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Chair

Mr. Ken McDonald

Standing Committee on Fisheries and Oceans

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• (1530)

[English]

The Chair (Mr. Ken McDonald (Avalon, Lib.)): Good afternoon, everyone.

Pursuant to Standing Order 108(2), we're here to study regulation of the west coast fisheries. We have four witnesses today. Three are here in person. We're trying to make contact with the fourth by teleconference.

We'll just go ahead with the three witnesses we have before us. From the Department of Fisheries and Oceans, we have Rebecca Reid, regional director general, Pacific region; Andrew Thomson, regional director, fisheries management; and Kevin Anderson, senior adviser, indigenous relations. Mr. Anderson is no stranger to the fisheries file. He worked in Newfoundland and Labrador as the regional director at DFO.

It's good to see you again, Kevin.

Welcome to all three. We really appreciate your being available to do this today.

We'll start off with an opening statement.

Ms. Reid, I believe you're going to use the seven minutes or less to do that.

Ms. Rebecca Reid (Regional Director General, Pacific Region, Department of Fisheries and Oceans): Thank you, Mr. Chair, for inviting the department to appear before your committee today.

Good afternoon to the committee members. Thank you to all for your welcome.

As introduced, I'm Rebecca Reid, regional director general for Fisheries and Oceans in the Pacific region, which includes B.C. and the Yukon. I'm honoured to appear before the standing committee with my colleagues. I'd like to introduce Mr. Kevin Anderson, senior adviser on indigenous relations, previously the regional director general for the Newfoundland and Labrador region. I'd also like to introduce Mr. Andrew Thomson, regional director of fisheries management in the Pacific region.

We are pleased to appear today to provide you with information related to the department's licensing and management regime and to answer any questions you may have. Mr. Anderson will be able to speak to the Atlantic situation, while Mr. Thomson and I are familiar with the Pacific coast fisheries.

[Translation]

The conservation, protection and sustainable management of the resource is still the department's core mandate. However, the department recognizes the importance of social, economic and cultural considerations in fisheries management decision-making.

As I'm sure you all know, Bill C-68 includes proposed amendments to the Fisheries Act that clearly state this principle.

• (1535)

[English]

The department's fisheries management regime is designed to achieve five objectives: conservation outcomes; compliance with legal obligations, such as first nations rights; promoting the stability and economic viability of fishing operations; encouraging equitable distribution of benefits; and facilitating the necessary data collection for administration, enforcement and planning purposes.

I would like to provide a very brief overview of how this has taken shape in the Pacific coast commercial fisheries, outlining key features of our licensing and management regime and describing how it has evolved into a set of diverse arrangements that are in place today.

There are approximately 80 marine and anadromous species caught in over 20 uniquely licensed commercial fisheries operating in British Columbia. These fisheries are made up of about 7,600 eligible licences, 2,400 vessels and 5,000 individuals with fisher registration cards. The total landed value of commercial capture fisheries excluding aquaculture was approximately \$398 million in 2017.

Licence policy in British Columbia has evolved over the decades. If you looked at historical records, they documented recognition by fishery managers of the day of the need for adequate tools to manage fishing effort to ensure conservation of the stocks. Even going back to a policy for Canada's commercial fisheries, described in a 1976 paper by then minister Roméo LeBlanc, the policy document reflected on challenges facing the industry, many of which are familiar even today, that provided broad principles to establishing our licensing policies.

Since then, there have been many reviews and papers written reflecting on the changing conditions and contexts facing the fishing industry. In the Pacific region, licensing policy has continued to evolve over the past several decades, culminating in our current set of policy documents and codification practices.

Because fish populations, fisheries and fishing technology change over time, so must the licensing rules and management approaches governing our fisheries. Different rules and management approaches between fisheries are a reflection of the unique biological characteristics of the targeted stocks, how they've been fished and the expansion of fishing capacity within each fishery. Many of the rules have been added to control aspects of the fishery, with the particular need to manage the amount of effort, what we call "fishing power", that the fleet exerts on fish stocks.

There are five licensing and management features common to most or all of the Pacific coast commercial fisheries that I'd like to describe for you briefly.

The first feature, which is common to virtually all Pacific coast commercial fisheries, is called "limited entry licensing". It was first introduced in the salmon fishery during the late 1960s and was subsequently extended to other fisheries. Limited entry is intended to limit the growth of fishing capacity and reduce the risk of overfishing.

The second feature relates to how licences are held. In the Pacific region, there's a combination of vessel-based and party-based licences across fisheries. Under vessel-based licensing, the licence is held by a vessel and the vessel owner or owners have control over licensing transactions. Under party-based licensing, the licence is held by an individual, company or first nation that has control of licensing transactions.

The party-based licences are annually designated to a vessel. There is a list available of which licences are party-based versus vessel-based that we can review in further detail, if requested.

Third, length restrictions on vessels are in place for many fisheries. These restrictions were introduced primarily to constrain fleet capacity and limit catch and effort, though they can also support equitable and orderly harvest and viable operations for participants.

The fourth is the rules governing the transfer of licences from one party or vessel to another. The rules serve to ensure a clear and consistent process for licence transfers, but can also include objectives relating to resource conservation. The rules are fishery specific and are established to manage or control particular objectives of that fishery.

Finally, the fifth aspect I want to talk to you about is called "stacking and splitting rules". When licences for different fisheries are placed on one vessel, specific rules will stipulate that licences may not be separated and placed on different vessels—we call these "marriage rules"—again, with the objective of preventing increases to the number of vessels in the fleet.

You may be wondering by now why or how the licensing rules have evolved in the manner I've described and what the reasons are for some of those changes. There are a couple of important trends that underpin many of the approaches that drive our current licensing rules.

An overarching issue that has driven Pacific fisheries policy is that we have an overcapacity in our fleets. Common themes relate to the size of the fleet and its harvesting ability, or as I've described it, its

fishing power, and that exceeds what is necessary to obtain an optimum yield.

In response, strategies have been put in place to manage or reduce fishing capacity in order to conserve and protect fish populations. In the mid-1970s, individual quotas, IQs, began to be introduced in many Pacific coast fisheries; licences were allocated a specific share of the catch limit. In many cases, individual quotas are transferable among licence-holders.

Individual quotas have been introduced in a number of fisheries, including integrated groundfish fishery, for example, halibut, sablefish, geoduck, prawns, and certain salmon fisheries. The purpose of quotas is to ensure more effective controlled fisheries within catch limit, an orderly and well-managed fishery, and improved financial performance of fisheries. Where implemented, individual quotas have shifted the focus of fisheries management from controlling fishing effort, or input controls, to controlling the catch, or output controls.

Individual quotas illustrate the question that I posed before about why licence rules change. This approach has allowed a shift away from this input control management regime, which is no longer needed to achieve our conservation objectives. In cases like this, DFO has been able to relax or eliminate rules governing things like vessel length restrictions and marriage rules, with the objective of providing industry with increased flexibility.

As an example for you, in 1996 the Pacific salmon revitalization strategy was introduced as a way to reduce fishing capacity through compensated voluntary licence retirement, the introduction of area and gear-based licensing, and stacking, which meant that a vessel could have more than one licence, thereby encouraging overall reduction of the fleet.

As a general rule, major fisheries management changes are controversial among fishery participants. Investments in a fishery based on pre-existing rules and changes do not benefit all participants equally. Dynamics like this illustrate the complexity of making licensing and fisheries management changes.

The context and history on the west coast is highly influenced by approximately 200 first nations groups, many of whom rely on fishing for their food and cultural and economic well-being. The aboriginal fisheries strategy, introduced in 1994, and the Pacific integrated commercial fisheries initiative, introduced in 2007, have both provided funds for the acquisition of licences and quota from existing fishery participants to be transferred to first nations. These programs have resulted in substantial and ongoing reallocation of fishing access from regular commercial licence-holders to first nations, worth about \$140 million.

•(1540)

Just to wrap up, I would like to say that the Pacific fisheries continue to evolve, and we regularly receive proposals for changes put forward by various commercial fishing groups. We consider these proposals and incorporate them into reviews and consultations. While we are supportive of implementing proposals when they are supported by a clear majority of participants, often what we end up with is a diverse range of perspectives, which makes implementation very difficult.

In summary, in the short period of time it is very hard to even scratch the surface of many of the factors and features important to understanding the licensing policy, but I have been able to share a few of them with you.

I thank you for the opportunity to speak to this topic, and we are available for your questions.

The Chair: Thank you, Ms. Reid. Anything that you didn't get to say in your opening statement will hopefully come out in questioning.

I believe we have our witness joining us by telephone now. From the Alaska Marine Conservation Council we have Dr. Rachel Donkersloot, director, working waterfronts program.

I would remind members to please identify to whom your question is directed, because Dr. Donkersloot can't see us and we can't see her.

•(1545)

Ms. Rachel Donkersloot (Director, Working Waterfronts Program, Alaska Marine Conservation Council): Thank you, Chairman McDonald and members of the committee, for the invitation to address you today.

My name is Rachel Donkersloot, and I currently serve as director of the working waterfronts program for the Alaska Marine Conservation Council. I am joining you today from Anchorage, Alaska, where I work on issues related to marine resource governance, rural and small-scale fisheries access, and coastal community sustainability and well-being.

Much of what I share with you today is described in more detail in the recently published report, "Turning the Tide: How can Alaska address the graying of the fleet and loss of rural fisheries access?" This report is the product of a three-year ethnographic project focusing on the graying of the fleet in Alaska fisheries.

