for the commercial fishermen, and also for those who will be producing the product through farmed fish?

**Dr. Gidon Minkoff:** Certainly from the farm fish producers' side, I think the example we have is that people have invested in this emerging business after having done the analysis of the market possibilities, and accepting that there will be a stable price for quite some time at least. We obviously don't know how markets develop. There is an important initial stage in any aquaculture sector, where the value of the fish on the market retains itself.

The question becomes, how do you retain that value of your product after that initial stage, which could be five to ten years? Normally one would expect that the producers will then work on developing and expanding their market.

With regard to black cod or sablefish, we see a very large market sitting there and waiting; it's not only for black cod but also for any large, white chunky fish. There is currently overfishing globally of large-sized fish; some scientific reports suggest that up to 75% of global fish stocks are overfished at this time.

There is a disappearance of fish from the market. The latest example over the last five years has been the disappearance of the Chilean sea bass, the mero, which reached its peak availability in the market six years ago at around 150,000 tonnes. Nowadays, this fish, the mero, the Chilean sea bass, is actually close to extinction. There are probably around 50,000 tonnes arriving on the market.

It is a very important example to us because sablefish fits into the Chilean sea bass market. It is a white, chunky, high-oil fish, and we know that if we had sufficient quantities of it right now, we would get it into those restaurants and replace the Chilean sea bass. We would get it into the supermarkets to replace that Chilean sea bass, which has disappeared.

Beyond the 20,000 to 30,000 tonnes that investors talk about in their analysis of the North American and European markets, I think there is a further market that can be explored, that of the Chilean sea bass.

● (1750)

**Mr. Loyola Hearn:** How would the price compare between what harvesters of the sea bass attain and what fishermen currently get for sablefish?

**Dr. Gidon Minkoff:** From what I know or recall, it is very similar. The Chilean sea bass and black cod are within the same market and same price range. In fact, the price of the Chilean sea bass has gone up recently because of that fish's unavailability, but at the height of its availability, its price was very similar to the price that black cod fetched on the market.

**Mr. Loyola Hearn:** How confident are you that the grow-out operation will be successful?

**Dr. Gidon Minkoff:** I'm very confident about the grow-out of black cod. Black cod is a very hardy species. If we can grow salmon, we can certainly grow black cod. Salmon is a nervous fish. It swims very rapidly and requires high oxygen for maintenance. Black cod is a sluggish, slow-going fish. It's not nervous and basically doesn't become stressed in the same way salmon does when it is spawned. In that respect, I think black cod is much more amenable to culture.

We also know there was work done last year in a biological station in Nanaimo belonging to the Department of Fisheries and Oceans. Unlike salmon, which is susceptible to a number of viruses, it was shown that there are at least two viruses that black cod is not susceptible to, IHN and VHS viruses, which are still causing problems in salmon aquaculture.

From all of the information that we have from farms that have grown the fish, it definitely seems to be a hardy species. There's anecdotal evidence. Fish farmers in B.C. have had black cod in their farms for years, because the juveniles tend to swim into farms, get trapped inside the cages, and grow very rapidly as they feed. When they harvest the salmon, the fish are put in the same tote. Many fish farmers have told us the tote that is full of dead salmon will still have live black cod in it after a few hours. It is a strong species.

**Mr. Loyola Hearn:** Again, from your experience and observation, can Atlantic cod grow-out projects work? If so, why didn't the Sea Forest Plantation operation become successful?

**Dr. Gidon Minkoff:** On Sea Forest Plantation, I was involved in building the first hatchery and developing the method for production of juveniles. The hatchery was built in Placentia in an old fish processing plant, and there was a fire and the hatchery burned down. Jonathan Moir was the general manager of the company and from then on basically put quite a lot of effort getting the finances together to build a new hatchery. We actually designed the hatchery and started constructing it three years ago. The hatchery is in its final stages of construction. The parent company, for which Jonathon Moir works right now, is having financial problems on the salmon farm, and that is going to impact actually the continuation of the cod project in Newfoundland.

But there's not been a biological reason why cod has not become an aquaculture sector in Newfoundland. In fact, in the Faroes, Scotland, and Norway, cod aquaculture is taking off and is becoming a reality. There is such substantial production now that it's being sold into market and the markets are being tested for Atlantic cod.

It was an unfortunate case for the cod story in Newfoundland, and it's very disappointing to me, I must say. I think there's a fantastic future in Newfoundland for growing cod, and it should go to the next stage; it should go forward.

● (1755)

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

Mr. Murphy.

**Hon. Shawn Murphy:** Thank you very much, Mr. Chairman.

I just have a couple of questions, Mr. Minkoff.

Perhaps you don't even know the answer to this question. Is there a price differential between the cultured sablefish and the wild sablefish? There is on salmon right now. Will we see the same thing in the sablefish?

**Dr. Gidon Minkoff:** It's not for me.... Too bad Gus Angus couldn't make it today because he farms the fish himself. From what I heard from him, he gets.... Is it $8 or $9 a pound?

