



Great Lakes Fishery Commission

PROTECTING OUR FISHERY

Written Submission for the Pre-Budget
Consultation Regarding the Federal Budget

August 2020



- Recommendation 1: That the government comply with our bi-lateral treaties with the United States regarding the Great Lakes and honour these commitments by funding the Great Lakes Fishery Commission at a rate of \$19.44 million in fiscal year 2021-2022 and every year thereafter.

Context

Most Canadians view the Great Lakes as a place to cottage or to fish, and, while true, the Great Lakes are more than just a playground. The Great Lakes are home to 3,500 unique plant and animal species and 30% of Canada's population. The Lakes are the source of drinking water for millions of Canadians, they provide sustenance and social influence for countless communities and Indigenous peoples, and they comprise 21% of the planet's fresh surface water. Economically, the Great Lakes are an engine that provide 237,868 jobs, \$45.4 billion in direct economic activity, \$13 billion in recreation/resource interests, and they facilitate the movement of \$19.8 billion worth of goods annually. All this is to say, while the Great Lakes are a resource that is rightly subject to domestic governance and regulation, the Great Lakes are also an important pan-Canadian asset with continental implications given their status as international boundary waters. The Great Lakes are a binational resource that faces numerous threats to their long-term sustainability.

The Great Lakes Fishery Commission (GLFC)

In 1955, Canada ratified the *Convention on Great Lakes Fisheries* because history demonstrated that, if we are to preserve the economic and environmental advantages of the Great Lakes, we need to collaborate with our American neighbours.

More than one treaty collapsed as Canada and the US failed to agree on how to tackle shared problems. By 1954, necessity had driven governments to ratify the Convention, and to create the GLFC.

That treaty created the Commission, and assigned three main duties:

1. To formulate and drive a science program upon which to base fishery management decisions;
2. To help the management agencies work together, as "divided governance" led to inconsistent regulations and parochial actions resulted in a "race to the bottom"; and
3. To formulate and deliver sea lamprey control. Sea lamprey is an invasive predator that is incredibly destructive to the fishery and economy.

The Commission ended the cross-border bickering that had resulted in constant conflict, a nearly collapsed fishery, a badly damaged ecosystem, and severe economic losses on both sides of the border. The Commission also created a scientific understanding of the fishery and how to address problems and, notably, it reduced sea lamprey populations by 90%. This work directly facilitated the restoration of the \$8 billion fishery.

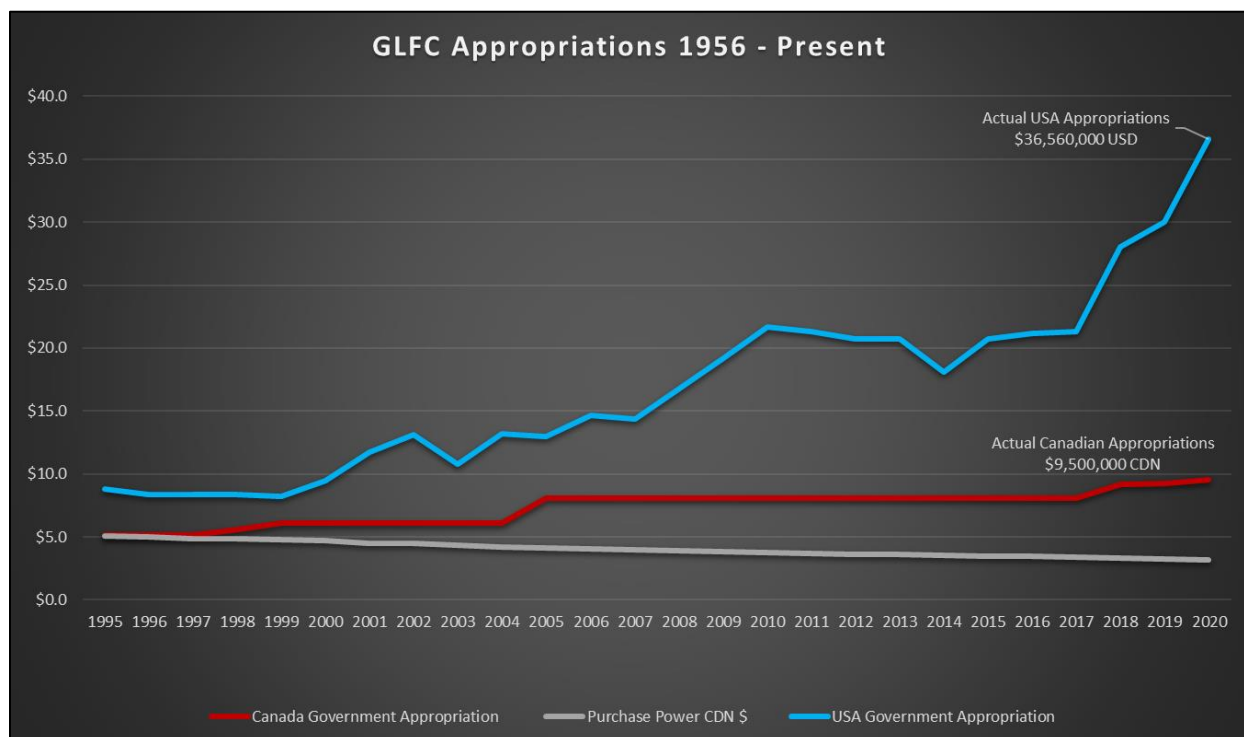
Traditional Funding Formula (commitment versus reality)