Alaska is known globally as a leader in sustainable fisheries management, but Alaska fisheries and communities are not immune to the consequences of privatizing fisheries access. The now predictable outcomes of transforming the right to fish into individualized, tradable commodities are well documented in the North Pacific and include the systematic displacement and disproportionate negative impact on rural, small-scale and indigenous fishermen and communities, as well as young fishermen and new entrants.

For example, since limited entry programs were implemented in state commercial fisheries in Alaska, permit holdings by rural residents local to their fisheries have declined by 30%. In federal fisheries managed under individual fishing quotas, IFQs, the trend is

similar, with small rural communities in the Gulf of Alaska experiencing an over 50% decline in IFQ holdings.

Of the permits that do remain in rural Alaska, increasingly older fishermen hold them. The average fisherman in 2018 was over 50 years old, a decade older than the average fisherman of a generation ago.

This "graying of the fleet", and loss of local access to commercial fisheries in Alaska, threatens the healthy succession of fishing as an economic and cultural mainstay in coastal communities, and creates a clear public policy concern.

A range of programs and policy provisions have been created in Alaska to address this crisis of social sustainability. Some of these programs have been more impactful than others in meeting their objectives.

What's working in Alaska? Perhaps the single most significant and supported element of state-managed fisheries in Alaska is the owner-on-board, or "boots-on-deck", provision. Regulations require that limited entry permits can only be held by persons, as opposed to corporations or other entities. Leasing of permits is prohibited except in cases of medical or other emergency. This provision has ensured that the benefits wrought from state fisheries flow to and through working fishermen and fishing families.

In federal fisheries, impactful programs include quota set-asides, such as the jig sector set-aside in the Gulf of Alaska. The jig fishery serves as a true entry-level opportunity in an industry marked by significant, sometimes impassable, barriers related to the high cost of entry.

The well-known community development quota, CDQ, program is another example in place in western Alaska. The CDQ program was created in 1992 as part of the rationalization of the Bering Sea pollock fishery. The program allocates a portion of all Bering Sea and Aleutian Islands quotas for groundfish, halibut and crab to CDQ entities, which use these royalties to advance regional economic development through investments in local industry, ownership of offshore vessels, infrastructure and education.

The halibut and sablefish IFQ fisheries include numerous provisions intended to protect small-scale opportunity and the owner-operator nature of the fishery. These include caps on the amount of quota a vessel can land and a person can hold, restrictions on who can receive quota—largely IFQ crew members—and a prohibition on leasing and the use of hired masters. Another key feature is the creation of quota share classes based on vessel size. Quota shares are divided into classes based on vessel length, and larger vessels are prohibited from purchasing or fishing quota shares designated for smaller vessels.

This has helped to ensure small-scale participation in the fishery, but has been unsuccessful in ensuring that fishing opportunity remains in rural and indigenous place-based communities that have been disproportionately affected by the historic outflow of fishing rights. A program implemented in 2005 designed to address inequities contributing to this outflow has been largely unsuccessful in bringing back opportunities for village fisheries. This is due largely to the high cost of halibut quota shares today.

The State of Alaska and other regional organizations have also created a number of financing tools, loan programs and educational and apprenticeship programs to support Alaska fishermen, which are also outlined in the full report.

Other fishing regions and nations have developed programs and mechanisms to address problems of lost fishing opportunity related to the transferability and privatization of fishing rights.

Largely, programs have been amended to include provisions to recreate opportunity for small-scale fishermen, rural communities, indigenous peoples, and youth and future generations.

● (1550)

Some examples of these types of program include small-scale fishery provisions, such as Norway's open group fishery, which targets small-scale fishermen who did not qualify for individual vessel quotas, and Iceland's coastal or quota-free fishery, which allows for limited harvesting opportunities without purchasing individual transferable quotas, ITQs.

Provisions for rural communities include Maine's island limited entry program as well as eastern Canada's adjacency to the resource principle.

Provisions to protect indigenous access include an annual set-aside for Sami regions in Norway. These provisions favour small-scale fishermen and have catalyzed the revival of some fjord fisheries since 2010.

Norway's recruitment quota program also offers an example of provisions specifically designed to support young fishermen. The program allows fishermen under the age of 30 to apply for recruitment quota at no cost. Recruitment quota cannot be sold and helps to facilitate new entry into Norway's closed fisheries. The program has been well received by young fishermen wanting to enter the industry.

Other amendments to quota and permanent programs around the globe are outlined in our report.

In closing, it's important to note that, though in many ways Alaska has been in the forefront in working to balance multiple fishery management objectives and interests, especially maintaining owner-on-board fisheries, work remains if we are to meaningfully address declines in intergenerational and rural fisheries access. Provisions highlighted here are the product of clear policy choices, each with identified intent. I hope that the north Pacific continues to serve as a leader in developing policies and provisions that ensure equitable and sustainable fisheries for current and future generations, and I applaud your work toward this end here today.

In closing, I will mention that the full "Turning the Tide" report is available on our project website, at fishermen.alaska.edu, along with other project findings and papers. I thank the committee for its time today, and I'm happy to answer any questions.

The Chair: Thank you, Dr. Donkersloot.

We'll go now to our questioning. We'll start off with the Liberal side for seven minutes or less.

Mr. Hardie.

Mr. Ken Hardie (Fleetwood—Port Kells, Lib.): Thank you, Mr. Chair.

Thank you, everybody, for being here.

A kind of a preamble—and I have a lot of questions, as I think all of our colleagues do—is that the announcement that we were going to do this study created concern. There are people who are participating in various ways in the west coast fishery who have organized themselves and have proceeded according to the rules. They're concerned that we're going to blow everything up. I don't think that's anybody's desire.

The young fishers we heard from a number of months ago were very clear that, even though they're looking at considerable barriers to entry into the industry as young fishers, they had no desire to disadvantage the people who have proceeded in good faith and have created, basically, the regime we have today.

We need to look at alternatives. We need to look at what we can do to, first of all, meet some of the points that the DFO indicates are its targets: economic viability, sustainable livelihoods, distribution, access to benefits, regional economic benefits and sustainable communities. I would submit that if you talk to some fishers, you'd hear we're not meeting any of those, and certainly some analyses of the DFO's activities are that we've done kind of okay in a macro sense on the economic side, but not at all on the social and community side.

First of all, I have a couple of technical questions. How many fisheries in British Columbia are basically governed through an ITQ system, and how many are not? Give as short as possible an answer, if you could.

Mr. Andrew Thomson (Regional Director, Fisheries Management, Department of Fisheries and Oceans): The shortest answer is that approximately 12 of our major fisheries are ITQ fisheries.

Mr. Ken Hardie: Would they represent, obviously, the most lucrative ones?

Mr. Andrew Thomson: Most do, yes, I would say.

Mr. Ken Hardie: Do you have any data on the buying and selling of quotas—that is, the prices people are asking and getting, and who owns the quota? I'm talking about the beneficial ownership, not a numbered company somewhere on a shelf.

Mr. Andrew Thomson: In terms of the buying and selling of quota, we certainly are aware of and permit the transfer of quota—or movement of quota—between quota holders. That is a regulatory function of the department to permit that.

In terms of who currently holds the quota, in order to hold quota, you have to hold a fishing licence, so we certainly are aware of who has quota and who is the registered owner of that quota or registered user of that quota.

• (1555)

Mr. Ken Hardie: But you don't necessarily know how many offshore owners would participate.

Mr. Andrew Thomson: The regulation around that is to hold quota, you have to hold a fishing licence. To hold a fishing licence you have to either be a Canadian resident or citizen or you can be a B.C. registered company. With our B.C. registered companies that hold some licences and quota, I believe it's 38% of the fishing licence. Commercial fishing licences in British Columbia are owned by some level of organization that could be a B.C. registered company or a corporation.

Yes, our requirements and our powers under the Fisheries Act are limited as to what we know beyond the fact that it is a B.C. registered company. There are rules in British Columbia obviously as to the rules around the registration of the company or not.

Mr. Ken Hardie: It doesn't take much imagination to know that it's not that difficult for somebody offshore to get their hands on quota through a numbered company, etc., and that you wouldn't necessarily know who they are.

Who owns the fish out there before they're caught?

Mr. Andrew Thomson: It's a common property resource.

Mr. Ken Hardie: Okay.

I submit a national interest is involved here in who owns the right to catch that fish and it's not being met. This isn't a charge of levelling. It's a comment that we've heard quite often.

A 2009 study reported in part:

Furthermore, the market value of the ITQs reflects the market's perception of the net present value of the future stream of net economic returns from the fishery.

Under ordinary economic conditions, you could presume that's correct. You would buy quota based on what you would expect to earn from it in the future. But I submit that there's a strong suspicion, and I would probably be near the front of the pack on that one, that we're dealing with what I have termed stupid money. That is the same kind of inflow of money that created the residential housing crisis in Metro Vancouver where people were bidding up the cost of real estate to hide money from away. Could this also apply to ITQs?

Would you know anything about that dynamic?

Mr. Andrew Thomson: In terms of the cost or the least cost that may be occurring in the free market, as you're saying we do not regulate the free market and how that is accomplished. We do collect economic statistics and market valuations. We generally know on an annual basis what those costs are. We track whether the cost—

Mr. Ken Hardie: You wouldn't be able to look at the purely speculative side of this and understand what's going on there?

Mr. Andrew Thomson: We would understand the relative values of the leasing costs changing year by year. We do have knowledge of annual increases or decreases, and there have been some decreases on fisheries.

Mr. Ken Hardie: Do you have the actual price for quota if people are buying and selling that?

Mr. Andrew Thomson: Not on an individual transfer basis, as that's an individual buyer's decision. On an annual basis for a fishery, we do the market analysis.

