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Thursday, November 9, 2006

Chair

Mr. Gerald Keddy

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• (1115)

[English]

The Chair (Mr. Gerald Keddy (South Shore—St. Margaret's, CPC)): I'd like to call the meeting to order.

Pursuant to Standing Order 108(2), the committee continues with the study on the issue of new rules for boat stability, and in particular the matter of the fishery boat length requirements.

Again, welcome, everybody, to the forum, and welcome to our presenters.

Gary, I hope you don't mind.... I called Gary Dixon yesterday. He picked up the phone and said, "I can't talk." I said, "Gary, you have a terrible cold." I said, "Gary, can you come tomorrow?" And Gary said, "I'm in my deer stand."

Voices: Oh, oh!

The Chair: We appreciate your taking the time out in the middle of deer season to attend the meeting.

I'd like to welcome our presenters. This is an important issue. We certainly have a number of representatives here from the boat building industry and from the fishing industry.

As everyone in the room, I'm sure, is aware, Transport Canada brought in new regulations in 2004. They haven't been implemented yet, but they're going to deal with stability tests and the safety of our fishing boats.

It could be expensive to go through a stability test, \$7,000 to \$10,000 for individual fishermen. So we're trying to hear from, first of all, the fishermen, and certainly the boat building industry, on how we can implement this, how we can support safety, and at the same time make it so that fishermen can still afford to fish and not have to spend their entire earnings on boat stability tests, when they already have a Canadian steamship inspection certificate.

We do have some individuals in the room who wanted to know how to submit a written report to committee. You can submit a written report to the clerk of the committee at the House of Commons. And she's writing furiously here now. Actually, she's given me her e-mail address, which is FOPO@parl.gc.ca. If e-mail doesn't work, then snail mail will. We're still happy to hear any further submissions from the audience.

We'll move on to our first witness. Who's first? Do we have a pecking order?

Dixon's Marine Group.

Mr. Gary Dixon (Owner and President, Dixon's Marine Group 2000 Inc.): I thought I was just coming to a meeting to listen to what was going to take place.

The Chair: I'd just ask people to speak slowly, if they could. We do have simultaneous translation. We would like to keep submissions to ten minutes or under, if we could, please.

Mr. Gary Dixon: When it comes to the stability thing, George has a proposal all done. I'd suggest we let him go through his proposal first.

The Chair: Absolutely. What a good idea.

Mr. Rennehan.

Mr. George Rennehan (President, Eastern Fishermen's Federation): No, George doesn't have a proposal. Melanie and Lisa are going to deliver the proposal.

The Chair: Boys, I've seen the buck passed before.

A voice: It is deer season.

The Chair: It is deer season, right.

Mr. George Rennehan: George will do part of it.

The Chair: Go ahead, Melanie or Lisa.

Lisa Anderson.

Miss Lisa Anderson (Executive Director, Nova Scotia Fisheries Sector Council): I guess I'm first, then.

Just to give you a little snapshot—I'm sure that some of you are probably quite familiar with the fishing industry—but as an overview of the maritime region, the maritime region is made up of Nova Scotia, New Brunswick, and Prince Edward Island. The fishing industry is the major economic driver in these coastal communities, offering many direct and indirect jobs.

Top species landed in the region are groundfish, herring, mackerel, lobster, scallop, and snow crab. Landed values and quantity for the maritime provinces is based on 2003 statistics from Fisheries and Oceans Canada. The value of the Canadian fishery was \$2.23 billion. Of this total, \$1.14 billion represents the maritime region, which is 52% of the Canadian value and 62% of Atlantic Canada. Within these same statistics, the quantity landed in Canada was 1.12 billion tonnes. In the maritime region, 546 million tonnes were landed, which represents 48% of the Canadian total and 60% of Atlantic Canada.

In looking at the number of vessels, based on statistics made available by Transport Canada in January 2006, there were just over 20,000 fishing vessels in Canada; 64% of these fishing vessels are located in the maritime region. Of the total fishing vessels in Canada, 79% are under 15 gross tonnes. Based on 2002 statistics from Fisheries and Oceans Canada, there was a total of 8,831 vessels under 45 feet within the maritime region.

In looking at the number of fishermen, based on 2002 stats from Fisheries and Oceans Canada, the total number of fishermen employed within Nova Scotia, New Brunswick, and Prince Edward Island is around 26,000 people. This represents 61% of Atlantic Canada. The number only represents direct employment within the fishery and doesn't account for the spinoff jobs that have been created within coastal communities due to the fishery.

In looking at some of the issues of concern from the maritime regions on the stability issue, within the Canada Shipping Act, 2001, fishing vessel safety regulations, proposed stability regulations are causing much concern within the maritime region. The maritime fishing industry—through outreach consultation sessions, regional and national CMAC, which is the Canadian Marine Advisory Council—has voiced a strong message that the proposed regulations on stability are not acceptable and will cause financial hardship to most fishermen.

The Nova Scotia Fisheries Sector Council, on behalf of the fishing industry, organized a fishing vessel safety working group for the Maritimes. There was strong representation and participation from the maritime regions at this session along with key personnel from Transport Canada, Marine Safety, Atlantic Region.

Some of the comments that we've heard from industry to date from some of these consultation sessions and CMAC meetings are as follows.

New stability requirements would definitely put some operations out of business, and they shouldn't apply to the inshore fishery.

The development of regulations and standards should be applied to the proportion of risks related to an operation, and if there were no real risk, then the requirements should not be added. For the inshore fishery, the new requirements would kill some of the fishery. What might be good for one form of the fishery may not be good for another.

A few accidents should not constitute every vessel being regulated for a full stability test. Fishing vessels that have had stability booklets still capsized.

Overloading has been pertinent. Regulations should be applied based on risk.

Fishermen in one particular area noted that there weren't any stability issues in their area of operations. Government was again accused of making regulations that could not be compiled by the industry. Common sense dictates stability. Overall costs related to stability testing would definitely impact other operational costs such as insurance, salaries, maintenance, etc.

It is education that is needed, not regulations.

Fishermen will be required to increase effort with all these additional costs, and this will actually put them at more risk than before. For one fisherman to outfit his vessel under the proposed regulatory changes would cost him an estimated \$68,000.

● (1120)

It was voiced strongly and collectively by industry that if you want safety, you require industry buy-in. Industry has been proactive in participating in the consultation process in cooperation with Transport Canada. We feel that the feedback heard from industry should be well noted and incorporated into the drafting of proposed regulations and related to small fishing vessels.

Ms. Melanie Sonnenberg (Coordinator, Eastern Fishermen's Federation): Thank you, Lisa.

To follow along, we've had a number of letters that came along after the meeting Lisa spoke about where we got the group together, where we got the industry together. Fishermen's associations across the maritime region are extremely concerned about the proposed stability regulations and the financial implications for their fishermen.

A number of associations have put forward letters to support the need for awareness and education on the issues, not more regulation. And sometimes, for fishing industries to take the time to write a letter in this day and age is in itself quite a thing. We'll submit them to the committee; we have a package here with a number of those letters so you can get a feel for what has been said.

The industry is safety minded, and I think that's one of the things we want to continue to remind everybody of. Sometimes at Transport Canada we've had the sense that we're being branded as unsafe people. I want to clearly state that the industry is very interested in safety. But we need to do it in a way that's beneficial for everybody. The incidents within the region have been minimal for the inshore fleet, and I think we have to continue to remember that.

The Nova Scotia Boatbuilders Association also recognizes industry's concern in relation to this issue and has also offered a letter in recognition of the issues faced by the industry. And I'm sure Harland will speak to that a little later on.

The vessel that Lisa spoke about in her part of the presentation, for \$68,000.... There was an economic impact assessment conducted by the Province of New Brunswick on a vessel from the Bay of Fundy. This assessment is in relation to the fishing vessel from Grand Manan, New Brunswick. The costs outlined in this document realized that if this vessel is to comply with the proposed regulations as they—

The Chair: Melanie, you may have to slow down just a little bit.

Ms. Melanie Sonnenberg: Slow down, yes.

The Chair: We have two more witnesses, and if all our witnesses are brief, you two can have more time.

Ms. Melanie Sonnenberg: All right, I'll slow down.

The proposed regulations as we have them today would cost him \$68,000. When he took his vessel to the naval architect, which was commissioned by the Province of New Brunswick, he thought it would be in the neighbourhood of \$45,000. He was quite shocked to find that it would be more like \$68,000. That's staggering. It's not affordable. This example is real, and it's a fine example of the regulations and the impact that will have on our fishing industry. We've listed in the presentation all of the associations that have put forward their letters of concern.

During our meeting, Lisa did an overview of the review of the Transportation Safety Board statistics. In that review, the statistical summary of marine occurrences for 2004 noted that marine accidents reached a 29-year low in 2004. A large portion of the marine accidents involve fishing vessels. This is due in part to the fact that fishing vessels play a large part in the number of vessels within Canada. The other thing that's not quantified by the TSB that's quite important is that we don't have a sense of what that relates to in fishing days. We have only the accidents, so it's hard to quantify exactly how that works out.

After studying the types of shipping accidents on average, the most common type is due to grounding. Striking would be a close second, followed by flooding, and fire and explosion. In looking at shipping accidents by region, the maritime region hosts 23% of shipping accidents, second behind the western region.

