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Chair

Mr. Tom Wappel

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•(1115)

[*English*]

The Chair (Mr. Tom Wappel (Scarborough Southwest, Lib.)): I call the meeting to order.

First of all, I apologize to both ministers for the delay. This is an important issue and I wanted to make sure we'd have approximately two hours to deal with it. Unfortunately, we've now lost 17 minutes, and maybe even a little bit more, through no fault of our own. Nonetheless, it has to be somebody's fault, so on behalf of whoever's fault it is, I apologize to the ministers.

Voices: Oh, oh!

Mr. John Cummins (Delta—Richmond East, CPC): Mr. Chairman, on a point of order, I would like to give a notice of motion. The notice of motion is that the committee table a report in the House recommending that a judicial inquiry be undertaken into the management of the 2004 Fraser River sockeye fishery and the disappearance of almost two million sockeye between Mission and the spawning grounds.

The Chair: Thank you.

I don't have a problem with it in terms of procedure. It'll be available for the committee to discuss—in the absence of consent otherwise—at approximately 11:17 on Thursday.

Welcome, first of all.

This meeting is pursuant to Standing Order 108(2), a briefing session on fisheries issues in Atlantic Canada, specifically herring. Our witnesses today are from the Department of Agriculture, Fisheries, and Aquaculture of New Brunswick, the Honourable David Alward, Minister of Agriculture, Fisheries, and Aquaculture of New Brunswick; and Joseph LaBelle, senior project executive, strategic marine services. From the Department of Agriculture, Fisheries, and Aquaculture of Prince Edward Island we have the Honourable Kevin J. MacAdam, Minister of Agriculture, Fisheries, and Aquaculture of Prince Edward Island; and Wayne Hooper, deputy minister.

I introduced you, gentlemen, in no particular order of preference but simply the way you appear on the order paper.

As I've explained to both of you, each of you will have ten minutes. I've indicated it won't be strictly enforced, but we'd appreciate it if you'd try to stick to about ten minutes in your opening remarks, one following the other. Then we will open it up for questioning by the members on the evidence or anything else they see fit to ask about with respect to this issue.

We will go until one o'clock, unless everybody is through before then—which in this committee never happens, so we'll go until one o'clock.

With that, then, I would call on the Honourable David Alward for his opening remarks.

Thank you, sir.

[*Translation*]

Hon. David Alward (Minister of, Agriculture, Fisheries and Aquaculture of New Brunswick, Department of Agriculture, Fisheries and Aquaculture of New Brunswick): Hello, everyone.

•(1120)

[*English*]

Good afternoon, everyone. It's certainly a pleasure for me to be here. I do have a presentation for the committee.

On behalf of the Government of New Brunswick and all the citizens of our great province, I bring greetings to the honourable members of the committee.

We are pleased to have been invited by the committee to make the presentation today. The committee has always provided an important forum for discussions surrounding fisheries management, and we want to commend you for your excellent work over the years.

New Brunswick ranks third in the production of fisheries-related products. Although we have access to only 10% of the fisheries resource, innovation, investment, and pursuit of market opportunities have allowed us to develop a seafood industry that exports \$650 million worth of wild-caught fishery goods and another \$175 million in aquaculture-produced products. The principal species in which we are active in harvesting and processing are lobster, snow crab, herring, and shrimp, and we are active in the raising and processing of salmon.

The pattern of fish landings in Atlantic Canada has undergone dramatic changes over the past 30 years. Traditional groundfish landings have collapsed, and what were minor species in the 1970s are now mainstays of our industry. This is more than good fortune. New Brunswick, in partnership with the Government of Canada and the industry, has historically explored, invested in, and developed fisheries that rely on species that have been underutilized. While most fishing sectors were concentrating on coastal resources such as lobster and groundfish, the New Brunswick industry developed snow crab. This was at a time when fishermen were getting 10¢ a pound for their catch. Our inshore fishermen continued to work on crab, and our processors stuck it out in developing markets.

As the industry developed, we built a fleet of 65-foot vessels to explore the full range of the territory. We were successful in developing the industry, but management measures were not yet adequate for us to avoid overfishing and a subsequent need to rebuild the stock. Industry rationalized, moved to individual quotas, participated in science and co-management, and rebuilt the fishery, but this time on a much more sustainable basis.

Unfortunately, with the demise of other resources such as groundfish and now lobster, those sectors of the fishery that shunned snow crab now expect to be provided with permanent access to fisheries that were built by existing industry. The same fishermen in other jurisdictions, such as P.E.I., who ignored the warning signs in other fisheries and exploited their resources to the point of financial collapse now want to be given access to fully subscribed fisheries.

The same process occurred in northern shrimp. New Brunswick does not expect to have a monopoly on the fisheries we develop. We do not expect to even have the majority of those fisheries as abundances shift and opportunities develop for others. We are only asking that our investment in these fisheries be respected and that we maintain our modest share of the overall resource.

Subsection 7(1) of the Fisheries Act states:

...the Minister may, in his absolute discretion, wherever the exclusive right of fishing does not already exist by law, issue or authorize to be issued leases and licences for fisheries or fishing, wherever situated or carried on....

There are very few pieces of legislation that provide a minister with such absolute power. Unfortunately, strict political considerations alone in access and allocation decisions do not always lead to the most appropriate outcomes for the sustainability of the resource or the communities. Without a policy framework, the absolute discretion of the minister at times becomes problematic.

One only has to look at the current herring dispute in the southern gulf to illustrate the difficulties associated with managing perceptions without a strong fisheries management policy framework. In the southern gulf we have an important inshore gillnet fishery that sells its landings to herring roe and smoked fish processors. Our gulf purse seine fishery directs most of its landings to the marinated herring and fillet market. Each fishery is economically important and is to a certain extent very independent.

●(1125)

We purchase most of the herring landed in the southern gulf, including landings in Prince Edward Island and Nova Scotia.

When we consider the status of the stock, we have just as much regard for the fish off Lunenburg, or Sydney, or North Rustico as we have for the stocks off Shippagan or Grand Manan.

Overall, herring provides 2,200 full-time equivalent jobs. It contributes over \$68 million to our gross domestic product and provides \$7.8 million and \$6 million in direct government tax revenue to the federal and provincial coffers.

There have been discussions on the herring fisheries between the Prince Edward Island Fishermen's Association, or PEIFA, and the New Brunswick fleet over the past years. However, every year the demands by the PEIFA have increased. Claims have been made about DFO ignoring fishermen's complaints. There have been claims

that the resource is at risk. The strangest claim we have heard is that seiners are responsible for perceived reductions in mackerel abundance, despite the fact that the southern gulf seiners do not fish mackerel. Unfortunately, too many people have been quick to pick up on these claims despite all the facts pointing in a totally different direction.

The DFO consultation process is an open and transparent mechanism that brings together the researchers and representatives from fishermen's organizations, processor groups, and provincial governments. Everyone has an opportunity to discuss, question, and offer suggestions. These are not secret, academic, or bureaucratic meetings held behind closed doors.

The Province of New Brunswick is an active participant in this process. Staff from my department participate in over 25 science RAPs or advisory committees every year. From our perspective, DFO is doing a good job. We participate and encourage all our fleets to do the same.

Despite the process, there remains a perception by some that there are important outstanding conservation issues. In the southern gulf, the average biomass, the quantity of mature fish, has been about 60,000 metric tonnes for the spring stock and 380,000 metric tonnes for the fall stock. From this biomass, quotas allow about 20% of the fish to be fished in a given year.

The gillnet fishery has landed approximately 11,000 metric tonnes in the spring and 49,500 metric tonnes in the fall. The seiners have landed, on average, 658 metric tonnes in the spring, less than 1% of the biomass and less than 6% of the total catch. In the fall, seiners have landed, on average, 10,900 metric tonnes or 3% of the biomass and 19.5% of the total landings.

In December 2003, the then Minister of Fisheries and Oceans, Robert Thibault, commissioned Mr. Allister Surette, an academic from Nova Scotia, to consult with all stakeholders and prepare a report. He did not find any indication that the wild claims of impending collapse were founded or that any harm of any type could be demonstrated.

Following the report, the minister requested that all parties attempt to find a consensus. Despite reservations, New Brunswick fishermen and my department participated in every one of the meetings held over the summer to attempt to address the perceptions described in the Surette report. The seiner fleet proposed a science protocol to look at important issues. We thought we had an agreement, but extreme efforts by some P.E.I. interests were taken to not only hamper the seiners' legitimate operations, but everything was done to ensure the science protocol couldn't even be carried out. Since then, some people appear to be making every effort to avoid obtaining science data, including a refusal to look at possible negative effects of all gear types. We are forced to conclude that most of the herring dispute is about access and allocations and not about legitimate concern for the stock or habitat.

Most recently, the Government of Prince Edward Island announced its intention to take legal action against DFO on herring, snow crab, tuna, northern shrimp, and gulf shrimp.

• (1130)

They are seeking a greater share of the fisheries resource for their fishermen. We cannot support a process that attempts to address the economic shortfall of one fleet sector by taking away resources that other sectors have built and on which they depend. We cannot support a process where fisheries management measures are decided in the courts rather than within an open, transparent, fair, and predictable framework.

There is an alternative to the continual struggle to grab everybody else's fish. After proposals, consultations, and discussion papers, the department issued a policy framework for the management of fisheries on Canada's Atlantic coast. This policy framework set out a vision for the future and identified a number of principles. Within this policy framework the department has identified the need to stabilize the access and allocation framework in existing commercial fisheries. The document provides the following:

To circumvent the annual debate over resource shares Fisheries and Oceans Canada proposes that shares be established for longer terms. In fisheries where allocation arrangements are already in place through fisheries management plans and where the resource is relatively stable, the goal is to ensure that the same commercial harvesting groups will get the same proportion of the total allowable catch each year.

The Province of New Brunswick supports stabilized access and allocations as described in the policy. We are convinced that stability is the only basis on which the development of the fishery can make the maximum contribution to the economic well-being of the coastal communities all across Atlantic Canada. We are also convinced that the stable access and allocation framework is the only means of reaching the other principles identified in the policy.

If fishermen with particular allocations cannot count on stability over the long term, the conservation ethic and long-term viability of stocks cannot be achieved. If fishermen don't have secure access, the inevitable tendency will be to catch as much as you can today rather than making the decision to protect the resource.

If the Atlantic fisheries policy is to provide for a fishery that meets its full potential for our coastal communities, existing allocations must be maintained and strengthened. Those fleets and fleet sectors that have built fisheries and those communities that depend on those fisheries have to have the assurance that the minister's absolute discretion is exercised within a stable framework. We support the framework that has been developed through one of the most extensive consultation processes DFO has ever undertaken, and we trust that the principles provided within the framework will be fully implemented.