As part of the 1954 treaty discussions, Canadian and American negotiators struck an understanding on a funding formula that accounted for the disparity in the differing population sizes, economic output, and geographic area of the lakes falling within each country. That formula prescribed:

- For the sea lamprey control program, the US pays 69% and Canada 31%.
- For science, cross-border coordination, and Secretariat operations, the two nations share costs equally.

The US has more than fulfilled its funding commitments while Canada has underfunded the GLFC for years. To offset Canada's shortfall, the US has temporarily supplemented its annual appropriation to the Commission by adding funding from the *Great Lakes Restoration Initiative* Program, a short-term measure to sustain the Commission's research and operational programs.

To meet the funding formula as stated, Canada should be contributing \$19.44 million annually, which compares to Canada's actual contribution of \$9.54 million. This amounts to a \$9.9 million annual Canadian shortfall. This gap is exacerbated when the underfunding is considered in terms of operational impacts, and when inflationary factors are considered. The following graphically demonstrates the growing Canada/US funding disparity.



Operational Impacts

If Canada were to fully fund the GLFC's treaty mandate, as recommended by the Committee in *Recommendation #78* of the February 2020 pre-budget consultation report, the GLFC would:

- Devote full attention to sea lamprey control. Research confirms we are underfunding sea lamprey control by 25% and, therefore, not taking full advantage of the fishery. A failure to adequately fund control measures would allow a sea lamprey population rebound which would threaten fish stocks.
- Concentrate on new research needed for sound fishery management in the face of emerging trade, climate, environmental, and infrastructure challenges.
- Help agencies work more collaboratively and communicate our work to those who utilize it in real-world situations. Such cooperation would allow all involved to better prevent and prepare for future challenges such as grass carp and other emerging invaders.

With additional funds, Canada would, for the first time in more than a generation, meet its treaty commitments. Specific budget tables are attached in Appendix A.

Relationship Impacts

Our treaty is premised on genuine binational cooperation and partnership. Canada's traditional funding shortfall has caused considerable Congressional angst. As but one example, on April 22nd, 2016, eight Great Lakes Senators wrote Canada's Ambassador, stating:

"As members representing Great Lakes states, we remain strongly committed to the Commission's program and to good relations between our two nations. As such, we were disappointed to learn that the recently tabled Canadian budget did not provide adequate funding for Canadian operations... We hope Canada will find a way, as soon as possible, to fund the Commission consistent with the funding formula."

American concern continues and was most recently expressed in March of 2020, when a delegation of Canadian parliamentarians attended Great Lakes Week on Capitol Hill. During bilateral meetings, Canada's lack of fiscal commitment to the GLFC was raised as an indicator that Canada was less than fully committed to sustaining the Great Lakes and the related cross-border relationship.