**Mr. Greg Vance:** He gets $8.50 to $9 a pound.

**Dr. Gidon Minkoff:** Yes, $8.50 to $9 a pound for his product. So actually at this time it's slightly higher than what the wild fishery gets, which is between $5 to $7 a pound for the upper size fish.

**Hon. Shawn Murphy:** Is there any reason why the cultured sablefish would get a higher price than the wild?

**Dr. Gidon Minkoff:** I think he's putting his fish into a niche market. He's getting it into high-end restaurants right now and that's why he can command a better price.

The price will vary from one to another. I think once there is more black cod on the market, there will be a realistic price rather than this premium price, which is what Gus Angus is getting right now.

**Hon. Shawn Murphy:** When I listen to the submission by the wild organization in Ottawa, that seems to be perhaps their number one concern. But when you drill down a little deeper, that's probably their biggest concern—that they had the market in Japan; they felt they were getting a good price for their product now, and if there was a lot of farmed sablefish come on the market, the price would go down.

Do you see a different market or more markets developing? Do you plan to go right back into the Japanese market?

**Dr. Gidon Minkoff:** Traditionally the aquaculture sector in Canada actually targets the U.S. market. It does not target the Japanese market. There is some amount of chinook from the farms that goes to Japan that is grown especially for the Japanese market. But the major market for Canadian farmed salmon is the North American market. The companies that grow salmon have marketing arms or branches, and they will use these branches for getting their fish into the North American market. I think the North American market is the most interesting one, personally.

With regard to the Japanese market, we still have to focus on that analysis that was carried out in Washington by Huppert and Best that basically shows that even if we increase production, if we put another 20,000 metric tonnes of black cod into Japan, the price would only drop by 19% to 25%. Basically there is room for more black cod in that market. There is room for a lot more black cod in that market.

**Hon. Shawn Murphy:** Another point that was raised in Ottawa by the wild organizations is their allegation that at present the farms that were contemplating the introduction of cultured sablefish didn't seem to be required to undergo any kind of a DFO environmental regulation. The permits were being issued without proper environmental assessment being totally carried out by DFO.

Can I get your comment on that?

● (1800)

**Dr. Gidon Minkoff:** Certainly, although this is not my field of expertise. The B.C. farms, which are salmon farms, are very heavily regulated. They all have to comply with the CEIA regulations and they are all in compliance, or the CEIA is being carried out.

There is a backlog of CEIAs in B.C. due to the slow rate at which the applications have been processed by the Department of Fisheries and Oceans, but the farms have the interest in obtaining and being in compliance with those CEIAs. From what I know, there isn't a problem with the actual performance of the CEIAs, if they have either been carried out or are in process.

From what I understand also about a CEIA, it's an ongoing process. It's not a piece of paper that's a one-time thing. I think every five years it gets renewed, and during those five years there is an accumulation of information that's relevant to that environmental impact assessment that goes toward the issuance of the permit for the next five years. I do believe the farms are in compliance.

**Hon. Shawn Murphy:** In the cultured sablefish industry anywhere, are you aware of any adverse instance, such as pathogens, or compromising of the genetics—anything at all that this committee should be aware of?

**Dr. Gidon Minkoff:** Sablefish, like any fish, like any animal—it could be chicken or whatever animal we want to grow—will have a certain amount of disease that we will have to study and contend with and solve. There is a huge amount of knowledge on the pathology of fishes through the work on salmon and many other species around the world that have been cultured.

Nowadays there are very good methods for developing vaccines for fish. Most salmon in B.C.—I think all salmon, actually—are vaccinated against a number of pathogens that are prevalent in the wild. I expect sablefish will go through the same process of getting vaccines.

In fact, we're talking now with the provincial government and with the Department of Fisheries and Oceans about developing a vaccine program for black cod so that we will have those vaccines when the times require it.

**Hon. Shawn Murphy:** I don't know whether I'm out of time or not, but—

**The Chair:** Keep going.

**Hon. Shawn Murphy:** —my question was, are you aware of any incident involving any sablefish operation anywhere in the world that is an untoward incident, whether it involved genetic compromising, whether it involved pathogens, whether it involved anything this committee should be aware of? Has it happened anywhere else?

**Dr. Gidon Minkoff:** Well, sablefish is a north Pacific fish, so it wouldn't be found anywhere else. It used to extend down to the northern area of Japan, but it's not found there any more. It was overfished.

Genetically, we are not aware yet of.... The possibility of a genetic compromise of the wild stock is very low. It's very, very low because of the fact, which I tried to explain, that the wild population is a single, coherent genetic population. So taking from a farm fish that come from a genetic stock that is wild would not, if they were to go into the wild, compromise the wild stock.

I think it's very important to realize that the farmers have developed systems that don't allow fish to escape. They don't want their fish to escape; they want to keep them on site. They want to grow them and they want to sell them again.

**The Chair:** Thank you.

[*Translation*]

Mr. Roy, you have five minutes. Go ahead, please.

● (1805)

**Mr. Jean-Yves Roy:** Thank you, Mr. Chairman.

I have been listening to you since you began and I must tell you, Mr. Minkoff, that these days it is dangerous to use the Faroe Islands as an example, because we have just declared our ports off limits to all ships from those islands. They are therefore not a good example to give to us today.