Mr. Ken Hardie: Dr. Donkersloot, we have statistics that show that the value of the catch has increased quite substantially in Alaska as well as the average income for the fishers. I presume they're deckhands, etc. We see exactly the opposite trend in British Columbia. Can you give us any assessment as to why you think that might exist?

Ms. Rachel Donkersloot: It depends on whether you're looking at state fisheries or federal fisheries. In the context of the North Pacific, each is different, but with regard to state fisheries, active fishermen or working fishermen, those on the water, are the ones holding the rights. So the value of the fishery is going to the fishermen. There's nothing taken off the top in terms of having to lease the right to access the fish.

In general, there have been concerted efforts, in recent years in particular, to increase the value to fishermen through various initiatives around direct marketing and community-supported fisheries, and there are organizations in Alaska funded by a tax paid by fishing licence-holders or permit holders designed to increase the value of Alaska seafood.

With regard to the challenges that Alaska fishermen face in ensuring their businesses remain viable, it's not just the cost of entry. Operating costs are going up. Health insurance is a major factor for fishermen who are small business owners. There have been a number of organizations in the state creating fairly innovative financing tools not only to support entry but also to reduce the risk to Alaska fishermen and young or new fishermen in building their fishing businesses, so that one bad fishing season won't put a new fisherman under water in terms of debt repayment.

Those are some of the key factors in terms of what's affecting the share going to fishermen, but largely there's been an effort through the policy to ensure that it's boots on deck, that the value of the fishery isn't going to people who aren't doing the fishing but who hold the rights.

• (1600)

The Chair: Thank you for that.

We'll now go to the Conservative side for seven minutes or less, Mr. Arnold.

Mr. Mel Arnold (North Okanagan—Shuswap, CPC): Thank you, Mr. Chair.

Thank you to all of our guests.

Dr. Donkersloot, it's awkward to not see you, but thank you for being here by teleconference at least.

I have a couple of questions first for our Canadian DFO representatives here. Can you give us an indication of the GDP value of the commercial fishery versus the recreational fishery in British Columbia?

Mr. Andrew Thomson: In terms of landed value, I don't have the GDP figures off the top of my head but for comparison, the commercial fishery is about \$398 million; the aquaculture industry in British Columbia is about \$500 million on an annual basis, sometimes a little higher due to price; and the recreational fishery is generally estimated to be about \$700 million on an annual basis.

Mr. Mel Arnold: There's a significantly higher value in the recreational fishery.

Ms. Reid, you spoke about fair and equitable distribution of the benefits. How does that play into the numbers we just heard as far as total catch allocations go? What goes to the recreational catch versus the commercial catch in biomass?

Ms. Rebecca Reid: The value of the recreational fishery is a reflection of the spinoff benefits from not just the harvest of the fish but also the guiding operations and the other operations that accompany it, so when you look at the recreational fishery value, you need to consider those aspects as well.

I don't know what else to add.

Mr. Andrew Thomson: The vast majority of fish landed by poundage is through the commercial fishery. A fairly small amount of fish in total weight is landed by the recreational fishery, if that's the question you're asking.

Mr. Mel Arnold: Thank you. You mentioned also that there is basically an overcapacity in the fleet. Is that overcapacity there because of a reduced amount of catch available or is it because of increased efficiencies? How did we develop an overcapacity in the fleet?

Ms. Rebecca Reid: The overcapacity is something that has existed over the decades and it really is in response to interest in fish and DFO's efforts to limit licences. The response by the fishermen was to increase the fishing power. As DFO introduced what we call input controls, we limited licences, numbers or vessel lengths, then people built bigger faster stronger vessels and better nets to continue to enhance their fishing power, and so you had this race for fish essentially by building bigger and better equipment.

The result of it was the multiple attempts to reduce fishing power to support conservation and protection, and there was this counteraction in which people simply built better equipment. We ended up in this overcapacity situation, which has led to a number of the licence reforms we have put into place.

• (1605)

Mr. Mel Arnold: Has the overcapacity also contributed to the decline of the stock?

Ms. Rebecca Reid: Our paramount goal—our mandate—is conservation and protection of the fisheries. It is always a challenge, in any particular fishery, given the overcapacity of the fleet, to manage the fleet in such a way as to ensure that we keep conservation as the first priority.

Mr. Mel Arnold: The question was, though, whether the overcapacity has been a factor in the depletion of the stock.

Ms. Rebecca Reid: I think you could find examples of certain fisheries having been overfished. There are examples out there—for example, very short herring roe fisheries in which you have too powerful a fleet going fishing with too many boats in one place—

having resulted in management errors of that type. Overall, though, the management regime we have in place takes into account the capacity that's available, and we put in constraints to control it so that we can accomplish our primary mandate.

Mr. Mel Arnold: Thank you.

Can you give us your take on the differing management regimes from west coast to east coast Canada?

Mr. Kevin G. Anderson (Senior Advisor, Indigenous Relations, Department of Fisheries and Oceans): Rebecca and Andy have described many elements of the Pacific fishery, and there are similarities in the Atlantic. For example, the greater-than-65-foot fleets that we traditionally call offshore and sometimes refer to as midshore are very much built on similar principles—corporations, quota base, ITQs—in some respects. The vast majority of the less-than-65-foot fleet in Atlantic Canada, however, has evolved in similar circumstances from open access in the 1950s, 1960s and much before to where, in the 1970s we began limitations on harvesting—limited entry, vessel size rules, and those many output and input controls that Rebecca described.

Today's less-than-65-foot fleet is based predominantly—there are exceptions—on the owner-operator principle, and harvesting controls are built around policies such as core. You may or may not be familiar with this. Since 1996, if you become a fisherman, the enterprise is based on residency requirements, in many respects. It's also based on fleet separation since 1979, on the idea that processors—much the focal point in 1979—would not have fishing enterprises, and on a list of other things.

You do see, however, similarities in such things as grandfathering provisions. Processors who held licences before 1979 still hold them today. They're a small number, but these provisions were in the Atlantic situation. It was recognized that in order to create a stable environment, you would add elements of both.

The owner-operator principle continues to evolve, as Rebecca referenced—technology, vessel size rules—but you still have enhanced technology on board. There are, then, many similarities, but with some unique responses around preserving communities. Not to be underestimated, of course, is that there are five provinces, which have an interest in provincial shares.

The Chair: Thank you, Mr. Arnold.

We'll now go the New Democratic Party, to Mr. Donnelly for seven minutes or less, please.

Mr. Fin Donnelly (Port Moody—Coquitlam, NDP): Thank you, Mr. Chair, and thanks to our witnesses for being here and starting off this interesting study looking at licensing on the west coast.

I want to start on the Pacific. Thanks for the overview; it's helpful.

I want to ask for a brief overview of how we got to ITQs on the west coast. Some would categorize their introduction as a move to privatization or increased efficiency. I want just a short explanation of how we got there.

Secondly, what's the vision going forward now, given that we have, some would say, fewer fish and increased external problems, such as climate change, ocean conditions, habitat loss, pollution, and it being even harder to fish with an aging fleet?

In that vision, are there alternatives being considered, such as terminal fisheries; owner-operator fishing on the west coast more like that on the east coast; and what the Harrison Fisheries Authority is doing?

Those are my two questions—a brief history in just a minute or two, because I'm limited for time, and then your vision in a minute or two.

• (1610)

Ms. Rebecca Reid: Okay. Well, I'll start, and perhaps Andy and Kevin can help out.

It was in the mid-1970s that individual quotas began to be introduced as a way to manage capacity in a way that we've talked about already. You can see IQs being used in various fisheries as a way to control effort and as a way to, I think, manage the fishery effectively and in an orderly way.

As far as a fisheries policy perspective and where we're going are concerned, I think one of the key elements in British Columbia that is unique, and I tried to highlight it, is where we're going from a first nations' perspective. The vision of the future includes first nations' fisheries in a very tangible way, so with the use of the aboriginal fisheries strategy, with PICFI, we are transferring the fishery resource to some extent to those small coastal indigenous communities. PICFI has been renewed and it's ongoing. We've invested over \$140 million now, and that will carry on. When we think about the future, we need to think about the impact of those indigenous communities that hold those licences at a community level versus the more individual approach that's taken elsewhere.

As far as the Harrison Fisheries Authority is concerned, I can't comment on that.

I don't know if there's anything you want to add, Andy.

Mr. Andrew Thomson: There are two quick points.

In terms of the PICFI program, part of it has been to move to economic opportunities for interior first nations, in particular, like the Harrison Fisheries Authority—that's actually what we call a demonstration fishery—in which we're looking at providing smaller opportunities for local first nations or others in the context of the larger fishery. We've had a number of trials as a result of the commercial salmon allocation framework being renewed and we consult on those on an annual basis. We have proposals in. We go through a process for it.

Going back to your question about the development of ITQs, I think there were two other factors that certainly drove it. One was safety in the competitive derby-style fisheries. Particularly in black cod, or sablefish as it's called now, there was a significant safety

concern—herring also had it—where fishers were fishing for a long period of time in order to get the competitive advantage in sea states that they probably shouldn't have been out in. The other was that when you're in a groundfish registry, there are a multiple number of species being fished. Some of the bycatch is of course of lesser quantities and concern, and so you need a way to manage for that. That's been part of the development of the ITQ fishery as well.

Mr. Fin Donnelly: I hope I have a little more time.

My colleague mentioned some of the young fishers on the west coast and on the east coast who have come to this committee. They're very concerned about the future. That's why I'm asking the question about the equitable distribution of quota that they don't feel they can have access to. They can't fish. These are young fishers who want to participate. They represent the future, I think, of the fishing industry. The communities certainly on the west coast were here speaking passionately about it, but they're not seeing how they can make a living in the future. What's the vision for including their voice and their effort in this picture? Would you say it's fairly represented in what you've just presented to this committee?

