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Chair: The Honourable Judy A. Sgro



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• (1530)

[English]

The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)): I'm calling the meeting to order.

Welcome to meeting number 107 of the Standing Committee on International Trade.

I'd like to give you a message on avoiding audio feedback.

Before we begin, I need to ask all members and other in-person participants to consult the cards on the table for guidelines to prevent audio feedback incidents.

Please take note of the following preventative measures in place to protect the health and safety of all participants, including the interpreters. Only use a black approved earpiece. The former grey earpieces must no longer be used. Keep your earpiece away from all microphones at all times. When you are not using your earpiece, place it face down on the sticker placed on the table for this purpose.

Thank you for your co-operation.

Today's meeting is taking place in a hybrid format.

For members in the room, please raise your hand if you wish to speak. For members on Zoom, please use the "raise hand" function. The clerk and I will manage the speaking order as best we can.

As a reminder, all comments are to be addressed through the chair.

If any technical issues arise, please inform us immediately. We will need to suspend to ensure that interpretation is available.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Tuesday, October 17, 2023, the committee is resuming its study of the effects of American and European seafood import policies on the fishing industry in Canada.

We have with us today, from the Fisheries Council of Canada, Paul Lansbergen, president. From the Lobster Council of Canada we have Geoff Irvine, executive director, by video conference. From Louisbourg Seafoods Limited we have Damien Barry, general counsel, by video conference. From the Pacific Balance Pinniped Society we have Ken Pearce, president, by video conference. And from the Prince Edward Island Fishermen's Association we have Ian MacPherson, executive director, by video conference.

Welcome to you all.

Mr. Lansbergen, I invite you to make an opening statement of up to five minutes, please.

Mr. Paul Lansbergen (President, Fisheries Council of Canada): Thank you, Madam Chair, for the invitation to testify today.

Before I get into my specific comments, I'd like to spend a few minutes to provide some context on the council, the sector and our trade context.

The Fisheries Council of Canada is the national voice for Canada's wild-capture commercial fisheries member companies. Member companies are processors who process the majority of Canada's fish and seafood from all three coasts, and our members, include small, medium and larger-sized companies, as well as indigenous enterprises.

The Canadian seafood industry creates 72,000 direct jobs, mainly in coastal and rural communities. In essence, the sector is the economic heart of these communities. The sector accounts for \$7.6 billion in exports to over 100 countries. The largest export markets are the United States, at 64%; China, at 19%; Hong Kong and Japan, both at 2.5%; and the U.K., at 1.6%, to round out the top five. If you take the EU as a whole, it would be ranked third, at 5.5%.

Growing global demand for protein, including fish and seafood, points to growth opportunities for the sector. FCC and the Canadian Aquaculture Industry Alliance, our counterpart on the farm side, have developed a joint 20-year vision to be a global top-three, best quality and sustainable seafood producer—not the largest, but the best.

With this vision, we have three aspirational goals: we want to double the value of the Canadian industry, double the economic benefits to largely coastal communities and double the domestic consumption of Canadian fish and seafood. These are definitely ambitious, but if you don't aim high, you don't achieve high.

The last important backdrop for our conversation today is the sustainability performance of the industry. Canada is a global leader in sustainable fisheries management, with a robust regulatory regime, and DFO reports that 95% of our fish stocks are harvested at sustainable levels. In addition, Canada's adoption of independent third-party certification ranks in the top five in terms of percentage of landings certified. We should feel proud of our collective stewardship of our fish resources.

Like all of our export sectors across Canada, the seafood sector pays very close attention to market access issues. In the agri-food sector, we are blessed with a very strong market access secretariat, which is a joint effort of Agriculture Canada and CFIA. They have been instrumental in addressing market access issues with us. Global Affairs Canada, either here in Ottawa or in trade consulates around the world, also plays a role. Where such issues relate to matters under the purview of DFO, the department engages to support the sector. All of this is important context for today.

I would like to now move on to the specifics of the trading relationship with the U.S. and the EU. These two markets receive a combined 70% of our exports. Our exports to the U.S. are \$4.8 billion as of last year, and the top products are lobsters, at \$1.6 billion; crab, at \$1.1 billion; and salmon, at \$975 million, although that is largely farmed. Halibut and scallop are a distant third and fourth, both nearing \$200 million.

Our exports to the EU total \$416 million, and the top products are lobster, at \$200 million; shrimp and prawns at \$64 million; scallops at \$57 million; and then hake and salmon round out the top five at \$21 million and \$12 million, respectively.

The Canadian fishing industry values its trading relationships with both the U.S. and the EU. We have free trade agreements that give us preferential tariff treatment. It might be noted that our seafood exports to the U.S. are up 57% over the last decade. The growth of our exports to the EU is more modest at 23% over the last decade, and then within the last five years alone 16% since CETA was signed.

Currently, we are monitoring and engaging on several policies in the U.S. and the EU, but I suggest that we are managing the impacts reasonably well. That is not to say there aren't impacts, but we're doing reasonably well.

Lastly, I would like to suggest that many market access issues are often aimed at practices not found in Canada or particular to our sector. However, we end up vulnerable to being collateral damage if we are not diligent in monitoring potential issues.

With that, I welcome any questions you might have.

Thank you.

• (1535)

The Chair: Thank you very much, sir.

Mr. Irvine, the floor is yours for up to five minutes.

Mr. Geoff Irvine (Executive Director, Lobster Council of Canada): Thank you very much, Madam Chair, for the opportunity to speak with you virtually today.

The Lobster Council of Canada represents the entire lobster value chain, with members involved in harvesting, buying, processing, live-shipping and exporting Canadian lobster—the best in the world. We focus on the lobster market, managing marketing and promotion programs, providing advocacy and education for our members on market access issues, sharing market intelligence with our members, working with governments on trade development projects and managing the Marine Stewardship Council eco-certification program along with P.E.I. for inshore lobster from the maritime provinces. Our members come from all five eastern Canadian provinces.

As Paul mentioned, lobster is the highest value fishery and seafood sector in Canada, with an export value in 2023 of \$2.6 billion. It employs thousands of Canadians on about 9,500 fishing boats, at hundreds of shoreside processing and live-shipping companies and associated industries. We are the world's largest producer of lobster, landing up over 200 million pounds on an annual basis with 50% of the value exported live and 50% in processed forms. Key export markets mirror those Paul just talked about: in 2023, the U.S. took 60% of our lobster, 20% went to China, Europe took 10%, and other markets in Asia and elsewhere took 10%.

One of our key areas of focus is advocacy and education, focused on market access challenges with our key trading partners in the U.S., Europe and Asia. We work with the federal market access secretariat that Paul talked about, which is made up of officials from CFIA and Agriculture and Agri-Food Canada. We collaborate with DFO's international management section and work with Global Affairs and our trade commissioners all around the world, who offer us vital eyes on the ground by liaising with importing associations and officials from other countries.

One key market access challenge is focused on supporting the management of our interactions with the North Atlantic right whale. To abide by the Species at Risk Act and similar rules and regulations of our key trading partners, DFO and Transport Canada have implemented whale mitigation measures that have allowed lobster harvesters to continue to fish when the whales are present in the spring. Specifically, the American Marine Mammal Protection Act compels Canada to take these actions to ensure continued market access, which to date has been successful and, as noted above, aligns with our own Species at Risk Act responsibilities. As our customers around the world are concerned about marine mammal protection, we spend a considerable amount of time, with the support of DFO international officials, telling the right whale mitigation story to the world.

