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## **Standing Committee on Fisheries and Oceans**

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**EVIDENCE**

**Tuesday, May 6, 2008**

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**Chair**

**Mr. Fabian Manning**

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## Standing Committee on Fisheries and Oceans

Tuesday, May 6, 2008

•(0805)

[English]

**The Chair (Mr. Fabian Manning (Avalon, CPC)):** Good morning.

Now that we're all assembled, I want to welcome the minister and his staff back again.

Some of your staff are becoming quite regular here, Mr. Minister. It's always good. It shows a great interest in our committee and the work we do, working cooperatively with the department to get things done.

As usual, we'll give the minister an opportunity to make some opening remarks, and then we'll open the floor for questions.

I want to thank the minister for taking the time to be here for the two-hour session. Some committee members really wanted to have you here for two hours, so we're delighted you managed to be able to do that.

With that, the floor is yours.

**Hon. Loyola Hearn (Minister of Fisheries and Oceans):** Thank you very much, Mr. Chair.

Good morning, everyone. *Bonjour, mes amis.*

Certainly we're pleased to be back. I'm glad you mentioned the staff. You've had them here more often than you've had me.

When I hear some of my colleagues talk about their experiences before committee, and certainly their officials, quite often coming to a committee can be pretty onerous. Our department has always felt very comfortable coming here. We try to give you what information we can, or provide it to you. I must say that all of us have been treated in the type of manner you would expect from a group like this. I've been part of it for a number of years. It helps to get the job done, so I thank you for that.

With me today are some familiar faces: Claire Dansereau, my department's associate deputy minister; George Da Pont, commissioner of the Canadian Coast Guard; Cal Hegge, the assistant deputy minister of human resources and corporate services; and of course, no stranger to you at all, David Bevan, my ADM of fisheries and aquaculture management.

I've know you've met them several times regarding main estimates for this year's budget. I trust the discussions were helpful to you.

Today I'd like to begin by taking a step back from the details of the main estimates to provide a broader perspective of the financial

picture over the past couple of years, which will hopefully give us a bit of a background for discussion. Following that, I'd like to discuss matters of collaborative arrangements between fish harvesters and the department, and I will finish up by making a statement about the coast guard.

I'm proud of the investments we've made to support Canada's fisheries and better manage our oceans. Since 2006, and leading up to this year's federal budget, our government has committed about \$860 million to help Canada's fishing communities. We've increased DFO's budget by just under \$100 million a year in permanent funding. We have introduced, and then improved, the first capital gains tax relief for our fish harvesters. All of you are the beneficiaries of that, because I'm sure you take credit for it. We financed the health of the oceans initiative for cleaner waters. We've reinvested in science and funded integrated commercial fishery plans on both coasts. We've put funding in place to renew the coast guard fleet, and we have improved habitat conservation and protection. And we have stepped up fisheries enforcement.

Bill C-32, a modernized fisheries act, will soon be at second reading in the House of Commons. I hope I can count on your cooperation to move it into committee, where you can do whatever work you want. There was some talk about us perhaps trying to limit the committee. I assure you that once it's in your hands, you will be the masters of it. There will be no interference from us whatsoever.

This extremely important piece of legislation follows extensive discussions over the past several years, with provinces, territories, as well as fishing interests, aboriginal groups, stakeholders, and others. Since tabling Bill C-45 in December 2006, people have had access to the bill. We have held numerous meetings with stakeholders to explain the content of the proposed legislation. As a result, almost 400 people and organizations provided us with feedback and suggested changes to the text. We listened. Where there was general agreement, we took action and modified the text. A lot of the major changes were your own suggestions on clarification and others. In terms of suggestions where there was no agreement, we will need to discuss that at committee stage.

I truly hope I can count on your support and cooperation during the committee stage to make this the best bill possible. I know from my own experience that the committee can do excellent work on this bill, just as it did on Bill S-215, an act to protect heritage lighthouses.

In terms of the bill, I say do your deliberations and make whatever changes are necessary. We want the best bill possible. And if we can't deliver that, we have a chance to vote for it in the House. Are we going to get perfection? Probably not; you never will. Is it better than what we have and as good as we can get under the circumstances? If it is, we should pass it. If it's not, then I'll live by your decision.

Together we can modernize this legislation, for industry, stakeholders, and Canadians. I call on all of you, in your duty as parliamentarians, to do just that.

This past February, with economic uncertainty around the world, we called for a prudent federal budget. We still found room to make key investments in Canada's fisheries. We committed \$22 million over the first two years to help develop a more competitive and sustainable aquaculture sector. We have \$70 million over five years, which has been accepted very positively by the aquaculture industry and the provinces involved. We devoted \$10 million over two years to help fix up harbours. This is for community ownership. As you know, there was a commitment of \$45 million to do that, so we can divest ourselves of harbours that are eating up the money you need to spend on your own wharves and breakwaters, etc.

Our government has also committed \$8 million over the next two years to build a commercial harbour in Nunavut, one of several needed if we're going to see Nunavut benefit from its resources. It's going to be expensive, but it's needed in order for them to properly manage the resource and benefit from it.

The budget also set aside \$720 million for a new polar class icebreaker. That's on top of the \$750 million last year for a number of coast guard midshore patrol vessels. This vessel will have a far greater capability than the one it's replacing, by the way. As well as icebreaking, it will support a range of DFO programs and services like fisheries management activities, fishery science, and it will also help maintain Canada's presence in the north.

The government also devoted \$20 million over the next two years to complete required mapping of the Arctic and Atlantic seabeds. This is a sovereignty issue, and it supports our claims to the outer limits of Canada's continental shelf. This funding is not from our department exclusively, but it will certainly help us manage, protect, and develop northern fisheries, while helping Canada stake its rightful claim to our northern continental shelf.

As I mentioned, my second topic concerns the matter of collaborative arrangements between fish harvesters and the department regarding the use of fish. You recently received my department's response to your follow-up questions on collaborative arrangements. You will recall the Larocque and APPFA decisions made in 2006. The issue was whether collaborative arrangements put in place years ago fit with legal decisions made in the Federal Court in these cases. In the wake of that, a number of agreements we had, arrangements we had with the fishing industry, were struck down.

In all, we have reviewed 206 activities and projects that could have been impacted by court decisions. In 2006, 68 out of the 206 agreements we have with different groups involved use of fish agreements in exchange for scientific or fisheries management activities; 138 did not. We reported this to you in February. You have asked for more detail and it's in our response.

To recap, all but two of the 68 arrangements have continued in a modified form that is consistent with the Federal Court decision. We have returned most allocations that were previously used to form joint projects to the total allowable catch. We've just put them back in the common pool. Thirteen allocations have remained with the fishing industry association or a community, but now they do not require help in the department with fish management or science. Eleven did not have a use of fish component, while the two that did no longer have an obligation to fund DFO activities.

I have always believed that the fish quota should go to fish harvesters, but in the past, special allocations were provided to some community groups. We are also continuing to review these allocations to make sure they are in line with court decisions.

The bottom line is that we're still gathering the data needed to run the fishery. This is thanks to an increase in our budget of \$12 million per year until 2012 and to using the industry resources in a manner that complies with the court. Also, by reducing costs we're focusing on essential conservation information and exploring non-financial options for staying the course.

I'm satisfied these measures are minimizing the impact on my department's programs and services as well as on Canada's fish harvesters.

As I mentioned, to wrap things up, I'd like to say a few words about the coast guard.

•(0810)

We're well aware of the tragedy at sea that took the lives of four sealers—Bruno Bourque, Gilles Leblanc, Marc-André Déraspe, and Carl Aucoin—aboard *l'Acadien II* in March. This is a loss of the deepest order for their families, the community of the Magdalen Islands, and all of Canada.

I know that one of our colleagues, Monsieur Blais, was very, very close to that. We spoke often during that terrible tragedy, and he certainly did yeoman service for his people in that regard.

In the days following the incident, we sent an official from coast guard to the Magdalen Islands to provide support and information to the grieving families when the bodies of their loved ones were returned home.

I grew up in a fishing village, as did a lot of you. While Renew's was a lot smaller than the Magdalen Islands, when we have a tragedy at sea, as we've all had—especially in places like the one Bill Matthews represents, and maybe more so than anywhere—we know what it's like and what effect it has, not only on the community but also on the whole area.

In circumstances like these, people want answers and they want them quickly. As you know, the coast guard is carrying out an internal incident safety review. That review is being led by an independent investigator, retired Rear Admiral Roger Girouard. I've met him, by the way, and I would think he is as fine a person as ever I've met. He certainly knows what has to be done, how to do it, and I have every belief he will do it well. His team will, of course, be cooperating with the RCMP and the Transportation Safety Board, which are also reviewing the matter. We want these investigations to be quick, but we also need to be thorough, so that when all the facts are clear we can proceed accordingly.

We have remarkable people in our coast guard, people who have dedicated themselves to serving others and who don't hesitate to put themselves in harm's way to save another. So this tragedy weighs heavily on their minds, too, I can assure you. Day in and day out, the coast guard does an awful lot of work for Canada. This, too, is worth noting. Even during these difficult times, our work continues. It is still our coast guard, and we are fortunate as Canadians to have it.

Thank you very much, Mr. Chair.

•(0815)

**The Chair:** Thank you, Mr. Minister.

I believe Mr. MacAulay is going to start our questions this morning.

Mr. MacAulay.

**Hon. Lawrence MacAulay (Cardigan, Lib.):** Thank you very much, Mr. Chairman.

Welcome, Minister and staff. It's good to have you here again.

