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Chair

Mr. Scott Simms

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● (0845)

[English]

The Chair (Mr. Scott Simms (Coast of Bays—Central—Notre Dame, Lib.)): Good morning, everyone.

This morning we embark upon a study put forward by Mr. McDonald, the MP for Avalon, pursuant to Standing Order 108(2), a study of the Atlantic Canada commercial vessel length and licensing policies.

We want to say a special welcome to our numerous guests this morning, some joining us by video conference.

We have Jacqueline Perry, regional director general for Newfoundland and Labrador region. Thank you for joining us this morning.

We have Verna Docherty. Ms. Docherty is acting manager, licensing policy and operations, Maritimes region.

We have Marc LeCouffe, who is director, resource and aboriginal fisheries management. He is joining us from Moncton, New Brunswick.

We have Patrick Vincent, regional director general for Quebec, joining us from Ville de Québec. *Bienvenue.*

And we have Mark Waddell, acting director general, licensing and planning.

Ms. Perry, please, you have up to 10 minutes.

Ms. Jacqueline Perry (Acting Regional Director General, Region - Newfoundland and Labrador, Department of Fisheries and Oceans): Thank you, Mr. Chair, and members of the committee for the opportunity to speak to you here this morning. I'm Jacqueline Perry, acting regional director general for Newfoundland and Labrador of Fisheries and Oceans Canada.

I am pleased to be here with colleagues from other regions in the Atlantic and our national headquarters to provide you with information related to the department's rules for vessel registration length and to answer any questions you may have.

Vessel-length restrictions are applied in all fisheries in Canada. They were implemented in the 1970s primarily for conservation reasons, and they were applied in competitive fisheries to control the catching capacity of vessels and therefore the amount of fish harvested. That said, the policies have evolved over time and now contribute to the achievement of several fisheries management

objectives including economic viability, equitable access to fisheries resources, and vessel safety.

More specifically, vessel-length restrictions provide for an equitable and orderly harvest of fishing resources, promote viable and profitable operations for the average participant, and promote consistency while recognizing that specific provisions may be necessary for certain fisheries and geographical locations. Vessel length is one of many complex and interrelated factors contributing to safety at sea in Canadian fisheries.

Vessel lengths are also used to define fleets for the purposes of fisheries management. Commonly, vessels over 100 feet are considered the "offshore fleet", vessels 65 to 100 feet represent the "midshore fleet", and vessels less than 65 feet are generally understood to represent the "inshore fleet". These fleet distinctions are linked to specific licensing policies and management measures.

Vessel-length restrictions have evolved over time and their application may vary based on regional factors, although the department strives for consistency where possible and appropriate. While effective control of fishing effort and vessel capacity remain key objectives of fisheries management and licensing policy in Canada, over the years and in consultation with industry, DFO has reviewed rules governing vessel length in certain fleets with the objective of providing industry with increased flexibility. DFO has provided this flexibility to fleets when proposals are supported by a clear majority of participants and do not compromise conservation or fisheries management objectives.

Proposals to change vessel registration rules are reviewed in open, transparent processes using existing consultation mechanisms and involving all affected stakeholders. Consultations have been held over the past couple of years and feedback tends to be mixed, with some stakeholders favouring vessel-length extensions, while others favour limiting criteria to meet conservation and fisheries management objectives.

Since 1997, DFO has provided greater flexibility to fishers operating under self-rationalization systems such as individual transferable quotas, ITQs. In 2003, a new approach for changing vessel replacement rules for Atlantic Canada was adopted following an extensive industry consultation process. The new approach responds to industry requests in the development of new rules as long as the proposed changes are consistent with principles that were established at the time and continue to be applied today.

In 2007, DFO approved changes to the vessel replacement rules in Newfoundland and Labrador region after extensive consultations with industry, and increased the length barrier for all of the inshore sectors. These changes were accompanied by the introduction of the enterprise-combining policy to ensure that much-needed fleet rationalization occurred while allowable vessel sizes were increased.

Quebec region also undertook changes to its vessel replacement policy following extensive consultations with its industry liaison committee in 2014. The gulf region likewise implemented changes to its vessel replacement policy in recent years following consultation with industry stakeholders.

In 2012, changes were made to the vessel replacement rules for the area 12 traditional snow crab fleet in eastern New Brunswick and gulf Nova Scotia, which is under an ITQ regime, to increase the vessel length to a maximum of 30.5 metres or 100 feet.

In 2014, following a policy-streamlining exercise in the gulf region, the rules for the remaining groundfish ITQ fleets were changed to remove a 50-foot vessel barrier and to allow vessels of up to 65 feet to be used by those fleets.

• (0850)

There were also changes made that saw the removal of the requirement to cap vessels to a limited cubic measurement and to allow the use of primary vessels in the competitive groundfish fishery.

In the Maritimes region, modified vessel-length rules are in place in lobster fishing areas 33 and 34 to cap the fishing effort on the resource. The maximum vessel length is restricted to 45 feet, with an allowable maximum stern extension of five feet. This policy has also been extended to the fixed-gear groundfish fleet operating in the same area. These modified actions resulted from extensive consultations.

The department frequently receives requests from individual harvesters for exemptions to these vessel-length policies. Requests are reviewed on a case-by-case basis, and decisions are made weighing several factors including conservation, competition, the economic viability of the fleet, vessel design, and the fishery profile.

Despite requests from individual harvesters to either review vessel-length restrictions or to be exempted from them, there has been no significant interest in review by major fisheries organizations. There are concerns around the approval of exemptions for individual harvesters given that this may enable individuals to overfish certain species and, more importantly, to achieve competitive advantages over other participants in the same fleet.

Allowing individual harvesters to exceed the applicable vessel registration rules has consistently created controversy within the fleets. It is generally not supported by fishery associations, and DFO's approach to requests for individual exemptions is to deny them.

Issues related to vessel-length restrictions are complex and challenging. Decisions taken, whether on an Atlantic-wide, regional, fishery, or fleet basis, need to ensure that conservation and other fisheries management objectives are not compromised; that the required consistency between regions and other government

departments such as Transport Canada is maintained; and that they remain consistent with fleet-based approaches to ensure equity and fairness for all involved individuals.

With me today are representatives from all the DFO regions in the Atlantic and from our national fisheries policy group. We are happy to take your questions.

• (0855)

The Chair: Thank you, Ms. Perry.

Your title is relatively new for you, isn't it?

Ms. Jacqueline Perry: This is week three.

The Chair: Congratulations on your new position. It is well deserved.

Now, we're going to go to the questions. I remind you that we have two people on video conference.

Mr. McDonald.

Mr. Ken McDonald (Avalon, Lib.): Thank you to our guests, both here in person and by video conference.

Jacqueline, I was surprised to hear you talk about consultation. I recently attended three outreach meetings in my riding, consultations by DFO. In total, there were probably over 150 fishermen who attended those three meetings, and the overarching complaint from fishermen.... It was the first time they had seen anyone from DFO come out and talk to them. They had never heard tell of anyone doing any consultation, even to the point where regulations were changed over the winter behind closed doors with no consultation. A fisherman actually had to use ATIP to get the information, to know what actually took place and what was said at that particular meeting. Consultation has been lacking, big time.