Recent events in lobster fishing area 23 on the Acadian peninsula in New Brunswick are testing these measures as we speak today. It's a complicated issue, as we must abide by Canadian and international laws and agreements, keep our MSC eco-certification and ensure continued market access while protecting the livelihoods of harvesters and the shoreside sector. It's a delicate dance.

We are proud that all inshore lobster from the maritime provinces and most of Quebec is certified under the sustainability standards of the Marine Stewardship Council. The little blue MSC fish you see on the packaging is the gold standard in eco-certification worldwide.

Other market access issues that we are monitoring in the U.S. include the Food Safety Modernization Act, the seafood import monitoring program and the upcoming U.S. lobster gauge increase. Many of these issues are focused on increased traceability, which is a worldwide trend that includes our domestic food processing industry as well.

We're not alone. In Europe, there are new rules being introduced focused on animal welfare, so we are engaging with our sector's customers and import associations as necessary and in collaboration with our trade commissioners and Global Affairs Canada. In China, our processing sector has experienced delays in receiving approvals from Chinese customs authorities.

To summarize, we work very closely with federal and provincial government departments and our members and lobster buyers around the world to ensure that live and processed lobster retain market access everywhere with the least amount of disruption and cost to our harvesters, processors, live-shippers and exporters.

I'll be happy to answer any questions.

• (1540)

The Chair: Thank you very much.

We'll move on to Mr. Barry, please.

Mr. Damien Barry (General Counsel, Louisbourg Seafoods Ltd.): Madam Chair, and committee members, thank you for allowing the Louisbourg Seafoods group the opportunity to participate in this important study.

My name is Damien Barry, and I'm the general counsel and CEO of the Louisbourg Seafoods group, based in Cape Breton, Nova Scotia. Established in 1984, we are a privately held, family-owned

group of companies, currently operating five processing facilities and employing up to 650 workers at peak times in the coastal communities of Glace Bay, North Sydney, Englishtown, Canso and Louisbourg.

We harvest, buy and process species such as lobster, snow crab, sea cucumber, whelk, cold water shrimp, mussels and redfish, primarily for export to the U.S., China and the European Union. Over the past 40 years, we have invested millions of dollars in developing export markets for various species, and we continue to do so to the present day. Our company prides itself on its sustainable fishing practices and its strong relationships with all stakeholders in the seafood industry, including our inshore harvesters, our fellow processors, our various research partners, and the many different government agencies and departments we engage with at both provincial and federal levels on a daily basis.

As a processor, we export significant quantities of product to the aforementioned markets on an annual basis, and as such, we deal with a multitude of requirements, policies and regulations when transporting our products to our customers around the globe. Each year, these regulatory requirements continue to grow as the global seafood industry continues to engage with issues such as forced labour, illegal, unreported and unregulated fishing, marine mammal protection and traceability, to name but a few. We of course fully support any policies and measures that can help reduce any harmful impact on the seafood sector, and we strive to fulfill our obligations as a company to ensure that we meet the highest standards.

The inshore harvesters we buy from in Cape Breton—particularly in lobster and snow crab—rely on processors such as us to take their product and to sell it into the market in bulk. Owing to the sheer volume we produce as well as market factors, 99% of the lobster and crab we buy and process is exported to the U.S. and China. Key administrative matters such as pre-export approvals, correct labelling, packaging and marking requirements to meet regulatory requirements, catch certificates and traceability requirements fall on processors such as us to ensure that Atlantic Canadian seafood products can be showcased internationally.

As requirements under international import policies continue to grow and expand, so too does the pressure and burden on processors. Markets have softened dramatically in the past two years, and margins continue to shrink for the processing sector. Harvesters have expectations of certain prices when selling their catches. Without processors buying their catch, the seafood industry—particularly in Atlantic Canada—would essentially collapse without the access to export markets that has been developed by processors and buyers.

In order to remain competitive and ensure high-quality export products, processors must constantly reinvest in their facilities to try to maintain these high-quality products and to meet constantly changing and more stringent import policies of our target markets. For example, digitization of records and the traceability of seafood products is now becoming a necessity when exporting to markets in the EU and in the U.S.A.. The burden and responsibility invariably falls on processors to invest in resources to meet these regulatory demands. In addition to investing in processing and value-added products, we also invest heavily in science to ensure healthy and sustainable stocks in all of our species, including our secondary species.

To echo some of the comments of earlier speakers before this committee, we would strongly advocate for continued close relationships and co-operation between all stakeholders in the seafood industry, such as government and the private sector, to ensure that we continue to remain competitive in the global seafood market. For example, we have worked closely with trade commissioners in various target markets to help us connect with and develop relationships with our international customers. Services and supports provided by federal agencies such as the trade commissioners are vital to companies such as ours.

We would also ask that the government continue to financially support the processing and harvesting sector through programs such as the Atlantic fisheries fund and other related programs that support the development and implementation of innovative and practical solutions to meet the ever increasing and changing regulatory demands of our trading partners and export markets. In addition to this, the government also needs to provide support in helping all industry stakeholders develop and implement traceability programs. With the coming into effect of the Food Safety Modernization Act in the U.S. by January 2026, for example, this is a critical time for the seafood sector in Atlantic Canada to prepare for and be ready for the various new requirements of the FSMA.

The FSMA is but one example of the ever-changing and evolving import policies that processors and other stakeholders in the seafood sector have to adapt to and respond to in order to remain competitive in the global seafood marketplace. Whilst revenues may be significant for the seafood sector in Canada in general, the cost of doing business continues to grow with increased labour costs, raw material shortages and increased costs associated with responding to ever demanding regulatory requirements both at home and abroad.

• (1545)

Thank you for the opportunity to speak here today, and I welcome any questions.

The Chair: Thank you very much, sir.

We move to Mr. Pearce for five minutes.

Mr. Ken Pearce (President, Pacific Balance Pinniped Society): To start off, a quick thank you for inviting Pacific Balance Pinniped Society to appear before this committee.

First, as a quick background on who we are and our mission, we represent over 700,000 British Columbians in our united quest to bring the out-of-control pinniped populations on the west coast back into historical balance and to reduce the carnage they reap on our salmon stocks. Included in this group are the following: Gary Biggar, director and past minister of natural resources for the BC Métis; Dr. Carl Walters, Institute for the Oceans and Fisheries, UBC; Wilf Luedke, retired past head scientist at DFO Nanaimo; Ken Malloway, chair, Fraser Salmon Management Council, which represents 115 first nations; Emily Orr of the United Fishermen and Allied Workers' Union/Unifor; Ted Brookman of SFAB; and Mel Arnold, MP for the Conservative Party. We are also in active communications with Clifford Small, the shadow fisheries minister for the Conservative Party.

As an overview with regard to the perceived fears of selling pinniped products into the U.S., these fears appear to arrive from harvesting pinnipeds on the west coast with the Marine Mammal Protection Act of 1972 still in place. The U.S. Fish and Wildlife Service is dealing with the huge problem of sea lions in the Columbia consuming large amounts of inbound chinook and other salmon species. It took time, but they got an exemption from the above act and have culled over 10,000 sea lions in the Columbia system in the last two years. With the overabundance of pinnipeds here in B.C., it makes no sense to have an act that was passed in 1972 protecting the pinnipeds. Back then there were extremely low populations: The 1972 census showed 7,500 seals and 2,500 Steller's sea lions. The 2019 count shows 100,000 seals, 48,000 Steller's sea lions and 25,000 California sea lions. Have this act repealed and the trade issue should disappear.