First, I'd like to congratulate you on the arrest of the *Farley Mowat* and the move you made there. It's appreciated.

Now looking at saving the fish, I've asked you before about whether the *Julianne III*, a 5,000-horsepower vessel, a football field or so wide and a quarter of a mile long, will be allowed to fish

herring in the gulf. With a net a quarter of a mile long and a football field or so wide, it's able to catch herring and anything else from a minnow to a whale. I hope you've reconsidered this; I hope you are not looking at it the way you have previously and you will not allow this vessel to fish in the gulf this year.

**Hon. Loyola Hearn:** Thank you for the question and your comments on the *Farley Mowat*.

One of the interesting things about the sealing exercise—I include Paul Watson and his group on the *Farley Mowat*—was the solid support from everybody. It wasn't a petty political thing. It was something Canada had to do, should do. Regardless of who was there, it was something that should be done, and I certainly appreciate the support.

In relation to the herring, my own impression is that the *Julianne III* is not part of the equation this year and will not be part of the equation. I'll ask David Bevan to correct me on this if I'm wrong. We have asked the FRCC to have a look at herring. Herring is the fish that has given me more trouble than anything else. A lot of it is because of the ups and downs, the downturn right now, in the spring stock. The fall stock seems to be half decent. There are concerns about having enough for bait, and the cost of bait has certainly exacerbated the problem.

Fishermen are concerned about the herring stocks because they're so important to them. Yet when we fish it commercially, we get very little return compared with what others are getting in other parts of the country. So the whole thing leads to the need for a hard look. We need to maximize the philosophy that we've adopted with the provinces and the fishing groups—to get every cent we can out of the herring and fish it in ways that will keep jobs going and benefit the people.

We've always had a defined quota from the inshore, the gillnetters, and the seiners. But the poor old seiners have been banished everywhere. It's not for me to judge whether this is right or not, but they have no place to go at all. That makes it very difficult. And yet they have a quota.

I assure you that we will monitor it, so that whatever happens there will have no adverse effect on other fishermen—seiners, trawlers, border trawlers, or whatever. But they only have a quota. They only have so much. Whether they have three football fields or ten football fields, they can only catch what they have.

David, do you have an update on the *Julianne III*?

●(0820)

**Mr. David Bevan (Assistant Deputy Minister, Fisheries and Aquaculture Management, Department of Fisheries and Oceans):** No, but I think it's important to recognize that there are a large number of gillnetters. If you add up the total legal number of nets, they would stretch hundreds of nautical miles. That's the fishing power on one side. We have only a few seiners on the other side, and they have a quota that they are unable to catch, due to the restrictions placed on them. I think you have to look at this in a balanced way. Consider that the quotas are caught, that there is monitoring to ensure that the bycatches are controlled, and that there are not adverse impacts on other species.

**The Chair:** Thank you, Mr. MacAulay, for your generous contribution.

Mr. Byrne.

**Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.):** Thank you, Mr. Chair.

Minister and gentlemen, back in December the committee produced an interim report to the House regarding the small craft harbours program. It was intended to provide evidence of the need for over \$1 billion, potentially, in additional support for the small craft harbours program. We didn't get it. Instead of the \$1 billion, we got \$10 million, which is going to be directed at tearing down certain harbours.

You still have certain amounts of money. There was a project that was listed on the Government of Canada website on December 2, 2007, pertaining to Nipper's Harbour on the northeast coast of Newfoundland. The Government of Canada website said that the project is scheduled to be carried out during the spring and summer of 2008. That's information directly from the Department of Fisheries and Oceans, posted on the Canadian Environmental Assessment Agency website.

We haven't received any announcement on that as yet. You wrote to the harbour authority last year, Minister, saying that you would be prioritizing it and that the project would occur when funds became available. We've heard direct testimony from your assistant deputy minister and deputy minister that the projects for small craft harbours for this year are basically approved. The entire allotment has gone to your desk and it's waiting for announcement.

We need to get this project, and several others like it, out the door so that we don't miss the construction season, which has a narrow window in Newfoundland and Labrador. We need to get the public tenders completed and equipment mobilized. If you don't announce the project and others like it, it probably will not occur.

Can you tell this committee, the people at Nipper's Harbour, and citizens in communities throughout Atlantic Canada, Quebec, and other areas that depend on small craft harbours when you are going to be completing the round of small craft harbours announcements for this year?

**Hon. Loyola Hearn:** Mr. Chair, again I thank Mr. Byrne for the question. Certainly it's one that has always been before the committee. The first day I sat on the committee it was the first issue we raised, and as a result of that committee, as I mentioned before, with the hearings and with pressures, the government of the

day committed an extra \$100 million over five years, \$20 million a year. That ran out. Last year we made that permanent funding, not an extension of another two or three years, but permanent funding, adding \$20 million to the base budget. On top of that we added an extra \$11 million. So we have put \$31 million a year into new funding. This year we've brought in \$45 million over five years to deal with divestitures—because it's like interest on a credit card, soaking away our money—repairing and maintaining, trying to get rid of facilities we no longer need or want.

So we have a few more dollars to use. However, you can argue quite correctly that an extra 20% or 30% or 40%, or whatever we might have today...probably the cost of operating today compared to three or four years ago evens it out. So we're not making a lot more headway than we did. We're keeping our head above water.

Your own comments about the amount of money needed to really bring—if we're going to have very good facilities everywhere... With the change in fishery, where we're seeing aquaculture becoming pretty important and requiring more facilities or more use of facilities, people going to larger boats, and a return of some of our groundfish stocks, we're seeing more activity than in the past, and we're seeing the shift from smaller communities to larger ones quite often, all requiring new money.

You mentioned Nipper's Harbour as a priority. We have many priorities out there, all equal, and we try to do what we can with what money we have.

Anything that goes on the website, unless it has been approved and okayed through the regular process and through the minister's office, is only a matter of many other jobs we have to do. Nothing is approved until it is approved by the minister, whoever he or she happens to be.

In light of that, when they tell you it's on the minister's desk... anything that comes on my desk doesn't stay there very long. Going to the minister's office is entirely different because that means final scrutiny and a number of levels of checks to make sure everything is in order. It's not something that's done down at the small craft harbours office in St. John's and sent up for signing. It becomes part of the total Canadian picture, the total Canadian budget, and then you go through your advisers, etc. We try to do it quickly, and we are very close.

I agree with you, the quicker we get those things out the door... Quite often the announcements were made in mid-summer, but our announcements will be made long before mid-summer, and as quickly as I can make them. I won't give you a timeframe, but I will say certainly days rather than weeks or months.

●(0825)

**The Chair:** Thank you, Mr. Byrne.

Mr. Blais.

[Translation]

**Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ):** Thank you, Mr. Chairman.

Good morning, witnesses.

I would first like to thank you for your comments on the tragedy that occurred off the Magdalen Islands. However, I would like to hear your response to a question that I had the opportunity to put to some of your department's senior officials a few days ago.

As a minister, what is your commitment with respect to the events that led to the recent tragedy experienced by the people of the Magdalen Islands at the end of March?

**Hon. Loyola Hearn:** Thank you, Mr. Blais.

[English]

I wonder if you would just give me the first...I missed the translation. I could pick up the French, but I couldn't hear it, and by the time I got the translation.... I just missed the first couple of words you said.

[Translation]

**Mr. Raynald Blais:** I was simply saying that I was asking you the same question that I asked of some of your department's senior officials when they appeared before us a few days ago. I asked about their involvement with the *L'Acadien II* file. Now, I am asking you about your own involvement.

[English]

**Hon. Loyola Hearn:** Thank you very much.

If I understand you, you're talking about the incident with the *Acadian II* and where we go from here. I thought there might be a specific request there that I missed.

Immediately after the incident, as I said in my opening remarks, we sent people from the coast guard—and there were other people there also, including some of my own staff—to the Magdalen Islands to make sure we were on site, that people had someone to go to and talk to as all of this unfolded.

We committed at the time—and we have not changed that commitment—to find out exactly what went on. The first thing we found was their concern that the search for the missing fisherman had been called off quickly. We immediately, as you well know, because you worked with us on it, got that search going and did a complete, extensive search well above and beyond the area involved to make sure that nothing was missed.

I personally talked to representatives of the family, to the mayor, etc. We said we would do three things. One, we knew the Transportation Safety Board would carry out their regular thorough safety, long-term check, looking at everything involved. The RCMP were involved, and I think we should soon hear their report, because theirs is probably the one that will take the least time, to see if there was any wrongdoing. They will be reporting on that.

We, ourselves, did the internal...well, from within, but covering all aspects, a study that is usually done internally by the coast guard. Because of the involvement of the coast guard in this, we wanted to make sure it was transparent and objective, and we arranged, after a

thorough search, to find somebody who knew how to deal with people, who understood marine life, and who was competent enough to make such a study. As I mentioned, we got Mr. Roger Girouard, to head that independent study.

From my own observations and our discussions with people, I think they understand fully that we are covering every base possible from every angle. The question is, what happens when we get the final details? That is strictly hypothetical, but I assure you and I assure the people that there is nothing here...there is no fooling around, there is no covering up. We are making an open, objective series of studies, and not only will we not interfere, but if we hear of anybody interfering, we will take action. We will make sure the people will have the truth of what happened, and after that we will continue to work with them.