Thank you.

The Chair: Thank you very much, Minister.

We'll now turn to Minister MacAdam for approximately ten minutes, because Minister Alward did go over.

I'll make sure you have the same opportunity if you need it.

Hon. Kevin MacAdam (Minister of, Agriculture, Fisheries and Aquaculture of Prince Edward Island, Department of Agriculture, Fisheries and Aquaculture of Prince Edward Island): Thank you very much.

I hope everybody has a copy of our work. We've had it translated. What I'm going to do is just briefly go through the slides, and I'll reserve comment until we have a question and answer session.

I want to begin by saying that our presentation here today, and perhaps the discussion, is not entirely just based on the herring question that seems to be between New Brunswick and Prince Edward Island. I want to be very clear that this is not an issue that we feel, as a province, that we have with the Province of New Brunswick, or any other province for that matter. We have a good working relationship with New Brunswick on a number of issues. We agree to disagree on this. Our issue is with DFO. I want to qualify that, and I'll go through some of these issues.

First of all, thank you very much for allowing us to be here today. If you'll turn to page 2, I'll go through the slides.

There are two issues here. The first one will deal with resource allocation and the other is a concept relative to an issue that Nova Scotia, New Brunswick, and Prince Edward Island have in the Northumberland Strait area. We've coined it as the Northumberland Strait fund. It's a concept that I just want to go through.

We know the federal minister will not give, nor do we expect, another TAGS program for buying out licences. We have a lot of fishermen who are in a financial crisis in and around that area—and 23 would be another area off New Brunswick. This is just a concept that we've been discussing with industry groups in three provinces, and in fact with some of the MPs, as a way of perhaps buying out licences, not with public money but with the donation of resources.

I'll start the slides.

The continued decline of the lobster fishery in the Northumberland Strait could be as devastating for fishermen as the collapse of the Atlantic groundfishery. The impact of the collapse of the Atlantic groundfishery was mitigated in some cases by the allocation of the growth in various fisheries resources.

A percentage of the allocation of increases in Atlantic fisheries resources would be allocated—and this is a concept—to a fund on a temporary basis, for perhaps as long as five years. The fund managers would sell the allocation to existing licence-holders, as is the case with the Prince Edward Island Atlantic Shrimp Corporation, which was set up by the federal government for the province of Prince Edward Island.

The fund could be utilized for effort reduction, increased—

• (1135)

The Chair: You're reading a little bit too quickly for the interpreters, so if you wouldn't mind, please, slow down.

Hon. Kevin MacAdam: I can slow it down. I'm just trying to stay in that ten minutes for you.

The Chair: Don't worry about that.

Hon. Kevin MacAdam: I'll start again, on page 3.

We're proposing a percentage of the allocation of increases in the Atlantic fisheries resource would be allocated to a fund on a temporary basis, looking at a five-year minimum period. The fund managers would sell the allocation to existing licence-holders, as is presently the case for the PEI Atlantic Shrimp Corporation. As I've already said, it was a process that was already established and imposed, in many ways, by the federal government. Minister Dhaliwal was the Minister of Fisheries at the time it was established in our province.

This proposed fund could be utilized for effort reduction, increased research, or for other purposes as agreed to by all participants, meaning fishermen in the provinces of Nova Scotia, New Brunswick, and Prince Edward Island. Preliminary discussions have been held with counterparts, ministers in New Brunswick and Nova Scotia. We've also had the opportunity to talk with some industry groups as well, as I said, as with some of the MPs from all three provinces.

Governance is anticipated to include fishermen from the three maritime provinces, provincial representation from all three provinces—that would be non-voting—and also representation from the federal government. The principle behind that would be to allow fishermen to manage a fund and a resource—which, as I said, they're doing presently in our province—and we would be there, with representatives from all three provinces and the federal government, to be more or less advisers and to oversee and make sure everything is copacetic.

If you turn to page 5, you see GDP numbers taken from Statistics Canada for the year 2002 for the province of Newfoundland. If these numbers are incorrect, you can take it up with StatsCan. The contribution of the fisheries as a percentage of gross domestic product is 3.7%; that's what the fisheries mean to the overall economy. In New Brunswick it's 1.3%; in Nova Scotia it's 2.2%; and in the province of Prince Edward Island it's 5%.

The Atlantic fisheries policy review will get us into some of the issues relative to the herring dispute as well as some of the issues that David outlined we have concerns over as a province.

The independent panel access criteria include overarching principles: conservation; aboriginal and treaty rights; equity; traditional access criteria, meaning adjacency and historic dependence; and, of course, economic viability.

Issues and concerns for the province of Prince Edward Island include: the herring issue; Atlantic bluefin tuna; gulf shrimp; northern shrimp; and snow crab. I'll give just a brief notation on some of these and wrap up.

In 1983 there was a year-round exclusion zone for vessels over 15.2 metres in length. In 1984, an administrative error moved the exclusion zone to the shoreline, which is the issue relative to our concerns and those of our inshore fishers on Prince Edward Island in regard to the herring seiners. In 1996, 50% of the quota cap in the Bay of Chaleur essentially forced the seiners to seek quota elsewhere, which found them off our north shore. In 1999, the first seiner landings came to Prince Edward Island. The Prince Edward Island government takes issue with DFO's action and seeks reinstatement of our 1983 year-round exclusion zone.

For Atlantic bluefin tuna there are seven fishing sectors in our region. Prince Edward Island has 46% of all the licences. P.E.I. has a 30% share of the quota, one that's seemingly being reduced with every management plan that's been coming forward. In comparison, another sector has—without getting into pointing out provinces—5.5% of the licences, yet there they find themselves with 22% of all the quota.

Prince Edward Island has requested, in regard to gulf shrimp, a permanent allocation since the early 1980s, when the total allocation ranged from 12,000 to 15,000 metric tonnes. In 1998, Prince Edward Island received a temporary allocation of 75 metric tonnes, when the total allocation or quota was 23,187 metric tonnes. In 2004, Prince Edward Island received a temporary allocation of 257 metric tonnes. This was barely sufficient to support one fishing enterprise. The total quota for the entire region was 35,334 metric tonnes. The quota has increased 52.4% or 12,147 metric tonnes since Prince Edward Island has received its first temporary allocation. We still do not have a permanent allocation, and I stand to be corrected, but I believe the province of Nova Scotia is literally in the same boat we are—pardon the pun—with respect to gulf shrimp allocation.

• (1140)

With respect to northern shrimp—and I know it's a bone of contention, and has been since we've received our temporary allocation—Prince Edward Island remains the only Atlantic fishing province or territory without permanent access to northern shrimp. In 2000, Prince Edward Island was granted temporary access of 1,500 metric tonnes, when the total allocation was 110,052 metric tonnes. In 2004, quota had reached 156,252 metric tonnes, which over a four-year period was an increase of 46,300 metric tonnes, or 42% in four years. Prince Edward Island's temporary allocation still remains at 1,500 metric tonnes.

The economic value of 1,500 metric tonnes of northern shrimp, based on this shrimp company that was established for the province of P.E.I., is the equivalent of about \$750,000. In essence, what we have is not unlike the situation with gulf shrimp. We are given this allocation. It's established and controlled by a board that was set up by the federal government. In many ways it works, and works very well, but we end up getting a cheque for it, as we do for gulf shrimp. We are not allowed to put a boat in the water. The landed value of northern shrimp in 2000 was about \$280 million; in 2001, \$230 million; and in 2002, \$250 million.

In closing, Prince Edward Island was among the pioneers of the snow crab fishery in the 1960s. Limited entry to the fishery began in 1974. We were held out of the fishery until 1985, when 16 temporary permits were issued. An additional 14 were issued in 1986. By 1992, all 30 permits were made permanent licences in the province of Prince Edward Island. Prince Edward Island is now fixed at 5.07% of traditional quota; Nova Scotia has 6.08%; Quebec has 32.2%; and New Brunswick has 56.5%.

In summary, our concerns on herring, tuna, gulf shrimp, northern shrimp, and snow crab always depend on three principles—and if you go to DFO's website, you always see them—fairness, equity, and adjacency. I've been Minister of Fisheries since 1996, with a brief break, but some of the issues we're dealing with here—and looking at the agenda, we had a meeting on November 26 that David and I attended here in Ottawa with DFO; it was an eastern ministers' meeting—are the very same issues we were dealing with in 1996, that we dealt with in 1991: resource allocation.

And yes, we have a legal case that is now being taken to the courts against DFO, but I want to remind people in the room we're not the only jurisdiction that has done this. That is not the route by which we wanted to resolve our issues. Presently, as I understand it, the CFAW in British Columbia is in the process of considering a legal case—regarding salmon, I believe, and I stand to be corrected on that—based on resource allocation. The Territory of Nunavut is going to court this month with DFO on resource allocation. In fact, I believe the snow crab association from New Brunswick is presently taking or considering taking the federal government to court—DFO—on resource allocation. In Quebec it's the same thing.

My concern about what we're doing here, and we can get into it in questions, is that with all of these issues, the Minister of Fisheries for Canada is probably the only individual, regardless of who it is—and it hasn't happened in the last five years; it has probably happened in the last 136 years.... They have not overhauled the Fisheries Act. That was a discussion we had about two weeks ago. We're told that every time it's considered, it ends up going to Parliament and nothing ends up being done with it.

Our concern is that, at the end of the day, one individual, regardless of what political party he or she belongs to, has absolute, unequivocal, unfettered responsibilities and control in deciding who gets what of our nation's resources and how much. There is absolutely, unequivocally, no transparency. There are millions of examples, which we can use against other jurisdictions and which I'm sure they can use against us, on the very three principles of fairness, equity, and adjacency.

• (1145)

They are the principles, by and large, that we came here to discuss before the standing committee, because, first, I would hope the Fisheries Act can get that review so that we can indeed get an overview of how we can independently set up management of resource allocation.

I'll leave it at that. I'm sure there are lots of questions.

I thank the committee for allowing us to present.

The Chair: Thank you very much, Minister.

Now we'll go to questions on any of the issues raised.

We'll start with Mr. Keddy for ten minutes.

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

I'm sure I speak for most of my colleagues when I say this is not a type of arbitrary situation we or I as a committee member want to

think we can find the answer for, but I think it is important to hear presentations from both ministers.

