

Government Response

March 22, 2024

Mr. Ken McDonald
Chair
Standing Committee on Fisheries and Oceans
House of Commons
Ottawa ON K1A 0A6

Dear Mr. McDonald,

On behalf of the Government of Canada, I would like to thank the House of Commons Standing Committee on Fisheries and Oceans (the Committee) for its report, *Restoring Full Accountability for Resources and Governance of the Great Lakes Fishery Commission* (the Report), which provides valuable insight and recommendations into strengthening the work of the Great Lakes Fishery Commission (GLFC or Commission), delivery of the binational Sea Lamprey Control Program (SLCP), funding, and governance of the Commission. We hear your concerns and are working hard to address them and set things on a better path. Prior to the meeting of the Committee in June 2023, Fisheries and Oceans Canada (DFO) initiated steps to renew its relationship with the GLFC, including measures to address budgetary concerns. Furthermore, on October 25, 2023, following engagement at the most senior levels of the Department, DFO signed a Memorandum of Understanding (MoU) that elaborates procedures to further facilitate our engagement with the Commission.

The Government appreciates the comprehensive recommendations developed by the Committee, and is working collaboratively with stakeholders to effectively address the challenges highlighted throughout the Report. Details are provided below regarding the Government's Response to the specific recommendations of the Committee.

The Government recognizes the importance of the Great Lakes to the economy, health and well-being of Canadians. The Government of Canada is committed to preserving our freshwater resources and protecting the Great Lakes from invasive species. We further recognize that the efforts of the GLFC are vital to controlling sea lampreys, conducting scientific research, and maintaining cooperation among Canadian and American agencies to manage the health of the Great Lakes and transboundary fisheries.

RECOMMENDATION 1

That the Minister establish with Fisheries and Oceans Canada that its role in the management of invasive species (sea lampreys) in the Great Lakes should become that of a contractor to the Great Lakes Fisheries Commission (GLFC), similar to the role of U.S. agencies.

The Government of Canada acknowledges this recommendation.

Invasive sea lamprey remains a persistent challenge to healthy Great Lakes fish and fisheries. Left unchecked, sea lamprey and the damage they cause would quickly return fish stocks to levels seen during the 1940s and 50s. That is why the GLFC was established in 1955 with one of its main responsibilities being to formulate and implement a comprehensive program for the purpose of eradicating or minimizing sea lamprey populations in the Convention Area. This binational approach combines information and resources in a border-blind process to control sea lamprey and, as per the Convention, makes use of the official agencies of the Contracting Parties.

DFO has been the Canadian delivery agent for the GLFC's Sea Lamprey Control Program (SLCP) since the entry into force of the *Convention on Great Lakes Fisheries between the Canada and the United States of America* in 1955 and has been an integral part of the success of the Commission's efforts to control sea lamprey throughout the Great Lakes. To support the delivery of the SLCP, DFO has put in place a robust program delivery infrastructure that includes a number of dedicated staff and a program hub located in Sault Ste. Marie, Ontario. Further, DFO officials participate in a number of governance mechanisms to oversee the delivery of sea lamprey control, including the GLFC's Sea Lamprey Control Board, which is tasked with developing and implementing strategies, policies, and programs related to sea lamprey control. To assist in keeping different roles within the Department distinct in relation to the GLFC, starting in October 2023, the operational delivery of sea lamprey control duties carried out by DFO for the Commission is led by the Ontario and Prairie Regional Director General while other Departmental interactions are handled by DFO headquarters.

In alignment with the collaborative spirit of the MoU, the GLFC and DFO have agreed to a payment-for-services model under which DFO delivers services for the GLFC per an agreed annual workplan and transfers to the GLFC any funds not expended at end of the fiscal year. From a domestic program management standpoint, this arrangement assists in maintaining program integrity and accountability, and makes use of DFO's many years of experience in funding and resourcing requirements for sea lamprey control.

