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Chair: Mr. Ken McDonald



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• (1530)

[English]

The Chair (Mr. Ken McDonald (Avalon, Lib.)): I call this meeting to order.

Welcome to meeting number 111 of the House of Commons Standing Committee on Fisheries and Oceans.

This meeting is taking place in a hybrid format, pursuant to the Standing Orders.

Before we proceed, I would like to make a few comments for the benefit of our witnesses and members.

Please wait until I recognize you by name before speaking, and please address all comments through the chair.

Before we begin, I would like to ask all members and other in-person participants to consult the cards on the table for guidelines to prevent audio feedback incidents. Please take note of the following preventative measures in place to protect the health and safety of all participants, including our wonderful interpreters. Only use a black, approved earpiece. The former, grey earpieces must no longer be used. Keep your earpiece away from all microphones at all times. When you are not using your earpiece, place it face down on the sticker placed on the table for that purpose. Thank you all for your co-operation.

Pursuant to Standing Order 108(2) and the motion adopted on February 15, 2024, the committee is resuming its study of scales used by the Department of Fisheries and Oceans to set redfish quotas.

Today we have with us Sylvie Lapointe, president of the Atlantic Groundfish Council. Welcome. Thank you for taking the time to appear today.

You will have five minutes or less for your opening statement. You have the floor.

Ms. Sylvie Lapointe (President, Atlantic Groundfish Council): Thank you, Chair.

Good afternoon, everyone. I appreciate your inviting me to be here today.

I would like to first introduce the Atlantic Groundfish Council to you. We represent year-round groundfish harvesters in Atlantic Canada. We are committed to a balanced, sustainable groundfish industry that puts the responsible management of the resource first and foremost. Whether they are based in Lunenburg, Nova Scotia,

or Arnold's Cove, Newfoundland, our members believe the future of tomorrow is based on the decisions made today.

Our members have been part of the groundfish fishery for generations and are deeply passionate about its future. These are family-owned and indigenous-owned local companies. Collectively, AGC members employ thousands of Atlantic Canadians in primarily year-round jobs, with an annual payroll for local employees exceeding \$200 million. They spend another \$400 million on goods and services from local businesses annually and donate millions to community organizations and charities every year. They provide quality employment opportunities, and those employees are often the heart of rural communities, serving as volunteer firefighters, coaches of youth sports teams, breakfast program volunteers and the lifeline of many clubs and organizations. AGC members provide economic stability in coastal communities, which often have limited alternative access to economic opportunities.

In terms of the redfish history, the unit 1 redfish fishery is not a new fishery, neither in policy nor in practice. An ongoing fishery has been conducted at a reduced level, according to DFO-defined proportionate quota shares, for many years. The offshore sector, which owns and fishes from small, medium and large boats and operates coastal production plants, developed the commercial redfish fishery. Its historical quota share of gulf redfish was 78.7%.

Stability of quota shares is a key piece for us. Long-established quota-sharing arrangements are the foundation of responsible, transparent fisheries management in Canada and are firmly entrenched in current public policy, including for reopening closed fisheries: "Where closed fisheries are reopened, the Minister...will generally respect historic fleet shares, reflecting past participation in and dependency on a particular fishery as the basis for allocations."

Stable quota shares enable right-sizing harvesting capacity to the resource; help fishers make long-term plans with confidence; promote a conservation ethic to harvest for tomorrow; promote self-reliance; protect investments made in good faith, including by indigenous groups; facilitate better-quality products and economic efficiencies; and provide transparent decision-making. I would note that at the international negotiating table, Canada's position on reopening closed fisheries is clear: to respect existing quota shares.

In terms of the decision made by the minister earlier this year, although AGC members have been painted by some as a winner in the decision, these local companies lost 20% of their share and feel that loss deeply. That includes indigenous licence-holders from seven Mi'kmaq communities in Nova Scotia and Newfoundland and Labrador through their 50% ownership of Clearwater Seafoods. These businesses have reinvested tens of millions of dollars in the redfish fishery. They have continuously participated in good faith in the commercial, index and experimental fisheries since their development, going back to the 1950s, based on government's sharing arrangement policy.

Looking forward, we respect the government's goals of increased indigenous participation in fisheries and continually express our willingness to help reach those goals. We've also chosen to accept that an almost doubling of quotas for inshore harvesters in Newfoundland, Nova Scotia and Quebec comes at our expense.

The rebounded redfish stock in the gulf presents a real opportunity for people and communities throughout Atlantic Canada and Quebec, but in a highly competitive global market, industry needs to be equal parts realistic about the opportunity and focused on achieving it together. The task for industry is to harvest, process and market the right-sized redfish to the right markets, in the right product form, at the right time of year. The more successful industry is at achieving that, the better news for everyone.