It was noted that fishing vessel accidents dominated the accident record in these areas. It was reported by the TSB that, compared to the 1999-2003 average, fishing vessels involved in shipping accidents showed a decrease in 2004 in both the western and maritime regions.

Preliminary marine occurrence statistics for 2005 showed a reduction in marine accidents, from 492 in 2004 to 480 in 2005. In reviewing the current marine investigations started in 2004 and 2005, of the marine reports released, 10 of the 36 were fishing vessels and only one vessel was from the maritime region, which was due to grounding.

The TSB has made recommendations based on its findings to a number of investigations and reports in the 2004-05 year. One of the reports was a highly publicized incident of the *Cap Rouge II*, which happened in the Fraser River in British Columbia, and the TSB put forward a number of recommendations to Transport Canada.

It recommended that:

The Department of Transport, in collaboration with the fishing community, reduce unsafe practices by means of a code of best practices for small fishing vessels, including loading and stability, and that its adoption be encouraged through effective education and awareness programs.

Really, I don't think anybody in the fishing industry disagrees with that. It's the next step that comes from that.

The TSB also stated in its recommendations that:

The Department of Transport require all new inspected small fishing vessels of closed construction to submit stability data for approval.

It stated as well that:

The Department of Transport require all existing inspected small fishing vessels currently without any approved stability data be subjected to a roll period test and

a corresponding freeboard verification not later than their next scheduled quadrennial inspection.

As to the current state of the small fishing vessel regulations, George, Lisa, and I have just come back from Ottawa last night, from the national CMAC meeting. Currently, the regulations are on hold. Transport Canada has commissioned three studies that will address the proposed small fishing vessel regulations, and in particular the stability issue.

The evaluation of risk factors is being considered by one consultant. A national risk assessment on the stability requirements for small commercial fishing vessels less than 24 metres in length overall is being considered, and a benefit-cost analysis and a RIAS for fishing vessel regulations are also being looked at. Results of these reports will be incorporated into the proposed regulations.

Our conclusions and recommendations regarding the subject are as follows.

The maritime region is host to a number of coastal communities through the provinces of Nova Scotia, New Brunswick, and Prince Edward Island. The fishing industry is an economic driver in these areas and offers numerous direct and indirect employment opportunities.

● (1125)

Over the last few years, Transport Canada has consulted with the industry on proposed regulatory changes being put forward in the Canada Shipping Act, 2001.

Various forums such as outreach sessions, CMAC, and working group sessions have had strong participation from the fishing communities across the maritime region. Comments and recommendations have been put forward by industry with regard to the proposed fishing vessel safety regulations, and in particular the stability initiative. There has been a strong message from our region that the proposed stability regulations are unjust for fishing vessels of the inshore fleet and that the economic impact would be substantial.

The most recent ship safety bulletin, which...actually, since we wrote this we found out there is a draft of a new ship safety bulletin. But currently, the one that's in effect, which was 04/2006, called "Safety of Small Fishing Vessels: Information to Owners/Masters about Stability Booklets", is of great concern to fishermen. The timing of the release was extremely discouraging to fishermen. On initial assessment of the bulletin, the financial cost to fishermen to obtain a stability booklet is enormous and unnecessary for most fishing vessels. A number of the risk factors listed in the bulletin are clearly open to interpretation and debate.

Transport Canada is moving toward a risk-based approach when assessing the need for stability analysis. Based on historical performance data from both fishermen and the TSB, fishing vessels in the maritime region do not present a stability risk and should not be subjected to unreasonable stability analysis.

The statistics put forward by TSB do not warrant such a drastic change to the regulations such as the one that Transport Canada and the ship safety bulletin are pushing. The fishing industry identifies safety at sea as a priority, and to effectively educate industry on stability, awareness is needed, not more regulations.

The fishing industry in the maritime regions supports the development and delivery of stability awareness, workshops, and tools. Government needs to invest in such a proposed initiative. This is much more focused and will create buy-in from the fishing industry, and it will satisfy both fishermen and the regulatory bodies, such as Transport Canada and TSB, for an interest in a safe and viable fishery.

Before I close, I want to say there were a number of developments at the national meeting in Ottawa. One of them is directly related to how we've come here today, about the boat length and the tie-in to the stability.

The Departments of Fisheries and Oceans and Transport Canada signed a memorandum of understanding at the meeting, and we've not had a lot of discussion with the departments that have been, to use, the right word, serious at those meetings about how cut-offs from Transport and cut-offs from DFO don't line up. So we really haven't come prepared today to speak to those issues, because in some ways it's a separate day on the boat length issue as opposed to the stability issue. Both of those topics are serious, but right now Transport and DFO are only just coming together to begin that discussion. I wanted to end on that. We're hoping those things will come forward in a way that puts industry at the table with them, to have reasonable discussions about where we go from here.

• (1130)

The Chair: Melanie, if I could just interject for a second, I appreciate that comment, because it's one of the things we've struggled with as a committee; that is the correlation between boat length and stability and the issue that the restriction of boat length has caused some stability issues in other areas, not necessarily in this area but some in this area and certainly some in the fishery in Newfoundland.

Ms. Melanie Sonnenberg: Absolutely, and certainly everybody is familiar with the *Ryan's Commander* incident, and some of those discussions certainly weigh into this.

But even when we talk about that, it's important for the committee to realize that there's been quite a disconnect between the two departments in terms of how those things have meshed.

The Chair: I appreciate that, and it's a subject we could spend another day on, without question.

Ms. Melanie Sonnenberg: Yes, we could.

The Chair: However, we're not trying to ignore it, and that's why we've put it on the table.

George, you go right ahead.

Mr. George Rennehan: I have a letter here from one of our members in the Eastern Fishermen's Federation, a well-respected fellow fisherman of ours. It's to his MP, Mr. Greg Thompson. He goes on to say:

Dear Mr. Minister:

Last weekend at our regular meeting of the Eastern Fishermen's Federation...we had your assistant present to hear our concerns regarding the Department of Transport's implementing the new Canadian Shipping Act and the effects it will have on our fishery. Also present was Transport Minister Cannon's assistant. We are trying to be sure that our concerns are getting directly to the people in charge. We had hoped we had achieved that. However, the "wharf telegraph" tells us that our representatives may not get to meet with Minister Cannon at the upcoming meeting of CMAC in Ottawa in November.

We need your help in making sure that our concerns get to the ears of the decision makers.

When I started in this industry over 50 years ago, our concerns were weather and fish availability. Today, added to these are changes and expenses of rules put on us by the DFO. Some years ago, DFO ran short of money—a result of that was downloading responsibilities to us, the fishermen. A virtual "cottage industry" has grown up around the supply of information to DFO that they should be doing themselves. Dockside monitoring companies, people hired to count dead fish, "Hail in, Hail out" expenses carried on the backs of fishermen. "Harbour authorities" and attending expenses are passed on to us with no legal authority to collect said expenses. "Black Boxes"—we each have various electronic devices that tell us where we are when fishing. DFO needs to know also. We pay for the "black box"; we also pay to turn it on and off, plus \$80 a month while it is in use. Next year they want us to put on CFV numbers or our names on our lobster buoys. With 300 lobster buoys it is going to take considerable time and some expense to do this, never mind that our buoys are already colour coded. Never mind that the regulation they wish to enforce does not mention our particular fishery. This makes it more convenient for them. It does not do it for us.

Now, along comes Transport Canada. Transport Canada is a much larger department than DFO. Fishery is a small part of Transport and being small sometimes makes it easier to fall through the cracks. On the first going off it was life preservers, flares, life rafts, etc.—things that some fishermen already had—practical things. Next comes MED (Marine Emergency Duties)—two days in a classroom with attendant expenses. One day in a pool to see how a life raft opens and how to get in and out of it. You get a certificate for this—which needs to be updated; medical tests with approved doctors and costs associated; a new radio and a two- or four-day course on how to turn it on and off, etc.

Now comes "Stability Booklets". I have a vague idea what a stability booklet entails. I know the cost is between \$10,000 and \$12,000 each. I also know that what I see with my eyes and feel with my feet as the boat goes through the water tells me more what needs to be done than words and graphs in a booklet. We use the word "feel" to describe what our boats are doing while they are under way. We know how they feel when they are "light" (unloaded) and how they feel loaded and every way in between. This is how we fishermen survive. You learn to feel, to be part of your boat and your boat a part of you, and if you don't you don't survive. If you cannot learn that, you do not survive in this business. Most fishermen having a choice will not take a boatload with lobster traps away from the wharf when the wind is blowing—

Two years ago, DFO delayed the opening of the fall lobster fishery due to an unfavourable weather forecast for setting day. I applauded them then, and I applaud them now. That was "common sense" applied. Unfortunately, "common sense" is a coin in short supply when dealing with bureaucracy. Our vessels are divided into different categories, and at first glance, it may seem we would be exempt from some of the proposals. However, up close, it appears in the case of stability booklets, they are aiming at all of us.

