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Chair

Mr. Rodney Weston

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• (1535)

[English]

The Chair (Mr. Rodney Weston (Saint John, CPC)): I'll call this meeting to order.

I'd like to take this opportunity to welcome our guests. Thank you for taking the time today to join us. We appreciate you coming before this committee and providing some input.

As you probably are well aware—I'm sure the clerk has made you aware—we're studying closed containment aquaculture. We certainly look forward to your views.

The general process is that we allow 10 minutes for opening statements. Then we go into questions. If I interject at times during the questions, it's because members have constraints placed on them for time for questions and answers. Sometimes they try to get in as many as possible, but in the interests of fairness, we try to keep everybody to the same timeframe.

Once again, ladies, thank you for appearing before this committee today.

Ms. Crocker, I believe you're going to come forward with an opening statement. I'd ask that you introduce your associate as well. Please proceed any time you're ready.

Mrs. Karen Crocker (Chair, St. Mary's Bay Coastal Alliance): Thank you.

My name is Karen Crocker. I have with me today Brenda Patterson.

I am speaking to you today on the subject of closed containment aquaculture as chair of the St. Mary's Bay Coastal Alliance, as an ecotourism operator, and as a member of the lobster fishing industry. I live in Freeport, a small fishing village located on Long Island, Nova Scotia. Long Island and Brier Island are on the southwest tip of Nova Scotia. We are nestled between St. Mary's Bay and the Bay of Fundy.

The combined population of Long Island and Brier Island is approximately 700. The islands were settled in the late 1700s. Throughout the years from 1785 to today, the inhabitants of Long and Brier Islands have depended on the fishery to support their families and community.

My husband is an LFA 34 fisherman, as was his father and his grandfather. The lobster fishery in lobster fishing areas 33 and 34 accounts for 40% of Canadian lobster landings. DFO statistics for the 2010-11 season, November to May, show a total of 19,770 metric

tonnes of lobster were landed in LFA 34. Since 1995 we have also operated an ecotourism business during the summer, offering whale and seabird boat tours.

Our islands have a vibrant and lucrative lobster fishery. There are currently 42 licence holders fishing from Long and Brier Islands, employing approximately 210 residents full time during the season. This number does not include the spinoff jobs created by our fishery, such as fish plant workers, truck drivers, local buyers, etc. We are resilient.

In addition to our lobster fishery, local fishermen recently developed a community-supported hand-line fishery, similar to community-supported agriculture, CSA, called Off the Hook. Off the Hook was just named runner-up in a global contest called "Solution Search: Turning the Tide for Coastal Fisheries Solutions". This contest, hosted by *National Geographic* and Rare, recognizes community-based innovations for near-shore fisheries based on proven success. There were 103 entries from 48 countries, and Off the Hook was honoured to have been awarded one of the top three.

Our communities and our fisheries are now threatened by the presence of open-net fin fish aquaculture. The St. Mary's Bay Coastal Alliance was formed in 2010 as a response to a lease application for two industrial open-net salmon feedlots in St. Mary's Bay. These leases would be the largest in Nova Scotia to date and encompass 208 acres of the bay. Each would hold one million salmon.

The alliance membership is made up primarily of LFA 34 licence holders and crew, as well as local landowners and concerned citizens. Since our first petition in the summer of 2010, when over 80% of our residents expressed opposition to the application, our communities have remained allied against these feedlots.

The communities participated in the public process, including a screening-level environmental assessment where such applications are reviewed. At every opportunity our community wrote letters, attended meetings, and expressed concern for the project, and we appealed to the provincial and federal departments to stop the development. Our appeals fell on deaf ears, and the project was given a green light in summer 2011.

Our opposition to open-net aquaculture is focused today on three areas: the displacement of local lobster fishermen, the use of pesticides, and traceability.

With respect to displacement, what immediately alarmed fishermen was the location of the lease and its imprint on traditional fishing grounds. With the approval of the lease, 21 of our local lobster fishermen were displaced from their lobstering grounds. The area encompassed by the lease would make it difficult, if not impossible, for these fishermen to set pots where they had fished for generations. The area of this lease sits on traditional fishing grounds that local fishermen refer to as the “deep hole”. It is an area well known to local fishermen as being abundant in lobster in the fall, at the beginning of the lobster season in November.

In terms of pesticides, we quickly became aware of the growing concerns worldwide regarding sea lice problems that plague large-scale salmon aquaculture and the use of pesticides to treat these problems. It has been well documented that the pesticides used to treat sea lice infestations can be harmful and even fatal to lobster. The recent charges in New Brunswick laid by Environment Canada with respect to lobster deaths caused by pesticide use in open-net aquaculture is evidence of this link.

The decision to put these cages in St. Mary's Bay will mean that pesticides will eventually be used in our bay. Why would the Province of Nova Scotia, with the support of the Government of Canada, want to put at risk an area that is known to be one of the most lucrative lobster grounds in Atlantic Canada? The Atlantic Veterinary College lobster science moult quality report for 2011 listed St. Mary's Bay lobster as premium hard shell lobster. St. Mary's Bay is also a lobster nursery. To our knowledge, no one knows what impacts lice-treating pesticides will have on lobster larvae and egg-bearing females. Approval was given anyway to put 200 acres of open-net aquaculture in St. Mary's Bay.

