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## Standing Committee on Fisheries and Oceans

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EVIDENCE

**Tuesday, May 8, 2007**

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**Chair**

Mr. Gerald Keddy

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•(1105)

[English]

**The Chair (Mr. Gerald Keddy (South Shore—St. Margaret's, CPC)):** I call the meeting to order. Pursuant to Standing Order 108 (2), we are studying the environmental process modernization plan and the funding of scientific research by the Department of Fisheries and Oceans.

I'd like to welcome our witnesses here. A few members still have to appear, but we'll start to hear our witnesses so that we will have lots of time to ask questions.

The witnesses are Larry Murray, deputy minister; Kevin Stringer, director general of the resource management directorate, fisheries and aquaculture management; Cal Hegge, assistant deputy minister, human resources and corporate services; Wendy Watson-Wright, assistant deputy minister, science sector; Sue Kirby, assistant deputy minister, oceans and habitat sector; and William Doubleday, director general, economic analysis and statistics.

Welcome to our witnesses.

[Translation]

**Mr. Larry Murray (Deputy Minister, Department of Fisheries and Oceans):** Thank you, Mr. Chairman. It is a pleasure for me to appear before you again today.

[English]

As the committee has requested, we'll be making presentations on the environmental process modernization plan and our response to recent decisions of the Federal Court on science funding.

I think all members have copies of the presentations. We've also provided a copy of our interim policy guidance on what we call the continuation of collaborative arrangements, which is code for our response to the Larocque decision, and which I think is the area the committee is particularly interested in. Just by way of information, we will be commencing discussions with industry next Monday in Vancouver on that draft policy.

We've also provided a copy of a letter in response to one of Mr. Stoffer's questions last week about habitat restoration projects in B. C.—although, in fairness to the clerk, I don't think there's been a chance to distribute it yet.

**The Chair:** Actually, we've received that, Mr. Murray. Thank you for that. It will be sent out to all the members.

**Mr. Larry Murray:** And recognizing the desire to get on with questions, we do have the two decks. We've put a fair amount of

information in the deck, Mr. Chair, but we will live with the timeframe so that there's time for questions.

With your indulgence, sir, I'll ask Sue Kirby to do a brief run-through of the deck on the habitat management program and the environmental process modernization deck. Then Dr. Doubleday will run through the other deck on collaborative arrangements.

I should say that, in addition to his day job, Dr. Doubleday has been chairing the committee that we've had in order to try come to grips with the fallout of recent court decisions. And Mr. Stringer is on that same committee.

Sue.

**Ms. Sue Kirby (Assistant Deputy Minister, Oceans and Habitat Sector, Department of Fisheries and Oceans):** Thank you, Deputy.

I believe all members have a copy of the deck entitled "The Habitat Management Program and the Environmental Process Modernization Plan". The deck begins with some context that I commend to the committee. In the interest of time, I won't go through the context at the front of the deck. It gives both the legal basis and the policy and practice basis for the environmental process modernization plan.

I intend to start on page 6 of the deck, where we have completed the context and are into the plan itself.

Page 6 lists the elements that are part of our environmental process modernization plan, which we introduced in 2004. There were five original elements. The first and probably the most fundamental element is the risk management framework. I will take a tiny bit more time on that than on some of the others. The second element is around streamlining regulatory reviews. The third is around coherence and predictability. The fourth is around enhancing partnerships. And the fifth is around a new management model for environmental assessments and major projects.

Those were the five initial elements; as of 2005 we added a sixth element, habitat compliance modernization.

On page 7 of the deck we look at the risk management framework. The main thing I would say with regard to the risk management framework is that it was used to make more explicit and more transparent risk management choices that were already needing to be made in terms of managing habitat. In order to do that, we developed two tools—first, the pathways of effects, and second, the risk assessment framework matrix. In addition to those, we have some guidance for staff.

On page 8 is a diagram that looks at the pathways of effects. We have a number of pathways. I've just provided one example. It looks like a complex diagram, but what it's intended to portray is that we want to make very explicit to Canadians what the effects are that we're concerned about.

At the bottom of the diagram, you'll see a series of oblong circles—whatever you call those—that talk about the effects of concern to us, such as change in sediment concentrations, change in water temperature, and so on. Those are the effects that we are trying to avoid or manage.

At the top of the diagram, you see the activities. As I say, we have quite a number of these. This particular example is around vegetation clearing. What we look at in the pathway of effect is how you get from activity to impact. We try to break the pathway of effect, indicated by the X symbols through the pathway. In this particular example, by avoiding the use of herbicides, we've broken the pathway that would have led to a change in contaminant concentrations. You see in the middle of the diagram that in this particular example, we have two where we have not broken the pathway of effect, leading us to residual impacts.

For areas where we've not been able to break the pathway through redesign of the project and we end up with residual effects, we then go to our risk assessment matrix, shown on page 9. We look at those residual effects in terms of how risky we think the remaining activity is and how sensitive the habitat is that would be affected. Is this a low, medium, or high risk in terms of the likely impacts of the activity? And by that, we're looking at things like the duration of the activity and the scale of the activity.

On the other side of the matrix, we're looking at sensitivity of fish habitat. For example, is this a species that is particularly sensitive to environmental changes? Is this a habitat area that is particularly critical because it's a species that cannot adapt to other spawning areas, for example?

That's a very quick overview of risk management. We can come back to it or we can provide additional explanation, as the committee wishes. I think it's fundamental to the changes we have introduced that we have tried to make that risk management framework explicit and design our tools according to the degree of residual risk.

Element 2 on page 10 looks at streamlining regulatory reviews. We've been looking primarily for that element, up to this point, at the new tools that would help us in particularly those areas where we're looking at low sensitivity and low risk in terms of impact—the green part, in the previous diagram. In those cases, we've developed a variety of new tools.

● (1110)

Our operational statements are listed in annex 1 of the deck. I won't go through them all. On page 15 you have the complete list of operational statements that have been completed and approved and are now being used as part of our streamlining of low-risk activities.

We also, in terms of streamlining, have looked at where we could look at one-window delivery in provinces. That has been particularly effective in eastern Canada. We have systems in place in New Brunswick, P.E.I., and Nova Scotia that we believe are working quite well for low-risk activities. We're still working, and we have discussions under way with other provinces.

Moving to slide 11, we have elements three and four of the EPMP. The first is on coherence and predictability in decision-making. The main issue we were attempting to address was the concern expressed to us that individual biologists were probably making different decisions, or were perceived to be making different decisions. The primary things we have introduced with EPMP are a more rigorous training program for all our habitat practitioners and a standard operating policy manual for the practitioners so we can try to get better coherence across the country and, again, make it easier for external proponents to have some confidence that there will be coherence and predictability.

Element 4 of the EPMP is about partnering. Under this element, we have worked on a number of memoranda of understanding with different groups, starting, most importantly, with provinces. In some cases, we have some of those done, which you'll see on the slide. Some are under way.

We have developed several MOUs with stakeholders. The most recent was one the minister signed with a coalition of nine conservation NGOs. We have some under development. The next one, which we hope to have available for signature, is with the Federation of Canadian Municipalities, but that's at a fairly early stage compared to some of the others. The municipalities themselves had wanted to take more time in terms of preparing to work with us on that MOU.

On slide 12, you'll see the final two elements of the EPMP. The first, on environmental assessment and major projects, involves two things. It involves some organizational changes to set up major project units in each region of the country and provide some new resources to do that. That led to the development of some policy changes. Here are two, I guess, that I would outline. We had, in a number of cases, some concerns raised that for major projects that would involve an environmental assessment and might involve other departments, DFO was seen as triggering late in the process. So we introduced a policy change so we would trigger an environmental assessment for major projects earlier.

The other major policy change under that category is related to the scoping of projects to ensure that we're working effectively with provinces and other federal players in terms of environmental assessments.

The sixth element, habitat compliance modernization, has been our move, on the compliance side, to ensure that we're lining up with the risk matrix and that we introduce elements in terms of the history of the proponents when we look at possible risks related to compliance. This is where we've introduced the new habitat monitors. That's been discussed at this committee several times. The major effect of that has been to allow us, through the monitors, to check on two aspects of the mitigation measures introduced to protect habitat. One is the effectiveness of those measures; we were never really able to do that until we introduced the new habitat monitors. The other is compliance effectiveness.

In terms of the way forward, there are a couple of things I would like to emphasize on slide 13. The EPMP has been a DFO reform initiative, if you will, and it has really been focused on our DFO processes. The next step we believe we need to take is with other departments, particularly with Transport Canada, with respect to navigable waters. We recognize that there needs to be better alignment between us and Transport Canada, and we plan to work on that as the next step.

- (1115)

In conclusion, the other thing on slide 14 that I would like to draw to your attention, in addition to what we've already discussed, is annex 3, which is provided at the back of the deck. That shows you that there have been some increases to resources for the habitat management program over the last three years. At the departmental level there was an overall investment of \$99 million that the minister has talked to you about. The habitat portion of that was \$6 million, so you see that reflected in terms of the increases and also some of the funding for the new habitat monitors.

We're hopeful that the budget statement around a major projects management office may eventually also deliver some additional resources to us, but that has not yet been divided up between departments, so we do not know what the impact of that will be at this point in time.

If these numbers appear a bit different from others you see elsewhere, this does not include the attribution of enabler functions in the department to programs that you see in the main estimates. This is the program spending itself for habitat management and the increase that we've seen in the regions at the front line, and this is the overall national number for that over the last three years.

Thank you.

**The Chair:** Thanks, Sue.

Bill, go ahead, please.

**Dr. William Doubleday (Director General, Economic Analysis and Statistics, Department of Fisheries and Oceans):** Thank you.

I have a brief presentation on our response to last year's decisions in the Federal Court. I'd like to take you through it. It gives the context and an indication of what our response is.

DFO has a long-standing policy of shared stewardship with the industry. We believe this gives better results, sustainable use of the fish resources, and higher value when those with the most attachment to the resources, the fishers, are involved in its sustainable management and conservation.