• (1135)

I have licences to fish for six species. Due to moratoria, economic affordability, I am down to using two—lobster and scallop. Lobsters, certainly, scallops when economics allow it. Most fishermen are satisfied to take from the resource what they need. I resent it when some bureaucrat with an agenda far different from mine raises the threshold of that need. The only way we can cover increased costs is to kill more fish! Given that stability booklets are recommended for all, at somewhere around \$200,000,000 total, I am fearful that there is not that many extra fish in our waters to pay for it.

Mr. Minister, as the Member of Parliament for Charlotte County—an area with a long history in the fishing industry, please help us get this message to the right ears that the Stability Booklets are an expense the industry cannot afford—the purchase price is the sustainability of the stocks. Thank you.

This was written by Allen Abbott. He's the director of the Fundy Weir Fishermen's Association.

The Chair: Very good. Thank you, Mr. Rennehan.

Mr. Dixon or Mr. Martell, do you have a few comments about stability that you'd like to add?

Mr. Gary Dixon: George's comment almost makes it seem like the commercial that's been on pretty well 25 times an hour in the last six months—that “hands in your pocket” one.

Voices: Oh, oh!

Mr. Gary Dixon: Someone made it for this situation, right?

I'll go back to the late-1980s, when the cubic number was a huge issue. I wasted three years of my life, along with Harland, who was there also, chasing to Ottawa, thinking we were really going to get something straightened out here. After three years, I swore off ever attending another one of these meetings, but here I am today, 16 years later, and the cubic number is still 80% there—still doing I don't know what.

When it comes to stability issues, they can go right back to the cubic number. We would bring a perfectly good haul in, cut the sides off, build the boat, come in six inches, and build the sides back up with plywood. Now that wouldn't be added on because it was considered a wash rail.

So if we're talking safety issues...I argued then and I still argue today that DFO should stick to conservation, which they haven't done much of a job at, and put a lot better effort into it. Let the boat builders and CSI deal with building boats.

The boat in Newfoundland rolled over, for those of you who don't know it—it doesn't take a rocket scientist, and you can use these half-dozen words—because it was too goddamn short and too high. It was as simple as that.

As far as the length overall, Robert, you know we've been dealing with this for quite some time.

I've had one argument from day one. If it's 44' 11", it's 44' 11". Put your two pop bottles there. If it's 49' 11", it's 49' 11". I argued then, and I'll still argue today, the numbers were rigged. I read them myself. I don't care who it offends and who it doesn't offend. I'm not here to make friends; I'm here to tell it the way it is. The numbers were rigged. The people who counted them were the people who didn't want the tanks. And here we are, I'll say four years later, still discussing it.

We have approximately 1,000 boats starting lobstering in two weeks. I'll make an estimation, which I know I'm allowed, that at least 500 of these have some form of extension beyond 44' 11". But because of the powers of the gods that be, someone has decided that on April 15 there was a new policy to come out. Someone realized that the extension had to be in a slant form.

Unfortunately, my company, which employs 60 people, started two boats last November and launched them in May. And guess

what? Out of 1,000 boats, those are the only two boats to date that will not be licensed to go lobster fishing.

I have a serious problem with this. It's discrimination; it's unlawful.

Gerald, you know I've asked you to work with me on this for the last six months. Until someone has balls enough to stand up and say the line is here—wherever the line is. If it's 44' 11", it's 44' 11".

You know, I get the answers—and I'm not going to point my fingers at anybody—I go in, and they say, Gary, sorry, we won't be bothering all the ones that had licences last year, but because the two that you built were launched on April 18 and May 12, even though one fisherman borrowed pretty near \$1 million and another one borrowed \$500,000 or \$600,000, sorry, those two boats are not going to go lobstering. I'm still being told that today.

As simple as it may sound, all I'm saying is, what is so difficult about classing these two in the same category as hundreds and hundreds out there, many of them exceeding 50 feet? I don't want to be put on the spot, because I work for all of them, but I'm telling you right now, a lot of them out there are far beyond 50 feet.

So some of the people at the meetings—I sat in on some of the councils in Halifax when this was in the court system—were the powers that be who said, oops, we didn't realize that these boats were over 44' 11" until a couple of years ago. Harland and I sat on the board with some of these people, and I was chairperson of the committee. They were the same people who 15 or 16 years ago knew that stern extensions were an accepted practice, and it's been an accepted practice for at least 15 years. Whether it's right or wrong, it's been accepted. If we are going to make a law, it's always been a known fact that a 44' 11" boat is not the most efficient boat to run.

• (1140)

But as far as the stability is concerned.... When I got into this business 30 years ago, every individual—and I hope there's nobody here, as I don't want to insult anybody—I ever had to answer to was from Portugal, Scotland, or England. They manned the whole office in Halifax, in Dartmouth.

In the year 2020...for God's sake, don't we have technology enough in North America? My suggestion is—and I mean this seriously—if they really want to build some good sea boats, they should hire Stanley Greenwood, because that's the man who has proven more than everybody else—every engineer, every boat that's ever come here.... George, you know it. We had the navy, all of the boats.... You had to spike your boots to the floor if you wanted to stand up in one of them. True?

A voice: That's the truth, yes.

Mr. Gary Dixon: Regarding stability, we don't have a stability problem here. As far as somebody coming down.... Again these are the rules coming from Lloyds of London. They put five or six 45-gallon drums of water up on your boat and one man stands and pulls on your spar with the rope. To this day, 30 years later, I still don't understand how that represents whether your boat will roll over if you fall into a 20-foot hole that's empty. I guess they make two pulls on it and send you a bill for \$12,000.

I know, because every boat I have has a stability booklet, the 42-footer and the 45-footer. It was \$12,000 to \$15,000, and that's what they do. They put four or five barrels of water up on the house, pull on it with a rope, and count how many seconds it takes for it to come back. I guess that justifies whether you're going to sink or survive.

To conclude, I would still like to address the 44' 11" issue. I know that you've tried as best you could to make it happen. I know we have a lot of opposition and people who don't really care about the tanks. But we have two boats out there that I feel are being unjustly cut short of going lobster fishing. Now there are 1,000 boats, with at least 500 or more of them exceeding 44' 11" in some form.

• (1145)

The Chair: Gary, back to boat stability for a second—and it's for all the boat builders—as a point of clarification, how wide would a 44' 11" boat have been 20 years ago?

Mr. Gary Dixon: Twenty years ago, a 44' 11" boat was 16 to 18 feet wide.

The Chair: How wide would that boat be today?

Mr. Gary Dixon: You can make it square. I thought about taking the tools; it wouldn't work putting the bow in the middle.

Voices: Oh, oh!

Mr. Gary Dixon: That's no exaggeration. They've got them; they're 28 and 29 feet wide now.

There's no care about the height. That's why they're rolling over. There's no care about the width, but there seems to be a huge issue over the 44' 11".

The Chair: Going back to the Cape boat—and I'm not trying to take time from the committee—the Cape Island boat was developed in this part of the world. It's been fishing for nearly 100 years, since the first square stern boat was built, and it's probably the safest boat. We build them. We send them to Africa. We send them all down through the United States and all across Canada. A derivation of it is in every part of Atlantic Canada, and there are lots of them in western Canada.

What has suddenly changed?

Mr. Gary Dixon: Nothing's changed, stability-wise. I don't know of any that have rolled over. I don't know if anybody in the back knows of any that have rolled over.

They're trying to paint the whole industry with a couple of incidents that go back to the same thing. We have fisheries rules and regulations dictating the length of the boats; therefore, whatever room the fisherman needs, the only way to go is up and out.

The Chair: Thank you.

Mr. Martell.

Mr. Harland Martell (President of Wedgeport Boats and past Chairman of the Nova Scotia Boatbuilders Association, As an Individual): Yes. I want to touch base first on the stability issue, and I'll highlight a couple of other things to emphasize what Lisa said earlier. Then I'll make some comments on the length restriction or the restriction of vessels.

In Lisa's report she mentioned statistics basically for the maritime region from 2002-03. Even though there's no doubt they're valid, I have some more statistics here from the September 2006 Glitnir report for the Canadian fishery in 2005.

Based on the Glitnir report, the Canadian fishery was worth approximately \$4 billion of landed value. This was not processed value but landed value.

The report breaks down Atlantic Canada as Newfoundland, Quebec, Nova Scotia, New Brunswick, and P.E.I. Atlantic Canada accounted for 84% of that \$4 billion in landed value and 72% of landed volume. Obviously, when we look at their reports, Atlantic Canada encompasses a large amount of the entire Canadian landed value of fish. This includes not only the west and east coasts, but also the north, the prairies, the lakes, and so on.

The report also notes that the industry was fragmented and comprised of many small boat operators, which of course is no news to any of us here.

With that, just because there are big dollars, it doesn't mean that any individual makes up all of those big dollars and can afford some of the changes that are being proposed in the small fishing vessel regulations.

One of the other things I might add is that when it comes to stability in the proposal, as Melanie mentioned, there are several criteria for a vessel under the proposed regs and the March 7 ship safety bulletin.

Of course, one of them is whether the boat operates in areas of icing conditions, between December 1 and March 31. As those of you in southwest Nova Scotia and other parts of Atlantic Canada know, a large number of vessels operate during that time, meaning that you are going to be exempt from any other type of criteria they may have, as long as they keep that wording there.