Ms. Rebecca Reid: I would offer a couple of comments.

One is the value of the licences is market-driven, so, as in other locations, it does create a barrier simply because of the cost. We do have a couple of examples where we have made the licences more accessible. For example, for the geoduck quota, which was a very expensive licence, there were only 55 licences. We divided the quota 10 times, so we had 550 blocks instead of just the larger number, making it somewhat more available. Overall, the licences are market-driven from that perspective.

I don't know what else to say.

• (1615)

Mr. Andrew Thomson: There are a few examples where the quota pricing has actually declined. It is somewhat a fishery-dependent question there. Obviously as a free, market-driven system, in those more profitable fisheries in which there was a higher return, those prices have gone up, and of course those are the fisheries that individuals have a higher interest of entering into.

Ms. Rebecca Reid: I guess the one thing I would add, Mr. Donnelly, is that I've heard from young fishermen and others that entry into the fishery is a huge investment. It requires a mortgage and a lot of upfront costs, but if they have the stability and the certainty for the future, it makes it a lot easier. As we have uncertainty around stock and the state of the resource, that adds a lot of risk to their financial decision, which causes uncertainty as well. If we can create a framework of stability and certainty, I think that will help the picture and help them as well.

The Chair: Thank you.

We will now go back to the Liberal side.

Mr. Fraser, you have seven minutes or less, please.

Mr. Colin Fraser (West Nova, Lib.): Thank you very much, Mr. Chair.

Thank you to all of our witnesses for being here today. I can just pick up on some of the exchange you had with Mr. Donnelly.

In British Columbia, is there a fisheries loans board that helps people with financing in order to get into any of the fisheries?

Ms. Rebecca Reid: I don't believe there is one any longer. There was something in the past, and The Native Fishing Association had some kind of a loan-type arrangement, but that's the only one I'm aware of.

Mr. Colin Fraser: Is there a challenge with getting loans from commercial lenders, based on the instability in some of the fisheries?

Ms. Rebecca Reid: Yes. I should also add that in one of the restructurings, which we refer to as the "Mifflin plan", a portion of that was financial support for licence-holders, and that was in mid-1996 or so.

Certainly, the feedback that we hear is that because licences aren't true property, it becomes difficult for fishermen to get loans from banks, and so that causes uncertainty as well.

Mr. Colin Fraser: I know that on the east coast—and perhaps Mr. Anderson would know about this—the value in, for example, a lobster licence was deemed by the courts in the Saulnier case to be similar to a profit à prendre, in which case there is actual value in the ability to transfer the licence.

Are you suggesting that on the west coast it's treated differently as far as the value in the licences themselves?

Ms. Rebecca Reid: I'm simply reflecting the feedback I've heard from fishermen. As for how the banks interact with fishermen, I don't have any direct knowledge of that.

Mr. Colin Fraser: I represent an area in western Nova Scotia where, obviously, the fishery is the backbone of our economy, and I speak to fishermen all the time. Oftentimes, with the department, they feel like they're not being heard. I'd like to hear what level of engagement and consultation there is with the fishing industry on the west coast, in order to understand what they're feeling, before any changes or enforcement policies are made.

Ms. Rebecca Reid: Over the past couple of decades, there have been a number of studies undertaken to look at any number of issues with the fishery, and one of them is exactly that engagement piece.

In the early 1990s, a policy paper on new directions set out 12 principles, one of which spoke directly to what was called "improved decision making". Based on that policy document, the department created a new consultative framework that, in my view, is quite an elegant way of getting input and advice from the local communities and local fishermen, right up to the broader multi-stakeholder harvest groups.

We have an integrated harvest advisory group that comes together to talk about common issues, but it's fed through the various fishermen groups and interest groups in order to come up with a big, integrated approach. That advice is then fed into the development of integrated fisheries management plans, some of which I have the authority to approve. For others, it's the minister. Ultimately the minister makes final allocation decisions on everything.

We have a very comprehensive consultative process that we use to engage with fishermen, other interest groups and first nations, for all species.

• (1620)

Mr. Colin Fraser: Thank you. I'm glad to hear that.

Ms. Reid, I just want to go back to the issue that you raised about party-based licensing versus vessel-based licensing. I'm not sure I quite understand the rationale for having those two different systems. I take it that the vessel-based licensing means that you can have more licences on one boat, and they have to stay together in, as you termed it, "marriage", and that helps reduce the fleet.

I guess I don't really understand the rationale for that versus the party-based licensing, so if you could explain that I would appreciate it.

Ms. Rebecca Reid: There is a difference between the stacking provisions and the licensing rules. We have two different types of licences, as you've already reflected, these vessel-based licences versus the party-based. It's essentially how the licences are held or owned. If you have a vessel-based licence, you can stack, but you don't have to stack. Some licences are defined by the vessel and some are defined by the entity. How that evolved—

Mr. Colin Fraser: Sorry, by the entity?

Ms. Rebecca Reid: By the individual who owns it. For example, first nations communal commercial fishing licences are held by the first nations entity. They can assign a vessel each year to fish that licence, whereas with a vessel-based licence, the vessel is fixed and then people can fish on that vessel. It's the reverse.

Mr. Colin Fraser: With either type of licensing, does the individual operating the vessel have to be identified to get the licence transferred or is it irrelevant to the outfit?

Mr. Andrew Thomson: You have to identify an operator with a vessel to have a fishing licence identified with it, but you can have—

Mr. Colin Fraser: A different person—

Mr. Andrew Thomson: Yes, you can designate someone else. You don't have to be the owner to be the fisher.

Mr. Colin Fraser: Okay, that's great. Thanks very much.

Ms. Donkersloot, you mentioned the ability of younger people getting into the various fisheries. I'm wondering if you can talk a little about their access to financing. I think you mentioned there may be a loans program in Alaska, and I wonder if you could expand on that, please.

Ms. Rachel Donkersloot: A number of loans programs have been created in the state of Alaska following limited entry when it was clear that rural and low-income fishermen in particular were disadvantaged in a system that uses the free market to allocate the right to a public resource.

Over time, it was clear that those programs primarily benefited urban-based fishermen. A number of factors contributed to that: geographic factors, cultural and language barriers, access to credit or credit history and higher borrowing costs for rural fishermen. New programs address the limits of older programs but there is a suite of loans programs.

There are also regional programs designed to benefit specific regions. One in particular is an innovative solution, and it's attached to our community development quota, CDQ, program. In the case of Bristol Bay, the CDQ group is using revenues from the royalties of the federal fisheries to finance a loan program to support rural fishermen in the region. To date, it's brought back more than 50 salmon permits to the region. With that loan program, you have to be denied a loan from a traditional banking institution to qualify. It's meant to create greater parity and access to financing. It has been well documented in the case of Alaska that our rural fishermen are primarily the ones disadvantaged in these types of situations.

Many of those loan programs I cite in my speaking notes, and you can read about them in the "Turning the Tide" report.

• (1625)

Mr. Colin Fraser: Thank you very much.

The Chair: We'll now get into our five-minute round. We've got quite a bit of time left so with the permission of the committee we'll continue with five-minute slots until we get close to running out of time. If there's time for a question to be asked, I'll certainly allow time for it to be answered.

Now we go back to the Conservative party, with Mr. Doherty.

Mr. Todd Doherty (Cariboo—Prince George, CPC): Thank you, Mr. Chair.

My question is for the officials. On the Fisheries and Oceans website, it's stated that by 2017 the department will develop the infrastructure to collect and analyze data to determine economic viability and social impacts of the various groundfish fisheries.

Has this infrastructure been established? If so, has DFO carried out economic viability and social impact studies of the various groundfish fisheries in B.C. with the data gathered?

Mr. Andrew Thomson: Yes. Within our regional policy and economics unit, we have an economics unit that has been gathering data as to the economics of the fishery, things such as market access, number of participants, average lease rates, average prices being paid and so on. We're collating or developing a report of that data in order to provide a picture of the current economics of the fishery. That includes things such as reporting of where individuals who report on their tax returns as being commercial fishers reside, so where the majority of commercial fishermen are residing, what their annual income is, things that would go to the social aspects of it. That report is currently in draft form, but it should be available in the near future.

Mr. Todd Doherty: Do you have statistics with respect to the illegal and unreported fishing going on, on our Pacific coast?

Ms. Rebecca Reid: We do have some statistics, but I don't have them available. That would be something we would have to get back to you on.

Mr. Todd Doherty: How big of an issue is it?

Ms. Rebecca Reid: It was a big issue and has been decreased, but there is still something to be said. There have been a few instances of big busts related to that, so it is something we're monitoring and we do have enforcement activities under way.

Mr. Todd Doherty: How detrimental could that be to our fish stocks?

Ms. Rebecca Reid: It certainly is something to pay attention to.

Mr. Todd Doherty: Dr. Donkersloot, is illegal, unreported fishing a major issue in your state as well?

Ms. Rachel Donkersloot: I know that there have been reports, particularly on the high seas, and the North Pacific Fishery Management Council pays attention to it. I don't have in front of me any specific statistics to share with you.

Mr. Todd Doherty: Do you have a link to a website or an area where we may be able to find that?

Ms. Rachel Donkersloot: I can follow up with the clerk after this meeting with a link, if that's helpful.

Mr. Todd Doherty: Great. Thank you.

Ms. Reid, could you do the same?

Ms. Rebecca Reid: Yes.

Can I just provide clarification? My response was intended to refer to the high seas fishing.

