

**STANDING COMMITTEE ON
FISHERIES AND OCEANS**



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

**COMITÉ PERMANENT DES
PÊCHES ET DES OCÉANS**

March 28, 2023

The Honourable Joyce Murray, P.C., M.P.
Minister of Fisheries, Oceans and the Canadian Coast Guard
Wellington Building, Suite 508
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Minister Murray:

I am writing to you in my capacity as the Chair of the House of Commons Standing Committee on Fisheries and Oceans (the Committee) to convey the Committee's concerns related to the impacts of post-tropical storm Fiona (Fiona) on fish harvesters and fisheries infrastructure, such as small craft harbours, in Atlantic Canada and Eastern Quebec and the federal government's response to Fiona in the context of the climate crisis.

During four meetings, held between 18 November 2022 and 29 November 2022, the Committee heard from 27 witnesses. Witnesses included representatives from non-governmental organizations, industry associations and officials from Fisheries and Oceans Canada (DFO). The Committee also heard from your provincial counterparts in New Brunswick, Newfoundland and Labrador (N.L.), Nova Scotia (N.S.), and Prince Edward Island (P.E.I.).

The Committee heard about the devastating impacts of Fiona, which made landfall in Canada on 24 September 2022 and affected the harbour infrastructure, waterways, aquaculture gear and fishing gear of Atlantic Canada and Quebec to varying degrees. The severity of these impacts depended on regional circumstances and the trajectory of the storm. Witnesses also spoke about Fiona, the second tropical storm to hit the region hard in only three years, in the broader context of the climate crisis and its impacts on Atlantic Canada and Quebec.

STUDIES AND PLANNING

Many witnesses agreed that climate change will bring more frequent and severe storms to the area. Others underscored the need for more science to understand the upcoming impacts to better prepare for them as well as the importance of incorporating this understanding into the rebuilding of damaged small craft harbours and other infrastructure to make them more resilient

to these future storms. The need to understand the impacts of storms and warming waters on fish stocks and fish distribution was also discussed.

Although some witnesses were generally pleased with the initial responsiveness of the federal government after the unprecedented impacts of Fiona, many believed an overarching plan describing responses to future storms is needed. The Honourable Steve Craig, Minister of Fisheries and Aquaculture of N.S., expressed the need for an “overall playbook” that lays out what to do in the aftermath of a storm in a coordinated, planned approach instead of developing a piecemeal response in the immediate aftermath of a storm, as was the case for Fiona.

Some witnesses expressed disappointment at the lack of engagement with the ocean sector, particularly the fisheries sector, during the development of the federal National Adaptation Strategy released on 24 November 2022. They emphasized the importance of fully considering the impacts of climate change on the ocean ecosystem, fish resources and coastal areas to better prepare for upcoming changes.

SMALL CRAFT HARBOUR MAINTENANCE AND INFRASTRUCTURE

Testimony reinforced that federal investments in fisheries infrastructure have not resulted in infrastructure resilient enough to stand up to weather events driven by climate change. Witnesses shared that small craft harbours that were in good repair before the storm generally fared better than those in poor condition. Vincent Leys, Senior Coastal Engineer at CBCL Limited, explained that this was likely due to the strength of the structural steel members and new concrete found in recently renovated or rebuilt small craft harbours which resisted waves and flooding better than the old timber and deteriorated concrete present in small craft harbours in poor condition. Witnesses suggested this was a good reason to work to keep harbours in good repair. However, not all harbours in good repair fared well. For example, Red Head Harbour in P.E.I., renovated only two years ago, will need substantial repairs.

Witnesses underlined the absolute importance of adaptation to the increased intensity of future storms due to climate change. Small craft harbours must not only be repaired but improved to withstand the worsening severity and increased frequency of future storms in the coming decades. When Fiona made landfall in Atlantic Canada, the sustained winds were strong enough to be categorized as those of a Category 2 storm. Molly Aylward, Executive Director of the Prince Edward Island Fishermen’s Association, explained that the damages caused by Category 2 Fiona to P.E.I. infrastructure was unprecedented and that if the province was hit with a Category 4 or 5 storm, current infrastructure would be “wiped out.”

