



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Fisheries and Oceans

FOPO • NUMBER 060 • 1st SESSION • 42nd PARLIAMENT

EVIDENCE

Tuesday, May 9, 2017

—
Chair

Mr. Scott Simms

Standing Committee on Fisheries and Oceans

Tuesday, May 9, 2017

• (0920)

[English]

The Chair (Mr. Scott Simms (Coast of Bays—Central—Notre Dame, Lib.)): Good morning, everybody, and welcome. I call this meeting to order.

We are continuing with our study of the Oceans Act's marine protected areas pursuant to Standing Order 108(2). Our guests this morning are from the west coast.

We thank you for joining us this morning in coming from away.

We have with us the Chamber of Shipping of British Columbia and Mr. Robert Lewis-Manning, who is the president.

Also, we have with us the Prince Rupert Port Authority, with Mr. Don Krusel, president and chief executive officer.

Normally the way we do this is that you have 10 minutes each for your opening remarks, and I should say 10 minutes or less. We're always happy to take less. I don't know what that means, but nevertheless.... Then, of course, we go to our rounds of questions. We have 90 minutes—we probably won't use all of it—for some questioning.

Starting first, Mr. Lewis-Manning, please, for 10 minutes or less.

Mr. Robert Lewis-Manning (President, Chamber of Shipping of British Columbia): Good morning, Mr. Chair and members of the committee.

I'm pleased to join you for a brief discussion this morning about the key role of the Oceans Act and marine protected areas in the management and protection of Canada's coastal environment and how our industry integrates into that management approach to support both protection and trade.

Overall, I hope you appreciate that there is an increasing need for coastal management that is transparent, predictable, and adaptable. While significant progress is being made by all stakeholders involved in coastal protection, there are several aspects where modest investments in resources and changes in approach would yield significant benefits. To be sure, effective coastal management that will generate results requires an integrated approach, bringing together the range of relevant stakeholders to collaborate and develop practical and actionable plans. To this end, we are pleased to see recent investments in oceans science and the various commitments of the oceans protection plan.

My comments, of course, are provided from the perspective of commercial marine transportation and international trade more generally. The Chamber of Shipping represents the interests of shipowners, agents, and service providers responsible for Canadian international trade and domestic trade on Canada's west coast. This includes everything from people in ferries and cruise ships to bulk commodities for export to Asia such as grain, and containerized traffic for imports and exports through our major ports in the western region.

Protection of coastal environment goes hand-in-hand with the ability to earn trust of Canadians and our customers. Furthermore, the ability to protect our coastal environment smartly will also ensure the continued competitiveness of our trading gateways at a time when competitive pressures are increasing.

I have personally been involved with conservation initiatives on all three of Canada's coasts and the Great Lakes. I have experience in planning and managing various aspects of risk on our coasts and in enforcing Canada's pollution regulations more broadly, in my previous role in the government.

With a current focus on western Canada, we are actively involved in several conservation initiatives, both under the Oceans Act but also under legislation and programming of Environment and Climate Change Canada and Parks Canada. Each process is unique, having different biodiversity challenges, conservation objectives, and engaged and affected stakeholders. Our sector is now represented on the national species at risk advisory committee for the first time ever.

The preamble of the Oceans Act refers to Canada's promotion of integrated management of oceans and marine resources. We believe that this intent is the right intent, as integrated planning and management of our coastal waters should provide the best opportunity to protect and recover our pristine ecosystems while also managing sustainable human activities, including commercial shipping.

The Oceans Act expands on this intent in part II and establishes principles for developing and implementing Canada's oceans management strategy, including the principle of sustainable development, that is, development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

It is from this departure point that there appears to be some vagueness as to how to respect the principle of sustainable management. From our perspective, there does not appear to be a clear process or legislative or regulatory tool that appropriately addresses integrated coastal planning and management in areas of high human activity.

The outcome of this gap is the increased potential to poorly understand the environmental changes occurring in an ecosystem until such time as they reach a critical level and then, in response to such a predicament, implementing measures to address a threat that may lack substantive consideration and could have unintended consequences. Likewise, a lack of deliberate spatial planning means that a change in activity, including industrial activity like ours, is largely not measured or understood holistically.

Interestingly, one of the best examples of integrated planning exists in many of Canada's ports, where the pressures of sustainable development and stakeholder concerns associated with vessel operations has resulted in holistic approaches to examining risk and impact, and mitigating such impact in order to achieve safety, sustainability and conservation objectives.

A lack of integrated planning and subsequent management of areas with high human activity could result in a missed opportunity to improve a specific regional ecosystem, provide predictability for regulated human activity, such as commercial transportation, and find innovative strategies to manage such development.

For example, there are several aspects of risk planning that should be integrated. These include risk planning to determine coastal pilotage requirements, route planning that considers vessel manoeuvring characteristics, and spill response and preparedness planning, to name just a few.

We believe that the oceans protection plan will include several new planning initiatives that will seek to better manage vessel movements, anchoring operations, and aspects of vessel operations where indigenous and coastal communities have indicated concerns.

None of this would come as a surprise to federal officials. Indeed, they have been striving towards a more integrated approach to coastal management, and efforts such as the Pacific north coast integrated management area attempt to leverage a more holistic approach. It is hoped that the oceans protection plan will further integrate existing and future coastal management strategies.

We suggest that some of the current challenges could be addressed relatively quickly and without significant debate.

First, amend section 35 of the Oceans Act to include an additional reason for establishing a marine protected area, namely for the conservation, protection, and sustainable development of coastal areas with high human activity, including marine transportation to support domestic and international trade. By including this, areas of high human activity could receive appropriate scientific examination and resources, including benchmarking for cumulative impacts such that changes over time could be measured and addressed through integrated and adaptive planning. This integrated approach could also establish recognized marine trading corridors, concentrating integrated planning in marine corridors essential to Canada's trading gateways. The current systems approach may or may not address

such areas, so it would be helpful to explicitly include such a reason in order to provide formal marine spatial planning for areas of high human activity.

Second, once an initial area has been identified as a candidate for a marine protected area, designate it early and then subsequently initiate integrated planning. Integrated planning should not happen in a vacuum that results in lengthy delays, but should be an iterative process where stakeholders are committed to common objectives. These objectives can be tailored to the specific area's protection needs.

Third, ensure the right federal departments are integrated in the planning process from the beginning. Certain previous initiatives were less effective and failed to identify the potential stakeholder needs early, resulting in subsequent challenges when draft regulations were published. This is both inefficient and ineffective.

Fourth, strongly consider several of the recommendations of the recent report by the Standing Committee on Environment and Sustainable Development concerning federal protected areas and conservation objectives. For example, recommendation 35 of the committee's report refers to needed investments in infrastructure as it pertains to conservation. There are several aspects to sustainable use of our coastal waters that relate directly to infrastructure. This could include port reception facilities, data networks, vessel management systems, radar coverage, remote surveillance, acoustic measurement, and many other important technologies for mitigating risk to coastal waters.