● (1535)

We have a lot to offer the industry as we move closer to the opening of a commercial redfish fishery. We are familiar with existing and developing markets. We are continuously willing to invest in marketing and sustainability requirements. We have experience harvesting quality redfish in a fleet of vessels that vary in size from 61 feet to 245 feet. Our processing experience is held by local employees, and we already hold MSC sustainability certifications for five groundfish species in Atlantic Canada, with another five under fishery improvement projects that secure access to many markets.

Those efforts borne by the AGC and its members benefit harvesters from all fleet sectors who fish those species.

Thank you.

The Chair: Thank you for that.

We'll now begin with our first round of questions.

We'll go to Mr. Perkins first, for six minutes or less, please.

Mr. Rick Perkins (South Shore—St. Margarets, CPC): Thank you, Mr. Chair.

Thank you for attending, especially after the technical challenges last time. We appreciate your coming back, and we appreciate MP

Barron's invitation to try to make sure that you got to a point to present on this important issue.

I represent South Shore, Nova Scotia, where some of your members have facilities: Mersey Seafoods and Clearwater.

There's been a lot of controversy in the discussions about this, and we're still, I believe, waiting for the minister to set the TAC. We haven't actually seen the TAC yet, but I'd like to start by asking for a little info on the idea of the historical allocation. There's been controversy there, with people saying that it depends on which part of history you look at for the offshore fleet having the percentages you spoke of, versus different allocations.

Can you provide the committee just a little history, from your members' perspective, about how they got that percentage and why it's important?

● (1540)

Ms. Sylvie Lapointe: We acquired much of our harvesting access in redfish when others were not interested in participating in the redfish fishery because either it was not profitable or it had very little openness, access, in terms of a commercial fishery. Other industry participants took shrimp and crab licences instead of continuing or fishing for redfish. That is where our participation comes from.

It's been over 30 or 40 years that we've been involved in this fishery. We have invested heavily in the reopening of a redfish fishery in unit 1, in terms of processing plants as well as vessels. We have continually, as I indicated, participated in this fishery, whether that was when it was under a moratorium and there was only a test fishery or when there was an experimental fishery, and now we look forward to participating in a commercial redfish fishery.

Mr. Rick Perkins: Your members actually acquired access and paid the open market commercial rates at the time for that access in a willing buyer, willing seller sort of terminology. It wasn't obtained in some surreptitious way or allocation. They paid money for it. They kept the fishery going and continued to try to develop it when others weren't. Do you think it is fair, after all that investment, that those who sold now ask for it back for nothing?

Ms. Sylvie Lapointe: We are very much believers in a willing buyer, willing seller model, whether it be for access by inshore harvesters or indigenous participants. We feel that it is best left to the industry, once the government can state certain objectives for the fishery.

We feel that it's best handled by industry-to-industry or industry-to-indigenous discussions and negotiations, where everybody is a winner, as opposed to creating an environment where we're creating winners and losers. We feel that government really has no place in these types of discussions.

Mr. Rick Perkins: There has been a lot of discussion and sort of confusing testimony—at least to me—around the capacity or the size of the TAC that should be set. The minister has said that it's going to be at least 25,000 tonnes. There's the science that says that it looks like 80,000 to over 200,000 metric tons could be consumed—or should be, because it's having an impact on other species.

If the minister were to set the TAC at the lower end, at 25,000, could anyone, whether you're in the inshore or the offshore, actually make a living at it at the current price that redfish is fetching, which I think is about 35¢ a pound?

Ms. Sylvie Lapointe: Markets are very challenging. We've been trying to develop markets for redfish in Europe, Asia and parts of Africa since about 2020 in anticipation of the reopening of the unit 1 redfish fishery. We face a lot of stiff competition from countries like Norway, Iceland and Russia, which are really selling the larger fish, and I think members know that the fish we have in unit 1 are smaller than what the market is looking for.

In terms of the total allowable catch, we are comfortable with the floor that the minister has set. Having said that, we understand that other participants in the fishery would like to increase the total allowable catch beyond that 25,000 tonnes, and we would be comfortable with that, just recognizing that the higher you go, at least in year one, there are no markets to extract the maximum value out of this fishery.

Mr. Rick Perkins: I understand from my lobster fishermen that they were paying \$1.40 a pound for heads and tails of redfish for bait, but the fish itself is.... In at least one instance in my community, there were over a million pounds of the fillets, through the experimental fishery that's been going on, that are still in storage and unable to be sold.

If the minister does increase the TAC, how are we going to sell 25,000 tonnes, let alone 50,000 or whatever number, no matter who catches it? Where's the market for it?

Ms. Sylvie Lapointe: Well, it's probably not in Europe, because that is where they're looking at a fish that is much larger in terms of fillets. What we have been exploring are markets in China and Korea, where there is consumer interest in eating a whole small fish. We are trying. We've been investing quite a bit to try to develop a market there for the whole small redfish. We've been trying to market it not as a small redfish, but as something that is an alternative to a fish that they would already be familiar with in their own country.

• (1545)

The Chair: Thank you, Mr. Perkins.