In regard to traceability, as we all know, consumers are becoming ever more concerned with where their food comes from. Consumers are prepared to pay a premium price for food that they know is healthy and safe. The Lobster Council of Canada just released a report on the lobster industry and full traceability of our product. The consultants found that lobster-buying companies such as restaurant chains and large food distributors are asking for more detailed information from suppliers regarding the origin and processing of the products they are buying. Lobster fishermen in our area are participating in traceability pilot projects. We support traceability, because we know that our waters and our lobster can compete worldwide.

With this new traceability program, we are concerned about the perception by world markets of the quality of our lobster if they are being harvested in and around open-net salmon aquaculture feedlots. The world is becoming increasingly aware of the use of pesticides in the salmon farming industry, and there is concern that the quality of our now healthy natural food source, lobster, will be tainted by being associated with exposure to these chemicals. New Brunswick lobster fishermen have told us that they were afraid to speak out about their concerns on pesticide use and its potential impact upon lobster price and markets.

The world is a smaller place now, and consumers are more demanding. We see studies now recommending that consumers limit their consumption of farmed salmon. If these feedlots are placed in ecologically sensitive areas such as St. Mary's Bay, what are the implications for our traditional wild fishery? We find it increasingly

puzzling to understand why our federal government is not concerned about this very real threat to the viability of our now healthy natural product, lobster. We believe that governments are moving ahead with the desire to increase salmon production in our province without exercising a precautionary approach to this type of industry and its potential to harm our already lucrative and sustainable lobster fishery. Our communities depend on this fishery.

Open fin fish aquaculture is putting the future of our communities and fisheries at risk. Why? Please understand that our coastal communities are not opposed to aquaculture as a whole and welcome new industry and the economic benefits of such endeavours. What we are concerned about is open-net salmon aquaculture, which can put at risk viable traditional wild fisheries. These projects are sold in part because of the supposed jobs they create. What needs to be of concern is the types of jobs these are. The jobs promised by the aquaculture industries are simply not there, and the jobs that come with that industry are primarily minimum wage and part time.

Our traditional wild fisheries employ about 90% of our island residents, with competitive wages. It cannot be disputed that the Nova Scotia lobster fishery is the driving force of Southwest Nova Scotia's economy. Lobster is Canada's number one seafood export.

It seems that if Nova Scotia were to encourage the companies that want to develop salmon aquaculture to develop more sustainable practices, such as closed containment, we would have the best of both worlds. We would be supporting and protecting a very valuable, traditional, and renewable natural resource—our wild fishery—and also developing a new, non-traditional, sustainable industry: closed containment salmon farms.

The trend for people to seek out healthy, natural, sustainable food sources is growing rapidly and will continue to be very important to those producing these products. We would encourage government to develop industry in line with this growing and important trend.

Thank you.

• (1540)

The Chair: Thank you very much. We appreciate your presentation.

We will move right into the questioning.

Mr. Kamp.

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

Thank you for your presentation. We appreciate your appearing before us.

Let me begin by asking about your participation in the environmental assessment process at the screening level. You said you made submissions—at every opportunity, it sounds like—in opposition to these applications, and yet at the end of the day the applications were approved.

What is your explanation for this? We have to believe that these are based on good science and on good available evidence. Do you disagree with that? What do you think was at play?

• (1545)

Mrs. Karen Crocker: Well, I think there are a couple of things at play here. I think the process by which these sites are looked at is no longer applicable to the size of the leases being applied for. The industry has gone from applying for what were once, 25 years ago, applications for small farms for maybe 5,000 fish to 10,000 fish, to now looking at leases for one million fish per site.

In our dealings going through the process, at every opportunity we submitted comments and concerns and questions, for which we never did receive any written response from our provincial government and the Department of Fisheries and Aquaculture.

We don't think the level of screening is appropriate any more. It is the lowest level of an environmental assessment that can be given.

What we asked for was that things have to be looked at differently now because of the size of these leases and the implications on the surrounding environment.

Mrs. Brenda Patterson (Member, St. Mary's Bay Coastal Alliance): Could I add to that?

Mr. Randy Kamp: Go ahead.

Mrs. Brenda Patterson: There are a couple of other issues. The screening level does not provide any funding at all for public participation in that process. What you're really dealing with is a very small community, in many ways without scientific expertise, that's expected to be able to comment on a very large, as Karen said, mega-industrial site, but without the capacity to do so.

Also, the level of screening does not look in any way at the socio-economic impacts of a project. It's actually not included at that screening level.

Mr. Randy Kamp: Let me just say in response, though, that surely in the screening process those who are doing the screening are taking into account the actual size of the project. They're not pretending that it's 25,000 fish if it's a million. They're taking into account the impacts of that proposed project on the environment, the ecosystem, and so on. It sounds like you're saying they got it wrong, but we're not in a position to reach that conclusion.

Let me move on to another question. You talk about the question of traceability, and I understand your point there. Can you provide examples of the quality being tainted by proximity to an aquaculture operation elsewhere in Atlantic Canada?