• (0830)

[Translation]

**Mr. Raynald Blais:** Thank you.

I will now move on to another issue, namely, the seal hunt. I'm not sure if you were surprised, or even disappointed, but I can tell you that I was surprised, disappointed, and even angered by what Newfoundland and Labrador Premier Danny Williams and the Nunavut premier had to say about the hakapik.

I am mad because it makes no sense for people who are leaders and who should be well-informed to make that type of statement about the use of the hakapik for hunting, since by their statements they are playing into the hands of those who want to see the hunt abolished. As you know, this directly affects the people of the Magdalen Islands who have chosen this method that a group of independent veterinarians considers to be appropriate, relevant, proper, and free of cruelty.

I would like to hear what you have to say about this because it makes no sense for these people to try and drag us backwards after all of the progress that has been made.

I would also like to congratulate you for the work that was done with respect to the *Farley Mowat*, but in my opinion, we seem to be taking one step forward and two steps back.

[English]

**Hon. Loyola Hearn:** Again, Mr. Chair, I thank the member for the question and his comments.

I agree with you totally. I was surprised, very surprised. It was done without any consultation whatsoever. There was no contact made with me or my department prior to an open public statement by the two premiers. I don't think it was helpful at all. Even if the industry people were thinking about banning the hakapik—they've had some discussions about the pros and cons that didn't last very long, for the reasons you mentioned—you'd be trying to use it to gain some favour. If you're going to give up something, what are you going to get? If you just say ban it, those others will just applaud and say that's great.

We banned the killing of whitecoats. What did it get us? Nothing. We stopped killing bluebacks. What did it get us? Nothing. If we ban the hakapik, what are we looking at next year? It will be the gun.

It was nonsensical. I didn't even react, because I thought that was the best thing to do. I didn't even comment. When asked sometime after, I just said that if we made any changes to the hunt they would be dictated by the industry, not by a provincial premier or by me. Industry will decide what they need.

The hakapik is not only used in areas like the Magdalen Islands or by the sealers from Prince Edward Island, for instance. It can be a lifesaver. Many of our sealers on the front were very upset about the comments, because they listed occasions such as when you fall off an ice pan and it's the only hope you have of getting back on the ice. For pulling seals, for retrieving, for a number of reasons, the hakapik is used.

Again, just to say let's give it up because of perception, look, we are here, you are here, I'm here to try to do the best for our sealers, not to do the best for the animal rights people and the protesters. That's the philosophy we have, and we'll live by it.

● (0835)

**The Chair:** Thank you, Mr. Minister.

We'll go to Ms. Bell.

**Ms. Catherine Bell (Vancouver Island North, NDP):** Thank you, Mr. Chair.

Thanks to the minister for attending.

I'm sorry I was late this morning.

Of course, as you know, I'm from the west coast, and I have had a lot of concerns brought to me by fishermen lately. They are very concerned about the prospects for going fishing this summer. Of course, they are ever hopeful. I am wondering if you can tell me, this committee, and fishermen in general what the prospects might be for fishing.

On the west coast we've heard of closures and first nations sharing of fish. We understand absolutely about conservation and the need to take those measures when we have low levels of fish. We've also heard about the collapse of the U.S. fish and the closure in California. And that has a lot of people wondering what is happening in our waters.

Maybe you could just share with us where we're at in terms of those kinds of closures.

**Hon. Loyola Hearn:** Thank you very much for the question.

You're right, you hear about our problems and our concerns on the east coast in certain species. The west coast has its own problems—salmon in particular. When you talk about the fishery, the icon out there is the sockeye. Even though some of the fisheries are doing relatively well, an exercise we went through about a year and a half ago, shortly after I came in and took a lot of flak for it originally—the groundfish integration plan—has worked out extremely well. It's been lauded by practically everyone involved.

We did a lot of work to minimize the costs that would be involved in bringing in such a plan, etc. It's enabled a lot of fishermen to

continue to fish and catch species they depend on while sharing bycatch with other fishermen, etc. It's a total integration of the groundfish operation and it's been very successful. In some species they are doing very well.

When it comes to salmon, we have major problems. You never know, of course, until you get the returns, but the predictions this year, certainly on sockeye, are rather dim. In the way we look at sharing any fish, it doesn't matter if it's B.C. or anywhere else, conservation comes first, and it has to come first. If not, we're not going to have a fishery in the future.

In areas where we have first nations, the food, social, and ceremonial fishery comes next. We are very pleased with the input from first nations. Instead of dealing with them from afar, which might have happened for too long in the past, we've brought them around the table. They are heavily involved in decision-making. Last year we saw real leadership even in their food, social, and ceremonial component—not the commercial component, but in how much they caught and spread it to those who had less, etc. Again this year they're making some suggestions, knowing it will be tough and knowing that further up the stream some bands just won't have access to the fish, and they're talking about sharing, etc. That is laudable.

David can add to this, but for some of the species—chum, I believe—later on in the year it looks as if there might be a very good fishery. But again sockeye seems to be key, and even though it's only a small percentage of the total fishery on the west coast, it's like cod off Newfoundland. If you don't have cod, you have nothing, even though we make more money on the fishery than we ever did.

Do you want to add something to that, David?

● (0840)

**Mr. David Bevan:** I think in the southern range of the salmons, particularly sockeye, chinook, and, to a certain extent, coho, we're seeing some problems develop. In those areas, however, chum and pink are doing quite well, so there may be some other opportunities for some commercial fishing on other species. I recognize their value is not the same as sockeye and chinook, but there are going to have to be adjustments as we face the fact that oceanographic conditions have not led to the same kinds of survival rates in recent years that we've had in the past, and those have had impacts on the returns.

**The Chair:** Thank you, Mr. Bevan, and thank you, Ms. Bell.

Mr. Allen.

**Mr. Mike Allen (Tobique—Mactaquac, CPC):** Thank you, Mr. Chair, and thank you, Minister and your staff, for being here today.

I have a few questions I want to ask, and most of them relate to the estimates and plans and priorities. This first one might be directed more to Mr. Hegge, and then to the minister for more of a general question.



In the main estimates you talk about the program enablers. Roughly 27% of the costs on the base budget for all the different regions and programs are the program enablers.

Mr. Hegge, how is that allocated to the sectors and the agencies, and what's your mechanism for allocating those out?

Minister, how are those developed over time? More specifically, what's the ongoing process to review the effectiveness of these costs on a year-by-year basis?

**Mr. Cal Hegge (Assistant Deputy Minister, Human Resources and Corporate Services, Department of Fisheries and Oceans):** Thank you for the question.

As you rightly point out, the enablers are allocated over all of the program areas. It's a rather complicated algorithm, I guess, that's used, and if you want me to get into the details of that, I'd have to do some homework and come back to speak to that. I'm surprised to hear that the percentage is as high as you indicated. I'd have to also look into that, because I thought it was more in the 15% to 20% range.

When we talk about enablers, of course, we're talking about the finance and administration, the corporate services, policy, executive services, communications, legal services. There are a number of functions that go in to make up the enablers, and they play an important role, of course, for the department to deliver on its mandate.

Treasury Board is doing a lot of work at the present time in terms of what they call internal services or enablers—to use another term—in terms of setting service standards and being able to measure more specifically the contribution the enablers make, not just to our department but to all government departments.

**Hon. Loyola Hearn:** If you want me to just pick up on that and on general costs.... Different departments, of course, have different costs in running the department. It depends on how many you have involved and where.

I'll tell you one thing, it's not the minister's entertainment. It started a scandal earlier in the year when they realized I had no entertainment during the three-month period; everybody wanted to know what I was covering up. You don't get time to entertain in this racket.

This department is not only national—you have an office across the country type of thing—but we are also a department that's on the ground. You have fisheries officers all over the place, habitat people all over the place, and that requires a fair amount of travel, etc. That stuff certainly adds up. But we are also heavily involved internationally, not only on the fishing files but with stuff like WTO, etc., all the different organizations. It's a department that is not cheap to run.

What we have been doing, and what we will continue to do.... If we didn't have as many daily crises that are so important to our fishermen, we could sort of sit back and say we're going to take a week to go through the department section by section to see where we can consolidate a bit more. We have people who do that.

We try to get the best bang for the buck. Are we ever perfect? I don't know. Are we perfect ourselves with our own budgets? There

are always ways you can be more efficient, but sometimes saving money at the expense of not getting the job done is not the way to do it either. So there is that middle ground. But we all have to be conscious of that, to make sure we have the resources to enable us to do the job, but not to take advantage of that and be wasteful.

That's about all I can say to you.

• (0845)

**Mr. Mike Allen:** Thank you, Minister, for leading me to my next question.

One of the things in the new Fisheries Act talks about cooperation between federal and provincial agencies and ways that, possibly, we can get some efficiencies. When you're looking at water courses and some of the reviews that are done, there are provincial visits and then there are federal visits, and then people keep coming back over and over. One of the comments I get quite often is, why couldn't we make one visit; why couldn't this be coordinated as a single point of entry?

As part of the Fisheries Act and some of this cooperation, what do you see as major areas, in your mind, where there's potential for overlap to gain efficiencies going forward?

**Hon. Loyola Hearn:** The federal and provincial departments quite often have their own acts under which they operate, and they have certain responsibilities. Some of them are similar; some are actually duplicates, to a point. Even if they don't have them in some areas, they pretend they have them or get involved, and that could happen on both sides.

When we came to the department, one of the things we did in relation to our work, particularly in relation to habitat, where you usually see this, whether it be in working with a community on a housing development, working in relation to problems caused by a river or a bridge or whatever, or whether we're talking about the part we play in the development of a mineral operation or a mine site, where we quite often become the lead department.... We're heavily involved with the tar sands, even though, as you know, there's probably not a lot of water or fish, but there's enough to cause us to be involved. In anything that affects fish or fish habitat, we are involved.