We'll now go to Mr. Hardie for six minutes or less, please.

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

Really, the question that has been raised has to do with equity in the total allowable catch: Who gets what share of it? Traditionally, Nova Scotia has had the largest share, but it's also—according to a chart that I have in front of me—due to see a substantial drop in that share. Is that really the core of the issue that the committee is supposed to be looking at here?

Ms. Sylvie Lapointe: As I said, we've come to accept the decision that's been made by Minister Lebouthillier in terms of reducing our historical share. We strongly believe that those aren't the right decisions to make. People invest based on the shares they have. Banks lend money to companies based on the shares they have. When access and allocation are destabilized, there are no winners, and it's not a good way to proceed.

As I've said, we've accepted that decision. We hope that, going forward, other participants in this fishery will work with us to develop the markets to extract the maximum value out of this fishery.

Mr. Ken Hardie: We were given information that suggested there had not been a substantial redfish fishery for about 30 years. Obviously, if catches were available, they would be very constrained. Would this then explain and speak to Mr. Perkins' point that there doesn't seem to be a very robust market for this? It's the market infrastructure that also has to be re-established, if you like, to the degree that people will actually make money from this fishery.

Ms. Sylvie Lapointe: The challenge with the fish in unit 1 is that they've stopped growing. They're very small. They're about 25 centimetres, whereas the average size of redfish in the market is 40 centimetres. That really makes it more challenging to continue to service a traditional European market, let's say, or an American market. We really need to find a home for these smaller fish.

Mr. Ken Hardie: On the one hand, the stock seems to be growing to the point that a larger fishery is possible, yet, as you've noted, the fish themselves are smaller. What explains that? Does science tell us anything about what's going on? Why is the number of fish increasing, yet the size seems to be shrinking? What's happening there? Do you know?

Ms. Sylvie Lapointe: My understanding is that there are too many redfish and that's what's stunting their growth.

Mr. Ken Hardie: Okay.

Now, is there a correlation between the growth in the population of redfish and perhaps challenges with the shrimp fishery?

Ms. Sylvie Lapointe: It's clear that the redfish were eating a lot of shrimp and, certainly, changes in the ecosystem, as I understand it, have contributed to the decline in shrimp in the Gulf of St. Lawrence.

Mr. Ken Hardie: The processing infrastructure is in place. Is that correct? A fish-processing plant can handle redfish as easily as it could handle cod or any other species.

Ms. Sylvie Lapointe: We have members who focus solely on redfish as their primary business, so they already have the plants set up to be able to process more redfish. One example is Alain d'Entremont's plant in Digby, which is a relatively new plant, state-of-the-art and fully environmentally friendly, and that plant, as an example, is capable of processing fish. We also have members in Cape Breton, at Louisbourg Seafoods, who have the processing capacity, as well as Ocean Choice International in Newfoundland.

Mr. Ken Hardie: If in fact we're trying to look for a market for smaller fish, is there a danger that if we go into that population and catch too many, those smaller fish won't have a chance to grow to be bigger fish, or will they actually grow to be bigger fish given the presence of food, the changes in the water conditions due to climate change, etc.? Are we stuck with smaller fish into the foreseeable future?

• (1550)

Ms. Sylvie Lapointe: It certainly sounds like it in unit 1, and we're starting to see a lot of small fish in unit 2 as well. The advice we got this year from science is that we probably have only about eight or 10 years to harvest these redfish, because they will eventually decline back to their normal levels. We're being told the fish are not going to grow any larger.

Mr. Ken Hardie: Thank you, Mr. Chair. That's all I have.

The Chair: Thank you, Mr. Hardie. You left 30 seconds on the clock.

We'll now go to Madame Desbiens.

I understand that Ms. Barron is having some technical troubles in connecting, and she has asked me to give you her six minutes, so you have 12 minutes or less.

[*Translation*]

Mrs. Caroline Desbiens (Beauport—Côte-de-Beaupré—Île d'Orléans—Charlevoix, BQ): Thank you. I'm lucky.

Good afternoon, Ms. Lapointe. Thank you for being here. We've been looking forward to your visit for a few sessions. I'm sure you have a lot to teach us about the redfish fishery.

I believe you worked at the Department of Fisheries and Oceans until 2021. What year did you start working there?

Ms. Sylvie Lapointe: I think it was in 1999.

Mrs. Caroline Desbiens: What was your job at the department?

Ms. Sylvie Lapointe: I started out fairly young as an agent and worked mainly on international fisheries management issues. Then I progressed in my career and became assistant deputy minister responsible for fisheries and ports management.

Mrs. Caroline Desbiens: I imagine you touched on a bit of everything, because, when you become a deputy minister, you're pretty much in—

Ms. Sylvie Lapointe: I was assistant deputy minister.

Mrs. Caroline Desbiens: Yes, you were assistant deputy minister. I imagine you handled quite a few files.