Here's what our group found in our quest to establish markets for pinniped products from British Columbia: (a) in the local market there is a 1.5 million to 2 million pound bait market for commercial prawn and crab fisheries, with similar sized markets in Alaska, Washington and California; (b), we have approached a British Columbia specialty dog food manufacturer, and they can take all we can produce; (c) local restaurants have also approached us looking for supply; (d) there is a large specialty market for sealskin products; and (e) the skull and whiskers of sea lions are sought after by first nations groups, both locally and in the U.S.

Dealing with the offshore markets, one of our representatives had been working with the Chinese market for years, and we have a buyer waiting for the green light from DFO to begin harvesting, and they will take our entire production. We have sent first nations-harvested meat samples to China, and they were very well-received in trial tests in their restaurant business. Similar interest has also been shown by both South Korea and Japan.

The stigma still lingering from the anti-sealing protests in the 1980s for the east coast simply does not exist in the above markets. The market for which we can produce, from a controlled commercial harvest, can be easily satisfied with the annual harvest of pin-nipeds proposed in our IFMP, integrated fishing management plan. If anyone would like to read the 52-page proposal, it is on record at FOPO with our appearance [*Inaudible—Editor*] last March.

Again, thank you for inviting me to attend. I'm open to any questions.

• (1550)

The Chair: Thank you very much, sir.

Go ahead, Mr. MacPherson.

Mr. Ian MacPherson (Executive Director, Prince Edward Island Fishermen's Association): Thank you, Madam Chair.

The Prince Edward Island Fishermen's Association would like to thank the Standing Committee on International Trade for the opportunity to present this afternoon.

The PEIFA represents over 1,260 captains who are independent owner-operators on Prince Edward Island. Many of our members also employ two to three crew members, which underscores how important the fishery is to the island economy, with a small population of 150,000 people.

Lobster is a significant contributor to our fishery, with recent estimates conservatively generating \$260 million from the harvesting sector alone. Secondary species such as halibut and bluefin tuna are also financial contributors; however, other species that we fish, like herring and mackerel, are under significant catch restrictions or closures.

These factors underscore how our export markets are critical to maximizing financial returns for the species we do fish. Changing water temperatures, intensifying storms and lack of ice cover are all things that are changing our ocean landscape.

In addition to the live market, our members supply plants in eastern Canada and the United States with significant amounts of lobster. Our catches, in important species such as lobster, far exceed what our local and regional populations can consume. Therefore, it is vitally important that the critical trade channels to the United States and Europe be kept accessible. In addition, a significant portion of lobster harvested around Prince Edward Island goes to the processing sector in Prince Edward Island, New Brunswick and the United States. These are historic and symbiotic trade relationships that have existed for many decades.

We understand that trade is back and forth and that trade ebbs and tides between trading partners. I will defer to the other committee witnesses to provide specific examples or to identify areas of

concern. My intent today is to educate committee members on how important international trade is to our island fishery.

Provincial data from 2019 listed exports of \$238 million, of which 72% was exported to the United States. Europe is also a traditional and strong market. These numbers translate to approximately 9.2% of Canadian lobster exports. It is important for keeping coastal communities vibrant, for supporting local business, and more importantly, for contributing to the food security and food sovereignty of this nation.

As Canadians, we do not think in terms of our Canadian seafood as a critical resource. As global dynamics change, we need to ensure that ownership of our resources stays Canadian and that trade is carried out with global security partners. A coastal network of independent Canadian owner-operators ensures that the harvesting and processing benefits stay in local communities.

We are not naive to think that trade is precise and exact. We know that the politics of disputes can creep into unrelated industries; therefore—

• (1555)

The Chair: Excuse me, Mr. MacPherson. I'm sorry, but could you just move your mic a little to the side?

Thank you.

Mr. Ian MacPherson: —it is critical that we encourage and maintain fair and equitable trade with secure trading partners. It is critical that the purchase of processing plants and seafood supply chains are properly scrutinized by our federal government in terms of who receives the benefit of ownership.

Finally, we need to have legislation in place that ensures our seafood is in the direct control of Canada for Canadians. Many of us are acutely aware that our resources are finite, that supply and demand are fluid and that trade is a major component of the Canadian economy. As a representative of Canada's smallest but mightiest province, we ask that you assist us in keeping our trade channels open and viable.

That concludes my opening remarks.

Thank you.

The Chair: Thank you very much to everyone.

We will move on to Mr. Jeneroux, for six minutes, please.

Mr. Matt Jeneroux (Edmonton Riverbend, CPC): Thank you, Madam Chair.

Thank you, everybody, for joining us here today.

I'm going to start with Mr. Lansbergen; and then, if I have time, pop over to Mr. Irvine to talk about the minimum legal size of lobster; and then, if I still have time—hopefully—to you, Mr. Barry, as the only identified lawyer on the witness list, to talk potentially about the EU's labelling requirements.

First, Mr. Lansbergen, thanks for joining us today. You mentioned in your opening testimony that you plan to double the domestic consumption of fish here in the country. Simply, how do you plan on doing that?

Mr. Paul Lansbergen: That's a great question.

Unfortunately, we don't have a strong seafood culture in Canada. Health Canada recommends that we eat two servings per week, and we average just over one serving per week, so in the last couple of years we've had a national marketing campaign to convince Canadians to eat more Canadian seafood and to get them to broaden out some of their appetite for different species. The main species that are eaten in Canada are salmon, shrimp and tuna. Particularly for shrimp, it's the larger warm-water shrimp, so we should be eating smaller, northern cold-water shrimp. It's just as delicious—just smaller.

Mr. Matt Jeneroux: I guess I'm hearing a marketing campaign. Is that the plan?

Mr. Paul Lansbergen: That's what we've been doing for the last couple of years. It was funded by a grant program, the Canadian fish and seafood opportunities fund. Unfortunately, that has expired. We asked for the last budget to include a renewal, long-term funding for such a campaign. Unfortunately, the industry is very fragmented, very diverse, and it's difficult for us to undertake a campaign like that domestically.

The other part is that we export 80% of what we harvest and process in Canada, and there are species that we harvest and send offshore because Canadians don't have an appetite for that particular species.

Mr. Matt Jeneroux: I'm sorry, but just to be clear, you made the budget submission request but didn't receive it as part of the federal budget.

Mr. Paul Lansbergen: That's correct.

Mr. Matt Jeneroux: Okay.

To Mr. Irvine, in talking about the minimum legal size of lobsters, I guess that refers to the outer shell...moving from 82 millimetres to 84 millimetres in 2025 and to 86 millimetres in 2027. That sounds like it could restrict Canada's exports of live lobsters to the United States. Am I correct in saying that?

• (1600)

Mr. Geoff Irvine: The Magnuson-Stevens act, which is part of U.S. law, has a provision that requires that any imported lobster be the same minimum size in live format as it is for the U.S., so it could. We're undertaking some work right now inside the council, trying to analyze what those two millimetre increases could mean. It's going to mean different things for different parts of the value chain. We also learned recently that there's intensive push-back from the Maine and the New England lobster shoreside and harvesting sectors to those two moves, so we're waiting to see if that may change their schedule. However, as of right now we're moni-

toring it, trying to figure out what it could do. It could have some impacts.

Mr. Matt Jeneroux: Are you working with Fisheries and Oceans Canada to monitor this, or is there any action that you understand is being taken by the government on this right now?