In other words, your point is that if you put in an aquaculture operation, your lobster, which is of high value, is going to be devalued because now it's close to an aquaculture operation. Do you have examples of that from elsewhere?

Mrs. Karen Crocker: The example that comes to mind is the lobster deaths that occurred in New Brunswick in the early nineties, and then again in 2009 and 2010. There were huge numbers of lobsters lost there within a 50-kilometre radius.... It was very alarming to fishermen in both Nova Scotia and New Brunswick that this was happening. It was then associated with exposure to chemicals that are required in open-net salmon farming.

What our fishermen immediately thought of was that we now have traceability coming into our industry. They're going to start tracing where the lobster come from—the boat it was caught in, the

fisherman who caught it. Then you have the press talking about lobsters being killed because they were exposed to aquaculture pesticides.

It need only make you wonder that the perception in the world markets could be whether the lobster coming from St. Mary's Bay are now going to be exposed to these types of chemicals, and am I, as a person, willing to buy that product?

• (1550)

Mrs. Brenda Patterson: There is another example, Mr. Kamp. I can't give you the specific details, but certainly we know for a fact, both in Nova Scotia and also in New Brunswick, that farming of sea urchins...they will not be bought by the Japanese market if that occurs within a certain distance from an aquaculture site.

I can't give you the number of metres in terms of distance, but I know that's the case.

Mr. Randy Kamp: In the case you referred to first, if an aquaculture operation breaks the rules, there could be some negative impacts. But I was asking if the lobster industry is experiencing this kind of negative impact from being close to an aquaculture operation.

Let me leave that and ask one more question. I know my colleague is going to ask you more specific questions about the science.

On your involvement with the court case—the judicial review of the decision, and so on—can you tell me what your end game is? I notice some similarity with the case that was launched in British Columbia. It ended up with the Supreme Court of B.C. saying that aquaculture was a fishery and needed to be managed by the federal government rather than the provincial government. Is that what you're hoping to achieve? If so, how do you see that helping your case in St. Mary's Bay?

Mrs. Brenda Patterson: You're obviously aware of the court case and the position we've taken on the alliance, as well as the Atlantic Salmon Federation. On what's really important to us, we do not believe that the regulatory regime in place in Nova Scotia is strong enough. There's some hope that the federal government's regulatory regime, as it's developing and as we're seeing in British Columbia, might give us more protection in that. I think that was a large part of it.

One of the other issues is we do not believe that sufficient science was undertaken to have a proper baseline assessment done prior to the cages and leases being granted. There are also difficulties with the regulations on monitoring that are in place in Nova Scotia at this time.

Mr. Randy Kamp: Thank you very much.

The Chair: Thank you very much.

Mr. Donnelly.

Mr. Fin Donnelly (New Westminster—Coquitlam, NDP): Thank you, Mr. Chair.

I would like to thank Ms. Crocker and Ms. Patterson for your presentation and the good work you do. Congratulations on your award. Off the Hook sounds like a very innovative and interesting initiative.

You mention this in your presentation, but are you opposed to all types of open-net fish farming? Are there any types of open-net salmon farming that you would support?

Mrs. Brenda Patterson: What specific options or alternatives are you thinking of?

Mr. Fin Donnelly: Well, it's a straightforward question. Is there any particular type of open-net farming that you've seen, either around the world or on the east or west coast of Canada, or anything innovative that you think is the direction in which we need to go? Is there an alternative way in which we need to go?

Mrs. Karen Crocker: I believe the best way for this industry to move forward would be to closed land-based containment. I don't believe any type of open-net salmon aquaculture can be done that will not have some type of negative effect on the environment.

• (1555)

Mr. Fin Donnelly: So there's no way that the open-net farming industry as it currently exists could make improvements, whether it's in pollution of the receiving waters, energy use, or the food or chemicals used. In your mind it has to be closed containment.

I have another question about this. We just had a presentation at this committee on integrated multi-trophic aquaculture, but I'll come back to that.

I'm just curious, if you feel that strongly, and the people in St. Mary's Bay, Nova Scotia, and eastern Canada feel that essentially open-net farming is not something they would like to see, or if there are any modifications.... We're talking about jobs and impact on the community and the economy.

Mrs. Karen Crocker: I think the best way to answer that question is to look at.... We've been seeing in the last three years that Nova Scotia's Department of Fisheries and Aquaculture has been expanding salmon aquaculture. There are several lease applications now in and around the province of Nova Scotia, particularly around the southwest shore. For every one of those projects, either the one for St. Mary's Bay, which has been approved...the other ones are still in the approval process. There are community groups similar to ours springing up in every community being considered for this type of industry.

Every community is saying the same thing: they know the importance and the value of Nova Scotia's traditional wild fisheries. For us, it's not only our jobs but also our way of life here. The people living in these coastal communities do not want to see any type of industry come in that could have any potential negative impact on the wild fisheries. We have Mayday Shelburne and Jordan Bay. We have Friends of Shelburne Harbour in Shelburne. We have citizens against open-net salmon aquaculture on the eastern shore. We have Friends of Port Mouton Bay and we have the St. Mary's Bay Coastal Alliance. Currently, all those areas are being targeted for open-net salmon aquaculture. If anything, the concern within the province is growing, and everybody has the same feeling: we don't think this type of industry is going to be viable for us.