Mr. Todd Doherty: A research paper published in Marine Policy in 2016 mentioned that despite an initial commitment from DFO to socio-economic objectives related to the owner-operators and limits on processor control, its application was sporadic and eventually it was discontinued in B.C.

For example, there was a 12% cap on total processor ownership with the implementation of the salmon limited entry program in 1969, and owner-operator provisions in the roe herring fishery when licence limitation was established in 1974.

Our current management plans for those fisheries don't contain any mention of those restrictions. Could you explain the evolution of DFO's quota licence ownership restriction policies in B.C.'s groundfish, salmon and herring fisheries under individual ITQs in contrast to the situation that we see on the east coast?

Ms. Rebecca Reid: We do have quota limits in some fisheries, such as in sablefish and halibut. Andrew might be able to offer more details.

Mr. Andrew Thomson: In terms of development, my understanding from reading past reports is that there were some trials of owner-operator type and other limitations in terms of the amount of access available. Going back through the historical documents, it appears that there were some unworkable parts of that. It was very difficult to enforce and manage, and it didn't appear to be reaching the objective that was originally intended, so those aspects of those fisheries were abandoned.

In terms of what we have in place, as Rebecca has mentioned, we do have some limits on the amount of quota that can be assigned to one particular licence in some of these fisheries. For example, you can only have 1% of the total halibut quota to assign to a licence, or there are limits for sablefish and a few of the other species. There isn't a lot of that type of limitation that occurs. It's sporadic across the higher value groundfish fisheries.

• (1630)

The Chair: Thank you.

Now we go back to the Liberal side, with Mr. Rogers.

Mr. Churence Rogers (Bonavista—Burin—Trinity, Lib.): Thank you, Mr. Chair.

Welcome, guests.

I want to focus on income levels, east coast versus west coast. I think back to a young fisher who testified in front of this committee last fall and talked about the challenges of trying to make a living in the fishing industry on the B.C. coast. I know if we look at the east coast—and Mr. Anderson is quite familiar with this—a number of factors determine income levels for the year, whether it's shortage of resource or it's pricing issues in terms of marketing and all that kind of thing, the market values.

When I look at the numbers in the fisheries labour market information provided by the Canadian Council of Professional Fish Harvesters and read some of the other documentation, there's a stark difference in income levels. This appears to be between east coast fisher people and those on the west coast. For example, they mention that, from 2000 to 2015, while the average Canadian fish employment income rose by 39%, it decreased by 6% in B.C. In 2015, average incomes from fishing employment for self-employed B.C. fish harvesters were only 56% of those of the Canadian average.

Help me understand why. Is the decrease in fishing employment income tied to loss of landed value or are there other factors that explain the lower fish harvesters' incomes in B.C. compared to the average Canadian fishing employment income?

Ms. Rebecca Reid: Perhaps I'll start, and I'm sure my colleagues will have some views on this as well.

Andrew spoke to some of the statistics that were being collected, and certainly we looked at that as a question, as there is relative income across the different fisheries coasts. B.C. did come out lower, as you've described.

What are the reasons for that? I think there are a few factors that need to be taken into account. One of them is that the fishery on the west coast is one where diversification is required in order to make a living. You can't expect to have a single licence and be able to have a viable operation over the 12-month period; you need to diversify and

you need to have a number of licences. As the cost and availability of licences becomes restrictive, that will impact people's ability to fill out the year with fishing. I think that is a prime driver as well as some of the costs associated with the operation.

The other factor I'll mention before passing this on to my colleagues is that the intent behind attempts over the years to control effort and to manage this overcapitalization or this fishing power that we have through reduced numbers of licences was to generate wealth, to create more money for the remaining fisherman. In fact, we haven't found that to be the case. There are still challenges related to how much money you can make fishing despite our multiple attempts over a long period of time to reduce effort and increase wealth.

There are a couple of factors that need to be taken into account.

Perhaps, Kevin, you could offer some comments.

Mr. Kevin G. Anderson: There's no question that Atlantic Canada has benefited in recent years from shellfish abundance, the predominance of what we call the shellfish era since the 1990s. It is very pronounced in lobster in the Maritimes and in the Gulf, and to some extent in crab throughout the entire region and shrimp in the north. That's had an impact for sure on income for harvesters in all fleets, really, the offshore, where there are large corporations, and in the inshore.

Having said that, you're well aware that there are areas where incomes are not as good as in others. The south coast of Newfoundland and the west coast of Newfoundland come to mind, where they do not have necessarily the abundance of shellfish resources to support these levels of income. They've had issues with groundfish abundance.

The other factor I was going to note, at least in the very last two or three years, is price. The Canadian dollar and opportunities for markets for lobster and for crab have certainly resulted in increased price. That's really having an impact on incomes, for sure.

• (1635)

The Chair: Thank you.

Back to the Conservative side, we have Mr. Doherty.

Mr. Todd Doherty: Thank you, Mr. Chair.

It's been mentioned a couple of times by some of our members the visit that we had from the B.C. young fishers. I want to take a moment, and perhaps there may be a question at the end of this, but I really want to read into the record and for the officials who are here some insight and feelings that the B.C. young fishers put into a thank-you note to me after our visit:

Thank you again for staying late after the Standing Committee on Fisheries and Oceans hearings and taking the time to listen to our concerns regarding the future of our fisheries on the West Coast....

Chelsea, Ryan, Ross, Ocean, Graham and Fraser shared their stories so familiar to all of us other active fishermen that travelled to Ottawa. We covered a lot of topics [and we are so grateful to have that opportunity].

An unrestricted transferability of licences and quotas has led to the privatization of a Canadian common resource. For us active fishermen, this means unattainable entry costs and unsustainable revenue, creating labour shortages, safety risks, and an aging fishing fleet. As families and members of coastal communities, we are losing our intergenerational knowledge and our connection to the ocean, and the backbone of our communities.

Our livelihoods and way of life continue to be threatened.... It is critical the Standing Committee on Fisheries and Oceans [and our department] visit our communities to conduct a review of West Coast policy. Having the decisions being made in Ottawa and away from the voices and hearts of our communities has been a major contributor to the decline of our communities and livelihoods. There are many people in the commercial fishing industry who have given up or on the brink of giving up. These people are our mentors, leaders in quality and sustainable harvesting and honest, hard working people that our industry can't afford to lose.

Mr. Chair, those are powerful words. I think all of us here share the sentiment that when those young fishers came here, they were hard-working. They were looking to their future, and all they were doing was trying to impart to some leaders within our country and within our communities that we must do better.

Ms. Reid, Mr. Thomson and Mr. Anderson, I ask in response to that, how are we going to do better for these people?

Ms. Rebecca Reid: We have had opportunities to speak to those young fishermen as well, and I do appreciate their concerns.

Our fisheries continue to evolve. We regularly receive proposals for changes and we have recently as well. We do want to look at them from a fairness, flexibility and economically viable perspective, so the way we deal with proposals—and often these are industry-driven approaches to how to make changes to the fishery that worked for them and worked for their current context—is that we consult on them through our advisory processes and we seek the views and interests of people. Based on that, we generate policies or changes that we can implement. Often, what happens though, is we end up with very diverse polar views. In those situations, it becomes hard to move forward.

There are areas and places in which we could make changes generally to policy, hopefully to benefit those younger fishermen, but we do need to find a way to move forward collectively so we can seek the support of the industry that's benefiting from that resource.

•(1640)

The Chair: Mr. Arnold.

Mr. Mel Arnold: Dr. Donkersloot, do you have a good stock assessment in Alaska? Are you confident in it and is it up to date?

Ms. Rachel Donkersloot: It depends on the fishery. There is increasing uncertainty across fisheries due to changing ocean conditions. Two years ago I would have said that our fishery in the north Pacific was largely healthy. Last year, many of our salmon runs across the state failed to return in meaningful numbers. At the same time we suffered an 80% decline in the cod total allowable catch in the Gulf of Alaska. That's due largely to that warm blob of water that went through the entire water column and would not move. Our halibut fishery is suffering from a 10- to 12-year decline,

largely with the exploitable biomass. That means there's a lot of halibut out there, but they're not growing like they should.

We do have concerns; we do have challenges. Things are changing and changing rapidly. At the same time, there are changes in our state budgets and federal budgets that affect how well we can manage our fisheries. I certainly don't have a silver bullet and I would caution against any sort of single solution in terms of management that can meet the needs or solve the complex challenges along an entire coast.

The Chair: Mr. Finnigan, you have five minutes.

Mr. Pat Finnigan (Miramichi—Grand Lake, Lib.): I may have some time to share with my colleague, Mr. Hardie.

Thank you for being here.

I want to ask a question regarding the first nations and the court's decision, and rightly so, that they had rights to fish on the east and west coasts. When the quotas were allocated, were new quotas created or were they taken from the industry, from the commercial fishers? How did you base that? Was everybody treated the same way at the time? Also, can first nations outright contract their fishing rights to corporations or other licensed fishers, and have we seen higher economic and social results in the first nations communities as part of that?

Ms. Rebecca Reid: There are two parts to the question. The first part is on how first nations first acquired licences, when licence limitations were put into place. There were a number of programs enacted to ensure and support first nations involvement, so at the beginning licences were first allocated in a limited way.

As the licence limitation has been stabilizing, we have a set number of licences. Further reallocations within any particular fishery are through a willing buyer and seller. That's what is done by the Pacific integrated commercial fisheries program. It asks the market who would like to retire their licence. Someone identifies it, there's an exchange, and that access is reallocated to a first nation.

Mr. Pat Finnigan: Quickly to Dr. Donkersloot, we hear that certain industries, processors on the mainland, such as salmon canning, are not profitable. Yet, we know that some have moved to Alaska.