Mr. Geoff Irvine: Yes, the DFO regions are in touch with us about this and they're talking to officials in Maine as well, and I think every association, every organization in eastern Canada is working on this, trying to figure out what the impact will be.

Mr. Matt Jeneroux: Then lastly, Mr. Barry, you didn't really touch on this during your testimony but I hope that you can help by answering some of the...EU's labelling requirements on imported fish and seafood products that, depending on the packaging or form of the product, the labels must provide specific information. If you can, I hope you'll talk about which of those labelling requirements are the most onerous.

Mr. Damien Barry: Thank you for your question.

I guess it goes back to my opening comments, where we talked about traceability. Again, these labelling requirements simply fit into that whole area of traceability. As it stands, we already export shrimp to the European Union and, in addition to our packaging and labelling requirements, we also have to provide catch certificates. It's something that we're dealing with internally at the moment.

Again, as I stated in my comments, we're unfortunately at the mercy of our export partners and the requirements they need. For us as a company, our primary market is the U.S. China would be our secondary market, but we're looking to break into the European Union as well, just to diversify and try to expand our portfolio of customers.

Yes, like I said, it's something that we have to do as a company, something we would deal with. I don't know if you can pick out any particular one of them as being more onerous than the other, simply because it's something that we deal with on a daily basis anyway.

We tend to be quite vertically integrated with some of our species. For example, with some of our other species, we have our own harvesting vessels, so we try to maintain control, I guess, of the supply chain. We have control of the raw product when it comes in to us, so we can certainly meet those requirements to ensure that we can show where the products have come from.

The Chair: Thank you very much.

We'll go on to Mr. Miao for six minutes, please.

Mr. Wilson Miao (Richmond Centre, Lib.): Thank you, Madam Chair.

I'd like to thank all our witnesses for being here, physically and online, for this important study.

As we all know, Canada holds the longest coastline, bounded by the Pacific, Arctic and Atlantic Oceans. In 2023 alone, I think the export value of fish and seafood products was around \$7.6 billion. For my home province, British Columbia, it's well over a billion-dollar industry.

Through the chair, I'd like to ask Mr. Lansbergen the following question. As Canada holds the highest standard in our seafood and fishing industry, can you share with this committee what can be done in what areas so that we could better improve or hold our high standards so as to increase the exports from our seafood industry?

Mr. Paul Lansbergen: Madam Chair, it's a great question.

That's a pretty broad one. I think the best way to answer that is "market promotion". We always need to promote our products, because our competitors are doing the same thing. Through the federal government and the provinces, I think we have pretty good support in trade missions and support for participating in and exhibiting at major trade shows for our industry in various markets, whether it be the North American seafood show in Boston, the global one in Barcelona, or the ones in Asia, Singapore and China. We need to continue working together to do that.

I think we need to constantly work at maintaining the the strong fisheries management regime that we have in place, and we have challenges there. DFO resources are stretched beyond their limits. They're not able to do as much fisheries science as we would expect them to and that they're mandated for, so that's causing some challenges that we're working on with them and with the minister.

Also, we need to maintain our eco-certification so that we can access premium markets and get the best value for our products.

• (1605)

Mr. Wilson Miao: Thank you for sharing that.

I'd like to talk more about and discuss the marketing approach. You mentioned that there are trade shows and expos you attend across the country. With the sustainability and the environmental standard that Canada also holds within our seafood industry, do you feel that we have a very good practice in this area, which will increase the competitive advantage so other countries are wanting to import our seafood?

Mr. Paul Lansbergen: Yes, we do. We have a great reputation: the Canada brand. When customers around the world see the maple leaf on the product, they want to buy it. They have the utmost confidence in our food safety system. They have confidence in the sustainability of the products and how we harvest and process seafood.

The market is always evolving, so we need to evolve with it and stay at pace with it. We need to continue to innovate to make sure that we're as competitive as possible, because it is very competitive. There's a growing affluence in a growing population in the world. There's always a growing demand for protein, including fish and seafood, and we want to be in the best markets.

Mr. Wilson Miao: With the import policy change, how is that going to impact our seafood exports into the American market or the EU, the European market?

Mr. Paul Lansbergen: There are a few things, Madam Chair.

The act, the MMPA, was mentioned, and there are additional measures coming down the pipe for 2026. I think we're well in place, well positioned, to have good determinations for our fisheries under that act.

On the seafood import measures program, SIMP, we understand that the U.S. is doing a review of that. They're consulting other countries. Canada is going to participate in that. We have a meeting with DFO over the next week or so to discuss what they're seeing as part of that review and what we, with industry, want to put in as a government submission.

One of the other witnesses mentioned the Food Safety Modernization Act in the U.S. That will require more traceability paperwork across the supply chain. In many respects, we already have the data. We share some of that data along the supply chain with our customers, but I'm not sure if all the data will necessarily be there, particularly around inshore fisheries, so that could be a complication. We're working with Agriculture Canada and DFO to understand that and to be ready for it.

Mr. Wilson Miao: I understand that the European Union has also adopted a regulation to prevent and eliminate illegal unreported fishing. Will these regulations affect Canada's export of fish and seafood products to the European Union?

Mr. Paul Lansbergen: No, I don't think so. We have very little IUU fishing in Canada. That's a problem in other hot spots around the world and hopefully they have a very hard time.

• (1610)

The Chair: Mr. Savard-Tremblay, please.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay (Saint-Hyacinthe—Bagot, BQ): Thank you, Madam Chair.

I thank all the witnesses for their presence.

Mr. Lansbergen, from the Fisheries Council of Canada, we learned last November that the United States was giving itself until the end of 2025 to evaluate the practices of its trading partners and determine whether the marine mammal protection measures these partners have instituted are up to U.S. standards. This paves the way for protectionism and a kind of trade war that could be called latent, hidden and surreptitious.

The United States prohibits the import of seafood products whose fishing could cause death or serious injury to marine mammals. One example is the right whale, an endangered species found in the Gulf of St. Lawrence. However, at the last meeting, we were told that no right whales had died from entanglement in lobster fishing gear since measures to this effect were put in place in 2017.

In your opinion, are our protective measures sufficient and effective, and how do they compare with American standards?

[English]

Mr. Paul Lansbergen: Thank you, Madam Chair.

[Translation]

Thank you for the question.

[English]

The challenge is, are we are doing enough or too much to protect certain species, knowing that there are sometimes severe economic disruptions for various harvesters and operators? That's always a delicate balance. Even without the MMPA, we would have domestic requirements, because the species is listed as endangered under SARA.

I think there's always room for improvement to make some of the dynamic measures a little better and less disruptive for harvesters. I think some of your other witnesses may have more expertise in that area, particularly the lobster fishers, but I think there is room for improvement.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Now, to your knowledge, are there any discussions with the Americans on this subject?

[English]

Mr. Paul Lansbergen: I think that would be a better question for Mr. Irvine, if you don't mind.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: So, Mr. Irvine, I'm passing my question on to you.

[English]

Mr. Geoff Irvine: Just so I understand the question, is that a question about our officials from Canada talking to officials from the U.S. about the MMPA? Is that the question?

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Yes, exactly. Although my initial question for Mr. Lansbergen was more about the right whale, I think the issue of the bait and lobster provisions means that the same law also applies to you and also impacts you. From the feedback you've had, are there any exchanges going on with the Americans at the moment?