US Actions

COVID-19 has altered our day-to-day lives since the Committee's February 2020 pre-budget consultation report was released. Most agree that the depth of the crisis demands that any post COVID-19 recovery strategy leverage every asset and opportunity. Congress has accepted this premise and placed the Great Lakes at the centre of their strategy by approving millions of dollars in new resources for programs such as the Great Lakes Restoration Initiative (see Appendix B). By their actions, US lawmakers understand that public investment in the Great Lakes reaps an economic multiplier effect, sparks jobs creation, and leads to broad regional economic growth. Similar Canadian investment, including full funding of the GLFC mandate, will maximize corresponding opportunities on the Canadian side of the border.

Conclusion

The Great Lakes fishery is important culturally and economically and is well-worth this small investment. Canada and the US have a proven mechanism in place to manage this binational resource. Although the mechanism works well today, the lack of Canadian funding has long raised eyebrows in Washington and threatens the very foundation of what is supposed to be a respected and reciprocal commitment.

The GLFC has a 65-years track record of success and the \$8 billion fishery is proof. But there is much more to gain. This Committee can help preserve the Great Lakes and the Canada/US relationship that is mutually beneficial to both nations and that has saved the Great Lakes.

The GLFC asks for a recommendation that would see the Government of Canada fund the GLFC in accordance with Canada's traditional commitments and in keeping with the Committee's February 2020 *Leveraging our Strengths* document.

Appendix A

TABLE 1

Summary of the Commission's program requirements and cost estimates for FY 2021/2022

All figures in millions of Canadian dollars.



PROGRAM AREA	FY 2021/2022 Budget Request
Sea lamprey control	\$ 12.20
Infrastructure (mostly related to sea lamprey control)	\$ 2.83
Science and research	\$ 3.23
Fishery management and coordination	\$ 0.61
Communications, policy, and legislative affairs	\$ 0.57
Total	\$ 19.44

Note: Program operation costs are included in these figures.

Appendix B

Source: the July 2020 House of Representatives appropriations bills.

Marine Debris Program (NOAA)	National Ocean Service / Office of Response and Restoration	\$1 million above FY2019	\$1.52 million below FY2020	\$15 million ^[xxxii]	\$9 million ^[xxxiii]
Coastal Zone Management Grants (NOAA)	National Ocean Service / Ocean and Coast Management and Services	\$77 million	Eliminated	\$77 million	\$78 million
Harmful Algal Blooms (NOAA)	National Ocean Service / Coastal Science and Assessment	\$19 million	Eliminated	\$25 million	\$22 million ^[xxxiv]
Clean Water State Revolving Fund (EPA)	State and Tribal Assistance Grants / Infrastructure Assistance	\$1,639 million	\$1,119 million	\$3,400 million	\$1,639 million ^[xv]
	Emergency Supplemental Funding				\$6,355 million ^[xvii]
Drinking Water State Revolving Fund (EPA)	State and Tribal Assistance Grants / Infrastructure Assistance	\$1,126 million	\$863.24 million	\$2,320 million	\$1,126 million ^[xvi]
	Emergency Supplemental Funding				\$3,855 million ^[xv]
Small and Disadvantaged Communities (EPA)	State and Tribal Assistance Grants / Infrastructure Assistance Grants	\$25.4 million	Eliminated	\$25.4 million	\$26 million
Lead Testing in Schools (EPA)	State and Tribal Assistance Grants / Infrastructure Assistance Grants	\$26 million	\$15 million	\$26 million	\$26 million
	Emergency Supplemental Funding				\$50 million
Reducing Lead in Drinking Water (EPA)	State and Tribal Assistance Grants / Infrastructure Assistance Grants	\$19.5 million	\$20 million	\$20 million	\$20 million
	Emergency Supplemental Funding				\$1,000 million ^[xvi]
Sec. 106 Clean Water State Grants (EPA)	State and Tribal Assistance Grants / Categorical Grants	\$223.3 million	\$153.68 million	\$231 million	\$248 million
Sec. 221 Sewer Overflow and Stormwater Reuse Municipal Grants (EPA)	State and Tribal Assistance Grants	\$28 million	\$61.45 million	\$225 million ^[xvii]	\$56.7 million
	Emergency Supplemental Funding				\$400 million ^[xviii]