



House of Commons
CANADA

Standing Committee on Fisheries and Oceans

FOPO • NUMBER 049 • 1st SESSION • 39th PARLIAMENT

EVIDENCE

Tuesday, April 24, 2007

—
Chair

Mr. Gerald Keddy

Also available on the Parliament of Canada Web Site at the following address:

<http://www.parl.gc.ca>

Standing Committee on Fisheries and Oceans

Tuesday, April 24, 2007

• (1110)

[English]

The Chair (Mr. Gerald Keddy (South Shore—St. Margaret's, CPC)): Pursuant to Standing Order 81(4), we are dealing with the main estimates for 2007-08, votes 1, 5, and 10, under Fisheries and Oceans, referred to the committee on February 27.

I would like to welcome Minister Hearn to the committee meeting.

We appreciate that the minister and his departmental officials took the time to appear. The officials are Larry Murray, Deputy Minister; George Da Pont, Commissioner of the Canadian Coast Guard; David Bevan, Assistant Deputy Minister of Fisheries and Aquaculture Management; and Cal Hegge, Assistant Deputy Minister of Human Resources and Corporate Services.

Welcome.

We had originally planned for an hour, and it was our intent to then go in camera to finish our seal harvest report. The minister told us that he can be here for an hour and a half, so I will try to keep everyone tight on their times. If you don't force me to cut you off, I won't have to.

Thank you very much.

Would the minister please make his opening statement?

Hon. Loyola Hearn (Minister of Fisheries and Oceans): Thank you very much, Mr. Chair.

Again, it's a pleasure to be here. You've already introduced the people with me. We also have some other officials from the department, in the event there are specific technical questions to which you would like answers. We'll try to make sure we can cover all the bases for you.

Since we met last November, our government has made further strides on behalf of Canada's fishers. I'm proud to highlight some of these achievements before taking your questions.

Let me start with this year's budget. We announced a little more than \$581 million for initiatives related to DFO and the health of our oceans. Of that, the largest single investment was in the Canadian Coast Guard. It will receive \$324 million over 10 years to buy, operate, and maintain six new vessels. This funding brings our government's commitment to coast guard fleet renewal to \$750 million so far.

What this means in total is that four new offshore research vessels and twelve new midshore patrol boats will be on the water by 2014. The vessels will be deployed to their respective regions as they

become available. I should add that all these boats will be built here in Canada.

Eight of the new midshore patrol vessels will be primarily for conservation and protection in the Maritimes, Quebec, and the Pacific. The other four are new additions to the fleet and will be used for maritime security in the St. Lawrence and Great Lakes region. The four offshore research vessels will be state-of-the-art. Three will be for fisheries science in the Pacific, maritime, and Newfoundland regions. The fourth will be for oceanographic science, based in the Maritimes.

Overall, five of the new vessels will be additions to the coast guard fleet and 11 will replace existing vessels nearing the end of their life expectancies. Plans are under way for a high-speed air cushion vehicle in Quebec for search and rescue.

In terms of fleet renewal, we're doing the right thing. We are adding and replacing resources according to where they are needed most. For example, I also announced a redeployment of two coast guard heavy icebreakers, the *Terry Fox* and the *Louis S. St-Laurent*, from the Maritimes to Newfoundland and Labrador. This measure will save Canadians about \$10 million in additional infrastructure costs that would have been necessary to keep the vessels in Halifax Harbour. These icebreakers operate in the Arctic from June to November and in the gulf during the winter. There is more than enough wharfage in St. John's and Argentia, and both of these harbours are closer to the Arctic, which is their main service area. So there is no operational need to keep the icebreakers in the Maritimes. Building additional facilities there will be a waste of public money, something the Auditor General has already mentioned.

As you may have seen in the national news, the *Terry Fox* is in Newfoundland right now to free up some 90 vessels trapped in the ice. Clearly, the operational need is there for the vessels.

Canadian fishers also fared well in other areas of this year's budget, including \$39 million for fishery science over two years and \$20 million over two years for the Atlantic integrated commercial fisheries initiative. DFO has also received \$30 million over two years of the \$110 million devoted to implementing the Species at Risk Act, and \$9 million of the \$19 million for a new oceans initiative will also come our way over the next couple of years to help us deliver Canada's oceans action plan.

We increased the lifetime capital gains exemption to \$750,000. Credit for this initiative can certainly go to the committee, and particularly the chair. This will help better rationalize the fishing industry by aiding fishers in retiring on their own terms.

I should point out that the main estimates you have seen tell only part of the story concerning funding to my department. I am tabling two decks that go into greater detail. One concerns the main estimates themselves, and the second updates our expected funding this year, including funding from the recent budget. Of course, challenges and operating pressures certainly remain, and as much as we'd like to, we simply can't do everything everyone asks for.

Let me add something else about another item of interest to the committee—the small craft harbours program. I am pleased to highlight that the \$20 million in temporary funding, which the past government scheduled to sunset this year, will be permanently added to the budget. With that money and the additional \$11 million provided to the program this year, the total program funding will be \$96.8 million. This is good news, and it stabilizes the budget at last year's level, but I'm hoping to secure additional funding to maintain these harbours, which are so vital to our coastal communities.

• (1115)

In relation to fisheries renewal, over the past year I've spent a great deal of time talking to fishermen, provincial ministers, and other fishery stakeholders, and what emerged from these discussions and our own research was that Canada's fishery continues to face significant challenges.

With this in mind, I was pleased to recently announce some of the initiatives we're putting in place to better support the fishing industry. From a national perspective, we announced a new integrated approach to fisheries management that has come to be known as "oceans to plate". This is an approach where we focus on getting the greatest value for fishermen and for all Canadians from that resource.

Much of the work that lies ahead involves restructuring and rationalizing different parts of the fisheries. Our capital gains tax exemption, which I mentioned earlier, will be crucial to enabling this to happen. Fishermen understand that restructuring and rationalization is necessary for the long-term viability of the industry. And we are looking at different market-based approaches to achieve this in various fisheries.

At the same time, fishermen want to ensure that after consolidation, after rationalization takes place, the licences are in the hands of independent fishermen. Given this, I have taken steps to strengthen the owner-operator and fleet separation policies for Atlantic Canada that help to ensure that the wealth, benefits, and control of the fishery remain in the hands of independent fishermen. So I'm ending a

practice called "controlling trusts agreements". Hopefully, this will, as this committee has dictated many times, clean up the fishery. I think these measures will go a long way toward helping fishermen run their own operations.

I also announced our intention to establish a fishery sustainability checklist for Canada's commercial fisheries that will be used to demonstrate to our markets and to others the sustainability of our fisheries. This will help Canadian fish and seafood to better compete on the world stage, as retailers and consumers are demanding more products that have been certified eco-friendly.

We're also pleased to announce a number of financial measures that will help put Canadian fishermen on a firmer footing.

We'll be reviewing licence fees across the country to make sure our approach is a fair one in light of rising costs to doing business in the fishery.

The Department of Human Resources and Social Development will be contributing half a million dollars toward the fishery skills and training strategy. The strategy will be organized by the Canadian Council of Professional Fish Harvesters and will help support our new oceans-to-plate approach within the industry.

For the Quebec fishery, I'm committed to bringing permanence and stability to sharing arrangements there by 2010. I have also committed to establishing geographic fleet shares in certain fisheries, which will provide further stability. As well, we are planning to conduct a viability study for the offshore northern shrimp industry.

We all know that shrimpers in New Brunswick and Quebec are seeking licence fee relief to help mitigate lower shrimp prices and increasing costs of things like fuel, which is having an impact in all parts of the industry. I can tell you that I'm keeping a close eye on the situation, and I should make it clear that shrimp licences will be part of the national fee review.