[English]

Mr. Geoff Irvine: I would say absolutely. I know that DFO is working regularly with NOAA in the U.S. on the comparability findings for lobster and the other 280 species. I think that's going quite well.

As Paul said, the measures have been working to date, notwithstanding some real challenges to some harvesters, especially today, in the Acadian peninsula in New Brunswick. We've had our first closures that are close to shore. About 225 harvesters on that peninsula have had to pull their traps. It's very concerning for everybody—for the harvesters and for the plants.

DFO works really closely with NOAA, and we work very closely with associations and with regulators in Maine and New England to talk about these issues all the time. As well, I would defer to Ian, from the PEIFA. His organization deals with this all the time.

Mr. Ian MacPherson: Thanks, Geoff.

One of the biggest challenges we currently have this year is not so much with our U.S. counterparts: It has been more that harvesting groups are looking for some slight modifications within the current protocols.

A lot of time and effort have been put into coming up with some recommendations, which were submitted in January. Very close to the start of the season in May, we were advised that none was under consideration and were not given any reasons for why they weren't discussed in a more whole manner. We will continue to work with DFO to hear ideas that I think can work for everyone and still achieve our objectives in preserving the whales.

Thank you.

• (1615)

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Mr. Lansbergen, you said in your presentation that if we didn't follow up on the problems, there would be repercussions. Could you expand on your thoughts on this?

[English]

Mr. Paul Lansbergen: Thank you, Madam Chair.

As Geoff mentioned about the determinations from NOAA for our various fisheries, we do check in with DFO on the status of those. They talk to NOAA more often than we do, but we do need to stay on top of it as that process goes through, and it is a long one.

In the matter of SIMP, for example, I mentioned that we are talking with DFO about the review of that program. We also, as an association, compare notes with our American counterparts to discuss and get their perspectives on some of these issues as well. The two industries are quite integrated.

The Chair: Thank you very much.

We'll now go on to Mr. Cannings, please.

Mr. Richard Cannings (South Okanagan—West Kootenay, NDP): Thank you.

Thank you to all of the witnesses here today.

I'm going to start with Mr. Lansbergen.

You talked about the sustainability and how important that is for Canada's brand in terms of exports, and also, I would suggest, for the confidence of the Canadian people in the management of this resource. I noticed that your group was disappointed with the budget: There was a lack of support for science in Canadian fisheries. I'm just wondering if you could expand on that. I'm not sure what you were looking for and what you were disappointed with.

Mr. Paul Lansbergen: Yes. Thank you.

Madam Chair, in the budget there was one measure that provided close to \$7 million for each of the next five years specifically for fisheries science and for rebuilding plants. From our understanding, that was to avoid a step-down in existing funding that was put in place in a previous budget, so it just maintains the status quo. It's not going to avoid any further gaps. It's not going to close any of the gaps that currently exist.

The problem we're facing is that if we don't have consistent, quality science, then fisheries management decisions will end up being ultra-cautious, which leaves economic benefit in the water unnecessarily. We've had a case where we lost our third party certification because we didn't have the data to use as evidence in the audits to maintain the certification. That costs us millions of dollars from losing access to premium markets, and costs profitability for companies and operators.

Mr. Richard Cannings: Thank you.

I noticed that you made the distinction between farmed salmon and wild salmon in your presentation. I assume it's because your group deals with wild-caught fish and doesn't deal with the aquaculture industry. Is that correct?

Mr. Paul Lansbergen: Correct.

Mr. Richard Cannings: As you know, we've seen a fairly steady decline in wild-caught salmon throughout the west coast of North America. I know that the California salmon fishery is shut down entirely this year. I'm just wondering, if we deal with the science...and the government here has promised to move those fish farms onto the land to deal with some of the issues around the effects they're having on wild populations. I'm just wondering if your group is supportive of that, and if you have any concerns about how slowly that's happening.

Mr. Paul Lansbergen: Madam Chair, I think the concerns we have are that the impacts that we're seeing on the wild Pacific salmon are quite complex. The impact is much greater on the natural mortality, not the fishing mortality. The fishing effort is not the problem, primarily.

I remember that a few years ago, when I was reading the recovery strategy for the southern resident killer whale, one of the science statements was that for Chinook salmon, which is the primary prey of the southern resident killer whale, we could shut down the Chinook salmon fishery completely and it would not change the trajectory of its recovery.

It's unfortunate that fishing mortality, the access to fisheries, is the easiest lever for us to manipulate when various fish stocks or other species are under threat. That's not necessarily the root cause. If we don't address the root cause, then it's just superficial. I think that for salmon we need to look at all the causes and address those.

• (1620)

The Chair: You have one minutes and 15 seconds.

Mr. Richard Cannings: I'll just ask one more question on the same line. You mentioned the Species at Risk Act. In the United States, they have the EPA. Is there any difference between how the Americans deal with species at risk versus how we do?

I sat on the Committee on the Status of Endangered Wildlife in Canada for 10 years. One thing we noticed was that when we recommended that a fish species be designated as threatened or endangered, only 50% of those species was actually designated. The rest weren't, because of socio-economic concerns, whereas in other groups of animals, plants and everything, it was more or less 100%.

There was a real influence of the fisheries interests in keeping fisheries open that guided that listing or not. Is that different in the United States? If we dealt with real science, if we brought in more science, we would have a lot more fish labelled as endangered.

Mr. Paul Lansbergen: I don't know the specifics of the U.S. regulations for species at risk beyond some of the impacts from the MMPA.

I will say that in terms of whether a particular fish stock gets listed under SARA or is addressed through fisheries management provisions under the Fisheries Act, I'd like to see the best tool used for the job. Sometimes that might be rebuilding plans and other measures under the Fisheries Act rather than a more blanket prohibition that would come from Species at Risk Act. There are some issues at play there. I'll leave it at that, sir.

The Chair: Thank you very much.

Mr. Seeback, for five minutes, please.

Mr. Kyle Seeback (Dufferin—Caledon, CPC): Thank you very much, Madam Chair.

Madam Chair, I'm actually going to move a motion. This motion was distributed previously, I believe. The clerk could resend it so everyone would have a copy of it. I tabled the motion on May 1, 2024. I'm going to proceed to read the motion right now.

That, given that the recently proposed regulations on recycled content and labelling rules for plastic have raised concerns with Canada's largest bilateral trading partner, the United States, and that the Canadian Produce Marketing Association has flagged serious concerns about the risk of the proposed regulations impacting economic competitiveness and raising food prices by over 30%, the committee hold no less than 3 meetings on this topic; that the Minister of International Trade appear for at least 1 hour; and that the committee hear from other concerned stakeholders to ensure Parliamentarians are informed about the risks to Canadian trade the proposed regulations present; and that the committee report back to the House.

This motion is very important for a number of reasons. The current government has managed to do a number of own goals in our trading relationship with the United States, causing trade irritants, especially as we move forward on a study on the review of CUSMA. This is an irritant that is already being raised by the United States.

In fact, on March 21, Congressman Sessions wrote to Ambassador Hillman and said the following:

I write today to express concerns from Texas plastic manufacturers and supply chain affiliates regarding Canada's proposed Canadian Plastics Registry, directed by Prime Minister Justin Trudeau and Environment Canada. The registry mandates exhaustive tracking and reporting of plastics, which raises several issues:

1. Violation of Trade Agreements: The "Canadian Plastics Registry" seems to violate USMCA's environmental and trade provisions, especially Chapter 24, sections 2, 4 and 5, potentially undermining established trade agreements.
2. Disclosure of Proprietary Information. The registry requires revealing mostly proprietary information, increasing antitrust risks and vulnerability to lawsuits, especially during data standardization across various government levels.
3. Vagueness in Chain of Custody.
4. International System Discrepancies.