This brings me to a very serious question I put to you. The main criticism leveled at aquaculture at present, is that, with exception of PEI mussels, you raise carnivorous fish. You stated that 75 percent of the world's fish species were overfished, and here you are aggravating the overfishing situation by feeding these fish meal.

Certain incidents have confirmed that there are ships beyond the 200 mile limit that turn the fish that are too small into fish meal for the fish-farming industry. The resource is being destroyed for the benefit of aquaculture. I will give you a very concrete example and invite you to answer this question. If humans ate carnivores, do you think there would be many herbivores left on this planet?

[*English*]

**Dr. Gidon Minkoff:** It's a very good point regarding the availability of feed for fish in aquaculture. I know exactly where you're coming from on this.

We have first of all to look at what is being converted into fish food. Is it that we're just harvesting any wild fish to turn it into fish food? The answer to that is no.

The best example comes from Peru, a country that has always produced fishmeal from the anchovies that are off their coast. Of that fishmeal—I think it's something like three million to four million metric tonnes a year—some of it finds its way into fish food. Other animal feed is made of fishmeal as well. For instance, pig and chicken feeds also contain fishmeal because of the high amino acid profile of that meal. What I'm trying to say is that fish are used for a variety of feed in animal husbandry, not only in fish.

The development of aquaculture, and specifically the development of feeding carnivorous fish, is going to be a problem.

[*Translation*]

**Mr. Jean-Yves Roy:** I only have five minutes. If I understood correctly, you hold a doctorate in marine science.

[*English*]

**Dr. Gidon Minkoff:** That's correct.

[*Translation*]

**Mr. Jean-Yves Roy:** You know as well as I do that the ocean is an ecosystem. Even if you do not use species consumed by humans to produce fish meal, you are destroying our ocean's ecosystem; you cannot deny that. In fact, the anchovies are not farmed anchovies. You are destroying the ecological system in order to farm fish. You are destroying the oceans that you are supposed to be promoting.

[*English*]

**Dr. Gidon Minkoff:** If we go back to what is being taken out of the ocean—I think that is the question—currently for fish feed production, and that's what I was trying to get to, only 15% of the fish food is from a fishmeal source. This is just to get the statistics in place.

As for the actual depletion of the ocean to provide fish for growing other fish, I think it's more a philosophical than a scientific question. We need to be able to provide fish to a growing population in this world; that's for sure.

People are just not going to eat small fish; that's what is happening. In that respect, an efficient conversion is not negative. I think what is required on top of it is that the fishery management be such that the quantities of fish taken out do not impact the stocks negatively. That is the fundamental basis for any type of fishing-related industry—that is, the maintenance of the natural source and natural habitat at a viable level.

● (1810)

[*Translation*]

**Mr. Jean-Yves Roy:** Yes, I agree with you.

Mr. Chairman, I would like to ask a final question.

**The Chair:** Very well, a final question.

**Mr. Jean-Yves Roy:** I know that there is a balance to be maintained. On page 9 of the English version of your document, you state something that seemed very important to me and that I had not been aware of. I know that it is just a hypothesis. You state at the very end of your report that when we harvest fish of a certain age group, we can genetically modify fish populations, especially if these are the strongest year classes. In other words, if you harvest the strongest year classes in a given species, for example cod, you risk bringing about short term, medium term or long term genetic changes in the cod. Is this just a hypothesis or do you believe this is realistic? This would mean that fishing, even when practised in what we would qualify as a sustainable way, could genetically modify fish.

[*English*]

**Dr. Gidon Minkoff:** Yes, I think there is. In population genetics there's something called the bottleneck effect. Basically, if you decimate a population down to a certain minimal level—and there are statistics involved with this—you'll get to a position where now the amount of genes in that pool is such that whatever comes out of that pool is going to be different from the population that was there before. That is one risk of decimation of any type of population—fish, birds, or any other kinds.

[*Translation*]

**Mr. Jean-Yves Roy:** You are recommending that this be studied by the Department of Fisheries and Oceans. You are also recommending that this be taken into account now by the department.

[*English*]

**Dr. Gidon Minkoff:** I certainly think it should be. Fishery scientists these days are looking at these aspects. I know quite a number of papers are coming out recently from fisheries scientists who are promoting a more holistic approach to fishery, where you look not only at a single species, but you look at multi-species, you look at their interaction, and you look also at what would be a sustainable level of harvesting in relation to the size of the population and to the genetic makeup.

[*Translation*]

**Mr. Jean-Yves Roy:** Thank you.

[*English*]

**The Chair:** Thank you.

Mr. Kamp.

**Mr. Randy Kamp:** Thank you, Mr. Chairman.

I wasn't at the first meeting in Ottawa where the other perspective was being offered, but if I understand your letter and your enclosure correctly, you're trying to answer the question whether sablefish aquaculture will have an impact on the wild fishery. I think I understood most of your rationale, until I got to the very end of your paper, to section 3, under the title "The status of the fishery", where you appear to be making two points that I don't understand. I wonder if you can translate them into layman's terms for me. It's on page 8.