I'm also confident that other measures we're putting in place will provide a greater opportunity for fishers to manage their businesses more effectively.

In the spirit of self-determination for fishers, I'm pleased to move forward on several other measures under the federal-provincial fishing industry renewal initiative for Newfoundland and Labrador. These initiatives follow significant consultations with fishery stakeholders and much work on the part of the province and my own department.

To help the industry self-rationalize, we've removed a number of regulatory barriers. For example, we will allow fishers to combine fishing enterprises, and we've introduced a new class of vessel size—let people build bigger boats for safety and for sensible reasons. This will give core fishermen the flexibility to use the boat that best fits their needs. And we'll eliminate volume restrictions in the current vessel replacement policy. We will also help to restructure and rationalize the fisheries inshore shrimp fleet by converting temporary inshore licences to regular ones.

• (1120)

Taken together, I believe these investments and initiatives will give Canada's fishers more flexibility and choice in running their businesses. They will help to make the industry more viable and sustainable for those who rely on it today and in the future.

Let me say a brief word on the international front. This past fall Canada was instrumental in helping NAFO reform itself into a more effective fisheries management organization. This year's season is well under way, and I'm very proud of the fact that there hasn't been one citation issued to boats for overfishing or misreporting the catch. They can no longer afford to do so, thanks to the tough sanctions we helped realize. It is real progress.

What lies ahead? The main priority is Bill C-45. Many of the changes it proposes to the Fisheries Act will help support our goal of improving the economic viability of Canada's fishery, and it will help to make fisheries management in Canada more inclusive, accountable, and transparent.

Right now there's a hoist amendment before the House that will effectively kill the bill. It would not buy more time for further consultation, as has been suggested. It takes the bill out of commission completely.

We've been accused of not consulting enough on the bill, when extensive consultations on a renewed Fisheries Act have in fact been ongoing in the department for years. This includes hundreds of fisheries consultations and information sessions from coast to coast. Let me add that the text of the bill has been publicly available since December 13.

Our goal will be to get the bill into committee so that members can review it clause by clause to ensure it will provide the modern legislative framework we need for a sustainable fishery well into the century. Nothing is ever so good that it can't be improved. I'm willing to work with anyone who cares as much about the fishery as I do to improve that key piece of legislation. If we can't have the best piece of legislation, it's nobody's fault but our own.

I again thank the committee for inviting me here today, and I'd certainly be pleased to take your questions.

I hope we've impressed upon you what the government is doing and that we're doing it in the best interests of Canadians. As I've always said, you can do so little alone, but through working with the members of the committee and others interested in the industry, we can do a lot.

Thank you, Mr. Chair.

The Chair: Thank you, Minister. We appreciate that you appeared at committee.

We'll go to our first questioner, who will be Mr. Cuzner. He's splitting his time with Mr. Russell.

I urge all committee members to be judicious with their time. If you go over the time, you will be cut off. There's only an hour and a half with the minister, and everyone wants an opportunity to speak.

Mr. Cuzner.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): The warning will not be taken off my time, though—the 30-second warning.

Thank you very much, Mr. Minister, for being with us today.

We're going to agree to disagree on the fact that fishermen were consulted on the Fisheries Act. I've certainly dealt with fishermen on many issues during my time here as a member of Parliament. But as to any kind of specific consultation, they feel left out of the process.

There are three questions, if I can go directly to the three questions.

This is something that you and I had spoken about when you were in opposition. On the centralization program for small craft harbours, we had talked about the great number of harbours that had been divested, and they continue to be functioning commercial harbours. Do you think there's any possibility that at some point there would be moneys available for these divested harbours?

I'll let you answer that one first, Mr. Minister.

Hon. Loyola Hearn: Thank you very much, Mr. Chair.

To Mr. Cuzner, let me just make a brief comment on consultation. I appreciate where you're coming from, but you know what it's like. If you had to go out and consult with every fisherman from coast to coast—it's not going to happen, it never did, and only for the attention brought to the act, it wouldn't be an issue now. They've had groups or agencies provide a fair amount of input, and they elect you and me to make sure they're represented in the House.

In relation to harbours, I agree with you. It's a changing fishery, and one of the things we've always said is not only harbours that have been divested—Mr. Russell, for instance, has raised the issue—and I should mention, Mr. Chair, these people lining up to get a few minutes with the minister. Every single day, somebody is sitting next to me in the House having a chat. Mr. Blais has had more time than the committee.

Anyway, there is a changing fishery, and some harbours that were not solely owned small craft harbours are more important to fishermen today, perhaps, than some that we own and that are functioning. We are aware of that and are looking at it. We haven't closed the door on it at all.

The only concern we have, of course, is, with so many harbours and wharves across the country and with escalating costs, trying to keep what we have going. But again, priorities are priorities, and we have ways of helping out in certain areas.

• (1125)

Mr. Rodger Cuzner: Again, I know the focus is the functioning harbours now, but if I could suggest to the minister, those that are still there that have been divested...if we could go back, I think there have probably been a couple of harbours that have been divested that should still be in the mix. I'm even getting that from DFO officials on the ground.

Secondly, on the fishing vessel safety regulations on stability, do we see any additional cost going back to the fishers for the new regulations that will be put in place?

Hon. Loyola Hearn: I'm not reading you. Do we see any costs going back to the—?

Mr. Rodger Cuzner: Going back to the fishers. Do we see additional costs going back to the fishers for making sure that stability regulations are—

Hon. Loyola Hearn: Is there some kind of relief or something for them?

The stability, of course, and any costs involved come under the Department of Transport. I'm not aware of any program to offset these costs, not directly. The deputy might have a more careful answer on that for you.

Mr. Larry Murray (Deputy Minister, Department of Fisheries and Oceans): David Bevan might as well.

One interesting thing that came out of the consultations in Newfoundland was a focus on operational health and safety, and that part of the professionalization thing was to give fishers some money for some of this.

I would say, again, no doors are closed on that, and in the whole stability thing, certainly there has been a concern. We're working closely with the Department of Transport. We have an MOU, but I can't say specifically that there has been a sum of money. But certainly it was really interesting, in the 40 consultations around Newfoundland, that this wasn't one of the issues that we thought we would hear about. We did hear—

Mr. Rodger Cuzner: Cost wasn't?

Mr. Larry Murray: Well, safety and that kind of stuff.

I think we'll have to work with the Department of Transport and the industry and figure it out, quite frankly, because I think everybody agrees that it is an area that requires attention.

I don't know, David, whether there is anything more specific at this point.

Mr. David Bevan (Assistant Deputy Minister, Fisheries and Aquaculture Management, Department of Fisheries and

Oceans): I'd just add that Transport Canada, of course, is involved in negotiations and consultations with various stakeholders, and they have no intention, as I understand it, to gazette the proposed regulations in the immediate future. They're continuing with the consultations, and that phase has not yet wrapped up. So I presume in those discussions they'll be hearing about costs and having consideration as to how to reduce them.

Mr. Rodger Cuzner: Okay. Finally, I have just a quick question

The Chair: Mr. Cuzner, in order to be fair with the time, your five minutes are up.

Mr. Rodger Cuzner: Okay. Thank you.

The Chair: Mr. Russell.

Mr. Todd Russell (Labrador, Lib.): Thank you, Mr. Chair, and good morning, Minister and witnesses.

Concerning the coast guard redeployment, there is a sentence in your submission that you moved the two vessels from, I guess, the Maritimes into the Newfoundland and Labrador region. Don't get me wrong, I'm not saying we shouldn't have more presence within our province or more presence from the coast guard within the country generally, but it says "both these harbours are a little closer to the Arctic—which is their main service area".

About a year and a half ago, DFO had put in place, as I understand it, and was implementing a plan to station the coast guard in Labrador—it would have been the first time ever that the coast guard was stationed in Labrador—to carry out just the very type of work that is alluded to within your comments here.