On the vessel lengths, in listening to what you're saying, I gather that the overall length regulations can be Atlantic-wide or regional, correct?

Ms. Jacqueline Perry: We have an Atlantic-wide policy that speaks to the significant licensing policies that apply to the inshore sector, but, as I mentioned in my opening remarks, there are provisions possible for individual fleet sectors that come forward as a fleet in a particular fishery, potentially in a particular area, to make representations to DFO to modify or to depart from that Atlantic-wide policy.

Some of the examples that I gave in my opening remarks are illustrative of those types of exercises. In all cases, they are a result of consultation, either on a regional basis or on a fleet-wide basis.

I take your point, Mr. McDonald, on the need for the engagement of harvesters on all matters, not just on licensing policy. It's very important. I think it's a priority for all the regions.

Certainly, in Newfoundland and Labrador, we put in a significant amount of extra effort over the fall and winter, going to small communities, hearing from harvesters directly, and getting their perspectives, not only on fleet exemptions and length policies but on all fisheries management approaches.

Mr. Ken McDonald: You mentioned that allowing somebody to have a larger vessel would enable them to catch more fish, but everybody has their own IQ, they have their own quota. If it's enforced properly and watched, dock monitoring or whatever, fishermen are only allowed to catch what their quota is, whether it's a daily limit, a weekly limit, or whether it's the quota for the season.

If I have a quota to catch 250,000 pounds of crab, whether I catch that in a 39'11" or a 65-footer, I'm still only allowed to catch that quota, so how can I catch more by having a bigger vessel?

• (0900)

Ms. Jacqueline Perry: Certainly, in the Newfoundland and Labrador context, and I believe also in other regions, fishing enterprises tend to be multi-species, which means they can fish groundfish, shellfish, pelagics, etc. Not all of those fisheries are individual quota fisheries, so in some instances, a harvester who will have access to crab, for example, with an IQ—you're absolutely right—would be limited by the amount of fish associated with that, but they could then potentially use that same vessel to fish in a competitive fishery for which there is no individual limit.

In that instance, a larger vessel would put that individual participant at a distinct competitive advantage against other participants who are not using the same size vessel. Further, there have been some concerns expressed about competition, even in IQ fisheries, because a larger vessel is able to carry more gear and is able to fish in potentially more challenging environmental conditions, thereby perhaps having competitive access to preferential grounds. Not only is competition an issue in competitive fisheries, but there are also some competitive advantages that a larger vessel would confer over a smaller vessel.

Mr. Ken McDonald: But those vessels are limited to the amount of gear they can carry as well. Even if it is a bigger vessel, they are limited to the amount of gear they can carry in some of the IQ fisheries.

Ms. Jacqueline Perry: You're absolutely right.

Mr. Ken McDonald: In the crab fishery, for example, they're only allowed so many pots—

Ms. Jacqueline Perry: Exactly.

Mr. Ken McDonald:—on the boat, so whether they take it in a small boat or big boat is not going to matter.

To me, what's being forgotten is the safety issue. You said certain vessels will go a certain distance, and somebody now with a 39'11" could go to the edge of the 200-mile limit and fish their quota, depending on what they're fishing. Wouldn't it be safer for that person to be out in a 44'11" or a 65-footer and let the fisherman decide where he wants to fish? It's a business decision, his or her decision to go to a bigger vessel and invest that kind of money.

Somebody with a very small quota, yes, they're not going to invest in a 44-foot or a 65-foot vessel. For somebody who has obtained a large quota, whether it was through buying quotas or inheriting it

from a father or grandfather, whatever, if they want to go and catch that quota and do it safely.... I'll use this example. In Nova Scotia, the base size for a vessel is 44'11". In Newfoundland it's 39'11".

The last review that was done, as you mentioned, was in 2007. At that time, the 34'11"s were allowed to go up to 39'11", and 39'11" went up to 44'11", and anything above that went up by 20 feet to a 65-foot. There was a huge jump there, and there was no consideration there for competition or that vessel being able to catch more fish than a 44-footer. He was allowed to go a full 20 feet bigger.

It seems like in Newfoundland, for some reason, they're kept back from making the proper investment, and once they go to that 44-foot vessel, it falls then under Transport Canada's CSA rules and regulations. It has to be inspected every four years and carry more safety gear.

As you know, we've had instances over the past couple of years when fishermen were forced to use smaller boats, and several of them did not return to the wharf. It happened in St. John's last year to three fishermen from the Shea Heights area. They had to go out in a smaller, open boat when they had a 35-foot boat tied to the wharf, and because of the regulations, they weren't allowed to use it.

It doesn't make sense for a fisherman to be dictated that they have to go in an unsafe vessel when they have a safe vessel tied to the wharf. It should be your decision if you want to burn that extra fuel to go a short distance to catch your quota. It just doesn't make sense.

Can you rationalize why it would be the case that you put fishermen in harm's way because of the regulations?

Ms. Jacqueline Perry: I think the issue of vessel safety is an extremely complex one. Certainly the Transportation Safety Board's report coming out of the *Pop's Pride* incident, which you referenced, articulated that. Vessel length is only one of many factors that contribute to whether a vessel is being operated safely and to the level of risk that is associated with a particular fishing enterprise. We are not in a position to say—and I don't believe Transport Canada would be in a position to say—that a larger boat is, in and of itself, a safer boat. It's a very complex situation, and there is a variety of factors that would contribute to safety.

The rules we have today evolved over a 40-year history. Are the current break points we have the right ones? I think we demonstrated over that 30- or 40-year history that the department is certainly open to engaging with fleets and having the conversation about the appropriate vessel length to be used in the fisheries that are being prosecuted by those participants. I think our history demonstrates that we're responsive to evolution in fisheries where they are moving further offshore, changing the nature of the gear types that are used. That's something that we've done, but we've done so on the basis of consultation with the fleets, particularly where it's supported by the fleet to ensure that the principles and the objectives that we've established aren't compromised and that the implications—the consequences on conservation, viability, and safety—are all taken into consideration.

• (0905)

The Chair: Ms. Perry, I have to cut it right there. We're well over the time. We'll come back to that.

Mr. Arnold, you have seven minutes, please.

Mr. Mel Arnold (North Okanagan—Shuswap, CPC): Thank you to all of the witnesses for being here today. I guess I'll initially direct the question to Ms. Perry, but if any of the others have further explanation, I would welcome their comment as well.

Can you explain how it is that DFO regulates vessel size requirements and yet Transport Canada regulates vessel safety requirements? Is there a silo effect there within the two different ministries and agencies that makes it difficult for boat builders and fishermen to understand the regs?

Ms. Jacqueline Perry: From a regulatory perspective, DFO's role is to ensure that vessels that are used in commercial fisheries are registered with the department. As I've indicated, the policies around that to determine what size of vessel is appropriate to be used in a particular fishery have evolved over a significant period of time. I obviously can't speak to the Transport Canada regulatory environment, but in terms of the liaison between the two departments, we have an MOU with Transport Canada that obligates and requires us to consult with it on all vessel-related measures and to ensure, to the degree possible, that there is alignment between our objectives to achieve safety at sea for our commercial harvesters. Is it perfect? I wouldn't suggest to you that it is. We engage with Transport Canada officials when we develop integrated fisheries management plans. We're working at improving that engagement.