Finally, I would like to emphasize that we need to carefully manage expectations and be mindful of the level of effort required to properly fulfill our international biodiversity targets and additional coastal protection measures. While there might be a propensity to progress all conservation initiatives simultaneously, there needs to be some degree of prioritization such that stakeholders can also be adequately prepared to engage with thoughtful, evidence-based input.

In a similar light, Canada's supply chain is facing increasing competition from the United States, and we must be focused on developing sophisticated solutions to sustainability challenges rather than simply imposing constraints to trade. We believe with solid integrated marine spatial planning and clear objectives, Canada can continue to sustainably grow its international trade and protect our coastal ecosystems.

Thank you for the opportunity to share my thoughts with you today.

• (0925)

The Chair: Thank you, Mr. Lewis-Manning.

Mr. Krusel, for 10 minutes or less, please.

Mr. Don Krusel (President and Chief Executive Officer, Prince Rupert Port Authority): Thank you, and good morning.

On behalf of the Prince Rupert Port Authority, I'd like to thank the chair and committee members for the invitation to appear here today.

The Port of Prince Rupert is one of Canada's most valuable assets in relation to this country's international trade agenda. Today, we are the third-largest trade gateway by value, after Vancouver and Montreal. Perhaps most importantly, the Port of Prince Rupert offers Canada the greatest potential for the expansion of our trade with Asia-Pacific economies because of our uncongested transportation corridors and the availability of large tracts of industrial lands at tidewater within our jurisdiction.

Every year approximately \$40 billion of trade moves through the Prince Rupert corridor. It represents every aspect of Canadian trade, and therefore every aspect of the Canadian economy, from the export of over six million tonnes of agrifoods from our prairies to one million tonnes of forest products from northern Alberta and British Columbia, nearly one million tonnes of biomass products, over six million tonnes of energy-related commodities, and nearly eight million tonnes of high-value consumer and industrial products moving to and from central Canada's heartland.

Over the last 10 years, the Port of Prince Rupert has been one of the fastest-growing port gateways in North America, mainly as a result of the extraordinary success our container or intermodal business has had. We anticipate this level of growth to continue into the foreseeable future. We are currently developing the planning model that could see the Prince Rupert trade corridor grow to a capacity of over 140 million tonnes of trade a year, which will rival the current size of Port Metro Vancouver.

It is important to recognize that because Canada is a trading nation, its national economy can only grow and prosper if its ports' gateways, which are its connections to international markets, are allowed to also grow and prosper. That is why we at the Port of Prince Rupert spend so much of our investment in time and resources on protecting the cultural, social, and marine and terrestrial environments that we work in. We recognize that sustainable growth in the volume of trade moving through our port is about both economic prosperity and ecological diversity.

We have been engaged in marine planning activities, including membership on the steering committee of PNCIMA, or the Pacific North Coast Integrated Management Area, and we understand and support the environmental and social objectives of such initiatives. We will continue to be involved with the development of marine protected areas in the Northern Shelf Bioregion.

We do this in order to ensure that support can be provided to the protection of ecological and biological marine areas of significance while at the same time safeguarding maritime access for large commercial vessels trading billions of dollars of Canadian commodities and goods, at both current and future expansion levels.

Commercial access for Canadian trade needs to incorporate speed, reliability, efficiency, and cost-effectiveness. Consideration to provide mariners with options to maximize safety through navigational flexibility is also important.

As DFO has stated in its testimony before this committee, shipping is permitted in most of the marine protected areas unless there is some direct impact. Where there is an established need to halt shipping in any marine protected area, it is done through voluntary and negotiated compliance with the shipping industry.

However, we would like to suggest that a more proactive and enhanced approach be considered. We would suggest that the overall process for establishing future marine protected areas begin with an objective of designating and protecting safe shipping routes through large coastal areas—shipping routes that serve as the economic arteries of the Canadian trading economy.

The designation of these safe shipping routes would take into account environmental and social values, as well as quantified navigational risk measures. The designation of such routes may facilitate the ability to guide investment priorities related to advancing greater maritime safety and enviro-mitigation measures, many of which have been identified in the federal government's oceans protection plan.

● (0930)

The Port of Prince Rupert has completed significant work within its jurisdiction with regard to quantifying the risk of a shipping incident, with the goal of identifying the most meaningful policies and procedures that would prevent vessel-related incidents from occurring.

This quantification has also revealed that the Port of Prince Rupert is arguably the safest established port on the west coast of North America, due primarily to its short and direct access to open ocean; the broad, deep, and sheltered approaches to the port; the existence of established navigational technology and harbour policies and procedures; and finally, the relatively low commercial and recreational marine traffic within the area, compared to other gateways on the coast.

Risk of incident, as well as the ability to meaningfully reduce such risk elements, needs to be established as an important benchmark in these conversations. Canada has many areas of rich marine ecology. It also has a number of critical strategic marine trade lanes that support the economic lifeblood of Canada. Both of these resources are of national significance and importance, and deserve to be protected for the benefit of future generations.

Thank you for your attention.

The Chair: Thank you, Mr. Krusel and Mr. Lewis-Manning. We appreciate your opening comments.

In questioning, first we'll go to the government side. Mrs. Jordan, you have seven minutes, please.

Mrs. Bernadette Jordan (South Shore—St. Margarets, Lib.): Thank you, Mr. Chair.

I thank our witnesses for appearing today. It's very interesting.

It's kind of interesting that I get to ask questions first, being from the east coast.

Mr. Lewis-Manning, my first question goes to you. You talked about making sure that we bring in all departments that are involved in the process. Can you expand on that a bit? Do you have some examples you could use of where that didn't happen and should have happened? How can we go forward to make sure we do that?

• (0935)

Mr. Robert Lewis-Manning: Certainly. Thank you for the great question.

There has been no mal-intent. I think that, over time, we are seeing a merging of the traditional regulator, Transport Canada, and the department that has been responsible for ecosystem-based management. The two have very different philosophies.

On the regulator side, for example, Transport Canada is accustomed to identifying a challenge within the industry, finding a solution globally, and then implementing a solution nationally. It's usually for a very specific issue, like air emissions or pollution control, something of that matter, whereas the Department of Fisheries and Oceans and the Coast Guard have traditionally looked at ecosystem approaches. Both of those skill sets are necessary, and now they need to be merged. Both of those departments need to understand and have similar experiences.

That's beginning to happen. We are starting to see some cross-pollination among the important departments—and I include Environment and Climate Change Canada as well. It's a critical one but, guess what, it hasn't really worked in our sector very much in the past. We need to help that department know our industry and understand it, and at the same time build that experience.

I think there are some examples in the past where it hasn't happened as well as it could have. Some of the processes are so lengthy, and a lot changes in a decade. Technology changes; our understanding of the environment we operate in changes; and the industry changes drastically, as well, over five to 10 years.

It's beginning. You can start to see the early stages of that integrated approach. One example that has recently come to light is Scott Islands: all the right intentions, all the right objectives, but not necessarily all the right stakeholders involved from the beginning. Now it's pre-published, and the real work is just beginning—again—because there needs to be a more fulsome dialogue about what solutions are realistic and important.