What was the rationale for choosing St. John's and Argentia over, say, what was already in the works a year and a half ago, which was Goose Bay? There was a \$96 million northern access initiative for Goose Bay, or Labrador generally, that was subsequently cancelled even though DFO seemed to have a rationale for it. Why now Argentia, for instance, over a presence in Labrador, which has many, many needs, from a hydrographic need to more mapping to Arctic sovereignty and all these types of things that are so vital not only to Labrador, to the province, but to the country generally?

• (1130)

Hon. Loyola Hearn: Thank you very much for the question.

The points he makes are actually ones we have made in relation to the need for a greater presence in the Arctic, a greater presence in Labrador.

The plans he talks about, however, were plans of the former government without any funding to back them up. It was just a commitment made during the election—as I guess we're all prone to do—with absolutely nothing there to back it up. They talked about revitalizing a coast guard boat. We are very conscious of—and in fact there are major discussions under way among ourselves and DND, etc., about a presence in the north. We're talking about sovereignty and security, which are very important issues.

In this case, with the infrastructure, we need to save money in order to be able to do things with small craft harbours, maintenance, etc. We do have facilities in St. John's and we do have facilities in Argentia, and in relation to the work these boats would do, these areas are more suitable than any others. It wasn't a matter of taking them out of Nova Scotia and moving them to Newfoundland for the sake of doing so; that wasn't the case at all. It wasn't a politically conceived plan. The records will show clearly this was not raised by the politicians on either side. It is a plan that the coast guard has been working on for a number of years, and it makes all the sense in the world in relation to the new reconfiguration of the coast guard.

So I guess it's part of a long-term plan. It's what makes sense now in doing the right thing and saving as much as money as we can for the Canadian public.

Mr. Todd Russell: Just to follow up on that, I certainly don't believe you've put the right spin on it, Mr. Minister. I mean, the northern access initiative was real. It was developed by the coast guard, developed by DFO, and they were even in the early implementation phase of moving that plan forward. Representatives from the coast guard were there for the announcement. It wasn't just an election piece or a platform piece. Officials who are still with the department saw a need and said they were going to put something in Goose Bay or Labrador, a plan that has been on the books, as I understand it, for some time.

So why Argentia over a presence in Labrador, which is vitally needed?

Hon. Loyola Hearn: Well, again, Mr. Chair, it's quite clear you can put any spin on it you want. There was absolutely no funding put in place to carry out that initiative. Several of the initiatives we have undertaken were plans made in the past, with money identified and work done. When you have a dream and you don't put up any dollars for it, it doesn't hold much water.

Mr. Todd Russell: You cancelled it.

Hon. Loyola Hearn: Under the present circumstances, with the facilities we have, rather than go in and try to recreate infrastructure—it's just as easy to spend money in Nova Scotia as it is to spend it in Goose Bay or anywhere else—it makes sense under the coast guard plan to put the boats where we're putting them.

Mr. Da Pont may want to add to that.

But penny-wise and pound foolish sometimes is not sensible. We've done too much of that in the past. So we're trying to get the best bang we can for the bucks we have.

The Chair: Be very quick, because it's time for Mr. Blais.

Commissioner George Da Pont (Commissioner, Canadian Coast Guard): The main consideration, had we kept the vessels in the Halifax-Dartmouth area, was that we would have had to spend

\$10 million or more in wharf construction than would otherwise be the case. We wanted to move the vessels to a place that already had the available wharfs.

So if we had looked at other locations, such as Goose Bay, we would have had to have significant wharf construction. It would have been a completely different consideration.

The Chair: Thank you, Mr. Da Pont.

Monsieur Blais, s'il vous plaît.

[Translation]

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

Good morning to you, Mr. Minister, and to the senior officials as well.

Without further ado, I will go the issue of small crafts harbours. I will do so in order to better understand departmental policy. The \$20 million in funding that was to sunset on March 31 was renewed in a certain way, but the figures show that the situation continues to deteriorate year after year because the amounts allocated to the small crafts harbours program are not sufficient.

Even if that brings us back to the same budget we had last year, it is really not enough to deal with the situation. At home, in Saint-Georges-de-Malbaie, in the Gaspé, the wharf had deteriorated to the point that the department built a protective fence around it for safety reasons. This wharf was still being used, by the lobster fishermen in particular. We can therefore say that it is essential. It is on the priority list for the next few years, but it always comes back to the same thing: there is not enough money.

Mr. Minister, do you not feel that this program needs serious action? If we make do with this year's top-up, the condition of small crafts harbours will continue to deteriorate.

• (1135)

[English]

Hon. Loyola Hearn: I thank the member for his question. I'm not surprised that his first question was on small craft harbours at all. He was raising that issue when I was on the committee with him and ever since, because he represents a fishing area. I would say, Mr. Chair, it's an issue that any of us who represent fishing areas can raise quite logically. It was one I raised.

In fact, if you want to check Hansard, I was the one who raised and pushed the issue back when we got the \$100 million put in originally. We have, as the member says, secured that on a permanent basis—not on a makeshift basis, but on a permanent basis. But on top of that we added another \$11 million. It is still a drop in the bucket. Do we need more money? Absolutely. Are we looking for more money? Yes, we are. However, we're also looking for more money for highway construction, for education, for health care. So we're just one of several. There's never money enough to do everything we have to do.

The one thing about small craft harbours funding is it is allocated on a regional basis, and Quebec gets a certain percentage of that money. So it's not something that can be manipulated by a government or by a minister. I guess it could be, but it's not. And within the region, the small craft harbours division set their priorities based upon a number of factors: the amount of people using the wharf, the conditions of the wharf, etc.

Are we making any real headway? No, we're not. We're trying to breathe some air into the lungs of the situation we have. So, collectively, we'll just have to keep fighting to get more money, but we are battling, of course, as I say, other areas.

In relation to Saint-Georges itself, as a temporary measure, work has begun already to install floating wharves, because you expressed a concern about the people not being able to fish at the start of the season. Is that the answer? No, but it does get them on the water. And then we have to look at the budget in your region to see how soon work can be started on those wharves.

[Translation]

Mr. Raynald Blais: What you say does not surprise me much, but it worries me and it worries everyone to a degree. If a roof leaks and is not repaired, it will fall in at some point. That is the situation of small crafts harbours. It is as serious as that. Moreover, some people are suffering from it. Other groups, like the volunteer administrators of the port authorities, are at the end of their rope. They are exhausted, frustrated and discouraged. If we do not massively invest in small crafts harbours in the short term, the frustration and discouragement will make the situation irreparable.

It is for that reason that I am keeping up the pressure on this issue. Fear not, I will continue to harass you. I will even discuss it with cabinet ministers, if other people need to be convinced of the importance of this issue. You agree, but there is a difference between words and action. I say it again and I will repeat it to everyone, the degree of deterioration has reached such a point that the situation is threatening to become irreparable. The only short-term solution would be to put up safety fences around the wharfs that are in such poor condition that they pose a safety problem. It is in this regard that the situation risks becoming irreparable.

Are you aware of this?

• (1140)

[English]

The Chair: Very quickly, Mr. Minister.

Hon. Loyola Hearn: Yes, I'm very much aware.

Again, I'll take you back to five years ago, when I was the one saying what you're saying. I came in with pictures of a government wharf that had been closed down, was not safe to use, that type of thing. With the help of the committee we made a major issue of it, and the government of the day put in place \$100 million spread over five years. That sunsetted last year. What we have done is taken that money and added it to the permanent base. We also added another \$11 million. So we are \$31 million better off, base-wise, than we were five years ago when I started making those arguments.