Mr. Mel Arnold: You've said it's not perfect. Could you provide your recommendations on what would improve it? That's really what this study is about.

Ms. Jacqueline Perry: I think it's more frequent interaction between us and our colleagues at Transport Canada to ensure that, when we're developing management measures—not only related to the vessel size but also related to season dates, opening times, and things of that nature—their input on vessel safety and their expertise are brought to bear when we're developing our measures.

Mr. Mel Arnold: I'll open it up to any others who have any comments on the difficult connection between DFO and Transport Canada.

Mr. Mark Waddell (Acting Director General, Licensing and Planning, Department of Fisheries and Oceans): Perhaps I can build on Jacqueline's response a little bit. We do have an MOU with Transport Canada and the Canadian Coast Guard, which was signed in 2006. It was renewed in 2015. In the intervening period, in 2011 we signed a letter of intent with them to share information so that we would all be privy to greater access for our respective information holdings and be able to draw on that for policy and regulatory development. Over the last year, in particular, we have had a series of renewed meetings and engagement with them at the assistant deputy minister levels and below. We continue to engage, as Jacqueline referenced, with them and have representatives from Transport, and we also invite TSB members to our advisory committee processes that we hold with industry when we're developing integrated fishery management plans.

Mr. Mel Arnold: Thank you. I saw our witness on teleconference.

● (0910)

The Chair: Mr. Vincent.

[Translation]

Mr. Patrick Vincent (Regional Director General, Region - Québec, Department of Fisheries and Oceans): Good morning. I would like to give you an idea of relations with Transport Canada.

The Quebec standing committee on fishing vessel safety meets every February. People from Transport Canada, Fisheries and Oceans Canada, the Canadian Coast Guard, and even Quebec's labour standards, equity and occupational health and safety board hold a workshop for fishers on vessel safety.

They review unfortunate incidents that have occurred in previous years and discuss what can be done to improve vessel safety. This is a forum where Fisheries and Oceans Canada, the Canadian Coast Guard, and Transport Canada work together to improve vessel safety. It is an excellent opportunity to bring everyone together and to have discussions. Policy changes, including vessel length rules, can be addressed here.

This is an example of a situation where there is good interdepartmental communication.

[English]

Mr. Mel Arnold: Thank you.

I understand some of the safety issues. I come from a boatbuilding background, and I've actually had to do repairs on vessels that were modified unsafely, and had to make the changes. I can understand why some of the fishermen would want to extend their decks to carry more gear and so on.

One of the interesting sections in here is section 3.17(2), which reads:

In the case of a fishing vessel that has undergone a stability assessment, a record of a modification or series of modifications that affects the stability of the vessel shall be kept until the vessel undergoes a new stability assessment that takes into account the modification or series of modifications.

To me that looks like it's just about keeping records of changes, but how long is that in effect until they go through another stability assessment? Are there any implications if that's not adhered to? What's the follow-up to that?

Ms. Jacqueline Perry: Could you tell us what document you're reading from?

Mr. Mel Arnold: This was the brief provided to the committee by the Library of Parliament. I'm just reading section 3.17, which basically states that if a vessel has gone through a stability assessment and then it's further modified, all that needs to be done is keep a record of the modifications until it goes through a further stability assessment. How long would it be until a stability assessment needed to be done?

Ms. Jacqueline Perry: I'm not familiar with the document you're referencing.

Mr. Mel Arnold: It's the fishing vessel safety regulations.

Ms. Jacqueline Perry: It's a Transport Canada document. It isn't a document that it is within our mandate to speak to.

Our registrations speak to vessel length, and the documentation related to modifications or stability generally does not form part of our records.

Mr. Mel Arnold: We may have hit the tip of the iceberg here, Mr. Chair.

The Chair: Yes, and regarding time as well. Sorry, I have to cut you off there.

Mr. Donnelly for seven minutes, please.

Mr. Fin Donnelly (Port Moody—Coquitlam, NDP): Thank you, Mr. Chair, and thank you to our witnesses and department officials for being here.

Monsieur Vincent described the vessel safety consultation process in Quebec, but I was wondering if our officials could describe the vessel-length consultation process for, say, crab fishers in Newfoundland.

Ms. Jacqueline Perry: The last time we engaged in a dedicated consultation process for vessel length specifically was in 2006, leading into the 2007 policy changes. Annually, we engage with the crab fishing fleets, for example, to develop the management plans associated with that fishery. That happens every year. On occasion, issues related to vessels and vessel safety come up during those consultations. It happens every single year that we consult with them in the development of the management plan, and vessel-related issues could form part of that discussion.

The last time we did a dedicated, focused review of the licensing policies related to vessel length was in 2006-07, and it was a partnership initiative with the federal and provincial governments that looked at a broad range of fishing industry renewal initiatives, such as other fundamental changes like the licensing combining policy focused on fleet rationalization. It was a very elaborate, expensive process.

• (0915)

Mr. Fin Donnelly: Mr. McDonald used pretty strong words about a complete lack of consultation on the annual updates and consultation. Some fishers didn't feel they were heard. They had to do an ATIP to get information.

How do you square that circle? How is it these fishers feel that way? You're describing the fact that the consultation is annual, and it sounds as if everybody is listened to. How is it there's a disconnect?

Ms. Jacqueline Perry: We do have an annual consultation process. Can we connect with all harvesters during that consultation process? No. There are representatives, there are committees, and harvesters speak for their respective fleets.

There is a possibility that individuals who don't get to participate in that process may not feel engaged, but the department is speaking to crab fishermen and fishermen in other fisheries every year.

Mr. Fin Donnelly: Representation is an important point that you left out. The department consults with representatives, not everyone. How are the fishers who aren't represented or don't feel represented able to be listened to?

Ms. Jacqueline Perry: The committee structures in place assume the committee representatives, who are elected democratically by their fleets, consult with their constituents and bring forward their perspectives.

Mr. Fin Donnelly: When it gets to the point of an ATIP, how is it that it gets to that point as opposed to—does the department say you're going around the dedicated process here, and you have to work through your representative? How is it that an individual crab fisherman would do an ATIP as opposed to the department saying we can get you that information?

Ms. Jacqueline Perry: We provide information to individual harvesters as well. I obviously can't speak to the motivation behind an individual putting in an ATIP request.

Obviously they were dissatisfied with the responsiveness, but in general we have our formal consultation process, and we also hear from individual harvesters all the time. We respond to their inquiries to the best of our ability.

Verna, do you want to speak?

Ms. Verna Docherty (Acting Manager, Licensing Policy and Operations, Region - Maritimes, Department of Fisheries and Oceans): I would like to speak to the consultation process within Maritimes region. Similar to what Jackie has explained takes place in Newfoundland region, we do have annual advisory committee meetings with the nominated representatives of the fishing industry.

In addition to that, in the winter months of 2017, Maritimes region undertook a licensing policy review whereby we sent an open invite to every core licence-holder in the Maritimes region to attend open sessions to discuss the licensing policy.

The department in particular brought three issues. They related to the eligibility to qualify for full time that would allow someone to acquire an enterprise. We spoke to our substitute operator of provisions for vacation time, and we also spoke to flexible partnerships.