Mrs. Bernadette Jordan: You just said in your testimony that it hasn't really worked with Environment and Climate Change Canada. Can you elaborate on that? Have they not been part of the process when they should have been, or is their approach different from that of Transport Canada and DFO? I'm just trying to figure out what the best way to go forward is. Is it all three departments being involved in the process from the very start? I would just like your feedback on that.

Mr. Robert Lewis-Manning: I think the ecosystem approach is the important piece of this. You can't look at any challenge in isolation, because the expertise to approach an ecosystem comes from lots of different departments and the sector itself, multiple sectors.

It hasn't always happened in the past, but we do see signs of it happening today. There is cross-departmental coordination now. It's in its early steps, though. It's very early times.

With such aggressive protection objectives, all effort needs to be made to help departments that are not familiar with some of the regulated sectors understand them better. The onus is on us to be involved in that and to help educate.

Mrs. Bernadette Jordan: Have you been invited to submit any feedback on those regulations and how they affect you or how we go forward with MPAs?

Mr. Robert Lewis-Manning: Absolutely.

In fact, next week we're meeting with the industry and all three of those departments specifically for the Scott Islands, for example. These are positive first steps.

Mrs. Bernadette Jordan: Perfect. Thank you very much.

Mr. Krusel, I would like to talk about a proactive approach. You talk about marine planning and safeguarding marine commercial shipping. Do you feel we're doing enough to do that? Do you feel that the process we have in place now for our marine protected areas is addressing your concerns?

Mr. Don Krusel: I think the process is there for the dialogue to take place on the commercial maritime aspect. But I think the focus of attention is on the protection side and sometimes the commercial activities' voices are secondary. All I'm trying to say is that, as I stated in my testimony, the trading is so important to Canada's economy that it cannot be lost in the dialogue. It's just a reminder that we have to use balance when we're looking at these matters.

This may sound negative, but it's not. All too often when the groups are invited to the table, the voices of commercial activity are far outnumbered by the various groups that are there representing the NGOs. More often than not, when the discussion takes place around the table, 80% of the groups that are represented at the table are talking about protection and 20% are talking about the commercial aspects. It needs to be more balanced.

• (0940)

Mrs. Bernadette Jordan: Would it be beneficial then to have those separated?

Mr. Don Krusel: No. I would hesitate to separate them, because I think the commercial groups relating to commercial traffic have to hear the concerns that are being expressed about the protection of the marine ecosystem. Likewise, the groups who are there focused on protecting the marine environment have to hear the importance of the marine economy.

Mrs. Bernadette Jordan: How do we find the balance then, so that it's not 80% to 20%?

Mr. Don Krusel: I would say that in structuring any kind of working group there has to be adherence to the balance. I think it's a matter of ensuring that there is balance at the table.

Mrs. Bernadette Jordan: Thank you.

The Chair: Mr. Sopuck, for seven minutes.

Mr. Robert Sopuck (Dauphin—Swan River—Neepawa, CPC): Thank you.

I have a comment first. I represent a riding in west central Manitoba, Dauphin—Swan River—Neepawa. It's the largest canola-producing constituency in the entire country. We are extremely dependent in my region on the work that you do. It's funny. As the only inland member of this particular committee, this is one marine situation where I think I have a higher priority in terms of what my constituency wants and needs than anybody else here.

I was very intrigued by the idea that the process should begin by protecting safe shipping routes first. That's a very novel concept and one that I'm greatly attracted to right now. I think on this side of the House, for sure, you can be assured that this very novel suggestion will be uppermost in our minds, because when there are shipping delays off the coast, the ripple effects from the grain-producing areas of British Columbia to Manitoba are enormous, so your success is our success.

I have a question for Mr. Lewis-Manning. It's a pretty simple one.

What effect does shipping have on the marine environment, apart from catastrophic spills? What effect do normal shipping practices have on the marine environment?

Mr. Robert Lewis-Manning: I think any industrial activity has some impact. I'll talk in very general terms. Air emissions have an impact on the environment. It's one that the industry is addressing quite well, and in fact, emissions are decreasing overall, especially in our coastal environments, due to international and North American regulations. So that's a positive story.

Recently we're hearing more about acoustic disturbance. That is the impact on marine mammals of underwater noise that vessels produce. Certainly it's a very prominent issue in western Canada at the moment and one that government and industry and a lot of conservation organizations are putting a lot of effort into to try to find solutions. The Port of Prince Rupert and the Port of Vancouver are both leading significant environmental programs to support understanding the issue better, doing the research, and then helping to find ways to mitigate underwater noise. That's probably the largest at the moment.

Noise and light have some impact, especially in the kinds of markets that we serve in your constituency, shipping agrifood. Sometimes vessels need to anchor, and they anchor occasionally in

the vicinity of communities. That's one we're very aware of. We're working closely with Transport Canada, indigenous and coastal communities to try to reduce that impact.

• (0945)

Mr. Robert Sopuck: In terms of the acoustic issues and marine mammals, I assume the killer whale is one of the major ones. Apart from subpopulations here and there, my understanding is that worldwide the killer whale is doing quite well in numbers. Right?

Mr. Robert Lewis-Manning: Overall the various types of killer whales are generally improving. Only 78 southern resident killer whales frequent the waters of the south coast of B.C. They have been in decline for some time now, and certainly there is a lot of attention to try to stop that negative trend.

Mr. Robert Sopuck: Is that decline due to acoustic pollution?

Mr. Robert Lewis-Manning: There are a number of factors. Decades ago we used to hunt and capture them. That was probably not a good thing. Of course, prey availability is another significant issue for that species and also contaminants in the water. These three major impacts on that species are hoping to be addressed in the near future.

Mr. Robert Sopuck: Are there any issues with acoustic pollution on salmon stocks?

Mr. Robert Lewis-Manning: I'm not a scientist by trade but I don't believe so.

Mr. Robert Sopuck: Okay. I think it's important we tease out what's "important" in the ecosystem and not be afraid to say these things happen, we can live with them. I go back to the point of the grave importance of your ports in the natural resources economy of our country. Keeping your facilities going in an efficient manner as far as I and this side of the table are concerned is extremely important.

Mr. Krusel, what activities do you undertake to conserve and protect environmental resources?

Mr. Don Krusel: Right now we do a lot of monitoring to measure any impacts we have. In the last five years we have spent millions of dollars putting up noise monitoring systems. We have regular water quality monitoring throughout the harbour. On top of that, just to ensure there is safety and security in the harbour, we have invested a lot into marine navigational aids in partnership with the Canadian Coast Guard. In partnership with the Canadian Coast Guard and the RCMP, we have also recently installed a ground radar system, which was lacking on the north coast of British Columbia. We have a network of monitoring and enhancement systems to ensure that vessel traffic moves in and out of Prince Rupert harbour and the Prince Rupert gateway in the safest and most efficient way. Because of the monitoring systems we're able to see any impacts before they create a negative impact on the environment. To date, we're quite happy with how things are going.