However, you're right, with the money we have we cannot maintain what we have and add what we're being asked to do, create

more wharves, etc. But every health care system, every educational system, every highways-interested person is saying the same thing. It's a matter of using what you have. If you're going to rob Peter to pay Paul in the fishery, where do you take money from our department—which area—to put it into small crafts harbours?

Certainly, we'd appreciate any help we can get in stressing the needs in your areas. We constantly do it ourselves. But it's a battle for the almighty dollar, and that's why, everywhere we can—The coast guard boats are a good example. We're trying to save every cent we can so we can spend money in the areas of greater need.

The Chair: Thank you, Minister Hearn.

Mr. Stoffer.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Thank you, Mr. Chairman.

Mr. Da Pont and Mr. Hearn, I'd like to offer my personal thanks to the crew of the coast guard who are helping out the trapped sealers on the northern and eastern parts of Newfoundland. I think they're doing a great job looking after everyone. It's amazing there's been no loss of life, which is fantastic.

Mr. Minister, you announced, and Mr. Da Pont verified, the fact that because of the possible \$10 million worth of work needed to be done to the BIO wharves, the decision was made to move two vessels from the maritime region into Newfoundland and Labrador.

Mr. Minister, we're in the game of politics. But there's an old saying that if it doesn't pass the smell test, there's something wrong.

The reality is that I spoke to the union, local DFO officials, and the coast guard, and nobody was advised this was happening. The City of Halifax was not advised. The province was not advised. You would think that if you were going to take about 130 full-time equivalent jobs out of a region, two vessels, and the infrastructure attached to it, the province and the municipality should have at least been advised this was coming.

I know that Mr. Williams, the Conservative Premier of Newfoundland, is raving very hard at the Conservatives right now. I can't help but think that one ship going to Mr. Manning's riding and one ship going to your own riding—doesn't it smack of grievous politics? Mr. Minister, I'm sure that if the situation were reversed and you were in the opposition, you would be saying the same thing. That's my concern.

I have a question that's not very often asked on the Freshwater Fish Marketing Corporation. We're hearing different things through the media on dual marketing or keeping it the way it is. Could you expand on that?

My last question for you is this, because time is running short. I believe Mr. John Duncan, who was a former Conservative MP, is now your special advisor on the west coast. Was he advised prior to the tabling of Bill C-45 and consulted on the act before it was tabled on December 13, 2006?

Thank you, sir.

• (1145)

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

First of all, let me thank Mr. Stoffer for his comments about the coast guard. It's certainly well deserved. These people went through a hard time. But I guess they look at it as being not as hard as the fellow sitting by the side of his boat on an ice pan wondering if it'll break off. It's been a rough ride for everybody, but thank God no lives were lost. It looks as if the ice is loosening up a bit and we can get everybody safely back to port.

I don't argue with the member's perception of the coast guard and how it looks. But if I'm powerful enough or Mr. Manning is powerful enough in a ten-day period following the latest blow-up in Newfoundland to be able to take two icebreakers, do some analysis, and move them to the province, then we're pretty powerful. I can truthfully say, Mr. Chair, of course, we have people who think it's a very good idea to move them there, but I had absolutely no hand in this decision until it came to me. You can actually put anybody around this table under oath and ask them that question. We had a lot of other things to do when the idea came up and the paper was presented as part of a reorganization in relation to the new boats that are being built and moved around. There will be more boats going to the Maritimes than before, and they will be very well off. We're putting a lot of money into the Bedford Institute, and there will be a major consolidation around that area. That area is going to do very well.

In relation to the other two questions, I met with the Freshwater Fish Marketing board a few months ago. It was a very good meeting. We've appointed a new chair and a number of new people since I've been there. They weren't appointed politically, but verified searches were done and approved. There are some very good people involved.

We're not interfering whatsoever. I can have somebody elaborate on this a little more, but the Treasury Board initiated the study to see if there were other options they might want to pursue. It's in their hands. We're not interfering in it at all, nor are we going to go in there and tell them they have to do this, that, or the other thing. We can help them to lay out a couple of options they might want to look at in relation to certain species where it might be to their advantage, but we are not interfering with the Freshwater Fish Marketing board or how that relates whatsoever.

In relation to Mr. Duncan, Mr. Duncan does not work with me at all now. Mr. Duncan resigned from the department quite some time ago, when he decided to seek the nomination. It was actually before he even announced he would do that. He was around when we were working on the act, but I'm not sure if he was still with us when we tabled it. I really don't know. He was there when we were doing the preparatory work, and he certainly had some input into it.

We had a lot of people and some people with political knowledge to try to make sure the act contained the issues that it should, and we dealt with the issues we should deal with. I think we did so. There are some interpretations that need to be cleared up and some changes may have to be made in certain areas. We have no problem with that.

But we have to get on and do it. If we don't do it, it might be another 137 years before we'll do it again. That's my concern.

The Chair: Thank you, Minister Hearn.

Mr. Calkins, you're splitting your time with Mr. Lunney.

Mr. Blaine Calkins (Wetaskiwin, CPC): That's correct, Mr. Chair.

Minister, thank you very much for appearing before the committee.

I have one question. Responsibility for the Navigable Waters Protection Act falls under Transport Canada, but the enforcement overlaps into Fisheries and Oceans as well. Under section 35 of the current Fisheries Act, any project that involves both fish habitat and a navigable waterway may be subject to review by both departments. The Navigable Waters Protection Act doesn't define "navigable" or "navigation". It's interpreted so broadly that just about any small ditch or canal or something like that can be considered navigable.

Whenever municipalities in my constituency undertake work on a bridge or a culvert that involves a stream or a creek or even a gully, they have to obtain approval from Transport Canada, Fisheries and Oceans, and Alberta Environment.

In 2004, the county of Lacombe wrote a letter that said the Navigable Waters Protection Act hinders projects on small inland drainage waterways that are never used for navigation.

• (1150)

The Chair: Mr. Calkins, excuse me. You're going to have to slow down a bit. The interpreters have a difficult time keeping up when you're galloping.

Merci beaucoup.

Mr. Blaine Calkins: All right.

The county of Leduc, in 2005, wrote that the current interpretation of the act impacts municipal construction and maintenance works, substantially increasing costs and resulting in delays while documentation and approvals are obtained.

The town council of Millet wrote to your predecessor that dealing with one federal department can result in delays and exorbitant costs; complying with the requirements of two departments could further impede construction projects.

Mr. Minister, as you're aware, the construction in Alberta right now is booming. There's a heated-up economy. Every month that a project is delayed results in increased construction costs.

I'm basically posing this question to you, Mr. Minister. Our government is committed to reducing red tape. I'm wondering what plans your department has to simplify and expedite the approval process so these municipalities can get on with the work they need to do without having to be delayed and absorb those costs.

Hon. Loyola Hearn: Thank you very much for the question. It's one that certainly has been raised by a lot of people who are perhaps more affected by navigable waterways and streams and rivers in relation to developments than they are to the fish and the industry. But it's just as big, and probably more frustrating, a problem. Several of your colleagues, on all sides of the House, have raised that.

When we came into the department, we were also bothered by this red tape.

We've all heard the story. I heard it the first year I came here, and I still hear it. I hear the same example about the farmer who is trying to put in a culvert and six guys with guns appear to stop him. He had never seen a trout in his life. Now, whether that's true or not, it still exists. There have been frustrating stories.

We are responsible for fish and fish habitat. We're not responsible for anything else. If there are no fish or fish habitat being destroyed, we are not affected. What we've done is taken the guys with guns, our protection officers, and moved them to areas where they're needed. We brought in habitat people and developed plans, where we try to be aware of the area as quickly as we can. One phone call and we'll sometimes be able to answer the question of whether we are involved: "No. It's not a fish stream. There's no fish habitat."