When environmental conditions are involved and we're doing inspections and whatever other studies, do we have to do it, and then does NRCan have to do it, and then does forestry have to do it, and then does the provincial environment...? My answer to that is no. That's where, by working together, we can save a lot of time, money, and particularly a lot of aggravation for the proponents of whatever is going on.

One of the first things we did was amalgamate within and talk to the heads of our different divisions to see where we could be more concise within our own department. Then we set up key contacts with other departments, particularly NRCan and Environment Canada. These are the ones we work more closely with.

At the same time, the Minister of NRCan, Minister Lunn, was coming up with the idea of a major projects office, which speaks more or less to this, bringing all these assessments under one sort of umbrella.

We've developed a pretty good relationship with many provinces. I would point out particularly British Columbia, which has been front and centre; we do a lot of work out there. New Brunswick has been very cooperative, and P.E.I. has, and Nova Scotia, and we've worked closely with Newfoundland, to an extent.

It comes down to the relationships you build yourselves, when you can feel free, when you have that open relationship where you can sit and plan and agree beforehand on doing something. When you don't work together, when you don't talk to each other, when you're out to try to get one up on somebody else, it doesn't work.

I don't see a lot of that. I see a lot of cooperation coming. I think the time is right, Mike, to zero in on all these studies, whether for the small housing development or the tar sands project, to work with the provinces and the agencies to cut out duplication and waste and to set certain standards, whether for provincial involvement or federal involvement, as long as these standards are met and not compromised and time can be saved. Everybody benefits, and the people themselves are the winners in something like that.

• (0850)

**Mr. Mike Allen:** The next question is with respect to the section in the estimates on page 9 of the presentation that was made to us the other day. It was talking about the Capital Planning Secretariat. One of the things we've heard about concerning small craft harbours is investment and having a long-term plan for these harbours. What we're talking about is the allocations that are made to the regions contingent upon investment plans that vary from year to year. It seems to me this is running around a little bit.

Minister, I'm not sure whether one of your people can answer this, but what is the headquarters infrastructure required to set up these long-term investment plans? Who is responsible? What is the process for engaging the regions in collecting these plans, so that you can have very well-thought-out investment plans for small craft harbours?

**Hon. Loyola Hearn:** Again, it sounds good. I say that because, first, we have a major chunk of infrastructure from coast to coast—I was going to say the coast; we're not necessarily on the third coast yet, but we're getting there. We need a lot of infrastructure out there. They have great resources, which they can't harvest unless they get wharves. I doubt whether there is a member here in the fishing province that doesn't have major problems with infrastructure. We're having a job even keeping our heads above water.

A long-term plan for wharves is not like a long-term plan for housing, where you can see the areas you can develop and get into it and so on. The wharf budget each year can be greatly dictated by a winter storm. If ice comes into the northeast coast and into the harbours, if you get the right wind, and if a half-dozen of Mr. Simms' wharves are demolished in active fishing areas, it could rearrange priorities entirely. I don't mean areas where one or two use a wharf and they have another one three miles up the road, but we probably have too much of that also. We might want to look at working with

the fishermen themselves to see where we can consolidate and provide better facilities, but that's their call.

You can set a plan as to how much you're going to spend on wharves, how much you're going to spend on breakwaters, and how much you will do in divestiture, and we have that, to a point. But the actual work itself can be dictated, as I say, simply by a shift in fishing. People I know in one community, where we built a wharf that cost about \$3 million some years ago—before my day—within five years had gone to bigger boats. They could no longer land where they were landing. The wharf was abandoned, and they all moved further up where we had to go spend more money. That's the problem we run into.

Does somebody want to get into the set-up?

Would you, Cal?

**Mr. Cal Hegge:** Yes.

Just in terms of a general question on investment planning, our capital budget, as you saw in the slide, is close to \$300 million. We have a number of centres of expertise in the department that we work with in terms of allocating the major capital. The largest one, of course, would be the fleet and the Canadian Coast Guard. Small craft harbours, the real property program, and information management information technology, which is a smaller one, are others.

We have a fairly rigorous secretariat set up in finance and administration that works with the various centres of expertise. They are in constant contact with our regions, so the capital investment is obviously cognizant of the needs in the region. The priority-setting we have in the department is subject to peer review. In other words, all the centres of expertise get together, and they play a very important and effective role in challenging each other's expenditure plans. We monitor this through the finance committee and through our departmental management committee.

As a last comment, I would mention that in terms of the management accountability framework and the assessment the department just received, we actually got pretty good marks for our process with respect to investment planning.

**The Chair:** Thank you, Mr. Hegge.

Mr. Minister, maybe this is not for all the wharves in Mr. Simms' riding, but there are a few that were washed away that have enough material stacked up to replace them anyway.

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-  
sor, Lib.):** I'm happy to report to you, Mr. Chair, that I—

**The Chair:** Mr. Simms, you have your five minutes.

**Mr. Scott Simms:** I'm happy to report that I was not on them at the time—

**Some hon. members:** Oh, oh!

**Mr. Scott Simms:** —and I left standing.

I hope you have a pen because I have a few quick questions. I'm just going to run through the questions and I'll let you answer them.

DFO estimated last September that the European Union had already overrun its 2007 Greenland halibut or turbot quota by 10%, and the EU fleet just kept on fishing after that. What is the assessment of the EU's NAFO Greenland halibut quotas in 2007? What did DFO estimate the EU's catches were as against those quotas?

The proposed new NAFO convention contains provisions for reviewing objections, which you talked about, so what provisions does it contain to review and redress the violations of accepted quotas? You may want to talk about the reforms that were made.

Also, your government has now committed to bringing all significant international treaties to the House. So the question is not if, but when, the new NAFO reforms will be brought to the House.

Also, how will your commitment to extend the 200-mile limit affect issues such as the turbot quota?

Finally, changing gears just a little bit, I received correspondence regarding Bill C-32, and it says this:

We also recommend that the government send Bill C-32 to the Parliamentary Standing Committee prior to second reading to allow for adequate collaborative consultation and accommodation of Aboriginal and Treaty rights. We ask for your support in this regard.

Unfortunately, that was not done. It continues:

Given the important implications to First Nations of these proposed amendments to the *Fisheries Act*, failure to fully and adequately engage and consult First Nations may result in eventual legal challenges.

This correspondence was signed by Phil Fontaine, the national chief.

Obviously, that's a serious way of going about the issue. Why has the government not pursued taking the bill to committee prior to second reading?

Could you start with the issue of Greenland halibut or turbot, and also the new NAFO convention?

●(0855)

**The Chair:** Excuse me, Mr. Minister, but Mr. Simms used half of the time asking his questions, leaving you two and a half minutes to answer them all. So unless you have speed dial, you'd better move.

**Mr. Scott Simms:** Actually, I think other people were giving quite....

During his answer, I think he's allowed to overrun, isn't he?

**The Chair:** He can overrun by 30 seconds or a few minutes, but not by....

We'll see how the time goes. I just want to give you fair warning, that's all.

**Hon. Loyola Hearn:** Mr. Chair, let me give the first two questions to Mr. Bevan for very quick answers.

The halibut issue is one that was causing major concern. We've done major work on that and we are making headway. Dave will give you the specifics on that, and also in relation to the objection, which I'll also refer to him.

**Mr. David Bevan:** On the 2007 quota—and we have the same quota in 2008, by the way—we estimate there was a minor overrun of a few hundred tonnes by the EU. That's an estimate. Their reports, of course, are not confirming that. We are looking at much better compliance in 2008 than we've seen in the last number of years, so compliance has been improving steadily, and 2007 was a modest overrun.

With respect to the new convention, as in the existing convention, there are provisions for contracting parties who overrun a quota to have that overrun removed from their quota the next year. Those are issues that can be considered by the fisheries commission in any given year.

I think that's it.

**Mr. Scott Simms:** When is it coming to the House?

**Hon. Loyola Hearn:** It will come to the House. We've committed to bring it to the House, so we'll be bringing it there sooner rather than later.

By the way, I'm surprised we haven't had a question on overfishing on the nose and the tail and the Flemish Cap.

●(0900)

**Mr. Scott Simms:** Wouldn't extending the 200-mile limit take care of that?

**Hon. Loyola Hearn:** We always talk about the fish, flatfish, cod, etc. To a large degree, the Greenland halibut, the turbot, is the concern now. That has been minimized, really. We are working on that, so I hope it will be better.

The treaties we'll bring to the House as soon as possible. On the commitment to extend the 200-mile limit, I'm not sure how you can do it.

The commitment we made was to end foreign overfishing and if necessary to take custodial management of the nose and tail and the Flemish Cap. Every definition I have from Mr. Matthews, Minister Rideout, and Premier Williams in relation to what they perceive as custodial management, we have met. Right now, that resource is being managed. It is not being overfished at all. There has not been one violation this year so far. There was one last year.

On the correspondence from Phil Fontaine, I would suggest that you also have a lot of correspondence—at least that's what I'm told—from fishermen who are telling you to get on with the job, to get this proposed act through committee and get it passed.

Why didn't we send it to committee before second reading? That was because it took 140 years to develop an outline of what we consider—and most of you, including some of your members who have been heavily involved in the fishery, and former ministers have said it will be a very good act with some massaging. Massaging can easily be done at committee. In fact, the major issues raised by the people around this table before the last change were taken care of. There is always a moving target. If we send a bill to committee before second reading, you will not see the same bill any more. It will be completely decimated and changed, so it is just as well to take it and throw it out the window. We saw that with any other bills we sent to committee.