Obviously, we've heard a lot of concerns about the return of offshore boats, that is, boats 100 feet and over, in the redfish fishery. Indeed, there have been analyses and statements, based on the ex-

periences of the last 30 years, to the effect that the offshore fishing technique had contributed enormously to the disappearance of or serious decline in the population of certain species, including redfish.

You say that the length of your association members' boats varies between 61 and 245 feet. What is the proportion of boats 100 feet and over in your association?

Ms. Sylvie Lapointe: We have between four and six. I would say there are only two that are active in Newfoundland and one that is active in Nova Scotia.

Mrs. Caroline Desbiens: Are you talking about boats 100 feet and over?

Ms. Sylvie Lapointe: Yes.

Mrs. Caroline Desbiens: Is bycatch important in the redfish fishery that you do? Are there any other species that are caught in the nets?

Ms. Sylvie Lapointe: There is bycatch. If I understand correctly, when the minister makes her decision, there will be new management measures for the redfish fishery to minimize bycatch. One of the risks of a higher total allowable catch is that bycatch may increase.

There are two types of redfish. There's a redfish that's not as healthy and can be caught as a bycatch. There are also other groundfish species that can be caught, but there are maximum percentages that are going to be put in place for all participants in this fishery so that we don't have high levels of bycatch.

Mrs. Caroline Desbiens: In the context where the selling price per pound of redfish is not very high, is there also interest in bycatch?

If you catch some nice halibut in your net full of undersized redfish, it becomes interesting for everyone's wallet. Are such catches of particular interest?

• (1555)

Ms. Sylvie Lapointe: I don't think so. The department has control systems in place to make sure that this kind of activity doesn't happen. There will always be participants who will try to cheat a little, but I don't think it's a bigger problem in the redfish fishery than in other fisheries.

Mrs. Caroline Desbiens: So, 58% of the 25,000 tonnes are allocated to the offshore sector and the rest of the catch is shared by indigenous people, non-indigenous people and shrimpers in Quebec. The rest of the catch is not economically significant enough for shrimpers to commit to modifying their boats and to an inshore fishery with such a small market share. Are you in a position to say, as a representative of this sector, whether it is lucrative for shrimpers to enter the redfish fishery with such a modest quota?

Ms. Sylvie Lapointe: I'll say two things. In terms of quotas, we would be happy with an authorized catch rate of 25,000 tonnes, but we understand that, for other participants, this fishery may not be as profitable and interesting if that rate is not higher. Our position is therefore very flexible in this respect.

However, I think the biggest challenge for shrimpers will be the markets. That's why we'd like to have a collaborative approach with all participants in this fishery to make sure we get the maximum value out of this fishery while we have access to it and develop markets together. We've already done a lot of work on the ground to start developing these markets.

Mrs. Caroline Desbiens: This is interesting. I hope people hear us on that.

However, with offshore fishing techniques having contributed to altering the resource, and the resource having recovered when we stopped fishing in this way, a major fear has taken hold in the world of Quebec fishers and shrimpers.

We can see how complex the situation is for biodiversity, which is in free fall, particularly for shrimp, of which redfish is the main predator. For at least five years, shrimpers have been sounding the alarm that shrimp biomass is declining, and that redfish must be fished at all costs. They've been calling for this fishery for several years, probably even when you were in office, but it's only now that we're announcing the opening of this fishery and returning the majority of the market to the offshore sector.

Although redfish quotas are not at their historic 78% level, and some work has already been done to reduce them, are they still a priority, in your opinion?

What do you think about respecting the historical quotas, given the critical situation of biodiversity? Could it be that, 30 years on, they're no longer as relevant and need to be revisited? Do you think we should continue to operate exactly as before?

Ms. Sylvie Lapointe: You've raised a lot of points.

Mrs. Caroline Desbiens: Yes, I rambled for a while.

Ms. Sylvie Lapointe: I have a few comments on what you just said.

The deep-sea fleet fishing practices of 30 years ago no longer exist. They've evolved a lot. So I don't think it's reasonable to compare fishing in 2024 with fishing in 1980. It's completely different today. Our members are adopting sustainable fishing practices and have no interest in not doing so.

As I mentioned in my opening remarks, there is a lot of ground-fish fishing going on that is certified as sustainable by the Marine Stewardship Council.

As far as historical quotas are concerned, our sector continued to fish redfish in unit 1. This was a benchmark fishery. In recent years, experimental fishing has also been practised. Very few participants decided to take up this type of fishing. So I don't think it's entirely fair to say that there were no redfish opportunities before this year, because there were. We took advantage of those opportunities. In the other fleets, there were very few participants, and a lot of fish stayed in the water.

As I've said before, if the government has biodiversity and environmental change objectives to, for example, provide further fishing opportunities for shrimpers who have lost access to shrimp, we ask them to let us know. As an industry, we'll work together to find win-win solutions. It's better than having historical quota cuts imposed on us.