If there is, then sometimes we have a problem. We're not only governed by our own act; we're also governed by the Species At Risk Act and the environmental acts. So sometimes our hands are tied there. We were accused of holding up construction of a bridge because an eagle had a nest in the uncompleted section. It wasn't us. We're not responsible for eagles, but we get the blame.

I'll have the deputy discuss some of the things we have done recently. We have taken this very, very seriously. We've tried to cut the red tape and bureaucracy to get down to the point where developments can occur. However, sometimes you get people pushing an issue where we do have responsibilities. We're governed by the law and we have no choice.

Mr. Larry Murray: I'll be really quick. We could come back, Mr. Chairman, with a briefing on this if you wanted us to, because it is an area of considerable concern. But we have put in place an environmental process modernization thing to address as much of that issue as we can. We now have an operational statement regime whereby if people file the operational statement, they don't have to go through all the processes. That deals, I hope, with a number of the issues of the nature you're talking about. As the minister said, we're now putting in place a monitoring regime, and as long as people abide by it, so be it.

The Navigable Waters Protection Act at Transport Canada, which used to be with us, moved by a government decision on December 12, 2003, but we're still trying to work closely with them. The government had money in the last budget. A deputy ministers task force in the last year or so has been trying to come to grips with how we bring this stuff together in a more coordinated way.

There's money in this budget to try to ensure that departments that are heavily into it, including us, get some capacity money, but also that there is a process put in place to better coordinate this stuff, so that folks aren't dealing with Transport Canada this week and then we show up next week saying you've had a nice try on the navigation stuff, but now you've got to worry about the fish stuff. So there is money in this budget to try to fix it.

But we'd be very happy, either for the individual or for the committee, to give a presentation at some point on what we're trying to do, and, more broadly, what the government is trying to do, because it is a very important issue and it is the subject of a lot of frustration. Some of it is historical and some of it is real now, and we're trying to make it better.

● (1155)

The Chair: Thank you, Mr. Murray. I think a report to the committee would be in order. That would be an excellent idea.

Mr. Lunney.

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

I'd like to welcome the minister again. I'd also like to express kudos to the coast guard crew who are out there working with those sealers in those tough conditions. Canadians are certainly glad to see the support they're getting, and I express the opinion of other members here when I say we're glad there's been no loss of life in these difficult circumstances.

With regard to the coast guard, I certainly want to express my appreciation, the appreciation from those on the west coast, about the renewal program for coast guard fleet. I certainly think we have to invest in that infrastructure. We're glad to see that.

My question would come alongside the training of officers. I know in the MCTS crews that are monitoring the vessel traffic on the coast, for example, our officers are aging. They're very well-trained, but they have complicated jobs. There have been concerns about the investment in training manpower.

Could someone explain to us, Minister, or one of your officials, where we are at with the training program for MCTS officers and coast guard officers? Are we going to have the officers in place to man those new vessels as they come on board and for upgrading our staff as they come into retirement age at the MCTS centres?

Commr George Da Pont: Mr. Chairman, that is a very good question.

For me, that type of question, not just for the radio operators but for ships' officers, ships' crews, and other parts of our organization, is I think our biggest corporate risk, given our demographics. We are putting significant effort into doing the projections, planning for the future, and trying to put in place more accelerated training. Specifically for the radio operators, we are looking at improving the capacity at the coast guard college. Also, we're looking at investing in additional capacity to do training through the Internet, through e-learning as well. We're looking at all these things, and I would hope we would have some solid plans in place within a year.

Mr. James Lunney: Great. Thank you.

There's a second question. I'll pick up on the small craft harbours discussion we had already.

I'm certainly glad, Minister, you were able to secure that \$20 million for the small craft harbours program, making that permanent funding, and with the extra \$11 million bringing that up to \$31 million, at least closer to the \$35 million I think Mr. Murray had indicated we probably will need over a number of years to bring that program up to speed after being neglected for, I'm afraid, a lot of years by previous administrations.

My question would come under the divestiture program, because we still have a lot of harbours that have been working through that program and are caught in that time warp, where they're not used as they used to be, and a divestiture program under way—

Could you give us some indication of the funding levels—I know there was a fair bit required—and some of the challenges we're facing with harbours upgrading and environmental cleanup for some of these harbours prior to the divestiture?

Hon. Loyola Hearn: I'll have one of the officials give you some idea of the figures.

The principle we base it on is that we do have—or we don't go out there intentionally shutting down harbours, even some of the ones that Mr. Cuzner mentioned. As the fishery changes, I myself know harbours that five years ago weren't used very much but that today are used a lot. Mr. Russell certainly has that example. We also have harbours that were used a lot but that now are not used. It's sometimes because people are going from small boats to bigger boats or vice versa, or because of the different species they're fishing in that area. Many people move to larger centres or better landing sites, etc.

So we always have harbours that are not being used. Sometimes they are big, rough, rugged harbours with huge wharves on the coast of Labrador or northeastern Newfoundland. Others might be a marina in a sheltered area in British Columbia or in Ontario.

About the latter, quite often people would love to have them, whether it be boat clubs or whether it be towns where they could develop a tourism business. Not too many come looking for a wharf in a rugged area of Labrador; you'd never be able to maintain it.

So we have all these challenges. We take a certain section of the budget each year for divestiture purposes. Sometimes, by being able to work with the local groups involved, we can get rid of a number of these harbours, but it's always with an investment from us. Very few people want to take it off our hands. It is costly, and we can't really take away from maintaining wharves that the fishermen are using to try to divest one. So we set aside a very small amount.

Do you want to elaborate a little bit on that, Cal?

• (1200)

Mr. Cal Hegge (Assistant Deputy Minister, Human Resources and Corporate Services, Department of Fisheries and Oceans): Sure.

Just quickly, we have about 350 harbours we would still like to divest. Those are recreational or low-activity harbours. We have spent about \$65 million since the program review decision to divest of those harbours. To divest of the remaining 350 harbours—I think we presented this information to the committee before—we would need an infusion of about \$82 million to advance the divestiture.

So as the minister said, and as we discussed this morning, with the pressures on the budget for small craft harbours, we're only able to spend about \$1.5 million each year on those harbours that need to be divested.

The Chair: Thank you.

The next questioner is Mr. Simms, but I first have one very quick question for the minister.

This is with regard to the transfer of the two coast guard icebreakers, the *Terry Fox* and the *St-Laurent*, to Newfoundland in 2008 and 2009. As we're well aware, that policy was put in place back in 1997. My concern is not so much with the policy as it is with the jobs of the individuals working on those vessels. Many of them are Nova Scotians, and many of them live in South Shore—St. Margaret's, the riding I have the pleasure to represent. Others live in Ontario, or New Brunswick, or P.E.I.

I think there really does need to be some guarantee that those jobs will remain with the vessels. Some will be lost through attrition. Some people will naturally retire, and some may be transferred to other coast guard vessels. There does need to be some guarantee that those jobs will be secure.

Hon. Loyola Hearn: There is, Mr. Chair: there isn't one job that will be lost in this process. In fact, we have a five-year period for transition. Consequently, we will protect the jobs. Also, as some of the older boats are phasing out, no boat leaves the service until the new one comes in. We actually have four or five more boats coming in than are going out.

So we'll be adding jobs to the coast guard rather than taking away.

The Chair: Thank you very much, Minister, for that answer.

Mr. Simms.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Thank you, Mr. Chair.

I thank the minister and his staff for coming in.

First of all, I'd like to congratulate the efforts of the coast guard off the coasts of northeastern Newfoundland and Labrador. I'd also like to congratulate you on the recent announcement of vessel sizes. I did a press release a few months ago asking you to do it, and you did it. I won't take credit for it, since you were openly musing about it long before I came here, and I'll just say congratulations.