DFO, in cooperation with the industry, has entered into joint project arrangements with the industry to agree on incremental activities that benefit both parties. These have been funded directly by the organizations through a cash contribution or through the use of fish. The use of fish means a quota was allocated for the purposes of generating money for the project.

The use of fish policy evolved over the years until the 2006 court decisions. In 2006, the Federal Court of Canada held in the Larocque and APPFA decisions that the minister did not own the fishery resource. DFO can no longer use allocations of fish to finance scientific or fisheries management activities, and DFO cannot issue a licence with an allocation of fish for financing purposes. So the court was not critical of having collaborative arrangements; the court was critical about allocating fish to pay for them.

As a result of those decisions, DFO reviewed existing practices, including collaborative arrangements that had a use of fish component for financing purposes. We came to the conclusion that many arrangements will have to be modified in order to be brought into compliance with the court ruling. DFO will seek to sustain activities essential to conservation and to minimize any disruption.

The minister, through DFO, is responsible for managing a common property owned by the people of Canada on behalf of all Canadians. This involves developing and implementing integrated fisheries management plans based on scientific advice and stakeholder consultation. These result in the creation of private benefits for licence holders authorized to use the common property. DFO pays for conservation and sustainable management of the common property. The purpose of collaborative arrangements was to allow incremental activities to be conducted that would increase the benefit to licence holders.

Our primary objectives and principles in responding to these decisions are that the minister will act within his legislative authority; highest priority will be given to programs for conservation and protection of fish and effective management of fisheries; fishers who benefit from access to public resources should contribute to costs of managing them; we seek operational consistency across the country; we support shared stewardship; and we want to achieve a fair distribution of public financing across fisheries and regions.

Part of the way forward on this is our proposed new Fisheries Act, Bill C-45, which was tabled in December 2006 and has not yet been passed, which would establish modern legislation for sustainable development of seacoast and inland fisheries and would authorize the minister to enter into fisheries management agreements with recognized fishing organizations to further conservation, sustainable development, or participation in fisheries management. Under these fishery management agreements, funding arrangements, including quotas of fish, could be entered into with respect to the management of the fishery.

We also have a new investment in fisheries research. Budget 2007 announced new financing to expand fisheries science to respond to new and emerging pressures, including the court rulings adversely affecting government-industry partnership mechanisms for fisheries science, and new demands for ecosystem-based approaches to support conservation and long-term sustainability.

For the government-industry collaborative arrangements and stock assessment and related research that are consistent with the court decisions, we received \$10 million for fiscal year 2007-08, followed by \$12 million a year until 2012.

DFO is currently reviewing about 170 collaborative arrangements. There is a large number of them, they're quite diverse, and they're spread across the country. That's a lot to look at. Allocations of fish previously used to fund collaborative arrangements have returned to the fishers.

● (1120)

DFO will assign the highest priority to conservation and effective fisheries management, and ensuring minimal disruption of fisheries. It will assign its resources primarily to avoid the risk of serious or irreversible harm to conservation. Where possible, it will consider providing programs and services that are incremental to those essential to conservation.

Regarding progress to date, we immediately compiled an inventory of arrangements after the court decisions and began an internal review process. A national committee, which I had the pleasure chairing, was established to review the existing approach to collaborative arrangements. We developed an action plan—including a policy guidance framework, which has been distributed to the committee—and a decision-making process. We have a master list of collaborative arrangements, with associated legal risk, and we group those into similar categories to expedite the review and approval process.

We are undertaking a case-by-case review of each arrangement. We will work with industry to find ways to obtain the benefits of those arrangements in a way that's consistent with the court decisions.

We are also rolling out an engagement strategy. I'm travelling with some colleagues to Vancouver next Monday to meet with the B.C. industry, as the first of a series of consultations.

Together with increased science support for ecosystem-based management, this response will maintain an improved DFO scientific research and advisory capacity.

Thank you.

**The Chair:** Thank you.

Is it possible to get the master list of all collaborative arrangements for the committee?

**Dr. William Doubleday:** Yes. We will provide it.

**The Chair:** That will be appreciated. Thank you.

The first questioners, Mr. Simms and Mr. Matthews, are splitting their time.

Would you like me to keep you to five minutes, Mr. Simms, so that Mr. Matthews has an opportunity?

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-  
sor, Lib.):** You may have to. I've been last before, and sometimes it's necessary.

First, thank you for coming.

Second, we heard some pretty explosive comments made in our last committee. We'll get to that a bit later. I have a suspicion my honourable colleague down the way might also do that.

I would like my question to concern Bill C-45 and the ramifications of the Larocque decision.

First, Mr. Murray, how much of a shortfall has the Larocque decision been when it comes to management and conservation?

● (1125)

**Mr. Larry Murray:** As was outlined, there has been an awful lot of very detailed review in terms of science. Our overall number of collaborator arrangements of all sorts came out at around \$23 million. Some of those would not have continued; some of them have really nothing to do with science. So the overall number was around \$23 million.

In terms of science and shared science, we assessed the requirement in the areas that Bill outlined to be in the order of \$10 million to \$12 million annually. So obviously after the decision in June and a fair amount of analysis, this became part of the budget process, which ultimately led to that unfolding in the budget.

As has also been outlined, this is a dynamic area. Individual decisions had to be taken. We took individual decisions following the decision, within the best framework of legal advice and so on, while we put together a policy framework. As has been indicated, that policy framework is now going into consultation with industry, and at the end of all of this, after further consultation with industry, we'll come back to the minister with additional advice for the revisions that may be required.

**Mr. Scott Simms:** With possible additional financing?

**Mr. Larry Murray:** That's quite possible.

**Mr. Scott Simms:** Under certain JPAs, I'm assuming that many of the associations will use some of the cash to fund, say, the organization or administration of their own associations. Is that correct?

**Mr. Larry Murray:** I would say that is correct, and the fish is theirs to do so. One of the issues on all of this—

**Mr. Scott Simms:** But belonging to the organization.

**Mr. Larry Murray:** Well, if a group of fishers and an association decide to do this, we don't need to be involved. The reason that associations have approached us on this is that they have a problem with free riders. To some extent that's how we got into some of these JPAs. We can't be part of it anymore, so the fish are back to the fishermen. If they can organize their associations to deal with this, that's entirely up to them.

**Mr. Scott Simms:** You touched on Bill C-45 and how this is going to.... Let me ask straight out: is it going to reverse?

**Mr. Larry Murray:** Well, that would depend very much on whether Bill C-45 gets to committee and the views of committee and Parliament at the end of the day.

**Mr. Scott Simms:** Let's assume that it's passed and that it's in effect today.

**Mr. Larry Murray:** If the context of Bill C-45 dealing with this area is built on the same policy framework as our approach to Larocque—and that is based on our experience that shared stewardship with folks involved in the industry having part of the decision-making authority, having part of the ownership of it, works better in those fisheries—in that context, that same philosophy is captured in Bill C-45. That is obviously subject, as is this policy framework we're moving forward with, to a policy discussion—in the case of Bill C-45, discussion among parliamentarians based on what you hear, and in the case of this framework, a direct conversation with industry from coast to coast in the next few months.

**Mr. Scott Simms:** Was Bill C-45 developed under the guise of the Larocque decision and needing to get around that? In other words, does Bill C-45 satisfy the courts with regard to the Larocque decision?

**Mr. Larry Murray:** There are some nuances. At the level of making JPAs legal so we and industry can engage in them and avoid the free rider issue, it would basically give us the authority to do that.

I don't know, Kevin, whether you want to give more detail on that.

**Mr. Kevin Stringer (Director General, Resource Management Directorate, Fisheries and Aquaculture Management, Department of Fisheries and Oceans):** I have a couple of points on that.

As the deputy said, I think the sense is that Bill C-45 would provide some tools to be able to assist with this, but in no way was Bill C-45 specifically drafted in order to deal with the Larocque stuff.

We have arrangements with fisheries groups. We do integrated fisheries management plans. We work as much as we can with fisheries groups. We don't have the legal authority to enter into an arrangement with those groups to really get into co-management. At this point it's consultation and engagement, and as much as possible we go to co-management.

We believe those sections of the proposed Fisheries Act in Bill C-45 would give us more tools to do that and to make these longer-term types of arrangements with groups, with associations. Those sections have been in previous versions. We do think it would give us some tools to address the issue of better engaging fisheries groups in more co-management types of arrangements.

• (1130)

**Mr. Scott Simms:** But exclusive to the members in that particular organization, right?

**The Chair:** You are splitting your time, Mr. Simms.

Mr. Matthews.

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

I'd like to welcome our witnesses and thank them for coming.

My question on resource management would probably go to Mr. Stringer.

I'm sure you're very much aware of the situation in Newfoundland today with the requests to transfer FPI's groundfish quotas. I guess you're familiar with the Arnold's Cove situation a couple of years ago. Could you explain for the committee what the difference was with the Arnold's Cove transfer of quota allocation? It was National Sea's, and it became someone else's.

At the same time, maybe you could inform the committee of the arrangement for the P.E.I. shrimp allocation that Minister Dhaliwal gave a few years ago and how that differs from the current request.

**Mr. Larry Murray:** If I might be permitted, Mr. Chair, I wouldn't mind setting a context for this.

The minister has met with all interested parties. We met on Sunday afternoon. We have officials. Mr. Bevan would be here today, but he's in Newfoundland working closely with the province and everybody involved to try to find a solution to this issue before the strike deadline on Monday. The minister has been personally engaged on Sunday, yesterday, and today.

So as for how far we go on this one at the moment, it's obviously sensitive. I would say certainly the scale is part of the issue. The scale of the groundfish allocations we're talking about is 20,000 tonnes, with tremendous potential for very significant growth. Certainly given the federal government's responsibility for managing the quota, for managing the fishery, there are concerns from other provinces in terms of how this unfolds.