**Mr. Scott Simms:** Then it is your bill, not a fishermen's bill.

**Hon. Loyola Hearn:** If we're going to get an act that is as good as we can get, the only hope is to use the framework we have. It took a long time to develop. We had a lot of input. You do what you can at committee, and in your consultations you have free rein, but at least we have a framework that covers everything and doesn't open it up so that it will be torn to shreds and we will never see an act. We work with a good framework or we just say, "Forget it, boys, we're not going to get a fisheries act". It's as simple as that, really.

**The Chair:** Thank you, Minister.

Mr. Lévesque.

[Translation]

**Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ):** Thank you, Mr. Chairman.

Good morning, witnesses.

Minister, in March 2008, the committee met to study the conditions of eelgrass beds in James Bay. You know that barnacles and snow geese feed on this plant in order to survive their migration. This species will soon be endangered if we don't try to deal with this problem immediately.

If you decide to undertake a long-term study, how will it be funded? Maybe I should have started by asking you about the relative importance that the department places on scientific research into northern marine ecosystems.

[English]

**Hon. Loyola Hearn:** *Merci beaucoup, monsieur.*

We are aware of that. We're seeing too much of our environment, our habitat, being changed because of development. I won't say it's being destroyed intentionally, though. The James Bay issue—and I'll have one of our officials speak directly to it—is certainly a concern of ours. We have spent a fair amount of time looking at it and working on it. We have to work with the local people to make sure we preserve the habitat. Geese, especially, are important to them. I drove through Ontario recently, and I think there are some people there who would like to see fewer of them. They're very plentiful. But they are a resource that we can't allow to become endangered, because a lot of people depend on it.

Does somebody want to pick up the James Bay question? Claire?

[Translation]

**Ms. Claire Dansereau (Associate Deputy Minister, Department of Fisheries and Oceans):** Thank you, Mr. Lévesque.

We have started discussions with Environment Canada and Hydro-Québec in order to better understand the situation. We have begun the discussions that were requested by the committee and the studies in conjunction with these other two bodies are ongoing.

**Mr. Yvon Lévesque:** I was mainly concerned about the availability of funding to deal with similar cases, and was wondering if any type of interim funding is available so that you can get to work as soon as you have some type of agreement.

**Ms. Claire Dansereau:** In terms of funding, it is part of our regular operations. If we were to determine that studies are required, then we would have to work on another funding plan. In other words, I can't tell you at this time how much it will cost or what needs to be done, but at least we have started the ball rolling, and we will see where our discussions lead.

**Mr. Yvon Lévesque:** Thank you.

According to the October 2007 report by the Commissioner of the Environment and Sustainable Development, the department was responsible for 1,867 contaminated sites. The commissioner also stated that the department had an additional 5,100 properties that should undergo a contamination evaluation.

What was your reaction to the commissioner's concerns?

• (0905)

[English]

**Hon. Loyola Hearn:** That is certainly a concern to government and to all of us as individuals. The Department of the Environment is working in concert with other departments, like DND, NRCan, and ourselves, if there is leaching into rivers, to set priorities for the sites that are causing or have the potential to cause severe damage. They are identified. A lot of work has been done to try to clean up contaminated sites.

We as Canadians made a terrible mess over the years. Everything was just discarded. It didn't matter whether it was oil drums or old machinery. We did it ourselves. What did you do with the old cans, and so on, from home? Most people threw them out on the beach and the water took them away. Nobody knew we were doing irreparable damage.

Priorities will be set. We will work with other departments and move on the ones that we think are causing it, and then try to work down the line to get them all done. It's a challenge.

[Translation]

**Mr. Yvon Lévesque:** Did the department set a deadline for the determination of contaminated sites?

**Ms. Claire Dansereau:** An action plan was prepared after the report was published. No deadlines have been set because we are continuing to analyze the situation in order to determine the scope of the problem. We have no set deadline, but we have an action plan.

**Mr. Yvon Lévesque:** Thank you.

[English]

**The Chair:** Thank you, Mr. Lévesque.

Ms. Bell.

**Ms. Catherine Bell:** Thank you.

Thank you, Minister, for your answers to my questions previously. That leads me to my next question on salmon enhancement.

Because of the lack of salmon and the dim predictions, as you so rightly point out, what measures and increases to the salmon enhancement program are in these estimates and this budget?

**Hon. Loyola Hearn:** We started some time ago. In fact, shortly after we came to the department, one of the areas that was drawn to our attention, and this year quite often, was the salmon fishery in British Columbia, which covers a large chunk of territory. We have met with a lot of the groups involved.

You have in British Columbia—forget the 541 registered environmental groups and such—a number of groups set up that are designed to improve the stocks; for salmon in particular, you even have a Fraser basin group. You have a number of major players, who work together, by the way; we've managed to bring a number of them around the one table. You also have people working with other species, sturgeon and whatever. We've seen very good results.

We try to look at some of the specific problems, where we can zero in and do something worthwhile and do it quickly. One that comes to mind is the Cultus Lake salmon, an endangered species, or one that we want to list but haven't, because to do so would shut down the fishery on the Fraser. We've committed to trying to enhance that stock by reducing opportunities to catch; we've closed the fishery earlier than we should to protect Cultus Lake. But we've also worked on the lake itself with local groups, improving the environment, cleaning up the habitat, taking out predators. We are seeing results. All of these things can be done by working together.

We've added a number of new habitat people. We've rearranged within the department: we've added a number of enforcement officers and habitat people, but we've also done some moving around to move habitat people to the areas where habitat is the priority and enforcement people to where enforcement is the priority, rather than duplicating and wasting time.

So the total package is coming together. Claire or David, one of you might want to add specifically to that.

• (0910)

**Mr. David Bevan:** We've stabilized the funding for the salmon enhancement program, but what we don't have stabilized is the environment we're working in. We have a wild salmon policy that we'd like to complement by the work of the salmon enhancement program. We have to re-evaluate how that program will run into the future, because when we established these hatcheries, it was a different environment, and we had different marine survival, etc. We need now to look at where we're going to be operating in the next 20 or 30 years as we reinvest in this infrastructure and determine how we can use it to help preserve what we can preserve and augment what can be supported by the marine environment.

**Ms. Catherine Bell:** I'm glad to hear you're looking at the hatcheries, because I've been visiting hatcheries around the riding

and on the island, and some of them are almost at the end of their lives; they need a big injection. What commitments are you making to getting them modernized, with an eye to the future? I think that's important.

**Hon. Loyola Hearn:** Working with the local groups and agencies, we have investment funds on both coasts now that are used for salmon enhancement. We have a number of people who are extremely dedicated. Yesterday, in fact, I presented recreational fishery awards to people who basically give their lives. A lot of them are retired people who spend a lot of their time, but some of them are very active; some of them are young people.

Also, a lot of work has been done in the schools. I think that's laudable, and certainly I encourage members, when you get a chance, to go into the schools and talk about preserving the resource and getting involved and experiencing the joys of seeing our fish, of sitting on the bank. Whether you're catching or looking doesn't matter. To be there when the sun is setting and the trout are jumping, or the salmon.... You can't buy stuff like that. The more we get people to buy into this, the more we get them involved in the organization.

Government can't do everything. We can provide some funding, we can provide expertise, we can provide direction, but we have so many challenges when we're fighting the environment.

One thing I didn't add when I was talking to you before about concerns with some of the salmon stocks is about predation. The first time ever I've heard concerns coming out of British Columbia came during the last couple of trips I've taken out there.

In the first few years, predation was never mentioned, certainly on the east coast, but in almost every salmon river or trout stream now you have a pile of seals parked at the mouth of it, or sea lions, or whatever. They don't eat turnips, as Morrissey Johnson once said.

Consequently, we have to be careful of the balance of nature. If you get a lot of big predators just sitting there waiting for home delivery, our stocks are going to be decimated in a hurry.

Putting it all together, we need the involvement of people. And I think we're getting that; I really think we are. But it goes right from the hatcheries through to cleaning up the actual habitat itself and then our laws and rules that will protect the species.

**The Chair:** Thank you, Mr. Minister. Thank you, Ms. Bell.

Mr. Keddy.

**Mr. Gerald Keddy (South Shore—St. Margaret's, CPC):** Thank you, Mr. Chairman. Thank you, Minister and the rest of the witnesses, for appearing at committee today.

There's a fair amount of discussion about salmon on the west coast. I'm certain we know salmon is a species that's been overused by man in many cases and has suffered from that. My question on salmon is salmon on the east coast and the Salmon Endowment Fund, which we thank you for and which was a big help.

As the minister is well aware, in Nova Scotia the rivers that are flowing westward out of the South Mountain batholith are all suffering, or a majority of them are suffering, from acidification. However, many of the rivers that run into the inner Bay of Fundy are not suffering from acidification; they have a good pH balance. Yet the salmon returns in those rivers are some of the lowest in the province, including the inner Bay of Fundy salmon itself, which is a separate species and is listed under SARA.

We thank you for the money you gave to the Salmon Endowment Fund, but I would expect the inner Bay of Fundy salmon are still being looked at separately by the department. If so, what is the prognosis, and what scientific program have you put in place to enhance that species of fish?