Mr. Robert Sopuck: If an MPA were created to protect the benthic environment—sponges, reefs, those kinds of things—assuming the water depth was sufficient, would ship travel over these marine protected areas have any effect on the benthic resources that are the object of the MPA?

Mr. Don Krusel: I can't answer. I'm not a scientist. It gets to your earlier point about how vast these resources are and whether or not the marine.... First off, one would have to measure whether or not commercial marine traffic does have a negative impact and whether it is actually reducing that particular ecologically or biologically special area.

I'm not a scientist, so I don't know and at this current time, there are no specific examples. At least in our trade laneway and marine corridor, there are no special ecological zones that we are aware of that need protecting, that would impact the vessel traffic in and out of Prince Rupert. I think it's just important that everybody do what's necessary to first, see if there are any special areas and second, ensure that both can continue existing and be protected.

The Chair: Thank you, Mr. Sopuck.

Before we go to Mr. Stetski, Mr. Sopuck, can I ask you to come up and assume the helm? Thank you very much.

The Vice-Chair (Mr. Robert Sopuck): Mr. Stetski, you have seven minutes, please.

Mr. Wayne Stetski (Kootenay—Columbia, NDP): Thank you for being here today.

Just so you know, my background is in ecology and I was the manager involving provincial parks on Lower Mainland and Vancouver Island, including marine parks for British Columbia.

I'd like to start with Mr. Lewis-Manning. You said that you have a background in conservation, prior to getting involved in shipping?

• (0950)

Mr. Robert Lewis-Manning: No, not exactly, but I've been involved in conservation initiatives all around the country from a policy perspective.

Mr. Wayne Stetski: When you find a unique and rare marine environment, is it not easier to move the shipping than it is to move the marine environment?

Mr. Robert Lewis-Manning: It really depends. I think there are cases where the ecosystem is so sensitive that may be the case, but it

really is on a case-by-case basis, so I think it would be speculative of me to say one way or the other. The reality is that, with the proper ecosystem-based approach, you can determine what the right mitigation measures could be. One of those might be moving the path that a ship follows, but you need a specific example, otherwise I'd be speculating.

Mr. Wayne Stetski: Are there any examples of where that has happened in the past?

Mr. Robert Lewis-Manning: Certainly, off the east coast of Canada, there have been changes of traffic patterns to address marine mammal challenges, so it can happen. That was a specific example where it made sense to do that and the industry collaborated to find a solution.

Mr. Wayne Stetski: You mentioned killer whales off the west coast and the 78 whales that are left. Has anything changed with shipping to try to create a better future for killer whales off the west coast currently?

Mr. Robert Lewis-Manning: This summer, starting in August, the industry will be conducting a trial to assess the impact of a speed reduction, specifically in Haro Strait, which is the most sensitive of the ecosystems for the southern resident killer whale. It searches for food and mates there. That trial will run for a two-month period and the objective of that trial is to measure the overall change in sound in that part of Haro Strait to see if a speed reduction alone can have a positive impact.

Mr. Wayne Stetski: I believe you said that shipping lanes are currently voluntary and that they aren't regulated. When you look ahead to the future, I'm just trying to picture a map of identified important marine conservation areas and ship traffic into Vancouver, for example. Do you think there is room for regulation in the future to try to set a very definite path in and out of ports along the west coast that ships have to follow?

Mr. Robert Lewis-Manning: It's not voluntary. There is a traffic management framework for vessels that enter into the Port of Vancouver from the sea. Vessels have to follow that routing system. How that routing system is managed in the future might need to be looked at. I think some of that research that I've described already will go a long way in helping to look at the options that might be smart in that situation for that specific challenge relating to marine mammals.

Mr. Wayne Stetski: When you say they have to follow a specific route, geographically, how far out from Vancouver does that route currently go?

Mr. Robert Lewis-Manning: It goes all the way to the sea, which is the western entrance to the Strait of Juan de Fuca, off Vancouver Island.

Mr. Wayne Stetski: That's good to know.

Mr. Krusel, on Prince Rupert and Hecate Strait, again, looking ahead, I don't know whether it would ever come to this, but is there a value in considering what products should or shouldn't be shipped out of Prince Rupert? I'm thinking particularly of Hecate Strait and bunker C oil. Is there any current legislation about what can come out of a port or is it wide open?

Mr. Don Krusel: It's wide open, other than currently what's being considered, which is an oil tanker moratorium, just what you're referring to. That's been suggested, of course, and it's progressing currently. We're waiting for the potential legislation.

Mr. Wayne Stetski: I'm curious in terms of shipping in general in Prince Rupert, because you are surrounded by very rich first nations. Is there any consultation that goes on with first nations around shipping, other routes, or what goes in and out of Prince Rupert currently?

• (0955)

Mr. Don Krusel: Yes. The Port of Prince Rupert sits on the traditional territory of the Coast Tsimshian. With pretty well everything we do, it's extensive consultation. I would suggest that at this point in time it's becoming almost a level of partnership.

I can't say that there has been consultation on shipping routes. As has been mentioned, the traditional shipping routes have been designated for such a long period of time that I don't even know when they were originally established, other than they're the safest route for marine traffic.... I doubt if there was any consultation when they were originally established.

The local first nations sit on a marine operations committee that the port has established. They are regular participants in all of our environmental review committees that deal with new and existing commodity traffic. They're very well consulted.

Mr. Wayne Stetski: Are the Haida part of that as well, given that any impacts—

Mr. Don Krusel: The Haida are not in our jurisdiction, so they haven't been a part of our consultative conversations.

Mr. Wayne Stetski: Okay. Because if there were a spill, of course, Haida interests would be affected as well in Hecate Strait.

The Vice-Chair (Mr. Robert Sopuck): Thank you very much.

Mr. Hardie, please, for seven minutes.

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

First of all, I want to talk about the southern resident killer whales. They had been in decline. From the looks of things, they are now at least stable. I gather that there will be some specific measures taken under the oceans protection plan to work with shipping and with other activities to make sure the population regains more health.

Certainly, we've stopped the slide, and there's obviously a key interest in preserving this, but that is also against the backdrop of what we need as increased trade. I wonder if either of you can put

your crystal ball in front of you and give us an idea of what level of increase we can expect in shipping from the Port of Vancouver and the Port of Prince Rupert if things go well and trade is good.

Mr. Robert Lewis-Manning: I'll jump at this one first. Some of my response is speculative. I think we will see increased trade. There will be increased volumes of trade. I would expect that the numbers of vessel movements will not increase dramatically but that we'll see larger vessels carrying those cargoes, especially in the bulk commodities and containerized traffic. I think there will be small increases in the number of vessels but larger increases in the volume of cargo carried.

What does that really entail? It entails that some of the challenges we face today will be similar challenges tomorrow. Obviously, in a challenge like that of the southern resident killer whales, this is a long-term solution. The impact or the positive results won't be realized quickly. The species declined over decades, and it will be decades in recovery.