Mrs. Brenda Patterson: I think one of the other comments was to the issue of displacement and in terms of jobs. Just in our community alone, as Karen has mentioned, there are 210 people directly employed by the lobster fishery alone on our two islands. With the particular lease applications approved for St. Mary's Bay, there was a promise of 16 jobs. Right now, as far as we know, there are six people employed at part-time, seasonal, minimum wage.... You can't compare that to the jobs already being provided by the lobster fisheries in our community. The jobs thing...it's a bit of a play there. In fact, the only community in Nova Scotia that really has any support for open-net salmon aquaculture is the one that has been promised a processing facility. That's it. Elsewhere—not at all.

Mr. Fin Donnelly: Thank you.

If the proposal for expansion was to go on land—for instance, closed containment operations—what do you think the response from your organization and perhaps the community would be? Obviously it's hard to tell. But do you have a sense of what the community, or at least your organization, would feel if the proposal was closed containment RAS, for instance, something on land?

Mrs. Karen Crocker: I think it would be very well received in our communities. It's actually one of the things we were discussing with the Department of Fisheries and Aquaculture at our public consultation, when we had several fishermen in the room offer land and said they would be willing to do anything they could. We had other fishermen discuss the fact that there's a lot of infrastructure already in place in our communities. Fish plants that are not operating—that closed as a result of the collapse of the ground fishery in 1995—could be used for closed containment aquaculture.

I think it would be very well received in and around the coastal communities in Nova Scotia.

• (1600)

Mr. Fin Donnelly: Thank you.

Just shifting gears, I'm just wondering about this integrated multi-trophic aquaculture that the committee has just heard presentations on from Dr. Thierry Chopin and others, like Andrew Story, Bill Robertson, and Fraser Walsh. Is that concept something your organization is quite familiar with and is supportive of, or opposed to, or do you have a position on it?

Mrs. Karen Crocker: I don't really know a whole lot about IMTA, other than that when our application initially went in, the proponent head suggested that IMTA would be used in the farm, and then for some reason that was withdrawn. The only thing I can say is that, from what we've been able to determine by speaking to people who have some scientific knowledge about IMTA, it's not going to be able to take care of the problem of the amount of waste that comes from the production of these fish. I can't really say any more to that, other than that we just don't know enough about it, I guess.

Mr. Fin Donnelly: Thank you very much.

The Chair: Thank you, Mr. Donnelly.

Mr. Sopuck.

Mr. Robert Sopuck (Dauphin—Swan River—Marquette, CPC): Thank you very much, Mr. Chairman.

I really appreciate the presentation.

You talked about your view of the effect of net pen aquaculture on wild fisheries. Can you give me a specific example of where a net pen aquaculture operation went in and the subsequent wild fishery was destroyed? I would like specifics if possible.

Mrs. Karen Crocker: Well, we have the aquaculture operation that operated in Port Mouton Bay, Nova Scotia. There was significant opposition to that site in that community and there still is. The site is no longer there. We had several meetings with the community groups that were involved in trying to get that site removed. There were several fishermen on that committee who told us that their inshore lobster fishery in that bay no longer exists.

Mr. Robert Sopuck: That doesn't quite square with what I'm hearing: that lobster fishermen, by and large, set a lot of their traps around existing net pen aquaculture areas, because the lobsters are attracted to the nutrients that are generated by net pen aquaculture. Could you explain that discrepancy to me?

Mrs. Karen Crocker: From the fishermen that we've talked to, both in Port Mouton and Shelburne Harbour, what was explained to us was that initially when the net pens go in, the water quality is still there and you're not having that nutrient overloading occurring, and for the first year or so, the lobster fishery doesn't seem to be too different. But usually, within three to four years, the catches in and around the leased areas do drop significantly.

Both the Shelburne Harbour and the Port Mouton fishermen have told us that in and around the salmon aquaculture sites in both of their harbours, there are no longer any fishermen fishing any pots. I can only speak from the perspective of those two people we've talked with.

As far as your comment about fishing in and around the sites is concerned, it's not a simple thing, especially in St. Mary's Bay, for our fishermen to fish in and around aquaculture sites. In fact, several fishermen who have attempted to do that this year have lost gear. It's not a simple thing at St. Mary's Bay with the tide work they do.

Mr. Robert Sopuck: That's interesting. When we questioned DFO scientists, they didn't corroborate your points.

In terms of fin fish, as opposed to lobster, it's obvious that you think that open-net aquaculture affects fin fish as well. I'd like to ask the same question regarding fin fish. Can you give me any examples of where a fin fish population or community was destroyed or severely damaged by net pen aquaculture?

• (1605)

Mrs. Brenda Patterson: I think that would be a question you should pose to the Atlantic Salmon Federation. I think they'd be able to speak to that quite well.

Mr. Robert Sopuck: I did. I actually belong to the Atlantic Salmon Federation, and I would note that across much of eastern Canada, Atlantic salmon runs have been rebounding dramatically.