A few other criteria concern whether there are live wells. Again, based on what we interpret as a live well, a vessel with live wells will have to have a stability booklet. A vessel that carries cargo in slush ice, such as herring, capelin, and any other moveable cargo, would have to have it.

The point I'm getting at is that Transport Canada would like you to think they're coming out in the proposal, and not in the bulletin, with a simplified stability analysis, which, sure, if you read it, would make life a lot easier for the fishermen involved. If they could comply with that simplified stability, it would cost a lot less and go a long way towards seeing that Transport Canada meets some of its goals and objectives of basically trying to increase the safety of the men and women at sea.

But as long as they keep those clauses in there, particularly in the icing condition area, then the simplified stability will not apply to those vessels. So when you hear them say, well, if it passes the simplified, then you won't have to have it—

I'm sure that even though I was absent for the first time in a long time from the CMAC meetings in Ottawa—and Melanie says they wish I'd been there—they probably still said, “But if they comply with the simplified, they won't have to get a full stability booklet.” Well, if you keep those clauses in there—

I know when you go back to your places in Ottawa and you speak to your colleagues up there, you're probably going to have someone come out and say, it's not true what these guys are saying down here because they can fall under the new regs with the simplified criteria. As long as you continue to have those clauses in there, there is no simplified criteria, because most of the vessels in Atlantic Canada will fall under that. For that matter, most of the vessels on the west coast would probably fall under a lot of stuff as well, because many of them have live wells and carry herring, as we know.

Speaking of the west coast, I recently built a ship, and it was sailed and landed in Vancouver on July 16. The vessel had live wells in it. Fortunately, it wasn't operating in icing conditions throughout any time of its particular fishery year, but the March 7 bulletin forced the complete stability booklet—I had commenced construction on March 22—which cost \$8,000 to the customer at that particular point. That was a quote in my contract to him, and I have since learned that after all the expenses that went into it, it should be more than \$10,000—that I know for a fact—in the most ideal situation.

● (1150)

In the report that was done by E.Y.E.—one of the members of the Nova Scotia Boatbuilders Association that I contracted to do so with some input from some admeasurers and surveyors, as well as people within my shop—E.Y.E. consultants informed me that with all their calculations, they put the boat in the worst condition. It's a 20-foot-wide boat, 41 feet long. It had two live wells directly across the vessel on the fore side of the fish hole, as we would refer to it, and on the rear side of the fish hole. In the worst operating conditions—all hulls half full, all fuel tanks half full, all water tanks and holding tanks half full—the report came back and said that the cape boat of our traditional design, the boat that made it out to the west coast, passed with no problem.

We didn't have to pay \$8,000 to know that, but now we have some statistics to say now we know that. When you go to Ottawa, they say that if it's a sister ship, you won't have to do it. I don't know of any true sister ship that's ever built in southwest Nova Scotia. Yes, the hull could be the same, even in New Brunswick, where they have moulded hulls, and perhaps even Gary here has some moulded wheelhouses, but if we don't put the same engine in the same boat,

put the same fuel tanks in the same place with the same capacity, put the same toilet in the same location, then it is not a sister boat, and all the calculations will have to be redone and recalculated. A true sister boat is one that is basically identical in all forms, not just the outside dimensions of the vessel. Again, a sister ship is another thing you're going to utilize in the stability things; if it's a sister ship, it won't cost that much.

I was able to read the preliminary report at CMAC before it came out this past week. I read it last week, but it was presented at the CMAC meeting, Melanie and Lisa tell me. They make reference to the cost being between \$2,000 to \$3,000 if you have this, this, this, this, and this. Basically what they're saying is that if you have the lines the same as they are on the previous ship, and if you have this and you have all this work done...they're basically trying to describe a sister ship. The truth of the matter is that it's not going to happen down here for the fishery.

● (1155)

Again, getting into the stability of things, the stability is only but one cost. This is not part of what this committee is for, but I'll give you some idea, even though stability is one big chunk and one big figure.

If we want to look into proposed regulations of all the minor and semi-minor changes in the reassessment that's going to be mandatory and will be coming out over the next several months, we'll certainly look into that to see what some of the cost is. I'm sure Melanie and Lisa can remember, if not George—I can't remember if George was present at the meeting—but I would say go back about a year and a half ago to one of the CMAC meetings when we were talking about the proposed regulations, about which I might say they've altered some of this proposal based on some strong input that I put in disagreeing with what they wanted to do—

They wanted to have specific types of smothering devices for the engine room, i.e., engineered fire extinguishers and smothering devices. Incidentally, we had just put one in a boat that had to be complying with certain regulations in Quebec that we were building at the time, and that particular smothering device cost the fisherman \$14,000, without a single cent to me as the builder. I just want you to know that. That was the cost of setting it up. It was pretty much identical to the systems we use right now, other than that there was no engineer who said it was engineered.

They were able, in subsequent meetings of the construction standards, to move that out and look at some different criteria, thank God. Looking at that, it's an example of an extinguishing system that I told them at the time costs \$2,500 to the fisherman as I build it, and I make a little bit of money at that, compared to \$14,000 in one item alone. That's just as significant as the stability issue. But there are also many other changes they're proposing. If you add all of them up, I don't know where it'll come out for each specific boat, but the stability is only one chunk of the change that people may have to end up paying, and it's a lot more than just the stability.

On the length criteria, I'm going to get into it not only from the DFO perspective, but let's look at where this fleet came from, and let's go back to Transport Canada, if you can bear with me. The fleet was developed and designed under DFO regulations and policies based mostly on length criteria. We, the industry, even in the wood era, but more so now in the fibreglass era, have built and modified our moulds to meet the criteria of DFO length restrictions over the decades.

Over the decades, up until the year in which we became metric, we always called it 44' 11", 39' 11", 34' 11", etc. Incidentally, so did much of the requirement under Transport Canada. Whether it's the collision regulations or whether it's some of the existing standards in there, it's referring to 40 feet, and it's referring to 50 feet in a number of things in the old regulations. When they changed to the metric system specifically...actually, when they changed the regulations, the collision regulations carried out the 50 feet, for example. It uses 15.2 metres as opposed to 15. But the new proposed regulations are now rounding down to the metre. We're dealing with 12 metres, which is 39' 4", if my math is correct. We're referring to 15 metres, which is 49' 2". So the boats that are at the 11-inch mark are all going to jump into a different category based on the requirement.

Secondly, Transport Canada for years, outside of certain regulations, has always used registered length. Registered length is the length of the vessel from the stem to the fore side of the rudder stock and not to the back of the boat. Most of the statistics they're using are encompassing the registered length and not the overall length, but the new rules are taking the registered length and utilizing and interpreting it as an overall length to set the new regulations so that they're taking the fatalities and the incidents of one sector and saying it belongs to another sector if that vessel fits into that category. From a registered length perspective, you could be as much as five or seven feet shorter than what you actually are.

Again, length has always created a problem. One of the things I would urge DFO to do—I have said this in Ottawa, and I know my colleagues at this table who have seen me in Ottawa, and I say to Transport Canada and their proposal, if you're going to have a cut-off and if it's going to be length overall, which certainly is easier to manage and understand, use at least the old criteria. If we have to, call it 12.2, 15.2, or whatever, to match the existing fleet. They're insistent on not doing it, for whatever reason. They say they like round numbers, so I actually insisted they use round numbers in centimetres; it doesn't bother me. Then we'll have a big round number—round the centimetres up.

● (1200)

Now, from a DFO perspective on lengths...probably about three or four years ago, and with regard to LFA 33, 34, I stood on the lobster committee as a representative of the Nova Scotia Boatbuilders Association. They wanted my input, as a representative of NSBA, on what I thought the length of a lobster boat should be.

My opinion then was, and still is today, it should be whatever length the fishermen want it to be and whatever length they can agree to with DFO for their guidelines, after which it should be clear. I said the clearest way to define length is the length overall, including all appendages. If you nail a two-by-four off the back of your boat and it sticks out two feet and it doesn't fit between those two posts, as Gary said, then it's two feet too long; either cut two feet off the bow or cut two feet of the two-by-four. We can't manipulate that.

If you make areas in which there's room for manipulation, I and Gary both—we're geniuses at it—will go out and manipulate and spend nights and days reading the regs and trying to find a way to circumvent the intent of that rule. And there is one reason why we're doing it: because our customer base wants us to. Length overall is one I have not yet been able to figure out how to manipulate.

A voice: But you will.

Mr. Harland Martell: I may still try. But it's the hardest one to manipulate.

A voice: We appreciate your honesty, Mr. Martell.

Mr. Harland Martell: That's my stand. As a representative of my own company, Wedgeport Boats Limited, as president of that, and wearing that hat, I still believe in what I say from that perspective, and representing the interests of the NSBA and the feedback from them, the length for the fishing restrictions should be left to the fishermen within the guidelines of the mandate of DFO. But we've got to use common sense. I have to agree with Gary; I've seen over the years, "You can have this, but you can't have that. Move it this way. Make it stick out that way. Do this. Do that." Then it opens up so many things to interpretation. We can add tanks afterwards, we can do this afterwards, and we can pop it off. A whole whack of things can be done. We're only causing frustration, aggravation, and really, perhaps, not meeting the spirit of the entire agreement.