Congressman Sessions has written to Ambassador Hillman and suggested that you promptly engage with Canadian officials for adjustments.

This is now being raised as a trade irritant within the existing relationship between Canada and the United States, but it's actually more serious than that. The Chemistry Industry Association gave testimony at Canada's environmental committee about how a single-use plastics ban impacted 13,000 to 20,000 direct jobs and as many as 26,000 to 40,000 indirect jobs.

Now, this is where it gets very concerning. The Canadian Produce Marketing Association report says that the premature withdrawal of current plastic packaging could have far-reaching unintended consequences: The cost of food loss and alternative packaging will be \$6 billion. There will be a half-million metric tonne increase in food losses and a loss of access to imported fruit and produce. It will increase food inflation, possibly to a very high degree. As well, emissions will likely increase the cost more, by up to 150%.

At a time when Canadians are suffering from some of the worst food inflation in 40 years, the current Liberal government has decided that they're going to make it even more expensive for Canadians to have access to fresh fruit and vegetables with this ill-conceived plastics ban they're seeking to put forward.

There are significant consequences to this. An in-depth Deloitte report on the Liberals' P2 plastic ban and its impact on the fresh fruit and vegetable sector has revealed that the policy could do exactly the following: increase the cost of fresh produce by 35%; reduce fresh produce availability to Canadians by over 50%; cost the industry \$5.6 billion; increase fresh produce waste by more than 50%; increase greenhouse gases from the produce supply chain by more than 50%; increase health care costs by over \$1 billion per year because of lower availability of fresh produce, and disproportionately impact the cost of food for rural and remote regions and, of course, for people who are already struggling to afford food.

• (1625)

I think this is a very relevant study for us to undertake for two reasons.

First of all, we now have a long list of trade irritants that the Liberal government is causing just as we're moving into the review of the CUSMA.

We can talk about the digital services tax. When I was down in the United States meeting with representatives, they told me that the threat to unilaterally impose the digital services tax will actual-

ly.... They considered it an eight out of 10 on a scale of serious impact to the Canadian trading relationship. We now have the proposed plastics ban, and there have been many others that we have talked about at this committee.

Madam Chair, I believe that this motion is in order. It's an urgent issue and one that the committee should study.

Thank you very much.

The Chair: Just for the witnesses.... One of the members has introduced and moved a motion—you heard Mr. Seeback reference it—on another issue, so if you could just hold on for a few minutes here, we will see where we are going with this at this time.

We have the witnesses for another half an hour. Is there any debate or discussion on this? I think I have Mr. Sidhu on this motion.

Mr. Maninder Sidhu (Brampton East, Lib.): Yes, Madam Chair.

Look, we do have witnesses here. We have committee business scheduled today. We can discuss this motion then, out of respect for the witnesses' time.

I'm not sure what the will of the committee is, but maybe we can hear from some of the other members or can debate this. I think, out of respect for the witnesses, we should carry on.

• (1630)

The Chair: What are the thoughts? We have these witnesses for another half an hour. Could we hold off and deal with this at five o'clock?

Mr. Kyle Seeback: I kept my comments to my allotted time. If we can just vote on it and move on....

The Chair: I think there is probably going to be a desire for discussion on it.

Mr. Cannings.

Mr. Richard Cannings: I think it would be more appropriate to put this off until five o'clock if there's any other discussion. I may not have much to say, but in terms of respect for the witnesses, I think we have this time allotted today for committee work, so let's do it then, if that's all right.

The Chair: You have your remarks on the record, as I know you wanted to do, so can we leave this until five o'clock so that we can get another half an hour?

Mr. Kyle Seeback: I would rather vote now than go in camera and have votes on it. That's my preference. I would prefer a vote. If the Liberals don't want to vote on it, they can exercise their options to do that, but my preference is that we have a vote on this right now. It can be over in less than a minute.

The Chair: Well, I think there's indication that there's going to be discussion on this motion. It's important, and I sense that there's going to be discussion.

Mr. Kyle Seeback: Then they should either have discussion or avail themselves of whatever remedies they seek to do.

The Chair: We will have a discussion or I will dismiss the witnesses because there's no sense keeping the witnesses sitting here for another half an hour while we discuss this.

Mr. Maninder Sidhu: How about I propose a friendly amendment and we move on back to the witnesses and then we can get to a vote maybe? Then everybody knows what's on the table instead of going right to a vote.

The Chair: You have an amendment.

Mr. Maninder Sidhu: Yes. I will do this quickly so that we can get back to the witnesses.

I hear what the member opposite is saying in terms of trade and the impacts this may have, but we also need to consider the impacts that this has on the environment and on Canadians in terms of plastic pollution and plastic waste, with some ending up in our own bodies. Therefore, I'm proposing a friendly amendment.

On the fourth line, it would say, after the words "over 30%":

and that plastic packaging compromises over 1/3 of plastics put on the Canadian market, making them an important source of plastic waste, and that the Canadian Produce Marketing Association is a partner of the Canada Plastics Pact which supports the goal of "100% of plastic packaging is designed to be reusable, recyclable or compostable by 2025", and that plastic waste and pollution pose a threat to our environment, and that studies are showing that plastic is [also] found in our bodies, and that studies have shown a circular economy for plastics that keeps plastics in our economy and out of our environment and landfills could create 40,000 jobs in Canada by 2030, the committee hold no less than three meetings on this topic; and that the committee hear from other concerned stakeholders and Relevant Government officials, to ensure Parliamentarians are informed about the risks and benefits to Canadian trade and our environment the proposed regulations present; and that the committee report back to the House.

I think we have a printed copy going around.

Mr. Kyle Seeback: The first thing I would say is that it is not a friendly amendment. A friendly amendment is a minor change that most parties would agree with. This is a substantive amendment and one that I can say very clearly I do not support.

The Chair: Does anyone want to have further discussion on the proposed amendment or the motion itself?

All right. I'm going to ask for a vote that we hold both of these things down until 5 p.m., and I ask those who are in favour of holding this down until 5 p.m. to please indicate so. Otherwise, we will dismiss the witnesses so that—

Mr. Kyle Seeback: On a point of order, Madam Chair, I don't think you can suggest that matters not be dealt with. It's the committee that would have to suggest that. If the Liberal members want to adjourn debate on this until then, they can do that, but I don't think you can put forward a motion to hold down an item for 40 minutes.

• (1635)

The Chair: As the Chair, I am suggesting that we hold this down until 5 p.m. If that is the will of the committee, that we hold it down, let me know. If the committee chooses to deal with it now, then we will deal with it now, but I'm asking for direction from the committee on which way you want to go with this issue.

We're going to suspend for a couple of minutes so that we sort out which way we're going with this.

• (1635)

(Pause)

• (1639)

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Madam Chair, I don't know if we're ready to resume the meeting, but, if we do, I'd like to move that we adjourn the debate and return to the study.

[English]

The Chair: We have a motion by Mr. Savard-Tremblay to adjourn this debate and go back to what we were doing.

• (1640)

[Translation]

Mr. Simon-Pierre Savard-Tremblay: That said, the debate suits me just fine, but we'll have it in 20 minutes at most.

[English]

The Chair: Exactly, and given the fact that this, I believe, was a motion that you introduced and that it's your study that we are doing, I think it makes sense.