**Dr. Gidon Minkoff:** When I wrote this section about the status of the fishery, I think there was a statement made by the Canadian Sablefish Association that the fishery was a well-managed fishery.

I just wanted to introduce, with regard to the fishery, a cautionary note. I say that it is well managed in the sense that the number of people involved and the annual quota are decided or agreed upon, and are not deviated from. It doesn't necessarily imply that the fishery is managed to a sustainable level; that is what I'm trying to get to at this point.

In 2002 there was a moratorium on the sablefish fishery. The stocks had declined to a level that was surprisingly low. The Department of Fisheries and Oceans had declared a moratorium until the stocks were re-evaluated and reanalyzed, following which the allowable catch was reset at a new level.

What I'm trying to say in the last paragraph is the way the black cod fishery is managed in B.C. does not take into consideration new concepts in fishery management. The fishery scientists are still looking at tag-and-release information, catch-per-unit efforts. They're not looking at the rest of the ecosystem in which these fish are found; they're not looking at global fluctuations in temperature and global warming. We have a very good example over the last few years of global warming affecting the viability of cod stocks in the North Atlantic, the Atlantic cod, due to the unavailability of plankton during the time these fish spawn; therefore, the larvae that hatch do not actually have sufficient food or energy sources to grow and thrive. The black cod fishery in B.C. has not gone into that stage.

There are scientists within the Department of Fisheries and Oceans who are saying that the fishery biologists should be looking at other factors and incorporating them into that model, which looks at how the fishery is managed.

Is that...?

● (1815)

**Mr. Randy Kamp:** Yes.

What does the very last paragraph mean?

**The Chair:** The one Monsieur Roy was inquiring about—"year class dominance".

**Dr. Gidon Minkoff:** Yes. Basically, when you're looking at the population in which not every year is the same number of fish produced by the same number of existing fish, when you have these fluctuations, you could have a selection in certain times toward certain sections of the population that is reproducing. Therefore, it creates a divergence in the genetic pool of that population. That is basically what it implies.

According to recent studies, sablefish do not produce every year at the same rate. It is not that so many millions more fish are recruited into the population every year. There are years with strong year classes and years with weak year classes. Part of the basis for that seems to be related to fluctuations in global temperatures, the availability of plankton, and the availability of food for the reproducing stock. The reproducing stock need large quantities of food to develop gametes, to develop ovaries, and to produce eggs.

The fishery then is based on year classes. There are certain years when there is a good year class. Right now there is a good year class, and therefore the fishery is up, or there are more fish being caught. In other years the year class is weak, and therefore the allowable catch goes down. There is a risk in having fish that have strong year classes, where those strong year classes would basically create a divergence in the genetic makeup. Over time, it is what we call a drift process in genetics.

**The Chair:** Thank you.

Mr. Cummins.

**Mr. John Cummins:** I find it interesting, your criticism of the management of the wild sablefish industry. You point out, too, some holes, if you will, in there—their evaluation structures, their management structures. But let's take a look at your industry.

It is a fact, is it not, that no Canadian Environmental Assessment Act assessments have been completed for either halibut or sablefish aquaculture operations in British Columbia?

● (1820)

**Dr. Gidon Minkoff:** I think you'd have to ask that of the farms. I've spoken to both the province and the Department of Fisheries and Oceans, and the environmental impact assessment is for the fish farm; it's for farming fish.

**Mr. John Cummins:** And I say that they have not been completed for either sablefish or—

**Dr. Gidon Minkoff:** Some of the farms have had their environmental impact assessment completed, yes.

**Mr. John Cummins:** No, they have not.

**Dr. Gidon Minkoff:** Two days ago we had a meeting with the Minister of Agriculture, Fisheries and Food. I think somewhere around 40 farms have been completed by now.

**Mr. John Cummins:** You're mixing apples and oranges here. Some Canadian Environmental Assessment Act studies have been completed on salmon aquaculture sites, but that does not cover sablefish. I'm talking about sablefish here.

**Dr. Gidon Minkoff:** According to the Department of Fisheries and Oceans and the provincial ministry, as it is right now, that does cover sablefish.

**Mr. John Cummins:** The government has tagged it on in their management process, but the Canadian Environmental Assessment Act does not cover sablefish if it's done for salmon.

**Dr. Gidon Minkoff:** From the information I've received, I believe it does allow these farms to farm sablefish. The environmental impact assessment carried out does allow them to farm sablefish on their farms.

**Mr. John Cummins:** How could you conduct a Canadian Environmental Assessment Act study on salmon and then suggest that it applies to sablefish?

**Dr. Gidon Minkoff:** It would depend on what the study required the operator of the farm to—

**Mr. John Cummins:** But it would have to be a study on salmon *and* sablefish, wouldn't it?

**Dr. Gidon Minkoff:** I'm not aware of that, no.

**Mr. John Cummins:** Well, common sense tells you that, does it not?

**Dr. Gidon Minkoff:** Actually, common sense tells me that if we're farming fish, we're farming fish. The effect of these fish on their habitat is what is important, is the essence.