We opened the floor to any comments and suggestions that people wanted to bring to the table. Over 500 people attended the sessions. More than 400 feedback forms were mailed in. I don't recall a single one that spoke to vessel replacement rules.

People wanted to speak about owner-operator, the independence of the fleet, and transition mechanisms to allow them to move their licences to their family members when they were done. Vessel replacement policies were not brought up at this very open process by the fleets or even the individual licence-holders.

Mr. Fin Donnelly: Thank you very much for that. It's helpful.

Could you talk about why and how fishers would go about adding vessel extensions to their boats? Why would they do that, and what's the process to do it?

Ms. Jacqueline Perry: I'm going to ask Verna to speak about the situation with the crab fleets because it's illustrative of how the issue of a platform or a stern extension was identified as a need, and the department responded accordingly.

• (0920)

Ms. Verna Docherty: It was actually the lobster fishery in the Maritimes region. In lobster fishing areas 33 and 34 on the southwest coast of Nova Scotia, they have been limited since 1980 to vessels that are no more than 45 feet in length overall. In the late 1990s and early 2000s, people were pushing and at times surpassing that limit, and found that they were able to get away with it by the stern extensions, which weren't being registered in DFO's licensing system as part of the length overall of the vessel.

In 2002, following a couple of years of consultation with the advisory committees of those two groups, the department did mail out a ballot, a survey, to license-holders in those areas, asking if they wanted the 44'11" limit to be respected, if there was any leeway for a stern extension, and what such a stern extension should look like. There was majority support to maintain the limit at 45 feet, but there was also majority support to allow a moderate extension of no more than five feet.

To get back to the beginning of your question about the motivations, I could make a supposition but it would be just that. I expect it would be to carry more gear so they can do it in one trip instead of two trips, and to be able to haul more fish.

The Chair: Thank you very much.

Mr. McDonald, you are up for seven minutes again.

Mr. Ken McDonald: Again, this is just for the information of the committee, because Mr. Donnelly, a colleague across the way, mentioned having to ATIP information. The fisherman who did that, who made a request under ATIP and got the information about the change in some regulations, will be appearing before the committee as a witness. You'll be able to ask him first-hand why he had to take that route to get the information.

I know it was mentioned that the consultation is done with representatives of the different fleets. The representative, I guess, for anyone in the fishery in Newfoundland and Labrador is FFAW, which is the union, and right now there's quite a battle on between another body trying to be the union, and the union itself. A lot of things are done behind closed doors because that union doesn't want anybody else to know what's on the go. They decide what gets done and what doesn't. I'll give you an example and perhaps Ms. Perry can respond to it.

Last year, for example—and I've provided copies to my colleagues—when somebody went to register their boat, as part of the application, there was a form provided that allowed them to put a five-foot extension onto the stern of the boat that would not be included in the overall length measurement. So if you had a 39'11", you could put this five-foot extension on. There was a diagram showing how it had to be done, how it had to be attached, the whole bit, and you could use that, and it wouldn't be included in the overall measurement.

But this year, when you go to pick up the same application, it's changed. The diagram has changed. Somewhere through the process, they began to tell fishermen they had the wrong diagram with the application. To me, it's like buying your ticket from Air Canada, and Air Canada comes back and says you got a bargain you weren't supposed to get.

I know a fisherman who had a 44'11" boat. He had to cut five feet off the stern to go to 39'11". Then he applied to put a five-foot extension onto the deck. This is how crazy this gets. It cost him tens of thousands of dollars. He did it last year, managed to get a little bit of fishing in by the time he got it all done. This year he gets a notice that he has to remove it, they're not allowing that anymore because they're including it in the overall length of the vessel.

He can't register his vessel today to get ready to go fishing in April unless he removes the five-foot extension that was put on as per the regulations given to him last year. That change was made after consultations between DFO and FFAW, behind closed doors, without taking any consideration of harvesters whatsoever. I know of three who did it, and they have to go to the expense now of either removing it, or cutting their vessels, or doing whatever, if they want to be able to fish. They're supposed to be getting ready to fish now for April, but they've got appeals in. There was one appeal heard this week. He's been told it could take four weeks to hear whether he has won his appeal or not. Another fisherman is still waiting to find out when his appeal is. The fishing season will be here and done.

If that's consultation, then I'd like someone to define what's not consultation, because it is not happening. With regard to that, you mentioned in Nova Scotia that the 44'11"s could put on the extra five feet. So that's not included in the overall boat length?

• (0925)

Ms. Verna Docherty: That's correct. We've amended the length-overall description specific to lobster vessels in lobster fishing areas 33 and 34.

Mr. Ken McDonald: They do want it to carry extra gear; that's where it came from. They wanted to carry more pots. It's no different for the crab fishery in Newfoundland. They want the extra space to carry the pots. It provides a bit more safety on the deck of the boat when you're actually hauling the pots. You have a little more room to work in a safe environment. That's one example of how it's different from Nova Scotia to Newfoundland. The rules are not universal.

There's another rule that exists, I've been told, in Nova Scotia. I had a fisherman tell me that he allowed his boat to be used in Nova Scotia, from Newfoundland. He wasn't using it. He was actually building a new boat. In order for him to take that boat back to Newfoundland to use it, he had to wait a full year before he could register it again in the Newfoundland fishery. In Nova Scotia, it takes a month. The rules are different province to province. It's not just in boat size. It's even in registry. On the Conne River Indian Reserve in Newfoundland, they can change it over in a day, but a fisherman who is outside the reservation has to wait a year before he can bring that vessel back to the Newfoundland fishery. It is something in the wind that...let's eliminate the Newfoundland fishermen because we don't want to be dealing with them. The union is not picking up on this. They're letting this take place.

Can somebody comment on that difference from one region to the other in registration, even for a vessel?

Ms. Jacqueline Perry: I believe you're speaking about what we call in the Newfoundland and Labrador region the 12-month rule. The status quo scenario is that when a vessel is registered in the name of a commercial harvester, it stays associated with that commercial harvester for 12 months. That's to ensure stability in the fishery so we don't have boats moving around randomly from harvester to harvester.

I believe that exemptions have been made for harvesters who have been able to do business arrangements with enterprises in Nova Scotia on a case-by-case basis. I'm not familiar with the particular circumstance that you're referencing. We have in fact approved harvesters to bring their boats back and re-register them on their Newfoundland- and Labrador-based enterprise when those types of business arrangements have been put in place.

Mr. Ken McDonald: This particular fisherman will be a witness here at committee as well, so he'll be able to enlighten the committee on why he couldn't do it.

With regard to vessel regulations, this same fisherman has a family enterprise. They have to have three vessels because they have six quotas. They can only fish two quotas on each vessel. Why would a vessel be limited to the number of quotas it can fish on a particular vessel? It was just last week I spoke to him. He said it's crazy. He has to use one boat to catch two quotas, another vessel to catch two quotas, and another.... They have to have three boats to catch their quota. Their quota is their quota, so why such strict regulations that are putting an onerous and financial burden on people who are involved in the fishery?

Ms. Jacqueline Perry: I believe you're talking about crab.

Mr. Ken McDonald: Yes.