My first question is for you, Mr. Murray, on small craft harbours. You said in November of 2006 that the program of small craft harbours “would require the \$96 million—in other words, not sunsetting the \$20 million—and an additional \$35 million”, for a total of approximately \$130 million per year for that program.

Do you stand by that statement, sir? Yes or no?

Mr. Larry Murray: Yes. The minister has used the same number, as has Mr. Hegge. That's our estimate to the committee—

Mr. Scott Simms: Thank you very much.

Mr. Hearn, can you respond to that? It seems to me we have \$89.2 million, plus your \$20 million under “Moving toward sustainability and getting infrastructure right”, which seems to me a bit of a Hail Mary, given that it wasn't in the main estimates. It does fall short by \$15 million on the vote that we had in the House, which was brought forward by my honourable colleague, Mr. MacAulay.

Hon. Loyola Hearn: Actually, Mr. Chair, it falls short by \$4 million, because there is another \$11 million added to the base permanently also, so we have \$31 million more than we had. I think the resolution in the House was \$35 million, which, as we have said, is not enough if we're going to bring all our wharves up to standard. We always run into damage every year.

You can't predict what you're going to do next year, because an ice storm or heavy ice, as we had this year, could do considerable damage and rearrange priorities tremendously, particularly in areas like yours.

• (1205)

Mr. Scott Simms: Is this a permanent thing, then?

Hon. Loyola Hearn: Yes, it is; the \$31 million is permanent.

Mr. Scott Simms: But if you look at the planned expenditures for 2007-08, you have \$89.2 million. What's odd is that in the year following, it goes down to \$84 million. You've actually reduced the A-base budget, so if you're saying that you're looking for more money where you can, you've already reduced it beyond next year in the A-base budget.

Hon. Loyola Hearn: When I read my introductory remarks, I mentioned that if you look at any one set of numbers among the several sets that lead up to budgets—at what you spend, at what you didn't spend, at what's moved forward—you'll see numbers do strange things, as we're learning in Newfoundland these days.

Mr. Scott Simms: They do strange things, yes, by maybe \$1 billion, but—

Hon. Loyola Hearn: Mr. Hegge might clarify for you exactly what is happening here—where the \$20 million is and where it'll fit in, etc.

Mr. Cal Hegge: As you said, the \$20 million came to us outside the budget cycle itself. It wasn't reflected in the budget, but this was an initiative before the budget—

Mr. Scott Simms: Mr. Hegge, who made the decision to bring that back in, then? Are you aware?

Mr. Cal Hegge: The submission was made to cabinet.

Mr. Scott Simms: Who made the submission?

Mr. Cal Hegge: It was by Fisheries.

Mr. Scott Simms: It was made to cabinet by Fisheries, and then cabinet approved it, I'm certain—\$20 million.

Mr. Cal Hegge: Yes.

Mr. Scott Simms: Did they approve it as a permanent fixture?

Mr. Cal Hegge: Yes.

Mr. Scott Simms: Okay.

Let us go to the other issue about the coast guard again. In the situation we have now with the sealers off the coast of Newfoundland, is having this breaker in Argentia going to benefit that, even though it's on the south coast?

Hon. Loyola Hearn: It certainly wouldn't hurt it. You're as familiar with the geography of Newfoundland as I am. The *Terry Fox* is presently—in fact, the one that's going to be stationed in St. John's is presently in the area where the boats are, trying to help, because it's a much heavier icebreaker—

Mr. Scott Simms: Does it matter, then, if the boat is near the dangerous situation? Does it matter?

Hon. Loyola Hearn: Well, it certainly does. You get an extra day's—

Mr. Scott Simms: Well, if that's the case, we have an idle facility in Botwood in Notre Dame Bay, which is far closer to the front than anywhere else. Wouldn't you think Botwood would be a better place?

Hon. Loyola Hearn: Well, it depends on the infrastructure; it depends on the ability to support a boat there. It's not just a matter of whether there is a harbour suitable for a boat to enter. We don't have a coast guard establishment there, and you do need your backup services, your support services, as well as the ability to dock.

Mr. Da Pont certainly would be much more versed in the services than I, but—

Mr. Scott Simms: Mr. Da Pont is returning to committee, is that correct?

The Chair: He will be, Mr. Simms, but you are over—

Mr. Scott Simms: Can I ask one quick question?

The Chair: No, you actually can't, because you're out of time, and we are keeping our time very tight.

Mr. Scott Simms: A point of order, Mr. Chair. I think they went on pretty long. They went about 15 minutes or so.

The Chair: Actually, no. They were down for 10 minutes.

We can discuss this at another time, if you wish. I know it's difficult for members to stay on time. I've been very vigilant in trying to keep members on time and I'm going to continue to do that.

[*Translation*]

Mr. Asselin.

Mr. Gérard Asselin (Manicouagan, BQ): Thank you, Mr. Chairman.

Mr. Minister, if we were at the cinema, we could say that my comments are take three. In fact, this is the third time that I am raising this issue with you. I am referring to the coast guard station at Havre-Saint-Pierre on the North Shore. I would not want DFO to save money to the detriment of the safety of fishermen. Safety at sea should be a priority for Fisheries and Oceans Canada.

I will give you an idea of what is happening on the North Shore. There is a coast guard station at Havre-Saint-Pierre. During the winter time, the fishermen and crabbers store their boats in dry dock at Sept-Îles. They launch their boats on the 1st of April in Sept-Îles and sail to their marina or to their wharf at Havre-Saint-Pierre. Given that the crab fishery starts on the 5th of April, choosing the 1st of April is appropriate. It is perfectly logical that the boats would be prepared four days before. The distance between Sept-Îles and Havre-Saint-Pierre is 250 km. In the beginning, the fishing permits and allocations were issued for the 5th of April. But once again, this year, the coast guard did not begin operations until April 19th.

During your last appearance before the committee, I provided you with the example of a municipality that opened its public swimming pool to children for the summer season on June 24th but did not hire any lifeguards until the 15th of July. You will agree with me that that makes no sense. And yet, that is what is happening to the fishermen on the North Shore. The problem should be settled, and we were very hopeful that in fact that would happen. We exchanged a great deal of correspondence with your department and your office. And yet the municipalities, the fishermen, the associations, the area stakeholders, some 20 of whom support me on this issue, are constantly asking you why this year, yet again, the coast guard started up their operations almost three weeks after the beginning of the fishery.

Mr. Minister, can we hope that in 2008, the Havre-Saint-Pierre coast guard station, whose role is to watch over the maritime safety of navigators and boaters, will have sufficient funding in order to be effective and ready to function from April 1st to December 1st, that is to say for the peak period? I would like you to reassure me by guaranteeing me that that will be the case.

• (1210)

[English]

Hon. Loyola Hearn: If I remember correctly, Mr. Chair, Mr. Asselin raised this problem last spring. I think at the time we arranged to accommodate them. We did set up a study, which I'll have Mr. Da Pont talk about now, looking at search and rescue and openings, etc., in the area.

I understand his frustration. It doesn't make much sense if a coast guard is needed in the area if the fishery is starting, but that's something, certainly, he has made us aware of. I know we're working on it.

Mr. Da Pont might be able to zero in on your question.

[Translation]

Commr George Da Pont: Thank you, Mr. Minister.

I am well aware of the problem. As the minister was saying, we took temporary measures last year in order to partly resolve the problem. I'm trying, with the search and rescue study, to find a long-term solution. This study is almost complete. We have made the gulf region a priority. I believe I will have the results of the study in hand in three or four weeks' time. The full study will be completed towards the end of June.

We attempted to implement temporary measures this year, but it was rather difficult because we had to put the emphasis on resources, that is to say the seal hunt. As a result, there were fewer resources available. We also mobilized boats from Quebec on this occasion.