RECOMMENDATION 2

That the urgency to act to address invasive species be recognized and taken into account in order to give the GLFC the opportunity to establish upcoming priorities and steps to ensure a rapid response.

The Government of Canada supports this recommendation and shares the sense of urgency to eradicate sea lamprey in the Great Lakes.

The Government recognizes that the Great Lakes are a valuable resource shared by Canada and the United States (U.S.). Millions of Canadians depend on the Great Lakes for food, drinking water, employment, and recreation. However, the health of the Great Lakes fisheries is under constant threat from habitat loss, pollution, and invasive species, including sea lampreys.

Canada is committed to preventing, controlling, and eradicating invasive species that threaten ecosystems, habitat, and native species under the United Nations Convention on Biological Diversity, and agreed to strengthen cooperation on invasive alien species at the North American Leaders Summit in 2016. In addition to the Convention, Canada partners with the U.S. to protect binational waterways through the Great Lakes Water Quality Agreement. Canada has also made commitments to the Government of Ontario to prevent aquatic invasive species (AIS) in the Canada-Ontario Agreement on Great Lakes Water Quality and Ecosystem Health.

The Convention on Great Lakes Fisheries clearly recognizes the importance of addressing invasive sea lamprey; Article IV lists the formulation and implementation of a comprehensive program to address sea lamprey populations as one of the Commission's main duties. To date, the operational delivery of the SLCP has never ceased.

The Government recognizes that the GLFC's ongoing efforts are vital to controlling sea lamprey, conducting scientific research, and maintaining cooperation among Canadian and American fishery management agencies across the Great Lakes Basin. That is why Canada supports the work of the GLFC and our transboundary efforts to manage the health of the Great Lakes fisheries.

RECOMMENDATION 3

That the mandates of the GLFC, other than those involving the sea lamprey, be well defined, and that each mandate be listed and known in advance.

The Government of Canada acknowledges this recommendation.

The GLFC was established by the *Convention on Great Lakes Fisheries between Canada and the United States of America*, with the objective of protecting and sustaining Great Lakes fisheries. The Commission's mandate is clearly laid out in Article

IV of the Convention, which charges the Commission with the following five duties:

- a) to formulate a research program or programs designed to determine the need for measures to make possible the maximum sustained productivity of any stock of fish in the Convention Area which, in the opinion of the Commission, is of common concern to the fisheries of Canada and the United States of America and to determine what measures are best adapted for such purpose;
- b) to coordinate research made pursuant to such programs and, if necessary, to undertake such research itself;
- c) to recommend appropriate measures to the Contracting Parties on the basis of the findings of such research programs;
- d) to formulate and implement a comprehensive program for the purpose of eradicating or minimizing the sea lamprey populations in the Convention Area; and
- e) to publish or authorize the publication of scientific and other information obtained by the Commission in the performance of its duties.

RECOMMENDATION 4

That the Government of Canada ensure that Canadian commitments under the Convention on Great Lakes Fisheries are fully adhered to, with full and timely funding flowing through the agency designated as the GLFC's machinery of government.

The Government of Canada acknowledges the recommendation.

Canada is committed to upholding its obligations under the Convention, which includes the fulfillment of financial obligations under a budget developed by the GLFC and approved by the Contracting Parties. Through the October 25, 2023 MoU, DFO and the GLFC set out a series of steps, with associated timeframes, to improve their communications regarding the development and approval of the GLFC's budget and to ensure funding flows in a timely manner.

Budget 2022 invested \$44.9 million over five years and \$9 million ongoing thereafter to help ensure the Commission can deliver on its mandate, which is consistent and aligned with the funding formula, whereby Canada contributes 31 per cent of funding for the GLFC's transboundary sea lamprey control work, and 50 per cent of other research and administrative costs for the operation of the GLFC. The Government of Canada has also confirmed funding for GLFC activities, totaling \$19.6 million on an annual basis for Canadian fiscal years 2022-2023 to 2029-2030, then ongoing following the same pattern and amount, and a commitment to ensure that the full annual appropriation to the Commission is segregated from the rest of DFO's budget.