Ms. Jacqueline Perry: The structure of the crab fishery is that we do have arrangements where there are combined enterprises where you have more than one individual quota associated with a particular enterprise. We also have buddied-up arrangements where harvesters can work together. The particular circumstances around the enterprise, the fishing operation you're describing right now, I'm afraid I'm not going to be able to explain them. I'm not familiar with the details of it or the particular configuration of that enterprise.

It sounds to me like you're dealing with a family arrangement where you have in fact multiple enterprises operating as opposed to one enterprise with multiple boats. That's typically not the way harvesting enterprises are structured. I believe there's a nuance there in that particular circumstance that doesn't represent the typical enterprise operation.

• (0930)

Mr. Ken McDonald: He did say it was just one family enterprise, but we'll ask him when he comes as a witness.

The Chair: I'm being fairly generous today, by the way, not just to you, but to everybody. I'm rather flexible in the timing.

Mr. Miller, five minutes, please.

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): Thank you, and thank you to our witnesses.

It's not always that Mr. McDonald and I agree, but listening to this ridiculousness makes me shake my head. I don't blame you for being frustrated on behalf of your fishermen.

I have many questions here.

You say, Ms. Perry, that the rules have evolved over 40 years. Why haven't they evolved in a manner that obviously makes a little more sense and is more beneficial? I'm trying to get my head around this vessel-length restriction.

Mr. McDonald is 110% correct. If you're going to give me a licence, I can only fish that licence. I don't fish commercially, but I do fish. If the limit is five salmon, I catch five salmon, or less on most days. However, I can catch up to that. It's the same thing when I go deer hunting. I can shoot one deer. I can bring a pickup truck to take that deer home, or I can bring my ATV. It doesn't matter the size of my vehicle. This, to me, makes zero sense. Unless somebody can comment as to the reason—and none of you have so far—I shake my head.

There's talk here about the bureaucracy in DFO and Transport Canada. I've heard that so many times in my 13 and a half years in this place that I'm convinced that, for both of them, it's nothing more than protecting their empire. They don't want to work together for the benefit of the little guy, and that's what this is about, benefiting the little guy.

My first question is this. He talked about Newfoundland and Nova Scotia, and the rules are not universal. Are these vessel-length rules applicable on the west coast, in the Arctic?

Some hon. members: [*Inaudible—Editor*]

The Chair: Mr. Miller, can I stop you for a moment? I'd like to ask all colleagues to please be respectful of who has the floor. Thank you very much.

Mr. Miller, please proceed.

Mr. Larry Miller: I hope I didn't lose time there.

The Chair: You did not, sir.

Mr. Larry Miller: Are these rules the same in the Arctic or on the west coast, yes or no?

Mr. Mark Waddell: There are vessel-length rules across the country, in all our fisheries. We strive for consistency, but not for the sake of consistency. We're developing.... I see your eyebrows furrowing on that.

We strive for consistency, but based on consultations with industry and with fleet segments. We work with them to find an economically viable model that will support the industry.

My understanding in preparing for today was that this was going to be focused more on the Atlantic, so I'm not quite as familiar as I perhaps need to be on the Pacific side.

Mr. Larry Miller: All I asked was whether it's universal all over the country.

Mr. Mark Waddell: There are vessel-length restrictions in all fisheries in Canada.

Mr. Larry Miller: In all regions.

I can tell you that there aren't in Georgian Bay and Lake Huron. All I have left there are aboriginal fishers, and they've pretty well destroyed the fishery. They can fish with a 16-foot or 18-foot open boat, or they can fish with a 35-foot or 40-foot tug, which there are a bunch of.

Mr. Mark Waddell: Inland fisheries—

Mr. Larry Miller: Either way, they've destroyed it, so you can't tell me that those vessel lengths are in place there. Either that or they're breaking the law, which leads me to the next thing. This is something that the government can deal with—Mr. McDonald and the rest of you.

If somebody from the Conne River reserve can bring their boat back the next day, yet somebody who lives outside the reserve can't, that's a double standard. It's the same thing in Ontario. We have to give our native communities a job opportunity, an economic opportunity, but it has to be on the same footing as everyone else, or it's a double standard, and I'll never get my head around that.

My next question is about unions, and I think I understood Mr. McDonald. Why or how do unions have any iota of say on vessel length? Can somebody answer that?

• (0935)

Ms. Jacqueline Perry: In the Newfoundland and Labrador context—Mr. McDonald is absolutely right—we have an organization called the Fish, Food and Allied Workers Union, who have been the certified bargaining agent of inshore commercial fishermen for many years. They do not have the only say—far from it. We engage with harvesters directly. They, of course, bring a perspective to the table. It is their organization—

Mr. Larry Miller: The unions do...?

Ms. Jacqueline Perry: The Fish, Food and Allied Workers Union in Newfoundland and Labrador is the certified bargaining agent.

Mr. Larry Miller: Can you tell me what they might bring to the table?

Ms. Jacqueline Perry: They provide a structure, through their committees and harvester representatives, to engage with the department during our consultation processes. That's one forum in which we—

Mr. Larry Miller: Okay. I could come to the table, Ms. Perry, with all due respect. I have nothing to add to the fishery, because I don't know much about it. My point is, why are the unions allowed at the table? What do they bring? In my opinion, they don't bring anything. It should be the fishermen, the processors, and that kind of thing.

Anyway, I'll move on from there to my last question—

The Chair: I'm sorry, Mr. Miller—

Mr. Larry Miller: Am I out of time?

The Chair: Well, I did interrupt you, so I'm going to ask you to please keep it very short.

Mr. Larry Miller: I will.

There's a document I have here from the Library of Parliament, "Individual quota (IQ) management systems were later introduced by DFO to manage catch. However, LOA restrictions remained" and

fishermen have said that the replacement rules were now less necessary.

Can you comment on that? You now have both LOA and IQ in there. Shouldn't one be enough to control your objective?

Ms. Jacqueline Perry: I think I'll come back to some of the points that I raised in response to Mr. McDonald's question earlier. Our enterprises are typically multispecies enterprises. They're not fishing only one species, and not all of the species that they would be fishing are individual quota. They will finish their crab fishery, which is an individual quota, but then move to a competitive fishery such as capelin or groundfish.

When you look at a multispecies enterprise configuration, the length overall restriction becomes relevant, because it caps harvesting capacity, it speaks to enterprise viability, and it speaks to competitiveness between participants in a particular fishery. It's the multispecies aspect that gives us some rationale for retaining the length overall, at least in significant part.

The Chair: Thank you.

Before we go to Ms. Jordan, I'd like to point something out. The Transportation Safety Board was invited today but could not provide someone. I know there were questions around Transport and Fisheries on these regulations. We are working on getting someone from the TSB to be here as a witness. That's just to let you know that we're not ignoring them. We're going to try to bring them in at some point.

Ms. Jordan, please, for five minutes.

Mrs. Bernadette Jordan (South Shore—St. Margarets, Lib.): Thank you, Mr. Chair, and thank you to the witnesses for being here today.