**Mr. John Cummins:** Well, let's just take a look at that for a minute. You say you're farming fish, you're farming fish. We were talking about sitings of sablefish farms. If you site a sablefish farm, they're sited inshore, and in fact the DFO science tells me that juvenile rearing areas for sablefish exist all along the B.C. coast. So if you site a farm along the B.C. coast, you're probably siting it in a juvenile sablefish rearing area, aren't you?

**Dr. Gidon Minkoff:** It wouldn't only be juvenile sablefish that would be there. A whole variety of fish would be there.

**Mr. John Cummins:** And sablefish?

**Dr. Gidon Minkoff:** Rockfish, lingcod, green lings, etc. There's a whole variety of fish there.

**Mr. John Cummins:** That's correct, but there would also be sablefish there, wouldn't there?

**Dr. Gidon Minkoff:** At certain times of year there would be sablefish, and not everywhere, but at some point.

**Mr. John Cummins:** I guess the point I'm making is that with salmon, that doesn't apply, does it? The juvenile salmon are probably in a lake if it's sockeye, and they don't hunker around in the inshore waters. So there's a difference there between farming sablefish and farming salmon. Therefore how could a—

**Dr. Gidon Minkoff:** Salmon do swim around the cages and do migrate in and out around sea farms—

**Mr. John Cummins:** They do migrate through salmon farming areas en route to the sea, as we know from the tragedy in the Broughton Archipelago, but they don't hang around.

**Dr. Gidon Minkoff:** I'm not sure about their specific behaviour in terms of hanging around, but I am sure there are times the juvenile salmon are within the same region—and it would be the same with sablefish. There are certain times when they are there and other times when they are not.

**Mr. John Cummins:** You suggest that you're optimistic about the economics of sablefish farming. In your opening remarks you talked about a market-based economy and suggested that such enterprises should be supported by the Canadian government. Have you received government funding?

● (1825)

**Dr. Gidon Minkoff:** Have I received government funding?

**Mr. John Cummins:** Has the sablefish industry received start-up funding from the government?

**Dr. Gidon Minkoff:** No.

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

Mr. Keddy.

**Mr. Gerald Keddy:** Thank you, Mr. Chairman.

I'd like to thank our witnesses for appearing today.

As you can see, there's always a vigorous debate over the fish farm and wild fishery cohabitation. However, I do appreciate the fact that you appeared at the committee. I think it is important that we hear both sides of this story. There was a lot of discussion from the wild fish industry.

Most of my comments will strictly be comments. I do have a couple of questions at the end.

It would seem to me that the controversy surrounding the wild fishery and aquaculture has been ongoing for some time. We need to do a lot more to bring the two sides together. Certainly I would hope there is room on the west coast and on the east coast for both entities to survive and flourish.

One of the concerns the committee has on the sablefish, in particular, is the fact that you have a healthy industry now, and if you start to produce that in an aquaculture setting, you wouldn't want to do anything that would hurt the industry that's already in existence. From what I'm hearing you say, there's room in the marketplace for more product, and a sablefish aquaculture industry shouldn't hurt the wild fishery; it shouldn't hurt it genetically with any type of interbreeding or escapement, as there is one solid genetic strain and not a lot of subgroups here or separate genetic strains. In particular, you state at the end, and I think it may have caused you more trouble than anything else, the difference about year classes and an interesting little lesson from Darwin on the *Beagle*, I think, but I'm not sure that we've gained any information from it. What your industry and the committee have to deal with is whether you can have two industries side by side and not have any collateral damage from one to the other in any way. As long as we can do that, there should be room in the future for it.

That is my comment. Those aren't the committee's comments.

One of the things you have in favour of the sablefish industry.... You talk about more room in the marketplace from the collapse of the Chilean sea bass population, but the other issue that I notice is the whole issue of disease—that there are actually fewer diseases within the sablefish population because they're a slower fish, because they don't have the same metabolism as salmon. And from what I get out of your brief, it looks as if there is less of an instance of sea lice, as well, which is a big problem with most finfish.

**Dr. Gidon Minkoff:** The sea lice issue is still an unresolved issue in British Columbia. There have been suggestions that the sea lice from the farms have had an effect on the magnitude of the wild salmon population stocks. There has been, over the last year or two, significant research done in the Department of Fisheries and Oceans to try to evaluate this problem. The last time I looked at the website and that data was about three months ago. Up to three months ago I was not aware of any correlation between the sea lice issue in farms and the wild population. This is still an issue that needs evaluating, unless there's information I am unaware of.

There is definitely a difference in the species of sea lice we're dealing with between the black cod and the salmon. It's not the same species. Definitely sea lice exists in the wild on black cod, the same as it does in the wild on salmon. In a hatchery situation, in a grow-out situation, we find it very easy to control. You can basically pick the sea lice off the fish when they come in, the brood stock, and afterwards all the fish that leave the hatchery are absolutely clean of sea lice. We don't have the problem of sea lice within a hatchery.