Now, from a pot carriage capacity, the five-foot extension they are allowed, when done in the manner in which they are accepting it, it doesn't carry any more pots than the guy who puts his five feet in the water.

It could lead to more structural stresses on the vessel in ways they probably weren't designed for, but going beyond that. So far, we haven't had any large instances of it.

But at CMAC, if you look at B.C., B.C. follows some similar criteria on the five-foot extension. In fact, we had a five-foot extension on the one we sent out to B.C. But some vessels have got to the point where they have become unstable because of the length requirement, and by circumventing it, they have added extensions beyond any criteria that existed at the time to create an unstable boat and a dangerous boat. So they go hand in hand.

Thank you.

The Chair: Thank you, Mr. Martell.

I will say, for three guys who passed it all down the line to the ladies, once you guys got started, you had a lot to say.

We're going to try to save a little bit of time for questions, because we've taken our entire allotment of time and we haven't asked a question yet.

I know Mr. Cuzner has questions. To ask my political colleagues to be brief is almost impossible, but I'm going to ask you to be brief. We'll go around in a line and let everyone get a couple of questions in and see if we can make a couple of rounds. Try to ask one or two questions, and you'll get another chance.

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): That's like asking the chair to be on time.

• (1205)

The Chair: Ouch!

Mr. Cuzner.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): I want to thank the witnesses today, because they've been able to add some technical merit to some of the things we've been hearing from people in the industry. So I really want to thank the presenters today.

We had a tragedy about eight years ago. Don Caldwell lost his life at sea. It was the first day of crab fishing and he was setting out in the Glace Bay Hole. He had a bigger boat tied up at the wharf in Glace Bay, but because of the licensing, he wasn't allowed to take it, and away he went.

Some of the statistics you shared with us today...anecdotally, it seems to me the vast majority of accidents or occurrences take place on the opening day, on the setting day. Whether it's crab or lobster, or whatever it might be, there's a disproportionate number of instances there, not that there's a huge number, but there's a disproportionate number on that opening day.

Is my assumption or my perspective true, and would any statistics support that assumption?

Miss Lisa Anderson: Actually, we entered into discussions yesterday with an individual from the Coast Guard, with search and rescue. In Newfoundland they have been tracking similar stats as to some of the accidents and occurrences, but one of the things Melanie mentioned earlier is that there's no tracking as to following how many days at sea or at what point in the season some of these accidents occur, and that's data that would be useful information to see exactly what is going on. In the collecting of statistics on accidents, either under provincial or federal jurisdiction, sometimes that information is lost, which would be very viable for determining some of the causes and some of the prevention options.

It's a fair assumption to make that on opening day or close to the start of the season you may have more accidents, but there's nothing in the statistics supporting the view that those are actually occurring. We don't know at this stage.

Mr. Rodger Cuzner: Given your collective experience in the industry, is that something you guys would say, that if there is a chance something might go wrong, it's more likely that it would be on setting days that it would go wrong?

Mr. Gary Dixon: Yes, the season opens with a gun and a timeframe. There's a lot of pressure on.

Mr. George Rennehan: I think you'll find today a lot less of that than you did a few years ago, because of the larger boats, and because everybody is more safety-oriented.

Mr. Rodger Cuzner: But if in fact the statistics—and this will be my last point—pointed toward that, then I would see that this would be a tool for educating the fleet, and maybe, whether they police themselves or there is some other type of policing of it, it would be an education process we could go through with the fishermen, as opposed to having an overkill through regulation.

Ms. Melanie Sonnenberg: I think that is exactly what we're advocating: you will get more buy-in from the industry. Remember, as Gary has said, when you start off a fishery basically with a gun.... It's not that long ago; I can remember when they started the lobster season with literally a gunshot. When you start with that kind of pressure, it's enormous.

But in 25 years of working with the industry, I've seen huge strides in the decisions that are made on setting day. Some of those have come from serious accidents, but some have come from education and awareness. And you're exactly right, that's what we can buy into. That's what industry is about; that's where we're going. But heavy-handed regulations aren't going to make people smarter, and they're not going to make people conform.

Mr. Harland Martell: In answer to that, on May 2, 2006, in Ottawa at the CMAC, in its Standing Committee on Fishing Vessel Safety, there was a presentation made, and I know Melanie, Lisa, and George will remember this. I can't remember the name of the individual who did it, but it's on the record, and we've since corresponded through the NSBA on this particular issue.

I got a sour tone from our chairman, Victor Santos-Pedro, when I brought it up after this particular presentation was done, but it was a U.S. Coast Guard representative who gave the fatality and statistics report for a similar ten-year period on the east coast of the United States, from Maine down to the Gulf of Mexico. It was the identical time period, with the exception of an overlap of one year. In those statistics, he presented pie charts and graphs and everything showing the various types of fatalities and instances.

Other than today, I normally walk around at CMAC with all the stats they have presented to me. I made note at the end of his presentation that his stats were virtually identical to the Canadian stats for the same time period. Yet the U.S. Coast Guard and the U.S. government have absolutely no restrictions, regulations, or stability requirements for any fishing vessel in the United States, other than a carriage requirement for lifejackets.

When I made that point, Victor gave wind to me and didn't think I was very appropriate in doing it, but I felt the question could not go unanswered. The gentleman—whose name, again, I can't recall, but it is on the record—fielded that question. His response was basically that the American boat builders, as we do, wish to build a good product. They don't want to carry a lot of liability. They are trying their best to put out boats based on various volunteer regulations, such as ABYC and other regulations that exist in the industry.

However, it was cited as a conclusion in his report that the reason for these fatalities and the instances was due largely to operations in part and poor maintenance. Again, all the regulations in the world aren't taking care of that.

• (1210)

The Chair: Thank you.

Mr. Thibault.

Hon. Robert Thibault (West Nova, Lib.): Thank you, Chairman.

In keeping with the previous presentations that we have had on the question of a cull of seal to preserve the cod stocks, we should congratulate Gary for helping preserve the apple stocks by culling the deer.

Voices: Oh, oh!

Hon. Robert Thibault: I was thinking when you mentioned the accidents that there are very few accidents I can remember of the capsizing of lobster-type vessels, of Cape Island-type boats. There was one a couple of years ago, coming across from New Brunswick to the Digby area—I think they might have been coming up to Port Lorne, or someplace up there—during icing conditions, with the traps on board. In keeping with the letter you just read, if I remember correctly, the person in the wheelhouse, who was not the captain of the vessel, might not have felt the signs, coming across, that it was getting dangerous. I think he was the brother of the captain or something.

If you look at the lobster fleet—the Cape Island, the Northumberland, the hard-chine, all those boats that have evolved now that we currently use in the lobster fleet, and the smaller groundfish boats—if we were to rebuild it now, knowing this, that we have a safe fleet as it came out of the yard, at the very least, and you guys all know what's out there because I know you take rides on the wharf to see what the other guys are building.... What percent of those do you think would not meet the stability test? Second, what would be the cost, do you think, of...? How many of them would have to do stability tests, with the regulations being proposed?

Mr. Gary Dixon: Of all the lobster boats that are out there—the combination lobster boats with a minimum of a less than a five-foot fish hole—I personally can't think of one that wouldn't meet the standards.

Mr. George Rennehan: I don't think it's the matter of passing the stability test that's the concern. The concern is having to do the stability test.

I'm fishing with one boat that was built in 1981, one that was built in 1983, and one that was built in 1972. May I add, they're accident free in all those years. And they all require—

Hon. Robert Thibault: Just to clarify my question, that's the point I want to make. If you had 60% of them that weren't going to pass, the stability test might be a reason to do it, so that modifications can be done on those boats. That's the point I'm trying to raise.

Mr. Harland Martell: There's never been an issue of whether the traditional Cape Island-style lobster fishing boat or the Northumberland-style lobster fishing crab boat that we see.... I'm not going to talk about some that have been modified to such heights, and galleys and everything else, but the traditional ones. You can basically go down to the wharf and 95% of them will fit in the category of "Don't worry, they're going to pass".

It's the cost of getting someone to say they pass, such as the one we did, worst operating condition. I asked, "Tony, did it pass worst operating condition?" He said yes. I asked, "Marginally?" He said, "No, there was no problem." So that was the issue, but it cost \$8,000 for this particular individual to have somebody tell him that.

In Ottawa, the Transport Canada situation is looking at it from an evidence perspective. No doubt, should some day some lawyer pull us into court asking, "How do you know it will pass? How do you know that specific boat will pass?".... Well, we know, but if you don't have some professional saying it will, some judge or some lawyer is going to say, "We don't know for sure."

If you look at some boats that have had capsizings over the years.... There was one in the past that I played a little role in, only as a worker moving some stuff around. It was one that capsized, it was assumed, when the drag had fallen off and capsized overboard—years ago, back in the very early eighties. Well, after it was righted and brought to shore, they did a stability test on it, and guess what? It passed. So obviously something dramatic had happened.

There was only one person on board, and he was found dead, of course—in the engine room. So something happened on deck when he was there. They can only assume that maybe one of the doors fell off, hooked the bottom, snagged, grabbed the top, and fetched up. That had nothing to do with the boat under its normal operation; that was an accident. Maybe the guy shouldn't have been sailing on autopilot at the time, being down in the engine room by himself. I don't know. But all said and done, in any accident that I can think of, that might have happened.