Why do you think that is? Is it more efficient or are the costs less?

Ms. Rachel Donkersloot: I'm not entirely sure. I know there's been a push across the board in Alaska to move away from canning, and into the value-added fresh and frozen fillets and other higher value products. More of the product is staying in the state. Our primary market used to be Asia and Japan. Given global dynamics and other factors, we've seen a push with Alaska-based processors to target domestic markets.

• (1645)

Mr. Pat Finnigan: Thank you. Mr. Ken Hardie will use the rest of my time.

Mr. Ken Hardie: We talk about the earnings of fishers in British Columbia. Compared with Alaska, I submit that one of the factors, particularly in the most lucrative fishery, which is halibut, is the fact that if a young fisher or any fisher has to go out and lease the quota, 70% of the value of everything they catch goes to the quota owner. Do we track that?

Mr. Andrew Thomson: We don't track on an individual basis, no.

Mr. Ken Hardie: Okay.

With respect to the indigenous fishery, PICFI is a system in place. As government, we've been buying up quota as well as licences, have we not?

Mr. Andrew Thomson: Yes.

Mr. Ken Hardie: Can you provide us with a summary of what we have paid for the quota that we have purchased and when it was purchased?

Mr. Andrew Thomson: I don't have the data in front of me today, but we do have it.

Mr. Ken Hardie: Okay. I'd like that data, please.

We did find one issue, and this was actually gathered in the course of another study on small craft harbours, when we had an opportunity to be on the docks and speaking with some of the indigenous fishers. PICFI, as I understand it, was set up to provide bands with licences and quotas that would allow their members to go out and fish. But we hear that in fact some bands are basically flogging their quotas on the open market, on the commercial market. This wasn't intended, was it?

Mr. Andrew Thomson: Initially, certainly when PICFI started up, the intent was to increase commercial economic development for first nations. Initially, certainly a fair percentage of that was leased back out to professional fish harvesters to fish that amount. Some were indigenous and some not. You could lease a PICFI-held quota out to non-indigenous fish harvesters.

Mr. Ken Hardie: Was that what we intended to happen?

Mr. Andrew Thomson: No, but what we did intend to do was develop these commercial fishing enterprises in a way that would allow them to develop into profitable businesses. There is data that we've been compiling that shows that the numbers of participants in the CFEs who are of aboriginal descent and the amount of fishing that has actually taken place has significantly increased from 2010 to 2017. So while the practice started off that, unfortunately, an amount of the leasing took place external to the CFE, now that capacity development has gone on, much more of it is being fished internally to the CFE or through the indigenous organization.

The Chair: Thank you.

Mr. Donnelly, go ahead please.

Mr. Fin Donnelly: Thank you, Mr. Chair.

Dr. Donkersloot, you painted a picture of Alaska going in quite a different direction, I think, from our Pacific region here in Canada. You talked about owner-on-board and community development quota programs and essentially less emphasis on individual transfer quotas or ITQs or a more corporatized model, if that's fair to say. Could you talk a little bit about why Alaska has gone in the direction that it's gone in?

Ms. Rachel Donkersloot: So much of our rural coastal communities are based on a single resource economy, and that's access to fisheries. It is in the state's interests, and the state is well aware of the importance of ensuring that the benefits of our fisheries remain in state and ideally in rural Alaska, in our long-time fishing communities and cultures. That has been a goal since statehood.

That's not to say that we have not had glitches in our implementation of policies. They've been continually amended and refined when possible to ensure that the policy achieves its objective. But it was a clear objective.

Mr. Fin Donnelly: Was that objective set politically, or was that more from the community, or where did that come from originally? You said it's been there a long time.

• (1650)

Ms. Rachel Donkersloot: The development and management of our natural resources is written into the constitution of the state, so it's very much a central tenet of policy in the state.

Mr. Fin Donnelly: You've also invested heavily in what would be called ocean ranching or hatchery systems. You talked about your salmon runs declining in the last couple of years. Could you talk about your wild salmon returns versus the number from hatchery, or are you able to document that? Are you able to distinguish that the percentage of returning salmon is wild versus hatchery?

Ms. Rachel Donkersloot: Yes, this is an increasingly important and divisive issue in the state. We're paying increasing attention to it.

I can't share with you statistics today, but I can provide the links to the most recent reports. Some regions of the state do not have hatcheries; other regions are very dependent on hatcheries.

It's been an ongoing issue particularly in recent years with lower returns in certain river systems. Hatchery fish may have a role to play in that.

I can follow up with the clerk with the most recent findings, if that's helpful.

Mr. Fin Donnelly: That would be helpful. But could you just give the committee a sense of whether Alaska tracks that? It sounds like you do, and you don't have the numbers at your fingertips, I appreciate that. Does the state track the difference? For instance, in a run would you know what percentage is wild versus hatchery?

Ms. Rachel Donkersloot: Yes, it's closely monitored in terms of how much each hatchery releases per year and what the survival rate is.

Mr. Fin Donnelly: You referenced other Nordic or Scandinavian countries and you talked about Norway and a fjord-based fishery. Is that similar? Is that an ocean-based fishery or is that more of a terminal-based fishery or a river-based fishery?

Ms. Rachel Donkersloot: That's a good question. When I am speaking about fjord fisheries I am speaking largely about rural, small-scale communities that have been cut off from the resource due to these larger, privatized management regimes.

They're still out in the ocean. There are many of them. I'm not sure how many of them might be terminal fisheries versus.... Actually, all those fisheries are groundfish, so in those cases those would be ocean fisheries or marine fisheries, and not terminal fisheries.

Mr. Fin Donnelly: You mentioned that it's in the statehood. It's ingrained in the Constitution to look at protecting the community and the community base in the rural communities that fish.

If you were to recommend to this committee a direction of efficiency, which we've looked at on the west coast for decades to try to become a more efficient and effective fishery, would you say that we really need to re-emphasize, in the Pacific region, a more community-based model that would benefit rural and coastal communities?

Ms. Rachel Donkersloot: Here is the irony. The other central tenet of our management system is equality and equal access, but equality without equity isn't necessarily fair. It assumes that everybody is starting from a level playing field, and in the case of Alaska fisheries, we're not. Our small-scale, our low-income, our rural fishermen and future generations have been disadvantaged in this type of management system.

If you're looking for community-based access, I would caution against a system that individualizes and makes transferable the right to the local fishery resource. Those rights can be sold away, they can move away with people, etc.

What I am seeing happening now in Alaska as the state and communities and regions work to address the growing of the fleet and the loss of rural access is a very different suite of solutions that are working to address these types of problems.

Some of the young fishermen who were written into the record there mentioned this loss of knowledge. Loss of access comes with loss of knowledge. We have apprenticeship programs in place to recreate not only the knowledge transfer, but the access to the opportunity. We're recreating pathways to entry that have been closed off.

• (1655)

The Chair: Thank you.

Mr. Hardie.

Mr. Ken Hardie: Thank you, Mr. Chair.

By the way, thank you all for the input you've given so far. This is a complex matter. In some discussions with the past minister of fisheries, he likened this to trying to unscramble an egg. But we have to find a way forward.

One issue that I want to spend a moment or two on is concentration of ownership. Every paper we've seen from any jurisdiction warns against concentration of ownership as working against the interests particularly of the people out on the water and the people in the community, and yet this has happened.

We have no idea how much concentration of ownership there is on the quota side because we don't really know who owns it. In terms of the licences there was a report in, I think, 2016, that pointed out very clearly that the concentration of certain licences, etc., has landed with one processor. This wasn't supposed to happen, so why did it?

Mr. Andrew Thomson: Again, part of it, of course, is that it has largely been addressed as a free market, and people have been able to buy or sell a licence and quota. In terms of the concentration, we do know how much is owned by organizations, and we do track how many organizations and how many licences are held in categories, if you will. Those that hold more than 10 licences are a fairly small percentage of the fleet. The exact number escapes me, but even the largest licence-holder, the Canadian Fishing Company, holds around 234 of the 4,000 licences available in British Columbia. Yes, they are a large licence-holder, but they hold a fairly small number of licences in comparison. There are very few corporations, actually, that own more than 10 licences.

Mr. Ken Hardie: We do witness the fact that the barriers to entry for newcomers, even intergenerational transfers, could be a little sticky. I'll get to that point in a moment.

I want to go back to Dr. Donkersloot. You've indicated that there's an inequitable sharing of the wealth in the Alaskan fishery. It would appear that the small, community-based operators might not be as advantaged as some of the big players. When we think of the small ones that aren't doing as well as the average, there's a cost to government in there somewhere, is there not?

Ms. Rachel Donkersloot: There is, yes.

Mr. Ken Hardie: Can you just give us a sense? Far too often, we focus on the dollars and cents. That's an area where there's probably been at least more oversight than in any of the social and cultural areas. The cultural, maybe with respect to the indigenous peoples here, has been looked after. The broader cost that we face could suggest that we need to consider making the shift from the pure dollars-and-cents approach of an efficient fishery to one that accounts for the additional costs that governments and society face. Perhaps we need to come up with a better balance, a better arrangement. What are your thoughts on that?

Ms. Rachel Donkersloot: Yes, we often talk about managing fisheries in the context of trade-offs, oftentimes in the context of efficiencies. In the case of Alaska, I feel like our managers know very well the broader costs associated with the loss of access to local fisheries, and that includes not only income and local employment. We want our communities to be self-sufficient and thriving, but there are food security issues related to that with regard to access to subsistence fisheries and the role that our commercial fishery permit holders play in harvesting subsistence resources in rural communities.