The Government of Canada recognizes that the Commission requires stable and predictable funding, and the Government is committed to working with the GLFC to ensure that this funding is commensurate with fulfilling its mandate.

RECOMMENDATION 5

That Canada immediately commit to providing the GLFC with its full \$19.6 million allocation on an ongoing basis, as directed by Budget 2022, without holdback for any reason, and that Canada commit to greater transparency with respect to this allocation (fencing, public accounts line item, etc.).

The Government of Canada acknowledges the recommendation.

Canada is fully committed to meeting its funding obligations to the Commission in accordance with the funding announced in Budget 2022 and in accordance with the budgets developed by the GLFC and approved by the Contracting Parties. DFO has also noted its commitment to ensure greater transparency around funding, as formalized in the October 25, 2023 MoU, including assurances around separating funds intended to fund the work of the Commission from other departmental spending priorities, and having Canada's funding to the Commission listed in the public accounts.

With regard to the transfer of funds to the GLFC for sea lamprey control, DFO and the GLFC work together determine the sea lamprey control elements that DFO will deliver. If DFO and the GLFC together determine that DFO will expend a certain amount to deliver sea lamprey eradication services for the Commission, then that amount will be deemed to have been transferred to the Commission and then remitted to DFO for the purpose of service delivery. The amount will also be deducted from the funds to be transferred to the Commission.

RECOMMENDATION 6

That measures be established to provide Canada's funding contribution to the GLFC as specified in the annual federal budget directly to the GLFC and not via the budget allocated to Fisheries and Oceans Canada.

The Government of Canada acknowledges this recommendation. As noted in the response to Recommendation 1, DFO is responsible for delivering the Canadian portion of the binational SLCP on behalf of the Commission.

As the Commission is not an agency of the Government or a Crown Corporation, it does not report to Parliament in the same manner as those entities. Flowing funds to the Commission through DFO further ensures accountability for federal funding and enables Parliament to hold the Department directly responsible for its support of the Commission.

Through the October 25, 2023 MoU, DFO and the GLFC have set out a series of steps, with associated timeframes, to improve their communications regarding the development and approval of the GLFC's budget and to ensure funding flows in a timely manner. Together, the Department and the Commission agree to an annual workplan

that specifies the level of effort, both operational and financial, required to deliver the Canadian portion of the SLCP. To improve transparency, DFO will keep funds for the Commission fenced from other budgets and programs and express them as a line item in DFO's accounts. To further enhance financial transparency, DFO will ensure that all funds designated for the work of the Commission, including those retained (through agreement with the GLFC) by the Department for sea lamprey control delivery and funds that flow directly from DFO to the Commission, are segregated from the Department's overall budget and details these funds as a line item in DFO's accounts.

RECOMMENDATION 7

That the government ensure that sufficient financial resources are allocated to allow the GLFC to fulfill its mandates, and that, in the interests of transparency, in the future, Fisheries and Oceans Canada or Global Affairs Canada be accountable for establishing a clear breakdown of the full amounts to be paid to the GLFC, specifying the purpose of the funding and the mandate for which they were allocated.

The Government of Canada acknowledges this recommendation.

Canada is committed to upholding its obligations under the Convention, including the fulfillment of financial commitments under a budget developed by the GLFC and approved by the Contracting Parties. The October 25, 2023 MoU supports this by indicating that DFO will report on the overall amount provided to the GLFC and the component within this expended on the delivery of sea lamprey control as determined with the GLFC. Through Budget 2022, the Government has ensured that Canada is fully meeting its financial commitments to the Commission to fulfill its mandate.