We can take another one that happened right in my community a number of years ago. It was a seiner. In fact, I think it was called the *Scotia Swan* or the *Flying Swan*—something of that nature.

• (1215)

Hon. Robert Thibault: That was George.

Mr. Harland Martell: George, yes. George died in that particular accident. With that vessel, it was an accident where the power block snatch locked, and the catch they had went to the bottom and pulled it over. Yet that vessel had full stability booklet.

You'll find that many vessels that have gone down have had full stability booklets. There are other circumstances that came into play, including the possibility that it was operator error by someone who didn't abide by the particular requirements of the safety or stability booklet.

I feel that if you have, as Gary says, the starting of any season off a gun—and there's a lot of economic pressure there—even if you force a fisherman into the stability booklet, he may feel the economic pressure to try to go beyond what he considers the safe operation load and may say, "I've done it before and I got back home. I'll still do it and I'll try to get away with it." Even if you did it, who are you going to have out there to stop him from doing this? And once he leaves the wharf, who's going to see him anyway?

With that, I'll leave it be to the next questioner.

The Chair: Thank you, Mr. Martell.

Mr. Byrne is next.

Hon. Gerry Byrne: Melanie, you mentioned you were at a meeting yesterday, and you mentioned something about a memorandum of understanding being signed or proposed yesterday between Transport Canada and DFO. Could you very quickly tell me what that was?

Ms. Melanie Sonnenberg: I hope so.

We arrived on Monday. National CMAC is a four-day process. We arrived Monday afternoon; much to our surprise, an agenda item was an MOU to be signed by the two deputy ministers for Transport Canada and DFO.

That memorandum of understanding—if I had my briefcase, I'd leave it here for you. We'll get you a copy so that you can have a look at what their objectives are. Basically, I think it's been that all along we have said.... Harland talked about the cut-offs and things, and that there has to be a mesh between these two departments, and they have to talk to each other. Suddenly, from some things that have happened—and I won't get into listing what I think those things are—they felt they needed to put paper to this, so we had a formal signing of a document that basically outlines that Transport Canada and DFO will meet nationally and regionally two times a year, internally, to talk about a number of issues that are common. Then there's going to be another forum at which industry stakeholders and a whole array of government folks will sit down and hash out some issues.

There's not a lot of clarity around it yet. It seemed to us who were there that this is a reactive-type gesture between the two departments. What they told us was that they're working on sorting out the details and that it was a DFO-led initiative.

Hon. Gerry Byrne: Okay. You've answered the question. What—

The Chair: We can take some credit for that.

Just to interrupt for a second, there has been a different approach from Transport Canada since our committee said we need some more information and more facts on this issue. I'm going to take a little credit, or the committee will.

Hon. Gerry Byrne: Yes. In fact, Mr. Chair, this whole concept has somewhat come full circle, both locally and in Ottawa, in the sense that we met in front of Transport Canada and DFO officials not 14 days ago, and the point was being clearly made that there is a relationship between hull design—the Transport Canada issue—and vessel length and cubic metres.

Of course, DFO was adamant on the point that the relationship is not there, that vessel length and cubic metres were strictly a

conservation issue, and that unless the fleets went to a full ITQ system, they were not prepared to investigate or consider any changes to vessel length. That point was made perfectly clear, and colleagues, this is the point that was being made in St. Anthony.

I think that as professional boat builders, you would probably suggest to this committee that in terms of the many incidents and concerns coming forward now, the issue is not one of hull design, but potentially one of building up and out. What I would think you might suggest to this committee is that if there were vessel stability tests done on a number of vessels that were being constrained because of vessel length, but not being constrained in terms of building up, many of those vessels would probably fail the stability tests, and those affected by that—because they were being closed in, in terms of vessel length—would face probably \$300,000 or \$400,000 in expenses to get their vessels to meet stability requirements, because they'd have to tear down their entire decking and then consider building a few extra feet on.

You examined the Newfoundland shipbuilding industry, as you do your own. Would that be your personal or professional opinion, that if you were to go with this particular system, almost all boats here in Nova Scotia would probably pass the stability test, your issue being that it would probably cost each and every one of those vessel owners \$15,000-plus to do so?

There really is an issue. The constraint in Newfoundland and Labrador.... That particular fleet, in terms of changing fisheries and moving further and further afield, further and further offshore, is constrained by the vessel length and cubic considerations and has been going up and up and up.

If this regulation were put in place today, the impact on the fleet in Newfoundland and Labrador would probably be the most significant. I'm not going to pass judgment here, and I don't want to send the message that Gerry Byrne thinks every vessel in Newfoundland would fail a stability test, because I don't believe that, but there is a concern that many vessels would fail that test, and the only alternative for them would be to completely tear down their decking at a potential cost of hundreds of thousands of dollars.

• (1220)

Mr. Harland Martell: I'll agree primarily with that statement, but we don't even necessarily have to go to the stability. If we want to look after the cod moratorium in 1993, a lot of Newfoundland fishermen were uncertain about their futures as fishermen. Some of them reintroduced some of their inactive licences, and one of them was for crab. However, the cubic number was a restriction based on groundfish, and if you had a vessel with multiple licences, you had to comply with the most restrictive requirement or give up that licence.

Back then, everyone said the cod was coming back, so the fishermen didn't want to give up their cod licence. They tried to start doing something two to five to ten miles from shore, doing their little cod weirs in their little 35-foot boat. They couldn't go beyond 30, 40, or, as we call it, 35 feet. So they said, how are we going to prosecute a fishery that's 100, 150, and 200 miles out there? The only way they could do that with their existing boats, or with new ones, was stick to the 35-footers and go higher to allow for more fuel, carriage of grub, crew, and everything. Then they were operating in a less safe boat out there than if they would have been allowed to get 45- or 50-footers. That's where a lot of fatalities came into place.

Merv Wiseman, a DFO search and rescue coordinator, did a number of reports at the CMAC meetings. He came up with that a number of years ago, back when we first started with the new Canada Shipping Act, and you could see a lot of it was the 35-footers. Not only was it that, but most of the instances—as they call them, not accidents—were where they were called in for service, even if it was a tow. Most of those 35-footers simply ran out of fuel. They couldn't supply enough fuel, carry their bait and crew, and go out the required distance to prosecute the fishery.

Transport Canada will say, well, they don't have to go out that far. But they do if that's where the fish are. Since the funding package was running out after a couple of years, they had to find something new to do.

• (1225)

Hon. Gerry Byrne: I appreciate it, Harland, and I want to say this is why this issue is full circle. These are exactly the points that were raised in St. Anthony. These are exactly the points that were raised in Gander.

Quite frankly, for DFO and Transport Canada to appear before our committee and not even mention the fact that they had previously drafted this memorandum of understanding—because, Mr. Chair, this didn't get done in 14 days, and obviously they were at work on it for quite some time—I find disgusting.

The second point I want to make is the fact that there were no real, tangible, true consultations in Newfoundland and Labrador on this particular issue really speaks volumes, and that's my point.

Thank you very much.

The Chair: Thank you, Mr. Byrne for being brief.

Voices: Oh, oh!

The Chair: Mr. Blais.

[Translation]

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

Good afternoon to all.

I would like to start by asking you a question regarding the memorandum of understanding you were talking about earlier. You said that the departments of Transportation and Fisheries and Oceans had taken a step towards resolving the boat stability issue.

I know that we will have the opportunity to look at the document, but based on your reading of it, does not contain anything new?

[English]

Ms. Melanie Sonnenberg: In this document, I think what we're seeing is an acknowledgement that there should be a relationship between the two groups, perhaps a formal one. As an industry rep, what I'm disappointed about is that we were unaware of this coming. Industry should have been at the table to see what we were going to talk about and what the objectives were.

What frightens me is reading this and hearing about bureaucrats sitting in a head office in Ottawa—people who've never been to sea—talking about gear loading and deployment, the professionalization of fishers, and the possibility of linking fishing licences to safety practices criteria and regulations. I find this most alarming.

While I'm a fishermen's rep, I think I have a little better understanding than a lot of those people, and I don't feel comfortable about it on any given day.

So while the paper is new, and we've never seen some of the things in here done this way before, I'm concerned about how they got there, I'm concerned about why they got there, and I'm concerned that we didn't have any input when it was presented to us.

That's the best I can do in terms of speaking to this at this time, because it's new to us as well.

[Translation]

Mr. Raynald Blais: While you are talking about the document you have in your hands, and which we will be able to read later, Transport Canada officials are saying that there will be a consultation process this fall and next spring. That does not surprise me at all, except that I do not quite understand.

Have meetings been scheduled? Has anyone told you that there might be such meetings?

[English]

Ms. Melanie Sonnenberg: I think it's a misnomer to say we're going to meet in the fall and in the spring. Yes, we do. We meet at CMAC, which is not an ideal body for the fishermen or for the fishing industry to go to because you're talking about big shipping, cruise lines, and the list goes on. It's the marine environment. Then you take the fishing industry, which comprises 20,000 vessels, and you try to deal with your issues, as well as other things that are going on simultaneously. That's what their idea of consultation is.