There's a bit of detail I'm still trying to wrap my head around. Neither minister spoke very much about the fishery before the 1970s. There was a huge herring fleet in the gulf region in the 1960s and a total collapse of the herring fishery in the early 1970s. I would think that would be something both ministers would be concerned could happen again. I'd like a little more detail on how the seine fishery was shut down in the early 1970s, if you have that information, and on the exclusion zones that existed when the fishery re-opened in the late 1970s or early 1980s, and the reasons for those exclusion zones at I think the 17-fathom line next to shore.

That will be my first question to whoever is able to answer it. I guess it would be mainly to Mr. MacAdam.

The Chair: It should probably be to both.

Mr. Gerald Keddy: Yes, I'm happy to hear from both.

Hon. Kevin MacAdam: I can try, Mr. Keddy, to answer some of those questions.

You're right, in the 1970s—and I don't pretend to have all the history as to what happened in the 1970s—a decision was made, I understand, by DFO because of concerns over conservation and the health of the herring stocks. In essence, there was a rationalization in fleet structure—one of the concerns we always have raised to us, and we could parallel it with the ground fishery. There were 65 seiners, so to speak, in and around the gulf region. Now, DFO tells us, we're down to four or five, but as those of us who remember that particular era know, we weren't talking about 100-foot vessels, vessels with the technology they have today, with satellite tracking and GPS. I see many people around this table who dealt with the crash of the ground fishery, as we did. It's the same issue for us, in many ways, except technology is killing some of these things.

With respect to our concern over the fact that they're now out in the gulf, I go back to the concern over science. I have consistently asked ministers for that science. Yes, they have meetings where advisory groups go—the herring advisory committee—and we've asked for details on how and what they do. As far as I understand from discussions last year, it's sonar testing—a day's worth of sonar testing to test biomass. Fishermen, by and large, in every province are never consulted. It's scientists making projections based on models who dictate in many cases what quotas are.

Mr. Gerald Keddy: I'd just ask Mr. MacAdam and Mr. Alward as well to keep your answers as brief as possible because of time constraints.

• (1150)

The Chair: Let's give Mr. Alward an opportunity.

Mr. Gerald Keddy: I just want to make sure I'm getting the right answer. What's the reason for the 17-fathom line?

Hon. Kevin MacAdam: The reason is there was a change in legislation in 1983-1984. We have a legal opinion that indicates Allister Surette cannot find, according to his report, the documentation from DFO on why and how that change was made. He admits it was burnt—supposedly lost in a fire in DFO's Halifax offices. In essence, we had a line of 25 fathoms. After 1984 they were allowed to go to the beach, and that's how the legislation read. It was only in 1999 when the minister of the day tried to grant a bit of a reprieve that they imposed the 17-fathom line.

Mr. Gerald Keddy: All right. Thank you.

Mr. Alward.

Hon. David Alward: I would just briefly add that in terms of the volume of ships in that time period, we were talking about 65 seiners between the gulf and the Bay of Fundy. We now have 5 seiners in the gulf area, in terms of reality, and they were catching 300,000 metric tonnes, the allocation at the time.

The decision on the line was tied to mobile gear and the conflicts that resulted. My understanding as well is that it was not a year-round exclusion area; it was specific to a given time period until, I believe, August each year.

Mr. Gerald Keddy: I have a couple more questions.

How much of the fishery is a roe fishery? How much of the TAC is for roe?

Mr. Joseph LaBelle (Senior Project Executive, Strategic Marine Initiatives, Department of Agriculture, Fisheries and Aquaculture of New Brunswick): The allocations see 78% of it going to the inshore fishery across the southern gulf. The vast majority of that is directed either at the roe fishery or the smoked fish fishery. There is some percentage of that directed toward the bait market as well.

The inshore fishery is not a food or fillet or marinated product fishery. It is directed either to roe, the smoked fish or hard smoked fish market, or the bait market.

Mr. Gerald Keddy: Have you folks seen the gulf region notes put forward by the deputy minister, David Bevan?

A voice: What's the date on them?

Mr. Gerald Keddy: They're notes for us, but I would think they're available on the website. We have December 6.

A voice: No, we don't have them.

Mr. Gerald Keddy: Sorry about that. It wouldn't really be a fair question.

Back in the 1970s there were 300,000 tonnes of fish caught. We know the herring biomass totally collapsed throughout the Atlantic region, really, in Newfoundland, Nova Scotia, and everywhere, because we overfished them.

I'm a little concerned when the ministers talk about the amount of herring left uncaught. You have a healthy biomass, but the ministers are saying there are 90,000 metric tonnes of herring left uncaught of the total TAC. I would think that could be looked at in two ways.

The obvious first glance is that there are more fish there to be caught, but I think you catch those fish at the risk of hurting your total biomass.

It was my thought that the inshore fishery was restricted from the 20-fathom or 25-fathom line in order to allow the herring to spawn and to allow those spawn to actually not be caught or not be destroyed or injured by too much fishing activity, and by seiners in particular. So I'm just a little concerned about how we end up inside of that fishery now with a 17-fathom line instead of a 25-fathom line. I don't know quite how that happened.

Mr. Joseph LaBelle: On the first question about the biomass and estimates, first of all, the biomass in the fall in the southern gulf is estimated based on the results of the fishery, the fishermen's catch per unit of effort, a technical consideration. In the spring biomass there is also a consideration of acoustic surveys. There's quite an extensive acoustic survey process that goes on in terms of the fishery independent survey, plus there is an indexed fisherman-based survey that's now on all the grounds.

DFO uses a measure called F0.1. It's basically a certain point, a fishing rate. Right now in the southern gulf, for example, the level at which DFO science says we can harvest that resource is 77,000 tonnes. In the last two years, New Brunswick and DFO have been supporting establishing total allowable catches that have been significantly below that. This year, for example, we're at 73,000 tonnes.

What they've done is figure out what the risk is of going over our target rate at different levels. This year, for example, we know there's a 20% risk of going over the target rate, whereas if we'd gone to the top allocation that they were suggesting was possible, we would have had a 50% rate. So within industry there's a certain level of support, and I know our province and DFO have been supporting this and have been saying the rate of fishing should not be a rate that maintains the biomass steady; it should be a rate of fishing that allows the biomass to increase to its maximum biological rate.

• (1155)

Mr. Gerald Keddy: Agreed, and I appreciate that answer. The question I'm still asking is, if there was a risk in the late 1980s, at least according to DFO's data, of hurting the biomass by fishing inside the 17-fathom line, and now we're looking at fishing up to it, are we still risking hurting the biomass by fishing the seiners in that water depth?

Mr. Joseph LaBelle: I think there are two elements to that.

From what we could understand from what Surette picked up in his report, and I believe he spoke with the biologists who are now at St. Andrews, there was a desire to establish the situation so that the spawn on the bottom of the ocean would not be harmed or would not be disrupted, and that was the objective of that.

The spawn in the spring is on the bottom for about 10 to 15 days, and in terms of the spawning period, when DFO went to the north side of P.E.I. two years ago, in July and August, they found 8,000 tonnes of herring. That was during the spawning period. When they went back later on in August and in October, they found 175,000 tonnes.

The inshore fishery does target the fish when it is just about to spawn. The seiner fishery is looking for a fish after it has spawned, in the fall when it's aggregating, so you're catching that fish after the fish has spawned. But even at that rate we have seen a natural fluctuation, but we've seen increases in the biomass, and I think especially in the last two years there has been an effort on our part, and this year there has been more support across the different fleets, to ensure that we're setting TACs that are below what is considered a sustainable level.

It's self-interest, because if we do fish at 20% every year, then the overall mass can grow to a maximum of what the biology, what the environment, will support, rather than fishing at 25% this year and next year and then having fewer fish.

So in terms of the availability of fish and the management levels we're at, we're fairly confident, but I think "cautiously optimistic" would be our perspective.

The Chair: Thank you, Mr. Keddy.

Do you have any additional comments, Minister or Mr. Hooper?

Mr. Wayne Hooper (Deputy Minister, Department of Agriculture, Fisheries and Aquaculture of Prince Edward Island): I guess one of the issues for us has been the fact that in discussions around the herring issue there's an assumption that we're dealing with a single stock. In conversation with people involved with this fishery over some period of time, there has been some discussion that perhaps we're not dealing with a single stock of fish but that there are various breeding grounds for this animal in the gulf—Fisherman's Bank and a variety of other locations.

We have asked for any science that has been done in that area, and although there is some speculation that these stocks might be different and that might in fact translate into different effort on different stocks of fish at different times of the year, we consistently seem to treat this as one group of fish and that it's all the same. That may well not be the case, and that's a significant concern.

For the past couple of years our inshore fishermen have had very poor luck in the spring. Is that a separate stock of fish? At this point, no one knows.

The other observation that might be made is that when the quota for seiners was reduced by 50% in the Bay of Chaleur, for a variety of reasons, the catch rates continued to decline. That could be a seasonal thing, it could be weather, it could temperature, a variety of things, but the fact is, this year I think they caught about half of that 50% in the bay. So there are questions there around abundance.

• (1200)

The Chair: Thank you.

[Translation]

Mr. Roy, please. You have five minutes.

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

My question is for the Minister of Agriculture, Fisheries and Aquaculture for New Brunswick, because I have some very serious concerns about New Brunswick and Chaleur Bay.

To give one example, during the 1930s there was a major species in the St. Lawrence, the eel. This was a species that could be bought at a reasonable price, and so of course people ate a lot of it during depression times. Today, because of the high pollution levels in the Great Lakes, eel stocks are about 20% of what they were at that time. Not because of overfishing, but because of pollution by such substances as dioxin, furan, mirex and the like. Eels, being bottom feeders, absorb large amounts of these highly toxic substances and their reproductive ability is affected.

Chaleur Bay and New Brunswick are of great concern to me. You are in the process of authorizing construction of an incinerator for highly toxic substances, like the one in Saint-Ambroise, Quebec. The most recent studies indicate that the levels of dioxin and furan emitted by this incinerator are four to five times higher than the New Brunswick standard.

Chaleur Bay is an extremely important herring nursery, which means among other things that very large stocks of herring grow up in these waters. All the studies carried out by top scientists and health officials tell us that this will create a very big risk. Even if the danger is not physically noticeable in the community until five or ten years have passed, no one will be wanting to buy herring from Chaleur Bay because of the perceived risk.

As the minister responsible for fisheries, do you intend to intervene and get the construction of this incinerator stopped? Work on it is nearly finished. As well, do you intend to take steps to ban the import of waste from the United States, which will very likely ruin the quality of the water in Chaleur Bay?