Having said that, the minister is very committed to finding a solution, to working with the province, to working with the other stakeholders to finding a solution by the end of the week that works for everybody, and we're certainly working on that one full time.

Kevin, do you want to say a few words about Arnold's Cove?

**Mr. Kevin Stringer:** Arnold's Cove was a unique situation, and often with the fisheries there are unique situations. A number of companies came together. There was an agreement by all parties that they knew who they wanted to hold the quota and process the quota. The NLIDC, I think, is the name of the crown corporation it was run through. It's for a pretty small amount of fish. I can't remember the exact amount.

**Mr. Larry Murray:** Two thousand tonnes.

**Mr. Kevin Stringer:** It's 2,000 tonnes, so in terms of order of magnitude, it was significantly different from what we're dealing with today. In any case, it had that unique set of circumstances, and we're looking at today's circumstances, as the deputy said, based on the current arrangements.

**Mr. Bill Matthews:** I totally understand that, and we all want a solution by the end of this week. Don't read me wrong on that. I wish we'd had one six months ago. I think we should have had one.

This group that holds the Arnold's Cove quota, I call it, what's the makeup of that? Who are they?

**Mr. Kevin Stringer:** I have to have more details, but my understanding is that the group that received the allocation or the licence is the NLIDC, which is the Newfoundland and Labrador IDC. I'm not sure what it is, but it's a crown corporation and it subleases to Arnold's Cove; that's the arrangement.

• (1135)

**Mr. Bill Matthews:** So was there a money transfer?

**Mr. Kevin Stringer:** I don't know the answer to that.

**Mr. Bill Matthews:** A figure of \$3 million sticks in my mind, but I'm not sure if that's correct.

**Mr. Larry Murray:** My understanding is there was. Bruce Wareham runs Arnold's Cove, and it was really important to keep that community going, and I believe part of the transfer of funds was around the quota. A transfer of funds was involved, and we can confirm that. I think your number is my understanding as well, but I'd rather confirm that as opposed to estimating.

**Mr. Bill Matthews:** Was this a similar arrangement to the P.E.I. shrimp? Can someone inform me of that? Or how does that differ?

**Mr. Kevin Stringer:** My understanding of the P.E.I. shrimp is that it was simply an allocation by the minister of the day to a consortium in P.E.I., period.

**Mr. Bill Matthews:** A consortium, a consortium of companies, you mean, not including government?

**Mr. Kevin Stringer:** I'm not sure if it is.

**Mr. Larry Murray:** I think the government is involved. I'd want to be clear as well that the decisions we're talking about were decisions of previous governments, not the decisions of this minister. This minister has made it very clear in the shrimp allocation decision late last year or earlier this year, that fish, from his perspective, is about people involved in the fishery, people involved in fishing enterprises. So the shrimp allocation went to the fishing industry, and that's how he sees it.

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

Thank you, Mr. Matthews.

Monsieur Blais.

[*Translation*]

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

Let us move on to another unique situation, because there are several of them that are up in the air. I would like to make a short comment about the shrimp file. There is talk of a possible strike in Newfoundland. However, people have been in the street since yesterday in my riding, in Gaspé to be more precise. They are doing sit-ins in offices or demonstrating, not out of joy, not for the sake of it, but because they are in crisis. I had the opportunity to discuss the situation not too long ago with Mr. Murray, Mr. Bevan and Mr. Hearn.

Seriously, the Department could intervene in this case, except that, from what I understand, it tends to view things according to a horizon of several years down the road. Unfortunately, the situation is such that it is erupting today. Each week, more people will find themselves without any income. Already, some of the plant workers are starting to feel the pinch and are without any income. Their numbers will only grow over time. With regard to this file in particular, I am somewhat of a spokesperson for the people of my riding. This is a cry for help. Something must absolutely be done immediately...

And not only will workers be without income because employment insurance only lasts for a time, but all of the shrimp quotas, all of the millions of pounds of shrimp that are today processed in Newfoundland... I imagine that if the reverse were to happen, there would also be talk of a crisis. In any event, the situation is worsening day by day.

Mr. Murray, I have had the opportunity to inform you of this situation several times already and I was wondering if today you had any good news, with regard to action being taken, to announce to us.

**M. Larry Murray:** It is unfortunate, but the real question is one of price. The prices paid by the processors in Newfoundland and New Brunswick are much higher than they are in Quebec. I do not know why that is the case. The fishers also have two choices, they can go to Newfoundland or to New Brunswick, but not to Quebec. It is not the role of the government to determine the price in each province. I sympathize, especially with the people in the plants. It is truly sad.

• (1140)

**Mr. Raynald Blais:** It is however possible to intervene with regard to the cost of the licences, notwithstanding the negotiations between the processors and the fishers. That is part of a negotiation process, which is one element. The Department has admitted that the situation is problematic as far as the cost of the licences for the crab industry is concerned. There is therefore some means of intervening.

Rather than waiting for the process to simply evolve on its own, might we not have a pilot project or something else along those lines that would allow us to resolve the crisis immediately and then come back to the issues at hand? You have already recognized that the situation with regard to the cost of the licences is a difficult one. I am not talking about the price of shrimp or anything else, but of the cost of the licences. You have acknowledged the difficulty. There is a crisis within this industry and the cost of licences is very steep. This is where I see a way of intervening.

**M. Larry Murray:** For the moment, it is difficult to intervene, because when the discussion was launched, the price was around 38¢ a pound, whereas it is now at approximately 50 or 57¢ in Newfoundland. The federal government has to wonder who will get support, the processors or the fishers? It is not clear why the price in Newfoundland and New Brunswick is so high. The difference, based upon our analysis, should be closer to 3¢ a pound. That is why it is really not the answer.

Kevin, would you have something to add?

**Mr. Kevin Stringer:** As the deputy minister has said, we are deeply concerned, but in the end, we believe that for the time being this is an issue for the fishers and the processors. As you know, and as the deputy minister has stated, a few of the Quebec boats are unloading their catch in Newfoundland and are getting, from what we are being told, around 56 or 57¢ a pound. In Quebec, they were offered much less, around 45¢ a pound to be more precise. This really is an issue involving those two parties. We are aware of what is happening in Gaspé and we are concerned. We are following the situation very closely. I do not know if there are discussions under way with the demonstrators, but it is difficult for everyone.

As the deputy minister also stated, we have begun a review of the cost of licences. This will take time, but it is very difficult to reduce the cost of licences for a given group when all of the others are faced with similar situations and could very well tell us that it is much more difficult for them. We believe that the best thing to do is to work with them on the regional shares — they have asked for that —, the temporary lessees, and to make the changes we are able to make, but it is difficult in the short term to change the cost of licences.

[English]

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

Thank you, Monsieur Blais. You are over time by 42 seconds.

Mr. Stoffer.

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP):** Thank you very much, Mr. Chair.

Thank you to our witnesses today.

The other day in the House of Commons Minister Strahl, the Minister of Agriculture, indicated in regard to the concerns of possible heavy flooding off the Fraser River that gravel extraction will be one of the options. Of course, that may have an effect on salmon runs or salmon beds.

I'm just wondering what the department is doing to prepare to work with the people who are concerned about the excessive

flooding in order to mitigate any damage that may happen to salmon beds or salmon runs.

● (1145)

**Mr. Larry Murray:** I think I said at an earlier session that we have an MOU with the province. We're involved with all the technical authorities. We work with the Fraser Basin Council to ensure that the technical requirements are achieved. And certainly, there is significant controversy on all sides of this issue.

We did have in place arrangements that would have allowed the extraction of, I think, 800,000 cubic metres this year. I think the challenge really is in striking that balance.

I think the minister has been clear as well that if it is an issue of fundamental public safety, that will take priority at the moment. That's not the case, and I think there are significant discussions going on in respect to dyking and other options that I think are probably more significant than gravel removal in terms of flood control.

But I think there's been a fair amount of work. We're engaged and the regional director general has been personally engaged on this file in the last few weeks, so we do agree with the urgency of it.

**Mr. Peter Stoffer:** Thank you.

Mr. Doubleday, you indicated in your slide here that allocations previously used to fund collaborative arrangements had been returned to fishers. That's what it says.

Mr. Robert Haché appeared before us the other day, and he said, regarding the decision in area 12 in 2006, that 1,000 tonnes of crab had been allocated, and they've asked DFO to give the money back to the licence holders because of the Martineau judgment. The judge had clearly said the quota was taken away for science purposes and that the quota should be given back to the fishermen. We've asked the department to give that back to the fishermen, to the licence holders. There was a question on what the response was, and he said they're holding the money and now they have to go to court to get the money.

In your slide here you said that it was returned, that allocations previously used had been returned to the fishers. Can you explain why Mr. Haché and his group haven't received those funds or allocations back yet?

**Dr. William Doubleday:** Certainly, I'd be happy to explain. The slide talks about allocations of fish. That means that this year there's no 1,000 tonnes of crab set aside to finance a research project.

I believe Mr. Haché was referring to the money that arose previously, which is in a suspense account, and the disposition of those funds is now before the courts.

**Mr. Larry Murray:** Could I piggyback on that one, Mr. Chairman.

In relation to the very serious question Mr. Stoffer has raised, we have the blues, and certainly I'm sure there'll be a lot of questions around the blues. We would be very happy, Mr. Chairman, if we could work with the clerk and outline from that testimony last week all the areas that the committee would like written responses to, that being one of them.

I don't think we could do justice to do that entirely today, it would probably take us a few weeks. But we would be very pleased to work with the clerk and come up with written answers to all the questions Mr. Stoffer has raised. That's not in any way to preclude those questions today, but from a departmental perspective we would like to answer all the questions that are potentially there.

**The Chair:** From the committee's perspective, we would love to have all the answers.

**Mr. Larry Murray:** I don't want to imply we have all the answers, but the best answers we can give.

**Mr. Peter Stoffer:** Being in the cooperative mood that I am...but there are many concerns here. The biggest question I have is, is DFO still asking for money to fund various activities from organizations, or individual fishermen, or any groups of that nature so that they can go fishing?