The Chair: Thank you, Mr. Asselin.

[English]

Mr. Stoffer.

Mr. Peter Stoffer: Thank you very much, Mr. Chairman.

Mr. Minister, you had said that you didn't make the decision to move the coast guard vessels to the Labrador region. Would you be able to tell us who did make the decision?

Hon. Loyola Hearn: Actually, the whole coast guard scenario has been revamped in light of the new investment and the investment that hadn't occurred for years. As you know, we're putting three-quarters of a billion dollars into infrastructure, and because of that, plans were made going back to 1997. I think the commissioner will answer your question.

Mr. Peter Stoffer: But, Mr. Minister, I only have five minutes, and I thought it was a simple question.

Hon. Loyola Hearn: Well, do you want the answer?

Mr. Peter Stoffer: You had indicated—no, you had said yourself, sir, that you didn't make the decision—

Hon. Loyola Hearn: No, I did not.

Mr. Peter Stoffer: —so you would know then who—

Hon. Loyola Hearn: No, no, no, correct it. I made the decision. I said I didn't initiate the action. Okay?

• (1215)

Mr. Peter Stoffer: Okay. So you did make the decision, then?

Hon. Loyola Hearn: I make every decision that's made.

Mr. Peter Stoffer: Very good. Thank you.

Hon. Loyola Hearn: Even the ones I don't make I get blamed for them, so....

Voices: Oh, oh!

Mr. Peter Stoffer: Sure. Now you also indicated that it was \$10 million to redo the BIO wharf, but you neglected to tell us what the cost would be, not only to ship the men and women back and forth to Newfoundland from the maritime region and elsewhere, but you also neglected to say what additional things need to be done to St. John's and Argentia. Is there a dredging cost that has to be done? Is there any work that needs to be done on the wharves in Argentia and in Newfoundland?

And having said that, is there a business case plan for the decision, and if there is, would it be possible for the committee to have that?

Hon. Loyola Hearn: Mr. Da Pont.

Commr George Da Pont: Thank you. On that, we made the recommendation, and it was based on the cost avoidance. We still have to make a significant investment at the BIO campus and in wharf space.

With this decision, we make less of an investment than we otherwise would have and we avoid the ongoing maintenance costs that come with any investment. We took a careful look at the locations in St. John's and Argentia, and it's not our expectation to have to make any significant investments in those locations at all, which was one of the considerations. I know one of the issues people have raised, for example, is whether you can actually tie up the vessel. We had soundings done by CHS to confirm that that was the case and that there would be no issues. We had one of our most respected captains go into Argentia and give us a report on the feasibility of that location.

So we did a lot of work. There will be some extra costs coming from the commitment to have a five-year transition period, absolutely. We thought that was important to deal with these individual situations of the crew and to meet our commitment that there would be no job loss; no individual would lose his or her job, and no individual would be forced to move. We have estimated that cost. Between the two vessels, over the period of time, we expect the additional incremental cost would be a maximum of about \$500,000 or \$600,000 over that period, and we would obviously look to mitigate it through a variety of measures. But that's our estimate of the maximum cost for additional cost to transport crew.

Mr. Peter Stoffer: Okay. Is it possible, then, to get the written plan of this, including any possible dredging that may have—? I'm sure that was all looked into, and there must be a report on it. Is it possible to get that report? If it is, you can just say yes, but I have one last question to ask of the minister.

There was no consultation with the province and the city on the moving of these vessels. We go back to the lack of consultation on Bill C-45. You, sir, and I were both at the Maritime Fisherman's Union when I asked them point-blank if anybody in the room was consulted on Bill C-45 prior to the tabling on 13 December, and nobody put up their hands.

I've asked PEIFA. I've asked many, many, many groups and individuals across the country over Bill C-45, and I disagree with you that a hoist amendment would kill the bill. I think by not having a possibility to consult with fishermen—because it is their livelihood we're talking about—in order to put the changes in Bill C-45 before second reading—because you, sir, and I both know that after second reading there are certain amendments that cannot be included in a bill.

We both know that. I think that if we're truly here, on opposite political sides, but here for the fishermen and their families, then we should allow fishermen and their families the opportunity before second reading to debate this issue so that we can put in their concerns and their amendments before it goes to second reading. I disagree with you when you say a hoist amendment would kill the bill because I think the opposite would do just that.

Hon. Loyola Hearn: I would think that somebody who's been in politics as long as you have, Mr. Stoffer, would have a greater knowledge of how this works.

You said that you asked all the people at the MFU meeting if they had been consulted about the bill before tabling and they said no. I agree with that. If you were to ask every Canadian, including parliamentarians, if they were consulted about the bill before tabling, they would say no. Because until the bill is tabled, even my colleagues don't see the bill, nor can I consult.

The Chair: Minister, let's hurry, though, because we are over time.

Hon. Loyola Hearn: If you want to talk about what's in the bill and the parameters leading up to the bill, the bill is 139 years of age now, I believe. Also, since 1992, when that bill was first tabled—there were attempts I think on two or three occasions to table it—there were some major discussions involving people around the country. If you ever think we'll get to the day when we'll take every piece of legislation and go out, even after tabling, and talk to every

person in the country and get his or her opinion, it's not going to work.

I would suggest to you that the hoist motion does kill the bill, because it means it's taken off the order paper and cannot be reintroduced again during the session. That is actually killing the bill.

The best thing we can do with the bill is get it to second reading in committee where you can make any changes that are necessary in that bill. I think if you ask any good lawyer around, he will tell you that there's nothing you or anybody else—unless it's something specific that people wouldn't go along with anyway—can't change in committee. The Federal Accountability Act, I believe, had 154 amendments, and some of them were pretty heavy stuff. So any changes that anybody has raised with me, in fact, when I've talked to people about their concerns, once they understand what is meant by the terminology and so on, I've run across very few who object. The only people who object are given the interpretations hook, line, and sinker and don't get the chance to find out the truth.

● (1220)

The Chair: Thank you, Minister Hearn.

We'll go to Mr. Kamp, and we will try to stay under five minutes. The minister did go over in his answer.

Mr. Randy Kamp (Pitt Meadows—Maple Ridge—Mission, CPC): Thank you, Mr. Chair, and thank you, Minister and officials, for appearing. I appreciate your candid answers.

I know that conservation and protection of fish and fish habitat are important parts of your mandate. On the west coast, we've had some concern over a decade or more about the future of the various species of rockfish. In fact, it was that concern that led to the introduction of the groundfish integration proposal. I'm just wondering if you can tell us how we're doing on protecting rockfish and on any other initiatives. And can you give us an update on how you think the groundfish integration program went in its first year and as we go into its second year?

Hon. Loyola Hearn: Mr. Chair, I thank the member for the question. Certainly, it's a very important topic, particularly on the west coast. We don't get many questions from that area.

When we came into the department, just a little over a year ago, we were asked to look at a new groundfish integration plan, a plan put together by fishermen themselves—not by politicians and not by the department, but by fishermen themselves, coming together over a three-year period—so they could continue to fish the species they fished ordinarily and not be sidetracked or shut out because of an abundance of some other species, which would mean that the bycatch would be so high that the original fishery would shut down.

Through proper planning, proper reporting, and proper sharing, this has turned out to be a very successful fishery. We do have some detractors—we always will, I suppose—and some with very vested interests, but this has been a major success. Most people did exceptionally well, and we've also protected the rockfish. Mr. Bevan might want to elaborate on that specific area, on rockfish alone.

Does the project have some edges yet? Of course. But we said we would monitor it on a year-to-year basis and make changes during the year. We're finding that people are not frozen out of the fishery, and they are participating in many areas. I have all kinds of correspondence to show that we are doing better than we ever have because of this plan. Still, some refinements are necessary, and we'll always work on that, but we're certainly headed in the right direction.