[English]

The Chair: Mr. Roy, I listened patiently to that two-and-a-half-minute question. I'm having a little difficulty—and I may be the only one—seeing its relevance to the issues before us today, which were discussions about the herring—

[Translation]

Mr. Jean-Yves Roy: I agree with you, sir.

But, Mr. Chairman, we are talking about a herring nursery. Is this the same stock that moves down the shore? This is possible, and we have moreover already touched on this. Do they want to destroy the main herring nursery in the waters off New Brunswick? That is my question.

[English]

The Chair: I'll tell you what. You've clarified it as best you can. I'll ask the minister if he wants to respond. There's no obligation to do so.

Hon. David Alward: I don't believe that's a question that's most effectively asked to myself. I believe that's really a question, in terms of the specific issues, that should be tied directly to our minister of environment and local government.

The Chair: Perhaps we can deal with it this way. Perhaps you could bring to your colleague's attention—

Hon. David Alward: I certainly will.

The Chair: —the comments Monsieur Roy has made. He's identified what he considers to be a very serious environmental problem. Perhaps you could bring those to the attention of your minister.

[Translation]

Mr. Roy, please.

[English]

Hon. David Alward: I certainly will bring that—

[Translation]

Mr. Jean-Yves Roy: Go talk to the Minister of the Environment, Ms. Fowlie, who has been aware of this issue for a long time.

My next question is for the Minister of Fisheries for Prince Edward Island, Mr. MacAdam. You were speaking about the Northumberland Strait fund. I would like to know what percentage of fishers' revenue goes to this. In other words, I want to know what the effect is on fishers' earnings. When a fund like that is created, it reduces fishers' income with which to buy back licences, because Fisheries and Oceans refuses to invest in a licence buy-back program. For example, if a fisher with a net annual income of \$40,000 is being asked to contribute 5% or 10% of that income, that hurts.

• (1205)

[English]

Hon. Kevin MacAdam: In response, it's a good question. The Northumberland fund is a concept, and it's a concept whereby we would use resources that had yet to be allocated. You can pick a number of them, whether it be gulf shrimp, snow crab, money from northern shrimp, or tuna—the sky is the limit. Objectively, and I beg to differ with you, there are fishermen right now, because of overfishing as much as anything and too much congestion in a very limited space.... The only way you're going to take pressure off that sector and that industry is to retire licences.

We understand there is no appetite by the federal minister and the federal government, and I respect that, to say to Treasury Board, we need a cheque to go down and retire fishermen's licences, to get them out of the industry. So if you want to buy out effort, meaning fishermen, and retire them...because I can assure you—I have the numbers and I'm prepared to leave them here with you—there are fishermen in New Brunswick and in Nova Scotia and in Prince Edward Island whose catches are down by as much as 50% this year. And you're right, if \$40,000 is the break-even mark in that particular area, there are fishermen who are down as low as \$20,000 and even less than that. Right now they're not sure how they're going to make a living.

So what we're hoping is you could buy out those licences, not by cheques from the people, but not unlike what we have with the northern shrimp allocation. As an example, we get 1,500 metric tonnes, we sell it to the highest bidder who wants to fish it, and the cheque then comes back to this fund that in essence does science, does training, whatever it wants with it. All I'm saying is those funds would be utilized to buy out licences, retire them, never to return to the fishery again.

The Chair: Okay. Thank you.

Minister Alward, do you want to make a comment?

Hon. David Alward: Thank you. If I can just add to Mr. Roy's question as well, certainly the issue of buy-out, or reducing the amount of effort, is an important issue if we're going to see stocks be sustainable in the long term in that area. I would contend, and I would use the Maritime Fishermen's Union's example of their inshore development plan where not only buy-out is an answer. I think we need to look at conservation measures as well, if we're going to see success in the long term, that being looking at changing the effort.

We also need to look at alternative economic development initiatives as well—enhancement initiatives, as an example. If we're going to see a truly long-term solution to it, and without being too partisan, I look at the work that our MFU has done over the last two years on a very difficult situation, where they've been out ahead of the curve in looking at how we can have a sustainable fishery in that part of the Atlantic coast. I think it's obviously a complex issue and no one solution will work. I think we need to look at a number of alternatives to see how it can move forward.

The other question I have on it as well is where that fish or that other allocation is going to come from, because right now the fish are allocated. Do we negatively impact one sector to build another? That's part of the difficulty we have in this whole process.

The Chair: Thank you.

Did you want to add...?

• (1210)

Hon. Kevin MacAdam: Could I just respond to a point made by David?

The Chair: Yes, go ahead.

Hon. Kevin MacAdam: It's just for clarification; it's not to be argumentative at all.

David is right. We have to look at resources. What I'm saying is that every spring the minister announces increases in quotas. I've indicated what they've provided—and I'm not picking on any resource—for northern shrimp alone in the last four years and gulf shrimp alone. These are new allocations. Where we get bogged down as politicians and as industry people is that these are new or additional resources being allocated every year. The question is, are we going to give them to the existing licence-holders and make them that much richer—and, yes, they have a right to that—or are they the people's resources and do other fishermen have a right to access some or any of those additional resources?

The question I'm posing is that if you take—and I can demonstrate the increases in gulf and northern shrimp alone—a temporary portion and you get the dollar value from the sale of that, it's not any one individual's. It's money that's put into a fund administered by fishermen to do research and to buy out and retire licences. It's as simple as that. After five years, if the effort is reduced significantly and the conservation measures are achieved, then it's up to the federal government if they want to re-administer that quota back to existing licence-holders or new fishermen.

The problem is, once we make a licence permanent—and it's the same in our province as in any other province—they have ownership of it, and rightfully so in some ways. If we want to spread the wealth around and give an opportunity to help other fishermen in need, this is just a concept; it's not the be-all and end-all as to how to do some of that.

The Chair: Thank you.

After Monsieur LeBlanc, we're going to have Mr. Hearn, Mr. Murphy, and Mr. Stoffer.

Monsieur LeBlanc.

Hon. Dominic LeBlanc (Beauséjour, Lib.): Thank you, Mr. Chairman.

It's nice to be back at the fisheries and oceans committee.

• (1215)

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): We're glad to have you.

Hon. Dominic LeBlanc: Peter is always a cheerleader.

Some hon. members: Oh, oh!

Hon. Dominic LeBlanc: I came because—and I'll confess this right now to Mr. MacAdam—I'm from New Brunswick.

Some hon. members: No!

Hon. Dominic LeBlanc: That may be shocking to you, but I—

An hon. member: Roméo LeBlanc screwed up there.

Some hon. members: Oh, oh!

Hon. Dominic LeBlanc: I think if you ask your fishermen, you'll find he was still pretty popular.

Mr. Chairman, that doesn't count as part of my time.

Some hon. members: Oh, oh!

The Chair: I'll be the judge of that. I'm from Ontario.

Hon. Dominic LeBlanc: That's a whole other problem, but we won't go there.

Some hon. members: Oh, oh!

Hon. Dominic LeBlanc: Mr. MacAdam, I've watched the herring issue playing out in the media and I've talked to fishermen in my riding. I had a number of specific questions I wanted to put to you. Maybe in the interest of time I'll read all the questions I wanted to ask you and then you could perhaps go through them.

There's been a lot of discussion about a court case, your government taking the federal government to court. I'm wondering if you've actually filed a statement of claim against the Government of Canada, and if not, when would you plan to do so?

It is my understanding that inshore fishermen take approximately 80% of the total allowable catch of southern gulf herring. Inshore fisherman, I am told, take maybe twice as much herring as the seiners in the waters of P.E.I. You've talked a lot about conservation and you've talked about the precarious state of the herring stock. I'm

wondering if it wouldn't be consistent to also call for a reduction in the inshore quota.

Some of your comments were also about how the seiners damage lobster grounds, and I think that's a legitimate discussion to have. I'm wondering what your view, then, on scallop draggers would be, and if the scallop draggers, including P.E.I. scallop draggers, also damage the lobster grounds. I hear that from fishermen in my riding, particularly around the Cape Tormentine-Murray Corner area. I'm wondering if you or your department has any scientific data on the state of the herring stocks and the specific impact of the seiners.

I was also told—and maybe this is a chance for you to refute it—that your government asked for an actual increase in the TAC this year with respect to the herring stock. That is something that has been circulated, and I'm wondering if you could clear that up.

I'll conclude with this. I'm a politician and so are you. When I arrived, I heard you say that many of these decisions are political decisions made by one individual, in this case the federal minister under the Fisheries Act, and they become by definition political decisions, particularly to those who aren't happy with them. Those who are happy with them justify them on conservation grounds, fairness, access, and so on, and those who are unhappy beat the political drum, as you've been doing very effectively with respect to the seiner issue in your province. I would submit to you that this issue has very little to do with herring and a lot to do with politics.

I saw last year in New Brunswick that the inshore fishermen had to gratuitously give a certain amount of snow crab quota to P.E.I. because you had beaten the political drum in P.E.I. I watched when Minister Dhaliwal allocated shrimp, and poor John Efford just about came out of his skin in Newfoundland.

I would submit, Mr. MacAdam, that you've been quite an effective political allocation bully for your province, and that's your job. As I say, sometimes you win and sometimes you don't, but this does long-term damage to relations with other provinces and with fishermen in other areas. I'm wondering how you see this court case and some of the statements you've made as damaging either your relationship with other provinces—your neighbouring provinces, including my own—or perhaps the federal government.

The Chair: Thank you.

Colleagues, just for your information, it was a classic. In less than five minutes he put five questions and gave a speech.

Some hon. members: Oh, oh!

Hon. Dominic LeBlanc: But I had a cheering crowd, though, Tom, at the beginning.

The Chair: That's something to shoot for, I'll tell you.

Minister, do you have them all noted? Is the statement of claim filed yet?

Hon. Kevin MacAdam: I will go through them. I was trying to write them down. There may be a bit of a red herring, if you'll pardon the analogy, in some of your comments, but I'll try to address them.

The court case has been officially.... I'm not a lawyer; I don't know what the official term is. Notice has been given to the federal attorney general's office in Halifax, and they have 40 days, as I understand it, to respond to that. We will probably be officially filing it in the next couple of weeks because by then they will have responded. I don't know if that answers your question or not. Part of it has been answered, the technical part of it: the official filing will happen probably in the next ten days to two weeks.

As for inshore fishers taking 80% of the catch, I think there's a big issue here we're missing. There's the question about who gets what and how much, and we could sit here and argue numbers. I'll leave you a copy of this. I'm sure it's available to you because it was provided to us by DFO.