I listened in. I felt like an eavesdropper, but I realized that you have a link, and I went on and I listened to some of the things that were discussed that day. I didn't catch it all, but I will tell you this, the word “consultation”, in my opinion, was used very loosely.

The fishing industry has not had, in my opinion, what we would call in any way, shape or form, adequate consultation on the things we're here discussing with you today.

• (1230)

The Chair: That's why we invited you here.

Mr. Kamp.

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

Thank you for appearing. I appreciate the input. As you probably know, we go away from these meetings and take another look at the transcript of what you've had to say, and wrestle with some of the issues, at times trying to reconcile some of the testimony that may not be in agreement with other testimony, and then come up with a report. I think you've provided us with some very important input so that we can do that.

Just to reiterate, Lisa or Melanie, what I think one of you said, the way I see the statistics, as you did, is that the number of marine accidents is actually on the decline from 1999, particularly among fishing boats.

According to my figures, in 1995 there were 372 accidents, and in 2004 there were 223. That's a fairly statistically significant decline. Among those there was capsizing in only 17 in 1995 and eight in 2004.

Yet we've heard in this committee a number of times, both on this trip and before, that because there are boat length restrictions, people are trying to get around those by going wider than they should and going higher than they should, making for an unstable boat or a dangerous boat. I think those may be words that you used, Mr. Martel, as well.

I have two questions about that. If that is the case—I mean if we're allowing unsafe boats to be built—why are we not seeing more accidents as people are tending to do that more, rather than fewer accidents, which is in fact what we are seeing?

Secondly, I guess I am not understanding the process. I am not a boat builder nor the son of a boat builder. I know they do get modified, but are some boats being built wider than they should be and taller than they should be in boatyards, and being signed off on by a naval architect whose business it is I think to make sure that the boats are stable when they leave the boatyard? How is that part of it happening?

Mr. Harland Martell: I'd like to address some of that. Gary might want to add to it.

Let's look at southwest Nova Scotia and let's look at the trap fishery, not the one you see on the Discovery Channel off the coast of Alaska but the one off Nova Scotia, New Brunswick, P.E.I., and, for that matter, Newfoundland. Let's stick with what people in this room probably know, which is southwest Nova Scotia, LFA 33, 34, and 35, up the Bay of Fundy.

With the boats, because of regulations that meant we couldn't go longer, we had to make two choices, to go wider and/or higher. In those particular fisheries, we went wider, which created a more stable boat—maybe a stiffer boat, not as soft, but still a more stable boat.

We didn't go high, which creates instability in more of the boats more dramatically, because of the operation of the fishery. When it first started going wide, the fisherman still had to grab a buoy out of the water every 10 or 15 minutes. He didn't want to be way up there and have to throw an anchor at it and grab the buoy like they do off the coast of Alaska. That's not the way they operate.

So for a lot of the fisheries, the width has actually improved the condition of the boat and the room in which they have to operate.

There are some benefits to some of the regulations that saw the boat evolve.

In Newfoundland it's created more of a problem. I don't know the statistics there specifically, but I would dare say that if we see the overall statistics—you may have seen the statistics on some of those capsized—it comes down in certain areas and goes up in other areas where they were forced to go higher. Newfoundland is well known to have gotten the boats to go much higher, but maybe as a general statistic, the numbers are still similar or down. That may be because of where they took place.

For example, I don't know of any of the wider boats that have ever capsized—ever. I can't even come up with one. I'd love to be able to search my memory and come up with one, but I can't find one.

So it may be that the statistics are skewed because of that particular situation.

Mr. Bill Matthews (Random—Burin—St. George's, Lib.): Go ahead, Gary.

Mr. Gary Dixon: I'd like to address this a bit.

The reason there are less accidents is because of the wider boats with the stern extensions. Going back seven or eight years ago, you'd have a 44' 11" that was 18 feet wide. A good portion of the fleet now is fishing offshore. It's been gradually moving that way. From 10% to 50% are fishing offshore—up to 50 miles offshore. When you have to travel that far, it's very important that you can carry your traps in one load. It's a long ride out there, especially when, in most cases, it's going to be an uncomfortable ride. You don't get a chance to pick the perfect day.

I addressed the 50-foot length and the width as being a good thing, because we don't have these fishermen out every night now. After they've pounded around for 20 hours, they have to steam in for five hours, get in at 1 o'clock in the morning, take the bait out, take the lobsters out, put the bait and the new crates back aboard, and go back out. So now you have three or four really tired individuals steaming back and forth in the night, falling half asleep, trying to stay awake.

The 50-foot boat is very simple. It allows them to take two tiers off the top. We know that in terms of stability, the higher you go, the worse it is. This allows them to take two tiers off the top of the boat and put half of the load in the 5-foot extension that's on the stern, down where it's supposed to be. It makes a big difference to stability, whatever you carry, when you can take the top third off.

It's just been a matter of evolution. It's safer. It's way more livable. Plus we don't have to worry about whether these guys are going to come home. We've never lost...and our guys fish in some hard, hard weather. We fish in the worst times of the year. We don't lose anybody to boats flipping over.

Having said that, DFO has to knock off thinking that boats are a ways and means of doing conservation. After 25 years, I would hope you people could address that and make these people understand: do the job you get paid to do, get your noses out of boats and boat building, and let the fishermen decide what they need for boats to safely go and do the job.

• (1235)

The Chair: Thank you.

Mr. Lunney.

Mr. James Lunney (Nanaimo—Alberni, CPC): Thank you, Mr. Chair.

I want to go back to something that was only briefly mentioned earlier, and that's the RIAS that you're expecting to come out.

The RIAS, for members who may not be familiar, is a regulatory impact analysis statement. For government to regulate anything, they're supposed to talk to the community that's going to be regulated or impacted, to have some discussion about the impact of the regulations. Second, there is supposed to be some kind of cost-benefit analysis. In other words, is there a benefit of regulating that is actually justified by the risk?

Mr. Martell, you're the one who mentioned the RIAS. I understand it's supposed to be coming out in the future, if I understood your remarks correctly. Are you aware of any consultation with the industry regarding this RIAS, and how thorough would you expect that analysis would have been?

Mr. Harland Martell: Yes, sir, I am very aware of it.

Two points. One, the RIAS is mandatory in this particular situation. But first let's go back to what we were referring to earlier, that a lot of the talks are around Transport Canada's new proposed fishing vessel regulations. That's just one segment of the reform of the Canada Shipping Act, 2001; for you parliamentary people, it's called Bill C-14.

Within its first few pages, Bill C-14 gives its objectives and mandate. Ultimately, I guess, it's saying that they're trying to create a better environment for the safety of men and women at sea. That's just in summary, or course, or a paraphrase. It also dictates that as a regulation or as a law, it has to be economically sound—those aren't the specific words, but that's what it's saying—and it has to be enforceable.

When we go to what's proposed here, we're trying to make some sound input into the proposed small fishing vessel construction regulations and stability standards. But now we're at the stage, having done all that through the "consultation", as it's called, when they're going to be doing the RIAS.

The RIAS is late. I was just out in Vancouver, B.C., last week, and Brian—I can't remember his last name, but he was a Transport Canada guy—was doing a presentation there to the fishermen who wished to attend. The whole regulations were scheduled to come out, I believe, in 2005, and then it got moved to 2006, because it was lagging behind. The last one was May 2007, and now it's looking like 2008. The RIAS has just been slow in coming.

I was asked to be part of that RIAS. The way it developed, and for various reasons, some personal, I backed out of that particular...and not the complete RIAS, only as part of it. Right now I know that the NSBA is in consultation with Ottawa to be part of that RIAS.

It just seems that every time something is agreed to, it gets delayed and delayed. The only thing I can say is that if we, as industry representatives, do get involved in part of the RIAS, I just hope that the data we present and find, that gets consolidated with the actual consultants who are making the large presentation on it and with the Ottawa people, will come out to be sound data.

I must say, there is a glimmer of light here. One of the individuals within the government bureaucracy did tell me that if the RIAS is to the point where it's really unfeasible economically to think that certain regulations can come in, then alterations and amendments to the proposed regulations would have to be looked at. He didn't say "changed", he said "looked at", and although I don't know what that fully means, I assume it means changed or modified while still trying to meet the objectives of Transport Canada.

The status right now is that the RIAS from the small fishing vessel is not contracted out to anyone specifically yet for the cost analysis portion of it.

• (1240)

The Chair: Thank you, Mr. Martell.

Melanie, I think you had a comment.

Ms. Melanie Sonnenberg: I'll be really brief.

In terms of the consultation process you mentioned—and I don't want to sound like a broken record here today, for fear of repeating myself, but I'm going to—the consultation is totally inadequate. In the Maritimes we're talking about 26,000 fishermen, and I can tell you that 25,599 have no idea what's coming down the pipe. Why? Because Transport refuses to acknowledge that the system has failed us.

We've repeatedly told Transport—I will go to my grave telling them this—that they have failed the industry because we're not able to spend the big bucks to go to Ottawa, sit around for a week, and incur those expenses. It's not practical and it's not reasonable.

The Chair: Very quickly, Mr. Lunney.

Mr. James Lunney: I think perhaps there is an angle here that might be very useful to the committee. I don't remember us having at committee any discussions particularly about the RIAS process before. That may be an avenue for us to pursue, to make sure that the hopes and the views here are represented.