Witnesses suggested a variety of ways to ensure structures withstand future storms such as reinforced, heightened or doubled seawalls, and higher decks on wharves. Witnesses also suggested that nature-based solutions such as natural infrastructure and topography be considered whenever possible. Ecosystems such as salt marshes, eelgrass beds and kelp beds can

help coasts be more resilient to storm surges. Witnesses spoke of the importance of including various parties in the design of coastal infrastructure, including local fishers, engineers, climate experts, and DFO officials.

Fiona has directly impacted harbour capacities and fishers cannot count on pivoting to other nearby harbours that were not damaged by the storm due to limited berthing space. The Committee heard conflicting testimony regarding the timelines for repairs on small craft harbours and whether they would be completed in time for the upcoming seasons. Most stakeholders believed it would not be possible to complete the necessary repairs by the time some fishers begin their seasons as early as March 2023. However, Adam Burns, Acting Assistant Deputy Minister of Fisheries and Harbour Management at DFO, assured the Committee that repairs would be completed in time for the vast majority of impacted harbours to be operational come this spring. He estimated that between two and 10 small craft harbours may not be operational by then and added that DFO was working on plans to accommodate impacted fishers.

A reason provided for delayed repairs was the availability of workers and contractors to work on damaged wharves. Witnesses told the Committee that collaboration between DFO and harbour authorities could help speed up repairs and upgrades since harbour authorities know their harbours better than anyone else.

The complicated situation of damaged divested harbours that no longer fall under DFO's Small Craft Harbours (SCH) program was discussed. Witnesses told the Committee that infrastructure investments had not been made in many divested harbours for 10 to 20 years. They wondered where the funding to make the infrastructure improvements needed to make these harbours more resilient to climate change would be found.

Witnesses emphasized the need for adequate government support for communities that are repairing infrastructure in the aftermath of Fiona. According to witnesses, the \$300 million Hurricane Fiona Recovery Fund (HFRF) committed by the federal government over two years for repairs will probably be insufficient. Sherry Glynn, Inshore Representative at Fish, Food and Allied Workers – Unifor, stated that the fund “will be quickly exhausted given the scale of repair and replacement” required in P.E.I., N.S. and N.L. Adam Burns specified that the \$100 million from the HFRF earmarked to address small craft harbours and ghost gear are “meant to do the short-term repairs, to support the engineering assessments of the wharves that are severely damaged, and to get us to a point where we understand more completely what the overall impacts have been” in order to start making plans for full repairs, including assessing what the full costs of the repairs would be. Data provided to the Committee by DFO notes that the SCH program estimates an annual budget of between \$300 million and \$350 million would be necessary to ensure the proper life cycle management of all its harbours and to ensure they are climate resilient. The Committee notes that, according to GC InfoBase data, program spending for the SCH program was \$151.22 million in 2021–2022.

Witnesses expressed a need for the dredging of channels and harbours due to the impacts of Fiona. In addition to this short-term need, they also expressed a desire for a longer-term plan that would include:

- Studies to better understand how more frequent storms and increased wave height due to climate change will affect how sedimentation occurs in harbours and channels;
- Better routine dredging, particularly in the areas that are known to need regular dredging;
- Ensuring the availability of the workforce, equipment and expertise necessary to respond quickly to required dredging, particularly during fishing seasons; and
- A plan for emergency dredging to be put into action prior to the next big storm rather than an ad hoc response after the fact.

IMPACTS ON FISHERS, AQUACULTURE AND PROCESSORS

Witnesses described the various financial impacts to fishers : lost gear, damaged gear with shortened lifespans, lost fishing time during already short seasons and reduced catches after the storm. The Committee heard that replacing lost gear was proving to be difficult for some because of material shortages. Witnesses also described the impacts on employment insurance eligibility caused by Fiona reducing overall earnings and/or the number of active fishing days.

Witnesses described the threat posed by ghost gear created by storms. Martin Mallet, Executive Director of the Maritime Fishermen's Union believed that DFO's efforts to recover lost fishing gear should continue over the long term, in collaboration with fishing associations, because there will be "more big storms in the years to come, which will exacerbate the problem of lost fishing gear, and we will have to make every effort to limit the impact of that gear on marine ecosystems and species."