As to the issue on allocations, our inshore fishers haven't been able to catch their allocation. The seiners have not been able to catch their allocation. You turn around and this year in the Bay of Chaleur—and my deputy raised the question—they were entitled to 8,300 metric tonnes; they only caught 2,300 metric tonnes, 28% of what was available and what they were eligible for. Their total quota was 19,700 metric tonnes; as of November 25, they have 7,600 metric tonnes.

The bottom line is that the fish seem to be diminishing for whatever reasons, whether because it's a cyclical downturn in the fishery, fish are moving because of the weather, or what have you. I've heard a number of analogies. We've asked for genuine science. In fact, going back two previous ministers, I've asked for the science for the Bay of Chaleur to find out how that decision was made to reduce their quota from 100% to 50% in your province, sir.

I've never been given any real...I've had anecdotal information given or questions put to me as to it being a political decision, rightly or wrongly. I don't know.

I can't find any real science or documentation that supports that reduction, and that's what put them in our backyard in the first place.

Mr. Keddy asked a question earlier about why or how they ended up on our inshore inside the 17-fathom line. The 17-fathom line was either mutually agreed to or established as a sort of temporary reprieve from the fact that at one point, after the interpretation changed from 1983 to 1984, they could go right to the beach line. On that premise, yes, we had great concerns over putting a seine anywhere inside 25 fathoms, let alone being allowed to go to the beach line, whether for lobster or for the herring stocks as a whole.

All of our provinces benefit from the spring herring fishery as part of the bait industry for lobster as well as the tuna fishery. It's known as the queen of the sea, the herring; that's what the tuna follow. All the tuna are back on the north shore of our province, thank goodness, and we share with the fishermen from New Brunswick and Nova Scotia fishing off our north shore and vice versa as they follow the tuna until they catch their quota.

Reduction? No, we didn't ask for a reduction.

On seiners damaging the lobster ground, I tried to address that.

Do we have science on the seiners? No. I don't have any real, meaningful science. I've asked for it. I've asked for a process. We've sat down and we've talked about a process, and David has alluded to

it, that this summer a protocol was put in place. I was told, going back to Robert Thibault and to his predecessor, don't worry, there is all kinds of science there; the stocks are healthy, so don't worry about it.

As my deputy has alluded to, we're not even sure if it's just one local stock. We asked if we could do the science to prove whether or not it was a local stock, whether it was just endemic to our waters. They said, oh, DFO told us no, I don't think you can do that because it's a complicated process. I credit the Province of Quebec; they did it. They got a 12-mile exclusion zone around the Magdalen Islands for the very same reason we just want our 25-fathom line back.

Southwest Nova has a 20-mile exclusion zone because supposedly somebody in DFO decided they could prove they had a local stock. All we've asked for is to show us the science, to make us genuinely part of the science, and to keep them outside our 25-fathom line. We're not asking for any more; we're only asking for what we had, which was 25 fathoms. Now, because of decisions, as I say, they were allowed to go to the beach line, but now they're entitled to go within 17 to 25 fathoms.

And yes, they are doing science now, and yes, there is a protocol in place. But I find it damned ironic, going back a couple of ministers, that they told us all the science was done. That's why they justifiably let them inside the 25-fathom line. Now all of a sudden we have to do a three-year science protocol because I don't think they even know—"they" being DFO.

● (1220)

Did the government ask to increase the TAC for herring? No. There are decisions that are always raised at the advisory committee meetings. Inshore fishers have genuinely put forward requests for more quota. I think if you look at the criteria that the seiners have to adhere to versus what the inshore fishers in any province have to adhere to, especially for discards, it's completely different. They have on-board monitoring now, and we certainly appreciate and applaud that.

Our issue, fundamentally and unequivocally, comes back to—and I'll get to this point whether you feel it's political or otherwise—that our inshore fishers in our province, as the inshore fishers in the Bay of Chaleur in your province, did not, do not, and I'm sure will not ever want to see the seiners come back to the Bay of Chaleur to catch 100% of their quota, because they don't want the seiners in New Brunswick in the inshore any more than our inshore fishermen want them in Prince Edward Island. We had inshore fishers from all three sister provinces standing on the wharf last year in support of the P.E. I. Fishermen's Association. So if you want to say it's political posturing on our part....

I'll just touch on the northern shrimp and the snow crab issue, as you brought it up. We fought for our share of northern shrimp. I don't make any apologies for that. I go back to comments that were raised by ministers. On October 20, present Minister Regan said the fisheries resources belong to the people of Canada, not to any particular group, under the Canadian Charter of Rights and Freedoms. If that's the case, why would Prince Edward Island...?

I'm not making any apologies for asking for a share of a quota that we were never entitled to. Since 1978, shrimp quotas were allocated. The Province of Ontario had a shrimp licence. I understand it is a bone of contention for Newfoundland, and I respect that; I don't begrudge them a pound of fish, or any other province. But when you have a process where provinces or industry groups supposedly put in an application and say, look, you can get shrimp or you can't get shrimp, or you can get snow crab or you can't get snow crab, or you can get herring or you can't get herring, and then all of a sudden you're told you're not entitled to it because of fairness, equity, and adjacency.... Then you look at the history of how allocations and distributions have gone and it's absolutely, unequivocally, unacceptable.

And you want to talk about politics—

The Chair: Can I ask you to wrap up, Minister?

Hon. Kevin MacAdam: Yes. Well, if you want to talk about politics, I go back to part of my premise, and I'm probably guilty of being in the fishing portfolio too long. I've had previous federal ministers of fisheries tell me they've made their decisions based purely and solely on politics. That puts big questions into my mind about other allocations. I've had them call me and talk to me personally to tell me it's a political decision, not a resource decision, because in many ways they said they have to get elected.

• (1225)

The Chair: Can you answer the question as to whether scallop draggers damage lobster beds?

Hon. Kevin MacAdam: Oh yes. You are right, they do. They do a lot of damage. Again, DFO manages that particular fishery: when you cross the wharf you're in federal territory. One thing our scallop fishers have done on the Prince Edward Island side is put in exclusion zones. I think they have a great effect and I think they've done a good job.

But you're right, there's no question, they have to do damage to the bottom. I think what they've done is put in no-go zones, and there are more on the Prince Edward Island side of the strait. Does that, at the end of the day, justify the fact that it's probably still not doing damage? It's still a federally regulated fishery, and hopefully it's not too late. And fishermen from New Brunswick and Nova Scotia have talked about putting more exclusion zones in.

The Chair: Thank you.

I know you want to get a word in edgewise, Minister Alward, but the questions were directed to Minister MacAdam.

If you don't mind, we'll go to Mr. Hearn and Mr. Stoffer.

Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC): Thank you very much, Mr. Chair.

Minister MacAdam, you just mentioned that time about your battle for resources, and we congratulate you on that. That's what all ministers should be doing, regardless of whether it's a fishery or anything else. If it's there and it's being given out, you try to get your share. The question is, of course—and you've answered the question, I guess—how it is given out quite often. And we are all paying a price for that.

In relation to your own disputes over the herring in particular, I know you've had attempts collectively to try to solve this. It didn't happen. Others have been involved. It didn't happen. But from releases put out by the minister after his insertion, it seems as if everything is hunky-dory.

We've just returned from British Columbia where we spent three solid days and nights of hearings. What we were hearing is entirely different from what you're hearing in the sense of the type of resource. We were talking about Pacific salmon. The causes of the problems are exactly the same—a complete and utter lack of management, governance decisions by the seat of the pants, and absolutely no science. I believe herein lies our problem.

Perhaps just a comment from both of you about particularly the minister's involvement in the decision.... Did he think at the time you had the solution, or where is the solution, because it is a decision for the Minister of Fisheries to make to settle this problem?

The Chair: Mr. Alward.

Hon. David Alward: Perhaps we can just respond a little bit to this issue without going back to the previous question. The reality is that P.E.I. fishermen over the last six years, with the exclusion of this year, have caught more than their allocation. That is fact.

Minister MacAdam's discussion I think leads directly into your issue. What I'm here today saying, and what we have been attempting to promote in New Brunswick with our fleets, no matter what the fishery is, is the importance of management policy moving forward and the importance of making decisions, whether it's on allocation, conservation, or issues on transparency, etc., based on knowns—based on science and evidence.

We all work within a political realm. At the same time that Minister MacAdam and I are talking about the importance of science, the importance of fighting for our industry is there on any given basis. That's why, with what was being said earlier, at the same time, there was an indication that there's no science there. The reality is there is science there. Whether we agree with the science or not, that is another question. How complete is it? That's another question that we need to deal with.

When decisions are being made, we need to be making them based on science and evidence, and taking as much as possible that political realm out of the process. The political realm for the process is, to some degree, I suppose, in policy development. In terms of actual management, I would agree 100% that we need to move away from decisions that are “arbitrary” to those that are based on a clear, open, concise, and transparent process.

What's taken place over the last two years between New Brunswick and P.E.I. is an example of why that process is so important. I would also say that when we don't agree with the science or the process, it doesn't mean we should be falling back into the political bullying, or whatever else you want to call it.

Our fishermen and our industries need to have sound management tools. We need to remember that DFO is responsible for the wharf, we're responsible for the processing, and there's a disconnect. We need to have that ability to plan for the long term if our communities and our coastal areas are going to thrive.

• (1230)

The Chair: Thank you.

Minister MacAdam, do you have a comment?

Hon. Kevin MacAdam: Yes. I want to thank Mr. Hearn for the question.

I agree a lot with what David has said. Science is a critical part of it. But increasingly, year after year, DFO is not doing enough science. In fact, we're hearing lots of information that there may be as much as \$40 million taken out of this year's budget for science.

I would argue quite strongly that the science that is being done is not nearly enough based on what they tell us they're doing. Again, I haven't seen enough empirical evidence after the fact to suggest that it's the right thing to be doing.

I'll just give you one example, sir. When we had concerns of a carapace size increase in the entire region—LFAs 24, 25, 26—and the federal government went ahead with it, at the end of the day I supported them. By and large, up until the last management plan that was changed to LFA 25, it was a good thing. At the time, we had come to Ottawa. In fact, the Liberals came with us—our premier, myself—and we brought fishermen from every LFA in P.E.I. David Anderson was the minister. We sat and we asked, where is the science to justify that particular increase? They said, we have all kinds of science. We said, where is it? They didn't have the science.

To this day, through the Lobster Health Research Centre at the Atlantic Veterinary College, which is for all the Maritimes, Prince Edward Island is doing basically most, if not all, of the science and all the studying—we were doing extensive tagging studies—that we turn over to DFO.