Mr. Ken Hardie: Is the infrastructure in place to deal with larger vessels in both your ports?

Mr. Robert Lewis-Manning: I'll let Mr. Krusel respond to the Port of Prince Rupert.

Yes, in certain cases. I think that we will look for increases in efficiency in the way that we move cargo, especially in the gateway into Vancouver. There are a lot of people focused on that, and a lot of government...

Mr. Ken Hardie: I understand, Mr. Lewis-Manning. I'm sorry. I'm short of time here, so I really need to focus.

Mr. Krusel?

Mr. Don Krusel: We expect a lot of increase in the north coast. That's just as I stated. We anticipate considerable growth in the traffic and the volume moving through Prince Rupert simply because we have the land, and we have the competitive advantage that is necessary.

• (1000)

Mr. Ken Hardie: Do you then see pressure to create new shipping lanes?

Mr. Don Krusel: We are looking at that. In anticipation of that growth, we are planning for how that increased traffic will work effectively and in a balanced way. We are looking at shipping lanes to ensure that those vessels move in and out of the harbour safely.

Mr. Ken Hardie: I would imagine there will be some effort to avoid marine protected areas.

Mr. Don Krusel: Absolutely.

Mr. Ken Hardie: Good.

I want to talk a bit about the port authority's role in environmental assessment, because you do that, don't you?

Mr. Don Krusel: We do with certain projects.

Mr. Ken Hardie: Do you hold to the DFO's precautionary principle?

Mr. Don Krusel: I'm not sure what that cautionary principle....

Mr. Ken Hardie: I guess the answer's no, then.

Mr. Don Krusel: I don't think so. I have staff who conduct that, so I'm not aware....

Mr. Ken Hardie: The reason for asking is that you've mentioned that you're blessed with a lot of industrial land. There has been some focus of concern on the siting of the gas plant on Lelu Island and the proximity to the eelgrass.

With as much land as you have, why there and why not someplace that wasn't so sensitive?

Mr. Don Krusel: This could be a half-hour discussion. I can tell you that the siting was done with extreme consultation with the environment in hand. As well, that particular proponent developed a plan that would cost them an extra \$1 billion to ensure that the environment was protected.

Given how certain projects—because there were quite a large number of potential LNG projects that were sited in Prince Rupert and are still sited. They took the last parking spot available, and then they did their utmost to protect the environment in their design. Now that the market has changed, we are working with that particular proponent to look at other potential areas that may have less risk.

I guess I'll leave it at that.

Mr. Ken Hardie: I would suggest that's the precautionary principle at work.

Mr. Don Krusel: If that's the definition, then, yes, we adhere to the cautionary principle.

Mr. Ken Hardie: I'll put this to both of you. We had a chap from Simon Fraser University who wasn't necessarily sold on MPAs as being the only or the most effective way of preserving the ecology of the ocean in certain areas.

Are there alternatives that you're aware of or are there other things that would be complementary to a marine protected area that we should also be thinking about?

Mr. Robert Lewis-Manning: I think marine spatial planning in general is complementary. We can't be afraid to look at areas of high activity because we need to measure what's happening to the ecology and what's happening to the human activity. At least in my humble opinion, sometimes the establishment of MPAs is approached in areas where there is less human activity. However, we actually should concentrate on areas where there is also high activity.

The Vice-Chair (Mr. Robert Soppuck): Thank you very much.

Mr. Arnold, you have five minutes.

Mr. Mel Arnold (North Okanagan—Shuswap, CPC): Thank you, Mr. Chair, and thank you both for being here today.

My first question goes right back to your opening statements, Mr. Lewis-Manning. You mentioned that shipping needs to be reliant on a transparent, predictable, and adaptable process.

Can you tell me how you get predictable and yet remain adaptable? Are those two terms not contradictory?

Mr. Robert Lewis-Manning: Thanks for your question. It's a good one.

I don't consider them contradictory. Industries can adapt over time if they understand where they need to go, and it's being able to identify those objectives long ahead so that they have the time to put innovative ideas to adapting. It's establishing those clear objectives early, which are important, so that industry and government can put their heads down and start thinking about how to adapt to any specific objective.

• (1005)

Mr. Mel Arnold: That will lead into another question, then. This government has set targets of 5% protected areas by the end of 2017, and 10% by 2020. Do you think those are reasonable targets, keeping in that predictable and adaptable theme? Is there going to be time for the shipping industry to adapt and yet remain viable on a predictable basis, using your terms?

Mr. Robert Lewis-Manning: I think we have a good understanding of where the federal government is looking at conservation objectives, so yes, but the devil is in the detail. I think a lot of the management plans that support protected areas will develop past those deadlines and there will be some iterative aspects to that implementation, but overall I think those targets can be met.

Mr. Mel Arnold: So you're indicating the areas may be identified but the actual management plans may not be fully developed by those timelines.

Mr. Robert Lewis-Manning: Yes, that's my expectation.

Mr. Mel Arnold: Okay, thank you.

For both of you, we know how important timing is to the shipping business. I've taken a little bit of a history lesson on railways in B.C. The Kettle Valley Railway was built across southern British Columbia in the early 1900s was built simply so that they could get their silk product from Asia to the New York markets basically hours earlier so they could get the best price.

How important is timing to the modern-day shipping process? Are hours or days important in that process?

I know that the Port of Prince Rupert seems to have an advantage that way, being a closer port to Asia.

Mr. Don Krusel: Thank you for that question because it's absolutely critical. The reason the Port of Prince Rupert has had the success it has had over the last 10 years in its intermodal traffic is that we offer the fastest and most reliable supply chain between Asia and continental North America of any west coast port in North America.

The shippers continually talk about how their goods are making it to their final destination hours.... They talk in days, but it gets down to hours. There is competitiveness on the west coast, and the reason Vancouver and Prince Rupert are so competitive is that we have that advantage. The railway system and our proximity to the Asian marketplace are what give us that advantage. Time is of the essence. That's why the protection of the marine shipping lanes is so critically important.

Mr. Mel Arnold: Basically it's 100 years down the road and those hours are still critical in shipping.

Mr. Don Krusel: Absolutely, and they'll become more critical, actually, as time goes by and as the products you're shipping have higher value.

Mr. Mel Arnold: Really quickly, with the increased traffic, but also the increase in technology and training, would you say shipping is becoming safer or less safe as time goes on?

Mr. Don Krusel: Absolutely. You can look at any kind of graph, even showing marine spills. The volume is increasing and the number of incidents is decreasing dramatically. Like every other transportation mode, everybody is looking for ways to improve it.

One has to recognize that the cargo on those vessels is very valuable to the owners of that cargo and they are looking to protect it and they're looking to ensure that the vessel moves from point A to point B safely and that it gets there, gets there on time, and the entire cargo gets there safely.

The Vice-Chair (Mr. Robert Sopuck): Thank you very much.

Mr. Morrissey, you have five minutes.