There's local opportunity around the single most important employment opportunity in the community and what comes with that: The ability for your children to be able to stay in the community if they want to, to continue on in the livelihood if they want to. There are social roles and responsibilities. There are attachments to your community, to your place. There are a lot of quantifiable and also unquantifiable values and losses associated with closing access to fisheries.

• (1700)

Mr. Ken Hardie: Thank you.

The Chair: Mr. Arnold.

Mr. Mel Arnold: Thank you, Mr. Chair.

As usual with these studies, as the answers come out, we start to have more and more questions being asked and we quickly run out of time. I'm going to try to ask for some snap answers here, if I can, quickly.

Ms. Donkersloot, your hatchery fish in Alaska, are they all marked before they're released?

Ms. Rachel Donkersloot: I don't know. I can send that in a link.

Mr. Mel Arnold: Okay, perhaps we could find that out and report back to the analysts.

Ms. Rachel Donkersloot: Actually, I don't think they are. Now that I think about it, I don't think they are. One way that they are studying them is through some part of the.... I'm quite sure they're not all marked.

Mr. Mel Arnold: Ms. Reid, I have the same question. In B.C. are all hatchery-marked fish released, or is there a system for determining the number of hatchery fish versus wild stock that are returning?

Ms. Rebecca Reid: We do have controls over the number of hatchery fish for any particular area. They are not all marked, but we do measure and monitor. We know what's out there and what comes back versus the wild stock. We do collect that information, yes.

Mr. Mel Arnold: How reliable is that information?

Ms. Rebecca Reid: That would depend on the stock assessment information of the area. I would say it's variable.

Mr. Mel Arnold: Ms. Donkersloot, you talked about your assessments in Alaska, how they have changed recently and the results of those assessments. Would you say the assessment process itself is adequate or robust or reliable?

Ms. Rachel Donkersloot: To clarify, are you talking about stock assessments?

Mr. Mel Arnold: Yes.

Ms. Rachel Donkersloot: Yes, I think the north Pacific has been a leader in relying on the best available science and working in the context of sound management, of which stock assessment is the best.

Mr. Mel Arnold: Thank you.

Ms. Reid, you have mentioned various factors that come into the management decisions on our west coast. Are DFO's basic stock assessments for the Pacific salmon fisheries current and up to date?

Ms. Rebecca Reid: DFO invests a lot of money in salmon stock assessment. There are still gaps that exist. Particularly as the ocean conditions become harder to predict and there's more variability and interest in managing more closely so that you have greater opportunities to harvest in smaller areas, you need more data. There is a continuing need for data, although there have been recent new investments and ongoing investments in salmon stock assessment.

Mr. Mel Arnold: Are the current stock assessments up to date with the programs?

Ms. Rebecca Reid: Well, some are, but we are relying on some very old datasets in some cases.

Mr. Mel Arnold: Thank you.

I have a slightly different lineup of questions now for Ms. Reid. Who would be responsible for designing a plan to reshape B.C.'s fisheries allocation, if that were to take place?

Ms. Rebecca Reid: The minister of fisheries and oceans has ultimate authority over all management decisions, so he would task the department to undertake work like that. We would do it in a consultative way. We would work with the industry and interest groups to develop the principles and guidelines, if that's what you mean.

Mr. Mel Arnold: Thank you.

You just answered part two of three parts. Do you anticipate there would be the need for compensation systems, should allocation have to be redistributed?

Ms. Rebecca Reid: Do you mean compensation for existing fishermen?

Mr. Mel Arnold: Yes.

• (1705)

Ms. Rebecca Reid: Compensation isn't something that we would normally consider, with some exceptions. We have licence retirement programs. Where we have reduced capacity in the fleet, we have offered these voluntary programs, which do allow people to leave the industry and receive amounts of money. There have been programs like that. The Newfoundland plan is one. There are a number of examples that allow people to leave the industry and receive money for it.

Mr. Mel Arnold: I think the halibut fishery is very competitive. Have you had instances where halibut fishermen have actually left the fleet?

Ms. Rebecca Reid: We certainly have reallocated access from regular commercial fishermen to indigenous groups. Yes, there have been a number of reallocations. That would mean people would be leaving the industry. Yes.

Mr. Mel Arnold: Thank you.

The Chair: Mr. Donnelly, please.

Mr. Fin Donnelly: Thank you, Mr. Chair.

I want to go back to Dr. Donkersloot to talk a little bit more about “Turning the Tide”. You mentioned you're going to forward that report to this committee, which we appreciate. We look forward to getting that and going through it.

Could you give us the top shelf, the top recommendations, or talk about what the recommendations are that the report focuses on?

Ms. Rachel Donkersloot: Yes. There are five recommendations that we identified after our global review of programs and our three years of research.

One of the top ones is to create diversification opportunities for the next generation. We encouraged or recommended that the State of Alaska develop a fisheries access task force. We recognized the need for the state to invest in mentorship or apprenticeship programs or use fisheries. Ultimately, it was that new access points are needed if we want the next generation of fishermen to be Alaskans.

Mr. Fin Donnelly: Sorry, could you break that down again in five recommendations?

Number one was create diverse opportunities or create opportunities for diversification.

Ms. Rachel Donkersloot: Right, it's the need to allow our young fishermen to diversify.

Number two would be the creation of apprenticeship or mentorship programs to train the next generation.

Number three would be the creation of a state-wide fisheries access task force.

Number four would be around infrastructure. I didn't mention this last time. It would be continuing to invest in local and community-based infrastructure.

Number five has to do with the creation of new access points or pathways to permit ownership.

Mr. Fin Donnelly: Could you talk a little bit more about the infrastructure? What kind of infrastructure were you talking about that the state would have to invest in?

Ms. Rachel Donkersloot: Many of our rural communities are not connected to roads, so there's a need for harbours, processing, transportation needs, and infrastructure to support access and market opportunities. A lot of our infrastructure comes from out of state. A lot of our processors come from out of state. They're there for the fishing season and then they leave. With more infrastructure, we could be housing more local opportunities for boat welding, net mending, small-scale processing like the niche marketing that I mentioned before around direct marketing, so those types of opportunities.

Mr. Fin Donnelly: Who would strike the task force if this recommendation were implemented?

Ms. Rachel Donkersloot: The State of Alaska would do it, and there's a model that can be followed in Alaska. The governor would have to sign off on it. A few years ago the state set up a mariculture task force. There's a zero fiscal note attached to it, and we thought that would be a good model to follow for a fisheries access task force.

• (1710)

Mr. Fin Donnelly: Great, thank you.

Ms. Reid and Mr. Thomson, if this committee came up with a series of recommendations similar to this “Turning the Tide” report, what's the best point of entry in the department for implementing recommendations such as what Dr. Donkersloot talked about?

Ms. Rebecca Reid: I would recommend that this committee provide advice to the minister for consideration, and we would develop a response that would take that into account.

Mr. Fin Donnelly: You're saying that yourself, as RDG, would look at it. You would perhaps strike a task force. Would you include the industry, fishing, first nations...?

Ms. Rebecca Reid: If the minister were to say, Rebecca, implement or at least give me some advice on the recommendations from this committee, I would work with my ADM colleagues, with the deputy minister. We would also, if directed, undertake a consultative approach to consider the types of recommendations that had been offered and to understand the impacts, the implications and the views of people. That's a very typical way that we undertake those types of reviews.

Mr. Fin Donnelly: Okay, and—

The Chair: Thank you, Mr. Donnelly.

Mr. Fin Donnelly: Just like Churence.

The Chair: Everybody gets caught once, right?

It was actually over time.

Mr. Rogers for five minutes or less, please.

Mr. Churence Rogers: Thank you, Mr. Chair. There's one question I want to get at. You cut me off the first time, but I was out of time I guess.

I want to know the discrepancy at the income levels. It bugs me to no end that there's such a discrepancy between eastern Canada and western Canada. I know that there are some factors that Kevin made reference to in terms of shellfish, crab, lobster and some other factors. I do realize that there are some fishermen in eastern Canada who struggle in different sectors. That's a huge discrepancy. Is there something that has been done in eastern Canada—some model, some structure or something different—that could be applied in western Canada to be able to help out the people who are involved in the fishing industry on the west coast? Is there anything we could transfer from eastern Canada in terms of how we do things versus western Canada?

Mr. Kevin G. Anderson: The higher incomes are in the offshore corporate fishery, for sure, and are very similar to what's being described in the west. At the same time, some of the high incomes in the inshore are associated with the shellfish phenomenon that certainly wasn't there historically.

Other factors may be a consideration. I'm not talking about transferability. I'm just speaking to length of season, abundance and available resources. I know from my experiences of the past 12 months that salmon fisheries in British Columbia can be very short.

It's really about the resource, I think, in terms of what's available to harvesters to harvest. It may have factors like crew availability as well, and the level of compensation being provided.

I'm sorry. I don't know very much about the Maritimes and Quebec, but in Newfoundland and Labrador, we have gone through periods where crew availability has been a challenge when the oil industry was booming more than it is now.

There may be other factors like that, but I can't think of any specific transferable examples of management that would impact the incomes.

Mr. Churence Rogers: Thank you.

The Chair: Now we'll go to the Conservative side and hear from Mr. Arnold.

Mr. Mel Arnold: Thank you, Mr. Chair.

Ms. Reid, you mentioned that some salmon stock assessments are complete on the west coast and others are lacking. Could you provide us with a summary of the assessments that are current and those that are still outstanding?

• (1715)

Ms. Rebecca Reid: Yes.

Mr. Mel Arnold: Thank you.