As you know, Mike Featherstone indicated to us that he was told by the department just recently that if they don't come up with \$200,000 there'll be no reports, there'll be no updating of the stock assessment, and that will lead to a decrease in quotas. We've heard this throughout the testimony.

If we can get answers to those types of questions later on, that would be most appreciated.

**Mr. Larry Murray:** Maybe I'll start that one, because I would like to make one point here. That's not in any way, shape, or form to say that we do not understand the concerns of industry around this very complicated area, and the frustration. I accept that, but the statements concerning coercion on the part of the department and that kind of thing are entirely unfounded, totally spurious, and we don't accept those at all.

Certainly we're still working with industry on collaborative arrangements, and we look forward to having no doubt quite a heated dialogue, to some extent, on the policy framework, and where we're at, and where we're going more broadly.

I'll ask Bill or Kevin to answer the more specific questions.

• (1150)

**Dr. William Doubleday:** Thank you, Mr. Chair.

We continue to want to enter into collaborative arrangements with the fishing industry. There's nothing in the court decision that forbids this. We're not threatening anyone that there won't be a fishery if they don't give us money for a collaborative arrangement. We believe we've received sufficient funds in the 2007 budget to allow necessary conservation requirements to be met, so that fisheries will be able to proceed with or without collaborative arrangements.

I believe some witnesses indicated that in the absence of this additional information there would be a less sound basis for the management of the fishery, and there's certainly some truth in that. This could mean that in the short term some catches may be higher, some may be lower, but there's no direct connection between having specific additional information and whether the quota is higher or lower. It makes things more uncertain. We're not requiring agreement in order to have a fishery, and we believe we have sufficient funds to meet the essential conservation requirements to allow fisheries to proceed.

**The Chair:** Mr. Doubleday, we're going to leave that and pick up on this again, because we're almost two minutes over time on that answer. I appreciate that some of these answers are more complex and I'm trying to give DFO staff and the minister time to answer them, but we are running out of time.

Just before we go to Mr. Lunney, I have a quick question, if I might, on these collaborative arrangements on quota, if you will, for the production of science.

The difficulty with that—and I'm sure you're well aware of it—is the fact that the fishermen are never satisfied and never happy with the agreement. They always feel that there are winners and losers being picked, quite frankly, by DFO. There's quota given to certain directed fisheries and there are other directed fisheries in the same fishery—maybe hook and line, or handliners, or the inshore fishery—that are not getting quota, whereas another group, maybe the longline fleet or the dragger fleet, in most cases will get quota.

How do you answer those questions? Have you looked at doing it a different way? Have you looked at putting more observers on board to try to get the science? There's a fair science budget there and it fundamentally doesn't appear to be working.

**Mr. Kevin Stringer:** That's along the lines of the last question as well.

• (1155)

**The Chair:** I realize that.

**Mr. Kevin Stringer:** These arrangements generally come from sessions that the department has with industry. When we're working with fishermen and developing an integrated fisheries management plan, we generally say, as the department, here's what we can do in terms of conservation, and here's what we can do in terms of science; here are the types of things we think you're going to need to manage the fishery. When we get fishermen asking if they can just do this, that, and the other as well, that's when we enter into the JPAs.

The idea is that the department sort of gives them the bottom line on what we need to be able to manage a fishery effectively. If they want something more that will help on the economic side, and all that stuff, that's the idea of the JPAs. The JPAs are meant to fit with the integrated fisheries management plans and the collaborative arrangements with industry. That's generally how we try to do it. There are some instances when the department says we need to have something done and we should put out an RFP. So there are many different ways to do it.

On the point you raised at the end, Mr. Chair, on whether there is a different way to do it, we spent much of the last eight months thinking about that. The answer is that there has to be; the courts have said there has to be. We absolutely believe in collaborative arrangements. Most of industry tells us they absolutely believe in them, although some folks in industry were saying, "Yippee, this court case says we don't have to do anything."

But we do believe in shared stewardship. We do believe that it's a public resource, and when you have a private benefit there's a responsibility that goes with that. As Bill said, we are about to go out on a tour to talk to industry exactly about that. We were unable to do that until we had this policy framework and knew what the budget would be.

What Bill went through was this year's approach. We know that we really need to engage industry for the long term. Industry needs to be part of this solution, and we need to think through how we're going to do this in the fishery writ large. I think some of the questions you've raised will absolutely be front and centre in the discussions that Bill and some of us are starting next week in Vancouver.

**The Chair:** Thank you for that, Mr. Stringer.

Mr. Lunney.

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

Thanks for your participation today.

I'll jump into the same stream we're discussing. Larocque, of course, has been inconvenient and upsetting to long-standing practices. Now we're going through a transition period of trying to address that, and it is complicated.

Estimates from the Canadian Fisheries Working Group were between \$25 million and \$30 million on the amount required to fund research activities previously covered by allocations of fish. We heard a remark that the fishermen think they shouldn't have any responsibility and the taxpayer should pay for all that science.

So we are going through that consultation period, and I'm still trying to reconcile figures. On this slide under new fisheries research investment, we see \$10 million for 2007-08, and \$12 million for each year up to 2012. That is about \$12 million toward what they estimate as \$25 million to \$30 million needed, not only for the basic science of conservation and sustainability goals but for optimizing the fisheries.

If we did all of the fisheries, it would be another \$12 million or \$13 million perhaps. Is that correct?

**Dr. William Doubleday:** The \$24 million is the industry contribution last year for all these projects. Some of them don't need to continue. Some of them can be brought in line with Larocque without spending money—just by doing them differently. Also, many of those projects involved more fishing than was really needed for science, because they were fishing to generate money. So when the amount of fishing is scaled back, the cost of the operation will be scaled back as well.

In our estimate, about \$15 million is related to the scientific work that needs to continue. Basically we have \$10 million toward \$15 million, which is much more favourable than \$10 million toward \$24 million.

**Mr. Larry Murray:** Let me be clear about the number the industry is using. Our number was in the ballpark, I think. This was raised last week when the 27 million or whatever was mentioned. Our number is about 24 million, so they're not orders of magnitude different, but I think it's everything....

**Mr. James Lunney:** We're going through the process now of trying to establish how to balance that, and I commend the department for wrestling with a challenging problem. It's unfortunate, because uncertainty always causes a lot of confusion. Fishermen are facing a lot of challenges anyway, with climate change and with competition worldwide and all of those factors—stock challenges, water challenges, and so on.

You mentioned you're heading out, Dr. Doubleday, to the west coast, and I gather, Mr. Stringer, you're involved in those discussions on the west coast as well.

**Mr. Kevin Stringer:** I'm not personally, but one of my staff will be there. I'm doing some of the other tours.

**Mr. James Lunney:** So you'll be carrying on with discussions with industry. I would ask you to perhaps explain who you're actually meeting, representing industry. Are we talking about one day of meetings, or two or three days? Who are you meeting with in industry on the coast?

Secondly, are these fisheries management arrangements the topic, basically? Is that the main thing on the agenda?

**Dr. William Doubleday:** We're meeting primarily with the BC Seafood Alliance, which brings together a big chunk of the B.C. industry. I understand there will be some additional representatives from fishermen's groups who are not in the alliance but will also be at that meeting. It's a one-day meeting and it's the beginning of dialogue, not the end.

• (1200)

**Mr. Larry Murray:** The fundamental document we're taking to it is the draft policy outline we provided to the committee today. The minister has made it clear that we are to meet with industry from coast to coast to coast, so if we don't get everybody, we're open to everybody at some point in this dialogue.

**Mr. James Lunney:** I understand that consultations are going to be ongoing with identified groups that represent certain fisheries, and once you come to an agreement, I see indications they'll be ratified by all of the users of that particular fishery, which may not be identified as the main group. I got that out of some Library of Parliament commentary.

Is that an accurate assessment, that there is a process somehow being envisaged to ratify? Everybody's concerned about consultation. And is the group you might be entering into an agreement with representative of all the fisheries, or just a portion of them in a particular fishery?

**Dr. William Doubleday:** Most of these arrangements involve an association of fishers. Basically, it's between us and them. We assume that the association represents its membership. In cases where there is no association, it's more complicated. I can't give you a definitive answer whether the approach is uniform in all cases or not, but perhaps Mr. Stringer can amplify.

**Mr. Kevin Stringer:** Fishery is a complex world. In the area 12 crab, there are 27 organizations that represent groups of fishers. That's not including the processors. We now take an "ocean to plate" approach, which means we include processors in the discussions. We have sessions that have everybody at the table, or at which everybody is invited to the table. And whether or not we have all 27 groups saying yes, that's the way we're going to do it, at the end of the day we need to make a decision and make an arrangement with someone about how to do this. That's just one example.

There are other more obvious examples, perhaps, in fisheries, and let's say in the gulf generally. You have fleets from five provinces, you have inshore, you have midshore. In terms of working with "the" fishermen, in some places it works extraordinarily well. I'd use area 19 crab, which is off Cape Breton. There is a defined group of folks, they've organized themselves, and we have what is effectively a co-management arrangement there. We come up with what science we're going to do each year with them. It's a long-term plan, and we roll it out, and all that sort of stuff. It's difficult to do in most of the fisheries, where the fish don't respect our boundaries, so you have a complex situation.

But the objective is to work with the fisheries groups writ large and come up with arrangements. Those are summarized in the integrated fisheries management plan, which goes out to everybody.

But is there unanimous agreement among all the fishers and all the fisher groups? Not necessarily.

**Mr. James Lunney:** The comment was made in one of your panels here that fishers who benefit from access to public resources should contribute to costs. I think it's not an unreasonable assumption. I think what's created some problems here is the fact that it's happened suddenly, and any change is disquieting, to say the least.

I'll switch directions and go to the habitat management program and environmental process modernization plan. I was certainly glad to see that we're making a framework there for moving ahead in that realm. I noticed in your presentation that you discuss examples like vegetation clearing or maybe building bridges over a waterway as issues, if I can use those examples, but is there a plan for habitat enhancement envisioned as part of this, or is simply a plan for mitigating problems that may arise in the future from disturbing a habitat?