In fact, I asked Bill Taylor, the executive director, whether we would ever have to commercially fish wild Atlantic salmon stocks because of the Atlantic salmon that are produced in net pen aquaculture. He did admit to me that we will probably never have to commercially fish wild Atlantic salmon stocks.

Going to the west coast—I know you're not from the west coast and neither am I—I was interested in a report from DFO. Given that net pen aquaculture has been going on off the west coast since 1985, and that in 2010 the Fraser River sockeye returns were 30 million fish, the best return since 1913, and that in rivers across B.C., from Skeena and Barkley Sound, and Smith Inlet and so on, the sockeye runs, at least in 2011, were above expectations, how do you square your opposition to net pen aquaculture with what appears to be a resurgence in sockeye runs off the west coast in the presence of aquaculture?

Mrs. Brenda Patterson: I really don't think we could speak to that issue. As you've indicated, that's not where we're from, and neither are we the scientists who are looking at that on the west coast.

Mr. Robert Sopuck: But again, this is a science question. I understand that you're not scientists, but to me, these decisions on public policy have to be based on good science.

Do you have any quantitative data on your point about traceability and the effect of the chemicals that are used in net pen aquaculture on lobsters? You talk about marketplace perception, and that implies that the marketplace may think that there are some residual chemicals in the lobster flesh that we are consuming. Do you have any evidence that these chemicals are in the lobster that is caught and subsequently marketed around the world?

Mrs. Brenda Patterson: I guess in that particular case, we're the same as probably you are in terms of some of the literature that's out there. The point that Karen made earlier, and I think you've used the word yourself, is that the perception issue is as important as the facts in this case.

We know consumers—such as yourself, myself, Karen, and others—will, in fact, make decisions based on perception. As there continues to be increasing information in the public on pesticide use in open fin fish aquaculture, our suspicion is that there will be increasing concern on the part of the public in terms of their decision to consume open fin fish aquaculture salmon.

Similarly, Karen's point is that there could also be concerns by the public, whether you're looking at fish feces, or pesticides, etc., and that those concerns could have a negative impact on the traditional fisheries, such as lobster.

Mr. Robert Sopuck: Thank you very much. My time is up.

The Chair: Thank you very much, Mr. Sopuck.

Mr. Easter.

Hon. Wayne Easter (Malpeque, Lib.): Thank you very much, Mr. Chair, and thank you, witnesses. I'm not a regular member of the fisheries committee, but this discussion is very familiar because I chaired a fisheries committee for a week of hearings in B.C. on this very same subject. I'm shocked that some of the same questions are continuing to go around.

I do want to say, in beginning, congratulations to you both and to the community for bringing your issues forward. I do think—and I'll say it to the government members opposite—it's unfair to expect community groups, which weren't provided with the funding to take on this issue, to answer these scientific questions. It is DFO's responsibility to answer those scientific questions, and they should be answering those questions.

I will say this as well, based on my own experience: I do think DFO is very much caught in a contradiction. On the one hand, their mandate is to protect the wild fishery, and on the other, they're caught in the kind of trap they're in—I'm not accusing them of anything—of also having aquaculture under their mandate and the jobs it creates. They are caught in a contradiction.

I'll start my questions from there.

First, what company is involved in this 208-acre operation you're talking about?

• (1610)

Mrs. Karen Crocker: The company is Kelly Cove Salmon, which is a subsidiary of Cooke Aquaculture. It's from New Brunswick.

Hon. Wayne Easter: Yes. In fact, I know the owner of Cooke Aquaculture.

I think this is, Mr. Chair, what the committee has to be concerned about.

From your perspective, do you think the hearing process that you were involved in was balanced and was fair to the community groups coming forward versus the provincial department of fisheries, which has a specific interest in creating jobs?

Do you think the hearing process was balanced? If it wasn't, do you have any suggestions on how it could be made balanced?

Mrs. Brenda Patterson: Thank you very much, Mr. Easter.

No, we don't think it was balanced. So often we use the term David and Goliath, because that's what it felt like.

I'm repeating myself here, but they come from a community of 700 people, they come from a community of fishermen. Not to put down fishermen whatsoever, but it's not a world that fishermen are comfortable or familiar with, in terms of dealing with the federal government, environmental screening processes, and so on. It was of nightmare proportions for them. Essentially, they all felt lucky that there were three or four people who were prepared to sit down and work their way through this process.

As I mentioned earlier, it was a situation where we didn't have scientific expertise. We had to call on volunteers. We literally had potluck dinners to try to raise enough money for stamps. I'm not saying that to be silly; it's the truth. When we were trying to send

letters out or to get some information on the Internet and so on, that's literally how we had to raise money.

We sat down with the province early on, with Minister Belliveau, and tried to explain the situation to him. We told him that he could go to his federal counterpart and ask for the assessment to be raised up to another level where communities could be given support to be able to hire scientists and so on. It was quite interesting. At one of their meetings they told us, first of all, that he was not prepared to do it. And you're right, it's a lot sexier to be in the business of promoting aquaculture than it is to be regulating the fisheries. In fact the Province of Nova Scotia said, and this is pretty well a quote, "We do not have any scientific expertise in the Department of Fisheries and Aquaculture. We are relying on the federal government to undertake the science necessary."