• (0915)

**Mr. David Bevan:** Clearly there's been a requirement for the inner Bay of Fundy to establish a recovery plan for that species under the Species at Risk Act, and that's been done. We are also involved in collaborative work on the research, what's causing this problem, because fish have been leaving the river but they aren't coming back. What is causing their demise at sea is still to be determined. We have not been able to find a cause that would then be something we could target to deal with. It's still a big mystery. Work is under way to try to resolve it, to try to find out what's going on, but it's not been evident to us at this point what's causing that problem at sea.

**Mr. Gerald Keddy:** I would like to be clear on the funding for the inner Bay of Fundy salmon. Is that funding coming out of the \$30 million that was put forward for salmon enhancement, or is that separate departmental funding?

**Mr. David Bevan:** That's separate, coming out of the species at risk funding. It is a listed species, and we do have a budget for the species at risk legislation.

**Mr. Gerald Keddy:** Thank you for that, Mr. Bevan.

My follow-up question would be on the midshore coast guard vessels we're expecting, I think prior to 2012. In his opening remarks, the minister mentioned the polar class icebreaker in this year's budget, which is certainly needed for a number of reasons—for the safety of our mariners, but also for sovereignty in the Arctic. It was good news to hear that's finally on the way. But when can we expect the first of the midshore coast guard vessels, the replacement vessels?

**Hon. Loyola Hearn:** The first one within a couple of years, George?

**Mr. George Da Pont (Commissioner, Canadian Coast Guard, Department of Fisheries and Oceans):** We're targeting to get the first one by the fall of 2010.

**Mr. Gerald Keddy:** Do you know at this time where that vessel is going to be deployed originally? Is it the gulf region, the western region, Newfoundland?

**Mr. George Da Pont:** The first four vessels we get will be deployed on the Great Lakes and the St. Lawrence to respond first to the maritime security requirements in those areas.

**Mr. Gerald Keddy:** Okay. I was looking for the Atlantic coast on that answer. So when do we get the next four?

**Mr. George Da Pont:** We expect that once we get the first vessel we will get another one every three to four months afterwards. So they will come quickly. Once we've dealt with the maritime security issues on the Great Lakes and the St. Lawrence, the remaining vessels will be on the east coast.

**Mr. Gerald Keddy:** What length will these vessels be?

**Mr. George Da Pont:** I believe between 37 and 42 metres was the specification.

**Mr. Gerald Keddy:** Excellent.

Thank you, Mr. Chair.

**The Chair:** Thank you, Mr. Keddy.

Thank you, Mr. Minister.

Mr. Matthews, it's your time.

**Mr. Bill Matthews (Random—Burin—St. George's, Lib.):** Thank you very much, Mr. Chairman.

I'd like to thank the minister and his officials for appearing this morning.

I noticed in your opening remarks, Minister, that you referred to aquaculture funding. Last summer we crossed paths at Harbour Breton, when you made some announcements to alleviate some of the infrastructure pressures, particularly in the community of Pool's Cove, where we have tremendous activity because of aquaculture.

You referenced some \$22 million. Will any of that money be used to address infrastructure requirements of communities, say, on the Connaigre Peninsula, like Pool's Cove, or Bellorum, for instance, where there's tremendous commercial fishery activity and aquaculture activity, but a great infrastructure deficit? You're very familiar with the situation, as I am. Is any of that money going into infrastructure, or will the infrastructure requirements try to be met from your small craft harbours budget? Or is there some other plan for funding to address those issues?

• (0920)

**Hon. Loyola Hearn:** Generally, the funding we announced for aquaculture is not dealing directly with infrastructure when we're talking about major wharves, etc. However, we have looked at the needs. We have talked to people in the area. We've talked to the companies. We've talked about long-term plans for the area, where the concentrations will be, how it compares with what we have. In some cases we have infrastructure in some of these areas. It's a matter of enhancing the saturation or improving it. In some areas they might be adequate, and there are areas, undoubtedly, because of the shift.... It's like the example I gave, where we build a big wharf, change the fishery, and you need it somewhere else.

I'm sure your colleagues, when they see your area becoming so active, wouldn't mind giving up some of their money to see your area become enhanced.

I'm not sure if there's anything I can add to that.

That's basically it. The money we announce for the companies for research and development, all that kind of stuff, will not be put into infrastructure. But we are aware, and knowing the need, knowing the opportunities, and knowing the potential, we will hopefully be meeting the required infrastructure needs in these areas.

**Mr. Bill Matthews:** I realize that you have existing infrastructure and that some of it is in need of repair because of wear and tear over the years. Then we've had a change in fishery, where some of those wharves need to be extended. In addition to that, of course, we now have this tremendous aquaculture activity, which is very positive for the area—from Harbour Breton all the way up to Connaigre Peninsula to St. Alban's. I'm wondering if any consideration is going to be given to a federal government program of some sort to try to deal with that. You have your budget, limited as it is, so I'm wondering if there's some thought being given to a plan to address that infrastructure requirement generally within the federal government, with yours and maybe some other departments or agencies.

I notice in some cases Transport Canada has wharves.... In Harbour Breton, we saw one transferred to the small craft harbours program, which was very positive and great for the harbour authority there. I wonder what your response to that might be.

**Hon. Loyola Hearn:** Again, discussions are taking place with other government departments. We've seen a lot of old Transport wharves that are still there, that are adequate, that are being used to some degree by the fisheries, and we put a new emphasis on them. We are working with the companies.

By the way, in some cases, the companies involved want more control over the wharves. There will be, undoubtedly, private investment here. Again, there are other government programs that can be used in cases like that.

Are we aware of it? Yes. Are we doing something toward it? Yes. Can I say we have a plan for every community? Absolutely not. Number one, we don't know yet, nor does the company or anybody else, what the needs will be. What we're trying to do is make sure that for today's industry in the area we can make sure they can function properly with what we have, and we'll move quickly to enhance the immediate needs. But over the next few years—two to five years, that type of thing—we need to move quickly and cooperatively to have the infrastructure in place to see the industry grow, which it can.

**Mr. Bill Matthews:** I have reference to Transport Canada's Harbour Breton wharf facility, which was transferred to DFO's small craft harbours program. I think your estimates show a \$500,000 transfer with that transaction. I'm wondering what that money gets used for. Will that money be protected for further upgrading or requirements of the Harbour Breton facility, or will it go into the general small craft harbours program for use within the new plan of the Labrador region? I wonder if somebody could answer that for me.

**Hon. Loyola Hearn:** I stand to be corrected, but when we transfer a wharf to a community or a marina group, or whatever, we play by the same rules as if we ask for or accept a transfer from somebody else. The money given is not a bribe to get you to take it; it is basically money given to help you bring that wharf up to an

acceptable standard, and it's dedicated for the enhancement and improvement of that one facility. That money would be used to upgrade that wharf to bring it up to an acceptable standard. Rather than have them do it first and then turn it over, sometimes it's turned over and the money is given to do the work. That's not going into a general fund, but it's earmarked for that specific project.

• (0925)

**The Chair:** Thank you, Mr. Matthews.

Thank you, Mr. Minister.

Mr. Blais.

[*Translation*]

**Mr. Reynald Blais:** Thank you very much.

Earlier, Minister, I listened with great interest to what you had to say about the various files on which you are working. You said that a file doesn't spend very much time on your desk. That said, I believe that there is one file that has been sitting on your desk far too long. You will know what I am referring to as soon as I tell you the date—November 2006—which is when Rendez-Vous Quebec, the fisheries forum, was held. It is now May 2008, one and a half years later. The Quebec marine community is still waiting for a genuine development plan, a departmental action plan for the fisheries industry in Quebec. I could also list other files, including the shrimp fishery or others, but I think you understand that people are becoming impatient.

I would like to know what commitment you are prepared to make. What timetable will you set so that something might finally be done? In November 2006, you made a public commitment to provide us with something. Unfortunately, we are still waiting for it.

[*English*]

**Hon. Loyola Hearn:** Thank you, Mr. Blais.

Mr. Chair, I don't necessarily agree with my colleague. When I say "my desk", it's something I have control over myself, and when it comes to me for signing or reading, or whatever the case might be, it moves as quickly as possible.

Mr. Blais is talking about discussions coming out of a forum called by the fisheries minister of Quebec that he and I co-chaired, as we did in Newfoundland, New Brunswick, and to a lesser extent in Prince Edward Island. There was also a round table in Nova Scotia, one in which I wasn't directly involved. These were all forums called by the provincial governments. We went in there as co-chairs to work cooperatively with them, which we said we would do.

In these round table discussions we had all of the industry in the province, all except.... Some people in Quebec who didn't participate in it came to the table afterwards, and they have been very cooperative since. In Newfoundland they certainly did, and in New Brunswick everybody was involved—harvesters, processors, marketers, towns, you name it. After lengthy, open, and heartfelt discussion among all of them, committees were put together to come up with a plan to improve the fishery.

The bottom line across the board was an ocean-to-plate concept, meaning you would look at the product in the ocean and then proceed to see how to catch it when it's at its best quality, without affecting other species—for example, avoiding soft shell if it's crab, etc. Then it's how to land it in good shape, how the processors can process it, how much they will need at any one time, and what the best time to market it is. All of this is common sense and it takes coordination, but it's something we haven't seen. Everybody wanted to get out and get as much as they could, sell it as quickly as they could, get a few dollars, and worry about tomorrow afterwards.

That's changing, and as times get tougher, people realize we can get more out of less if we handle it properly. That was our commitment, and we've been doing that.