**Ms. Sue Kirby:** It's a plan for delivering on our legislative requirements to protect habitat under the current Fisheries Act and on our policy framework around no net loss, but it is really not an enhancement plan; it is really a protection plan.

**Mr. James Lunney:** Dealing with risk assessment was part of the discussion there. The issue came up earlier about the Fraser River. Risk assessment is probably the right word for it, because nothing is without risk. Risks always have to be evaluated in relation to other risks, I suppose, so we're looking at that Fraser River now and the very big concerns on the coast about the possibilities of flooding.

I flew out just the other day. The snowpack is very profound this year. Of course, you don't know if the officials are praying for it to stay cool so that it melts slowly, because with cooler weather we'll have more rain, which is problematic.

Anyway, in terms of gravel extraction, we know you're never going to extract gravel without some impact. Obviously there's going to be impact, but there has to be a plan, it seems to me, for removal. We have hundreds of millions of tonnes coming down every year, and if we don't do some extraction, we're going to have problems with flooding. It seems to me that we have to have a plan. We know there's a cooperative agreement with the province, but somehow we haven't been doing the extraction levels, and the committee has some understanding of how challenging it can be when you have people saying that it is disturbing .

In terms of no net loss, I don't know how you can apply a no-net-loss principle when you're extracting gravel. There has to be a way to recognize there is risk, but we have to deal with it.

• (1205)

**Ms. Sue Kirby:** Overall, in terms of gravel extraction, flood control really is the responsibility of the province. That's why we entered into the MOU with them; it was so we could be sure we were taking those factors into account. I think the deputy has provided a pretty full answer for how we're approaching it. We have said that for public safety reasons, we will have that take priority when it needs to happen.

The main reason gravel extraction has not taken place to the level that we would have been prepared to authorize in the last year or so has been economic; it hasn't been because of lack of authorizations on our part.

In terms of the no-net-loss policy, what we're looking at overall is whether we can compensate if we need to when there is damage to fish habitat.

**The Chair:** Thank you for that, Ms. Kirby.

We appreciate your questions there, Mr. Lunney.

Go ahead, Mr. Matthews.

**Mr. Bill Matthews:** Thank you, Mr. Chairman.

I want to go back to my questioning on resource.

I want to say from the start that my questions are not meant to be critical of any arrangements with anybody. It's really for my own purposes; I'm trying to get an understanding.

Let's go back to those groundfish allocations. A number of years ago they sustained 10 processing plants. Nine of those processing plants were in the riding I now represent. There were approximately 6,000 people employed in those plants. Today, if we resolve the situation that we're talking about—and hopefully we do—you'd really only get a groundfish supply for one plant, which we hope will employ 600 people.

So I'm just trying to get an understanding of what's happened in the past and what the solution might be. In one of your previous answers you talked about 2,000 tonnes versus, say, 20,000 tonnes, but I guess the principle and the precedent are what I'm concerned about.

I want to go to Nunavut. There is some kind of management board there dealing with turbot, I believe. Can someone tell me what that arrangement is, how that stock is dealt with, from DFO to the board to the users?

**Mr. Kevin Stringer:** The Nunavut Wildlife Management Board is established under the Nunavut land claim. The Nunavut Land Claims Agreement established the NWMB in 1992-93. It is effectively our co-management partner in the land claim settlement area.

Now, that takes us just to the 12-mile limit. So with respect to turbot, with respect to northern shrimp, they're not a co-management partner. They would probably consider themselves a stakeholder. In any case, with respect to turbot and northern shrimp, which are the two major offshore fisheries that Nunavut has an interest in and Nunavut holds licences for, the NWMB is.... We work with them, but that's managed by the department.

With respect to fisheries within the 12-mile limit—and here we're talking about Arctic char and fisheries like that—they're effectively a co-management partner. In fact, there's a double-deal system where they can propose a figure and the minister can veto that, or the minister can propose something and they could veto it. But that's just for the settlement area.

**The Chair:** There are less than two minutes left, if somebody has another question.

**Mr. Scott Simms:** Very quickly, on a local issue I brought up in the House yesterday, has there been any development in an ice compensation package? The precedent, I think, was 1991, where there was.... And I believe the minister brought it up. Has there been any headway on that? I respect the fact that you have to deal with other departments on it.

•(1210)

**Mr. Larry Murray:** The minister has been clear, and we're certainly looking at it. The ice situation in 1991 carried on well into June, as I understand it. It was an ice compensation package. We're engaged in trying to ensure that, should it be necessary, we can move it forward as quickly as possible.

I don't know, Kevin, whether you have any further insight.

**Mr. Scott Simms:** How long does it take to find out if it's necessary?

**Mr. Larry Murray:** I think it would be a question of timing.

In 1991 we were also dealing with groundfish and the competitive fishery, and so on. We're currently dealing with crab and other things. The challenge with crab, though, will be soft-shell. Last year the fishermen went early and had a very successful season and they didn't bump into soft-shells.

So I think the issue around timing will probably be, how does the ice impact on the crab fishery and what does that look like in terms of timing to get started in time to avoid soft-shells?

**Dr. William Doubleday:** At this point, Mr. Chairman, we are determining how many people are affected, and how badly, so that we'll be in a position to go forward, if a decision is made to do so.

**Mr. Kevin Stringer:** If we can also add, we're monitoring the ice conditions really carefully. There have been some favourable winds, but what's happening now is that the ice is breaking up a bit. It's actually moving around and moving in from bay to bay. So it's affecting different bays than it was before. We are watching it and we are working with our colleagues at HRSDC.

**Mr. Scott Simms:** You are assessing now how many people are affected. I might just throw in a little caveat. Are you looking at the people who made a claim for the year 2006 on EI as opposed to...? Basically there are people who just didn't start their winter claim on EI. I know I'm stepping into another territory here, but they haven't had their income since December.

**Dr. William Doubleday:** Mr. Chairman, I don't think I should go too far into detail. EI is a factor. Some fishermen are still on EI; some are not. That detail is part of the file.

**Mr. Larry Murray:** I don't know the answer to that. We'll have a look at it and get back to you on it.

**The Chair:** We'd appreciate that. Thank you.

*Monsieur Asselin, s'il vous plaît.*

[Translation]

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

I have two questions. I will put them to you one after the other and you may answer them in the order you wish.

Will Bill C-45, further to the court's decision in the Larocque case, make something that seems illegal legal? What was said is that they were paying with goods that did not belong to them. Will Bill C-45 straighten out the situation? That is my first question.

Here is my second. You are aware that climate change is the issue of the day. Is there any concern on the part of Fisheries and Oceans Canada with regard to climate change? What is the Department's vision for the future as it pertains to the direct or indirect effects of these changes on species and their habitat?

**Dr. William Doubleday:** I will answer the first question.

If Bill C-45 survives in its current form, there will be mechanisms to make fishery management agreements involving fish allocations legal. It is up to Parliament. The Bill, as proposed, would allow for such agreements in the future.

I will now give the floor to Ms. Watson-Wright.

**Dr. Wendy Watson-Wright (Assistant Deputy Minister, Science Sector, Department of Fisheries and Oceans):** The Department of Fisheries and Oceans has several climate change study programs. In the scientific sector, we have concerns as to the influence of the oceans on the climate and the effects of the climate on the oceans, on aquatic ecosystems and on resources. For example, we are predicting that there may no longer be any salmon in British Columbia before the end of the century. We foresee the salmon moving northward. We also have several committees, for example the Committee on Oceanography and Fisheries and, on the West Coast, the Task Force on Oceanography and Fisheries, that are studying, doing research work, making predictions and working with other departments, universities and other countries on climate change issues.

•(1215)

**Mr. Gérard Asselin:** I have an additional question, once again relating to climate change. For how many months or years has this program been in place? Have you obtained any results to date in the area of research or science, or is this just all talk?

**Dr. Wendy Watson-Wright:** It is not exactly a program; these are projects. They have been in existence for several years. Given that the emphasis today is on climate change, we have undertaken to discuss with the regions, with all the scientific sectors as well as with the AMB, the Aquaculture Management Branch, the means to establish, within the Department, a greater number of projects focussing on climate change.

**Mr. Larry Murray:** Mr. Chairman, we could provide the committee with our list of projects in this area, along with more detailed information.

**Dr. Wendy Watson-Wright:** I would like to add something. As you know, we have received funding for the International Polar Year involving climate change in the North, in the Arctic.

**Mr. Gérard Asselin:** Do I have any time left, Mr. Chairman?

I would like Ms. Kirby to provide me with an explanation. Within the Habitat Management Program, I am looking at the environmental process modernization plan and I do not understand annex 2. I know that there are specific programs depending upon the province, but are these commitments? What is the entire operating budget for all of the projects described for each of the provinces?

[English]

**Ms. Sue Kirby:** Annex 3 provides the overall budget. We can give you the breakdown by province. We can send that to the committee. I don't have it at my fingertips.

What is in annex 2 is only a part of the program.

[Translation]

This is a tool that was developed to cover the minimal risks. It is one part of the program, but we could, if you wish, provide you with the details of the budget.

[English]

**The Chair:** I'm sorry, Mr. Asselin, you're out of time. We have to go to Mr. Stoffer.

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

Mr. Doubleday, this is with regard to my remarks about Mr. Featherstone's comment.

If you go through the concerns here, Mr. Featherstone said he was told that if they didn't come up with \$200,000, there were going to be concerns. Ron MacDonald was told by DFO that if they didn't find a way to fund the science, there'd be an assessment done every three years that would lead to a much-reduced TAC. Other people, such as Geoff Gould, said they were told in a letter from the regional director general in B.C. regarding funding of their charters—which do assessments of the soft-shells—that DFO did not have enough funds but was interested in working with them in a joint agreement. They asked what that meant, and the matter died right there. The other lady who came before us talked about the dogfish.