It's interesting.

Hon. Wayne Easter: Yes, it's interesting and sad.

From your perspective, has the Department of Fisheries and Oceans undertaken that scientific assessment? Members of the government here are asking you today to provide the science. The parliamentary secretary represents the department that has the resources to do that.

Are you telling me they're not doing that science?

Mrs. Brenda Patterson: No, they did not.

In fact, the scientific information that was looked at by DFO was scientific information that was provided by the proponent. The assessment undertaken by the proponent looked at the impact that the environment would have on their proposal, not the impact that their proposal would have on the environment. That's what was looked at. The information that DFO and others looked at was the information that was provided by Sweeney International Management Corp., a company that did the work for Cooke Aquaculture. That's the only scientific information that DFO really looked at. DFO acknowledged it had never done a baseline study of St. Mary's Bay, so no one could measure the implications of a 200-acre, \$2-million salmon operation on the fisheries, on the sea floor, on the environment—nothing. No one was operating with a proper baseline assessment to begin with.

• (1615)

Hon. Wayne Easter: I wouldn't want to put words in your mouth, but I'd say that's pretty shoddy work on the part of the department that's responsible for policing the wild fishery.

I will say this. I'm on a little bigger island; I'm from Prince Edward Island. In my riding we have two land aquaculture operations, Mr. Chair. One is right in central P.E.I. and has a million and a half fish. A second operation is by the coast but on the land, and it's producing halibut. So it is possible to do some of this fishery on the land.

My last question really comes to Mr. Kamp's question on traceability. The question was along the lines of proof of loss of market or death of lobster.

Has anyone from the Department of Fisheries and Oceans or the provincial department suggested that if there is proof down the line that your industry has been reduced or that your markets have dropped as a result...? And you're right, it's perception. It doesn't have to be reality. Perception of problems in the product going to market is where the real danger is. Did anyone from the department say, okay, compensation will be available to the industry if there are problems?

Let's put it on a.... Who's responsible here at the end of the day, and are they willing to—

Mrs. Brenda Patterson: We asked that very question and the answer back to us was that no one is responsible at all.

Hon. Wayne Easter: Then why do we have all—

The Chair: Thank you, Mr. Easter. Your time's expired.

We'll now move into a five-minute round and go first to Ms. Davidson.

Mrs. Patricia Davidson (Sarnia—Lambton, CPC): Thanks very much, Mr. Chair.

Thank you, ladies, for your presentation here this afternoon. Certainly we've heard some interesting comments.

I'm sure you've probably been following some of the study we've been doing or seeing some of the testimony we have heard, and you know that we have heard a lot of different things about open net and closed containment, the viability of closed containment, the economic outlook about whether or not it is even viable to go that way, the energy costs, the land base that's required, and so on.

Taking those things I've just talked about into account—the extra energy costs, and the land base, and so on—do you see any way that open-net operations can be made more sustainable or more environmentally friendly?

Mrs. Brenda Patterson: I'm not aware of any, no.

Mrs. Karen Crocker: I would say no as well. I don't know.

From what we've been able to learn, based on what's gone on so far in the industry, there are certain things that are required in order for them to maintain healthy fish: pesticides, antibiotics. As it stands, there is no barrier between the farm and the open environment, so I don't know how you could say the open environment is protected from that, unless there is a barrier.

Mrs. Brenda Patterson: I think the issue of costs is quite interesting. As was mentioned by the previous member of Parliament, there are a number of very successful land-based closed containment fish farms. In fact, right now, one in Nova Scotia is selling its fish around the world. It's another halibut operation. It certainly can be profitable. In fact, it's my understanding that Canada is developing some interesting new technology for closed space systems, which in fact a Norwegian company is looking at right now. A Norwegian traditionally open fin fish salmon culture industry is looking at it.

I guess the other issue around cost—and I'm not saying anything new, because I know you've heard this—has to do with the profit margin. For open fin fish aquaculture it is over 50%. Another number I'll throw back at you is the annual licence fee for a lobster

fisherman, which is \$1,800 in Nova Scotia. The company that in fact has 200 acres of St. Mary's Bay and a million salmon paid \$1,000 for its lease—that's it. For one company it was \$1,000. We have 21 lobster fishermen who have been displaced and they currently pay \$1,800 a year for each licence.

I think that industry has some capacity to absorb costs.

• (1620)

Mrs. Patricia Davidson: You talked about some different operations, and certainly we know there are closed containment systems, other than those for salmon, that are quite successful. There are also some pilot projects for salmon closed containment, and we've heard from those as well.

There is a difference between the types of fin fish, whether they're salmon or whether they are in fact different species of fish. You're saying it's mainly a compatibility issue, with open-net and other fishing operations such as lobster in the same area? Is it about compatibility, because of the perception of contaminants?

Mrs. Brenda Patterson: I'm not sure about your question. Maybe you could phrase it differently.

Mrs. Patricia Davidson: Is open-net salmon fishing a viable business option in an area where it's on its own, where there is no lobster fishing or another type of fishing taking place? Is it a compatibility issue, or is it strictly that it's not a good way to be raising the salmon?