All right, there's a motion on the floor to adjourn the debate until 5 o'clock. The motion is just to adjourn the debate. Correct?

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Yes, I'm willing to debate, but in 20 minutes.

[English]

The Chair: Exactly, so let's adjourn the debate, and we'll go back to it at 5 p.m., all right.

All those in favour of Mr. Savard-Tremblay's motion to adjourn the debate, please raise your hand.

(Motion agreed to)

The Chair: All right, we will go back to this at five o'clock. My apologies to the witnesses.

This is your time. I had stopped the clock as soon as you got into—

Mr. Kyle Seeback: That took over five minutes, so that was my time.

The Chair: That was your time on that issue? Okay.

Mr. Kyle Seeback: Yes, that was my time.

The Chair: I have Mr. Arya, please, for five minutes.

Mr. Chandra Arya (Nepean, Lib.): Thank you, Madam Chair.

I have several questions for Mr. Lansbergen. I'll come to them, but before I do, I want to make a comment based on your answer to one of the questions.

You are unhappy with the amount of money that was provided in the previous budget. Every single witness who comes to this committee—at least, most of the witnesses—wants more taxpayers' money. The reason you're not satisfied with the money that has been provided is that, to quote you, it “costs profitability for companies”. I don't know how profitable your sector is and how much profit companies are earning, but to ensure more profits, you want taxpayers to fund more money in the budget.

Anyway, we'll discuss that later.

I want to refer to the Fisheries Council of Canada's October 23 report that said, “Ongoing development and maintenance of strong trade agreements is essential”. Is that correct? Okay.

We have signed so many agreements, but I see that the bulk of your exports is limited to three or four markets. Other than China, the U.S. and the European Union, Japan is the only market that has 3%. Why is it that the fisheries industry is not going after the other markets where we have signed free trade agreements?

Mr. Paul Lansbergen: Thank you, Madam Chair.

On diversification, we are selling to over 100 markets around the world. Yes, a bulk of it goes to a few. Like most sectors in the Canadian economy, the U.S. is our largest market.

Markets are integrated. The supply chain is integrated. That makes the most sense. China happens to be our second-largest market—

Mr. Chandra Arya: I understand that, but the point is that we have been signing as many agreements as possible. We will continue to sign them. Hopefully, the focus will be beyond the North American market. While being dependent on one large market is good in the short run, in the longer run, the diversification to different markets is always helpful.

I have another question. Have you come across any non-tariff barriers outside of China and the U.S.?

Mr. Paul Lansbergen: On non-tariff barriers, the most recent ones have been in the countries you mentioned. We have been monitoring a few other countries where they are adjusting their own domestic regulations for food safety. They've been quite limited.

Mr. Chandra Arya: Thank you.

How many fish and fisheries products are we importing?

Mr. Paul Lansbergen: Unfortunately, 70% of the domestic market is served by imported products. Of the three major commodities, a lot of salmon is imported farm salmon, but we export a lot of farm salmon as well. Wild Pacific salmon just isn't as plentiful as it used to be.

For shrimp, we import large-sized, warm-water shrimp, whether they be wild or farmed, from Argentina, Thailand, Indonesia or other countries—

• (1645)

Mr. Chandra Arya: I'm sorry. I have limited time. I have just a couple more questions.

How big are our inshore fisheries?

Mr. Paul Lansbergen: I forget the exact amount of how much is harvested by the offshore fleet versus the inshore, but it's definitely a mix, and it varies significantly across different fisheries.

Mr. Chandra Arya: On this open-net salmon farming, I'm not very familiar with the realities on the ground. Some First Nations communities support it. Some First Nations communities are opposed to it.

What is your stance, as the Fisheries Council of Canada?

Mr. Paul Lansbergen: We don't have a formal position on the impact of aquaculture on wild stocks.

Mr. Chandra Arya: Don't you think, as the Fisheries Council of Canada, it is your responsibility to have a position?

Mr. Paul Lansbergen: Yes. As a board and a council, we do not have a formal position. If you want my personal opinion, I'm quite confident of both our wild capture fisheries and the aquaculture sector in Canada.

Mr. Chandra Arya: At the end of the day, when we call you as a witness because we need—

The Chair: Mr. Arya, I'm sorry, but your time is up.

Mr. Savard-Tremblay, for two and a half minutes, please.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Mr. Irvine, from the Lobster Council of Canada, in order to increase broodstock, there are plans to increase the size of live lobster allowed into the United States. U.S. authorities anticipate that the minimum legal carapace size, i.e., the outer shell of lobsters, will increase from 82 mm to 84 mm in 2025, then to 86 mm in 2027. Currently, the legal size of lobster caught in Quebec is 83 mm. However, the legal size is smaller in New Brunswick and Prince Edward Island.

What consequences will this decision have?

[English]

Mr. Geoff Irvine: Much of the lobster from the eastern side of New Brunswick and P.E.I. is much smaller and most of it goes into processing. The processed lobster is not impacted by these minimum size changes. There won't be a huge impact there, but you're right, in parts of Quebec, the size is larger already, so it won't have a lot of impact on Quebec lobster.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: According to the director of the Regroupement des pêcheurs professionnels du sud de la Gaspésie, this American measure will, sooner rather than later, become a protectionist measure, because the Americans will set the limit at 86 mm to prevent exports from Canada.

Do you see this as a justified measure or a protectionist policy?

[English]

Mr. Geoff Irvine: I don't think it's protectionism at all. It's a conservation measure that's been brought in by the State of Maine and the harvesters there to protect their lobster stock.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: So you're not at all concerned that this is a hidden protectionist measure on the part of that country.

[English]

Mr. Geoff Irvine: No, I don't think there's anything hidden in it at all. They're doing it to try to ensure that they have lobster for future generations.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: With this measure, will domestic or processing markets be enough to ensure the sale of our products?

[English]

Mr. Geoff Irvine: There's no question that it could impact us. We'll have to sell more of that smaller lobster to Asia and to China. We'll potentially have to do some different processing with it. We're not sure what the impact will be.

The Chair: Thank you very much.

Mr. Cannings, for two and a half minutes, please.

Mr. Richard Cannings: Thank you.

I'm going to continue with Mr. Irvine from the Lobster Council.

I just wanted to get some clarification. This whole study really is predicated, at least in my mind, on some concern over the trade impacts of decisions made in Europe and the United States about seafood and how it's harvested, etc.

I'm just wondering, Mr. Irvine, if you could let me know if there's any difference between how this will impact these new changes, whether it's the size.... You've already answered that, I think, but in terms of other things around the right whale mitigation processes and how lobster pots are set, I assume these regulations that are being looked at are already in place in the United States. American fishers are dealing with that. We will have to deal with it here. Or is there something that really puts Canadian fishers at a disadvantage here?

• (1650)

Mr. Geoff Irvine: Well, the challenge with the right whale is a challenge for both New England and Canadian harvesters and for the whole industry.

They've got their own particular challenges with it. They've lost their MSC certification, for example, because of right whale entanglements and mortalities in the U.S. We've been able to hold on to ours, which is good.

At the end of the day, we're taking these measures because the entire world is watching us and we have an endangered species that we have to manage. We have to do the right thing. It's not just in

the U.S. It's European. We meet regularly with the Swedish seafood importing association, with the Dutch and with the whole European importing association. We update them every year on these measures.

It's important to the world. They're watching us and what we do with right whales and with all mammals. I think that's the pressure that's on us, as well as our own Species at Risk Act, which dictates that the minister must take action.