Every single one of these people told us that they were told by people on the west coast that if they didn't come up with money for science, either their TAC was going to be reduced or they were not going to be able to fish. Either they're telling us the truth or they've been misleading this committee.

You don't necessarily have to answer it now, because Mr. Murray indicated he would respond to that later. But I would sure love to have a clear, direct answer to what they're saying, because it sounds as if... Mr. MacDonald said it himself, that he didn't know what the determination of blackmail was, but he thought this was rather close to it. That's what he said to us in the committee.

So these are pretty serious allegations, and we'll only take them as allegations right now, until you get an opportunity to respond. But my question for you, sir, is about your comment that fishers who benefit from access to public resources should contribute to the costs of managing them. Now, I thought that's what you paid a licence for, and that this money was used to do that.

As you're aware, the B.C. terms of union state very clearly that the federal government would assume or defray all costs to protect and encourage the fishery. That's when B.C. joined in 1871. This one says that fishermen should contribute to the costs, whereas the terms of union for B.C. said it should be a federal responsibility.

I'm wondering if you could somehow square that circle for me.

• (1220)

**Dr. William Doubleday:** Mr. Chairman, that's a very complicated question, and I don't know if I can really give a comprehensive answer.

With respect to the specific points raised by the witnesses last Thursday, we'll be happy to reply in writing with our perspective on what they said.

With respect to Canada versus B.C., I think that's how costs are shared between governments, rather than having any participation of the private sector in the conservation of the resource—and we're not talking about agreements with B.C. where they're contributing money.

I'm afraid I've lost some of the details in going through this, but I think we made it quite clear from the beginning that we feel shared stewardship is fundamental to effective fishery management. Very frequently, fishers receive significant benefits from the fishery beyond what one might assume if there's just a minimal conservation of the resource. We consider that when they're receiving substantial private benefits, they should also be making some contribution.

**Mr. Peter Stoffer:** But isn't that what they pay their licence for?

**Dr. William Doubleday:** The licence is an access fee and it is intended to respond, to some extent, yes, to the value of access to that resource.

**Mr. Larry Murray:** If I could leap in, I think the last question is a difficult subject for everybody, including those in the industry. It's challenging in some of these discussions to figure out what somebody said and what somebody heard. I don't want to impugn anybody, and I know you're not either, so we'll answer those on paper.

But I think the last question is really at the heart of this issue. It's the issue of who pays for the fishery. We're engaging in a fundamental policy debate that happens to have been triggered by the Larocque decision, but maybe that policy debate should have been triggered or would have been triggered.

You know, part of the problem is that it's not all apples and apples either. Someone who holds an ITQ quota for sablefish on the west coast is in a different position entirely from somebody fishing in a now less than 39-foot boat in the inshore fishery off Newfoundland, so how do you square that? Our policy framework tries to come to grips with that, but do the 30 million Canadians owe the 48 lucky Canadians who have the sablefish quotas? Is it appropriate that everything gets paid there, the same as it might be for the inshore fishermen in Newfoundland?

I think that's the debate we need to have, and I think this committee needs to play a big role in it, whether it's around the contents of Bill C-45 or whether it's us out there talking to understandably unhappy fisherfolk from coast to coast to coast around this.

But it's a hell of a question, and we need to figure out if we're going to move forward with quota fisheries, which seem to be those where conservation happens. What does that mean, and what does it mean to have a quota, and what about the second generation of those quotas? Should I be sitting in my condo in Hawaii with my sablefish ITQ, leasing it out to someone else, and 30 million Canadians are not only giving me a deal on...?

We are launching a licence fee review as well, because as Mr. Stoffer said, that may be part of the answer here. It seems to be the answer in Iceland. I don't know, but we do need to have a look at this and we need to have the debate, and that question is at the heart of the debate, actually.

• (1225)

**Mr. Peter Stoffer:** And that's why I'm opposed to ITQs.

Thank you.

**The Chair:** I appreciate that, Mr. Murray; and thank you, Mr. Stoffer.

I'll try to get a quick question in here, if I can, before we go to Mr. Calkins.

I think part of the difficulty here—and this committee has heard it many times—is that there have been a lot of costs downloaded to the fishermen: the dockside monitoring, a lot of the disposition and divestiture of small craft harbours. They've assumed a number of costs they never assumed in the past, and at the same time, there seems to be a continual decrease in the science budget. That has happened in other industries as well, so it's not simply in the fishery. But somehow that's fundamental to the greater problem.

Maybe that's a governmental decision we have to decide: how much is government willing to pay for science, and what portion of it? But there's a real danger—and I hear it every time I talk to fishermen—in giving quota for science, because you end up always producing winners and losers in the fishery.

I'm not pretending to have the answer either. I just make that comment. And I'm not asking for an answer. I don't think there is one.

Mr. Calkins.

**Mr. Blaine Calkins (Wetaskiwin, CPC):** Thank you, Mr. Chair.

My questions are probably going to deal mostly with the environmental process modernization plans. So I'll just prepare Madam Kirby for that.

As I went through some of the documents that were prepared for today's briefing, I had some specific questions around that, but I'd just like to set a scenario for you. Let's just say that there's a little creek flowing through a small Alberta town, and in this creek there's a healthy population of stickleback, none of them ninespine, so we don't have to worry about the species at risk. There are a few willows around a road crossing where there's a culvert that was put in, say, 20 or 30 years ago. They need to expand the size of the road, and they need to come up with a suitable crossing.

As I'm going through this, I'm wondering. Obviously we have fish in the creek. It's a small creek. None of them are sport fish or fish that would be considered commercially viable or have any commercial value other than the effect that we've got one more tick on the biodiversity list of species that we have in our province.

The small community has about 2,000 people. They pay their property taxes to hire municipal administrators. Those municipal administrators are there to make sure things operate in accordance with the rules that surround them. One of those rules is that when you go to put a bridge or a culvert in across a body of water that has some fish in it, you have to make sure you protect the fishery's habitat. I think everybody understands that. That's obviously the role of DFO, and that's obviously something we need to look at and that needs to be taken into consideration.

But as I was looking at this practitioners guide, it came to dawn on me suddenly that there are some questions in here. What I'm looking for is just basically a streamlining of the process, and I know that's what the whole plan is. You streamline the processes so that when we have something like this going on, when a review has to take place, some common sense can prevail.

Common sense, to me, would tell me to just go in there and make as little impact as possible. If we have to, we can put a bit larger culvert in, or if we have to put a bridge in there right now, we can, as long as we don't disturb too much vegetation, as long as we don't damage the flow of water or restrict the flow of water or anything like that. Common sense would tell me that the sticklebacks are going to survive no matter what we do and that we should be able to move on with this.

But when I go through some of the documents that you have here on aquatic effects assessment and so on, chances are we're going to get into aquatic effects assessment. Would you agree with that, given the scenario that I painted for you? Or are we just basically going to have an operational statement and that would be it?

**Ms. Sue Kirby:** I think in most cases we're going to have an operational statement and that would be it. Culverts are tricky because they come in a lot of different sizes; they come in a lot of different contexts. But in the scenario you've painted, I think we're talking about an operational statement.

**Mr. Blaine Calkins:** Who would decide that? Would that fall to?

**Ms. Sue Kirby:** We would provide that advice to the municipality when they contacted us.

•(1230)

**Mr. Blaine Calkins:** Well, that's very good news, because in the scenario I painted I think we've had some difficulties in the past, and that's where I'm happy to see those changes.

**Ms. Sue Kirby:** In many cases, that's why we've designed the operational statements, because we're aware of the concerns that have been raised in the past. With this new approach, so long as the municipalities are following the operational statements properly, they don't need to come to us, and we would provide them with that advice.

**Mr. Blaine Calkins:** So what would have to change in the scenario I've just painted for you in order to get to an aquatic effects assessment, so we would actually get to the point where we would go through the pathways of effects analysis and assess mitigation and so on? How much more complicated would that get?

**Ms. Sue Kirby:** I think that's one I'd better provide you in writing, because it is complicated in terms of what exact scenario you'd want to be painting. So I will reply to that one in writing.

**Mr. Blaine Calkins:** No problem. I'm not trying to make a difficult situation here for you. I'm just trying to get my head wrapped around this so that when I do get calls on this—

**Ms. Sue Kirby:** Exactly. I understand.

**Mr. Blaine Calkins:** What I did notice is that on page 11 of this, "Assess Mitigation Measures", you have this vegetation clearing diagram, and in there.... I'm just going to frame this in context. I have a zoology degree in fisheries and aquatic sciences, and I'm looking at this and I'm reading, "Proponents can use the PoE diagrams to determine for themselves where mitigation is required". So that's obviously the municipal administrator; it could be in a small town. And then it says "the Practitioner"—who is the person working on behalf of DFO—"need only review the information". I'm looking at this vegetation clearing diagram, and I'm thinking, solar input is okay. Well, I'm sure people understand that. But then I go over here to allochthonous inputs. I don't even know what an allochthonous input is, and I've got a zoology degree.

Are we making this more complicated?

**Ms. Sue Kirby:** The practitioners guide is intended for our staff.

**Mr. Blaine Calkins:** I understand that.

**Ms. Sue Kirby:** The operational statements, which we can provide the committee, are written in much simpler language and intended for the municipal administrator, for example.

**Mr. Blaine Calkins:** I'd like to see those.

**Ms. Sue Kirby:** Yes, we can provide them.

**Mr. Blaine Calkins:** Other than that, Mr. Chair, I'm very pleased to see that the department is moving in this direction.

**Mr. Larry Murray:** Can I say that we'd really be grateful for feedback, even unhappy feedback, because what we're trying to do is what we've indicated here. We will provide the committee with operational statements, but if members of the committee or colleagues are in a different world, with a particular municipality, or whatever, it would be really helpful for us to get feedback. We will look into it and figure out what's actually happening on the ground.