What would happen in the wild, or when these fish come into a farm situation, whether they attract sea lice or not, still has to be seen.

● (1830)

**Mr. Gerald Keddy:** Thank you for that.

The other issue that we hear all the time, and I'm glad you've clarified it, is the amount of fish or fish weight or fish product that goes into fish food. You mentioned that 15% of most fish food actually comes from fish. What's the other 85%?

**Dr. Gidon Minkoff:** There is anything from wheat and soybeans. Basically, the diet at the end has to be composed at around 40% of protein, I think, and depending on the fish species it would be anywhere from about 14% to 20% lipid.

What scientists are working on constantly is how to replace the amount of fish product in that diet with terrestrial product and obviously always looking towards what are the cheap sources of material we can get to put in the diet.

These days there are a lot of products from wheat and there are a lot of products from soybean. There is a possibility that actually fish farming will be able to continue and grow without the use of any fish meal sources in the diet. They're still required for certain types of amino acids, but probably there will be a possibility of taking other amino acids and changing them biochemically to cover those particular amino acids that are required in the diet.

**Mr. Gerald Keddy:** Thank you.

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

I have a couple of questions and then I'm going to let Mr. Cummins have the last word.

My recollection of the evidence of Mr. Wickham is more or less the same as the other committee members. I just want to make a couple of points.

One of their concerns was that it was a niche market, Japan only. The aquaculture industry would devastate the very lucrative market they have. I believe your evidence was today that you mentioned some study that found there might be a drop of between 19% and 25% of the profit, if I heard you correctly.

**Dr. Gidon Minkoff:** That's correct.

**The Chair:** That 25% drop of profit would certainly worry me, yet you mentioned it as if it was nothing. Don't you consider a 25% drop in profit to be significant?

**Dr. Gidon Minkoff:** It depends on the initial value of your product when you start.

**The Chair:** As a businessman, if you're making $100 on a fish and tomorrow you're making $75, doesn't that concern you?

**Dr. Gidon Minkoff:** It does concern me, of course. As a businessman, it does concern me, but that's the market, the market forces. That's the basis of our whole economy. That's the basis of our society, the free market economy.

**The Chair:** And you've made the point that there might be other markets in the United States because of dwindling species.

**Dr. Gidon Minkoff:** Yes.

**The Chair:** Okay, good.

Number two, one of their other concerns—and it was a major concern—was that nobody was talking to them about their concerns. They came to us because DFO wasn't talking to them, and they complained that the aquaculturists weren't talking to them. They wanted a forum from which to express their concerns, because that's what they said.

I listened carefully to your testimony, and on more than one occasion you indicated that your industry was talking with DFO. That's great. The impression that they had, as I recall the evidence, was that this is precisely the point—DFO was talking to the aquaculturists but not to the wild sablefish farmers or harvesters, and they did not think that was fair.

Are you aware of any current dialogue between the aquaculturists and the wild harvesters of this stock?

**Dr. Gidon Minkoff:** First of all, I want to tell you that I share Eric Wickham's frustrations with talking to DFO. I think Eric Wickham has a good dialogue in DFO with the management of the fishery. I have a good dialogue within DFO with the science department. When it comes to the management within DFO, I share his frustration.

I've tried since the inception of our project to get to talk to the regional director general of aquaculture on this, and I have never managed even to get a phone call. It's an ivory tower there. We cannot break through.

As far as dialogue between the aquaculture sector and the fishermen is concerned, at the inception of this project, in 2001, I actually had a very significant and ongoing dialogue with the Sablefish Association. They wanted to start the hatchery. They were looking at taking this project, both having the hatchery and growing fish. In fact, they were talking to Gus Angus at the time about growing fish on his farm, doing some collaborative project. That was a little honeymoon.

From what I understand—and the manager at the time informed me of this—the Canadian Sablefish Association, in 2001, I think, at the annual general meeting decided they would not go into aquaculture. That was their decision. I was informed of that. Then I went my own way. I looked for other partners who be interested in developing this hatchery and then formed a venture capital corporation and got investors in to start this project.

Since that time there hasn't been dialogue between me or our company and the fishermen. It's quite obvious to us that they've put themselves in an adversarial situation. They are very intent on our project not succeeding to maintain their place in the market.

So while the war goes on, there's very little room for dialogue. But there certainly is an interest on our part, if they would like to come and discuss these issues.

● (1835)

**The Chair:** I believe they told our committee they would like some dialogue. I guess we need a definition of “dialogue”. But maybe I could encourage you, even if there is, as you put it, “war”, to make an overture to peace.

My final comment is on something you said that really intrigued me—and I'm not a biologist: “if you're farming fish, you're farming fish”. Yet you went out of your way in your evidence to point out the differences between sablefish and salmon—

**Dr. Gidon Minkoff:** Yes, that's correct.

**The Chair:** —and the fact that one is a nervous Nellie and the other one isn't, and other things. Really, you can't say that if you're farming pigs, you're farming chickens. Every species has its own unique challenges.