While there are differences between the U.S. and Canada in their annual domestic budget cycles, efforts are being made between all parties for reaching a common understanding of any future increases to the Commission's program requirements and each Contracting Party's ability to secure additional financial resources. Funds allocated to the GLFC for the purpose of prevention and control of invasive sea lamprey are communicated and shared once approved by Treasury Board. Distribution of funds is broken down between cash payments to the GLFC and execution of Canadian SLCP activities. This breakdown is based on the annual approved workplan and a final breakdown of incurred actual program execution costs is provided at Canadian fiscal year-end.

RECOMMENDATION 8

That the Government of Canada transfer the portfolio management responsibilities and machinery of government functions for the GLFC from Fisheries and Oceans Canada to Global Affairs Canada and that efforts be made to restore the vital and legally entrenched independence of the GLFC while also ensuring appropriate and transparent external oversight expected of an international body.

The Government of Canada acknowledges this recommendation.

The Minister responsible for the GLFC is currently the Minister of Fisheries, Oceans and the Canadian Coast Guard, and in that capacity, is supported by DFO.

On October 25, 2023, DFO and the GLFC approved an MoU to strengthen processes and procedures for the Minister's and DFO's engagement with the GLFC in fulfilling Canada's obligations. DFO senior management and officials, together with members of the GLFC Secretariat, have invested significant time and effort over the past months to maintain a strong relationship and have elaborated concrete processes and actions that will carry this work forward. These efforts provide a solid base for promoting a return to business as usual for the GLFC. The Government is optimistic that these efforts will provide a firm foundation and positive path for the future.

RECOMMENDATION 9

That the GLFC be able to count on the full governance support of Fisheries and Oceans Canada, or potentially Global Affairs Canada, in the performance of its duties. The tools needed for carrying out its mandate or mandates must be provided.

The Government of Canada supports this recommendation.

DFO is fully committed to supporting the work of the GLFC, with senior management and officials actively engaging with Secretariat staff to ensure the Commission has the financial certainty and governance support required to fulfill its important mandate. The MoU concluded on October 25, 2023 is a significant step to reinforce the relationship and provide additional clarity.

Further to this, on an annual basis, Fisheries and Oceans Canada and the GLFC Secretariat will continue to prepare a workplan, detailing how they will work together to achieve mutual objectives, including the Department's delivery of sea lamprey control measures.

RECOMMENDATION 10

That Fisheries and Oceans Canada and Global Affairs Canada promote a return to normal operations of the GLFC, given that the GLFC has not met for over one year and has not been able to set a regular program since 2021.

The Government of Canada supports this recommendation.

DFO senior management and officials have invested significant time and effort over the past months to work with the GLFC to maintain a strong relationship and have elaborated concrete processes and actions that will carry this work forward. DFO believes that these efforts provide a solid base for a positive future path. GLFC Commissioners held their Interim Meeting in November 2023, which was a positive sign.

In terms of the binational sea lamprey control program, while full operational delivery was impacted over two years due to COVID-related public health measures, as were many other fishery management programs, delivery of the program never ceased. Further, 2022 was a fully successful year for sea lamprey control and 2023 looks to have matched that achievement. This is in no small part due to the GLFC's Sea Lamprey Control Board, in which DFO officials participate, taking appropriate steps to make decisions in the face of uncertainty.

RECOMMENDATION 11

That the Government and Fisheries and Oceans Canada ensure that the GLFC is given the necessary tools and means to rebuild bridges with our neighbours to the south so that the Commissioners can actively make the arrangements to pursue their mandate and the mission of the GLFC, respectively.

The Government of Canada supports this recommendation.

The Government is committed to working in partnership with the United States in support of the Commission's mandate. The holding of the interim meeting of GLFC Commissioners in November 2023 was a positive sign. Despite there having been a lapse in formal meetings of Commissioners, the operational work of the Commission, including the ongoing delivery of the binational SLCP, still continued. DFO senior management have invested significant time and effort over the past number of months to work with the GLFC to improve the relationship and communications and to have concrete processes and actions that will facilitate those improvements. These efforts were formalized in the October 25, 2023 MoU, which established and strengthened processes and procedures and provides a solid base for promoting a return to usual operations for the GLFC.