From RIAS situations in other committee work I've been involved in, I am aware that the criteria spelling out exactly how RIAS is applied are very loose and often very significantly glossed over. The people being regulated are not adequately protected.

Perhaps we can be of service in that department.

The Chair: That's a good point.

Mr. Manning, you can have one final question.

Mr. Fabian Manning (Avalon, CPC): Thank you, Mr. Chair.

I'd like to thank the presenters here today.

Melanie, don't make any apologies for that, because we've heard loud and clear about the consultation process. As I'm sitting here as a member of the committee, to be honest with you, to hear that again just makes the case more solid to bring it back to Ottawa and pass on that message.

I'm also very upset, as a member of the committee, that you signed a memorandum of understanding when we were fighting the battle a couple of weeks ago to try to get that as part and parcel of this process. To find today that there is a memorandum of understanding signed that we as parliamentarians are not even aware of, let alone you people not being aware of it, brings back some memories of things that happened in Newfoundland that I wasn't aware of before.

We hear statistics all the time. We heard a statistic that 80% of tragedies at sea in some way, shape, or form go back to human error. Nobody wants to hear of tragedies—none of us. We all live in outport communities, and we earn our living from the sea.

I realize that in Newfoundland some of the fisheries are different because there are high quotas. However, there is a concern being raised that if you allow fishermen to go longer and build bigger boats, in order for them to be able to pay some of that cost, the pressure will come on them to add on to product that they're taking from the sea.

While some people think it's a futile argument, the fact is that it could become a situation in which you put out the expense to enlarge your boat and make it safer, realizing maybe two years down the road or a year down the road that you need more product to make this work.

I live in a small community of 500 people where 40-foot boats are alone, 160 miles offshore, trying to make a living. They're playing with fire every single day. My own family participates in that, and it's a very dangerous game.

I made a comment in Gander or St. Anthony the other day that I heard a lot of stupid things before I went to Ottawa, and I'm up here hearing a lot of stupid things since I've been to Ottawa in relation to what I would deem to be common sense. Safety has to be the number one concern of everybody, regardless of this.

It seems as though the numbers game plays very well to people who are in these towers in Ottawa. Is there a length that we could agree on or that industry could agree on that would be...? Is it 50 feet? Is it 53 feet? Is it 54 feet? I'm just trying to get my head around the fact that if you go back and say, "Well, 44' 11" doesn't cut it", then what does cut it? Could someone enlighten me? I don't know if I'm getting across the question I'm trying to ask, but it seems as though they need a number, and I guess we need a number to fight for.

• (1245)

Ms. Melanie Sonnenberg: George is a fisherman, so he's in a better position to answer this, but I will say this about what you're referring to. Every fishery is different, as you well know. Every fishery has different criteria, and I think the most important thing for the committee to remember—and you said it, you hit on it—is that industry itself has to sit down and...I was going to say, "duke it out", because oftentimes that's what it turns out to be. There has to be a discussion at the table with the people who are fishing that particular

fishery. They have to decide. And not everybody is going to be happy. Nobody is ever totally happy with anything.

But there has to be a realization that we can't have this paternalistic relationship all the time. Yes, there has to be some of it going on from DFO, but there also have to be people at the table who know what's required, and then some of DFO's conservation issues and so on need to be brought to it and put on the table. We're adults.

Yes, people are driven by earning a living; that's part and parcel of it. But let's be real. People just want to earn a living, and I think the majority of people fall into that category.

It has to be a joint relationship in the true sense of the word "partnership", which is freely used by DFO. It's not a partnership. It's an exercise in downloading cost to industry, in my opinion. But let's work on a true relationship, and that would be part of it, which is what you're talking about.

You can't pick a number and say that 53 feet is going to cut it for the lobster, the crab, and the groundfish. We can't paint everything with one brush. I think that's what Transport is trying to do. DFO often tries to do it—get a number and try to put your square peg in your square hole. Every hole can't be square. It's that simple.

The Chair: Mr. Dixon.

Mr. Gary Dixon: I'd like to address the issue. You asked the question about the cost to build a boat, that the fisherman needs to give him the length he needs or the width he needs, and whether it would exceed what he's building today, for example.

Whenever I've built boats in the past and had to manipulate them by cutting things off and adding things on to meet DFO regulations, to meet requirements for licensing, it has cost way more money than if someone had just come and told me what they wanted for a boat. If I could build the boat you wanted, I could build it cheaper if I didn't have to look at the rules and regulations on how I had to cut and destroy your boat in some form to do that.

Secondly, I'll use the same phrase I've used in the past, and I'll just speak for the lobster industry. If it's 49' 11", there's no secret to it, 49' 11" is the magical answer. Unfortunately, some of the people who are happy with the 49' 11", with just a shelf on the stern extension, are not the same people who have to leave their home port on June 1 and put 25 tonnes of ice in the hold, 10,000 pounds of bait down in this tank, and go off 300 miles, like they did in June this year. They all survived hurricane-force winds, but I'm telling you there were a lot of them saying their Hail Marys the three days they had to put up with that.

I'll say the same thing now that I've always said. Those who want the 49' 11" shelf or slanted stern, who fish in the bay and go fishing until June and go golfing the rest of the summer, no one's asking you to put a tank on. If you have no need for it, you have no need for it. The guy whose lifestyle is set up because he's just bought a \$500,000 swordfish licence needs to go fishing for the summer months. He needs to take 25 tonnes of ice; he needs the 10,000 pounds of bait and he needs his five feet for buoyancy and for safety. Why should a handful of people have the say that because they don't want the tank, they think DFO should make it illegal, which they have had so far?

●(1250)

The Chair: Mr. Rennehan, go ahead.

Mr. George Rennehan: This has been pretty well covered, but the biggest thing is the most restrictive licence confining you to that. So many times people can't afford to give up that licence and have to build a boat according to the most restrictive licence they give. Gary gave a prime example of it.

In the swordfishery, we have a lot of these 44' 11"s—lobster boats—and they cannot go over that. They're doing the same thing that those of us in the swordfishery were doing in 55-footers and 60-footers. Are we helping safety?

I just came from Ottawa. From what I heard in Ottawa in the last three days, they just set safety back ten years, in my opinion as a fisherman, because we will find a way to get around it. We're really good at that. We always have been. So it's a matter of which illegal is the most evil. That's what it boils down to. Am I illegal not to do my steamship inspection, or am I illegal after I've done my steamship inspection and I say I can't use the boat from December 1 to March 31 on account of icing? Which is the most illegal? I'll put the \$10,000 in my pocket that it's going to cost me to do the stability and take a gamble.

So I honestly think Transport Canada is setting safety back here.

Thank you.

The Chair: Thank you, Mr. Rennehan.

Thank you, Mr. Manning.

Mr. Martell, you can have a final word.

Mr. Harland Martell: I'd like to add to what George said, and this is one example. If we want to look at it from a Transport Canada perspective—and we're here on account of both DFO and Transport Canada. I've said it in Ottawa, and George said it, regardless of what size you can have, what size you're allowed to have, or what size you should have, if we get to the point that the proposed regulations come in from a Transport Canada perspective and restrict someone in getting a new vessel because of stability, because of fire extinguishers, because of carriage requirement, or whatever, actually—and this is to help what George said—you are going to get a person staying in his existing vessel a lot longer time, to conduct fisheries in a dilapidated boat over time, because he can't

afford the brand new one. We're actually being counterproductive to safety at that point.

The Chair: Thank you, Mr. Martell.

On behalf of the committee, I would like to thank our presenters very much. This was an extremely important discussion and a discussion we've needed to have.

I thank the members of the audience, and I'd like to make one comment. I'm not really looking for an answer, but if anyone wants to chime in, they can.

There are two issues. There's an issue of boat stability and safety and there's an issue of conservation. It appears the two of them don't necessarily match up, so that's one issue.

Another issue is that in this area, at least in southwest Nova Scotia, because of the icing conditions, Transport Canada rules that 34' 11" or under 15 tonnes wouldn't have to get...stability inspections won't apply. That was the original statement, "wouldn't have to apply"—but will apply here and without question will cause some havoc in the industry.

Every individual at the table, including Mr. Thibault, who is here today but is not a regular member of the committee comes from a fishery riding. They have a real interest in the fishery, and we've worked cooperatively together from all our political backgrounds toward a common goal, to try to improve the fishery. So you have friends on this committee, without question.

But some common sense must apply, whether or not that's grandfathering existing vessels. So if you're building a new boat, you can amortize the cost of your stability test in the cost of a new boat, and if you're building a new boat that costs a couple of hundred thousand dollars, \$10,000, \$12,000, or \$13,000 isn't a lot of money because you're borrowing the money anyway. However, if you have to put that into an old boat, or you don't move out of your old boat when you should for safety reasons because it would cost you for a stability test, which is what you folks have laid on the table, we're really setting the industry back. That's a serious problem, and one that we've grappled with.

Again, thank you for your presentation. Thank you to my colleagues. This wraps up our quick tour of Atlantic Canada, Newfoundland, the Magdalen Islands, and Shelburne today, and we appreciate your coming out. Thank you.

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