The Committee heard testimony about the significant losses incurred by the shellfish fishery and oyster aquaculture industry in P.E.I. Robert MacLeod, President of the Prince Edward Island Shellfish Association, told the Committee that two weeks of the season were lost because of high tides after Fiona and that buyers temporarily stopped purchasing shellfish because power outages closed the testing laboratories. The erosion caused by the storm also led to silt being deposited on the beds. The Committee heard that the impacts on the P.E.I. mussel and oyster industries will be felt for two to three years before sufficient biomass is restored.

Witnesses described the impacts of the loss of power after Fiona to the Committee. Although generators were available in some cases, some eventually ran out of fuel. These power outages posed challenges for the cold storage of refrigerated and frozen products. For example, power was lost in a building holding frozen products at the Victoria Co-operative Fisheries Ltd. processing plant in Neils Harbour, N.S. Power outages also led to the closure of testing laboratories. For P.E.I.'s land-based fin fish farms, significant quantities of fuel were used for backup power to keep as much stock alive as possible.

The Committee also heard from witnesses further in the fisheries value chain, including Richard Ablette, Vice-President and Chief Science Advisor at Sogelco International Incorporated which purchases aquaculture mussels in P.E.I., and Paul Lansbergen, President of the Fisheries Council of Canada, representing fish processors. They described the impacts of Fiona on secondary producers. They explained that a reduction in the availability of mussels or fish diminishes the amount of product that can be prepared and can lead to difficulties meeting agreements with mass retailers regarding the pricing or availability of products. Reduced product availability can also lead to a loss of retail shelf space, which can be difficult to regain.

COMPENSATION

Witnesses told the Committee that it is not clear at this time which losses are insurable. This uncertainty could complicate the eligibility of those impacted by Fiona for compensation programs and determining whether those affected may need to apply to provincial or federal programs for assistance. The increasing premiums and deductibles for insurance coverage as well as increases in exclusions in coverage were discussed. Witnesses expressed interest in developing federal insurance programs and business risk management programs for the aquaculture sector, like those led by Agriculture and Agri-Food Canada for certain agricultural activities.

The Committee heard that it was unclear what relief opportunities might be offered to divested harbours that had been impacted by Fiona. Michael Barron, President of the Cape Breton Fish Harvesters Association, described a divested harbour on private property where five wharves and the traps stored on them were destroyed by Fiona saying: "Some of these people did not own the property, so it's not deeded or insured. They're falling by the wayside. There's no provincial help and there's no federal help at this point." Adam Burns explained that divested harbours would be treated on a case-specific basis and could be eligible for disaster relief funding distributed to the provinces or to the \$200 million of the HFRF coordinated by the Atlantic Canada Opportunities Agency (ACOA) not already allocated to repairs of SCH.

RECOMMENDATIONS

The Committee was heartened to hear a desire for collaboration from witnesses, both in response to the immediate aftermath of Fiona and in the broader context of adaptation to climate change. We encourage the federal government to work together with provincial governments and industry stakeholders to best prepare Atlantic Canada and Quebec for the impacts of climate change and to work towards reducing the greenhouse gas emissions that are a leading cause of climate change. Considering the testimony heard, the Committee would like to bring the following recommendations, listed by theme, to your attention.

Planning

1. That, as part of the federal government's response to Fiona, Fisheries and Oceans Canada use resources already allocated to establish a strategy to expand opportunities for fishers and other participants of fishing and coastal infrastructure sectors.
2. That Fisheries and Oceans Canada develop and implement, in collaboration with all levels of government, an integrated plan for the timely and effective deployment of resources for severe weather damage prevention, response, and cleanup.
3. That Fisheries and Oceans Canada take a preventative approach to the climate crisis to ensure that coastal infrastructure is resilient enough to prevent damage from increasingly frequent incidents of sea level rise or severe weather events as a result of climate change, rather than repeatedly repairing poorly adapted infrastructure.
4. That Fisheries and Oceans Canada conduct meaningful consultations with stakeholders, in particular harvesters, processors and Indigenous representatives and ensure their knowledge and expertise is utilized in Fiona recovery projects.
5. That Fisheries and Oceans Canada collaborate with Environment and Climate Change Canada to identify or develop modelling to assist in the prediction of future climate change-related impacts on Canada's fresh and saltwater coastlines, including risks of adverse weather events and impacts on the behaviour and distribution of ocean species, and measures to identify and collect the data necessary for the modelling to be effective.
6. That Fisheries and Oceans Canada adopt an overarching plan or framework governing its response to the climate crisis.