**The Chair:** Thank you for that, Mr. Murray.

The reason I was smiling is that when you said "unhappy feedback", I thought, it's never a problem to get some. I can provide that.

Mr. Cuzner.

**Mr. Rodger Cuzner (Cape Breton—Canso, Lib.):** I have five minutes, and I'm going to try to get three questions in here.

I will go to Mr. Doubleday, but I'll have you answer last, okay?

On the slide about groundwork for the future, you speak about FMAs and funding arrangements, including quota of fish that could be entered into. Could you explain to me why that's not contrary to the Larocque decision? You're going to be last.

Mr. Stringer, Mr. Bevan was here the other day and said that we continue to fund hatcheries on the west coast because of the commercial impact, yet we don't fund them on the east coast because it's more of a recreational fishery. We're not at odds with the principle that hatcheries have a positive impact on fisheries; it's just that what I got from it was the size—commercial versus recreational. So I want you to explain to me why we aren't continuing to fund hatcheries on the east coast.

I'd like to go to Ms. Kirby for my first one.

I appreciate the fact that you're going forward with environmental assessments, reviews, and so on. What I'm finding is that businesses and community groups, and whatever, that are going forward with projects are very willing to comply with whatever stipulations are being brought forward. When these things take place, it's the timing of getting information back from the various departments. I know that you do this; a lot of it is interdepartmental.

I've had a couple of groups that have missed opportunities because they couldn't get information back on habitat restoration, and what have you. In some of the cookie-cutter stuff, where we're going forward with infrastructure projects, there were timelines such that the federal secretariat would get back to them within 30 days on an answer, after all the information was gathered. I thought they worked well, and the group could work, knowing the timelines.

My question to you first, if you could answer it, is, do you anticipate that there will be timelines and measurements in whatever is going forward so that we can better serve community groups or businesses that want to advance projects, so that they know what timelines they have to deal with?

•(1235)

**Ms. Sue Kirby:** This has been most problematic where we are dealing with multiple departments. In the budget, there was a statement around a major projects management office. The intention in establishing that is very much to improve the coordination between the departments, as well as enhancing the capacity, in some cases, to be able to do some of the necessary assessments. Through that mechanism, the intention is to develop performance standards that go to timing.

**Mr. Rodger Cuzner:** I think it's essential, and the groups will be satisfied knowing that there are benchmarks on the way out.

Mr. Stringer.

**Mr. Kevin Stringer:** The issue of salmon hatcheries on the east and west coasts has largely to do with history and how the fisheries have developed.

As David would have said last week, it is an order of magnitude issue as well, regarding the west coast commercial fisheries, first nations fisheries, SSE fisheries, as well as a major recreational fishery.

The recreational fishery is very significant on the east coast, and we've been very active there working with stakeholders. We have an Atlantic salmon advisory committee session coming up on May 25. We talked to the stakeholders about what the priorities are. Hatcheries are on that list, but they're not necessarily on the top of that list.

We have the gene banking facilities. We have the Atlantic salmon endowment fund, which was announced recently, that supports community stakeholder groups, community stewardship groups, and those types of things. We're working with stakeholders right now on a wild Atlantic salmon conservation policy, which we hope to be coming out with very soon.

So the focus on the east coast is largely about stewardship. ASEF reflected that. On the west coast, I would say it is broader. That's my sense.

**Mr. Rodger Cuzner:** But I still sense from officials that there is no support in principle. They don't believe the hatcheries play a role in the status of the stocks. I get that and have been battling it now for six years, since the funding was pulled. I seem to be hitting a brick wall with it, but I would hope there's going to be some support there.

But what I'm looking for is that there is no philosophical divide between how we approach it on the west coast and on the east coast, no sense of "hatcheries good" on the west coast, "hatcheries bad" on the east coast.

**Mr. Kevin Stringer:** At the end of the day, it's the same folks making the decisions on the east and west coasts, but in different situations. If you look closely at those different situations.... As I say, it probably also has to do with history.

The fact is that on the west coast, and I suspect on the east coast... as you know, people who are involved in the Atlantic salmon fishery are probably the most passionate sort of stakeholders there are. On the west coast, there are thousands and thousands of volunteers involved with these hatcheries in the SEP program, the salmon enhancement program. It really is an entire industry of volunteers

who are doing it. On the east coast, they've developed in a different way, and "community stewardship" communities exist; they have river keepers programs and all those types of things. That seems to be the way they've gone down that road.

**The Chair:** Thank you very much for that, Mr. Stringer.

**Mr. Rodger Cuzner:** Mr. Doubleday has a last answer, and he'll be brief.

**Dr. William Doubleday:** I'll be brief.

**The Chair:** Be brief.

**Dr. William Doubleday:** Basically, the Federal Court decisions last year said that Parliament has not given you the authority to allocate fish to fund collaborative arrangements. The section in Bill C-45 that you're referring to, if it becomes law, would give us the parliamentary authorization to do so.

**The Chair:** That's brief. Thank you very much.

Monsieur Asselin.

[*Translation*]

**Mr. Gérard Asselin:** Mr. Chairman, I would like to come back to annexes 2 and 3, because we ran out of time a little earlier.

Mention is made there of bridge maintenance, of dock construction, of dredging. There are commitments or areas of commitment for each of the provinces.

We are referred to annex 3 with regard to the budget. I presume that the numbers set out in the budget are expressed in millions of dollars.

•(1240)

**Ms. Sue Kirby:** Yes.

**Mr. Gérard Asselin:** That means that \$57.8 million have been budgeted for 2007-08 for this shopping list, and for each of the provinces?

**Ms. Sue Kirby:** Not for the projects. We do not provide assistance for project infrastructure. The list, given in annex 2, pertains to the evaluation of the impacts and of the different projects. The budget does not cover the projects; it is targeted to habitat protection nationwide. And you are right, these numbers are expressed in millions of dollars.

**Mr. Gérard Asselin:** The budget for 2006-07 is \$53.5 million. When you come back, would it be possible for you to provide us with the actual expenditures? A budget of \$53.5 million was, indeed, provided, but how much of that money was spent in 2006-07?

**Ms. Sue Kirby:** It is not exactly the same amount, but it is close. If it is your wish, we could provide that number to the committee.

**Mr. Gérard Asselin:** Fine. Thank you.

[*English*]

**The Chair:** Go ahead, Monsieur Blais, for three minutes.

[Translation]

**Mr. Raynald Blais:** I have a very simple question pertaining to the Environmental Process Modernization Plan, and it involves a very specific file, a very specific situation. Mr. Blaine Calkins talked about it earlier. It is a project that appears to me to be over with. Fortunately, it was never launched. I am talking about the Bennett incinerator in Belledune. The question I have pertains to the future.

Are we not running the risk of finding ourselves once again faced with this kind of situation, given the environmental analysis process for this type of project? This is very close to Chaleur Bay. Emissions from the burning, the incineration of the material are spewed out into the atmosphere. There can be emissions of furan or in any event of toxic substances.

We had a meeting with the people from the Department with regard to this project in particular. From what I understood, based upon the analysis model for this type of project, the conclusion was that there would not necessarily be any danger or impact for the environment. However, my belief and that of the locals is that there is an environmental risk that should be assessed for what it is and that there should be an independent review.

In that sense, does the Environmental Process Modernization Plan that is in the works or that you have planned for going to change the analysis models for this type of project, or will what is in place remain the same?

**Ms. Sue Kirby:** Generally speaking, the Environmental Process Modernization Plan aims at changing our processes in order to make them more effective.

With regard to the models issue, it is not this plan that will change them. They will change if there is a scientific change, if the science develops new models that will deliver different results.

What we have discussed today with regard to the Environmental Process Modernization Plan will not change the models for...

**Mr. Raynald Blais:** That was my understanding of the situation as well, and I am somewhat disappointed. I understand full well that in order to improve effectiveness, further work for change must be done peripherally with regard to the environmental assessment of projects. However, I would like to have seen not only peripheral work, but also work on the very object of the project. In other words, what worries me is not so much the analysis process, but rather the way in which the file or a file of this type is analyzed. This is why my impression — and the people who appeared before you stated this clearly — is that, given the present modeling process, that is what must be questioned.

In that sense, if such is not yet the case, are there any changes planned with regard to the modelling process?

• (1245)

**Ms. Sue Kirby:** Ms. Watson-Wright might be able to talk about the models if time allows. The changes in the process that we have discussed today will not change the objectives, and the whole purpose is focussed on fish habitat protection. We use the most effective models.

**Mr. Raynald Blais:** Ms. Watson-Wright?

**Mme Wendy Watson-Wright:** Forgive me, sir, but would you repeat the question?

**Mr. Raynald Blais:** Very well.

Is the Department planning on studying the way in which the files, like for example the Bennett incinerator in Belledune, are processed, in order for the analysis model to be changed?

[English]

**The Chair:** Quickly, if you could, Dr. Watson-Wright. We're over time here.

**Dr. Wendy Watson-Wright:** It'll be very short. I would like to get back to you on that, because I would have to discuss this.

**The Chair:** Okay. Very good.

Mr. Kamp.

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

Thank you, Mr. Murray and officials, for being here.

Let me start with a philosophical question because I'm not sure we have a clear answer to it yet. I think it's where Mr. Cuzner was going on his last question.

With respect to Larocque and APPFA, there are two interpretations of it. On the one hand, there's the view, I think held by departmental lawyers and maybe some others, that the use of fish in collaborative arrangements to fund science is something the minister can't do because he doesn't have the legal authority to do it in any statute that applies to it. On the other hand, I think there are some who believe, perhaps a more popular sentiment, that the decision said that it's something he shouldn't do—perhaps in addition to “can't do”—because he doesn't have the moral authority to do it because it's not his fish.

I'm wondering if any of you would like to comment on those two interpretations.

**Dr. William Doubleday:** Mr. Chairman, that one is quite subtle.

As I understand it, the court decision was that the minister did not own the fish and he did not have the authority to allocate fish for the purpose of funding or generating financing for any of the department's programs. It was not that he shouldn't, but he must not. I think it was pretty explicit—must not.