In New Brunswick, some of their industry sectors are doing and paying for, out of the industry, most, if not all, of the science. Industry has been downloaded to do the science or third party for DFO. DFO, in some cases, is still superceding that and making their own decisions.

If they want to work more transparently, more openly, with governments and industry, and if they have the final decision, they have to put their money on the table and do the science they're responsible for, because it's the industry and fishermen who have to live with the results. That's happened, not just under this administration, but it's happened for years. Every government has been guilty of that. I'm not pointing the finger at any one individual administration.

But if we want to protect what resources are left there, you have to put the money into science to do that, so the bickering or the bullying, as was referenced by Mr. LeBlanc.... Then you can deal with empirical facts. But when it's so scant and so limited, it's very difficult to deal with facts.

The Chair: Just so I understand, you asked DFO for science, and they said “We've got lots of science”, and you said “Show me”, and they couldn't show you?

Hon. Kevin MacAdam: I have asked, sir, going back to Minister Thibault, and I have asked Allister Surette, and now I've asked Minister Regan, “Where are all the facts? Can you send me a booklet, a document, of all the science that's been done”—in this particular case—“on the herring?” It would also be relative to other species, whether it's tuna or you name it. I haven't got it; I haven't received anything.

The Chair: What's their response? Why haven't they provided it?

Hon. Kevin MacAdam: Minister Thibault committed to me that he would provide me with that information, and at that time he commissioned Allister Surette to do a report.

The Chair: Yes, but that's not science; that's a report.

Hon. Kevin MacAdam: No, but he was providing the science to us, or said there would be a commitment that it would come. That was in the last meeting I had with him, at which time he appointed Allister Surette shortly thereafter. We still had asked for it. There was a change in ministers at that time. We've asked Minister Regan in verbal meetings on that.

The Chair: And so far there's no indication that the science got burned in a fire in Halifax?

Hon. Kevin MacAdam: No, that was supposedly just the documentation regarding the change in the lot.

The Chair: That's some good news anyway.

Hon. Kevin MacAdam: I hope that's the case.

The Chair: Minister.

Hon. David Alward: In responding to that, with the opportunity for cooperation between provinces, we would be pleased to provide probably five boxes' worth of science and research that's been done, which we have access to and I'm sure is available out there.

• (1235)

The Chair: To whom? To DFO or to Minister MacAdam?

Hon. David Alward: No, to Minister MacAdam.

The Chair: Maybe DFO needs it too.

A voice: It's on the website.

Hon. David Alward: My expectation is that information is out there.

The Chair: Good.

Mr. Murphy.

Hon. Shawn Murphy (Charlottetown, Lib.): Thank you very much. I want to thank the witnesses for appearing.

I guess in my first question I want to talk a bit about the court case.

Minister MacAdam, you're here lobbying on behalf of a province, which is your job and you do it effectively; you advocate and you battle. It's a very difficult issue. In Atlantic Canada we have five provinces and one territory, and these battles are fought in the fisheries every minute of every hour of every day of every year, and they have been for the last 40 years.

As you're probably aware, my father was the area manager of Prince Edward Island back 25 years ago. I remembered turning the TV on every night and he'd be there on the wharf battling the fishermen. He died without solving all the problems. As for his father, he was the minister who left the ministry without solving all the problems.

You're doing your job, but I'm intrigued by the court case. Obviously, you either feel that the minister has no jurisdiction to make these decisions—or do you want it done on a territorial basis? I'm just totally perplexed, because the happiest person in the world will be the minister if the courts decide that he has no jurisdiction and that it's going to be the courts now that decide who gets the northern cod and the gulf shrimp.

On what basis is this court case proceeding?

Hon. Kevin MacAdam: The basis, Shawn, is that we've had discussions year after year after year, as I say. The only fishery we have in our province...and, yes, you could cite some examples of some resource allocation. I had a chance to talk to Mr. Matthews, who was telling me about some of the issues presently going on in his province.

We've had to rationalize our fishery, not unlike any other province. The only bread-and-butter fishery—and it's not without its problems—that we have in Prince Edward Island, literally, is the lobster industry. We have no real meaningful access to northern shrimp like other provinces do; we have no real meaningful access to gulf shrimp, and in many ways, if we had gotten our share of that quota it could have been a land-based—

Hon. Shawn Murphy: Sorry to interrupt you, Minister, but my question is, what do you expect of the courts? Are the courts going to go in and make the decisions as to the allocation of the northern shrimp, or are they going to say that the minister has no constitutional authority to make those decisions? Or are the courts going to say that you have to do it territorially, so that whatever fish are caught right along the shores of a province are their fish?

What are you looking for? I'm totally perplexed as to how the courts are going to..., I don't think a judge would come in here and say, "Yes, I'm the fellow who can make all these decisions and henceforth I will make all the decisions on crab, shrimp, cod, lobster, herring, tuna. I'll make all the decisions that will be made." I don't think the courts are going to do that.

Is it the total abdication by the constitutional...or is it on some territorial basis? Can you enlighten us?

I know the arguments you've made to us all.

Hon. Kevin MacAdam: I guess the issue comes back to resource allocation, if you want to be very specific about it, and how those

decisions are made. We feel they are being done arbitrarily. The minister has final say in those decisions. There are other areas that are coming into that decision-making process, whether we want to admit it here at a public meeting or otherwise, and that's politics. As I said, I've talked to different ministers who have been honest enough to tell me how and why those political decisions were made.

Mr. Murphy, the issue comes back to this. If we want to have an open, transparent process, and if a province feels it has gone to all of the advisory meetings and has attended all of the ministerial meetings, supposedly to get a share, or whatever this "fairness" or "equity" share is—which are two of three principles of what DFO espouses—and we haven't, and we feel we haven't, and we think and feel we can demonstrate that we haven't, then we're forced, we feel, to take it to the courts to see if they would make a decision about the ministerial right to have this unfettered control in deciding who gets what and how much.

• (1240)

Hon. Shawn Murphy: If that is the course you're taking, you will certainly agree with me that in the courts everything will be on the table. The Prince Edward Island lobster industry would be on the table.

Hon. Kevin MacAdam: Absolutely.

Hon. Shawn Murphy: Absolutely. So whatever decisions the court might take to divide that up between Nova Scotia, Newfoundland, and—

Hon. Kevin MacAdam: Well, I'll qualify that. The difference there is, if you consider the resources that are being looked at and discussed—obviously if some other jurisdiction wants to bring that up, they will—we have zones right now on the lobster side of things, whether it be in New Brunswick, Nova Scotia, or even Newfoundland, that are inshore fisheries, by and large, for those particular provinces. I don't think anybody has ever truly questioned the access to or allocation of lobster, other than calling for management plans and saying we need more conservation.

The other issues we're talking about are areas of shared jurisdiction that have been agreed upon as shared jurisdictions: snow crab, gulf shrimp, northern shrimp. That's the difference. I don't want to misconstrue that lobster is on the table, because it is not, in the context that it's absolutely different.

Hon. Shawn Murphy: You're going to tell the judge that lobster is not on the table, but you want—

Hon. Kevin MacAdam: I'm not going to tell the judge anything.

Hon. Shawn Murphy: Oh. But how are you going to keep it off the table? That's my question. It is on the table.

Hon. Kevin MacAdam: You're a lawyer.

An hon. member: A good one too.

Hon. Shawn Murphy: I have another question, and I'm probably running out of time.

The Chair: You're beyond your time.

Hon. Shawn Murphy: I have just one more question, Mr. Chair, if I may.

A court case has been started. I practised law for 25 years, and in a situation like this—and I won't be making the decisions, as you can appreciate—it's going to be very difficult for DFO to discuss this issue or any issue involving fisheries management while this court case is going on. I would expect other provincial governments to intervene in the case. I would expect that no government will be satisfied with a decision from the Prince Edward Island Supreme Court or the Prince Edward Island court of appeal, and they will certainly want a ruling from the Supreme Court of Canada. I don't foresee any discussions going on over the four years during which this takes place.

Do you really see this as being helpful? Don't give us the answer "Give us what we want and we won't continue with the court case," because that's not going to work; no one's going to do that. It's the court case and no discussions or you continue to work within the management plans. You are advocating the court case. That's what your answer is.

Hon. Kevin MacAdam: What I'm saying is this, and I hope you'll recall yourself: it was, hopefully, where you and your colleagues genuinely felt you were coming from during the last election. You stood there in support of the fact that we had a right, as a province, in some of these areas, whether on tuna or on the herring issue and putting the line back. I hope we'd all be, in many ways, on the same page. I know we were that month.

Some hon. members: Oh, oh!

Hon. Kevin MacAdam: That being said, the question comes back to resource allocation. Is the fact that Nunavut is going to court on resource allocation going to affect the way you, in your capacity, deal with your representatives from the territory of Nunavut, or the province of British Columbia, and the province of Quebec, which are having legal actions through their industry groups? I don't think so. There is a process; you deal with it. Our lawyers will be dealing with it on our behalf, your lawyers will be dealing with it on your behalf, and I guess the courts will make the final decision.

The Chair: Thank you.

Before we go to Mr. Stoffer, just so I understand, Minister Alward quoted section 7 of the Fisheries Act, which gives pretty broad power to the minister. Do I understand the legal case launched or to be launched by P.E.I. is to challenge section 7 and the minister's absolute discretion? Is that what it's about?

Hon. Kevin MacAdam: Mr. Chair, it's my understanding, in talking to our legal counsel, that for those types of questions—and again I'm not a lawyer—when they get to a discovery process, which is pre-court, they will decide the scope of issues that will ultimately be looked at. That's the way I understand it.

I see Shawn nodding. They would understand it more than I do.

The question comes back not to saying the Minister of Fisheries shouldn't have a say or a role. Part of the problem is—and again I go back to the meeting on November 26, just a week or two ago. Here we have the present minister dealing, and I think genuinely wanting to deal, with overhauling the Fisheries Act, and dealing with some kind of transparency in resource allocation. I can pull these out since 1996. It hasn't happened. It's been talked about consistently, consecutively. It hasn't been dealt with. We feel we've been denied,

year after year after year, because it hasn't been dealt with. Unfortunately, we're going to try to deal with it now, presently, through the legal system.

● (1245)

The Chair: All right.

Mr. Stoffer.

Mr. Peter Stoffer: Sometimes on this committee I feel like a kid back in school—the last guy to get picked to ask a question. I have issues; I have emotional issues here.

Some hon. members: Oh, oh!

Mr. Peter Stoffer: Anyway, I thank both of the ministers very much for coming today. I appreciate the fact that both of you are standing firm for your provinces, and so you should.