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

I have a couple of questions that may seem simplistic.

As the vessel size increases, does the noise emitted from the vessel increase at the same ratio?

Mr. Robert Lewis-Manning: The only answer I can give you is that we don't know yet. The reality is that we see that newer vessels are generally more quiet because the design requirements on them are more stringent. I would expect that newer vessels, including the larger ones, would be more quiet than older, smaller vessels.

• (1010)

Mr. Robert Morrissey: In terms of the ability of the shipping industry to increase its volume without increasing the number of movements, is the technology and engineering there to continue to reduce the sound impact on the marine environment?

Mr. Robert Lewis-Manning: We believe it is. We actually want to measure it this fall.

Mr. Robert Morrissey: So you will be measuring it.

Mr. Robert Lewis-Manning: Yes. We'll be looking at specific noise from specific vessels. We're already doing that, in fact, in

western Canada. Every vessel that comes into Vancouver runs over an acoustic range and its noise signature is measured. As we get newer vessels, we hope to see a trend that those vessels are also more quiet.

Mr. Robert Morrissey: Is there established data in that field?

Mr. Robert Lewis-Manning: There is. Both the Port of Vancouver and the Port of Prince Rupert have acoustic monitoring. It's relatively new, but it is probably on the leading edge globally for developing that type of database.

Mr. Robert Morrissey: I want to follow up on the chair's question about the balance between protecting the marine environment and commercial activity. As a society that continues to demand more—greater standards of living, higher standards of living, greater wealth—we can only achieve that by economic growth, and economic growth is pretty well driven by trade. We must find balance. Living on the east coast of Canada, trade is important to us. The fishery is also extremely important.

You made a comment, Mr. Krusel, that as we begin moving on marine protected areas or enhancing them, first we establish a designated marine transport corridor and then look at the implications for enforcing it and its impact. Perhaps you could elaborate on that.

Mr. Don Krusel: I don't think there's much more to say other than the fact that, as you pointed out and as I stated in my opening comments, Canada's lifeblood is trade. The economic sustainability of this country is based on our ability to trade internationally. On the west coast especially, the economic activity is growing in terms of Asia Pacific, so for us to maintain our economy, we have to maintain our trade lanes.

The trade lanes are not just land-based, with the railroads and the highways. They're also water-based. We have designated shipping lanes today. When we look at marine protected areas, we need to ensure that those marine trade lanes are protected. We have to find the balance to ensure that the marine ecosystem is protected and at the same time protect our commercial highways to international markets.

Mr. Robert Lewis-Manning: I'll be very quick, Mr. Chair.

The Vice-Chair (Mr. Robert Sopuck): You have a minute.

Mr. Robert Lewis-Manning: The great thing about corridors is that you focus your resources and planning on corridors, just as you would on terrestrial corridors. If you do the proper planning, you're focusing all of the right science and all of the right technical expertise in a single corridor.

Mr. Robert Morrissey: I have two questions I'd like to squeeze in, Mr. Chair.

First, we hear the term “transparent and predictable” a lot. In your opinion, just quickly, how can we make sure that the process in establishing MPAs is transparent and predictable? I forget the other term you used.

Mr. Robert Lewis-Manning: Adaptable.

Mr. Robert Morrissey: Yes, “adaptable”, which I'm more curious about.

Mr. Robert Lewis-Manning: I'll start with the adaptable. I think the important part about adaptable is that you need to measure over time. It's not good enough to do something, to implement something, and then not come back and revisit it. The ability to periodically review what you've implemented is important in order to make sure you're having the impact you expected to have.

The Vice-Chair (Mr. Robert Sopuck): Go ahead, Mr. Morrissey, but be quick. I'll be indulgent here.

Mr. Robert Morrissey: Mr. Krusel, on fastness and reliability, there are two elements of that from shipping. One is when it's on board the vessel and moving, and the other is the timeline from when the product moves to the marine port, regardless of whether it's on rail or rubber, and the changeover time. How does Prince Rupert compare with other ports in Canada, and what impact does that have on the timeliness of moving product?

• (1015)

Mr. Don Krusel: The hand-off between land and sea?

Mr. Robert Morrissey: Yes.

Mr. Don Krusel: Thank you, because you're allowing me to brag about Prince Rupert.

The Vice-Chair (Mr. Robert Sopuck): Please brag quickly.

Mr. Don Krusel: I'll do that.

Because Prince Rupert is a non-metro port in a non-metro environment—

Mr. Robert Morrissey: I'm a rural member so I'm interested more in that relationship.

Mr. Don Krusel: —we're unlike most of our competitors on the west coast, which are in major, large metropolitan areas so a large portion of the traffic—I'm talking about containers—is destined for that marketplace and the terminal is congested with truck traffic moving containers to and from warehouses within Vancouver, Seattle, or Los Angeles. We don't have containers going to and from Prince Rupert. They are immediately being off-loaded from the vessel onto the trains, and they are heading into the rest of North America even before the ship sails. We call that negative dwell. In fact, one-third of the containers coming off a vessel are already on their way to inland markets even before that vessel leaves the dock.

Mr. Robert Morrissey: So it would have less impact on the environment as well.

The Vice-Chair (Mr. Robert Sopuck): I think we will have to stop it there.

Mr. Don Krusel: Absolutely. It's the lowest carbon footprint port on the west coast.

The Vice-Chair (Mr. Robert Sopuck): Thank you.

Mr. Arnold, you have five minutes.

Mr. Mel Arnold: For both of you, how many times has Transport Canada or DFO approached the shipping organizations with the goal of boosting transport through the ports, and have you discussed the impacts of MPAs if you have had those meetings?

Mr. Robert Lewis-Manning: Frequently now. It wasn't always so frequent, but there is a fairly steady dialogue between both departments and the sector to discuss the impact of conservation initiatives on trade.

Mr. Mel Arnold: Mr. Krusel.

Mr. Don Krusel: It would be a similar answer. There's an ongoing dialogue.

Mr. Mel Arnold: Who is responsible for shipping traffic beyond the areas covered by the actual port authorities? Once they leave the Port of Vancouver, once they leave the Port of Prince Rupert, how far out is that traffic controlled by the port authorities, and then when does that become an individual ship captain's responsibility, and who's responsible, and who are they accountable to, if there's an issue?

Mr. Don Krusel: It's a pretty small area that the port authority is responsible for. It's within our harbour limits, which is not that great at least in Prince Rupert. It's probably the same in Vancouver.

The Pilotage Authority has a Canadian marine pilot on board for a little bit longer, but then after that it is simply based on the captain of the vessel, and the typical laneways that he or she has the flexibility of taking out to the open ocean.

Mr. Mel Arnold: On a different topic here, we've talked about ship noise or the impact on the environment that way. We heard last year about a whale strike. I think it was by a cruise ship.

What initiatives are taking place in that way to avoid marine mammal strikes and so on? You really have to wonder what happened there. If you ever try to catch a fish with your hand, you realize you have almost no hope. Why are they not able to avoid those impacts? Do you have any indication?