Mr. David Bevan: Yes, we did actually see a significant improvement in the performance of the fishery from the point of view of avoiding unsustainable bycatch, and it worked very well from the point of view of making sure that the catches of all species, including rockfish, were well within the safe biological limits and that all catches were documented. That worked very well.

We still have to continue to try to minimize the economic costs of this, but it has succeeded from a biological point of view.

In addition, we have increased the number of rockfish area closures to further protect rockfish in British Columbia waters.

Mr. Randy Kamp: Thank you very much.

I don't know how much time is left, Mr. Chair, but I think Mr. Lunney has a quick question that—

The Chair: He has a minute and 30 seconds to ask and get his answer.

•(1225)

Mr. James Lunney: My question is along the same lines of conservation, only with a little different twist perhaps.

There is a lot of concern about habitat on the west coast and habitat enhancement. I'm just looking at the estimates here under the salmon enhancement program, and I see you would maintain a funding of about \$29 million. I see under salmon enhancement we're looking at the habitat management funding there as well, environmental assessments and other habitat management, and it's about \$23 million and decreasing slightly.

I just wonder, would funding for habitat enhancement programs—a lot of the coordinated groups go on partnerships, shall we say, with local groups for habitat enhancement, and some very good work has been done on salmon enhancement—come out of the salmon enhancement program or out of habitat management, and if so, are we able to maintain and increase some of those good programs? Could somebody comment on that.

Hon. Loyola Hearn: It does come out of the salmon enhancement program.

And you're right, I think we should give credit to, certainly in British Columbia, the number of groups—not only British Columbia, everywhere, but British Columbia in particular—who over the years worked maybe in their own areas and have all come together. We've done a tremendous amount of work with them, led by one Rick Hansen, who has been front and centre, and a number of

other players who have come to the table, former minister John Fraser, for instance, who's been a wealth of experience and advice. We're seeing some major positive changes in protecting the habitat, protecting the resource in British Columbia, and bringing first nations people in as partners in all of this. There's a camaraderie happening that we didn't see in the past. We still have a long way to go, however.

We talked about the environmental process in relation to the habitat in Alberta and the streams and the waterways, and we're talking about habitat protection there.

The new act would give us a lot more clout to deal with some of these things, a lot more flexibility. If we had that, we could do a lot more than we're doing at present, and we could work a lot more with local groups and agencies. We haven't got the power to do a lot of it, as we've been told by the courts. Until we get the new act, we'll just try to do what we can.

The Chair: Thank you, Mr. Hearn.

The final questions will go to Mr. Matthews and Mr. Savage. They're splitting their time.

Mr. Bill Matthews (Random—Burin—St. George's, Lib.): Thank you, Mr. Chair. I just have one question.

I want to welcome the minister and his officials to committee this morning.

I was just wondering, Minister, when your small craft harbours funding decisions will be announced and communicated to harbour authorities, who have a short season to get the work done in most parts of our country. We need to get our harbours done before the bad weather sets in. So I'm wondering if you can inform us of that.

The second part of my question is not related directly to your department, but while we all know the impact the horrendous ice conditions have had on sealers and their vessels, these conditions have also impacted significantly on crab and shrimp harvesting and processing jobs in plants. I know there's been a request to your colleague for an extension to EI. I'm wondering if you could comment in some way to committee if you're optimistic that we might see an extension to EI for those people affected.

Hon. Loyola Hearn: On the first question, we have the plan in place now. It's only a matter of getting time to sit down and go over it and announce it. But in order for them to get some work done, you're right, the earlier we can announce it the better.

In relation to the second question, there has never been an extension of EI, certainly not in recent history, I am told. But what has happened is HRSDC or Service Canada, or whatever, in conjunction with other departments, our own and ACOA, I believe, did provide special programs, probably put out through HRSDC. But it wasn't a direct extension.

I've already met with the other ministers who might be involved in such a venture. We talked among ourselves as late as this morning, in fact. We are monitoring the situation, and if necessary, we'll be ready to take whatever action we have to help people who would be deprived.

I guess what we all hope for is that there will be a change in wind directions, the sailors will get back home safely, the fishermen can go fishing, and we don't have to worry about these things.

But we are conscious of it, and in the event we do have to step in, we'll be ready to do so.

The Chair: Mr. Savage.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Thank you, Mr. Chair.

Minister, the recently announced decision to redeploy the vessels from Dartmouth to Newfoundland has had a devastating impact in our community. It has raised a lot of questions about why this decision was made, how it was made, and what the process was for making the decision.

Is it normal procedure to make this kind of move for the coast guard without discussion with the union, without discussion with labour, or even regional management?

• (1230)

Hon. Loyola Hearn: The decision, the planning, has been on the go since 1997. So I would think there has been a fair amount of discussion and consultation. But the commissioner will certainly be able to outline for you the process, who was involved in the process, and he has outlined, I think twice or three times this morning already, why the decision was made.

Mr. Michael Savage: Before we go to the commissioner, perhaps I could ask if he could reference this as well. In this business plan, "Safety First, Service Always", the business plan of the coast guard dated April 1, is it mentioned in here? If it's been in the planning stages, I assume it must be. Can you tell me what page that is on in this book?

Maybe the commissioner would be better positioned.

Hon. Loyola Hearn: The commissioner handles what goes on in the coast guard. I'm sure he can answer your question quite well.

Commr George Da Pont: Let me start with the business plan. First of all, it's not in the draft that you have. It will be in the final one. It's not in the draft you have because the announcement had not been made yet, and we had to respect, obviously, announcement timing.

Secondly, in terms of how the decision was made, it was largely made by me, the deputy commissioner, and our director general of fleet. As the minister has stated, I know it's a very emotional and difficult thing to move vessels. It's not something we did lightly, but there had been a number of studies over the past decade on exactly this. The issue had been studied in quite some detail from various perspectives.

Mr. Michael Savage: [*Inaudible—Editor*—decision?

Commr George Da Pont: It wasn't made before for a variety of reasons, but the driver of making it is my desire to get all of coast guard in the Dartmouth area consolidated at the BIO campus. We announced we were getting out of Dartmouth base in the late 1990s. We haven't invested in that facility, and it's not in good shape. The coast guard is scattered over four different locations in Dartmouth right now. Taking the decision on the icebreakers was a necessary first step to get the consolidation plan at BIO moving. That was sort of the trigger to finalizing the plan for wharf construction, and I hope, ultimately, the consolidation.

Mr. Michael Savage: Wasn't that money budgeted in 2003 to make BIO ready for the icebreakers?

Commr George Da Pont: Money was never budgeted. There were a number of plans over the years, and that's part of the problem. Nothing was ever finalized. Nothing was ever budgeted. That's why for me it was a very important priority to get that moving, because as I said, I don't find our state of operations in Dartmouth satisfactory. That was a key decision. Because I want to nail down the money.

The Chair: Thank you very much, Mr. Da Pont.

Thank you, Mr. Savage.

On behalf of the committee, I would certainly like to thank the minister and departmental officials for coming today. I would also like to take a moment and express our thanks and gratitude to the minister, and Mr. Da Pont specifically, and DFO officials, of course, for assisting us in the wrap-up of our study on the seal hunt, specifically with getting out to the icebreaker and actually being able to observe the hunt. It was extremely important for us to be able to finish up our report.

Thank you very much for coming. We will suspend before we go back in camera to finish our seal hunt report.

[*Proceedings continue in camera*]

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

**Also available on the Parliament of Canada Web Site at the following address:
Aussi disponible sur le site Web du Parlement du Canada à l'adresse suivante :
<http://www.parl.gc.ca>**

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.