I represent LFAs 33 and 34 in Nova Scotia. It's interesting, I think, that you've mentioned that they've capped length—maximum vessel restriction—to 45 feet, but as you're probably aware, they're making the boats wider now. Good on them, you know: it's solving their problem of making sure the gear gets out in one trip as opposed to two. They're not dealing with length. They're dealing with width. Among the challenges we face with this now is that where we used to be able to berth three vessels at a wharf, we can now berth only two. As you know, if someone has a berth, they have a berth; it's not a matter of the width or the length. They have the berth. That's causing some backup and some problems in our small craft harbours.

Can anybody comment on that, on the width as opposed to the length? We have vessels now that look like boxes. They're square so that they can do their job. If they don't want to increase the length but they can still get their gear out in a different way, is this possibly another solution? If we're stuck on length, why isn't width an issue as well?

Ms. Verna Docherty: In the groundfish fisheries, we did remove the cubic number restriction. Back in 2003, the minister allowed community management boards in the fixed-gear, less-than-45-foot groundfish fisheries to decide their own fate for cubic number restrictions. Since that time we have seen that this is a growing concern—pun intended—

• (0940)

Mrs. Bernadette Jordan: It's all good.

Voices: Oh, oh!

Ms. Verna Docherty: Certainly it has been raised as a concern by my colleagues and my contacts in small craft harbours. I understand that there is going to be a study by this committee of small craft harbours coming up, so I think I'll leave it there for them to comment on that issue further.

Mrs. Bernadette Jordan: Does anybody else want to comment on it? No?

I'm going to turn my remaining time over to Mr. McDonald. I think he still has another couple of questions.

Mr. Ken McDonald: Thank you, Bernadette.

Ms. Perry, you mentioned that the last review was done in 2007 with regard to vessel length and consultation. About a year ago, maybe, I met with your predecessor, Mr. Anderson, and he referenced that as well: that it's been 10 years since it's been done. He felt that it was probably time to do it again. Usually they try to do it every 10 years. Will your department commit to doing that vessel review sooner rather than later, now that over 10 years have passed?

Ms. Jacqueline Perry: I think I'm reluctant to commit the department, but I think we've demonstrated that we are, in fact, open to hearing from fleets. We've got several examples of instances in which we've done that. We're not averse to having conversations with the fishing industry either as a whole or on a fleet-by-fleet basis for their particular needs around vessel length.

We do have some concerns about exemptions based on individual requests. When we have lack of compliance with the vessel-length rules, it's harvesters themselves in the fleet who bring these lack-of-compliance cases to our attention. Harvesters have concerns about individual exemptions. We would be more than open to having conversations with fleets on whether or not the current vessel rules are appropriate in today's fishery or whether they need to be revisited. This includes matters such as the stern extensions and whether there is an argument to be made based on the nature of the fishery today that temporary removable extensions are prudent and safe to be used in fisheries.

Yes, we're always open to those kinds of things but definitely reluctant to do so on an individual case-by-case basis because of the controversy that this creates within fleets.

Mr. Ken McDonald: On the vessel extension that you just mentioned and consideration for it, if the vessel extension thing stays as is now, according to the rule today, when you pick up an application to register your vessel, how are you going to deal with everyone who has this extension on? There are literally hundreds of people who have this extension on their boat. It may not be registered. You may not even know it exists, but those who did it by the books, you know about them, and you can tell them to take it off.

I've been told, and I've actually seen vessels that have the extension on, they're still 39'11" or 34'11", whatever it is, that nobody knows. Are you going to go all throughout Newfoundland and measure vessels to see who's abiding by the rules? If you're making one person abide by the rules, you should make everybody abide by the rules. You've got a lot of work ahead of you between now and April to get these boats measured to see who's abiding and who's not.

Ms. Jacqueline Perry: It would be our fishery officer cadre who would be involved in following up on investigations when we get indications that lack of compliance exists. Obviously, it's not practical for us to measure every single boat. We are taking action to investigate reports that are brought to our attention, and that is something that is taking place.

Rigour to the degree that we can introduce it into the system is taking place, yes. While we may have a lot of instances of these platforms out there, we are only aware of a couple of cases in which we have followed up. It's going to be a very challenging spring if it's as pervasive as you say it is, yes.

The Chair: Thank you very much, both of you.

Mr. Arnold, you have five minutes, please.

Mr. Mel Arnold: Thank you, Mr. Chair. I appreciate the time we have today.

Looking again at the brief that was prepared by the Library of Parliament for us, there's a description of fisheries licensing regulations and policies. Atlantic fishery regulations, 1985, set out among other things vessel classes and vessel-length parameters for Atlantic Canada fisheries. Then there are about three different bullet points about how the fisheries policy in Newfoundland and Labrador sets out policy there. The aboriginal communal fishing licences regulations gives the minister authority to issue communal fisheries licences. Commercial fisheries licensing policy for the gulf region aims to clarify requirements and eligibility criteria established by the minister with respect to licensing and commercial fishing in the gulf region.

Again, I have to agree with Mr. McDonald about how the confusion results from vessels being transferred from region to region, and how fishermen are expected to try to comply with these varying requirements. We were also provided with a table, and there seem to be discrepancies from region to region and from province to province. Can you explain that?

• (0945)

Ms. Jacqueline Perry: I'm going to give the floor to my colleague from headquarters to start off, and then perhaps the regional folks can bring forward their particular perspectives.

Mark, do you want to start us off?

Mr. Mark Waddell: The fishery general regulations are the chapeau piece of which the Atlantic fishery regulations from 1985 are a subset. In essence, they're building blocks for the policies that have developed in discussion with the fleet sectors across the country, specifically across the Atlantic, over the last number of years.

We've had an evolution of the fishery from small vessels towards larger vessels, from single species towards multi-species, so the policies that support the department and support the issuance of licences have likewise evolved over that 40-year span. The last major consultation that was sort of pan-Atlantic was when the 2003 consultations were undertaken to develop a set of 10 principles that were specific towards vessel-length replacement policies. Then various regions, as Jacqueline has alluded to, have had subsequent consultations in 2007 and 2014. They're a building block, in essence.

Mr. Mel Arnold: I want to go a little further on Mr. Miller's question a few minutes ago about how vessel size and vessel replacement rules were less necessary following the introduction of individual quotas. Could you elaborate a little more on that?

Could lifting vessel-length restrictions with individual quota fisheries increase pressure on the resources? It sounds like, even originally, the regulations and individual quotas were put in place for conservation considerations.

Mr. Vincent, go ahead.

[*Translation*]

Mr. Patrick Vincent: Thank you.

You referred to the very important issue of resource conservation. Initially, limiting fishing capacity to a certain level was a big part of the reason for vessel length restrictions and also for the cube volume of vessels. With the introduction of individual quotas, and later transferable individual quotas, restrictions had less of an impact on conservation issues.

That said, we should note that individual quotas can be very effective and can result in the elimination or changes to vessel length restrictions. This works well when the resource is available and landed prices are good. These factors can be less impactful due to the market, exchange rates, or resource conservation. That is currently what is happening with shrimp. A larger vessel is more costly. This puts a great deal of pressure on both the fisher and the department. Thus, we have to find solutions to make the vessel profitable. As I already mentioned, a larger vessel is necessarily more costly. In this context, there can be a perverse effect on conservation. Increasing vessel length can put pressure on conservation.