Mr. Don Krusel: I think the answer is, as we have been both mentioning, it's an area where there's not a lot of science yet. I think there's a lot of effort now to try to understand the impact. There's a belief I think that the noise level of vessels and certain-sized vessels may impact the mammals, and why they come close to a vessel or are not able to avoid impact.

You have to appreciate that a captain on a bridge of a vessel can't see right below the bow of the vessel so it's more the mammal is—

• (1020)

Mr. Robert Lewis-Manning: If it's all right with you, I'll be very quick.

Two other points. First, in fact...a partnership of the Port of Prince Rupert, the Port of Vancouver, and the industry. The Vancouver Aquarium produced a booklet for awareness of marine mammals, and that's an education advocacy program for ships arriving on the west coast. Second, I think we're within a couple of years of having a real-time system for marine mammal tracking, and Ocean Networks Canada is leading that effort with the technology. I think we will have technical solutions to avoid ship strikes, as you have described, within a fairly short period of time.

Mr. Mel Arnold: Can you describe that program a little further, or what you think might be coming?

Mr. Robert Lewis-Manning: I'm not closely involved with it, but I do know that Ocean Networks Canada is working, in partnership with the federal government, to develop a real-time tracking system, where, literally, on the bridge of a ship, probably through an app or an iPad of some sort, you'll know where marine mammals are located. That will be done through an acoustic network of underwater monitors.

The Vice-Chair (Mr. Robert Sopuck): Good. Thank you very much.

We have Mr. Finnigan for five minutes.

Mr. Pat Finnigan (Miramichi—Grand Lake, Lib.): I only have a couple of questions, and if some of my—

The Vice-Chair (Mr. Robert Sopuck): Keep in mind, colleagues, we have a vote coming up, and so the bells will start at 10:40.

Mr. Finnigan.

Mr. Pat Finnigan: Thanks for being here.

This is maybe to Mr. Lewis-Manning, and also Mr. Krusel. We all know that MPAs are important to protect marine life and the ecosystem and all of that. On the industry side, would you say that just putting some order into the shipping lanes and everything, just that alone...? Would it be a benefit to undergo these processes, if you ultimately believe that, too?

Mr. Robert Lewis-Manning: I do. It's a great question, and I do think it would be valuable, hence why I've referred to formal marine spatial planning. There is a need. I think it's important that not only MPAs are established, but we have a parallel process for areas of high human activity. That's why I've mentioned it, and we do think it is important.

Mr. Pat Finnigan: Mr. Krusel.

Mr. Don Krusel: Absolutely. Actually, Mr. Lewis-Manning said earlier that once you have them designated, you can focus on those laneways with technology, and improve them once they're established.

Mr. Pat Finnigan: Our MPAs will be established within Canadian waters, of course, and then once we're out of there.... My second question would be: what's the experience of the shipping industry in other jurisdictions? Does the U.S. have MPAs, and how updated or how advanced are they compared to us? Are there any issues that we should be aware of when we go into other MPAs around the world or along our coasts?

Mr. Robert Lewis-Manning: To be very brief, I don't think one is better than the other, but I think there are lessons to be learned in some of the process that's happened in the U.S. around marine spatial

planning. Often we turn to that as an example of how stakeholders have been engaged in a process with a deliberate outcome. I go back to my previous comment about marine spatial planning. There are good examples outside Canada in order to manage that sustainability piece with industrial activity.

Mr. Pat Finnigan: Mr. Krusel.

Mr. Don Krusel: I don't have any particular knowledge to be able to answer that.

Mr. Pat Finnigan: That will be all I have. I don't know if any of my colleagues want to take some of my time.

Mr. Robert Morrissey: I'd like to go back to your carbon footprint, which I find intriguing, on the Port of Prince Rupert.

Mr. Don Krusel: Well, it's a combination of factors. We don't have as much truck traffic. In fact, we have very little truck traffic because—

Mr. Robert Morrissey: So your ability is they come right off the vessel onto the railbeds, and then cross the country?

Mr. Don Krusel: The rail tracks are right on the terminal, and so quite literally the container is off-loaded from the vessel and put right onto the train, and the train leaves within hours of the vessel arriving. Second, the rail grade of the track to Prince Rupert, through the Rocky Mountains, is the flattest grade of any rail track on the west coast of North America, and therefore you have less locomotive and pulling power. You can pull the same length of train, and a longer train, with less locomotive power and with less diesel. There's a lot less. We have it measured by comparison. It's a very low carbon footprint trade corridor.

•(1025)

Mr. Robert Morrissey: This is a little off the subject, but sometimes in planning on an economic scale, some economic activity is more conducive to being moved away from highly populated, congested areas.

Mr. Don Krusel: There's no doubt about it and this is a challenge. It's not just an environmental challenge. It's also a transportation challenge that in the ports located in major metropolitan areas—and we talk about it in the transportation industry—the crucial part is the last mile and even more than the last mile. It's the last mile that moves through a major metropolitan area. Everything slows down. There's traffic congestion. There's road congestion. This impacts not only the reliability of the movement of goods but also the timing of goods. It slows it down, and it also increases the impact on the environment, both socially and ecologically.

The Vice-Chair (Mr. Robert Sopuck): I think that's it.

Mr. Stetski.

Mr. Wayne Stetski: How does the B.C. ferry fleet do in the measurement of noise that's currently happening in Vancouver? Where do they fit in the scale?

Mr. Robert Lewis-Manning: That's an excellent question, and certainly the ferries are a fairly significant component of the overall sound profile of the southern B.C. coastal waters, largely because of the number of voyages they have. When you're looking at 9,000 to 10,000 deep-sea vessels, you're probably looking at 12,000 to 15,000 ferry transits. They're very involved in this process of measurement and they're also looking at mitigation options.

Mr. Wayne Stetski: This is a study on getting the 10% marine protected areas. I'm going to throw it open. What do you think the shipping industry can do to help ensure protection of marine protected areas going forward?

Mr. Robert Lewis-Manning: I think the most important part is to understand the process and get involved early. Many of these processes are already under way. We've accelerated and increased our involvement in all of them across the board, whereas previously we may have been a little bit more passive.

Mr. Wayne Stetski: What's the current situation around the release of ballast water? There are concerns that it could introduce alien or invasive species. What are the regulations on dumping water from ships coming from across the ocean?

Mr. Robert Lewis-Manning: The international convention will be implemented in September of this year. Canada is now in the process of developing its regulatory approach to implement that global regulation.

Shipowners throughout the world are installing technologies for treatment. There are going to be some bumps along the way, and I think the implementation phase is going to take upwards of a decade. It will be that long before vessels are fitted with technologies that really work well. It's a very complex technical subject.

Mr. Don Krusel: There are already stringent guidelines in place. The port authorities go out and ensure that everything is sealed and there have not been any water transfers within Canadian waters. Although there are changes taking place, there are still preventative measures required to ensure that there are no transfers of invasive species to Canadian waters.

Mr. Wayne Stetski: I appreciate that.