So I would challenge your statement that if you're farming fish, you're farming fish, and ask you to respond. Everything is unique, and there are different approaches for farming sablefish from those for farming salmon or looking after cultured pearls—whatever you want. Do you have any response to that?

And that's it for me, colleagues.

**Dr. Gidon Minkoff:** To respond to that, yes, I can see your point. We were talking about the environmental impact and the environmental impact assessment on the farms in regard to them farming fish in a certain location. I think that's what the environmental impact assessment looks at: with these fish and this amount of tonnage in this situation, what would aquaculture do? There's the sedimentation underneath the cages, and they have to take into consideration the currents, what the population is in that vicinity, and how they would mitigate any adverse effects on those populations in that vicinity.

**The Chair:** But a sablefish is not a salmon.

**Dr. Gidon Minkoff:** But when you're the farmer and not the environment and you're growing your fish, obviously you have to address the specific biological requirements of your fish. So sablefish will have a different requirement for lipids in its diet compared to salmon. It won't need pigment added to the diet. I'm sure that once we grow more fish we'll realize there are different stocking densities we can hold at, different feeding rates the fish require. So in specifics for each fish there will be a difference in.... I could not farm European turbot in the same way I would farm a black cod. It just wouldn't work.

**The Chair:** I guess what we're getting at here is a mature sablefish would produce a different volume of fecal material from what a mature salmon would produce, would it not?

● (1840)

**Dr. Gidon Minkoff:** I cannot answer you. I don't think I have the correct answer for that, so I wouldn't want to make a commitment on that.

There is one difference, maybe. In sablefish we're growing them to about three kilos on the farm, and the salmon farmers grow their fish to about seven or eight kilos, I think. It's about a fourteen-pound fish they produce. So to produce a three-kilo fish you need much less food and there will be much less fecal material than to produce a seven-kilo fish.

**The Chair:** Thank you.

Mr. Cummins, you'll close it up for us.

**Mr. John Cummins:** Thank you, Mr. Chair.

Mr. Minkoff, in the document you gave to the committee, you said that the 2004 production from the Sablefin Hatcheries was 25,000 fish, but in July of this year you testified under oath in Federal Court that you urgently needed a permit to transfer 40,000 fish or you'd be forced to cull the fish to avoid overcrowding mortalities. Is it 40,000 fish a year you're producing this year or 25,000?

**Dr. Gidon Minkoff:** We produced 25,000 fish.

**Mr. John Cummins:** Explain, please, the 40,000 fish that you referred to in Federal Court this year.

**Dr. Gidon Minkoff:** When we produce fish, we have different batches going through the system, and when we get a permit to transplant fish, the permit usually lasts for 90 days. At the time we were hoping to produce 40,000 fish that year. The brood stock that late in the year didn't provide us with eggs that were good enough quality to carry on the production as we wanted, so 25,000 fish were produced. And if we had not got the permit we needed—

**Mr. John Cummins:** But you absolutely needed, you urgently needed, a permit to transfer 40,000 fish.

**Dr. Gidon Minkoff:** No, not to transfer 40,000 fish out of the hatchery. We transfer them out in batches and that would make room for the next production batch.

**Mr. John Cummins:** But your statement in Federal Court was that you urgently needed a permit to transfer 40,000 fish or you'd be forced to cull. That suggests to me that they were mature fish, that you had to get rid of them or move them out, they were ready for transplant to a farm.

**Dr. Gidon Minkoff:** No. A portion of those fish were ready and the other portion were not yet in the making.

**Mr. John Cummins:** But why would you say that you urgently needed to transfer 40,000 before they're ready?

**Dr. Gidon Minkoff:** Because I would need to get those fish that I have in the hatchery out to produce the next batch.

**Mr. John Cummins:** Was there a kill-off? Was there a die-off in some of those fish?

**Dr. Gidon Minkoff:** Not at all, no. We have our facility inspected regularly by veterinarians, and the health checks have all been positive. We keep a record; we've had no mortalities in the hatchery.

**Mr. John Cummins:** Mr. Chairman, I'd like to table a couple of documents with the committee related to this questioning. First, I asked an order paper question and got the answer under the Access to Information Act. I haven't had the question answered yet in the House, but this is a response from the department in the last year. The question was, have species other than salmon been approved for these sites—I was talking about the aquaculture site in British Columbia—and if so, what sites and species are involved, and are there species now present in any of these approved sites, and if so, which ones?

The response was: to date there have been no CEAA reviews of sites that are raising finfish species other than salmon.

**The Chair:** To date being what date?

**Mr. John Cummins:** That would be within the last year.

**The Chair:** Is there a specific date?

**Mr. John Cummins:** It would be 2004.

**The Chair:** This year.

**Mr. John Cummins:** This year.

**The Chair:** Thank you. Fine, we'll take a look at the documents.

**Mr. John Cummins:** As well, the witness suggests that DFO has not contributed to sablefish aquaculture. Chair, I will present you with some documents that show the development work for sablefish aquaculture was actually done by DFO. It was done in-house by DFO and all funded by DFO.