I would like to get back to the equitable distribution of benefits you mentioned in your opening statement. What sorts of factors play into that, when you're looking at those assessments? Is it overall GDP to Canada? Is it to the local communities? Is it to the provinces? Is it to first nations? What sort of factors are taken into consideration in those decisions?

Ms. Rebecca Reid: I'll start with a couple of factors. Some of the things we take into account you've already mentioned.

First of all, first nations participation is very important to us. We have processes in place that provide us advice about the impacts on local communities. There's an example in the groundfish industry, where there's a board that provides us advice about shares of quota, as an example of a way to provide equity.

We do work with the Province of B.C. and get their input on issues, as well. Then we undertake our consultations to consider the views of fishermen, at the local and regional level, about how we're managing the fisheries from a policy and practical perspective. All of those elements are taken into account.

Is there anything else you would like to mention?

Mr. Andrew Thomson: Going to the question of allocation, particularly between recreational and commercial fisheries, there are

a couple of fisheries where there are very clear policy directions. We have a salmon allocation policy that gives preferential access to recreational fisheries of coho and Chinook, and preferential access to commercial fisheries of the other three species. Similarly, in halibut, there is an allocation policy that provides 15% for recreational fisheries, and the majority for commercial fisheries.

I think that reflects quite a significant amount of consultation and discussion with the various interests in trying to come to those. Maintaining those, or operating within those, provides some of the stability for both the recreational and commercial sectors to have that opportunity.

Mr. Mel Arnold: I've heard about the PICFI program. Can you enlighten us a little bit more about that? It was basically taking retiring licences from the marine fleet and, I believe, transferring some of them to more inland-based fisheries. Has that affected this fleet separation or owner-operator system on the coast at all?

Ms. Rebecca Reid: The PICFI program is essentially a licence transfer program, so you're moving willing buyer/willing seller commercial licences to first nations communities. It can be marine. Coastal communities or inland communities can also benefit from it.

It's a bit of a long answer that you probably wouldn't like, but as we talk about access to inland groups, we have taken salmon licences and essentially split them up so that the species that are available to those first nations can have demonstration-style commercial fisheries on them through the access provided by PICFI, but PICFI overall is about transferring access from the regular commercial fleet to indigenous groups.

Mr. Mel Arnold: You said access to those fisheries is on a divided basis. Is that access in the river situation its source, or is it in the marine environment and transported up?

Ms. Rebecca Reid: Andy, why don't you talk about the Harrison example?

Mr. Andrew Thomson: Just in general, there are 25 commercial fishing enterprises under PICFI. These are indigenous commercial fishing enterprises. Five of the 25 are in the Fraser interior area, in the inland areas where, as Rebecca was saying, we've allowed for movement of some of the access that was retired to now be caught further inland. A number of first nations have developed rather substantial businesses of catching salmon much more terminally, so you can get a much clearer indication that you are only catching healthy stock as opposed to a mixed stock fishery, and are able to catch that fish and market that fish in the commercial marketplace, but the rest of the CFEs operate fisheries in the normal marine fishery.

• (1720)

The Chair: Thank you.

Mr. Donnelly.

Mr. Fin Donnelly: I wanted to come back to my original question about vision. It is on a similar track.

Ms. Reid, you've talked about PICFI as the vision going forward. That's one thing I remember. If there are others, you could add to it, but if co-management were a directive coming from the minister, for instance, is PICFI the best place to go, or would there be a more substantial change in how the fishery is operated if there were a more focused effort to co-manage the fishery, if that makes sense?

Ms. Rebecca Reid: Just to add to the vision piece, PICFI is an element, but the big, broad vision has been and continues to be conservation and sustainable harvest.

On the question of co-management, are you talking about first nations co-management? The idea behind co-management is that we would work with a particular first nations community on managing a fishery. The role of that first nation would depend on the nature of... It's hard to be hypothetical about this. They would have a role in how the integrated fisheries management plan is developed as it relates to their interest, so it becomes an important part of it but not the only piece. You still have the other commercial fishermen who are part of the advisory process and who have input into the direction that's taken.

Mr. Fin Donnelly: On that note then, what is showing the most promise looking forward, considering our past? On the west coast I hear about boat-to-plate programs. We talk about demonstration or pilot projects or programs. What is showing the most success or promise on the west coast?

Ms. Rebecca Reid: Is that for salmon?

Mr. Fin Donnelly: That was going to be another question, because here on the east coast, once we lost cod, there was a movement to shellfish, and I don't see that happening on the west coast, so what's the promise forward? What are we looking at? Is it salmon? Is it halibut?

Ms. Rebecca Reid: Oh, I see. You're asking what the future is; what, from a fisheries perspective, is most promising.

That question really comes down to conservation and sustainable management. Some of the shellfish fisheries are very successful, well-managed and sustainable. You can see the wealth in those fisheries as a result of the controls and management that are in place. They could be under stress as well, considering future changes and conditions in the ocean environment.

Halibut is also a very well-managed species, as you heard from the other witness. There are changes in productivity that are impacting many species, including halibut, but particularly salmon. There's a lot of variability and question about the future of salmon. I think you see in the Fraser River, where we have a number of species being considered by COSEWIC and such types of things, that we have some very significant concerns about the future of those fisheries.

The question really comes down to where it is that we're able to maintain a robust, sustainable fishery and where we have conservation concerns, given changes to ocean conditions and other factors.

Mr. Fin Donnelly: I appreciate that, but what I was hoping to get to as well is whether there are any specific programs that are showing promise. I talked about "boat to plate" and referenced

earlier the Harrison Fisheries Authority. I heard a presentation by Dave Moore. It was incredible. This is after 20 years of problems. I think it's a very promising look at a way forward, talking about a selective fishery and reducing bycatch—all sorts of promise.

Mr. Andrew Thomson: That is one of the demonstration fisheries we're looking at under the commercial salmon allocation framework that we just renewed.

We have a few instances in which we're looking at...we use the terminology "small bite fisheries": we know there's a particularly abundant stock in a small area and we can introduce a small number of vessels to catch it. Of course, it's always under the lens of conservation. You want to make sure that you have good data available and are catching the appropriate amount and doing good catch monitoring, all of these things.

Trying out some of these things through a process gives us the chance to spread some of the fishing effort out and maximize the benefits without getting large mixed stock fisheries, which could have unintended consequences of captured bycatch.

• (1725)

Mr. Fin Donnelly: Okay. That's helpful.

The Chair: Thank you.

I know time is very short, but I would ask the permission of the committee to ask a question. Something came up in the testimony that sparked my interest a little bit.

I'll ask a question to both Ms. Reid and Dr. Donkersloot. Both of you mentioned diversifying a particular enterprise, especially for young fishers who are getting into the fishery, acquiring quotas and whatever it took to make sure you can survive in the business and make a living.

I was thrown back a bit, because we had a fisherman from the east coast present in an earlier study on vessel regulations—a gentleman I'm sure Mr. Anderson knows, Mr. Roy Careen. He's a very aggressive fisherman. He usually buys up any quota he can get, especially if it's something that he sees a profit in down the road, or something to keep his enterprise going. On the other side, he gets punished to some degree because, if I remember his testimony correctly, he stated that in order to fish the quotas he owns, he has to have four separate vessels. It seemed as though he was being penalized for trying to diversify and be more aggressive in the fishery and acquire more quota.

Can the same be said for somebody on the west coast, whether it be in Alaska or B.C., that a fisherman getting into the industry and buying up quotas would have to operate more than one vessel? Would the same restrictions apply in those areas?

Perhaps Ms. Reid, you can go first, then Dr. Donkersloot.

Ms. Rebecca Reid: Unfortunately, I think the answer is that it depends.

For a vessel-based licence, you can only put a licence on that fits the vessel length requirements. It would depend upon what it is that you're trying to diversify.

There are other examples of diversification. For example, in a salmon fishery we have area-based licences. You have to pick one area and one gear. You could, however, stack licences onto a vessel so that you could go to different areas and fish for a longer period of time. That's an example, and there are other examples, so you would have to be careful.

With a party-based licence you would have more flexibility, but you would need to think that piece through. I think it's a good consideration.

The Chair: Dr. Donkersloot.

Ms. Rachel Donkersloot: There are regulations in place in Alaska that would prevent someone from participating in this salmon fishery and then moving over into another area and participating in that salmon fishery. That's to prevent the type of consolidation or concentration of wealth that is very much on your radar today. That's to protect local access in some areas, but the challenge we face in diversification is more that you've started with salmon but it's going to cost a young fisherman at least a quarter of a million dollars to get set up to run the salmon.

Where do you go from there? The cost of halibut quota alone is a non-starter for many young fishermen. The entry-level opportunity that I mentioned in my introduction, the jig fishery, is designed to

support that diversification. You can go jig fishing with a \$75 permit, but it's very difficult to make a living from jig fishing alone.

Diversification is very important and it's also very difficult because we manage our fisheries in silos, and those silos are currently very expensive.

The Chair: Thank you very much for that.

Again, as we close off, a special thank you to our witnesses today, both here in person and by teleconference. We really appreciated your input today.

I will remind the members of the committee—I believe they were all sent an email about the extra meeting, a longer meeting next week on Tuesday from 3:30 to 6:30. We did agree earlier that we would shove in extra time.

Mr. Donnelly.

Mr. Fin Donnelly: Thank you, Mr. Chair.

On that note, if you could ask the clerk to distribute the calendar at least for the next couple of months; that would be good to have by the end of today or tomorrow.

The Chair: I'm sure. She was just asked to do what you stated.

• (1730)

Mr. Fin Donnelly: Thank you very much.

The Chair: Again, thank you, everybody.

The meeting is adjourned.

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