My last question—and I like to think it will be complementary rather than competitive—is this: what do you think of the future of shipping out of Churchill, my hometown?

Mr. Robert Lewis-Manning: I get the zinger at the end. I think it's challenging. It will depend largely on the economics and to some degree the environmental conditions of going in and out of Churchill.

It's difficult to know. At the moment, in our industry commodity prices are at all-time lows, and we have too much capacity and tonnage. What that does is drive freight rates to all-time lows.

At the moment, I think it would be challenging in the short term, and the biggest change would be the increase in the freight rates. Clearly, we have lots of cargo for export in this country, which is the positive outlook.

•(1030)

Mr. Don Krusel: I'll just add that scale is everything. It's everything in any industry. That's why the ships are getting larger, and even in the Port of Prince Rupert we have a certain area of the

port, a certain piece of property, that is becoming uneconomical because the shipping channels into it prohibit larger ships. Therefore, we see a day in the not too distant future when that particular area of the port will not be economical to use, and we will have to move other areas and land areas. I think the biggest challenge Churchill has is that it's on the wrong end of the evolution of shipping, in the sense that ships are getting larger, and that's going to be a challenge for them.

The Vice-Chair (Mr. Robert Sopuck): Thank you very much.

We have 10 minutes, colleagues, until bells. Here's what I propose. Let's give one question to each party, and that should take up to 10 minutes.

I'll start with the Liberals.

I'm not going to put the clock on, but you could make it as quick as you can so we can finish on time.

Mr. Ken McDonald (Avalon, Lib.): It's probably not a question so much as a statement, I guess.

Thank you to both witnesses for appearing here today.

We've had a good number of witnesses come and present to us. I've got to say that I think today was probably the most interesting because both of you talked about the economy and how important it is in what you're doing. You are willing to work with all stakeholders, indigenous communities, and whatnot, and as well as on the environmental aspect. You've encompassed it all in what you're doing, and you have the desire to do more if necessary and to work with all government departments regardless of which department it is, or if they come together as one in solving issues and working with you. It looks at MPAs and environmental issues overall in your industry.

I just want to say thank you for that because it's been absolutely fantastic. I hope we hear a lot more from you.

The Vice-Chair (Mr. Robert Sopuck): Well said, Mr. McDonald.

Now, Mr. Arnold.

Mr. Mel Arnold: Thank you, Mr. Chair.

There's been a lot of interest in your ports on the west coast lately with the pipeline and LNG announcements that are taking place in that province. With the proposed increase in MPAs and the potential impact on shipping lanes and ports, do you think the investors still see those projects as attractive investments, or has there been a deterrent there?

Mr. Don Krusel: I don't think MPAs will have an impact. I think the global market conditions, the price of the commodities, and whether or not those projects are economically viable will have the biggest impact. That's really what's driving the timing of those projects, the international markets.

The Vice-Chair (Mr. Robert Sopuck): Mr. Stetski.

Mr. Wayne Stetski: I just want to ask about the role of the shipping industry in getting to this 10% protected areas. I'm just curious if you have any thoughts on what you think government should be doing to help get to this 10% figure. You can put it in relation to your industry, if you like.

Mr. Robert Lewis-Manning: I think my previous comment about the need to establish the MPA and then develop the management plan will help to accelerate the process more than trying to have a perfect outcome, which may take a much longer period to manage before it's published. You'll probably hear from different stakeholders that they'd rather develop a perfect outcome and then implement it, rather than implement, and then develop a management strategy.

Mr. Wayne Stetski: As with virtually all business, certainty is important to the shipping industry, looking ahead at marine protected areas.

Mr. Robert Lewis-Manning: Absolutely.

The Vice-Chair (Mr. Robert Sopuck): Well, colleagues, we have six minutes before the bells start, but we have two witnesses who are presenting us with extremely valuable testimony, so I'm just going to throw it open for anybody who has a last question or two.

Mr. Morrissey.

•(1035)

Mr. Robert Morrissey: Yes, I'd like to go back to Mr. Manning. I like your recommendation, and you could expand on it a bit more, designating an MPA, but then at that time designating a period of time to get the regulatory regime right and in place for that MPA, rather than, as you point out, coming up with the right criteria and then forcing industry and all the commercial activity competing to adapt to it. Is that the most important?

Mr. Robert Lewis-Manning: I think it is, and I think often we don't hold stakeholders accountable enough. If you build a process where the stakeholders have to be accountable to objectives, then they'll spend the time to understand each other's perspectives and hopefully work towards those objectives.

Mr. Robert Morrissey: The stakeholders you're referring to would be the regulatory arms of the government.

Mr. Robert Lewis-Manning: They could be the regulatory arms. They could be non-governmental organizations, industry stakeholders, or indigenous communities.

It takes time for them to get to know each other, and that time is a very good investment, because you're going to have to manage that MPA for a long period of time.

Mr. Robert Morrissey: So you would not agree with what one witness commented, that the process has been too slow, that it should be speeded up.

Mr. Robert Lewis-Manning: I guess it's your version of slow.

That's why I mentioned that it's important to establish the MPA and then develop the management plan. I don't necessarily think that is slow. It clearly says that this is an area that we care about, and then we have certain objectives in order to protect it and manage it. Then build the relationships that are important for the much longer term, that have to survive that initial regulatory framework.

The Vice-Chair (Mr. Robert Sopuck): Mr. Arnold.

Mr. Mel Arnold: I believe it was you, Mr. Lewis-Manning, who mentioned that the process so far has been off-balance in the consultation meetings with representation. The NGOs and environmental organizations and so on are at about an 80:20 weight against the shipping interests.

If I have the wrong person, I'd ask the right person to answer my question, please.

How are they getting there at the table, instead of our Canadian interests, I'll say?

Mr. Don Krusel: Well, I think they're all Canadian interests. For example, in Prince Rupert, there's one port authority, and so the port gets invited. However, there are five different first nations bands, so all five bands get invited to the table.

Right away, you have five individual groups representing the indigenous population, and then there are about three different groups that represent the fishing industry, and then the sports fishermen. Once you get all of those groups together, it's quite a different balance. It's because the organizers look to all the groups. There are a lot of non-governmental groups, environmental activist groups, first nations groups, and there are usually one or two industry representatives.

That's how it happens.

The Vice-Chair (Mr. Robert Sopuck): We have a couple of minutes left. Does anybody have a quick question? No?

Well, we want to thank you very much for your testimony. You can see how interested the committee was in your testimony, and you gave extremely valuable testimony. We have extraordinarily skilled witnesses at this committee, and you certainly lived up to the standard we have, and then some. Your testimony will prove to be very useful.

With that, colleagues, I will now adjourn the meeting.

Published under the authority of the Speaker of
the House of Commons

SPEAKER'S PERMISSION

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the Parliament of Canada Web Site at the following address: <http://www.parl.gc.ca>

Publié en conformité de l'autorité
du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web du Parlement du Canada à l'adresse suivante : <http://www.parl.gc.ca>