Mrs. Brenda Patterson: I think both are probably correct. I think there are real problems with open fin fish aquaculture for salmon, in terms of its implications, as Karen has pointed out: the food, the antibiotics, the pesticides, the taking up of the area coastal property, and degradation that goes on around it. Also, there would be very few places around most of Nova Scotia—certainly Southwest Nova Scotia—where in fact traditional fisheries such as lobster would not be very seriously impacted by this.

Mrs. Patricia Davidson: I'm sorry, my time is up.

Thank you.

The Chair: Thank you very much, Ms. Davidson.

Ms. Doré Lefebvre.

Ms. Rosane Doré Lefebvre (Alfred-Pellan, NDP): Thank you very much, Mr. Chair. Thank you to the witnesses for their appearance today at the committee.

I apologize, I'm going to try to speak in English today. I am a francophone and I'm trying to practise my English. I will try today.

I understand your organization is concerned about changes in the responsibility of these regulations, as outlined in the August 2010 DFO document developing new federal regulations to guide fish pathogens and pest treatments in Canada. Can you explain to this committee what your concerns are with regard to these proposed changes?

Mrs. Karen Crocker: Based on what we've seen happen, as I have referred to before regarding New Brunswick in 1995, and again in 2009-10, where we had lobster deaths because of exposure to pesticides related to the open-net aquaculture industry, there are concerns that if we had these changes to the regulations for the fish pathogens, these substances, these chemicals, like permethrin, which was responsible for the death of the lobsters back in 2010, could then even become allowed in Canada.

We're concerned because what we saw happen in New Brunswick was fishermen pulling up traps that were full of dead lobster.

What we also have a concern about is who is looking at what is potentially going to happen to our lobster larvae. That's the future biomass of our industry. We don't know of any sufficient studies that have been done to look at the implications of these types of chemicals going out into the environment and what that may do to these larvae.

Again, we come back to the perception. If these types of things are allowed to happen within the industry, and the industry is occurring in and around ecologically sensitive areas that have productive lobster fisheries, it's really hard to not be concerned about what the implications will be on how people perceive the product that you're harvesting from around those areas.

• (1625)

Mrs. Brenda Patterson: I think one of the other concerns is that the changes to the regulations seem to in fact be a response to the desire on behalf of the aquaculture companies to have both easier and greater access to a plethora.... I forget what they actually call it—not more tools in the toolbox, or arsenal...I forget what it is. Essentially, the reality is it seems to in fact be a response to the aquaculture industry, because the realization is that the pesticides they are currently using aren't working. The lice and so on are in fact building up a resistance to the pesticides that are currently approved in Canada. They are basically saying, okay, what we really need is access to a greater range of pesticides and a freer access to those.

It doesn't seem to make a whole lot of sense to me. What we are saying is if we want to go into mega-factory farming, and the company is going to make an incredible amount of money to do so, you and I are going to pay the price, because they just can't control the disease associated with those farms.

Ms. Rosane Doré Lefebvre: What do the communities in your area think about the use of pesticides? What do they think about what happened in the Bay of Fundy?

Mrs. Karen Crocker: It terrifies our fishermen. It terrifies our fishermen's family members. It's a real threat. They perceive it as a real threat to their industry.

Mrs. Brenda Patterson: It's difficult to sit in a room with someone who's been fishing for 50 years and have them say, "How can someone do this?" They don't understand. They say, "How could this be done to us? They're destroying the last fishery we have. We have a healthy, natural, lobster fishery. They're putting that industry and they're putting us and our communities at risk. Who lets that happen?" That's what they say when they're sitting in a room. They just don't understand it—and it's not surprising.

Ms. Rosane Doré Lefebvre: Thank you.

The Chair: Thank you, Ms. Doré Lefebvre. I will say your English was very good.

Mr. Allen.

Mr. Mike Allen (Tobique—Mactaquac, CPC): Thank you, Mr. Chair.

Her English is probably a lot better than my French would have been, I can tell you that.

Thank you, Karen and Brenda, for being here. I appreciate it.

I'd like to get some clarification on a couple of comments that were made.

Did you say that there were going to be only six jobs created? I want to make sure I understood. Was that going to be in St. Mary's Bay, the six jobs that were going to be created by aquaculture?

Mrs. Karen Crocker: Initially, they had talked about 16 jobs, but to date we know of only six part-time jobs.

Mr. Mike Allen: Part-time jobs?

Mrs. Karen Crocker: Yes.

Mr. Mike Allen: What phase are they at right now?

Mrs. Karen Crocker: Their leases are up and running.

Mr. Mike Allen: Being from New Brunswick, I was a little surprised with the comments on the minimum wage. I know that the jobs supporting the aquaculture industry in New Brunswick have been a bit more than minimum wage jobs, and I don't think we've seen, necessarily, a decrease in the lobster jobs. It hasn't been one or the other. I wanted to get some clarity on that because it seems like both have been able to coexist in New Brunswick.