The government doesn't really understand the impact on our members' economic activities, and often doesn't understand the details of how fisheries work. We're willing to work with all fleets. As I said, it's important for us to work together so that we can get maximum value from this type of fishing.

● (1600)

Mrs. Caroline Desbiens: I'm glad to hear that. However, what concerns me in this field is precisely the fact that there are.... You're concerned about the viability of your coastal villages. I can tell you that in Gaspésie, the boats are docked and nothing is happening. It's dramatic.

I don't know if there's a possible meeting point in this exercise, but I deeply hope so.

In your role at the department at the time, did you feel any pressure or lobbying from the offshore sector, which would have liked to take back its historical quota as soon as possible when the fisheries opened?

Ms. Sylvie Lapointe: The offshore sector has always wanted to protect its historical quotas, whether for redfish or other fisheries. This has always been a priority for the members of the Atlantic Groundfish Council.

I haven't had any discussions about redfish allocations, because when I was at the department, we were really focused on reopening the fishery based on scientific advice. When I was in office, the fish were even smaller, too small to open a commercial fishery.

[English]

The Chair: Thank you, Madame Desbiens. That was a quick 12 minutes.

We'll now go to Mr. Bragdon for five minutes or less. I'd ask him to keep in mind what I mentioned to him earlier, before the meeting started.

Voices: Oh, oh!

Mr. Richard Bragdon (Tobique—Mactaquac, CPC): Our illustrious chair never ceases to amaze.

It is a pleasure to have you here today, Ms. Lapointe. Thank you for taking the time to come and to share with us your insights and expertise.

I have a few questions with regard to the quota that's been allocated so far, or what's been set aside.

How many new fishing jobs in Canada will be created in the offshore fleet sector because of the access to the unit 1 redfish fishery? Do you know?

Ms. Sylvie Lapointe: As I've indicated, we've always had access and harvested unit 1 redfish, so we already have all of our employees and all of our plants in place to continue and to take advantage of the opening of the commercial fishery. We're not anticipating new employees or new processing plants or new vessels. We've already made those investments.

Mr. Richard Bragdon: This would be just to employ existing employees. There would be no expansion as a result of this.

You talk about the stocks, about the health of the redfish stocks and some of the challenges they're facing. In your estimation, are there any other imbalances in the ecosystem that may be affecting the health of the redfish stocks?

• (1605)

Ms. Sylvie Lapointe: I'm not a scientific expert, but it certainly seems that in the gulf the waters are warming and the ecosystem is changing. Just in terms of what I hear on the ground, the fish in unit 1 is not the same kind of fish or does not look the same as what existed many years ago. As we know, it's much smaller. There's a lot going on in the environment, for sure.

Mr. Richard Bragdon: We hear from different stakeholders that obviously what is affecting a lot of fish stocks in that area and throughout the Atlantic coast is the explosive growth in the population of pinnipeds. Do you feel that could be a factor on an ongoing basis for the healthy stock levels of redfish in the Atlantic waters?

Ms. Sylvie Lapointe: There are definitely certain fisheries where seal predation is an important contributor to the fact that they're not recovering, such as cod in the area of 4T. In terms of redfish, I haven't seen anything from the science advice that would lead me to believe that seals are eating redfish, but I'm not an expert in that area.

Mr. Richard Bragdon: I wonder if there is a study going on in regard to that at this point and if they are looking for that.

I have a question further to this. In regard to getting to where we are now, with the proposed levels that have been announced, do you sense that there was adequate consultation with the offshore sector and, as well, with those who are being affected through various means in the inshore sector of fisheries, through various causes? Do you feel that there was adequate consultation done in advance of the decision by the minister?

Ms. Sylvie Lapointe: I would say a bigger concern for us is the length of time that it has taken not only this minister but her predecessors to make a decision on allocations in this fishery, which has been quite destabilizing for our members, who, as I've said, have continued to invest in this fishery. The length of time that it took to actually get a decision was quite problematic from our perspective.

Mr. Richard Bragdon: The delays have had some definite effects on the industry and across the sector. What you're telling us, basically, is that it has been a delayed process.

Ms. Sylvie Lapointe: Very much so.

Mr. Richard Bragdon: Okay.

I believe my colleague Mr. Arnold has one question he'd like to ask, if we have time, Mr. Chair.

The Chair: You have 50 seconds.

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

It sounds like the market is a major stumbling block in this process. What efforts have been made by DFO to promote the marketing of redfish? What steps has the government taken to look for and promote new markets? Obviously, it's a fishery that has a resource that could be accessed, but we seem to have no markets.

Ms. Sylvie Lapointe: In terms of the work that's been done on markets for redfish, that's been done largely by the Atlantic Groundfish Council. We've had some funding from the federal government to do that, which started in 2020.

We were going down one sort of path in 2020. We were expecting the fish to be larger, and we were looking at trying to develop a market in Europe, trying to position ourselves differently than European redfish were, where there's really a lack of consumer confidence in Europe because of the way they've been mismanaged. That work had to shift when we saw that the fish weren't getting any bigger.