We have not talked about the owner-operator issue. What happens if the fisher wants to transfer his licence and enterprise to a new entrant?

If the vessel is larger as a result of a merger of the enterprise, the transport cost will necessarily be much greater. In these conditions, new fishers face a barrier to entry in that it is much more expensive to purchase a fishing enterprise. This creates financing problems. An owner who must access financing may enter into controlling agreements.

The socio-economic aspect is also taken into consideration in consultations with fishers' associations and unions. This is an extremely important aspect when considering vessel length.

• (0950)

[*English*]

The Chair: Thank you.

We may do a lightning round at the end of this, by the way. Don't be alarmed by the term, it's just a very quick question and answer. I apologize. It's been so smooth so far.

Now we're going to Mr. Morrissey for five minutes, please.

Mr. Robert Morrissey (Egmont, Lib.): Thank you, Chair, and I do agree with the observations made by Mr. Vincent. I believe a lot of the issues we're dealing with today go back to the fact that the primary tool that DFO used for managing the fishery over the years was controlling the size of the vessel, especially with inshore fishers. That has changed dramatically in the last number of years and it's almost as if DFO's policy has not kept up with the evolution of the industry and the fleet.

While I would agree with you that DFO must maintain control of vessel length where it involves those species that are not individually controlled, when you look....I'll focus on the lobster industry. The lobster industry is probably one of the most controlled fisheries. It's controlled within specific seasons, it's controlled by how many lobster traps the fishermen can use.

In fisheries like that, the overriding decision should be one on safety and efficiency of the fisher to make a catch. This is where DFO loses credibility in the eyes of the community, when they sometimes pay more attention to the vessel being two inches longer than it says it's supposed to be. They focus on that instead of the conservation of the resource, on which in most areas now the department is doing a very good job.

We hear Mr. McDonald point out the frustration level on two things and I'm going to ask you to comment on that. One is there appears often to be just an inordinate amount of time in dealing with the paperwork to change something and the ability.... Some of these policies seem to make no sense, other than to frustrate the fisher. When you're looking at vessel length...and we went through this in the gulf region years ago. I believe it changed in 2003 when there was a review of the inshore fishing fleet, because again, you couldn't fish in a boat of 45 feet, but you could fish in one 44 feet 11.5 inches, and you think, why?

That's the frustration level that you get from the inshore fishers who are simply looking at it for safety, for the efficiency of fishing. And the fishing gear has gotten larger, but still it's controlled within that resource.

Could you comment on what you've been doing at DFO to look at the ability of timely response to fishers when they come in because six weeks.... Often a situation will present itself to the fisher where they need an immediate answer, and it just seems to take forever to get an answer to a simple position.

I simply want to leave the one comment that of course DFO should be managing the resource, and a lot of them you're doing very well, but at the end of the day, I think you have to also look at the safety of the fisher and the efficiency of the fisher in pursuing their catch.

Ms. Jacqueline Perry: I'll start, and then I think my colleague Verna has a comment, as well.

I want to pick up on the responsiveness to the individual harvester and the time that it may take to get a response or to adjust. In instances where we have had harvesters with vessels registered that exceed their eligibility, we have allowed them some time to make that adjustment. For example, we have allowed a vessel to be used in the current year with the expectation that they would be brought into compliance with their eligibility in the following year. We're trying to mitigate the economic impact that adjustment will have on harvesters by allowing that flexibility. Sometimes these lack of compliance situations occur because the harvester didn't know, didn't realize, or because they were able to purchase a vessel that was fairly inexpensive but still too large for their eligibility. There are various circumstances, and we do try to work with them to mitigate the economic impact.

Verna.

• (0955)

Ms. Verna Docherty: I'd like to speak to the situation in southwest Nova Scotia, where we did allow the five-foot stern extensions on lobster fishing boats. Many of those enterprises also had groundfish fixed-gear, less-than-45-foot licences. When the department made the announcement in 2003 that this would apply in the 2004-05 lobster fishing season, we were scrambling to determine what the spinoff consequences would be on the fixed-gear groundfish fishery in that area. At the end of the day, over a period of no fewer than six consultations with the fixed-gear groundfish fleet, we finally, in 2008, extended this modification to that fishery.

In short, the reason is that change is hard. Change is really hard. Sometimes people become very comfortable with the status quo. We did what we could to work with the industry representatives to make that change, something that would simplify life for them and people in that area. Still, it took us from 2004-05 to 2008 to get the representatives for the fishery on board to allow that change.

The Chair: Thank you very much.

Before we get to Mr. Donnelly, I'll just remind everyone that we do have a bit of time. When Mr. Donnelly's finished, you can ask a quick question. We don't need to turn this into a 10-minute monologue, which is not a reflection on anybody in this room. Let's just have quick questions to ease our way out.

Now, Mr. Donnelly.

Mr. Fin Donnelly: Thanks, Mr. Chair.

I want to go back to Mr. McDonald's and Mr. Miller's frustration with the consultation process. They had lots of questions and they gave long comments, but there wasn't a response from the department. I want to see if you could come back, if you want an opportunity to provide a response to their frustration. They were saying they're shaking their heads about how this could happen. There was also a comment about how every decade we do a review, and a comment earlier about how long it takes, three or four years to go through with the changes. Could you respond to these comments about frustration in the consultation process, how to respond to fishers who have specific needs?

Ms. Verna Docherty: I wanted the opportunity to reply to Mr. McDonald's earlier questions, so this is perfect for me. Essentially, he asked about the department and its willingness to engage in a review or have consultations on vessel replacement policies. Essentially, the department's been very open to that, especially since 2003 when we released our set of 10 principles to screen any proposal against.

One key criterion was that the proposal should come from the fleet or have the support of the fleet. It's difficult to engage in these discussions with a single member in a competitive or quasi-competitive fishery, because then it becomes a case of what's given to one must be given to all. In that case, I may as well have had those consultations with the entire fleet.

I don't want to suggest or leave you with the opinion that the department isn't open to having these consultations and these discussions. We are. We welcome them all the time. I believe we've shown the Maritimes region that we're open to amending vessel replacement policies.

Mr. Fin Donnelly: In your opening remarks, Ms. Perry, you said there were concerns around approval of exemptions for individual harvesters, given that this may enable individuals to overfish certain species. The department's trying to control the length of the vessel, the quota with ITQs, and other measures. How could this happen where they overfish?

• (1000)

Ms. Jacqueline Perry: At the risk of repeating myself, I'll reiterate that not all individual fisheries are individual quotaed or individual transferable quotaed. There are a significant number that are not—they're competitive. The larger the boat, the greater the harvest capacity, and the greater the potential for individual species to be over-exploited. It focuses more on those fisheries that are not allocated on an individual licence-holder basis.

Mr. Fin Donnelly: You're saying that size restriction is the way to deal with conservation there.

Ms. Jacqueline Perry: In part it is. It's one of the tools we have.

The Chair: Thank you.

We will quickly go into our lightning round.

Before we do, I just have a very quick question, Ms. Perry, for clarification. Some are competitive, some are IQed in the region of Newfoundland and Labrador. Do we have an idea of percentages of all this? Let's take a look at the harvesters. How many would be in the competitive field? How many would be in the IQ sector?