This is a challenge, from a policy standpoint and from the government's perspective, and I'll put it into context. Going forward, the world is going to be demanding a lot of fish. Our aquaculture industry is going to have to provide a fair amount of that. Given where we are today, with the current low prices of salmon and that type of thing, and given that closed containment has proven itself to be quite expensive to get up and running, we're facing a challenge, because in many rural coastal communities this involves a tremendous number of jobs. How should government respond?

• (1630)

Mrs. Brenda Patterson: The jobs are a bit of a mugs game. Our community is employed by the lobster fishery. That is what drives our community. By taking away some of the most lucrative lobster fishing available, you're putting this community's jobs and their families at risk. It's almost like you're making a decision that we're going to choose open fin fish aquaculture in salmon over lobster. I'm sorry, Mr. Allen, but that's almost how you phrased your question.

It doesn't have to be either/or, because the lobster industry is now the most lucrative fishery in Canada. The federal government believes so as well. In fact, I believe it was promoted during the Prime Minister's recent trip to China. It's a hugely important fishery that should not be put at risk. The option does exist—

Mr. Mike Allen: Sorry, what I'm saying is that they have been able to coexist in New Brunswick. I'm just saying that it doesn't have to necessarily be an either/or.

Mrs. Brenda Patterson: I would suggest that's not the case in New Brunswick. Think of the size of what's going on in St. Mary's Bay—there is nothing like that anywhere in New Brunswick. There are no aquaculture leases in New Brunswick anywhere near the size of the one in St. Mary's Bay.

Mr. Mike Allen: What would you suggest if you were going to go on land? I have a large feeder system in my riding, Gray's Aqua. It is on land, but their pens are over in Newfoundland.

There was some testimony suggesting that it would take 10 years or more for us to be able to transition to a closed containment situation from our current open net. How would you suggest we manage that transition, if we were going to a closed containment, without putting at risk a significant amount of investment from our existing companies?

Mrs. Brenda Patterson: I'm not sure this is really within our purview or ability to answer, Mr. Allen.

Mr. Mike Allen: Okay.

Thank you, Mr. Chair.

The Chair: Thank you very much, Mr. Allen.

Mr. Easter.

Hon. Wayne Easter: I didn't know I had another round, Mr. Chair. My, you're kind at this committee.

Just to come back to one of the questions Mr. Allen raised....

I've been on some of those operations in New Brunswick, too, Mike. They do create a lot of jobs, but I would caution us to think that there will be bays and areas where open-pen aquaculture may make sense and some others where it may not. St. Mary's Bay may be just one such place. I think the key question there is what the presenters, I think, were responding to. Do you put at risk the jobs that are in the lobster fishery and the spin-off jobs from that industry for part-time jobs—basically what you're saying are lower-paid, seasonal, part-time jobs—in the open-pen fishery in that bay? That seems to be what you're saying.

I come back to what I said before. I am shocked that somebody hasn't done the science here. I believe, Mr. Kamp, in the beginning you kind of indicated that we can't question the hearing process. I think the presenters basically are of the opinion that the hearing process wasn't balanced and wasn't fair.

I guess my question would be, how do you make that fair? This was the same problem 10 years ago when we were raising these questions with DFO. How do you get them to accept their responsibility in terms of policing and protecting the wild fishery?

Any comments?

• (1635)

Mrs. Brenda Patterson: I can comment on the first one. I think in terms of the environmental assessment, you'll probably have to look at a joint panel review. That's one way of doing it, because in that particular case communities are provided with resources. I think another situation, in fact, is there could be some basic steps that need to be taken by the federal and provincial governments, depending on jurisdiction, before a decision is made to actually put an aquaculture site in a particular location. One of the ones, as I mentioned earlier, was a proper baseline assessment.

Mr. Easter, if that was done, the process itself and the science involved with that would give everybody a real understanding as to exactly what the ecology is in a particular area, and therefore what the implications might be, including socio-economic. That would be very helpful.

The other side of it, in fact, is to have regulations that have teeth. People talk about costs—and I'm not bashing the private sector, because every one of our lobster fishermen is the private sector. The cost, for example, of doing a baseline assessment should be a cost of doing business for the company. As I indicated earlier, they paid \$1,000 to take 200-plus acres of St. Mary's Bay away from the lobster fishermen. It's a cost of doing business, for most other businesses, for a proper baseline assessment to be undertaken. What are the implications of that business on the community? What's the implication on the environment? That's a normal course of business, but it doesn't occur, in fact, in the whole issue of approving leases or the work of the science around approving leases for open fin fish aquaculture. It's the same in terms of monitoring.

Hon. Wayne Easter: You actually pay that amount of money in Prince Edward Island for one acre of mussel land lease on the water, Mr. Chair.

I'll just close by saying that I really think the committee needs to recommend that there needs to be the proper baseline assessment done before you start down this road in the first place.

The Chair: Thank you very much, Mr. Easter.

I'd like to take this opportunity, on behalf of the committee, to thank you today for appearing before our committee once again and taking the time to answer the questions the committee members have had. On behalf of the entire committee, I want to express our deep gratitude. Thank you.

Mrs. Brenda Patterson: Thank you for the opportunity.

The Chair: Committee members, I've been advised that the notice of motion that was intended to be brought forward today will not be moved at this point in time. So there being no further business before this committee, the meeting is adjourned.

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