Coming out of that, a lot of the decisions had to be collective. A lot of it had to be on shore; a lot of the things had to be done by the fishermen themselves, and a lot had to be done by the processors. A lot of it had to be done with provincial regulation. The Quebec government came out with their report just a short while ago. It's very good and very aggressive, and we can participate in a lot of it.

We talked about things we can do at sea. The first one is working with the people in relation to the best time to open seasons and make sure they get their share of the fish. In Quebec we talked about regional shares, which we are developing as we get through the new species. You'll see in the next few days that as we allocate the quotas, they are based on permanent regional shares, as Quebec has asked for, so there'll be stability. Others also want the same thing.

We talked about the shrimp concerns they had. We moved to deal with them as well as we could, realizing this year the price almost doubled, so it wasn't the crisis it was last year.

So we have moved on a number of the things we have under our control. Some of the things will take developing through working with the province, with the fishermen themselves, and with the markets, etc. It's not something a federal or a provincial government can dictate. You can't say, "Here is what you have to do. You have the fish; you have to bring in so much, and here is where you have to land it." You can't do that. Fishermen have to have some flexibility.

As we see in Newfoundland, what we can do is give them the opportunity to take advantage of buddying up, working together to save costs, and having the ability to buy out others to improve their standing, which they never had before. From our point, it's better management of the resource, etc.

David, there may be a few things we can add. Have we covered all of it?

• (0930)

**The Chair:** You covered it off. You'll soon be calling me "Fabian Flexibility".

Mr. Stoffer, you have five minutes.

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP):** Thank you, Mr. Chairman.

I apologize to the committee and to the minister for being late this morning. I had a personal matter to take care of.

Mr. Minister, first of all, I want to thank you and your department very much for the effort on behalf of the sealers. I know it was a very difficult winter this year with the Paul Watson group. Personally, I think you handled it very well, so I want to thank you for that.

Also, with respect to the recreational fishing awards yesterday, I know one person from my riding is a very happy man today, so again, thank you for that. And thank you for the heritage lighthouse protection act. Your department worked very well with this committee and others, and your group should be congratulated on that.

My questions are a little different from that. First, as you know, the west coast indicated there will be a shutdown of the chinook fishery this year, although I didn't hear from the U.S. or state governments whether there is any compensation for those fishermen. If indeed Canada goes the same route, or doesn't announce a closure but just doesn't announce any openings, is there any possible compensation for these fishermen in those communities?

Mr. Bevan will know about my second question because I've asked him before. In the far north, in Grise Fiord, Arctic Bay, and Resolute Bay, would there be any opportunities for those fishermen who are wanting some access to the turbot fishery on the other side of the zero A line—and Mr. Bevan indicated that the line couldn't move because it's quite a technical thing within NAFO—to have some economic opportunities from the resource up there?

My third question, sir, deals not just with DFO but also with the provinces regarding the mining act, especially schedule 2. As you know, two lakes in Newfoundland were slated for destruction—two in Nunavut—and we hear there are more across the country, where mining companies can use fresh water lakes as tailing ponds. We're obviously all concerned about the protection of fish habitat and the fish resource itself. I'm wondering whether you plan any changes to that act. In brand-new Bill C-32, even though it says you can only kill fish by means of fishing, the order in council still gives the Governor in Council the authority to kill fish by other means. Unfortunately, filling in healthy aquatic systems with tailing ponds is another means of killing fish.

I'm wondering if you could answer those questions, sir. And I thank you for your time this morning.

**Hon. Loyola Hearn:** Thank you very much, Peter. It's good to see you here. Also, thank you for your comments and support in relation to what we did for the sealers. You were quite open and vocal with that, and with your personal support. And thank you for your support of the lighthouse bill as it went through several phases. You solidly supported it right through the process. I appreciate that.



In relation to the shutdown of the chinook fishery, at this stage we don't know what effect it will have. We know what's going on in the U.S.; we'll see what will come of it. There is no plan for compensation at this stage. Compensation is always the first thing that comes up whenever there's talk about any kind of downturn or whatever, and it's a slippery slope when you get into it. But we know people depend on it for a living, and sometimes you can mitigate in other ways. But you deal with what you have at the time you have it.

The far north access to turbot is probably becoming, as we say, an issue. Some time ago we did transfers between the fleet that was fishing.... Because of companies getting in or out of the fishery, there was movement back and forth of the large companies, as there always is within an existing quota. There was no disruption or change within the fleet sector, just movement within.

Nunavut was extremely upset. Newfoundland seemed to be upset. I cautioned them, because as it has been historically, it secured that the fish were caught by Canadians and landed in Canadian ports for the benefit of Canadians. Nunavut was upset because it thought that with any change whatsoever, all the fish should go to Nunavut.

Adjacency is a wonderful thing. It is one of the prime reasons we allocate resource. But historic dependence is also very important. If there is a resource that has been developed off British Columbia and somebody else gets the benefit, British Columbia is not going to be happy. They should be the prime beneficiaries.

One of the problems in the north is that they have this great resource of turbot and shrimp, and as we said earlier, they haven't got a wharf to land it on. What is happening, and you've been through this here at committee, is that a lot of that resource is sold in the water to other companies that provide minimal employment—I'm making the same arguments you've made over the years—and then they land it and transship it to other countries, in some cases going into markets duty-free, so we get no benefits except the royalties that are paid to a group.

I have concerns with that. Even though we have tried to maximize the benefits for the people of the north—there's no doubt about that—if we're going to take away something from other Canadians to give to foreign companies, I have concerns about that too. As we open up fisheries and the north has more access, we have to make sure that their people are the ones who benefit, not the Danish or the Finns or anybody else. I think you agree with that, because you've fought that battle for a long time.

● (0935)

**The Chair:** Thank you, Mr. Minister.

Thank you, Mr. Stoffer.

Mr. Calkins.

**Mr. Blaine Calkins (Wetaskiwin, CPC):** Thank you, Mr. Chairman.

I certainly appreciate your being here today, Minister. Of course, it's great to have your staff here. We're quite familiar with them here at committee.

When I looked through the performance reports for 2006-07 in the fisheries management program activity, the aboriginal policy in

governance planned spending was \$119 million; the actual was \$116 million. If you look at the aboriginal policy in governance for 2008-09 and the three years out there, it's between \$114 million and \$117 million. It oscillates a little.

Given that the government has a bill before the House of Commons right now that, if passed, would seriously accelerate the rate at which aboriginal land claims are resolved, has that been taken into consideration in your planned spending?

**Hon. Loyola Hearn:** I'll let the economist speak to that. But generally we are aware of the possibility that land claims will be accelerated. As to our involvement, it depends. If the areas affected involve fish or fish habitat, we will be involved. I think we are well aware of the implications and have budgeted for them, but I'll let the experts comment.

David.

● (0940)

**Mr. David Bevan:** The budgets we have for aboriginal access to fisheries are not directly related to land claims. They are a bridge.

We are looking at providing additional access. That will be considered as part of the process eventually when treaties are reached, but that does not represent recognition of the aboriginal right to a certain quantity of fish. That's not what it's about; it's about providing further access and a bridge to a treaty at some point. But this access would be provided irrespective of the outcome of the treaty process.

**Mr. Blaine Calkins:** On the descriptive statement there, I don't want to belabour the issue—I trust you have it in hand—but it seems to me that if we are going to enhance or speed up the process.... The line here says, “policy advice on Aboriginal fishing issues”, which I think is very understandable, “negotiating agreements on the management”, and “integrating agreements into overall management frameworks, advising on land claims and self-government”. I assume that as those kinds of things pick up, so too will the costs associated for the department. It's just a curiosity question on that front.

The only other question I have for you, Minister, is on the report that I think can be expected on the freshwater fisheries management act and the corporation. What are your plans for when that report is released, and what would you like to see happen insofar as the Freshwater Fish Marketing Act and corporation are concerned?

**Hon. Loyola Hearn:** Just to sum up the previous answer, we've spent a lot of time and put a lot of money into the east coast and west coast fisheries funding to settle long-standing aboriginal concerns. We've worked closely with them, and a lot of this is leading into treaties. Basically, we are aware of the challenges with the treaty process and without the treaty process. We are going through a process ourselves that won't see a major move in funding regardless of whether we're in treaty negotiations or not; we are making certain moves ourselves. That's why you don't see a major divergence.

In relation to the fresh fish marketing board and the challenge for central Canada, times are changing and markets are changing. I believe the board—and certainly the new chair, who was appointed some time ago—are well aware of this. Immediately they had a solid internal report on looking at options on how they can improve their own lot in order to be feasible and serve customers. That report is completed, and I'm waiting to get my hands on it to have a personal review. Treasury Board also initiated a report independent of us some time ago looking at it. That report is going to be available very soon. I think it is completed.

In our conversations with fishermen from the north—Alberta and Saskatchewan, in particular, and northern Manitoba, and even some of those closer—a number of concerns are being raised. Number one is the quality of the product these days. No longer do you ship in bulk, frozen, etc. We talk about quick access and fresh product on the markets. Because of the better transportation systems, there is ready access to markets now that a lot of people didn't have years ago.

All in all, some people think, maybe as they do with other facilities we have, that they could do a better job themselves if they were allowed to sell directly. But then in some cases they'd say it relates to some species, but there are some species they'd be better off having the marketing board market. It's not a black and white situation, and I think the people see that. I would rather have the fishermen and the marketing board try to find ways of solving this than to have it dictated from afar because someone thinks something works. They know what works, and if decision-makers or people who have control become an obstruction to seeing greater benefits flow to the people, then that's where we would have to step in.