Mr. Alward, I'll start with you. A while back you offered a provocation by going to Prince Edward Island to deliver food for the fishermen on the seiners. I don't know who gave you that political advice, but thank goodness you didn't come to Nova Scotia, because you would have met me on the other side of the bridge if you had done that to our province. I feel whoever gave you that advice is simply wrong. This is a very serious issue you're dealing with, with the federal government and P.E.I., and to take that type of action simply puts people's backs up, and discussion is finished when that happens.

Mr. MacAdam, in your particular case, I believe this court case is more political than it is logistical. Mr. Murphy is right: DFO will now just shut the doors down and say, "The courts will deal with it; we're not going to talk to you." Even though there are other court cases across the country, and many individuals have court cases against DFO, I look at this perception as an outsider and say: "Well, get in line. What's new? Another court case against DFO? That's not new."

I'd like your comments, Mr. Alward and Mr. MacAdam, on that. My questions to you are these.

Mr. Alward, does the Maritime Fishermen's Union support the seiner fleet in fishing just off the fathom line that is currently there now? My indications are they're actually supporting the PEIFA, but I'd like to get that clarified from you, if that's possible.

The question for both of you is, does seining for herring damage lobster grounds? I'd like to hear from both of you on that issue, and also your viewpoint on seismic testing. I know seismic testing is quite a concern in the gulf, and some people are indicating this may be one of the many reasons why lobster stocks are down. I'd like your viewpoints on that.

Also, Mr. MacAdam, I have a question again for you. You talked about this Northumberland Strait fund. When I look at it just from the periphery, to me—and I'll stand to be corrected—it indicates a corporatization, or further enhancement of access to the stock, which is a public resource, concentrated in fewer and fewer hands. That scares me, because like the scallops in the George's Bank—it's mostly controlled by one individual company, which is Clearwater—with all the trust agreements going around the east coast right now, I certainly don't want to see lobster concentrated into fewer and fewer hands. As Mr. Bevan says, he would like to “remind everyone that the fishery resource belongs to all Canadians, and not to any one group or any one province”. He says that, but the reality is, we see the corporatization and the shrinkage of fishing activity in the country as it goes into fewer and fewer hands.

Those are my initial questions. I have many more, but please go ahead.

The Chair: Please note that we have ten minutes left. Could we keep the answers tight?

Hon. David Alward: Sure.

The Chair: We'll go to Minister Alward first. His first question was: does the Maritime Fishermen's Union support seining where it's happening?

Hon. David Alward: And before I respond to that question, he asked me to respond to his statement. I certainly will, number one, stand up for our fishery, but the provocation did not take place when I went to P.E.I. The fact that seiners who legally have the right to fish off Prince Edward Island, who legally have the right to land at a federal wharf, which is funded by the taxpayers of Canada, the fact that they did not have the ability to buy basic food stuffs, to buy basic fuel for fishing, that's where the provocation took place.

Excuse me, but I take real exception to it. Would I prefer not to ever have had to do that? Should discussions on the agreement we had come to a decision amongst the jurisdictions before the fishery started...? Should that agreement have remained in place? Yes, it should have. Unfortunately, one of the stakeholders decided to try to go around the agreement. I think that's the unfortunate part of it.

In terms of the MFU, they have certainly refrained from becoming involved in this issue. The question really is best asked to them. We're certainly working very closely with the MFU on quality issues. With some of the fish now, we have research we're supporting on ensuring that there is a quality product long term. We had some issues in some of our exports this past year. Those are issues for the whole herring fleet that we need to be working on.

Specifically on this issue, they've really remained outside it, but you should direct that to Ron Cormier, or Sandy, one of them directly involved.

In terms of the impact on lobster habitat as well, there was a test or, again, science research done in 2002 in the Bay of Chaleur by DFO, and it was clear that there was no impact on the lobster habitat.

•(1250)

The Chair: On that question, could we get an answer from Minister MacAdam as well? Does seining for herring damage lobster grounds?

Hon. Kevin MacAdam: In terms of seining for herring per se, the rules were changed in Prince Edward Island. Yes, it would have, because they would have been entitled to go right to the beach lines. Now with the 17-fathom line it is a concern on the part of inshore fishers. I suppose what we're being told is that from this three-year science protocol they'll be able to tell us whether it does or it doesn't. And they're telling us for the moment it doesn't, but I think it's all included in this three-year protocol.

The Chair: As we're told:

The seine gear is a large net designed to encircle herring in the water column and not designed to rake the floor of the ocean. Only accidentally does a seine net touch the bottom. Some vessels are equipped with sensors to avoid such contact.

Monitoring of herring seiners indicates that incidental catch of lobster is not an issue.

Do you disagree with those statements?

Hon. Kevin MacAdam: I haven't seen any real facts, and I suppose New Brunswick will be kind enough to send us some information.

The Chair: The third question was the Northumberland fund, which was addressed to you, Minister.

Hon. Kevin MacAdam: The Northumberland fund comes back to some issues...again, it's a concept. I don't think you're going to see a corporatization of any resource, and if I wasn't clear, I apologize.

The proposal is that the nation's resources, say in the gulf region, will be put into a fund for fishermen, not for large corporations, to administer. It will be for fishermen to administer themselves, to get a market value from that allocation of resource. It will be for them as fishermen, from three provinces, to decide how they would retire licences, how they would do science if necessary. If you talk to fishermen they know there's too much effort in a very concentrated area. They're just looking for mechanisms to be able to buy other fishermen out. So the resource would stay with fishermen, not with corporate entities.

Mr. Peter Stoffer: And the seismic testing?

Hon. Kevin MacAdam: The seismic testing...I can't remember the acronym. Is it CNSOPB?

Mr. Peter Stoffer: Canada-Nova Scotia Offshore Petroleum Board.

Hon. Kevin MacAdam: Yes, we have a person who sits on that board on behalf of the province. They're not a voting member. We've always tried to put our position in a very forward manner. We were concerned and opposed—our premier was—to the seismic testing for fear of what it might do for stocks. Our position has not changed on that.

The Chair: We have more or less five minutes.

Mr. Peter Stoffer: The New Brunswick minister hasn't answered on the seismic...

Hon. David Alward: We also had concerns about seismic testing. Again, to this point in time, we don't believe that all the information is there.

The Chair: Thank you.

We have five minutes left, more or less.

Mr. Matthews. Mr. Cummins wanted to ask a question or two and I have one or two. Go ahead.

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

I want to thank the ministers from fisheries for coming.

I have a question for Minister MacAdam on the northern shrimp on your slide. You say allocation must be fished by others. Can you elaborate to the committee why that is?

Hon. Kevin MacAdam: That it has to be fished by others?

Mr. Bill Matthews: Yes. You say the allocation must be fished by others. I'm wondering if, for the committee's information, you can tell us why that is.

Hon. Kevin MacAdam: Sure. When we applied for access to northern shrimp, Minister Dhaliwal was the federal minister of the day, and we were told, as we were since 1978, have industry groups put in proposals. We had two companies on the Island that put proposals in, not unlike any other company around the region. The federal government decided that instead of giving it to any one particular company in P.E.I., they would set up what was called the PEI Atlantic Shrimp Corporation. So it was fishermen with ex officio people sitting on that board, where the quota would be given to them—and that's why I'm using the example of setting up the same formula for the Strait fund—and they would sell it to the highest person or company that was fishing northern shrimp and they'd get a cheque for it.

• (1255)

Mr. Bill Matthews: So that's averaged \$750,000 a year.

Hon. Kevin MacAdam: Yes, and those rules—

Mr. Bill Matthews: To have a boat in the water.

Hon. Kevin MacAdam: Basically, yes, and that was imposed on us. We didn't have any say in setting it up any other way. That was how Minister Dhaliwal and the folks at that time set it up for Prince Edward Island.

Mr. Bill Matthews: Looking again at your issue summary back on page 14, you're talking about the different species there: herring, tuna, gulf shrimp, and so on. For herring you have “adjacency and equity”; for gulf shrimp you have “adjacency and equity”; for snow crab you have “history, adjacency and equity”, but for northern shrimp you just have “equity”. That's like tuna. So your argument there is that since Minister Dhaliwal gave you 1,500 tonnes, you think then that you should get an increase in that each year. Is that your point, based strictly on an equity principle?

Hon. Kevin MacAdam: I agree that I believe we should get permanent access to it. How much? That's arbitrary. Should we get an increase every year? I'm not suggesting that. That's a decision obviously that continues to be made. Our concern, sir, is that since 1978 licences have been granted to jurisdictions, but predominantly companies, that had applied for northern shrimp access. Every province—Nova Scotia, New Brunswick, Quebec, Newfoundland, and even Ontario—was granted access to a licence. We haven't done anything different between 1978 and 2000 when we actually got our access. It's just that we had a minister of the day who decided you're going to get a portion of access but not a permanent one. So we just

didn't pull it out of the air because we had followed the process since 1978. We were just never granted access.

Mr. Bill Matthews: So your contention is then that prior to you getting your 1,500 tonnes there was no adjacency principle enforced, or whatever, on that resource. Is that your contention?

Hon. Kevin MacAdam: I look at the principles that I argued at the time and I'll argue today. If you look at fairness, equity, and adjacency, adjacency wasn't considered for the provinces of Quebec, New Brunswick, Nova Scotia or Ontario. They were no more adjacent to northern shrimp than Prince Edward Island, yet they got allocations and quota. That's why I say, with the greatest respect, these three principles, they're floating. They apply when necessary and then they're taken away in other scenarios. There's no clear, transparent process. Those three principles are taken from the DFO website. I've always had an issue, as have other colleagues, with how they're interpreted by the minister and the department of the day.

Mr. Bill Matthews: My point is that based on your court case, whereby.... I'm looking at your history here, and we have resources adjacent to your province and it's pretty much up for grabs. This is going to be a free-for-all. I can tell you that right now. People like myself and others will see that it is. I'm sure our provincial governments...like you're doing your job in your province, and the other ministers.... This is going to be one hell of a free-for-all. I'm really not sure what the end result of all of this is going to be. I just say that as a comment, not as a question.

The Chair: Thank you, Mr. Matthews.

Mr. Cummins.

Mr. John Cummins: Thank you, Chair.

I'd like to get a clarification if I could. Currently, the seiners come in to the 17-fathom mark. Is that correct?

Hon. Kevin MacAdam: That is correct.

Mr. John Cummins: How deep are their nets?

Hon. Kevin MacAdam: I think they're supposedly two to three feet off the bottom.