The third document I would present to you is a letter from Shin Nihon Global Incorporated, which is a Japanese sablefish company. I'll just read it to you; it's a short letter, Mr. Chairman. It was addressed to Minister Thibault, and it says:

> Re: Oppose farm fish (Sablefish / Black cod)
>
> We are one of the biggest import companies in Japan, specializing in Black cod and Salmon from Canada.
>
> Aside from the potential environmental and ecological risks and impacts, we would like to express our concerns regarding the market issues of Farm fish (Sablefish / Black cod)..
>
> Currently, the market price of Black cod has performed well in the Japanese market due to the limited productions from the United States and Canada.
>
> We are concerned that the market price of Black cod will decline sharply with the introduction of farmed sablefish (Black cod), if the amount of import grows up by double or triple of current amount.
>
> Black cod is very valuable product for the Japanese market and therefore, we would like to avoid the pitfalls and problems caused by current farmed salmon.
>
> Canada holds very valuable resources.....
>
> Yours truly,
>
> Shin Nihon Global Inc.

I'd like to make those documents available to the committee, Mr. Chairman.

● (1845)

**The Chair:** Thank you. We'll table them, translate them, and circulate them.

Thank you very much, witnesses.

Dr. Minkoff, we were very pleased to have you here to give us your side of the story.

**Dr. Gidon Minkoff:** Thank you very much for your time.

**The Chair:** Mr. Vance, did you want to say a word?

**Mr. Greg Vance:** Just with respect to your question, with all due respect, Gidon's specialty is certainly in biology and in the hatchery and the technology involved. We, as part of the business side of the board, have been more interested in the market and the implications and so forth.

There are a couple of things that came up, but this is just specifically with regard to your question about the price elasticity of the product in the world market and specifically in Japan. The widely quoted paper was an industry-commissioned report out of the University of Washington, paid for by the commercial industry, and the report was done in April by Dr. Huppert. What he did was use an econometric model to ask, if you added 20,000 metric tonnes round of supply to the Japanese market, what would the price implications be? I just wanted to point that out. Gidon flew through it, and I think it's a very important point.

The total allowable catch of Alaska and B.C. combined is currently in the neighbourhood of 24,000 metric tonnes. It's been as low as 20,000 metric tonnes, and that's down almost 40% in allowable catch in B.C. and Alaska because of reduced biomass. It's gone down almost 40% in the last 10 years alone, and 55% in the last 15 years.

**The Chair:** Mr. Murphy.

**Hon. Shawn Murphy:** This discussion about the market really does not involve the Government of Canada; all of this discussion is totally irrelevant.

It seems to me that if they want to get into supply management, the market is the market. We have to concern ourselves and DFO with environmental issues, with safety issues, with regulatory issues, but we're not getting into marketing.

How this discussion was allowed to take place before the committee is beyond me. I think this whole thing should be ruled out of order.

**The Chair:** Well, we're at the end of it, and I'm just going to let the gentleman finish his point, because what I gather he's trying to do is to distance the industry from the report.

**Mr. Greg Vance:** I am to a certain extent. Frankly, I agree with you wholeheartedly.

Probably what I want to address is the impression all of you are left with as a result of what has been presented by Mr. Cummins and his bias, and the CSA specifically. To suggest we're going to close this industry, which has all kinds of economic potential for B.C., is going to be an economic problem with regard to the sablefish industry. The maximum production target of this hatchery is two million juveniles. It's going to account for—I don't have the number handy—approximately 4,000 to 4,500 tonnes. That's in the next three to four years. And it's going to be progressive; it's going to be implemented in conjunction with marketing plans the industry has for growing new markets.

One of the gentlemen was asking why Gus Angus has been able to get premium pricing for his fish. It's specifically because he's selling live fish and fresh fish, something the black cod association is not doing. It's all part of exploring the higher-end restaurant market, the white-cloth restaurant market, with the idea of substitutes and premium products.

My point, specifically, is that the study representing a 20% decline in the market is only focused on the Japanese market. It's an econometric model that suggests doubling the existing supply worldwide of black cod. We're talking about 4,000 tonnes, or about one-fifth of the world's supply, introduced progressively over the course of the next number of years. And that's if we can meet our plan. I think that's a very key point.

● (1850)

**The Chair:** That's why I wanted to give you an opportunity to speak.

**Mr. Greg Vance:** Thank you very much. I appreciate it.

I do agree with Mr. Murphy.

And thank you very much, all of you, for your time.

**The Chair:** Okay.

Thank you very much, gentlemen, and Madame, for coming. We appreciate it.

I don't know where we're going from here on this issue, but it was very interesting. Thank you very much.

Colleagues, I'm going to adjourn now and we'll recommence at 9:30 in the morning, with the recreational fishery, on the issue of salmon in the Fraser River, or lack thereof.

**Mr. John Cummins:** You should note, Mr. Chairman, that the province has licensed 50 sites for black cod, which suggests—

**The Chair:** Why do you always want to get the last word?

**Mr. John Cummins:** Well, it's my nature, Mr. Chairman.

**The Chair:** Okay.

We're adjourned.

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

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