Mr. Richard Cannings: I would agree with you.

I just want to make the point that these actions are the same across the borders. There's no difference in terms of competition between us and the United States fishers. We will perhaps have to take increased actions and limit catches as a consequence of that, but this is necessary adaptation and mitigation to preserve right whale populations. Any discussion would really be around how applicable or how effective those measures were.

The Chair: Thank you very much.

Mr. Geoff Irvine: I'm sorry. I'd love to defer that to Ian.

The Chair: Do you want to give a brief answer to Mr. Cannings?

Mr. Geoff Irvine: Well, I can, briefly. I'd love Ian to speak up on it too.

The Canadian measures are world class. I think everybody would say that we've gone above and beyond by shutting down grids and doing what we do. The Americans do nothing like that. They have static closures and different measures. We have probably the most stringent measures in the world.

The Chair: Okay. Thank you very much.

Mr. Geoff Irvine: I'd love to hear from Ian.

Mr. Ian MacPherson: I have just one sentence: We need equivalency, but each country has different approaches. There's a constant dialogue going on about what's more effective or what could be, but not everyone is following the same measures.

Thank you.

The Chair: Thank you very much.

Mr. Baldinelli, go ahead for five minutes, please.

Mr. Tony Baldinelli (Niagara Falls, CPC): Thank you, Madam Chair.

Thank you to the witnesses for being here.

It's kind of interesting. I just want to follow up on that response by both Mr. Irvine and Mr. MacPherson on the above-and-beyond requirements in place here in Canada and the actions we're taking.

In our first meeting on Tuesday, we had Mr. Sproul of the Bay of Fundy Inshore Fishermen's Association. He talked about how we don't have a true champion to talk about that and the actions that are taking place here.

He also talked about this notion of the need for a fisheries ambassador, whose role would be to champion the Canadian fisheries industries, their best practices, their success stories and, more importantly, their world-class products that are being produced.

I would like to ask that question of all of the members of the panel.

I'll start with you, Mr. Lansbergen. Could comment on that, and then could some of the other members of our panel as well?

Mr. Paul Lansbergen: Yes, thank you.

Madam Chair, we have suggested to the government before that we need a champion for the industry. Agriculture in Canada benefits from having a strong champion in its department. Unfortunately, DFO tends to focus much more on regulating the industry than on trying to help the industry be prosperous for coastal communities.

Conducting fisheries science is important. The economic benefits that accrue from having that science and well-informed fisheries management decisions are much greater than the cost of doing the science.

• (1655)

Mr. Tony Baldinelli: Mr. Irvine, go ahead.

Mr. Geoff Irvine: I would echo what Paul said.

I remember when we had a fisheries ambassador, and I think it was a useful position. It gave us a voice in Ottawa at a senior level. I think that's an interesting idea.

Mr. Tony Baldinelli: Mr. Barry, go ahead.

Mr. Damien Barry: I would echo the comments of both Mr. Irvine and Mr. Lansbergen. Any person who can go out and advocate for the Canadian seafood sector internationally can only be a positive for the whole industry. I would agree with that.

Mr. Tony Baldinelli: That's great.

Mr. Pearce, do you have some comments on that?

The Chair: You need to unmute yourself, sir.

Mr. Pearce, you're on mute. Can you please unmute yourself?

Mr. Tony Baldinelli: Damned pinnipeds.

The Chair: There will be a button there somewhere.

Mr. Ken Pearce: How's that? My apologies.

Mr. Tony Baldinelli: There we go.

The Chair: You have it. That's terrific.

Thank you.

Mr. Ken Pearce: I've been listening very attentively to what's going on in terms of the east coast. We don't have the kind of representation on the west coast that you appear to have, so I really can't add much to that.

Our specific mission is to bring back the salmon, which will bring back jobs and bring back the industry. I'll give you an example of what's happening here. For some very joyous reason, the pinnipeds disappeared from the Gulf of Georgia on the inbound salmon runs this year. We don't know where they've gone. We've got UBC Oceans working on it. We've got DFO working on it. Nobody can solve that puzzle.

The pinnipeds inflict a huge kill on salmon, both on the outbound smolts—50% of 100 million smolts going out get consumed—and then, to go on to my example, on the South Thompson chinook run, which averaged 150,000 to 200,000 over the last 10 years. Without the pinnipeds in the gulf this year, we got back 627,000, and we also got back 18 million pinks this year—direct impacts with the disappearance of the salmonoids being eaten by pinnipeds....

I'm not sure if that helps you, but that's what our focus is, and we're having trouble getting DFO through the hoops. This would provide—

Mr. Tony Baldinelli: I'll just end—

The Chair: You have 30 seconds.

Mr. Tony Baldinelli: I'll just end with Mr. MacPherson on that whole notion of a fisheries ambassador.

Mr. Ian MacPherson: Yes, I think it's worth a wider discussion. I'll name three things just quickly: unprecedented changes in climate, volatility of markets and the impact of seals on both coasts. We need to adapt faster. To have a champion, someone who can help both sides of the industry to do that, I think would be a good thing.

Thank you.

The Chair: Thank you very much, sir.

We'll go on to Ms. Fortier.

[*Translation*]

Hon. Mona Fortier (Ottawa—Vanier, Lib.): Thank you, Madam Chair. I know my time will be cut short.

Mr. Lansbergen and Mr. Irvine, we know that climate change is currently impacting the fisheries and the Canadian seafood industry, a worrisome situation for this economic sector. In particular, there has been a 2°C increase in the temperature of the Gulf of St. Lawrence, which is having a huge impact on certain fisheries.

When it comes to protecting Canada's seafood sector, what can Canada do to ensure that its waters are able to literally sustain marine life, so as to avoid the loss of important aquatic ecosystems and species that are sources of revenue for the country and its fishers?

[*English*]

Mr. Paul Lansbergen: Thank you, Madam Chair. I'll be brief.

Canada has been one of the leaders in working with the Food and Agriculture Organization and other countries to better understand the climatic impacts that are happening in the world's oceans and trying to understand it more regionally within our own oceans. This is great.

We need to understand the climate impacts. We need to work collaboratively—government and industry—to understand what those impacts are on individual fisheries and to be transparent in how we evolve, in how we conduct the fisheries science that informs fisheries management decisions. That's important, but nobody is moving fast enough to truly get ahead of the curve.

• (1700)

Hon. Mona Fortier: Thanks.

Mr. Irvine.

Mr. Geoff Irvine: I don't know what more Canada can do, but I can speak really quickly on the impacts.

In the lobster sector, we're seeing much higher lobster catches in much more northern parts of our range. In Newfoundland, parts of Quebec, Cape Breton and P.E.I., we're seeing a lot more lobster being caught in the northern part and far less being caught in the

southern part, in the Gulf of Maine and the Bay of Fundy. That's clearly because of water temperature. The second impact is that more ferocious storms are impacting us and tearing apart wharves and infrastructure in P.E.I., Cape Breton and Newfoundland and Labrador.

We're being impacted dramatically by climate change, and we need to do more.

Hon. Mona Fortier: Thank you.

I know my time is limited, and for the other witnesses we have, if you have answers to this question and want to submit them to the clerk, please do. It would probably help in answering that question.

Thank you.

The Chair: Thank you very much to all of our witnesses. We very much appreciate your taking the time today to give us some valuable information.

I will suspend for a moment or two so that we can go into camera.

[Proceedings continue in camera]

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