Ms. Jacqueline Perry: In Newfoundland and Labrador we have relatively few fisheries with individual quotas, snow crab being one of the most prominent. As well, 3Ps cod, south coast cod, has an IQ regime.

The Chair: Does shrimp?

Ms. Jacqueline Perry: No, shrimp is competitive. There is a regime of caps, almost like a harvest limit, but it isn't an individual quota. It works essentially the same operationally on the water, but technically, from a regulatory perspective, it isn't an individual quota.

The Chair: Is it only shrimp that has the cap?

Ms. Jacqueline Perry: There are other similarly managed species. Northern cod, for example, has a system of weekly limits as opposed to individual quotas, and some pelagic fisheries, which go very quickly, are also controlled, and it's in part conservation, in part to control the rate at which the catch comes ashore and into the processing plant, so there are a variety of fishery management objectives in play there when we look at allocations using those kinds of tools.

The Chair: Thank you, Ms. Perry.

Thank you, committee, for obliging me there.

Ms. Jordan.

Mrs. Bernadette Jordan: In Newfoundland and in New Brunswick you have FFAW, MFU, and organized groups that you consult with that represent a wide number of harvesters. What do you do in southwest Nova Scotia where there isn't that one governing body? How do you actually consult with the harvesters to get feedback if there isn't one representative group?

Ms. Verna Docherty: There isn't one umbrella organization representing licence-holders in Nova Scotia, but there are several that are quite large and that represent multi-licensed enterprises. The Eastern Shore Fishermen's Protective Association and the Grand Manan Fishermen's Association do represent multi-licensed enterprises.

In the case of southwest Nova Scotia in particular, I can speak to groundfish quite knowledgeably. They do have the community management boards, and the department does require the community management board to be registered under the Societies Act. As a result, they are required to have annual general meetings at which they elect their representatives. Those are the representatives who come forward to represent industry at the advisory committees.

Ms. Jacqueline Perry: I just want to add as well that while in the context of Newfoundland and Labrador we do have the Fish, Food and Allied Workers Union, we don't engage with exclusively them. Our advisory processes are structured such that we have a wide variety of stakeholders, and occasionally, depending on the fishery and depending on the issue, subsets, subfleets within the FFAW structure, engage with us directly, so we aren't singularly focused on the FFAW as the one certified bargaining agent for inshore harvesters.

The Chair: Mr. Arnold.

Mr. Mel Arnold: I want to pass on one question to our analysts that can be dealt with outside of this, but while we have our witnesses here today, I'd like to further discuss it with Mr. Vincent.

You were describing the concerns over conservation measures that were the original reason for length requirements. Now we've gone to ITQs. The quota system is used somewhat to manage harvest levels and so on, but you said with larger boats there were higher costs and more pressure to be able to manage those costs.

It seemed to me you were indicating there's been pressure on the department to increase quotas, to increase availability of species for certain fisheries. Is that the case? Have you seen pressure because of increased vessel size to allow greater catch?

● (1005)

Mr. Patrick Vincent: Yes. I've seen that on many occasions. I can relate to it as early as in the 1990s when groundfish fishers had an individual quota in Quebec. They all had renewed fleets. Then the cod crashed, and the same with the redfish. There was extreme pressure at that time and they had individual quotas so they had the opportunity to trade their quota before the actual crash of the groundfish fishery. But we had many instances where not only was there pressure on the respective governments—provincial and federal—to help financially this fleet, but also they had many requests to get access to snow crab, and then shrimp, to keep their livelihood and to keep having an industry in the regions.

We saw the same thing with the shrimp fishery in 2008, and just before that. The quotas were very good but there was a steep crash in the prices. Necessarily when you have that, they need help from government or they'll seek other resources, or they'll be very risk adverse to having the quota go down and follow the decision rules regarding quotas because then it's their own viability that's at stake. The more expensive the boat, the more pressure it puts on the individual fisher to get the solutions when you see those variations in the resource or the prices. So, yes, you can see that.

Right now we're seeing that in the gulf fishery. In the shrimp fishery, the quota has to come down because it's a resource issue. Of course, the first defence from the fishers is to say, "Are you sure you have the right advice? We should probably stay at the same quota and see how it goes before it goes down." There's that in and around the fishers, and it could have an adverse impact on resources when the assets are too expensive.

[*Translation*]

The Chair: Thank you, Mr. Vincent.

[*English*]

Mr. McDonald, I skipped over you. My only excuse is that we can save the best for last, I suppose. Nevertheless, it is your study and we are going to end with your questions.

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

Again, thank you to the witnesses for being here today.

I just have one comment to you, Mr. Chair. I think you were asking about some of the competitiveness. I believe the scallop fishery in 3Ps is competitive as well. There's no IQ or anything on that. They just fish it. There are no limits set on what they can catch or bring in. I know that the fishery in general...and it's no surprise to anyone.... The shellfish industry, whether it's shrimp or crab, is declining in Newfoundland and Labrador, and probably over the next number of years we're going to transition to a groundfish fishery again versus the shellfish. I really think with that consideration and what would be required for vessels to do, now would be the time to start a vessel-length review because of the changes that are going to come in the fishery. People who are now big into crab are going to have to go big into something else because that resource is not going to be there and it's not going to be so lucrative. They're not going to get \$4.39 a pound for cod any time soon, which is what they got for crab last year, and probably are going to get again this year. I would think that the department would consider doing that vessel-length regulation review sooner rather than later to accommodate the change that's about to come in the fishery itself.

• (1010)

The Chair: Go ahead, Ms. Perry.

Ms. Jacqueline Perry: I don't disagree. We've been contemplating for a couple of years now the shift from a shellfish-dominant regime to groundfish and what is needed in the industry to prepare ourselves for that and respond to that. Processing capacity, harvesting capacity, what kind of gear are we going to be fishing? All these things are being contemplated. What's needed to supply a quality product year round in a groundfish regime is something that we're working on; and quite certainly, vessel length, vessel design, would be part of that discussion.

The Chair: Thank you, Ms. Perry.

I just have a very quick question. You said that the FFAW acts as the bargaining agent. I'm understanding they're officially a bargaining agent provincially, but are they officially a bargaining agent for the federal government, DFO, as well?

Ms. Jacqueline Perry: This is a question that we've been debating ourselves, nationally, from the perspective of engagement of stakeholders through our many advisory processes.

The FFAW is certified under provincial legislation to represent inshore harvesters, for the purposes of price negotiation. The department has acknowledged that role and, over many years, has consulted with the FFAW, in addition to other stakeholders, on all issues related to the inshore fishery, but not exclusively so. For example, although they are the certified bargaining agent for all inshore harvesters, where there are specific issues that involve—For example, the mobile gear inshore fleet have a particular type of fishery on which they need to engage with us. We engage with them directly. Sometimes harvesters in a particular geographic area, such as Labrador, have a particular issue and we engage with them specifically.

We don't universally deal with the FFAW on all matters. They are a significant stakeholder and we continue to engage with them, of course, but we also have an open dialogue with harvesters directly, depending on the issue and the fishery.

The Chair: Thank you, everybody.

Folks, we're going to break for a few minutes. We have committee business and we have a fair amount to deal with. We'll be going in camera for that.

[Proceedings continue in camera]

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