Small Craft Harbour Maintenance and Infrastructure

7. That Fisheries and Oceans Canada establish a rapid response team dedicated to emergency dredging of harbours and navigation channels to limit economic losses of the fishing industry due to severe weather events.
8. That the Minister of Fisheries, Oceans and the Canadian Coast Guard immediately direct Fisheries and Oceans Canada officials to ensure that federal investments in permanent repair and reconstruction projects, including double break walls, result in fisheries infrastructure that will be climate resilient.
9. That Fisheries and Oceans Canada invest substantially in harbour infrastructure throughout the Atlantic provinces and Quebec to protect wharves and fishing vessels against increasingly frequent and progressively higher storm surges. In particular, the ability of the seawalls to stand up against this type of tide needs to be reinforced, and the height of wharves increased to prevent them being submerged during storms.

10. That Fisheries and Oceans Canada prioritize the effective use of natural coastal infrastructure and topography in its rebuilding and adaptation activities for severe weather resiliency.
11. That the Minister of Fisheries, Oceans and the Canadian Coast Guard direct Fisheries and Oceans Canada to initiate regular and ongoing assessments of the conditions of small craft harbours and continuous monitoring and timely maintenance as required for the benefit of harvesters and the communities they support.
12. That the Minister of Fisheries, Oceans and the Canadian Coast Guard direct Fisheries and Oceans Canada officials to work cooperatively with port authorities in assessing the needs of their ports and developing and executing recovery plans.
13. As part of the federal government response to Fiona and using resources already allocated, that the Minister of Fisheries, Oceans and the Canadian Coast Guard direct Fisheries and Oceans Canada officials to immediately initiate consultations with harvester and processor representatives to identify where backup power generation is required and develop a strategy to establish backup power capacities.

Fishing Gear and Fishing Seasons

14. That Fisheries and Oceans Canada use resources already allocated to implement a gear replacement program to assist harvesters that lost gear and equipment due to Fiona.
15. That Fisheries and Oceans Canada's efforts in conducting operations to recover lost fishing gear continue in the long term, in collaboration with fishery associations to limit the impact of gear lost in the more frequent storms in years to come.
16. That a financial assistance program for fishing enterprises directly affected by Fiona be created. It should help cover damage or loss of fishing gear and lost income resulting from lost fishing days and traps.
17. That Fisheries and Oceans Canada adopt the flexibility required after events such as Fiona to minimize the negative impacts on harvesters, processors, and coastal communities who rely on fisheries. This includes flexibility when it comes to fishing season opening and closing dates and adding the fishing days lost because of bad weather to the end of the season, so that the season is not reduced by increasingly frequent storms.

Funding and Compensation

18. That the Minister of Fisheries, Oceans and the Canadian Coast Guard work with Cabinet and provincial ministers to identify which harbours, fisheries infrastructure, and aquaculture operations are currently excluded from existing provincial and federal programs and are uninsurable and negotiate joint funding agreements providing resources for harvester recovery needs currently excluded.

19. That the Minister of Fisheries, Oceans and the Canadian Coast Guard recognize the acute threats that hurricane damages pose to harvesting activities in the coming months and years and work with Cabinet and provincial ministers to complete agreements for transfers of federal funds, assess needs, prioritize recovery projects, and identify and establish immediate or temporary measures that are safe and functional to provide fisheries infrastructure capacities in time for the spring fishing season.

On behalf of the committee, I would like to thank you for taking our concerns under advisement. The committee looks forward to your response to its recommendations.

Yours sincerely,

A handwritten signature in black ink that reads "Ken McDonald". The signature is written in a cursive, flowing style.

Ken McDonald, Member of Parliament
Chair, House of Commons Standing Committee on Fisheries and Oceans