That led us to try to develop a brand for Canadian redfish and other groundfish species in working with a communications and promotion marketing agency. We've been focusing largely on China and Korea. In China, they already have a market for whole small fish, so we're trying to position our fish there. In Korea as well, there is a market. As a loss leader, they sell whole small fish in restaurants. We're trying to develop a brand that has a value, so that it's beneficial from an economic perspective for Canadian fishermen to be able to extract the maximum value out of this fishery.

• (1610)

The Chair: Thank you, Mr. Arnold.

We'll now go to Mr. Morrissey for five minutes or less, please.

Mr. Robert Morrissey (Egmont, Lib.): Thank you, Chair.

Ms. Lapointe, could you define unit 1 for the benefit of the committee? Describe it geographically. What are you referencing?

Ms. Sylvie Lapointe: It's in the Gulf of St. Lawrence.

Mr. Robert Morrissey: It's just within the gulf. It's not coastal offshore Nova Scotia or Newfoundland.

Ms. Sylvie Lapointe: No.

Mr. Robert Morrissey: It's solely in the gulf. Okay.

The fleet operates the size of vessel you described in the gulf.

Ms. Sylvie Lapointe: We have in the past, but in recent years we've been using smaller vessels in unit 1.

Mr. Robert Morrissey: How small?

Ms. Sylvie Lapointe: It could be 45 to 65 feet.

Mr. Robert Morrissey: Okay. That was where it was when it was closed down.

I want to go back to Mr. Perkins' point on the historical fleet share. There's always an argument over historical quotas because the history tends to be controlled by the period you establish for the historical data.

What was the historical fleet share? Could you give us the time frame in which the current historical data was accumulated, the data you're using now to justify your position?

Ms. Sylvie Lapointe: I can confirm, but I believe it's going back to the seventies. Even through the index and experimental fisheries, the department continued to use the existing proportional shares.

Mr. Robert Morrissey: For the benefit of the committee, offline, if you can, how the department maintains that data. Where does it access that data from? Is it independent of the department, or are you simply using the data provided to you by outside parties?

Ms. Sylvie Lapointe: That's data that's provided to us by the Department of Fisheries.

Mr. Robert Morrissey: How did the department accumulate that data?

Ms. Sylvie Lapointe: I would assume based on landings information.

Mr. Robert Morrissey: It's third party information the department's using.

Ms. Sylvie Lapointe: It could be partly through dockside monitoring or observer data.

Mr. Robert Morrissey: My point is, the department does not independently, on its own, source that data.

Did they have a testing regime you're aware of that established the data you're using?

Ms. Sylvie Lapointe: I'm not sure.

Mr. Robert Morrissey: Okay.

My third question would be a follow-up on questions from Madame Desbiens.

The bycatch issue on redfish depends on which side of the fishery you're on, where it may be. Are you aware of the primary bycatch when you're pursuing the redfish fishery? Could you identify for the committee what the concern level should be and what species are more at risk of being caught as a bycatch on redfish?

Ms. Sylvie Lapointe: In the gulf, it's Atlantic halibut, as well as, I believe, witch flounder and some other groundfish species like witch flounder that have rebuilding plans in place.

Mr. Robert Morrissey: Could you provide to the committee ways in which the large mobile fleet they represent could mitigate bycatch on the more lucrative halibut that is primarily pursued by inshore fishers?

Ms. Sylvie Lapointe: The department has talked about separator panels, which we've used in other parts of Atlantic Canada. They do have impacts on the catch rates, but we are very much focused on fishing redfish in deeper waters, where, I understand, there are fewer bycatch issues.

Mr. Robert Morrissey: Could you explain how it would minimize bycatch issues simply by being in deeper water?

• (1615)

Ms. Sylvie Lapointe: I'd have to come back to you with some information on that, but I believe that at certain depths there is less of an issue with respect to bycatch of other species.

Mr. Robert Morrissey: Sure. Thank you.

To go back to the technology you referenced when you answered earlier, I believe you said separation doors. What was the terminology you used?

Ms. Sylvie Lapointe: It was separator panels.

Mr. Robert Morrissey: Is that new?

Ms. Sylvie Lapointe: No, that's something that has been used for a while in other parts.

Mr. Robert Morrissey: Is it effective?

Ms. Sylvie Lapointe: It can be effective. However, as I said, it has some downsides in terms of reducing the catch efficiency of the species you're directing for.

Mr. Robert Morrissey: Okay.

Thank you, Chair.

The Chair: Thank you, Mr. Morrissey.

We'll now go to Madame Desbiens for two and a half minutes or less.

[Translation]

Mrs. Caroline Desbiens: Thank you.

I'm going to follow on from what Mr. Morrissey said, which will allow me to address a new question.