RECOMMENDATION 12

That Fisheries and Oceans Canada and Global Affairs Canada show leadership in partnership with the Americans so that the GLFC's work is as efficient as possible and resumes as quickly as possible.

The Government of Canada acknowledges this recommendation.

The Government is committed to working in partnership with the United States in support of the Commission's mandate. DFO senior management and officials have invested significant time and effort over the past number of months to work with the GLFC to maintain a strong relationship and communications and to have concrete processes and actions that will facilitate those improvements. Officials from DFO and GAC have also been in regular contact with counterparts at State Department on bi-national fisheries management.

RECOMMENDATION 13

That the governance of the GLFC on the Canadian side, should it be transferred to Global Affairs Canada, be transparent and subject to independent external audits.

The Government of Canada acknowledges this recommendation.

On October 25, 2023, DFO and the GLFC approved an MoU to strengthen processes and procedures for the purpose of fulfilling the Canadian machinery of Government functions under the Convention. DFO senior management and officials, together with members of the GLFC Secretariat, have invested significant time and effort over the past months to maintain a strong relationship and have elaborated concrete processes and actions that will carry this work forward. These efforts provide a solid base for promoting a return to business as usual for the GLFC. The Government is optimistic that these efforts will provide a firm foundation and positive path for the future.

RECOMMENDATION 14

That the Minister of Fisheries & Oceans, on advice of Fisheries and Oceans Canada, nominate individual(s) to take the place of Department personnel on the GLFC's governing board(s).

The Government of Canada acknowledges this recommendation.

Under the Convention, Canada appoints four Commissioners to a Canadian section. The Convention does not specify criteria for these Commissioners or the process for their appointment. Appointments to the Canadian section are made by the Governor in Council, on the recommendation of the Minister of Fisheries, Oceans and the Canadian Coast Guard. Given the important role of Commissioners, great care is taken in their

appointment, including identifying candidates whose experience and responsibilities will enable them to make a contribution to the fulfillment of the Commission's mandate. In identifying potential candidates, the Government works closely with the Province of Ontario and is committed to promoting equity and diversity.

RECOMMENDATION 15

That the memorandum of agreement presented by the GLFC as a way of clarifying and codifying the relationship elements of the machinery of government functions be adopted without delay, and that the adoption be done in such a way that would future-proof the agreement and ensure the GLFC's long-term success in fulfilling its binational treaty mandate.

The Government of Canada acknowledges this recommendation.

DFO senior management and officials worked closely with the GLFC Secretariat to develop an overarching MoU that provides a framework for interactions between DFO and the Commission, notably on financial matters such as the development of the GLFC's budget and its approval by the Contracting Party. The MoU, signed on October 25, 2023, represents a significant step that reinforces the importance of this relationship, and provides additional clarity to our ongoing engagement.

RECOMMENDATION 16

That Canada immediately inform the GLFC and U.S. partners of the above actions, and recommit Canada to the relationship established by the Convention.

The Government of Canada supports this recommendation.

The Government of Canada is fully committed to the Convention and to working closely with our American partners in furtherance of the Commission's mandate. For example, the signing of the MoU was communicated to American and Canadian Commissioners during their interim meeting in November 2023. The Department of State is also aware of the conclusion of the MoU and of the importance Canada attaches to the work of the GLFC and to collaborating with U.S. counterparts.

Once again, on behalf of the Government of Canada, I would like to thank the members of the Standing Committee for requesting further information and providing recommendations for the Department of Fisheries and Oceans.

Sincerely,



The Honourable Diane LeBouthillier, P.C., M.P.
Minister of Fisheries, Oceans and the Canadian Coast Guard