**The Chair:** I have to step in, Mr. Minister.

**Hon. Loyola Hearn:** What I'm saying is I think we have the potential here if we work collectively to create a system that will benefit all those involved.

**The Chair:** I'm sure you don't mind me stepping in now, Mr. Minister.

Thank you, Mr. Calkins.

We have time to do a three-minute question, if that is satisfactory to everybody.

Mr. MacAulay.

• (0945)

**Hon. Lawrence MacAulay:** Thank you very much, Mr. Chair.

Mr. Minister, I think you're aware of the shortage in funding for small craft harbours and the major problem with the invasive species in the blue mussel industry in Prince Edward Island.

It's not specified in the main estimates what will take place with the \$38 million in additional operating expenditures. Will some of these dollars be put into small craft harbours or doing something to help the mussel industry deal with the invasive species, understanding that the mussel industry is so important to the economy of Prince Edward Island?

**Hon. Loyola Hearn:** First of all, I don't think we have a lot of money floating around—

**Hon. Lawrence MacAulay:** It's \$38 million, Mr. Minister.

**Hon. Loyola Hearn:** I think we have somebody explaining the \$38 million. It's not just sitting there, as you know.

In relation to the mussel industry, we are heavily involved in that one already. The Department of Fisheries has been working with ACOA in particular; they've been helpful. We're seeing...not only in P.E.I., but now we're seeing tunicates, in particular, in Newfoundland and Labrador. The aquaculture industry...the industry generally. We see it affecting aquaculture, because it's so close, but undoubtedly it's affecting the wild fishery too. Tunicates are an enemy that we have to address quickly. We need to address a lot of our work, both scientifically and on the water, toward repelling that. We are having some success.

We will use any free funds. If we happen to have a windfall somewhere and find money, we'll put it where the priorities are. As far as P.E.I. goes, that certainly is a priority. As far as infrastructure goes, that's a priority right across the country.

**The Chair:** Go ahead, Mr. Blais.

[*Translation*]

**Mr. Raynald Blais:** With respect to the shrimp fishery, Minister, I would like to know if you have a short, medium, or long-term plan to avoid what happened again this year, and what, unfortunately, has happened in years past. It looks to us like the future for the shrimp fishery in Quebec is uncertain. I would like to know what you intend to do in the coming weeks or months so that we won't find ourselves in the same situation next year. I know that the industry—since I was their spokesman—has already provided you with an assistance plan that deals with this file, particularly as it relates to the cost of permits. You know that gas and fuel are getting more expensive, and that prices may continue to rise in the coming months. Some things can be done, and I would like to know what you are prepared to do.

[*English*]

**Hon. Loyola Hearn:** Thank you, Mr. Blais.

I agree with you that things need to be done. Things are being done and things will be done. Something can be done relatively quickly, and something can be done by the fishermen themselves.

It gets back to us having to maximize resources, to fish at the best time, and to fish in order to land quality product to get the best prices we can. If we are going to put poor product on the market, the price drops and everybody loses, consequently. So I think the fishermen are really, really changing their methods of fishing to make sure they land quality product. And then the processors, etc., have to be a part of it, as they are part of it all, or part of the overall ocean-to-plate philosophy.

What we also need to do, and what we have done since we came in two years ago.... A lot of the shrimp goes to the European market. We only had 7,000 metric tonnes going in there at a low rate and we were paying a 20% tariff on the rest. We've increased that threefold to 20,000 metric tonnes and have worked for the elimination entirely of that tariff, which would certainly be of help.

Last year the fishermen in your area were held up for a while because the processors were paying only 27¢ a pound, despite the fact that much more was being paid in New Brunswick and Newfoundland. It was the same shrimp and the same markets, generally speaking. This year they started with 52¢, which is almost double what we got last year. I know you'll say that fuel has gone up, etc., but it is still a fair jump, and certainly one that didn't necessitate our involvement with fees on a specific case—because there are a lot of specific cases there.

What we have said, and I'll say it quite clearly, is that the whole fee structure is completely and utterly inadequate. Quite often we set fees when the price is relatively high, and in the last two years we saw the strengthening of the Canadian dollar, which had a major effect on the product we're sending to the States—which is a lot of our product. That hurt everybody. We saw fuel costs go through the roof. That hurt, and we are still this big bad government charging them the same fees we charged them a few years ago.

We made a commitment last year to change the whole fee structure, which is now working its way through the process. If the fees were set by my department, we would change them overnight. They're not, and fee structures have to go through the whole governmental process. It is a lengthy, time-consuming, and idiotic process—pardon me for using that word—and it is being reviewed. In fact, I think the Auditor General, in her latest report, deals with fee structures. So I know where you're coming from.

That's what we can do. We will change the fees. The fees will be commensurate with the net profits—they have to be. Other than having them that way, people will pay a heavy price.

• (0950)

**The Chair:** Thank you, Mr. Minister.

Mr. Stoffer.

**Mr. Peter Stoffer:** Thank you, Mr. Chairman.

Again, could you answer the earlier question?

And I have a second question for you. You know Gus Etchegary well. He sent me a note asking that I ask you a question.

They have been trying to get some information through access to information regarding what's happening with the 200-mile limit in terms of enforcement, etc. They have been getting responses back that for security reasons and confidentiality, the information can't be released. Gus Etchegary would like to know why, as they're having great difficulty accessing information on that issue through ATI.

I'm just wondering if you're aware of that, and if you're not, could you look into it? I could possibly give you the notes they have sent me, and I could hand them off either to you, your associate, or David, if you'd like.

**Hon. Loyola Hearn:** First of all, let me just get back to what you asked earlier, about the mining act and the effect on ponds.

In many mining operations, the best way to take care of the tailings is in water, and the only water available in many parts of rural Canada is trout-bearing ponds or streams. We have, for the first time ever, this last year on two occasions rejected applications because of the effect on fish and fish habitat where the damage that would be done was beyond what would be termed acceptable, beyond the benefits that would accrue from any such development. So there is not a yes to every development at all.

On the other hand, if mitigation can take place, our bottom line is no net loss of fish or fish habitat. That's where it lies. If people want to argue with that, we will argue. Our philosophy is that there will be no net loss.

Do we stop major development and the creation of jobs, sometimes sponsored by the people in rural areas who have few opportunities, and quite often first nations groups, when on one project you might see different groups on one side of the project? It depends. If it's close to home, there is a different attitude. The bottom line is, if you are going to affect a fish area, fish habitat, or fish stocks, can you mitigate it in the nearby area such that you have no net loss and benefit the people in the long term? If you can't do that, it will be no, as we have said twice this past year. Can we have the best of both worlds? If there is not a major disruption, probably we can, but that's where you have to walk that fine line and make sure you take everything into consideration.

In relation to the freedom of information....

**Ms. Claire Dansereau:** We'll look into it.

**Hon. Loyola Hearn:** Okay, we'll look into it and see what the story is.

**The Chair:** Thank you, Mr. Hearn.

Mr. Kamp.

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

I just have two quick questions.

I wondered whether you could give us an update on the status of the wharf at Digby Harbour and how we're progressing with that situation.

Then, on the other coast, could you give us an update on the potential salvage operation at Robson Bight?

• (0955)

**Hon. Loyola Hearn:** Thank you, Mr. Kamp.

A lot of you here are looking for wharves and breakwaters. I suggested to my Newfoundland colleagues, in light of the new spirit of our premier, who is willing to help Ontario financially, that we have a lot of wharves and breakwaters and might help Quebec and some other areas. But you'll have to move them at your cost; that's the only thing.

**Some hon. members:** Oh, oh!

**Hon. Loyola Hearn:** We could probably solve that with the Digby wharf. It's big enough to help about 10 of you at any one time. We have a monstrosity, of course, that right now is a major fishing area.

Digby is a name that is known throughout fishing communities, certainly all around Atlantic Canada and probably the world. They have this major transfer wharf, which the former government sold to a private interest. It didn't work out. I don't know whether the money was used to repair the wharf or not; apparently not much was done.

Then the wharf was in disrepair and the fishermen were looking for a place to land. The government had to step in and basically get it turned over to a local group who were really concerned, or I think bought it back, even though whoever had it originally had been paid for it. But that's a story for them to work out.

Transport, the ACOA minister as the minister from Nova Scotia, and we are meeting on that, in fact this very week. We have plans; we will look after the people in the Digby area. We will do it, despite the fact that they've been thrown to the wolves. We will be there to make sure they have a place to land.

In relation to the west coast, Ms. Bell raised this question when we were here the last time, and subsequent to that I talked to my good friend—and I say that factually—Minister Penner from British Columbia. We have worked very closely on a lot of touchy projects,

and he's always been there, ready to take up his share of the burden. We talked about the best possible way to take care of this.

You get all kinds of arguments: that it is better to leave it alone, or whatever. The safest and surest way seemed to be to remove the possible fuel containers—the tank and another container containing fuel. That is going to be done. We've collectively agreed to pay for the cost of removing them.

That should take care of it. The only concern we have there is the whales that pass through the area. We have to get it done before they come, or we might have to wait until they pass through, in case anything happens and it has an effect on the whales. We don't want that to happen.

**The Chair:** Thank you, Mr. Minister. I realize many of my colleagues here are bubbling with more questions, but time has expired.

I thank you for your presence here this morning and for your answers to the many questions that were posed.

Committee members, we are going to take a break now. We have to come together for a few moments to discuss some committee business, so we shall reconvene in about five minutes. Thank you.

*[Proceedings continue in camera]*

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