Fishers have told me that the offshore fishing technique means that bycatch is inevitably harvested in abundance and that the interest of redfish fishers isn't necessarily focused on this fish, given that it's worth 35¢ or 40¢ a pound while bycatch is worth \$4 or \$5 a pound.

You say that fishing techniques aren't what they were 30 years ago. Can you explain to me how offshore fishing techniques harvest less bycatch than they did 30 years ago?

Ms. Sylvie Lapointe: Harvesting bycatch is in no way our intention. Some of our members fish a redfish-centric fishery. Our organization, in terms of boats and processing plants, is vertical. We manage to get a value out of the redfish fishery that may not be possible for smaller fishermen who are organized differently. So we have no interest in turning to species that should be bycatch.

Mrs. Caroline Desbiens: What are you going to do with the bycatch? Are you going to put them back in the water?

Ms. Sylvie Lapointe: No, but we will make sure to collect a minimum. Minimums are set and will be set by the minister when she announces the total allowable catch, or TAC.

Mrs. Caroline Desbiens: How can you ensure a minimum quantity of bycatch? You don't know how much there is until the net comes out of the water.

Ms. Sylvie Lapointe: I can provide more detailed information if you are interested.

Mrs. Caroline Desbiens: Are you going to provide it to us in writing?

Ms. Sylvie Lapointe: Yes, absolutely.

Mrs. Caroline Desbiens: I would really like you to do that.

I think my time is up, Mr. Chair.

[*English*]

The Chair: Okay. Thank you for that, Madame Desbiens.

I think Ms. Barron is trying to sign in, so we have to do a sound check with her. We'll suspend for a moment while we're doing that. Then we'll get back to our list.

• (1615) _____ (Pause) _____

• (1615)

The Chair: I'm going to say that we're back, because Mr. Boulerville is going to come in and sub in for Ms. Barron. Instead of waiting for that, I'll go to Mr. Perkins for five minutes. Then, hopefully, Mr. Boulerville will be here to do the two and a half minutes for Ms. Barron.

Mr. Perkins, you're up for five minutes or less.

Mr. Rick Perkins: Thank you, Mr. Chair.

This has been fascinating.

It was back in February, I believe, when the minister made the announcement of the reallocation between the fleets. I have a copy of the presentation that was made to industry groups back then.

I want to probe something you mentioned earlier when you were being asked about the fleet size you're using in the gulf right now. If I understand correctly, the way it's been done, the 58% share is allocated to a fleet of vessels of over 100 feet. The minister sets the TAC at whatever level she does, and I think she said the season begins in June. That's when they are hoping to do it. We expect it soon.

When they do that, does it mean your members will have to fish with vessels of over 100 feet, not the ones you're using now?

• (1620)

Ms. Sylvie Lapointe: No. We are called the "offshore sector" because we have licences for vessels of over 100 feet, but in fact we only have between four and six vessels that are actually over 100 feet. The majority of our vessels are much smaller.

Mr. Rick Perkins: That's important, because, of course, there's been some testimony in this committee saying that we have these big, process-at-sea vessels that are going to vacuum up the redfish in the offshore with this quota and bring it in. They don't actually create any jobs on land. They're not bringing it back to the processing plants. It's all done in these large vessels. However, if you're fishing in a 45- to 60-foot vessel, most of that is being landed and

processed in a plant, which is creating those jobs you referred to earlier, as well.

Is that right?

Ms. Sylvie Lapointe: Our members are located in 30 small communities across Atlantic Canada, and we employ Canadians. We contribute to coastal communities. Our employees live in coastal communities. Even if we have some large vessels that freeze it, these are plants that are the same as a land-based plant. It's just on water, employing local Atlantic Canadians.

Mr. Rick Perkins: Right now, the intent, obviously depending on the level of the TAC, is that you'll probably be maintaining the current size fleet for fishing this in the gulf. I mean the one you referenced earlier, not the one that's greater than 100 feet—or will it be both?

Ms. Sylvie Lapointe: It could be both. It depends on the economics of it. Certainly, I think the department has confirmed that there's never been a policy in place that would not allow a vessel over 100 feet into the gulf.

Mr. Rick Perkins: I think there's some impression that is left when people talk about larger vessels and those who have bought these licences up over the open market over the years since 1995 that, somehow, these are some sort of big, foreign, nasty corporate entities that are owned somewhere outside of Canada, or they're owned by somebody in some company in Toronto.

They're not big, anonymous corporations, are they? They're family businesses for the most part, are they not?

Ms. Sylvie Lapointe: These are local family businesses based in small communities across Newfoundland, Nova Scotia and New Brunswick.

In terms of large vessels, I think we would argue that a larger vessel spends much less time on the water and is much more efficient, so in terms of the impact you're having on the environment and the ecosystem, it's much less than that of some smaller boats.

Mr. Rick Perkins: This document that was released is where some confusion comes from, because it says that an annual catch rate between 88 and 318 kilotons could be considered. I think that's what it is. Is that annually or is that just one time only?