David, you might know more about this. I haven't been on a seiner. I've seen the videos of how they work, but I've never been on one.

Mr. Joseph LaBelle: The seines that are being used now are 30 fathoms. As you are certainly aware, the way a seine works there's a set width. There are 30-fathom seines, and the way it works is that First of all, a seine is worth \$100,000, and when you drag it on the bottom it tears, it rips all out, so you don't want to do that. That's where we maintain that we don't want to have a We know from the work that was done by DFO in 2002 in the Baie des Chaleur in 12 fathoms of water and 10 fathoms of water, there is minimal bottom contact, and when there is bottom contact, we don't want to have that. That's why, in response to the concerns, the seiners agreed to a plan that sets up a scientific fishery only between 17 and 20 fathoms. That has 100% observer coverage, and one of the vessels has a Scanmar sensor, a bottom contact scanner. The whole point of this was to spend three years fishing at that depth with 100% observer coverage, with special protocols for the observers to monitor any kind of bottom contact there might be in that area.

•(1300)

Mr. John Cummins: But if you're using a 30-fathom seine and you're fishing in 17 fathoms, there's going to be bottom contact, isn't there?

Mr. Joseph LaBelle: When you purse the seine, the way the seine purses up...I'm sure you're familiar with—

Mr. John Cummins: Yes, I'm familiar with how the seine works. You're going to have bottom contact.

Mr. Joseph LaBelle: The seine is not a drag—

Mr. John Cummins: If you dragged across the bottom prior to pursing, as you're setting, there's going to be some contact.

Mr. Joseph LaBelle: Our experience in the Baie des Chaleurs is the way they pull up the bottom line and the way they keep the taut on it, there's minimum bottom contact.

Mr. John Cummins: On this issue you can talk about the science and you can talk about environmental issues and whether or not the TAC is right. All of those issues I think are ones that are not necessarily easy to resolve, but I think they can be resolved because people go into those kinds of arguments and they can buy a little bit of slop, because we're always guessing what the TAC should be. There are always going to be various opinions on it. In the end, we all buy into a number even if it's not exactly what we want. Isn't the real issue here adjacency? Isn't that the real issue if you wanted to get down to it?

The Chair: I'll direct that to Minister MacAdam.

Mr. John Cummins: Anybody. I think to me this is what the story is.

The Chair: Let's start with Minister MacAdam.

Hon. Kevin MacAdam: Our concern is that we had a line in the water and it was 25 fathoms. It wasn't 17 and it wasn't to the beach line; it was 25 fathoms. We had no problem prior to that with the seiners fishing in the Bay of Chaleur or fishing outside of 25 fathoms in the gulf. It's only when they came into the 25 fathoms that our hackles got up and our concerns got up—and our concerns were not, we feel, respected by DFO. I would argue that if any other province found themselves in that particular situation, particularly when they had no documentation to support why the change from 25 fathoms to the beach line was put there in the first place...if you want to get to

the nuts and bolts, that's the bottom concern when it comes to the herring industry.

The Chair: I'd like to ask a couple of questions.

What was the situation prior to 1983?

Hon. Kevin MacAdam: Prior to 1983?

The Chair: Yes. Was there any exclusion line?

Hon. Kevin MacAdam: There was a 25-fathom line.

The Chair: Prior to that I'm talking about, in the mid-sixties, let's say?

Hon. Kevin MacAdam: I'd have to go back to my notes. I don't have that, to be honest with you.

The Chair: From what I understand, DFO arbitrarily set a line in 1983 at 25 fathoms. No?

Can you help us, Mr. LaBelle?

Mr. Joseph LaBelle: Our understanding from the work that Mr. Surette did was that there was a line introduced in 1979 as part of a number of changes that were made to the regulations. One of the elements to that was to create a closed zone in the Northumberland Strait.

The Chair: Right, but my point is—

Mr. Joseph LaBelle: That line was created first in 1979 and was created at a 25-fathom line, and it ran from the middle of August to the middle of September.

The Chair: But that line was arbitrarily created by the Minister of Fisheries and Oceans federally, right?

Mr. Joseph LaBelle: Yes, through a variance order at the time, and regulation.

The Chair: Right, and prior to that there was no line.

A voice: That's correct.

The Chair: And subsequently, in 1983, they refined that line, again using the absolute discretion of the minister—presumably to the benefit of the province of P.E.I. I don't know, but I'm guessing.

At some point that line was again changed, again arbitrarily by the minister, exercising the same jurisdiction he exercised in 1983 and the same jurisdiction he exercised in 1979. Am I right in that?

Mr. Joseph LaBelle: In 1983, 1984, and 1986 the lines were changed by regulation at the time, rather than—

The Chair: Whenever it may be, the minister was exercising at all times his absolute discretion to do what he thinks is in the best interest of the fishery, correct?

Mr. Joseph LaBelle: Through the governor in council.

The Chair: Of course.

Hon. Kevin MacAdam: You are correct, and it was 1978. But our concern about the minister changing his decision is that we ended up in 1983 and 1984 with two separate interpretations, a French interpretation and an English interpretation, of the regulations, and DFO couldn't find why or how there were those two interpretations. The province, the fishing groups, and the industry group have no written correspondence, and seemingly DFO has no correspondence about why the change was made. That's part of the concern.

We recognize that somebody at the time made the change in 1978, and it was in place until 1984, but then we found this other decision with no documentation.

• (1305)

The Chair: All right.

I want to ask a couple of questions. I don't want to drag this meeting on unduly, and I'd appreciate your staying just a few more minutes.

I'm trying to get a handle on the biomass. According to these speaking notes from Mr. David Bevan, he says:

It was true in the 1960s and 1970s that large seiners dominated the fishery at a time when landings peaked at 300,000 tonnes.

Does that mean landings were 300,000 tonnes of herring per year?

Mr. Joseph LaBelle: Yes.

The Chair: That means there was an awful lot more biomass in the ocean, if you could take 300,000 tonnes. Isn't that right? Am I reading that correctly?

Mr. Joseph LaBelle: The biomass was significantly higher, but I think there's consensus that exploitation was much too high for the biomass there was.

The Chair: Let me go where I'm going.

Now, Mr. Bevan says, in the fourth bullet point:

This fishery, now worth more than \$30 million a year, employs hundreds of men and women in coastal communities in NB and PEI. Contrary to the belief of some people, herring stocks are healthy. In October, 2003, an acoustic survey estimated the biomass of herring migrating on the north coast of PEI at about 175,000 tonnes.

If I'm reading that correctly, Mr. Bevan's definition of healthy is half—currently the entire stock is half, more or less—of what used to be taken in the sixties and seventies. To me that's not a definition of healthy; it's a definition of a stock that is recovering from a rapacious fishery.

Do you agree that the herring stocks are healthy?

Mr. Joseph LaBelle: Mr. Bevan's note there refers to an acoustic survey that was done on the northern side of P.E.I. in October 2003, showing 175,000 tonnes. Currently, over the last four years the average biomass of commercial fish in the southern gulf in the fall component is 318,000 tonnes.

The Chair: Okay, but that's still much smaller than it clearly was in the sixties and seventies.

Mr. Joseph LaBelle: It's still much smaller, yes.

The Chair: So realistically, in a period of 40 years the fish are still recovering to try to get to where they used to be when 300,000 tonnes a year was landed. Isn't that right?

Hon. David Alward: Let me add that if you go back to some of our original comments, that is why New Brunswick and DFO have been promoting landings below what the scientific TAC would indicate, so that we could see the fishery grow.

Mr. Joseph LaBelle: Another element is this. We don't have as long a time series as they have in British Columbia, but there are very clear patterns that there's a sizeable and considerable variation in pelagic stocks and herring stocks, up and down. It is quite conceivable you would have a natural fluctuation that would go from 400,000 or 500,000 tonnes in the southern gulf fall component down to 200,000. It's a question of getting a handle on that and making sure the fishing effort matches it and that we're not over-exploiting when it does come down.

The Chair: That doesn't take me anywhere; I'm just trying to get a handle on the fish. We're constantly hearing, as we heard—and I stepped out when reference was made to British Columbia—that the first priority of the department is conservation, and all I keep seeing is less fish. I don't see how conservation is being managed if every time we look around there's less fish than last year. I'm just startled by it.

Anyway, that's it.

We'll hear Mr. Keddy, and then a point of order, recognizing that it's already ten minutes after one.

Go ahead.

Mr. Gerald Keddy: I appreciate that.

I have one point of clarification. For the 30-fathom seine, the 30 fathoms is from your float to the weight on the bottom of the net. The seine is set in a circle, and then the purse is drawn, so if you're in less than 25 fathoms of water, how can it not drag the bottom?

• (1310)

The Chair: Mr. LaBelle.

Mr. Joseph LaBelle: The seine is held both at the top and at the bottom of the purse line, at the bottom line. So when that is put out and the vessel is still making a circle, the idea is to hold that bottom line taught so it's not dragging on the bottom.

Mr. Gerald Keddy: With all due respect, you still have five fathoms more net than you have depth of water. I realize the bottom may not be rocky and you may not get a lot of damage, but I can't imagine that you're not on bottom.

Mr. Joseph LaBelle: We also have scanners on the bottom.

The Chair: Some of them do.

Hon. David Alward: We have them anywhere there's fishing between 17 and 20 fathoms, in terms of the science effort this year.

Mr. Joseph LaBelle: We don't have the Scanmar scanners on all of them, no.

The Chair: The evidence is there are scanners on some but not on all of them.

Mr. Gerald Keddy: And if you're inside the 25-fathom line then there's even more chance than if you're in 17 fathoms or 15 fathoms.

The Chair: We get your point, Mr. Keddy.

Mr. Gerald Keddy: Thank you.

The Chair: You have a point of order, Mr. Stoffer.

Mr. Peter Stoffer: This is actually for your benefit, Mr. Chairman. You said previously that the minister made changes to the lines "to benefit the fish". Now, I knew you didn't mean that because if he was benefiting the fish we probably wouldn't have this conversation today. I haven't seen any minister do too much that

actually protects fish stocks, so I think you may want to retract that benefit-the-fish stuff.

The Chair: Perhaps I should have said "in an honest effort to attempt to benefit the fish".

Ministers, we very much appreciate your appearance here. I hope things went more or less as you hoped they would. To you and your assistants, deputies, and advisers, thank you very much.

Colleagues, just for your information, on Thursday at 9:30 we being our deliberations on the kind of report we want to make on British Columbia. We'll have two notices of motion by Mr. Cummins that we'll be dealing with.

The meeting is adjourned.

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