**Mr. Randy Kamp:** If Parliament then gives him the right to do that, is it something he should do? Maybe now he can do this, but should he do it?

**Dr. William Doubleday:** I don't believe it was a moral conclusion. It was simply that Parliament has not given the authority to do that.

**Mr. Larry Murray:** Perhaps I could wade in. It is our opinion, and in the context of the policy framework we'll be taking forward, and in the context of Bill C-45, as currently constructed, that it is something that the minister should do. In other words, we see shared stewardship as being a fundamental underpinning to the conservation of the fishery. It's challenging, as the chair has pointed out, on how you get there, but certainly at the moment the legal advice is "cannot", and so we're working really hard to figure out how to move forward now and in the immediate future. Certainly it is the current view that some version of shared stewardship, supported by some version of joint project agreements and so on, is a good thing for the fishery.

**Mr. Randy Kamp:** I think the question will remain whether the allocation of fish to arrive at those collaborative arrangements is a good thing or not, but that will be under debate, for sure.

Principle 5 of the general policies principles in your policy document says: "...seek to develop collaborative arrangements...in order to reduce the direct costs to government and to maximize program effectiveness and responsiveness." There are two quite different things, I think. One is about saving the government money and one is about doing it better. I think there is a suspicion that we entered into more and more collaborative arrangements as the funding pressures grew, and it really wasn't about doing it any better, it was about saving the government money.

Do you have a comment on that?

• (1250)

**Dr. William Doubleday:** The policy is as you quoted it. The history is that the number, the magnitude of these agreements did increase during the late 1990s. It was during a period of budgetary restraint, so there's certainly a correlation there. I believe many of these agreements resulted in improvements in the management of the fishery and the assessment of the stocks, so that's a factor too. I don't think it's easy to disentangle the factors that were influencing the changes over time.

**Mr. Randy Kamp:** Mr. Chair, if there is time, I think Mr. Calkins still has a question or two.

**The Chair:** There actually isn't. You're at your five minutes. You have five seconds left and I know that's not nearly enough time.

**Mr. Randy Kamp:** How about another round?

**The Chair:** I was assuming we would do another round.

Mr. Simms.

**Mr. Scott Simms:** Related to that topic, let's go back to the fact that we have a funding shortfall this year of \$24 million. The allotment is \$11 million. Did you say there was an amount of money in there that can be realized, that JPAs are okay because they are not contradictory because of the Larocque decision? I'm simply trying to identify that money. Of the anticipated \$24 million, there is a big portion of that which will be okay to proceed with. Is that correct?

**Mr. Larry Murray:** From my perspective, it's not a \$24 million shortfall, to be clear from our analysis; it is a work in progress. As we worked our way across the country, our analysis was that we needed in the order of \$12 million a year for the science part of this, that the overall amount of money in play at the time of the analysis was about \$24 million. But we're not saying we have a shortfall in

this particular area of \$24 million minus \$12 million, if we can put it that way.

I don't know, Bill, if you want to refine that.

**Dr. William Doubleday:** I'll try to answer the question as posed, and if it's not the right answer, then we could provide more later.

Basically, collaborative agreements are okay. Collaborative agreements that are financed through an allocation of fish to raise money are not okay. So we are continuing to seek collaborative arrangements with the industry to collaborate in assessing the stocks and supporting the management of the fishery.

**Mr. Scott Simms:** I'm sorry, Mr. Doubleday, I don't mean to interrupt here, but I'm trying to figure out where that is. I'm trying to make it tangible to me and the people I'm trying to give advice to about this. When you say collaborative arrangements, can you give me an example?

**Dr. William Doubleday:** An example that I think would be close to your heart is the sentinel survey for groundfish in Newfoundland. In previous years this involved an explicit use of fish, where we entered into basically a contract whereby the amount of money that we paid to, in this case, the fishermen's union deducted the amount received by the sentinel fishermen for their sale of fish. So the amount of fish they caught was explicitly taken into account in the arrangement.

We can't do that now. However, we have determined that as long as the amount of fishing is only what's required to meet scientific requirements, that it's not increased in order to generate money, and as long as the commercial fishermen could retain the dead fish that were caught, the sentinel fishermen can do the same. The sentinel fishermen can sell them. The sentinel fishermen can retain the money. We simply won't have that as a consideration in the contract for the sentinel fishery. So they'll still be catching fish, they'll still be selling fish, but it won't be deducted from what we pay. This may result in some change in the balance between what the department contributed to the sentinel fishery and what the industry, through the union, contributes.

We believe this will allow the sentinel fishery to go forward without requiring a large infusion of cash.

• (1255)

**The Chair:** Ms. Watson-Wright is going to get a comment in here.

**Dr. Wendy Watson-Wright:** I only wanted to clarify the \$24 million versus the \$12 million. The \$24 million was the total of all the collaborative arrangements where the industry was contributing. The industry was contributing in some cases in kind, in cash, or in fish. So of the \$24 million, \$12 million was determined to have been contributed from the use of fish. The \$24 million was everything else. So there is not a \$24 million shortfall.

**Mr. Kevin Stringer:** To add to that, the courts did not pronounce on collaborative arrangements. They did not pronounce on the issue of somebody wanting to contribute to science work, that they can't do that and the department must pay for the whole thing. What the court said was that the minister shouldn't be allocating fish for that purpose, that it's not his to allocate, it's a public resource and all that kind of stuff.

**Mr. Scott Simms:** So fish could still be used for the purpose of science, for any particular fleet.

**Mr. Kevin Stringer:** Well, what can be used is cash. If you want to sit with an organization and say that the department will put this much in, and the fishermen's association wants to put a certain amount in, you can still do that.

**Mr. Scott Simms:** Okay, thank you.

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

We're almost out of time. You'll be our last questioner, Mr. Calkins.

**Mr. Blaine Calkins:** Thank you, Mr. Chair.

I want to make a brief comment and then I'll ask one last question.

My comment is that I used to work as a fisheries technician for the Province of Alberta. I remember a specific incident around a walleye minimum size experiment we were doing, a catch and release experiment. We basically went out with a gillnet to see how many tagged fish we would get back in correspondence with others. Of course, we used the fish for aging, sex verification, growth rates, and all the other good things.

I remember that when we went out, we netted a whole bunch of walleye. Of course, there's not a commercial fishery for walleye in Alberta. There's a commercial fishery for whitefish and other types of basically pelagic fish. And incidentally, if you catch walleye or northern pike, as a commercial fisherman you can sell them, as you well know.

I remember that we specifically couldn't contract out anybody to come and do that work for us. We caught a bunch of walleye and basically ended up puncturing their bladders after we did our test and getting rid of them at the bottom of the lake. The optics of bringing in all those fish in front of a bunch of sport fishermen wasn't very good either.

It seems to me that some common sense has to prevail in all of this so that we're not wasting the resource and we're not doing things that are clearly in violation of the law either.

But I just throw that out as a comment.

The last thing I want to talk about concerns page 16 of the deck that was provided by Madam Kirby.

I consider Alberta and Saskatchewan to be very similar in their resources and so on, although I know that one has a little bit more water. Based on "Annex 2: Application of Operational Statements by Provinces", it seems to me that an operational statement is fine for directional drilling in Saskatchewan, and not in Alberta. It's fine for beach maintenance and log salvage in Saskatchewan, but not in Alberta. In fact, if you look at how the application of operational statements by provinces lines up, Alberta has the least amount of operational statements that apply.

Is that because there is less water, or there are fewer conditions for operational statements in Alberta? Or is it particularly a matter that we need to be more careful in one province than in another?

I'm just wondering why there's a discrepancy there.

**Ms. Sue Kirby:** There have been national operational statements developed for all of these. There are national operational statements that can apply in Alberta. In the case of Alberta, there are some instances where the province has chosen not to apply them, and we would continue to use the national statements.

Do you want to add to that, Richard?

● (1300)

**Mr. Richard Wex (Director General, Habitat Management Directorate, Department of Fisheries and Oceans):** Sure.

Very briefly, the only thing I could add is that provinces have their own regulatory requirements. They have their own provincial permitting requirements. They have their own laws and policies.

What we try to do is integrate or regionalize these standardized operational statements with those provinces. In some cases, they conflict with the provincial regulations, or else the province, for whatever reason, isn't yet comfortable incorporating the national statements and regionalizing them.

So in those cases they don't apply, although we are continuing to work with all of them.

**The Chair:** Perhaps you could identify yourself for the committee.

**Mr. Richard Wex:** My name is Richard Wex. I'm the director general of the habitat management program.

**Mr. Blaine Calkins:** Thanks, Mr. Chair.

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

I'd like to thank the deputy minister and DFO staff for coming here today.

I would just revisit this for a second. There are a number of issues on the table before us today and there has been some very good discussion and a lot of discussion that will be ongoing. Could I get some follow-up from you folks on your long-range plan for environmental assessment, for remedial work around streams, for riparian strips, for culverts, for bridges?

There just seems to be a regulatory regime there that is very burdensome for industry, whether it's agriculture or forestry, and you never know who you are dealing with. And the idea of bringing in Transport Canada to decide something is a navigational waterway, to put a bridge across a 30-foot-wide river... Somehow or other there have to be some reasonable rules that can be put into place to prevent some of this excessive regulation. It may be as simple as saying that the bridge needs to be high enough for a canoe to get under. I honestly don't know, but somewhere there are some balances to this.

It is particularly frustrating for people who have a certain timeframe to do work. They have to cross a stream bed and they have to put in a proper bridge or culvert in order to do that.

Most people don't want to damage the environment; they actually want to look after the environment. But at the same time, they have a job to do. I don't have the answer on finding that balance, but it is important.

Could you follow up with where you plan to go on that, because it is something that actually the committee might want to look at some time as well. Certainly the fish for science might be another issue the committee should be looking at, in all honesty.

Again, thank you for coming in. We appreciate it.

The meeting is adjourned.

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