I seem to have heard conflicting testimony about whether people think that would be.... Let's say you set it at 88 kilotons. Would you be able to do that each year for the next number of years, or is that all you can take, and then the biomass is down to its limit and we stop fishing again?

Ms. Sylvie Lapointe: That advice, I believe, is for one year.

Mr. Rick Perkins: It's for one year, but then there would be a new assessment next year.

Ms. Sylvie Lapointe: There would be a new assessment, yes, and new advice provided to the minister.

Mr. Rick Perkins: At some level, when you take some out over time, that should mean the redfish get larger, because with the lower biomass, there's more food for each fish.

Ms. Sylvie Lapointe: I'm not sure that's what the science advice is saying. I think it's predicting that it's likely to be very small going forward, and that in actual fact, the size of the stock will be much smaller in about eight or 10 years.

Mr. Rick Perkins: No matter what?

Ms. Sylvie Lapointe: No matter what.

Mr. Rick Perkins: Thank you.

The Chair: Thank you, Mr. Perkins.

We'll go back to Mr. Boulerice now for two and a half minutes or less, please.

[*Translation*]

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Thank you very much, Mr. Chair.

Ms. Lapointe, thank you for being here. I'm sorry there have been a lot of changes on our end.

Over the past decade, the organizations that fish in the Gulf of St. Lawrence have contributed greatly to the development of the fisheries.

From what you know, has the situation improved or deteriorated, in recent years, in terms of job creation and protection of your members?

• (1625)

Ms. Sylvie Lapointe: I didn't quite understand the question.

Mr. Alexandre Boulerice: Over the past few years, many people who work in the industry have seen that the climate has changed and that this is having an impact on the fisheries, particularly on the maintenance and creation of jobs.

What can you tell us in this regard?

Ms. Sylvie Lapointe: The environment has indeed changed for many species. Generally speaking, groundfish species, for example cod, in different places, are just starting to recover. Many of our members have had more success with shrimp and crab than with groundfish species.

Mr. Alexandre Boulerice: This morning, a report appeared in the media. It talked about the increasing acidification of the estuary and Gulf of St. Lawrence, particularly the drastic drop in oxygen levels, which is having an effect on certain species.

Have you also observed this in recent years?

Ms. Sylvie Lapointe: As far as the ecosystem is concerned, there are definitely major disturbances in the gulf.

Mr. Alexandre Boulerice: In terms of the survival, development or proliferation of certain species, are you concerned that this could have consequences in the years to come?

Ms. Sylvie Lapointe: Yes, it's possible, but, to be honest, I'm not an expert in this field.

Mr. Alexandre Boulerice: That's fine.

Thank you.

[*English*]

The Chair: Thank you, Mr. Boulerice.

Now, for approximately two and a half minutes to finish our first hour, we will have Mr. Hardie, and then we'll go in camera.

You have two and a half minutes, Mr. Hardie.

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

Thank you, Ms. Lapointe, for being with us today.

I'm from the west coast, and one of the issues we have, particularly with our salmon stocks, is the interception of migrating salmon by international fishers, notably in Alaska. I have to put that on the record.

Is interception out in the deeper water an issue here for the stocks in the Gulf of St. Lawrence, or do they mostly just hang around the gulf?

Ms. Sylvie Lapointe: There is some overlap in redfish between unit 1 and unit 2, where, I think I indicated, we're starting to see some smaller fish, but generally they're pretty contained.

Mr. Ken Hardie: Okay. It would appear then that the overall strategy is to open up a redfish fishery in order to reduce the size of the stock and take the pressure off shrimp, which are a far more valuable harvest. Is that a reasonable assumption?

Ms. Sylvie Lapointe: I think that's a reasonable assumption for those who fish shrimp.

We are interested in harvesting redfish because we have a history and a tradition of harvesting it, and we want to be able to sell it and maximize employment and economic opportunities for our members and coastal communities.

Mr. Ken Hardie: You did indicate a little bit earlier, though, that there were, perhaps, just a few years of any kind of a viable harvest in redfish, so are we then dealing with the proposition that some sort of government assistance is going to be required or that some sort of other major transition for the redfish fishery is in the offing? It would appear that, even at its best, this is a very precarious undertaking.

Ms. Sylvie Lapointe: I can't speak to that. I don't think that's an issue for our members.

We have, as I said, always participated in a redfish fishery, whether it's been as big as it is now or whether it's been much more limited.

Mr. Ken Hardie: Right. Well, I wish you all the best and hope that things change and conditions change. Maybe that redfish fishery can be recovered to the point where it's an ongoing and decent source of income for families on the east coast.

Thank you for your time today.

The Chair: Thank you, Mr. Hardie.

I want to say thank you to Ms. Lapointe for her appearance here today before committee and for sharing her knowledge with us as we look at doing this particular study or report.

We will now suspend to go in camera for our second hour of committee business. [*Proceedings continue in camera*]

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